

The Richlands Town Council held a regular monthly meeting in the Richlands Council Chambers on February 10, 2015 at 7:30 pm with the following present:

Mayor: Jannis White
Town Manager: Tim Taylor
Town Attorney: Brad Ratliff
Town Clerk: Susan Whitt
Council Members: Joe McCracken, Larry Johnson, Doug Ratliff,
Mary Ann Strong, Frances Meadows and Rod Cury

Mayor White called the meeting to order.

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

Mayor White asked if there were any additions or deletions to the Agenda. Mayor White suggested adding an additional item under Closed Session for Personnel 2.2 3711 a (1). Rod Cury made the Motion to approve the Agenda as amended, seconded by Larry Johnson. Vote, all in favor, 6.0. Motion carried.

Mayor White welcomed Boy Scout Troop 701, along with James Dye, in attendance tonight to observe a public meeting in order to work on their merit badges. She thanked them for coming.

Mayor White asked if there were additions, corrections or deletions to the minutes that had been submitted earlier. Mary Ann Strong made the Motion to approve the Minutes as presented. Rod Cury had a correction on page 5 under Council Member Reports; he asked Tim if he would get the “packet” not packs to the Planning Commission. It should say “Tim said” it’s the Hess property that we discussed last month. Mary Ann Strong then made a Motion to Approve the Minutes as Amended, seconded by Joe McCracken. Vote, all in favor, 6/0. Motion carried.

William Lester, Johnny and Betty Honaker asked to be added to the Agenda. They were added under Unscheduled Public Comments.

Scheduled Public Comments:

Corbin Stone from Robinson, Farmer, Cox and Associates with the Audit Report.

He referred to the Audit Presentation Handout. He said that the audit went well. Your organization of the books is very good. If we have any adjusting entries, it’s one or two minor items. Most places that we go, we have a lot of adjusting entries. Your books are in great order. I would put you with the top places that we audit and it’s not very often I can come before a Council and can say those sorts of nice things.

Page 1 of the Handout-there is historical information, just looking back five years and as we continue through the audit, we will stretch this out into the future. You see your General Fund balance at the top line; you ended 2014 with a General Fund balance of about 1.1 million dollars. That was up a little bit from 2013 and 2012, down a little from 2011 and 2010. But as you can see, it’s been fairly consistent over this period of time. I think that fund balance is certainly from a cash flow reserve is adequate. If you were saving up for any projects, you might want to grow that balance a little if there any extensive projects. The water /sewer fund net assets stood at 12.3 million dollars. That is down a little bit from 2011, 2012 and 2013 but really not down very much. The high was 12.5 million dollars in 2012. When we say net assets, what we are saying is by taking the total assets of the system less total liabilities of the system. So anything like lines that are in the ground, plants, that sort of thing, you’ve got some depreciated value that is included in your assets. So it doesn’t mean you have 12 million dollars you can go spend, it just means the value of your overall system stands at 12 million dollars.

The same for the Electric Fund net assets, you ended the year with 3.3 million dollars, which is down from 3.9 million the prior year. Same thing; that is looking at the entire system, the value of all of the assets minus the liabilities, and of course, when we put assets in service, we depreciate it over the life of that asset. So if you buy a car, you expense it out over a five-year period and depreciate it over the years.

Total cash in bank and this is what most people will look at for your immediate or short-term financial needs. You have 5.7 million dollars at the end of 2014, that is up a little from 2013 and

actually over the five year period; that is the highest that it has been. It hasn't moved a whole lot but you have a good cash position at the end of 2014.

Total outstanding debt- this is one thing you can point to, to see how the financial condition of the Town is going. It's down to 3.7 million dollars at the end of 2014. If we look back to 2010, your total outstanding debt was 6.1 million dollars. So those debt levels are coming down. Now if you have issued debt since June 30, then that is not included here. At any rate, those debt levels are coming down and they are coming down pretty quickly.

The debt per capital is how we measure you against other towns around the state, and it stood at \$634 at the end of 2014. The state stopped giving us that information back in 2010, at least for all towns. Back in 2010, the state average for all towns was \$2,130.00 in debt per capita. So you are about one-third of the state average in terms of the debt. I expect that probably 2011-2014 that state average may have gone up just a little but we don't have anything to hang our hat on from the state.

Below that is a graph with this information graphed out for you. You can see the trends and one that really jumps out is the red line and that is your debt and it has gone downward which is a good thing.

The next page (pg. 2) is showing your original tax assessments, going back to 2006-2007 and from that time forward, probably had a reassessment around 2012, you had a little bit of a bump. You have had annualized growth rates just at 1.8% for real estate tax over this period. The corporate tax is about .75% and overall the assessments have been growing by about one to one and three quarters of a percent. I will tell you that some of the localities that we worked with have seen just a little bit of growth, not a lot, but some of the localities that we work with have seen this be flat over this period of time. It was up until 2008 or so and then it has gone back down so they are almost flat when you look back. At least you have had some, albeit small growth.

The next page (pg. 3) is where we always have some management comments or recommendations for you. These are all pretty minor, nothing big in here. I will go through these very quickly.

Economic Interest Statements-those are now going to be done on-line and you may have already completed them maybe in December and January. Invariably, every place that we go, someone forgets to fill something out. We had one or two statements that one of the forms wasn't completed and another one wasn't dated. It is not a big deal but the state asks us to always report that.

