

The Richlands Town Council held a "Recess Meeting from June 9" in the Richlands Council Chambers on June 16, 2020 at 7:30pm with the following present:

Mayor:	Paul Crawford
Town Manager:	Tim Taylor
Town Clerk:	Connie Allen
Council Members:	Richard Brown, Mary Ann Strong, Rick Wood, Doug Ratliff Rod Cury
Town Attorney :	K.W. McClanahan

Mayor Crawford opened the meeting.

Mary Ann gave the invocation and led the Pledge of Allegiance.

Mayor Crawford - Thompson & Litton-Rick Chitwood: Funding update on the Wastewater Treatment Plant Rehabilitation Project.

Rick C. - This is a big expense to the Town, so I want everyone to know where we are on the project. We are talking about the Wastewater Treatment Plant and the Water Plant, upgrades from 30 years old. The good thing is you do have partners with the Town of Cedar Bluff and Tazewell County Public Service. We have met with them and shared the information. The probable project cost is a total of \$10,916,316. The PER was submitted to DEQ for approval they reviewed and had some comments and they finally approved the PER. After that Council authorized Thompson & Litton with the assistance of Town Staff we put together a funding application to DEQ for the \$10,916,316. That application was submitted in July of last year. DEQ came back with an offer to the Town on December 19, 2019 for \$10,916,316 @0.5% up to 25 years. Mr. Taylor, Ms. Cordle, PSA Director and myself thought we all needed to go to Richmond in February and plead the case of Richlands a little bit harder. We met with Karen Doran, Program Manager, Clean Water Financing & Assistance Program and Shawn Crumlish with Virginia Resources Authority. We met with all those people, Mr. Taylor and Ms. Cordle done a very good job pleading your case. They told of what issues you were facing with the declining population and with the loss of jobs and different things. I am pleased to tell you that DEQ came back on February 8, of the \$10,916,316, \$2,734,864 is principle forgiveness, which you do not have to pay back. That is almost a 30% grant. We are waiting to see what kind of funding is coming back for the Water Plant. I know the Town of Richlands is doing a cost of service study on the rates, nothing surprising but will probably have to look at a rate increase to be able to pay this debt back. The good thing about a rate increase it gives you two (2) to three (3) years to get it in place to the point where you need it instead of all at one time. Buchanan County is looking at \$14/\$15 a month increase. VRA will make you look at your water and sewer rates, what they consider an enterprise fund that they are at a level that will pay the debt. They will also want 115% reserve over your debt payment to generate the rates. They are not only looking at your enterprise fund they will look at your overall obligation general fund you have with the Town. It is a very attractive financing package for the Town. We are hoping the Health Department who does the water side will come back with an attractive offer. We may have to go back to Richmond again. I did give everyone a handout.

Tim - I appreciate you coming. An update on the cost of service study, the study was done by a 3rd Party, it is in a draft form, I will give to Council just as soon as we get a chance to look at it. They have taken the figures that you provided, and the scenario given during the budget workshops. The offer sounds great but the details of the offer thru VRA, they will wait to give to Council to accept following the review of the cost of service study. They will get a commitment from Council that they will implement that as well as look at the water part.

Rick C. - I gave the different scenarios to Mr. Taylor and he gave to Mr. Brown. If I was figuring I would figure the worst case scenario. Mr. Brown has done a lot of work for the State of Virginia along with other states, very well recognized in his profession.

Doug - They are going to make a recommendation on the rates.

Tim - The cost of service study will have different scenarios based on projection and bond obligations that might be in there.

Doug - I don't know if it is the time to mention or not my thought is, we are taking a lot of money out of the utilities, like \$700,000 to put in the general budget, that is going to raise the rates. That causes our rates to be high, we are going to need another rate increase. My suggestion would be that we don't need to be taking any off the top off of those utilities and putting into the general budget. I think in the electric fund we are taking \$300,000 and some and taking out of the electric fund and putting into the general budget. We are taking \$130,000 from the water, \$140,000 out of the utilities, may have the numbers mixed up. If we would not take the \$700,000 out of the different utilities it would not make our rates so high. We are using our utilities as a crutch because we won't cut the budget to fund the budget.

Tim - There is no transfers, you can see that in our financial statements. You are confusing the appropriations in what is provided for the utilities it is not in the general fund . You can look on the financial statement and see there is no transfers.

Doug - There is \$500,000 and some dollars.

Tim - You can look at the documents.

Doug - I think you used as a cost for the Finance Department for the time they spend on the utilities.

Adrienne - It is the administrative cost.

Doug - I am suggesting that we don't need to do that because it is going to run your rates up.

Adrienne - Do you not think it is fair for the utilities to pay for the utilities perks upfront?

Doug - You have three (3) departments that you take all that money from, you don't take any from the other departments. Why is it only three (3) that you take from? What I am say if we cut our budget we would not have to take out of the utilities and make the rates higher especially when we are going to have cost increase. That is my suggestion. You don't take any funds out of the Rec, Street or out of any department except for those three (3). You work for all the departments.

Rick C. - I think Mr. Ratliff, I may be totally wrong, the biggest thing you may want to give a second thought to, you do have two (2) other partners involved, you don't in the the streets and the roads but you do in the utilities. You need to identify all your cost associated with each department and pay their portion and share the cost you are referring to.

Doug - I understand that, when you take \$100,000 and some dollars off each utility, \$300,000 off that is going to raise your rates. If we cut other places in the budget we would not have to take that and the utilities would not be as high. I think that is understood.

Rick C. - I have not looked at it and be honest I would not have a reason to, but I promise you VRA is looking at it .

Doug - I am sure when they do the cost study, we will have to have the right rate to pay for the loans. That is not what I am saying, I agree with that . I am saying we normally run those utilities up by taking funds out of them when we shouldn't be, and we should be looking at other parts of the budget and cutting things we don't need. Services like dispatch we could get \$250,000, we would not have to take out of utilities, and we could keep our utilities a lot lower. There is probably \$700,000/\$800,000 in the budget that would cover other than taking out of the utilities.

