TOWN OF RICHLANDS

REGULAR MONTHLY MEETING

The Richlands Town Council held a "Regular Monthly Meeting" on Tuesday, January 13, 2026, at 5:30 pm in the Richlands Council Chambers with the following present:

Mayor: Rod. D. Cury
Interim Town Manager: Don Marr
Town Attorney: Mike Thomas
Finance Manager: Ronnie Campbell
Project Manager: Absent
Town Clerk: Absent
Council Members: Seth White, Gary Jackson, Rick Wood, Jordan Bales, Jan White, and Laura Mollo.

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

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

Council made the following additions/deletions to the Agenda:

- Removed Interview Clerk- Executive Session.
- Removed Clerk Appointment- Agenda Item (a)
- Added Karen Patton to Scheduled Public Comments
- Added Charity Hurst to Unscheduled Public Comments
- Move Item (a) Food Truck Ordinance 2nd Presentment from Attorney Report to Agenda Items.
- Move Item (b) ATV Ordinance 2nd Presentment from Attorney Report to Agenda Items.
- Added Discussion for Lab Tech to Executive Session

Upon a motion by Gary Jackson, seconded by Laura Mollo and the unanimous roll call vote of all members present, the Council voted 6-0 to approve the amended Agenda.

IN RE: Executive Session

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

- VA Code Section 2.2-3711 (A) (1) -Personnel
  a. Interim Town Manager

Upon a motion by Gary Jackson, seconded by Rick Wood and the unanimous roll call vote of all members present, the Council voted 6-0 to go into Executive Session.

Upon a motion by Jan White, seconded by Laura Mollo 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 the following VA Code Sections were discussed during the Executive Session.

- VA Code Section 2.2-3711 (A) (1) -Personnel
  a. Interim Town Manager

IN RE: Interim Town Manager Appointment

Upon a motion by Laura Mollo, seconded by Jan White, and the unanimous roll call vote of all members present, the Council voted 6-0 to approve the contract and appoint Don Marr as Interim Town Manager.

IN RE: Roberts Rules of Order

Upon a motion by Laura Mollo, seconded by Jan White, and the roll call vote of all members present, with Jordan Bales voting no, the Council voted 5-1 to approve adopting the Small Government (Simplified) Version of Roberts Rules of Order.

IN RE: Authorization to Pay Bills (December)

There were no questions regarding the Bills for December.

Upon a motion by Gary Jackson, seconded by Laura Mollo, and the unanimous roll call vote of all members present, the Council voted 6-0 to approve paying the bills for December.

IN RE: Minutes

Upon a motion by Laura Mollo, seconded by Jan White, and the roll call vote of all members present, with Rick Wood abstaining, the Council voted 5-0 to approve the following Meeting Minutes.

- November 11, 2025- Public Hearing- ATV
- November 11, 2025- Regular Scheduled Meeting- Part 1 & 2
- December 9, 2025- Joint Public Hearing

IN RE: Scheduled Public Comments

Karen Patton, 2304 4th St. Richlands, VA- Mrs. Patton advised that she had been there previously and would like to request that the Town pass VA Code 46.2-1304 to cover from her address at 2304 4th St., down 4th street to Floyd St., up Floyd St. to 3rd St., across 3rd St. and back down Fairfax due to the 18-wheelers tearing up their streets and being dangerous to the children in the neighborhoods.

Mrs. Mollo advised this is the 3rd time that Mrs. Patton has been in attendance over this issue.

Mr. White advised that Chief Holt had asked Mrs. Patton to let him know when there was anyone there breaking the law and had increased patrols in the area. Mr. White asked Mrs. Patton if she had done that, and Mrs. Patton advised she has it on video.

Mr. White stated that there needs to be a balance between the neighborhood and the business that is there.

Mrs. Patton stated that the business had been there for fifty years, changed hands, and never had this problem until the year before last.

Mayor Cury inquired if Mr. Thomas has had an opportunity to review the Code. Mr. Thomas stated he would.