Appropriations-Once you approve a budget, you appropriate that budget. This is basically an authorization to go spend money. One of our recommendations is that you detail at what level you are authorizing the staff to spend money. So when you appropriate a budget, say a general fund budget of five million dollars, and you say we approve and appropriate, go ahead and say we appropriate by department or by fund or at some level. What that does is tells the staff they can't spend over that amount for that department or that fund or whatever level. We wouldn't recommend you do appropriations at the line item, which is like electricity or telephone because it becomes very cumbersome for staff to come back to you and ask for a transfer of that appropriation if they go over, if the electric bill happens to be higher than they thought. The places that do appropriate by line item invariably in May or June every year have a slew of appropriations they have to approve or just moving money around so that they don't go over budget. So I would tell you as you make those appropriations, I would recommend either do it by department or by fund.

Tim Taylor stated that we operate by department. He asked if we need an official document like a Resolution. Mr. Stone replied when they approve the budget, they just need to say we approve the budget and appropriate funds by department.

Third Party Service Provider that you are using to bill your EMS-there is essentially an audit that they can go through that is an internal control audit called an SSAE16 report; that is the report that is produced from it. They have auditors come in and validate the processes they have in place protecting your assets. So if you are getting audited and they have good controls in place to

make sure that none of your money is missing or that eventually your money makes it to you. We would recommend that you request that your third party service provider have an auditor come in, it's a special type of auditor, and it's not a financial statement auditor like myself. They basically certify that the third party is useful.

Unclaimed Property-The last part is a very common thing. What we do is look at bank reconciliations and customer deposit listing and if we see something on there that has been outstanding for a long time, you probably want to turn that over to the state unclaimed property. So if the Town writes a check to someone and they never cash it, we want you to turn that over to unclaimed property so hopefully at some point they will contact the state and ask for their money. More than likely it goes into the state's budget but you are required to do it. We do want you to file those reports annually with the state.

Again, all of those are very minor. They are really more recommendations than anything else, nothing serious at all.

The next page (pg. 5) VRS has asked to do a state audit. Apparently VRS has had some issues at the state level with employees' service dates not matching up with how long they have actually been employed and things of that nature. So VRS asked local auditors to look into that issue. So we did a lot of testing on your VRS accounts to make sure you didn't have any issues there. The only issue we found wasn't with the Town's records; it was with VRS' records. They show virtually every Town employee's service date started when the Town joined VRS. They actually need to show that employee's service date started when that employee started with the Town or whichever government they started service with. So we have alerted VRS to that and hopefully they are going to be in contact with you to try to correct that on their side. Your records are great. It's their side.

The last thing on page 7 is what someone referred to this as the "scolding letter". We are required to give you a letter if your folks didn't respond or if they just didn't want to help the auditors during the audit process, this is where we put this in writing to council and we say your folks were argumentative; they gave us problems or whatever. It is boiler-plate letter; we have to give it to you, even if we didn't have any problems. And I can tell you there is no point in going through it, we didn't have any problems but I do include it here to meet our professional standards.

I will answer any questions that you might have; we also have extra handouts if anyone would like an extra one.

Joe McCracken asked Mr. Stone what he saw that the Town needs to do in order to improve the way we are operating. Mr. Stone said he thought we were doing a good job. In light of the local economy and what we have, it is my recommendation that you keep low debt loads. Lower than I would say that another Town could keep because the economy is subject to fluctuations of the coal market. His recommendation is to keep low debt and have healthy cash reserves. Joe asked what he sees in the future that the Town could do in order to expand and grow. Mr. Stone said that is almost a boundary adjustment but with that issue of debt and when you are looking at new projects, if they are generating additional dollars in terms of revenue and you are bringing on new customers, then you look at that debt but look at adding debt that is covered by the additional revenue you are going to generate. You are going to have expenses that you are going to have to incur just to maintain the system. We do work for the waterworks in Roanoke and they saw that with the city assets they took over, that the maintenance costs keep going up as the systems get older. I would say that you want to refrain from financing repairs and maintenance because you just defraying the costs for something today until some future period. You want to do that and keep healthy reserves. And then when you do have to issue debt for a new water line or whatever, try to match that to the revenue it's going to be generating.

Mr. Stone referred to one additional hand-out, Financial Accounting for Governmental Pension Plans: GASB Statements 67 and 68. This will not only affect the Town, it will be nationwide in 2015 so this next audit that is coming up on June 30, 2015, this standard will apply to your financial statements. Basically this standard says the pension liability that you have, every month you send money off to VRS. They have calculated what the long-term liability is to fund the retirees in their retirements. So for each employee, they have said we expect this person to retire at age 62 and they are going to live until they're hopefully 92 or 102 and their pension is going to

be this much. Based on those future projections, this is how much money we would like you to have in the bank today or we would like you to have invested in VRS today and this is how much you actually have. The difference between the two is your liability to VRS essentially. So going forward, every municipal government in the country is going to have to record that liability in their financial statement. We really don't know what the impact of that is going to be because we don't know how Virginia is going to size up to California or New Jersey. But I have a feeling over all that Virginia is going to look fairly healthy or a little more healthy than some of the other states so I don't think it's going to be a huge impact in Virginia. By impact, I mean as you put a big liability on the books, most banks look at that, they don't like it so your cost of borrowing goes up. Interest rates go up if you have a lot of liabilities on your books relative to assets. So when you put this liability on the books, I'd say it is going to depend on how you look compared to California and places because the big bond holders probably aren't going to stop buying municipal bonds but they may prefer Virginia bonds over California bonds, meaning Virginia might get a better interest rate. We just don't know at this point. We won't know probably for a year or two how Virginia stacks up and kind of where we fall in the rankings. The impact of this is that some localities nationwide, their borrowing cost is going to go up; some may go down or stay the same, but some are certainly most likely to go up.

There is one other handout that goes over Budget Laws for Local Governments in Virginia; that handout is a few years old but it is a really good read. Some of our guys put that together; some of the code sections may have changed slightly. It does give you good background on the budget laws in Virginia.