Rick C. - I know VRA will look at your enterprise fund and general fund.

Doug - When they do this study, we have to have the right amount of ways to cover that.

Rick C. - I want to make sure you have provisions to collect any revenue from your partners.

Doug - All I am saying is all the money should stay in each utility it should not be taken out to run other parts of the government.

Tim - Who would pay for the software to read the meters, software to generate the bills, mailing of the bills and the clerk that take up the bills. How do you get that money if you don't accommodate?

Tim - Do you want taxes to support that?

Doug - The revenue that comes in would support that. You are taking \$700,000 in all out of utilities which drives the cost up, you could cut the budget and find the money somewhere else.

Tim - Who is going to pay for it? Which department is going to pay for utilities?

Doug - You are only charging for three (3) departments and no other departments.

Tim - General fund pays its share.

Mayor Crawford - Any questions specific to Rick from Thompson & Litton?

Rick C. - We are moving along, COVID-19 has made everything different with meetings. We have not been able to have some of the meetings, but we have had telephone conferences. It is not quite the same as sitting down looking at plans and drawings. We are hoping in August we will get to the 60% review and DEQ can get personnel up to look with us.

Mary Ann - You give Mr. Taylor, Adrienne and Mr. Ball credit for going to Richmond but I am sure you played a major part. Thank you for the great job you are doing for us.

Rick C. - Thank you for allowing us to do that.

Mayor Crawford - I want to say that we have folks in Town who are concerned about the power being cut off and the water being cut off. I know the hospital is concerned about it. Individuals are concerned about it. I am getting calls every day. We can approve the budget without having any of these increases we are talking about approved. I would entertain a motion from anyone on Council to approve this budget and get this worry off our people. I don't think we should be subjecting our people to this.

Mary Ann - I make the motion that we approve the budget for fiscal year 2020-2021 as presented, Rod seconded the motion.

Doug - Are we talking about with the taxes or without the taxes?

Mayor Crawford - The taxes are an ordinance that have to be approved separately.

Doug - I thought it was in the budget.

Mayor Crawford - No

Wayne - If we are going to have this conversation, good time for you to read the disclosure.

Richard - I need to make a statement.

Mayor Crawford - Is it in discussion with the motion on the floor?

Richard - Yes

Richard - I am hereby making my required disclosure pursuant to Va. Code Section 2.2-3115, subsection H, that I have a personal interest in this transaction. This transaction involves the Town's overall budget, which includes the budget for the Richlands Police Department. The nature of my personal interest in this transaction is that I am currently an employee of the Richlands Police Department and receive a

salary from the Department of more than \$5000 a year. However, I am a member of a group of three (3) or more, the members of which are all affected by the transaction; this transaction does not involve just the Richlands Police Department by itself but involves all the Departments and employees of the Town. I hereby state that I am able to participate in this transaction fairly, objectively and in the public interest. Therefore, I may participate in this transaction fairly, objectively and in the public interest. Therefore, I may participate in this transaction pursuant to Virginia Code section 2.2-3112, subsection B, subdivision 1. However, I will abstain for any specific discussion or vote regarding transactions specifically and solely pertaining to the Richlands Police Department.

Doug - If we approve the budget, that figure includes those taxes.

Wayne - Do you want to make the other disclosure about the specific with dispatch and other issues, to abstain from any specific conversations with dispatch.

Richard - Any interest or any discussion involving dispatch or cuts involving Richlands Police Department I will be abstained from those conversations.

Doug - If we approve the figure that you have in the budget that is with those taxes in it. I can vote for the budget if there is no tax increases. If the Council will agree there will be no tax increases, no real estate or no other tax increases until the next election, I can vote for it.

Mayor Crawford – The idea of no taxes increase I don't think we can commit to. What I am asking that we approve the budget without the tax increases being approved at this point. We will work on them going forward. We don't need to hold these people hostage with the fact that their water/sewer may be cut off.

Doug - Can you speak on that? Can they turn the power off?

Wayne – Based on some conversations that I have had with different representatives from VML and Local Government Attorney Association it is a very complex situation. I am still very adamant and confident in my position that we cannot appropriate money unless we have an approved budget in place. I am equally as confident that we have to have the budget in place by June 30. The Town Charter states that any previously appropriated money lapse at that point and time. It feels it would be terribly unlawful for us to pay for anything thereafter. The situation with the electricity becomes complex because all the State Corporations Commission don't necessary oversee our electricity generally as a Virginia regulatory agency, they do have input on that. We cannot turn the power off without being in direct conflict with the SEC Regulations however that does not really change, or don't put us in the clear any stretch of the imagination. Unless we have an appropriation and an ordinance that is passed by July 1, we cannot let people volunteer. There is code of regulations section in FLSA that specifically prohibits us allowing employees to volunteer if the nature of their volunteer work is what they were previously employed to do. The situation we are in, if July 1 comes around and you don't have an approved budget and attended appropriations, would be unlawful for the Town to spend any money to fund the power plant. If you don't fund it at that point and you turn the power off, you are going to be in violation with the SEC. If you don't turn the switch off you can't pay for anything that happens and you can't allow workers to go in and run the place. There is no path that I have been able to identify that is not regarding the approval of the budget or any appropriations ordinance. There is no past in the event when July 1 comes where we are going to be violation of some state or federal regulation. It is a mess.

Doug - But they are not going to turn off the power. I know your opinion and municipal league which there are different opinions from yours that we can't do that. I would ask that you expedite an opinion from the Attorney General and see if we can get an opinion from him. I have several attorneys that I have spoken to and they agree that we can do that, and I understand that you disagree. There is disagreement on that.