Mrs. Patton advised that she had been able to get approximately seventy voter signatures on a petition regarding this.

Mayor Cury asked if the 18 wheelers enter onto 3rd or 4th St. when leaving the business. Mrs. Patton advised 4th St. Mrs. Patton also advised she did not want Rockbridge included because the Tabernacle sometimes has campers coming in and they have never had issues with the campers.

Mayor Cury asked Mr. Thomas to review this Code.

Mayor Cury advised Mrs. Patton that the Town would take her concerns into consideration.

Mr. Jackson asked Mr. Thomas if he could share that information with the Council.

Mr. Thomas advised that he had reviewed the Code previously when Mrs. Patton had come before the Council and it was his understanding that Council could adopt an Ordinance for it.

Mr. White advised the business owner was in attendance and would like him to address the issue.

Mayor Cury invited him to speak.

Anthony Frazier, Owner of Frazier Tire- Mr. Frazier advised he was not a new business and has been in business for ten years.

Mr. Frazier stated that sometimes he works on 18 wheelers at his business and they have to be able to get in there.

Mr. White asked if Mr. Frazier could explain to Council the reason for the increased 18-wheeler traffic in the past two years.

Mr. Frazier advised they were there for around five weeks last year due to him leasing his lot to VDOT to park their trucks while doing road work projects in the area.

Mr. Frazier advised that Mr. Woods and Mr. Bales come by and he showed them why the trucks must use this route.

Mr. Bales stated it was not possible for an 18-wheeler to come down the proposed route and make the turn.

Mr. White advised it seems like it is a temporary issue and that it would be difficult to limit a business to do something when it is only a very narrow window of time.

Mayor Cury asked Mr. Thomas to research the Code further.

Mr. Marr advised that he spoke to Chief Holt about this issue, and he advised him that he had previously provided 3 options for the Council.

1. A Restricted Truck Route- Trucks cannot make the turn.
2. Reduce the speed in this area to 15mph.
3. Do Nothing.

Mr. White asked Mrs. Patton if she thought that reducing the speed would help and that it seemed like a good compromise.

Mrs. Patton- Inaudible.

Mr. White asked if there had been an accident where someone had been hurt by this issue and wondered if he had missed something.

Mrs. Patton advised she didn't know of any.

Mrs. Mollo stated that there needs to be a compromise to protect the business but to also elevate citizens' concerns as well.

Mr. Marr inquired if the Council had a consensus on which option they were interested in pursuing.

Mr. Bales advised he was leaning towards reducing the speed and revisit in the future after monitoring the situation.

Mr. White agreed with Mr. Bales and advised there was no negative impact of reducing the speed limit and increasing patrols.

Mr. Marr also advised that it would be beneficial if the Town knew when the period that this was going to happen, they could help alert the homeowners to make them more aware and would like the business owner to cooperate in doing this.

Mrs. White asked Mr. Marr if he has had a chance to ride over and look at this area, Mr. Marr advised that he had not, today is his first day on the job.

Mayor Cury asked if Council would like to take action or at this time or give Mr. Marr time to look at it first. Council agreed to give Mr. Marr time to look at it first.

IN RE: Unscheduled Public Comments

Charity Hurst, 206 Chinch Row, Richlands, VA- Mrs. Hurst advised she was there to say "Thank You" publicly and sincerely.

Mrs. Hurst advised that community events do not come together without teamwork, they require planning, flexibility, and people who are willing to step up and help in ways that often go unnoticed.

Mrs. Hurst stated that over the past three years she has had the honor and privilege of working with and hosting several meaningful events in Richlands, most of which are 5ks including the Glow Worm and Santas Hot Pursuit. Mrs. Hurt advised that the events were successful because of the incredible support of the Town of Richlands and its Public Safety Team.

Mrs. Hurst advised that because of the success of "Rock the Clinch" they were able to apply for a $30k advertising grant for that event this year.