Rod Cury asked if they were free to call them at any time. Mr. Stone said that his contact information was on the front of the presentation and he tells every Council that I speak to, don't hesitate to give me a call if you have concerns or questions that is what we are here for.

Ginger Branton-Greater Richlands Area Chamber of Commerce-here on behalf of CART tonight. She is requesting that the Town apply for the Government Challenge Grant again for 2015-2016. I have the application available and I would like you to consider doing that. The deadline is fast approaching, April 1st. Rod Cury asked if this was the same one that we have participated in the past. Ginger said it was the same one that we had done for 34 years.

Larry Johnson made a Motion to participate in the Government Challenge Grant to support CART for 2015-2016, seconded by Joe McCracken, Vote, all in favor, 6/0, motion carried.

Ginger thanked Council for their support. She will leave the application with Tim and mentioned the strategic plan that we did on January 19th. She brought a copy for each council member. The information that she has are the notes that Doug Jackson had submitted to her to present to Council. This was the meeting that we had at the Incubator. She appreciated everyone for attending. It was a fantastic presentation that Doug made. I have made this presentation to the Tazewell County Board of Supervisors. One of the things that Doug Jackson had suggested in his program notes was that we needed to be more visible with the information that we create and the gatherings that we have, so I will be making this presentation not only here tonight, but also to the Cedar Bluff Town Council as well. We will have a strategic plan with them in the future. Another thing that we have coming down the pike, is on March 17th, we will have the Enterprise Zone Meeting with Jordan Snelling. She will give us information on the Enterprise Zone since we are up for that renewal this year. We will also invite the businesses that are included in the Enterprise Zone so that they will become a little bit more informed in what the criteria is and how they can apply for grants, because that is incentive money they can use to grow their business. This is not only for new businesses, it is for existing businesses as well. Another opportunity that we are going to take, which, again is in line with the strategic plan, is for retail marketing in today's world with Mark Wilson. He is through the Small Business Development Center and we will be inviting all of our retail businesses to that meeting and that also ties in with the My SWVA Challenge, which is a \$5,000 award for the business who wins that. That Challenge will take place at the Richlands Incubator. It is a series of classes that are going to take place and it kicks off on March 12th and runs through April 30th. It really gives current businesses as well as new businesses an opportunity to really understand the best practices of what they need to embrace to be able to continue to be successful like they are. I will be more than happy to address any questions that you have, but I just felt it was very important for us to come and present this strategic plan notes to you so that we can stay on the same page and can continue to unite in making our community thrive in the way that it currently is. Also in that

packet that was handed out, so that you will be made aware the chamber tries to strive in line with all these meetings that we have, I have given you the program of work for 2015 and how our divisions are divided up and also gave you our key goal objectives for 2015 and I gave you all of the benchmarks that we accomplished in 2014. So you can see how everything aligns with what we are trying to accomplish and what we are trying to do for the community and also to serve as an advocate for our businesses that exist in our community.

Mary Ann Strong thanked Ginger for arranging for Doug Jackson to be our facilitator; he did an excellent job. It was great to have great attendance, hopefully it is just the start of our teamwork. Ginger said she hoped so as well.

Unscheduled Public Comments-

William Lester-528 Hill Creek Road-had been in touch with his brother, Gary Jackson, who is the Building Official for Tazewell County and Kevin Blankenship because I am wanting to put a mobile home in on my mother's extra lot. I had a mobile home there before and I moved away to Rockbridge County and I want to put one back in the same spot. I have the sewer tap still there, the water meter is still there, my weather head and electrical is still there. I have filled out all of the paperwork and Kevin was supposed to have given to you guys. Tim Taylor asked if it met all of the zoning set-backs and everything. Mr. Lester said that it did, he has all of the paperwork his brother Gary got from the County, also a map that shows a 500 year plan and a 100 year plan. Tim asked if the lot had been measured out and meets the zoning requirement. Mr. Lester said he had not measured out the lot. Kevin said that Mr. Lester's mother had dropped off a map of the lot but he needed to know the actual dimensions of the lot. Mr. Lester said that the last one that Council approved was a 14 X 70. Kevin said we need to know the actual property size. Mr. Lester said the mobile home he wants to place there was the same size as the one that was there before. Tim said if it meets all zoning set-backs and side yards and all of that, then Council could act on it. If it did not, then they can't even act on it. There has been a new ordinance since the last time you placed your mobile home there but if it meets it, and chances are, if it's the same size and there are no variances, then probably it would pass. You could possibly do something contingent if you feel good about it. Because obviously, if something happened and it wasn't right, we couldn't do it anyway because we can't break Council's law.

He said his brother Gary had checked on everything for him, there are no variances, he pulled the maps up. He said he could not foresee any problems. It would be the same size mobile home as was there before. I have already paid the for sewer tap, water tap and the electrical pole and weather head, it is just sitting there and eventually the land and the home next to it (my mother's) will be mine. Mayor White asked him about a time frame. He said he is looking at a month. Everything has gone through, just waiting on Council.

Doug Ratliff made a Motion (contingent upon it meeting all of the zoning requirements) to allow Mr. Lester to place a mobile home on the lot next to 528 Hill Creek Road, to be completed within six months, seconded by Larry Johnson. Vote, all in favor, 6/0. Motion carried.

Tim said the work just needs to be done in six months. Mr. Lester said everything will be done well within the time frame. Tim also requested that he complete the application by giving Kevin a copy of the map with the dimensions for our records.