Wayne - There may be, I would respectfully state I am the person that you hired, and you entrusted in me advising you. I have reached out to the local government attorney that is composed of 400 members and local attorneys across the state and spoke to the chair of one of the committees and the Executive Director of VML. I would argue no disrespect to the attorneys that you talked to these people are at the forefront to this and practice law and they are of the same opinion I am. I will work at the discretion of the Council, if the majority wishes me to seek another opinion I most certainly will.

Doug - You spoke to Robert Galumbeck he disagreed with you adamantly.

Wayne - No disrespect to Mr. Galumbeck again I disagree with him, the Executive Director of VML disagrees with him and I hear nothing from the 400 plus member panel saying they support that.

Doug - I would ask that we get an opinion from the Attorney General. They can't turn the power off because it would be against federal law.

Wayne - Correct, but will not get us out of the woods. I still feel that we can't pay any money out for the services and we further can't send any workers into the plant to work, would be directly in violation of the Fair Labor Standards Act.

Doug - With all due respect, and I do respect you but there are different opinions.

Rick - We cannot vote on the budget, because we got the figures with all these tax increases.

Doug - That is what I am saying too.

Mayor Crawford - We can vote on the budget without the tax increases being passed.

Rick - The budget is really false; you have fake numbers. You are figuring on the mobile home taxes and all of that. You are voting on a budget that is not right.

Richard - What is the total overall expected revenue if each one of these ordinances are passed?

Adrienne - It is about \$250,000

Doug - We can vote on the budget if the Council would agree not to raise any taxes in this year on the proposed budget. We could reduce the figures by that much. What I am afraid of we will approve the budget and the next meeting Council will vote a bunch of taxes in.

Mayor Crawford - You have a right to be afraid of that because there is sufficient amount of Council that approves of those increases. The thing is we are holding somebody hostage other than just this group, the citizens of the Town.

Doug - I am asking the Council to compromise. Why do you need a Council if they are not going to work together and compromise? Every year the administration Mr. Taylor gives you a budget you either approve it or you hit the road. Should the Council not compromise, that is all we are asking.

Mayor Crawford - I have heard a couple of compromises, Richard, you had a couple of suggestions.

Richard - I have heard several complaints that we have not met and negotiated a budget. On January 28 after several discussions regarding the purchase of the new fire truck, Mary Ann made the motion and Doug seconded it to allow Mr. Taylor to sign the contract for financing the fire truck. Every member of the Council was informed by Mr. Taylor in order to pay the payment on the truck a 3% increase in real estate tax would be needed. This motion passed 6/0. Now that it is time to implement the real estate tax increases Councilman Ratliff adamantly stated he will not approve the budget even though he agreed to that increase on Jan 28 during that meeting. If I had known that Councilman Ratliff intended to cut services instead of increasing tax like he said he would I would have voted against the purchase of the fire truck. Councilman Ratliff has used the power of FIOA request in attempt to discredit myself along with other members of this Council in some way it helps his cause in fighting against the budget. He has used his power as a member of the Council to obtain a copy of my W2 which is a federally protected tax document. When he realized I did not make the exorbitant salary he thought I made he shifted to other avenues to discredit me and personal attacks against me. To be honest there has been several outright lies when it comes to any actual numbers that Councilman Ratliff publicly stated. The simplest way to explain this real estate tax increase, if you own \$100,000 in real estate your taxes will increase \$30 per year. Since we have been accused of not negotiating the budget I want to openly state my ideas and my concessions I am willing to make in order to get a budget pass for the citizens of the Town.

With that being said I am willing to concede the proposed increase on the mobile home fee which is an additional \$20 per year and the additional \$10 for the proposed increase on vehicle fee. This adds up to \$30 per year which actually helps the so called poor people as Councilmen Ratliff has referred to. I will not however concede the real estate or meals tax, as I said earlier Councilmen Ratliff and Councilmen Wood previously voted to approve a real estate tax increase when we agreed to buy the fire truck. To me the meals tax increase is a no brainer and it is a choice of the citizens where they want to go eat and when we allocated the money or try to allocate the money to go directly to the Rec Park that sealed the deal for me as far as keeping the doors of the Rec Park open.

Doug - I voted for the truck, I did not vote or never OK any real estate tax especially 3%. I asked for everybody's salary including Mr. Brown's , right here in black and white it has his salary at \$43,896.

Mayor Crawford - Let's not talk people's salary here.

Doug - I am just saying it is black and white, he accused me of not telling the truth.

Mayor Crawford - It is not the place to discuss people's salary.

Doug - Would you like to see what you make?

Richard - I have my W2 in my pocket.

Doug - This is what it says and that is what I said that you made.

Mayor Crawford – Any other discussion about the motion on the floor.

Mary Ann - I have a comment or actually a suggestion. This could not be implemented by any stretch of the imagination by July 1. Blake Ray a local person who actually does not live in Richlands anymore but has made a considerable investment in opening a restaurant here. He has become very involved in this budget crises again because he has put considerable dollars in opening a business here and is on the brink of opening trying to hire 20 plus jobs, so he has every right to be concerned about our budget issues. He brought to my attention late this afternoon and I brought a copy that I would like to give to Mr. McClanahan again this cannot help immediately, but it is from the Virginia League Aid Society it is a tax relief for the elderly and disabled. He emailed me the city of Harrisonburg application and Albemarle County application. You may find we are excluded from this but it states on here VA law gives each city, county or town an option of having real property tax relief program, each county, city or Town does not offer property tax relief has flexibility in setting its own conditions to who is eligible and how much of the usual tax bill can be exempted or deferred. My opinion we need to research this immediately and if we could pass the increase in the real estate tax which again is very minimal. I look at it like this, would I rather pay \$0.03 more and know that I had adequate fire protection that my home or business would be protected or not pay that which is \$30 for a \$100,000 home and run the risk of my home or business burning down because we don't have adequate fire protection. Having said all that I would like for us to look into this, this could be exactly what we need to help those people who are suffering economically. This could be the perfect solution to help with aid. It is spelled out; I have the application from these other cities that are able to help folks.

