

TOWN OF RICHLANDS

REGULAR MONTHLY MEETING

The Richlands Town Council held a “Regular Monthly Meeting” on Tuesday, April 8, 2025, at 6:00 pm in the Richlands Council Chambers with the following present:

Mayor: Rod. D. Cury
Interim Town Manager: Ron Holt
Project Manager: Susan
Town Clerk: Amanda Beheler
Town Attorney: Will Hunter
Finance Manager: Ronnie Campbell
Council Members: Seth White, Rick Wood, Jordan Bales, Jan White, and Laura Mollo.

Absent: Mike Thomas & Gary Jackson

The Town Meeting was called to order at 6:00pm by Mayor Cury.

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

Mayor Cury requested to add the following:

- Move (G) Paving Bids to Executive Session
- Add Ernest Edgil to Unscheduled Public Comments

Mr. White requested to add the following:

- Add “/Town Manager” to Executive Session under VA Code Section 2.2-3711(A)(1)-Personnel.

Upon a motion by Laura Mollo, seconded by Jan White and the unanimous roll call vote of all members present, the Council voted 4-0 to approve the agenda as amended.

IN RE: Authorization to Pay Bills (March)

There were no questions regarding the Bills for March.

Upon a motion by Jan White, seconded by Laura Mollo, and the unanimous roll call vote of all members present, the Council voted 4-0 to approve paying the bills for March.

Mr. Wood joined the meeting at this time.

IN RE: Minutes

Upon a motion by Laura Mollo, seconded by Seth White, and the unanimous roll call vote of all members present, the Council voted 5-0 to approve the following Minutes.

- Public Hearing- March 11, 2025
- Regular Scheduled Meeting- March 11, 2025
- Special Called Meeting- March 25, 2025

IN RE: Recognition of the Richlands Wrestling Club

Mayor Cury stated the 2025 Richlands Varsity Wrestling Team finished the year as the Southwest District Champs and a top 5 finish in the state of Virginia in class 2A (2nd highest in school history). Mayor Cury recognized and thanked all the coaches for their hard work and dedication.

Mayor Cury recognized and congratulated the following wrestlers:

2025 Varsity

- Wyatt Spencer- 3rd Place, 4X District Champ, 4X Region Champ State Finalist, and a 4X Place Winner
- Kendi Dye- 5th Place, 3X Place Winner, 2X Girl District Champ
- Andrew Boyd- 4th Place, 2X Place Winner
- Hunter Blankenship- 5th Place Winner and District Champ.
- Trever Dupree- 3rd Place Winner and District Cham

2025 Youth Middle School

- Carter Dye- State Champ
- Easton Chambers- 2nd Place
- Brennon Hess- 3rd Place

2025 Youth Elementary School

- Bryce Cole- State Champion
- Peyton Deel- State Champion
- Colt Wilson- 4th Place
- Conner Sayers- 5th Place

Mayor Cury also recognized Ezekiel Mullins for the following:

- AA Class VA State Champion in Shotput with a throw of 52ft and 6.5 inches.
- Currently holds the record in indoor AA Class Shotput.
- Was recruited and a
- Has committed to Washington & Lee University to throw Shotput and Discus beginning in the fall.

Mayor Cury declared a ten-minute recess.

IN RE: Scheduled Public Comments

There were no Scheduled Public Comments.

IN RE: Unscheduled Public Comments

Ernest Edgell, 206 Terry Drive:

- Advised there would be a Blood Drive April 9, 2025, at the Masonic Lodge from 12-6pm.
- Asked what was going on at the Teen Center- Chief Holt advised he could not comment on it at this time and would need to direct any questions to the Town Attorney.
- Inquired if there were any updates on the dilapidated buildings and structures in Town. Chief Holt advised the Town is working on a \$250k grant from the state to help with this issue.
- Stated that he appreciated the efforts made by the Town on speeding but advised there were still issues.
- Glad to see the Spearhead Trails on the Agenda.

