

**TOWN OF RICHLANDS
SPECIAL CALLED MEETING**

The Richlands Town Council held a "Special Called Meeting" on Monday, January 29, 2024, at 6:00 pm in the Richlands Council Chambers with the following present:

Mayor: Rod. D. Cury
Town Manager: Jason May
Council Members: Seth White, Gary Jackson, Rick Wood, Jordan Bales, Jan White, and Laura Mollo.
Town Attorney: Michael Thomas
Finance Manager: Ronnie Campbell
Office Manager: Absent
Town Clerk: Amanda Beheler

The Town Meeting was called to order at 6:00pm and opened with the invocation and the Pledge of Allegiance led by Mayor Cury.

IN RE: Additions, Deletions, or Corrections to the Agenda

Upon a motion by Laura Mollo seconded by Jan White and the unanimous roll call vote of all members present, the Council voted to approve the agenda.

IN RE: 5MW Generator Q & A

Mr. May gave a brief background on the 5MW Generator Project.

Quantum Power provided the Council with a handout with an updated timeline and updated costs.

Mr. White stated Council members requested a Q & A meeting so that they could become more familiar with the project and ask any questions they may have.

Mark Ramono, President of Quantum Power introduced himself to the Council.

Mayor Cury stated GDS & Blue Ridge were also invited to the meeting but were not able to make it.

The Council reviewed the handout.

Mr. White asked if this gas-fired unit could be used for base load generation. Mr. Matthews advised that it could operate at different load levels, making it adaptable to changing energy demands. The turbine's flexibility allows it to respond quickly to changes in power demand, ensuring that power is always available when needed. Mr. Matthews also advised it also features an advanced control system that allows for easy monitoring and maintenance.

Mayor Cury asked if this is the same unit that was proposed to the Council previously, Mr. Ramano advised it was.

Mayor Cury also asked if the timeline was the same, Quantum advised it was updated, and the project would take approximately fifteen months from start to finish.

Mr. White asked what the total distance from the site to the substation is, Mr. Ramono advised it was 4 & ½ miles.

Mr. White and Mr. Ramono spoke briefly to the Council about the different options for running the pipelines.

Mr. May spoke to the Council, inaudible.

Justin Shipley, Project Manager of Power Engineers, advised the Council that the initial studies that were given in November were based on worse case scenarios.

Mr. Shipley also advised if Richlands plans to add solar in the future, that will need to be decided on prior to engineering and construction.

Mr. Ramono advised the cost for solar is not included at this time.

Mrs. Mollo advised of some of the questions citizens are asking, such as how long will it take citizens to see any savings, what kind of savings will they be seeing, and what is the financial impact on citizens for this project? Mr. Ramono advised the answers to those questions will be based on what the Town decides.

Mr. Ramono asked the Council if they wanted to be in control of their power or be at the mercy of everyone else.

Mr. May spoke to the Council about the Pro Forma provided to Council and expressed his concerns about not knowing what the finances and debt service will be at this time.

Mr. May said he would like to have fine details before moving forward with this project.

Mr. White spoke briefly about the history of this project and stated the Town needs energy independence.

Mr. White discussed financing options for this project.

Mr. May said he does not have the ability to create rates at this time because he does not have the specific numbers.

Mayor Cury advised he thinks it's good that the Town is exploring all options.

Mr. Bales asked Mr. May if the Town would need to expand the Electrical Department for this generator. Mr. May stated he is not sure at this time.

A representative from Power Engineers advised the estimate includes a full-service agreement for scheduled maintenance twice a year and an engine exchange every thirty to forty thousand hours. The full-service agreement also includes a Fleet Manager that is assigned to the project.

Mr. Bales asked Mr. Mays if it is accurate to say the Towns budget is nineteen million a year, Mr. May advised it was.

Mr. Bales stated his main question is, why this location. Mr. Ramono advised it is because this location is the most economical.

Mr. Wood asked the size of the pipeline. Mr. Ramono advised he did not know right off.

Mr. White advised there is only one landowner for this location, the landowner is currently Pocohontas Land.

A representative from Power Engineers advised Pocohontas Land offered an estimated one-time price of seventeen thousand dollars for the right of way.

Mr. Bales asked why this particular generator was chosen. Mr. Romano advised it was chosen because the size of this unit fit the Towns need. It also adjusts itself to do peak savings.

Mr. Bales asked the lifespan of this unit. Mr. Romano advised it was forty to fifty years and every four years the company will exchange the engine. Exchanging the engine takes four to five days.

Mr. Bales stated one of his main concerns is how long it will take to get the money back.

Mrs. White stated all her questions had already been answered and she supports this project. She also stated the Council needs to have a vision for the future.

Mr. Jackson advised this is a big project and he is all about alternate sources of power. Stated he will have more questions once he has time to look over the handout, but stated that at the end of the day, he will go with the Towns Financial Director and his recommendation for this project.

Mrs. Mollo advised that Blue Ridge had previously gave the Council a rate study in 2020 that she kept a copy of. The chart reflects the estimated transmission costs for Richlands. The height of the line is 2025 and stated the Town needs to do something and does not need to be put off any longer.

Mr. Wood asked how the Town will pay for this project. Mr. White spoke briefly to the Council regarding this and gave suggestions.

Mr. White also advised the Council that the Tobacco Commission has put up twelve million dollars that the Town can apply for.

Upon a motion by Seth White seconded by Laura Mollo and the unanimous roll call vote of all members present, the Council voted to authorize the Town Manager to complete and submit the pre-application for energy ingenuity funds from the Tobacco Commission.

Mr. May asked the Council to include a reimbursement resolution in any motion or ordinance to move forward in the future.

Mr. Jackson asked if there would have to be staff onsite to service this unit daily. Mr. Ramono advised someone would only need to pass by the unit once or twice a day.

Mr. Jackson also asked if the service agreement is included in the Pro Forma, Mr. Ramono advised it is.

Mr. Bales asked Mr. Mays what he would need to feel comfortable moving forward with this project.

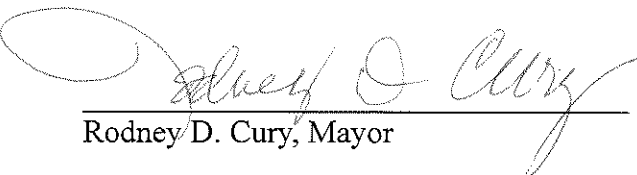
The Council gave unanimous consensus to authorize the Town Manager to pay one hundred thousand dollars to begin the next study for this project.

Mr. Ramono advised Quantum would add the optional extra options and their costs into the next study.

IN RE: Adjourment

Upon a motion by Rick Wood seconded by Jan White and the unanimous roll call vote of all members present, the meeting was adjourned.


Amanda Beheler, Town Clerk


Rodney D. Cury, Mayor