Rod - I think that is an excellent idea and I appreciate your coming forward with that Mary Ann. It is helpful and that is what we are trying to do.

Doug - I understand what you are saying but there is a list of these taxes , it adds up, \$0.03 on someone's taxes, meal tax, motor vehicle fee , that all adds up. Forty dollars a month to some people is a lot of money. They have not been able to work, this virus, it hit them at a time they don't need to be hit. I don't understand why we can't cut the budget for things we don't need like dispatch. We can do without that, \$250,000 and that would open the gate , reason for the tax increases. We would be getting a 911 system that is more updated. I don't see why we can't take a look at the budget and cut it and not raise taxes any taxes on the people right now. That is why I won't vote on the budget because of taxes.

Mayor Crawford – Before we vote, a motion was made by you and Rick and voted on the dispatch. It was voted not to do that.

Doug - We have to vote again it was an illegal vote. I will refer to the Town Attorney. I won't go into it but someone voted that should have not voted that makes that vote null and void. Which I am going to make a motion in a few minutes after this vote that we revisit that issue and make another vote.

Mayor Crawford - We have a motion and a second on the floor. I am not sure where we are. Doug, I think you said you are going to make a motion may add to the ability for Council to make a decision on the budget. Who made the motion?

Richard - Mary Ann

Mayor Crawford - Can I ask you guys to rescind that, is that the way to do it. Will give Doug the opportunity to do what he is talk about doing.

Rod - There needs to be an impact study, it is absolutely dangerous and reckless for us to make any decision on that without an impact study. I think it should not be done.

Doug - I have an impact study. I gave you a copy it was made by the Virginia Fire Service Board and they recommended if you look at it, the Board of Supervisors did the impact study to investigate the visibility and they recommend that all the dispatches in the whole county be put together as one because it was causing confusion with the other dispatches. This is the impact study that you wanted.

Tim - I noticed it said Tazewell County Fire and EMS are you just talking about Fire and EMS?

Doug - It is dispatch.

Tim - It is for Fire and EMS, correct?

Doug – Yes

Tim - That is all you are talking about.

Doug - It is all emergency services. When they did the study, it was all emergency services.

Tim - You are going to affect the police to with their normal routine calls. Is that what we are talking about? Is Council looking at dispatch for Fire and EMS or dispatch for the entire department?

Doug - It is my understanding they did the entire emergency services. This is the statement they made, this is a result of confusion of nonresidents as well as delays , which we are talking about the police to account for rerouting the call It is recommended that the Town of Richlands and Tazewell County consolidate to one (1) dispatch system. If they see it confusing in one (1) that see it in all.

Tim - I am just bringing to your attention.

Doug - Don't you think it would be silly if they only recommended one, they are talking all about the emergency services.

Tim - I think you should ask about the police side myself.

Rod - I will bring one thing to light, I had not seen this until I got to Council, you read it out of context you need to read the full thing. Item 3 there is two(2) subsections A & B . Item 3 says the Board of Supervisors should investigate the feasibility of all Fire and Rescue organizations communication system be under one. Then you have the subsections A & B - Subsection B - It is recommended but I don't see a study in here.

Doug - This was the study. They recommended, they would not have recommended Mr. Cury without a study , it says point blank it is recommended the Town of Richlands and Tazewell County consolidate into one (1) dispatch system. They had to do a study to do a recommendation.

Rod - I don't read it that way, sorry.

Mayor Crawford - Doug do you want to make a motion?

Doug - I would like to make a motion.

Rod - We have not withdrawn the other motion yet.

Mayor Crawford - I think we did.

Mary Ann - I didn't, I am a little confused as the purpose of rescinding the motion

Mayor Crawford - Doug has something he thinks will affect the outcome of this vote personally I don't see how we can vote on it again because the motion was made, Rick seconded it . I think in order to rescind that it has to be one of the other three (3) members that makes a motion to do that. Am I correct or not?

Wayne - Yes

Doug - It was an illegal vote. You have to throw that vote away. I can't recommend an illegal vote is that not correct? My bringing up would not count , should have not taken place.

Wayne - I think we have a difference of opinion to what that vote actually accomplished For my best recollection that is the budget workshop hearing and yes giving the disclosure of that Mr. Brown has made his participation in that conversation should have not happened that vote did not approve the overall issue of dispatch was going to be included in the budget and most certainly didn't appropriate any money those things require ordinances and require a affirmative four (4) person vote of Council My opinion of what the vote was a consensus vote that I would call more of a poll, purely for the purposes of submitting the synopsis of the budget to the newspaper for advertisement purposes to comply with statute.

Doug - Can I go ahead and make a motion?

Wayne - What is your specific motion?

Doug - My motion

Mayor Crawford - Are we OK that we rescinded the motion of Mary Ann and your seconded Rod.

Rod - I have not decided yet.

Mary Ann - When we had budget workshop as Mr. McClanahan stated we don't vote we take basically a poll, it really was not a vote, there is not minutes from the workshops taken. It is not an official vote it is just to get the general idea ; it was not really a vote . Was it legal or illegal if there was not a vote?

Doug - It is a wash either way, because I am going to make a motion , so if it was a consensus, I still have the right to make the motion.

Mayor Crawford - We have a motion and a second to approve the budget as presented, all those in favor of the motion say yes. All those oppose say no. Rick - No, Doug-No, Mary Ann-Yes, Richard - Yes, Rod - Yes - Motion fails 3/2. (We need four (4) votes to pass.)

Tim - You have not voted on ordinance yet.

Wayne - No

Rick - It does affect going forward, because we are using the numbers from the tax increase .

Richard - I would like to address the fact that I had a consideration to remove the mobile home and vehicle licenses fee , does that need to be a consensus motion before we get into a vote. I don't think you should object to remove any kind of fee.

Doug - I don't object. We took a vote on the budget and it is turned down.

Mayor Crawford - We are moving forward now.