IN RE: Tazewell County Public Library- Update

Regina Roberts was not in attendance.

IN RE: Recommendation from Planning Commission on 1472 Raven Road Rezoning Request.

Mayor Cury read the Planning Commissions recommendation regarding the request to change the zoning from B2 (Business) to R2 (Residential) after the Public Hearing was held.

The Planning Commission recommended the Council approve the rezoning request.

Billy Shelton spoke to the Council regarding the property stating there was pros and cons to rezoning it, stating that it was a high traffic area.

Mr. White stated he would like to see this property before Council takes a vote on the request.

Chief Holt asked the Council how they would like to proceed.

The Council came to a consensus to table the request until they were able to view the property.

IN RE: Update on 2622 Chestnut Street

Mayor Cury read the recommendations from the Planning Commission to the Council regarding a request to subdivide the property at 2622 Chestnut Street.

The Planning Commission recommended the Council approve the request to subdivide the property, as long as all the regulations are met.

Mr. Shelton advised this property is already zoned R2 (Residential) and spoke to the Council about the property owner's intent to place two doublewides on the property.

Mrs. White stated she believed the original request was for modular homes.

Mr. White inquired about the owner changing the request from stick built to doublewide.

Mr. Shelton advised the Code states a single-family dwelling, which allows for a doublewide to be placed on the property.

Mr. Shelton also advised the owner changed his intent due to the current costs of building a home.

Chief Holt stated the owner is looking for an affordable solution.

Upon a motion by Seth White, seconded by Jordan Bales and the unanimous roll call vote of all members present, the Council voted 5-0 to approve the subdivision of 2622 Chestnut Street.

IN RE: PCA (Power Cost Adjustment) Discussion

Mr. Campbell stated that staff is seeing a fairly significant shortfall with the electric net income of around 1 million dollars, year to date. Mr. Campbell advised this is taking a toll on the Reserve Balances and affects what the Town can do with its current projects. These losses are due to increased transmission and capacity costs of approximately 26% and is expected to continue.

Mr. Campbell provided the Council with a handout that includes various scenarios for adjusting the electric rate components and the impact on the monthly utility billing. The intent of the summary is to focus on PCA (power cost adjustment).

Mr. Campbell stated the PCA is designed to ensure the Town recovers its purchased power costs when market prices and volumes are higher than anticipated in the current rates. Mr. Campbell also stated it is a tool that other municipalities use.

Mr. Campbell advised the attached example uses a monthly PCA of \$8.61, this provides an annual recovery of around \$250k.

Mr. Campbell stated he would like to set a PCA level that the Town was comfortable with.

Mr. Bales asked how soon this needs to be done, Mr. Campbell advised it needs to be done now and can be turned on and off as needed.

Mayor Cury asked if Mr. Campbell had a recommendation. Mr. Campbell advised he thought it should be higher than \$8.61.

Mr. White stated there were a lot of contributing factors on how the Town has got to where they were and that the PCA had been turned off since January 2023. Mr. White advised that during that time AEP had several increases in their rate structure, whereas Richlands did not.

Mr. White stated that at this time the Town was not generating their own power and are having to buy the power for more than they are selling it for. Mr. White advised this is not sustainable

and the Town is at a place where they must increase the rate until the Town is able to generate their own power.

Mr. White stated the Town is making an investment in the future of Richlands with the current generator project.

Mr. White advised the Town could not continue to buy power for more than they are selling it for but does not want to have rates that are higher than AEP.

Mr. White stated there was hope on the horizon for the citizens with the generator project and the Town can reevaluate the PCA every six months.

Mrs. Mollo inquired if the PCA is \$8.61 per 1000, Mr. Campbell advised it was.

Mr. Bales asked if the Town has the ability to mimic AEP rates until the Town gets the generator, Mr. Campbell advised the PCA is adjustable.

Mayor Cury inquired if the Town has recovered from the previous ten percent power rate decrease, Mr. Campbell advised they have not, and it impacted the reserve balance.