Johnny Honaker-130 Veterans Drive-We came before the Council last month in reference to 130 Veteran Drive about the drainage of the water. Mr. McCracken came over the next day, walked over the property and the road. We wanted to know what the conclusion is. Brad Ratliff said he looked into it and he can't find any evidence it's a platted street. Kevin and I actually looked over this and Tim was involved in some of our searches in the maps at Town Hall. As a result of that, we have conflicting evidence so I went to the Courthouse to look at the plats up there. I couldn't identify anything that says that is a street. So at this moment, my opinion is that it is not a street. I could be wrong, I could find something else. At this juncture, it doesn't look like this is Town property. Tim said in order to do what you need done, we need it to be a street, otherwise, it would be on private property digging a ditch, which we can't do. Mr. Honaker said it had been a street ever since he was a little boy delivering papers. Tim said he could tell him what they found and Brad can interject here if he would like, but we found an older map that showed that Rimmer Street went through there then when Veterans Drive came in, they did a lot of modifications to those areas, especially where that intersection for Farmer Street was. It didn't show any street there on those maps, the Narcie Hankins Property Subdivision map that was

done by Kermit Cantrell a few years ago actually talks about an old alley. It doesn't show any dimensions, it just makes references to that. Brad, I found that after we talked. But if you go to the tax map provided by Tazewell County, there is nothing on it, but if you go to GIS it shows a street of various width. We really need to know. Brad said he would need to look into it again. Tim said we have looked at everything we have. We see a street on some, but we don't see it on others. We just want to be sure before we do anything on what we think is a street. It may take some conversation with the folks there too. Brad said he would check on it again because with what he had, he had determined that it wasn't but with what you had indicated there, we need to look again. Mr. Taylor said they would meet with him but if it is not a street, we have to look at other options.

Mary Ann Strong commented that she knew that is hard to wait. She appreciated their patience. Mr. Honaker said they just wanted to know something. Mary Ann said that like Mr. Taylor said, we have to do this legally and correctly to help you.

Mrs. Honaker asked if the option of a ditch line being dug along the side of the fence on their property would still be open if it is not a street. Mr. Taylor said if Council did not have a problem with it; that would be the easiest way. Technically, it is water off of our property. Joe McCracken said we have vowed not to go on private property. Tim said to put pipe in is one thing but to dig a ditch is something we do pretty regular. For instance, some of the other ladies that have issues like this in that area, we could do that for them too. Tim suggested having a Street Committee meeting and Joe agreed but we need to wait to see if we have a street first.

Council Member Reports

Rod Cury-Just wanted to clarify if we are waiting for Brad to verify if there is a street before the Street Committee views it again. He asked Mary Ann if she had viewed it, she had not. Joe said if the Street Committee would like to set a date to view it, they would or go individually. Joe said he took it upon himself and went and viewed it the next day. The reason that Rod asked is because he may have some things that need to be viewed also.

He had a citizen to call me and he is retired now and walks a lot so he takes more of an interest in the community and what it looks like and he has called me several times about areas of the community that he thinks need more attention as far as good stewardship, cleaning up and this sort of thing. So I asked him in light of simplicity for me to make a list of what he considers that needs attention. Of course, there at the bridge at Hardee's on both sides, the traffic light at Veteran's Drive, left side of the bridge and the right side, the guardrail on the right side all the way to the end, most of the trash is on the right side, the railroad crossing at Street Shop; both sides of Fifth Street bridge, from Richlands Exit at McDonald's on 460 to first Cedar Bluff Exit, both sides. He may have contacted Supervisors White and Absher, not sure. I will give a copy to Mary Ann as chairman of the Street Committee as well as Tim and Joe. I would suggest that when you view this other property, you can cover all of this at one time and come back with suggestions because he is really concerned for the community. Joe said the citizen had contacted him also. The Mayor said she had heard from him as well.

Mary Ann suggested giving the department time to clean it up. Tim said he had talked to Frank about it and maybe trying to get the community service workers to come down. We are trying to figure out a way to do that. If we had transportation, we could take it on ourselves to direct it. So we are looking at some solutions, we will just have to find a van, maybe we can get one from Army Surplus. It is really an on-going thing. It's real ugly right now due to time of year, but the four lane is even as bad as the streets. Doug said he thought it was a great idea with the inmates, you see them everywhere, so why not here in Town. Tim said we haven't used them a lot in the downtown setting; we usually use them on the by-pass but we could start doing that. Rod said he appreciated it and he would relay it to the citizen. He just wants a cleaner town.

Joe suggested in the future, we could have a clean-up day or two or three days. Mary Ann said that we may can get our civic clubs involved in a clean-up day.

Rod said the next Planning Commission meeting is scheduled for March 3rd at 7:30 pm and that is when we will be meeting with Community Planning Partners. As you know, there is a vacancy on the Planning Commission and the IDA because Mike Bandy resigned because he had moved out of the corporate limits. So we had a discussion of our vacancy in our last Planning Commission meeting and we had a quorum and one of the big things of any organization is

finding people who can attend on a regular basis and are interested in the community. So we discussed it and it was the consensus of the Planning Commission to make a recommendation to Council to fill this vacancy and the recommendation that they would like for me to put forth is Richard Brown, who is familiar with the community, he served on the Council, so he has familiarity with the Town government. On behalf of the committee and myself, I submit Richard Brown's name to fill the position on the Planning Commission to replace Mike Bandy, term expires June 30, 2018, seconded by Joe McCracken. Vote, all in favor, 6/0. Motion carried.

He had a call and an email from Mary Lawson several weeks ago concerning the Festival of the Arts and the donation that we have usually made to the Festival of the Arts. Today she called me and had asked for it to be placed on the Agenda and I didn't see it. We do have a memo in our packets from Sue. She said she had spoken to Mayor White and had felt favorable about it and she spoke with Mary Ann and Joe and got the same impression. I will put this out to Council for consideration.