Mary Ann - Can I say one other thing Mayor? Since I brought the issue of the legal tax relief for the elderly and disabled , I received a couple of messages from someone who works at Tazewell County . She said Tazewell County has this exact tax relief program and feels certain that the Tazewell County Treasurer as well as Appalachian Agency if we could go forward with researching and implementing in our own Town tax relief for elderly and disabled. The county along with Appalachian Agency I am almost certain they will assist us. Again Doug that is what I am trying to do, I am trying to help people who have been hit hard and they are out there and my heart goes out to them, but this will help them and then by taking off the motor vehicle and the mobile home fees , my point we have to have a way to pay for the fire truck.

Doug - We need to go forward with that but not everybody is not going to qualify for that and all I am asking is no taxes this year because people are hurting out there. If the Council would agree to no taxes including the real estate tax this year, we will vote the budget in. If we change the figures not to reflect the tax increases and take the budget down. If the Council could give their word, they will not raise any taxes for the upcoming year.

Rick - How much are the fees , Richard do you know?

Richard - It was a total, if everything is approved, a quarter of million dollars.

Rick - How much are the mobile homes fees?

Richard - I was just trying to offset the \$30 on the \$100,000 home.

Mary Ann - Back to the Tax Relief Program , I respect and appreciate you wanting to help those who can't or don't have the funds to pay a tax increase , Right?

Doug - What I am worried about Mary Ann, we are going to have rate increases on the water /sewer and I am sure the electrical will come up next. I just don't want to raise anything right now and look at our budget . I don't understand why we pay \$600,000 for a 911 that we can't use. If we were allowed to use that fully we can save \$250,000 and not even think about raising taxes and have a much better system. That is why I don't understand why the Council wants to raise everyone's taxes when they won't take a look at the budget and make some good hard decisions.

Rod - I believe Adrienne has some figures that will be helpful to us.

Adrienne - Motor Vehicle Licenses Fee -- Estimated increase of \$32,500 annually in revenue. The mobile home license fee an additional \$13,500 annually in revenue for the budget.

Doug - We proposed these tax increases since then things have happened. I have pushed for years to get help with the EMS which we are going to talk about later and that saved us approximately \$200,000 when it is turned up at least \$110,000 close to \$200,000. We are getting another , which I can't talk about \$100,000 from another place, which I can't talk about.

Rod - Why can't you talk about does it affect us?

Doug - It affects Richlands , right there is \$200,000 that we would not have to raise the taxes.

Rick - We have a sewer increase on 1/1/21 coming from Rick Chitwood.

Mary Ann - How do we pay ?

Rick - I know we have got to do this, but we have people at their limit. They are doing all they can do. We don't even have broadband internet, that is what is crazy about it. We are not in the 2020 we are in the 1920's .

Mayor Crawford – We are holding the citizens hostage if we don't do something.

Mayor Crawford - Doug , do you have a motion that you want to make or not?

Doug - I make a motion that we save \$250,000 on the budget , not raise taxes and do away with our dispatch and turn over to 911 since we are paying \$600,000 and some already why are we adding \$250,000 that we don't have to pay and that would take care of the tax which Adrienne just said was the total , looks like a perfect fit. We can do away with the taxes vote the budget in and all of us walk away feeling good.

Mayor Crawford - You want to make a motion that we move dispatch to 911, correct?

Doug - Yes

Rick - I second the motion.

Mary Ann - We are we spending 4600,000 for something we are not using?

Doug - That is the estimate of what this part of the county is paying , we are paying \$600,000 all the citizens in Richlands and the surrounding areas that we serve. That is an estimate we are paying already to the county for 911. It will not cost us a penny because we are already paid for, that is the amount that the citizens of Richlands and the surrounding area is paying the County already. I got that from the county.

Mary Ann - That is the first of had heard on that.

Doug - In all it is a million and some dollars but \$600,000 is what we are paying. It is on your cell phone . We are truly paying \$600,000 already I got that from the sheriff.

Mary Ann - I thought when you said "we", I thought you meant the Town of Richlands.

Doug - We are already paying to the county and why we can't fully utilize it. Why are we paying twice for one service? We are already paying the county \$600,000, Richlands, Doran and surrounding areas. We turn around and Richlands is saying give me another \$250,000 for the same service. It is ridiculous. We are paying twice for one (1) service. Like I said before we need \$200,000 and not raise taxes there it is, do away with dispatch, no tax increase and we pass the budget. That is a great compromise. We help the citizens two (2) different ways. One of being safer with 911 and not having any delays and \$250,000 saved on dispatch for the budget.

Tim - If we vote this in, I need to figure out what you mean by it. I will need some clarification. If you want to do away with dispatch totally correct, not just for EMS.

Doug - For everything, but sort of like Bluefield is what I am proposing if I could explain. They are going totally 24 hrs. to 911 – Bluefield is, that is what we want. They have one (1) person every day from 9:00am to 4:00pm/5:00pm that helps with paperwork . We could have that to help with our officers thru the day. She would not be doing any dispatch she would be handling the paperwork that our officers and police need. That is the model that Bluefield is using.

Tim - The appropriation for the Police Department that part of it, would be four (4) individuals.

Doug - I talked to the Sheriff he will give them first choice to absorb them into his office.

Tim – That is four (4) people to be fired.

Doug - Not fired, they will have a job with the sheriff as soon as he can work it out. He said he would as soon as he could put them in the system. Do you hold the whole Town hostage for four (4) people?

Tim - I am just asking questions.

Doug - How many people do we have in Richlands, we got a little under 5000 people.

Tim - Around 5,400

Doug – I am trying to save the 5,400 people from raising their taxes. I could go out and hire 100 people to help them but it is not going to help.

Tim - I understand , it is your all's obligations, I don't vote. I am not taking a side here It is hard to stay on track, let me finish, I am really trying to see what you are voting on I want to make sure at the end of the day that you are not making mistakes that will cause us some confusion and I wish I understood you that way. Four (4) people will lose their job, that is where the money is coming from, right?