Chief Holt stated this is the third year that the Town has run into a shortfall situation and cannot continue to operate like this.

Mrs. Mollo asked if Jordan would like to mimic AEP at this time, Mr. Bales asked if the Town could adjust the prices quarterly, Mr. Campbell advised it could.

Mr. White advised this would be monitored and re-evaluated.

Mrs. White advised that no one wants an increase, but they have a responsibility to the Town to be able to maintain the services it provides.

Mrs. Mollo stated this was one of the hardest votes taken by the Council and advised she voted no partly because she lives in the annexed section of Hidden Valley and gets her power from AEP.

Upon a motion by Jordan Bales, seconded by Seth White, and the roll call vote of all members present, the Council voted 3-2 with Rick Wood and Laura Mollo voting no, to reinstate the PCA to \$8.61 per 1,000.

IN RE: REC Park Committee Nominations

Mrs. Mollo nominated Kris Whaley for the REC Park Committee. Mr. Whaley would be an "Out-of-Town" member.

Upon a motion by Laura Mollo, seconded by Rick Wood, and the unanimous roll call vote of all members present, the Council voted 5-0 to approve Kris Whaley to be on the REC Committee.

Mr. White nominated Tony Corle for the REC Park Committee. Mr. Cordle would be an "Out-of-Town" member.

Upon a motion by Seth White, seconded by Laura Mollo, and the unanimous roll call vote of all members present, the Council voted 5-0 to approve Tony Cordle to be on the REC Committee.

Mr. Bales nominated Jeff Hurst for the REC Committee. Mr. Hurst would be an "In-Town" member.

Upon a motion by Jordan Bales, with no second, the motion to approve Jeff Hurst to the REC Committee failed.

Mr. Bales nominated Eric Harris for the REC Committee. Mr. Harris would be an "In-Town" member.

Upon a motion by Jordan Bales, seconded by Seth White, and the unanimous roll call vote of all members present, the Council voted 5-0 to approve Eric Harris to be on the REC Committee.

Mrs. Mollo asked if Craig Earls was still interested in being on the REC Committee. The Council reached out to Mr. Earls, and he advised that he was.

Upon a motion by Seth White, seconded by Jordan Bales, and the unanimous roll call vote of all members present, the Council voted 5-0 to approve Craig Earls to be on the REC Committee.

IN RE: Budget Amendments

Mr. Campbell advised the Budget Amendment was to appropriate funds to the Public Works Street Department VDOR Reimbursement Expenses Account and the Fund Balance Allocation Revenue Account (restricted Funds) in the amount of \$399,058 for the Town of Richlands labor, materials, and equipment.

Upon a motion by Laura Mollo, seconded by Seth White, and the unanimous roll call vote of all members present, the Council voted to approve the budget amendment to appropriate funds to the Public Works Street Department VDOR Reimbursement Expenses Account and the Fund Balance Allocation Revenue Account (restricted Funds) in the amount of \$399,058 for the Town of Richlands labor, materials, and equipment.

Mayor Cury declared a ten-minute recess.

IN RE: Amendment to 50.12 Water & Sewer Rates- O-2025-05-01 (First Reading)

Mayor Cury gave the First Reading of this Amendment to 50.12 Water and Sewer Rates Ordinance.

IN RE: Amendment to 50.13 Garage Rates- O2025-05-02 (First Reading)

Mr. Bales gave the First Reading of this Amendment to 50.13 Garbage Rates Ordinance.

IN RE: Amendment to 50.03 Electric Rates (Residential)- O-2025-05-03 (First Reading)

Mrs. White gave the First Reading of this Amendment to 50.03 Electrical Rates (Residential) Ordinance.

IN RE: Amendment to 50.04 Electric Rates (Worship)- O-2025-05-04 (First Reading)

Mrs. Mollo gave the First Reading of this Amendment to 50.04 Electrical Rates (Worship) Ordinance.

IN RE: Amendment to 50.05 Electric Rates (Small General) - O-2025-05-05 (First Reading)

Mr. White gave the First Reading of this Amendment to 50.05 Electrical Rates (Small General) Ordinance.