Doug said he didn't think it was Council's job to take tax money and give it to different organizations. Why can't we give to the Food Pantry? Or the Teen Center? I don't think it's our job to pick where the tax money goes. If we give it Mary Lawson's group, why can't we give \$500 to everybody? They are all worthy projects. I don't think that we as Council should make those decisions. It is not our money to give away. How are Arts more important than the Food Pantry or the Teen Center? Or the turkey hunters? I would love to give to every project but we can't do that and our budget is tight. I can't see us giving money to anything right now. The next time Moon Mullins comes in here or Dr. Harrison, you explain to them why the Arts are more important than their projects. People need food, we need to take care of our teens, but yet we are giving it to the Arts. To me, that doesn't make sense. Joe said its \$500 not \$15,000. Doug said he would not make a motion to give any tax money away.

Larry said his only issue is we are going to sit here and decide to give money to someone like this, and it is a good cause, I agree. But town employees haven't had a raise in I don't know how many years. I can't in good conscience sit here and give out \$500 when there are people that just sat here and got bragged on by an auditor that is paid to look for stuff that they screwed up on and they haven't had a raise and I'm not going to vote to give someone else money. Doug said some of them make \$20,000 per year, how can you live on that and we are giving away money to the Arts?

Mary Ann said she had also communicated with Mary and I came to the meeting in support of the \$500 for the Festival of the Arts, however, hearing various comments, I have to reconsider, but the question that I have is, again I'm the newest member to the Council, how many years have we given this? I was under the impression that we have given this \$500 to the Festival of the Arts for many, many years. Doug said he thought we had skipped two or three years. Rod brought it up last year, which we had not given the last two years and I should have spoken up then but I didn't and I'm sorry that I did not speak up last year.

Mary Ann said she was under the impression that it had been a long standing thing but she understands that the each matter is voted on and is not a long term commitment. She has had many conversations with Dr. Harrison about the Teen Center. I do know that he needed much more but personally, I am struggling now because I know that he would probably gladly take \$500. I really appreciate the Festival of the Arts and I do think it is very valued and people enjoy it. Another question I have being new, what we agreed upon earlier for CART, that's not money that we give, right? It's a matching grant. To me that goes along with the Arts, it's something we have been doing for a long time. Rod Cury asked Mayor White how she felt about it. She said she likes the Arts but then when you look at the employees who haven't had a raise it makes you look at it from a different prospective.

Rod said he put it out there for discussion, not in motion form because he felt like there would be various opinions. Mary Ann said they both had commitments to Mary that we would bring it forth. I see Fred here tonight and I know Fred needs money for the roof at the Rec Park. Mayor White suggested they could all make a donation from Council, a personal donation. Rod said that he does every year. Frances said she knows its \$500 and she understands it is goes along with Southwest VA Community College, and a lot of our area children go to that college. I think what they are trying to do with this is to bring different activities and programs to the college because

a lot of people don't have the money to travel away to see some of these festivals or arts displays or programs or stuff like that. What she is asking for, \$500 is not a lot. I have a problem with \$68,000.00 that we used for a comprehensive study. But this is \$500 and this is something they have looked to us for a lot of years to do and if it didn't bother anybody to do the thousands of dollars, why is it bothering them to do \$500. Doug said it would be opening up for everybody else. How is someone not having food not important? Rod said he understands the point but I don't think anyone here would deny anyone food. We are not saying it's more important, it's a matter of discussion.

Larry asked if two or three years ago when we didn't give, did they still function. Rod said they did. Doug said we went 2-3 years and gave them nothing.

Mary Ann Strong offered a personal challenge to Council; we all get paid \$115 each month for our services to the Town, that we consider, I make a pledge to give my one month's check. Doug Ratliff said he would pledge \$115 as well. Mayor White and Larry Johnson pledged as well. Joe McCracken joined them in pledging \$115. Mary Ann said that Rod was already a donor.

Joe McCracken

He addressed Chief Dorton regarding Laramie Road down by the old airport. He asked if there was anything to report. Chief Dorton said that you can see on the report he handed out earlier. The property owner of the property we had been inquiring about has been given notice to clean it up; he didn't do that so he was charged and found guilty in district court on January 14, 2015. He didn't show so he was found guilty in his absence. He was given a fine and costs. We can charge him again as subsequent offence, it will be a more costly fine but at some point, it is pretty evident he is not going to clean it up. Joe asked for Chief Dorton's suggestion as to what can be done. Tim said since he does not own the property, we have a landowner issue. He just owns the items that are on the property. Brad said our role in that case as I have discussed with Chief Dorton, we can charge him one more time and include jail time and penalty. That should get his attention because if he fails to appear in Court, then a Capias will be issued for his arrest. At that point, he realizes how serious the matter is. If we can't get it resolved from there, then the land owner would be notified and a forced clean-up and then a tax sale would be held. I have a little bit more of a plan in terms of about three properties to proceed with a tax sale that will benefit not only the Town and the neighbors of these nuisance properties, but will also result in showing the community how serious we are about this process and I think we will be more effective.