Doug - It is not all about the money .

Tim - I am not saying it is , I am not trying to beat you down . I want to make sure when I try to implement I understand what we are going to do that is all. You are the only one talking to the Sheriff he has not talked to anybody else that I know of . We know what we have got to do . I want to make sure everyone has the answers so I can make sure I get it done correctly. We will do away with dispatch totally except for the daytime jobs maybe a job to add. I understand they have to be terminated so they can find another job . We have to understand and the Sheriff has to agree that all calls are going to be made to him including all emergency calls for police not just Fire and EMS to everything like I have a prowler in my back yard or my neighbor is playing music too loud. He is willing to take non-emergency calls and every calls that comes in. The Council is Ok with the Sheriff dispatching our resources to take care of complaints they have to deal with. Are you OK with that? That is the impact study I am talking about may not want to do that without an impact study.

Rod – I respect your opinion and I don't want to hurt people ever. This is not an impact study. We are talking dispatch as I understood it if someone is having a severe problem and they get to our station they need help after 5:00pm, 4:00pm or 6:00pm they will not have a place to go This has been talked to us by our local law force officials and it is really important consideration and we need to think very carefully before we consider a "yay" vote on this.

Doug - This is a study and it is a recommendation from the Virginia Fire Service Board. They had studies and figures with it they would not have made the recommendation . The thing that Rod was talking about the Town would have a phone at the door and the Sheriff has promised that it goes directly to 911 they would have someone there in two (2) minutes. When you are on route to the police station you call 911 and they will have someone there at the police station the time that you arrive if you are worried about that Rod, the Sheriff has already promised that. As far as what you were talking about, he said that he would work with you, you can answer the calls that you want. If a tree falls in a neighborhood and you call 911 it is up to your officer if you go to that call. When you say the wasted resources, he will give you the choice, if you don't want to go rescue a neighbor that a tree is falling on their neighbor and help them out that is your choice he said. He will not force you to answer a call you do not want to.

Mayor Crawford - I have one question, you have been on Council for twelve (12) years.

Doug - No, fifteen (15) years.

Mayor Crawford - Why did you not get rid of it fifteen (15) years ago?

Doug - I tried, I knew it was a waste of money , it was brought to my attention some of the calls and some of the things that went on and the mistakes and I decided two(2) or three (3) minutes wasted could mean someone's life. It is more important to me after I seen those calls and heard of some of the catastrophes that has happened in delays.

Rod - Doug how many terms have you served?

Doug – Three (3) or four (4), I think you have been here longer than I have.

Rod - You served three (3) terms, four (4) years per term , that is 12 just want to clarify.

Doug - I am the messenger every time someone has an idea or a way to save money or not to raise taxes the first thing everybody does, they attack that person personally. That is not right. You should look at what we are trying to do, save the taxpayer not attack me , I am the messenger.

Mary Ann - I did talk to Sheriff Hieatt about this we did not go into a lot of detail, but I respect him, and I have talked with him. I have talked to a lot of people I have done a lot of research it is not a decision I made just flippant. I prayed a lot about it. We received a letter from the CEO of our local hospital which happens to be here , not to speak because it is not allowed , that is our Health Care Center for Richlands, Cedar Bluff, Raven, Doran, Pounding Mill and he was in support of leaving dispatch the way it currently is. We also had a letter signed by Ervin Davis, Jeff Hurst and Gene Hearl maybe someone else. It is not because I have not done any research. You say you are the messenger, and everyone calls you out, I taken lots of calls. I don't go to trashy sites on Facebook, but my character has certainly been attacked on Facebook , when you mention that you had been attacked. I don't go there because I think it is immature. People write letters to me and other Council members and they sign "A friend of Richlands" I think that is very cowardly. I will listen to every single citizen; I will return phone calls and I welcome people to my office . When someone has to sign a letter from "A Friend of Richlands" that is cowardly, and I won't give it any attention. I have done a lot of research and I have really struggled with this decision on dispatch. For this time being it is best we keep it here, \$250,000 is not quite true . I respect you Doug you are a great businessman, but we will still have some expenses not major, but we have already talked about one (1) to two(2) people that will have to be there during the day. We do have that sanctuary situation which I was not aware of how many times people do come to the police station. I know Sheriff Hieatt is a man of his word and he will do his best, but I don't see how can guarantee in two (2) minutes someone would be there . I have weighed both sides and for the time being , I am not saying next year's budget or the year after, but I am favor of keeping it here for the reasons I just stated.

Doug - If you have a phone at the door or you are in route to that building, while you in route 911 will send someone to meet you and be waiting on you by the time you arrive at the building. On Mr. Mulkey, all over the United States there are three(3) numbers that you call when you call when you are in trouble, 911 has been drilled into us for 30 years, everybody can recognize that number . Do you know what Mr. Mulkey calls when he wants the Police Department ?

Mary Ann - I do

Doug - He calls their number, no one is going to remember the Richlands number . I remember because I know it, he calls 964 number.

Mayor Crawford - We are talking about things out of order.

Doug - All I am saying Mr. Mulkey accesses the system and he didn't use 911.

Mayor Crawford - We have a motion and a second, all those in favor of the motion say yes. All those oppose say no. Doug – Yes, Rick – yes, Mary Ann- No, Rod – No – Richard – abstained

Richard - I have a personal interest, VA Code 2.2-3115, Section H.

Mayor Crawford - We have a tied vote; I will break the tie and I vote No. Hopefully that ends this discussion maybe until next year.

Mayor Crawford – At this time we are going to go into closed session, I need a motion to go into Closed Session, pursuant to 2.2-3711(A)(8) Legal Counsel and 2.2-3711 (A)(7) Potential litigation

Rod - I make the motion to go into closed session, Richard seconded the motion.

Mayor Crawford - We have a motion and a second, all those in favor of the motion say yes. All those oppose say no. Motion carries 5/0.