Mrs. Hurst stated that she wanted to officially recognize Chief Ron Holt and Deputy Chief Adam Crouse, their leadership, professionalism, and commitment to the community is evident at every event. Their presence and guidance create an atmosphere of safety and competence that allows these events to happen smoothly and successfully.

Mrs. Hurst also wanted to thank Captain Matt Whited from the Police Department and Director of the Street Department Jason Shepherd for going above and beyond helping with logistics, traffic setup, and last-minute needs; all with a positive attitude and a true spirit of service. Their willingness to help made a true difference in hosting these events.

Mrs. Hurst stated that these events brought people together, supported important causes, and highlighted the best of Richlands. Mrs. Hurst also stated that kind of success only happens when Town leadership and public servants work together for the good of the community.

Mrs. Hurst thanked Mayor Cury for fostering that kind of collaboration and support, for showing up at events and speaking, and for loving our Town because it shows and it matters.

Mrs. Hurst welcomed Interim Town Manager Marr and advised that she is looking forward to working with him in the coming months and years, depending on how long he stays.

Mrs. Hurst stated that on behalf of the organizers and everyone who participates in these events and other events in the Town of Richlands, please know how deeply appreciated they all are.

IN RE: Clerk Appointment

Mr. Marr advised that the candidate could not make it to interview for the position and they will reschedule.

IN RE: Food Truck Ordinance- 2nd Presentment O-2026-01-02

Mr. White asked Mr. Thomas to recap what this Ordinance entails.

Mr. Thomas advised this Ordinance had been previously passed in 2019 or 2020 and was not incorporated into the Richlands Town Code.

Mr. Thomas advised they added in "Any mobile food establishment that operates business within the corporate limits of the Town of Richlands for more than thirty (30) calendar days of the year will be subject to the Business License Tax found in the Code of the Town of Richlands.

Mrs. Mollo advised this was to make things fair to the brick and mortars in Town.

Upon a motion by Laura Mollo, seconded by Seth White and the roll call vote of all members present, with Jordan Bales voting no, the Council voted 5-1 to adopt O-2026-01-02.

IN RE: ATV Ordinance- 2nd Presentment O-2026-01-01

Mr. Thomas advised this was the 2nd Presentment of Ordinance O-2026-01-01.

Mrs. Mollo advised she wanted to repeal this Ordinance for several reasons.

Mrs. Mollo advised the first reason was because the streets listed in the current Ordinance is allowing ATVs into the neighborhoods.

Mrs. Mollo advised the second reason is because at the Public Hearing that was held recently regarding this, the citizens weren't against ATVs being on the main loop in Town, they were only against them being in the neighborhoods.

Mrs. Mollo advised she would like to revisit this once the bridge is completed and build an Ordinance from the ground up and advised that she is willing to do the work be able to bring them into Town.

Mr. White stated that he doesn't think they should repeal the Ordinance when they only need to approve a proper road map.

Mr. Wood said there was no way to bring ATVs off the trails into Town without passing a house.

Mr. Wood advised that it doesn't matter what the Ordinance says, if you get caught riding a side by side in the Town of Richlands today by the Virginia State Police you will get a ticket.

Mr. Wood stated that it's not as redneck as its being made to look, it is all government controlled and that the riders are very wealthy people who would be coming into Town to spend a lot of money.

Mr. White asked when the original Ordinance was adopted, Mr. Thomas advised he believed it was in 2022. Mr. White advised there had only been 1 rider that was ticketed since 2022 for riding on the road.
Mr. White advised that they wanted to come up with a compromise on a route and had been working with Mr. Wood on one.

Mr. White stated that no one would be on ATVs in the neighborhoods and if they do, the police department will ticket them.

Mrs. White advised she would like them to repeal the Ordinance and build another Ordinance that avoids neighborhoods.

Mayor Cury allowed Kate Lucas from Cedar Bluff to speak.

Mrs. Lucas asked if based on what Mrs. Mollo just said, was it her impression that they can just drive around the neighborhoods anytime. Mrs. Mollo advised that all it was going to take is someone from the Town or VDOT to put a sign up tomorrow and they would be able to drive in the neighborhoods listed in the Ordinance.