Joe asked Chief Dorton about the noise situation on Tazewell Avenue on the 300 block. I have had calls about reporting noise and lots of motor noise, just a lot of noise on that end of that street. He asked Chief Dorton about the process of what needs to be done or what steps the residents on that street need to take and what we can do to correct the problem. Chief Dorton said as far as the type of noise that they are saying is taking place, working on cars; that type of thing, if we drive by and someone is working on a car, there is not a lot we can do about that. You can't say that you can't work on a car. If it's a car that doesn't have mufflers, doesn't have an exhaust system, those type things, that could possibly be considered as a noise issue. But if we went by and heard that we are going to say turn it off. If it's in your neighborhood and it's a continuous annoying noise, then as that person, you have a right to come to the police station, go in front of the magistrate, obtain a warrant for violation of noise ordinance. Joe asked if it would help if a group of people on said street to get together and go at the same time or sign a petition or something. The people on the street are afraid they are going to be singled out by the person or don't feel comfortable around this person. Chief Dorton said he had talked to the person who lives at 322 Tazewell Avenue, told them what the complaints were, the problems that we were having. He is not amiable to stop what he is doing. It is going to continue, so the people that live there are going to have to come forward at some point unless there is something about that law that I don't know. The Police Committee and Brad could get together to see if there is something legal that we can do. Joe suggested adding to the Ordinance. Rod asked Chief Dorton if there was anything we can ask Brad to research and maybe to amend the Noise Ordinance. I'm not sure how that works. Chief Dorton said that the Noise Ordinance is a misdemeanor defined by Code in Virginia. Brad referred to his report he had handed out to Council at the end of page 1, and about half of page 2 addresses quite a bit of this in terms of misdemeanor and also identifies when the violation occurs how according to VA Code 19.2-81, how an arrest can incur without a warrant and unfortunately, in the given circumstances that we have, it can't occur. The only

resolution that I have identified is that one of the individuals with the complaint come forward with a complaint. If this is truly that problematic, then not only one person but multiples, as indicated by Councilman McCracken could come and press charges, they can come and appear before the magistrate. Rod asked Brad to explain what “truly problematic” meant. Brad said if these are the folks having the problem with the noise; the neighbors who have issue with what is occurring, our officers’ hands are tied until such time as someone who has had this incur in their presence (since it is a misdemeanor) comes forward for the police to arrest a person. So a warrant less arrest is impossible in this circumstance. So in order for the police to make an arrest, these folks who are living in the community are going to have to make a conscientious to move forward with appearing before the magistrate. Joe asked how this is done. Brad said they can call the police department and appear before the magistrate on video conference and describe what is going on. Chief Dorton said any one person can come to the PD to report the problem. One of our officers will assist them in filing out a criminal complaint.

Joe asked if that person’s name would be on the report and Chief Dorton said that it would be. Joe said this is what the community does not want. They do not want to be identified as the person who complained about the noise due to intimidation. Joe referred to changing the Ordinance again. Tim Taylor asked if it could be any stronger than a misdemeanor by law. Brad said not to his knowledge. Brad said he also checked with other counsel on this matter, everyone’s response was the same. If the Noise Ordinance were a felony, but I just don’t think that is possible. Rod said they understood that and just wanted to emphasize that earlier on Mary Ann had addressed this from a personal point of view, she grew up on that street and still has relatives, a sister who lives on that street and they have experienced some of this noise as well as the other people. These people are having rattling windows. I guess we will have to try to encourage these people to file a formal complaint.

Chief Dorton said he understood the problem and he wished there was a way to fix it. Joe said there had been multiple calls. He thanked Chief Dorton for explaining what needs to be done.

Mary Ann said one other suggestion that one of the people (not my relative) said to me is that when they do call the police department, and this is just a suggestion, the police car comes slowly down the road, it gives them time to shut down quietly and wondered if there was a way, like a back alley or something. That maybe the next time they are called, not be as open as they approach the property. Chief Dorton said he only found 2 calls on that street for December and January. He said he understood that the Council members were getting calls, but you really need to encourage them to call us. Because if one of them decides to come and actually secure a warrant for that person, when it comes time to go to court, we can go back on our computer system and say there have been 15 calls on this residence for the same problem. And then when Brad prosecutes it, he can show the judge that this is a continuous offence. We have had barking dog complaints and just because we have had continuous calls, we can increase the penalty. The police department logs all in-coming calls. So if you call in a complaint, there will be a record of it. Rod asked if someone calls but doesn’t identify themselves, do you know who they are. Chief Dorton said they do have caller ID but it only gives us the number they call from, it doesn’t give a name. Chief Dorton said you can assure them if they call us and there is a violation that my guys witness when they get there, they will make the charge of the noise ordinance. Rod said it is a quality of life issue and it’s a financial issue. If you are trying to sell your home and you have that kind of noise nearby, it’s a downer.

Frances Meadows-She said she had looked over at Williams Field and some of the dugout ceilings, they had been fixed before but they were fixed with particle board. Tim asked if it was the roof and she said it was. She said there are also a few trees that are getting ready to fall that need to be looked at. She had a question for Brad, she was concerned about a case that was here in Town that we have not really heard anything about. It was about the incident at the Corner Mart that the gentleman was arrested for selling marijuana or whatever at his store. It’s going on the second year and we have not heard anything in Town about anything being done with that. I’m concerned about and I’m not saying that they are doing it now, I am just saying do we need to have an Ordinance made up, I know it is illegal but do we need to specifically have an Ordinance made up that does not allow these people to sell bath salts, or marijuana brownies or anything else. Brad said it is state law and we adopted state law. Frances said she knows that but is there anything else that we need to have. We are cleared with the State law. Brad said there is not a specific Ordinance for that but with the State Law adoption we do every year covers all of the basics and in a case like that it is prosecuted by the Commonwealth’s Attorney’s

office. She wondered if Brad could check on it, there are a lot of citizens in Town that were inquiring about that, they just want to make sure that it doesn't happen again. Chief Dorton said he believes that case is scheduled for the first of March. Brad said he would report back next Council meeting.

She asked Fred if he had moved any closer to getting the money to replace the roof at the Rec Park. Fred said he was taking some quotes right now. It is a big project, a lot of local people don't want to take it on where it is so big, but I have secured one and got another coming the end of this week from Bristol. Travis Hackworth is going to look at it also. Tim said there are also procurement laws to follow. Fred said these are unofficial quotes. Tim said they are more like estimates.