Mayor Crawford - I need a motion to come back into regular session.

Rod – I make the motion to come back into regular session, Doug seconded the motion.

Mayor Crawford – We have a motion and a second, Roll Call Vote

Connie – (Roll Call) Rick – Yes, Doug-Yes, Mary Ann – Yes, Richard-Yes, Rod- Yes

Mayor Crawford - Motion carries we will come back into regular session.

Mayor Crawford – Are any of the license’s fees or taxes other than the real estate permissible to be allowed mid-term or later in the year?

Wayne - I certainly think the proposed real estate tax needs to be in place 100% if Council choses to do it by start of fiscal year. The code has some pretty broad language, it says the Council shall fix a tax rate, I planned on seeking clarification just to ensure that non real estate matters, non-use taxes that it would be permissible for us to that mid-stream, if you will.

Richard - Other than meals and real estate that is consider a tax, the rest are license fees is that correct?

Wayne – Correct

Tim – You may be going to get to the Consideration of Resolution for the EMS and consideration of ordinance for the state laws. I would ask for the garbage collection ordinance to refer that to a later date because that would be part of a scheduled adoption of an ordinance, similar what we would do with water and sewer. I talked to Wayne and we probably did not get enough language in there for the public to understand. We would like to redo that one. I would like to see you table the Ordinance O-2020-06-07 just for another date and consider the first three (3), A, B and C.

Doug - I notice on the budget you don’t have any capital expenditures.

Adrienne - No, there are no capital expenditures in the current fiscal year. There are no reserves to purchase any capital equipment or projects. There were capital expenditures on the previous year budget, this year it will have to be a request for Council to appropriate.

Doug - I don’t ever remember seeing capital expenditures on last year’s, but they suddenly appeared this year. They were zero last year and all the sudden \$300,000/\$400,000 appeared.

Adrienne - I am sorry you are wrong , there has been capital expenditures on every budget. They just didn’t appear they are adopted thru ordinance and are in the minutes.

Doug - This year if you don’t have any capital expenditures and something happens it is illegal to spend money without the capital expenditures in the budget. How are we going to get by without any capital expenditures?

Tim - In my memo I give out in the budget work session, due to the fact we don’t have any money available for governmental and we understood what was going on in the budget , that would have to be dealt with on a case by case. We would not illegally buy anything that Council would not appropriate. We would bring to Council on a case by case basis.

Doug - Seems like in the Charter maybe I wrong, it says something about without any capital expenditures nothing can be spent if it is not in the budget.

Tim - You can adjust the budget, the capital expenditure is part of it as you go along, you can appropriate money for emergencies or any thing like that. Council has the total authority and the only authority to do that. The Town Manager and the staff cannot write any checks that are not appropriated, since there are no reserves. We are having hard time with the operational budget so you can see why we put \$0. If you can't make the operational budget how you are going meet the capital budget. That is our problem, it is because we don't have any reserves.

Mayor Crawford - Can I get a motion on the consideration of EMS Service agreement?

Richard - How do we make a motion without having a budget?

Mayor Crawford - We have a budget right now.

Richard - We do?

Mayor Crawford - For June.

Richard - This is for July.

Tim - I guess that is probably correct.

Mary Ann - When does the contract go into effect?

Wayne - Should we go to B?

Doug - For several years we had reserves and we lost those and now we are in a hole over a million dollars, how do we continually every year bust the budget. If we have a budget and it is approved, we should not spend more than that budget. It seems every year we are spending more than the budget because we lost our reserves.

Tim - Every year we have met the budget, I don't know what busted means, but we have met the budget every year. Ms. Cordle has given you a document showing that. The reason that the funds in government keep dwindling is basically a four (4) year lost of the EMS monies. We continued to do EMS for the county, and we lost an average of \$200,000 a year and that was never changed. There are reasons why it never got changed. Every year Council budgeted that loss and that loss came out of the reserves. When you appropriated you appropriated that coverage loss from those funds. Any capital needs that we had like the garbage truck or police car or anything like that the funds keep dwindling, 1.2 million worth of loss, we were contractually obligated for the County, Town and Cedar Bluff. Those reserves kept dwindling down no way to refresh those reserves. We lost four (4) years in reserves on cigarette tax. That is basically what cost us around \$1.5 million in our budget that we would have had today if that didn't happen.

Doug - I still don't understand because we do a budget every year and you should have caught that.

Tim - We told you every year.

Doug - If you were losing money it should have been in the budget.

Tim - It was. You appropriated every year.

Doug - I am saying with all due respect how can you have a budget and you overspend it every year/

Tim - We did not overspend it.

Doug - You just said your reserves went down, you not only had reserves of 1.2 million you even spent VDOT money another million in the hole.

Tim - You are confused on all that. I understand that and looks like we are doing something wrong but there is nothing wrong.

Doug - I am not saying you are doing anything wrong I am just trying to get a grasp on the budget. I don't know how you do a budget . If I have a budget for my company and I overspend every year I would be out of business.

Tim - The Charter says specifically the duties of the Town Manager and their staff is to produce a proposed budget for Council. We do that every year. Council then takes that budget, which is not my budget, my budget is already submitted to you. Once the Council gets the budget on April 1 you have the rest of the fiscal year to amend it, approve it or reject it. Obviously, you are rejecting it now, really three (3) times because we are on scenario three. That is fine, that is what you do. That is perfectly proper. You did not elect me to make those decisions. When you approved the budget, you accepted and its changes. The Council as a majority voted to take those monies from the reserves to make the budget work. That is exactly what happens every year.

Doug - I don't understand why you have a budget, if you are not going to go by the budget.

Tim - We go by the budget; the law requires us to stay within the budget. There is a document we can post on our website to prove that. It is there you have it.

Doug - If you knew in the budget that you were going to lose EMS you should have provided that figure into the budget.

Tim - Why did Council do that?