IN RE: Amendment to 50.06 Electric Rates (Large General)- O-2025-05-06 (First Reading)

Mayor Cury gave the First Reading of this Amendment to 50.06 Electrical Rates (Large General) Ordinance.

IN RE: Amendment to 50.07 Electric Rates (Medium General)- O-2025-05-07 (First Reading)

Mayor Cury gave the First Reading of this Amendment to 50.07 Electrical Rates (Medium General) Ordinance.

IN RE: Monthly Financial Report

Mr. Campbell gave a brief overview of the Monthly Financial Report for February as follows:

- General Fund- Year to Date Net Income Loss is -\$1,583,401
- Water- Year to Date Net Income Loss is \$36,730
- Sewer- Year to Date Net Income Loss is \$242,313
- Water and Sewer Line Maintenance Year to Date Net Income Loss -\$423,560
- Electric w/o Generator Year to Date Net Income Loss -\$916,972
- Electric w/Generator Year to Date Net Income Loss -\$7,094,355
- General Fund- Reserved Cash Balance \$2,605,303
- General Fund- Unreserved Cash Balance \$1,536,920
- Water Department Reserved Cash Balance \$1,082,006
- Water Department Unreserved Cash Balance \$700,481
- Sewer Department Reserved Cash Balance \$493,044
- Sewer Department Unreserved Cash Balance- (\$474,344)
- Electric Department Reserved Cash Balance \$1,797,809
- Electric Department Unreserved Cash Balance \$122,810

There were no questions regarding the Monthly Financial Report.

IN RE: Budget Updates

Mr. Campbell gave the following updates regarding the Fiscal year 2025-2026 Proposed Budget:

- Lowered Real Estate Taxes to \$518,425 to include the \$0.01 reduction.
- Eliminated a vacant position at the Police Department, reduced salary and benefit lines.
- Water Fund Revenues- added Cedar Bluff and Tazewell County PSA Upgrade Debt that increases the revenues by \$221,923.
- Added around \$300,00 Debt Collections in Wastewater.
- Added \$1,153,628 to Electric Fund Revenue to reflect the proposed rate increase.

IN RE: Attorney Report

There was no Attorney Report given.

IN RE: Town Manager Report

Chief Holt gave the following updates to Council:

- Stated all legal documents had been signed for the Iron Street Property and advised Mr. Buchanan would like to have a ribbon cutting ceremony in May. It had been a 25-year process to convey this property.
- Advised the Town had received the new Grapple Truck a few weeks ago and anticipates being caught up in the next week and hopes to have a schedule ready for it by May.
- Invited the Council to the Police Department on April 14, 2025, at 1:45 to share their flooding concerns with Senator Warner and to provide him with a post flood response update.
- Submitted a letter to the Natural Resource Conservation Service to receive help with future flood mitigation efforts.
- Reminded the public about the traffic pattern change that will be effective beginning April 14.

IN RE: Council Member Reports

Laura Mollo-

- Asked if the Street Department can fix the road on Farmers Street in preparation of the increased traffic that will result from the new detour.

- Advised she had several citizens arrive early to the meeting and speak with her about their concerns following the floods.
- Asked if the \$27k that was in an account for the Pop-Up Richlands Program could be used to help flood victims in some way. Mr. Campbell advised the Town was the largest contributor of that account and it would be ok to move forward with using those funds.
- Stated that town employees are getting questions from citizens regarding the raises given by the former Town Manager and asked that citizens speak to a Council Member or the Interim Town Manager about this.
- Asked if the Employee Town Handbook could be reviewed and stated that some of the policies need to be clear and solid, specifically the Nepotism Policy.
- Advised that she was contacted by the gentleman with the Carnival wanting to set up this year in Town and she advised him the Town could not afford it this year but asked if he could set up without charging the town a fee, and he agreed.