Mary Ann said she had heard rumors of great news, is it safe to say that you think, Fred, that you have some strong donors. Fred confirmed that he did. He said all he was waiting on was an approximate number on how much it is going to be. He said he had a couple of Board Supervisors and a couple of businesses that have assured me that we will get it done by the end of summer and the gym floor. Tim said for budgetary purposes, once he secures these non-binding estimates and we get a good feeling that you have the money going, we can do an RFP to actually get bids, then we will know. It should be even better, because everyone will be more aggressive to get it. You may can tie that the budgetary process to whenever would be the appropriate time.

Doug Ratliff-AEP-status of scheduling meeting. Tim said he had contacted Tim Bramer with the engineering department of AEP, I have a call into him. He is checking on it for me. We have tried to locate, they used to be in Bluefield, but we haven't had any luck with any corporate people that can give us an answer. I have Blue Ridge Power Agency looking into it also, Duane hasn't given me a report back, but I hope to hear from him soon. We have some calls out there.

The gas issue-do we need to go ahead and go into closed session for that. Tim said he did have an appropriate project to discuss in closed session.

Joe McCracken thanked Mr. Taylor and the crew for taking care of the trees and structures that were in the water and Hobert and his crew for taking care of sewer problem over on Sagewood Drive. The problems have been taken care of in those areas.

Mayor White said several of the residents over in the Brooklyn Addition wanted her to convey their thanks also.

Larry Johnson-wanted to thank the Town office staff for the Audit as usual, they do an awesome job and they don't get the credit they deserve.

The Mayor, her family, my wife and I took a day last year and picked up a bunch of trash over near Big Lots all the way down Front Street. That area is exactly the same again. Just about everything we picked up was packing material from Schewels. Is there anything that we have that says they have to have a top on the dumpster? Tim said most of them come with tops, if they would use them. When they put cardboard in them, they like to take the lids off so they can get it in there but I think they now have a compactor for their cardboard. Larry said this was mainly foam packing material. Tim said we have already cleaned it up once this year too. It is never ending around that little strip. Tim said maybe we can encourage them to keep them locked. If they would put a device on there it keeps a lot of folks from bringing out of town garbage and dropping it off into our town dumpsters. He said he would look into it.

Larry said a couple of weeks ago he had the occasion to go the Rec Commission meeting with Councilwoman Meadows. I just want to clear up something really quick. As soon as I got there, the main boiling point was the rumor about the "Y". Supposedly the town had asked the Y to take over the Rec Park. I would like to clear that up right now. Several years ago, I had actually just been elected to Council, we knew Eugene was getting ready to retire, no one had been talked about for the position, Eugene was actually still there, but we knew he was going to retire. A couple of us went to the Y in Tazewell, they didn't have one here yet, and asked them the feasibility of them operating the Rec Park. That is as far as it went. There were no proposals from us to them or from them to us. There was nothing in writing, it was just four people sitting in an office talking about seeing how they thought it might work out. That was the end of it. That is where it stayed. So the rumor is untrue.

Tim said part of the reason that they went was to ask them for help with lifeguards. They did help us that year. Then when Fred came on board, he does his own training.

Rod said he was glad they cleared that up.

Mary Ann Strong-said it was difficult going last as so many items had already been covered. She said it was encouraging to see on the Street Report that the wall on the Lee Street Extension is staying about the same. I'm sure those residents feel a lot better with the fact that we are monitoring it and watching it. So that is good news.

It was brought to our attention that Michael Bandy has moved out of town limits, and we have his replacement on the Planning Commission. He needs to be replaced on the IDA as well. I would like to make the Motion that we appoint Steve Jessee, who lives on Terry Drive, to be Michael Bandy's replacement on the IDA (term expiration date 6-30-18). Rod Cury seconded. Mary Ann said he is in the Banking business so he will understand the finances. Vote, all in favor, 6/0. Motion carried.

Mayor White asked if there were any questions or comments on the department reports handed out with the Council packets. There were none.

Mayor White said she would forego her comments for now and move on to the Attorney.

Attorney's Comments:

Brad Ratliff-Criminal Case Community Service Project update-this may be a solution to the trash problem. We had some dialog with the General District Court in Tazewell County with Connie Comer, the Clerk of the Court and Richard Brown and I have worked up documents, I have prepared time sheets, release of liability forms that are being used across the County for folks who are awarded community service as opposed to fines. We arranged reporting procedure and we are working out the details so that they can work off court fines if they are unemployed. This was formerly handled by Clinch Valley Community Action. The arrangement we have now is for the folks who are eligible for community service here in Richlands, we have greater control over and will report directly to Lt. Brown. As such, we can put these folks where they are needed most. Since these folks owe these fines to our Town, we felt like we could leverage them best for our Town. So if we have trash problems, I think Lt. Brown can certainly put a team of community service workers where they could best be used. We will certainly be discussing that and make that a priority because these folks are unemployed, they are not going to pay these fines and it works in two positive ways. 1-The Town gets benefit from it. 2-If they do not take care of these fines, they will continue to accumulate and they will lose their driving privileges and other things. It is really going to be a beneficial program. It may be the solution to our trash problem.

Legislative Update-I am going to defer to Tim on this. House Bill 1848. We worked on this for quite a few hours.

Codification Status update-I have completed working through the entire data base of the Code and our Charter and all of those kinds of things. I have the whole thing on DVD and have finalized the second run-through. I am ready to turn over my work. Tim and I need to meet.

We have already discussed 130 Veterans Drive and I have additional work to do on that.

McClure Concrete-Councilman McCracken had some concerns. I have talked to Jason Herndon and Tim visited over there. The issues there, there is a lot of scrap metal, that is going to be gone. However, things are sitting there in storage for preparation plant. Mr. Herndon is a good corporate citizen. He has advised me that he intends to put a fence all down that street in the spring if we can just bear with him.