Doug - I voted against it every year and the rest of the Council accepted anything you gave them. I say that respectfully.

Tim - I take offense to that Mayor. I really do, that is wrong.

Mayor Crawford - Consideration of Ordinance # O-2020-06-01 Adoption of State Law Section 1-6

Wayne - Adoption to amend the Richlands ordinances and to be consistent with the changes the state legislative has made section 18.2 and 46.2 of the Virginia Code. It basically says our laws are consistent with 18.2 and 46.2.

Rod - I make the motion to adopt O-2020-06-01, Mary Ann seconded the motion.

Doug - Can we go over the motion again?

Mayor Crawford - It is (b) Ordinance O-2020-06-01 Adoption of State Law Section 1-6.

Mayor Crawford - We have a motion and a second , any further discussion? all those in favor of the motion say yes. All those oppose say no. Rick – Yes, Doug-Yes, Mary Ann-Yes, Richard – Yes, Rod – Yes - Motion carries 5/0

Mayor Crawford – Consideration of Ordinance #O-2020-06-02 Adoption of State Law Article X, Section 11-112.

Rod - I make the motion to adopt Ordinance #O-O-2020-06-02, Rick seconded the motion.

Wayne - First one was Section 18.2 (Criminal) of Virginia Code and the second one is Section 46.2 (Traffic). You need to entertain a motion from Council , I drafted the ordinance to reflect a waiver of the second reading which can happen with an affirmative four (4) person vote. A second motion to make them come into effect sooner than 30 days, requires 2/3 vote of Council. I have them to become effective July 1.

Mayor Crawford – Can we take the motion that is on the floor now?

Wayne - Yes

Mayor Crawford - We have a motion and a second , any further discussion? all those in favor of the motion say yes. All those oppose say no. Rick – Yes, Doug-Yes, Mary Ann-Yes, Richard – Yes, Rod – Yes - Motion carries 5/0.

Mayor Crawford - We need a motion to suspend the second reading on both ordinances so we can get in on time.

Rod - I make a motion to suspend the second reading Ordinance #O-2020-06-01 and #O-2020-06-02, Mary Ann seconded the motion.

Mayor Crawford - We have a motion and a second , any further discussion? all those in favor of the motion say yes. All those oppose say no. Rick – Yes, Doug-Yes, Mary Ann-Yes, Richard – Yes, Rod – Yes - Motion carries 5/0

Mayor Crawford - Consideration of Ordinance #O-2020-06-03 Adoption of Real Estate Tax.

Wayne - I don't think it would be appropriate to consider a motion until after 30 days publication.

Mayor Crawford - I don't think we can do any of these until after the 27th.

Richard - We have not discussed the Fire and Rescue contract. I think the county and the citizens deserves to make sure that they are safe. I am going to make a motion to approve the budget and table everything except for the real estate tax and meals tax until the 29th that way we can go ahead and adopt the resolution for the EMS services.

Rod - I second the motion.

Rick - Say that again.

Richard - I make a motion to approve the budget and table everything except for the real estate tax and meals tax until the 29 that way we can go ahead and adopt the resolution for the EMS services and have the budget in place regardless of what happens on the other two (2) taxes on the 29th.

Doug - You will have to reduce the budget if we do that.

Richard - It gives us until the 29th to figure out.

Doug - I am not going to vote on a budget with that same figure.

Richard - I agree the figure is going to change with all of them, motor vehicle license fee, mobile home license fee they will all be there. But that gives us a Resolution with the EMS Contract tonight and we can't vote again until the 29th.

Doug – Without those in there you would have to take the totals off the budget.

Richard - We will.

Doug- You will have to take off \$250,000.

Richard - We don't know what those numbers are.

Mayor Crawford - We will probably have to have some work sessions to do that.

Richard - I made a motion and it was seconded to get the budget approved in order to execute the EMS contract that we have worked hard for. We have gone from \$20,000 a year to \$200,000 a year.

Doug - Will you agree to adjust the total of the budget down \$250,000. If you vote the budget in, you are voting those figures in.

Mayor Crawford - No we are not. It takes the scare away from the folks in Town.

Doug - If you vote on a budget, it has a total figure, you can't vote that total figure.

Richard - The budget is a breathing, living document and it changes every day.

Tim - You are not guaranteed the revenue it is just a budget. The appropriations are the big deal.

Doug - What is the difference of taking the total down before we vote?

Richard - We don't know how much to take down.

Doug - Adrienne just told you what the tax was.

Richard - It is not that complicated.

Mayor Crawford - A motion and a second to approve the budget without any of the ordinances for increases has been made.

Doug - You did not have any discussion. If we vote that we are voting that figure and I will vote no. If you want to compromise that the budget down and you can add it back.

Mayor Crawford - We have a motion and a second, any further discussion? all those in favor of the motion say yes. All those oppose say no. Rick - No, Doug-No, Mary Ann-Yes, Richard - Yes, Rod - Yes - Motion fails 3/2.

Rick - Can we have a work session?

Mayor Crawford - We can have a whole lot of work sessions.

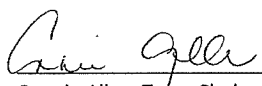
Tim - If you don't recess you will have to have another vote.

Mayor Crawford - I think we should meet every night until we get this done.

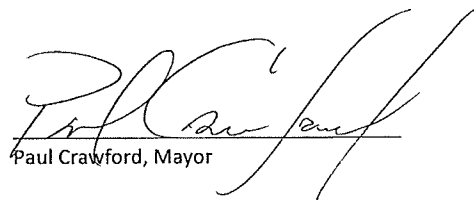
Mary Ann - I agree

Rick - I make a motion that we Recess until tomorrow night, Mary Ann second the motion.

Mayor Crawford - We have a motion and a second, any further discussion? all those in favor of the motion say yes. All those oppose say no Motion carries 5/0.



Connie Allen, Town Clerk



Paul Crawford, Mayor