Jan White-

- Stated she has had a couple of flood victims ask her about when they would be able to get help. Chief Holt advised they had been waiting to hear what that process would be from the state and federal government.
- Asked if FEMA would be helping to clean up the yard. Chief Holt advised he asked for \$175k for debris removal.

Jordan Bales-

- Stated that Little League had an amazing opening day.
- Advised the REC Park will be starting Tiny Tots at the end of the month.

Rick Wood-

- Apologized for voting to have the whole bridge taken out six years ago after being informed it would be the quickest solution. Mr. White asked if there was anything the Town could do about the current detour. Chief Holt advised that he would not want to deviate from VDOT's current traffic safety plan.

Gary Jackson- Absent

Seth White-

- Stated he didn't have anything additional to add at this time.

IN RE: Mayor Comments

Mayor Cury had the following comments:

- Stated he had also received questions regarding the brush pile, citizens were afraid of burning it.
- Advised he had received numerous questions about what the Town is doing for the flooding, and he has advised them the Town is doing the best that they can.
- Stated that citizens are having a hard time adjusting to the new detour.
- Asked if Chief Holt could remove the Plaque from the Bridge and donate it to the Section House.
- Stated he had received several compliments on the flowers in Town.
- Thanked Chief Holt for taking the flower baskets to Kim's Greenhouse.
- Thanked the Garden Club for all the good they do for the community.
- Advised they have established a working relationship with Mt. Vernon, and the Section House will be hosting them on September 29, 2025.
- Stated that Matthew Monk, son of Bobby Munk, who is a RHS graduate who went on to get his PHD in becoming a museum curator and is currently employed by the Dupont Mansion in Delaware, is wanting to come to Richlands and speak. Mayor Cury advised he will announce that date when it is set.
- Wished everyone a Happy Easter.

Mayor Cury declared a ten-minute recess.

IN RE: Executive Session

Mayor Cury advised the Council would be going into Executive Session pursuant to:

- a. VA Code Section 2.2-3711(A)(8) Consultation with Legal Counsel- First Bank & Trust
- b. VA Code Section 2.2-3711(A)(3)- Property Acquisition- Spearhead Trails
- c. VA Code Section 2.2-3711(A)(3)- Property Acquisition- Maple Lane
- d. VA Code Section 2.2-3711(A)(1)- Personnel- Salaries/Town Manager
- e. VA Code Section 2.2-3711(A)(6)- Contract Negotiation- CBDG
- f. VA Code Section 2.2-3711(A)(6)- Paving Bids

Upon a motion by Laura Mollo, seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted to go into Executive Session.

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

Upon a motion by Laura Mollo, seconded by Jan White and the unanimous roll call vote of all members present, the Council certified that only VA Code Section 2.2-3711(A)(8) Consultation with Legal Counsel- First Bank & Trust, VA Code Section 2.2-3711(A)(3)- Property Acquisition- Spearhead Trails, VA Code Section 2.2-3711(A)(3)- Property Acquisition- Maple Lane, VA Code Section 2.2-3711(A)(1)- Personnel- Salaries/Town Manager, VA Code Section 2.2-3711(A)(6)- Contract Negotiation- CBDG and VA Code Section 2.2-3711(A)(6)- Paving Bids was discussed during the Executive Session.

IN RE: Paving Contract

Upon a motion by Laura Mollo, seconded by Jan White and the unanimous roll call vote of all members present, the Council voted to award the Paving Contract to W & L, pending legal review.

IN RE: \$4,000,000 Note

Upon a motion by Seth White, seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted to request a Public Hearing on the additional \$4,000,000 Note for interim financing for the Towns projects.

IN RE: Town Manager

Upon a motion by Seth White, seconded by Laura Mollo and the roll call vote of all members present, with Jordan Bales voting no, the Council voted 4-1 to move forward with offering the job of Town Manager to Chief Ron Holt and enter into contract negotiations, subject to legal review.

IN RE: Adjournment

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


Amanda Beheler, Town Clerk


Rodney D. Cury, Mayor