Manager's Report-

1-Authorization to pay bills. Mr. Taylor went over the check register which included bills for the month totaling \$712,434.81, including AMP Power Bill \$461,736.66, Anthem \$80,180.00 and VRS \$56,995.22. Larry Johnson made a motion to authorize the Town Manager to pay the bills, seconded by Mary Ann Strong. All in favor, vote 6/0. Motion carried.

2-Project Updates-Front Street Bridge-mentioned last month concerns about section loss of the steel bearings that support the bridge. We located the bearing design print so we used those to order metal fabrication of the bearings. We are currently waiting on delivery of materials. As soon as they come and we get the bearings fabricated then we will install that as quickly as possible or as the weather allows.

Council took a short recess at 9:15 pm and returned at 9:25 pm.

3-House Bill 2-Commonwealth of Virginia Department of Transportation Bill-It has been an on-going project with the Commonwealth Transportation Board that is due by March. We have participated in various recommendations and participated in workshops. We will see if that does produce a product that will be fair and equitable to the towns in Southwest Virginia for funding for projects that could come from VDOT and the legislature.

4-House Bill 1848 and Senate Bill 1396 that was a two-fold attack for legislation. Both of those were geared toward trying to encourage the localities that have electrical municipal plants have a means to sell those. We already have mechanisms in our Town Charter that provides for that to happen. The Senate Bill was defeated in committee pretty easily but we had a House Bill that stayed in committee and had a couple of revisions. It got convoluted with what they were trying to add to that. It was from Senator Stanley. We had excellent support from both the Senate, which is Ben Chafin and Will Morefield on getting this thing defeated. The Senate bill was trying to tie rates to be under review by the State Corporation Commission. The ability to set rates would be lost and that would be terrible. We are regulated by locals. We own it, the citizens own it, and elected officials give an opportunity to discuss rates. Great results on getting that defeated.

There are a couple of Bills out there that have a little significance. One I would like to mention is an APCO Legislation Bill. Bill 1349 if you would like to look it up. It has passed the Senate last Friday by a 32-6 margin. Basically it has to do with solar energy, etc. It has to do with APCO's base rates. The base rates would be frozen on Dominion until 2020 and Appalachian Power Company's bases rates would be frozen until 2017, but that is just the base rates. There would still be ways to raise rates based on environmental, fuel and many other things. It was actually favorable to both Dominion and APCO as I understand it. It does give some indication to the validity of the fact that a lot of the problems that Dominion and APCO face or the costs that are directly tied into environmental issues. That is the point I think they were trying to make.

Also the Bill 224 is the House Bill that will permit electric companies to call for a rate adjustment. It would be for things like tree trimming, distribution rights, they have programs to enhance that. It doesn't really affect us, but does set the stage for that type of program so we will keep a watch on it.

Recommendations that were tabled last month for appointments to the Police Dept.

- a) Chief of Police-Frank Dorton
- b) Lt. of Police-Richard Brown
- c) Sergeant of Criminal Investigation Division-Jerry Gilbert
- d) First Sergeant of Uniform Police-Gary Childress
- e) Sergeant of Uniform Police-Crystal Stanley

Larry Johnson made a Motion to re-appoint all as a group, seconded by Rod Cury. Vote, all in favor, 6/0. Motion carried.

Joe McCracken made the Motion to go into Closed Session pursuant to Section 2.2 3711 a (29) Discussion of Fire Contract, pursuant to Section 2.2 3711 a (5) prospective new business-Project Jonah, as well as pursuant to Section 2.2 3711 a (1) Personnel, seconded by Doug Ratliff. Vote, all in favor, 6/0. Motion carried.

Council went into closed session at 9:28 pm and returned at 11:05 pm.

Larry Johnson made the Motion to return from Closed Session pursuant to Section 2.2 3711 a (29) Discussion of Fire Contract; pursuant to Section 2.2 3711 a (5) prospective new business-

Project Jonah, as well as pursuant to Section 2.2 3711 a (1) Personnel, seconded by Mary Ann Strong. Vote, all in favor, 6/0. Motion carried.

All members affirmed that no other business was discussed other than pursuant to Section 2.2 3711 a (29) Discussion of Fire Contract, pursuant to Section 2.2 3711 a (5) prospective new business-Project Jonah, as well as pursuant to Section 2.2 3711 a (1) Personnel.

Joe McCracken made a Motion to appoint Kelly Goodman as the new Town Clerk, seconded by Rod Cury. Vote, all in favor, 6/0. Motion carried.

Doug Ratliff made a Motion to authorize Tim Taylor to sign a contract between the Town of Richlands and Tazewell County for the Fire Contract, seconded by Larry Johnson. Vote, all in favor, 6/0. Motion carried.

Mary Ann Strong made a Motion to allocate up to \$25,000.00 for special projects to come out of the utility budget, seconded by Joe McCracken. Vote, 5/1 with Frances Meadows voting no. Motion carried.

Tim scheduled an Electrical Committee Meeting for February 23rd at 8:00 am.

Rod inquired of Brad how collections are going. Brad said things are going pretty well. He has a note to get a report to Council and needs to set an appointment with Tim and Sue to discuss where we are with things. We have been keeping Gordon in the loop. We have collected several thousand dollars. It has been a worthwhile project. Especially since we don't have to pay court costs.

With no further business to discuss, Rod Cury made a Motion to adjourn, seconded by Larry Johnson. Vote, all in favor, 6/0.

Meeting adjourned at 11:10 pm until the next regularly scheduled meeting on March 10, 2015 at 7:30 pm.

(signature on file)
Susan Whitt, Clerk

(signature on file)
Jan White, Mayor