Mr. White stated that was incorrect.

Mrs. Mollo asked Mr. Thomas if signage was put up tomorrow, would they be allowed to drive through the Town, Mr. Thomas stated that if that happened, they would still need a sticker from Spearhead Trails.

Mr. White stated that would take coordination from the Town, VDOT cannot put signs up on Town roads.

Upon a motion by Laura Mollo, seconded by Jan White and the roll call vote of all members present, with Seth White, Rick Wood, Gary Jackson and Jordan Bales voting no, the Council voted 2-4 to not adopt Ordinance O-2026-01-01. Motion failed.

IN RE: Town Attorney Appointment

Mr. Thomas advised that under the Charter this item should be the January meeting after a Council election, and there hadn't been one the past year.

Council came to a consensus of no action needed or taken.

IN RE: Proposed Meeting Dates for 2026

Mr. Wood asked if there had been any changes in the meetings from the second Tuesday of each month.

Mayor Cury advised the list now has deadlines for adding items to the Agenda.

Council came to a consensus of approving the Proposed Meeting Dates for 2026.

IN RE: McGill & Associates- WWTP Improvements Schedule Update

Wes Fleming, from McGill & Associates, gave the following updates for the WWTP Improvements Schedule Update:

- Advised that it took longer than originally anticipated for DEQ to review the plans and approve everything.
- Current Bid opening date is scheduled for January 26, 2026, at 2:00pm.
- Anticipates having a recommendation to the Town by January 30, 2026.
- The Town will need to issue a Notice of Intent to Award.
- The Notice to Proceed will be delayed by four months after the Notice of Intent is filed due to the delay in procuring the equipment.
- The Notice to Proceed will be issued to the contractor on June 3, 2026.
- Scheduled Completion Date will be March 30, 2027.
- These dates are the anticipated schedule as of now, however it could be delayed depending on several factors.

Mayor Cury stated that this project has been a long time in the making and they are very happy to see it move forward because clean drinking water is imperative.

Mr. Wood inquired if Mr. Fleming was talking about the Water Plant or the Sewer Plant; Mr. Fleming advised it is the Sewer Plant.

IN RE: Fire Truck Discussion- Chief Rhudy Keith

Mr. Keith advised that the Fire Department lost their Tanker Truck on October 10, 2023, in a rollover crash on Kents Ridge while they were responding to a vehicle fire and they didn't want to build a truck to fit their station, but they are to the point they have no other choice.

Mr. Keith handed out information on a proposed 2100-gallon Pierce Tanker from Wisconsin. Mr. Keith advised this truck will fit in their current building other than the dump valve on the back that can be modified to fit.

Mr. Keith advised that the delivery date would be between 24-30 months from contract date.

Mr. Keith also advised there were several different payment options for this Tanker.

Mrs. Mollo asked how much money was received from the previous truck that rolled over, Mr. Keith stated that he believed it was an estimated $76k. Mr. Campbell advised he thought it was close to that amount.

Mr. White inquired if that money was held in an account and Mr. Campell advised they have at least half of it still left.

Mr. White asked what the other half was used on; Mr. Campbell was inaudible.

Mr. Bales inquired how much the customization adds or are they built to order, Mr. Keith advised they are built to order and due to them taking the swivel dump off the back to modify it, it will actually make it a couple thousand dollars cheaper. Mr. Keith advised this truck will come loaded with all the tools as well.

Mr. Bales asked if there was any other place they could store a normal size Tanker, Mr. Keith advised not until they get a new station.

Mr. Bales advised he thinks they need to go ahead and place the order and start saving so they can pay for it when it's delivered. Mr. Campbell advised it was in their projected capital forecast that they had last year but nothing was put in for 2026.

Mr. Bales inquired if they were on pace to pay for this truck in three years and account for it in 2027 and 2028, Mr. Campbell stated yes.

Mr. White advised they have to have a truck.

Mr. Jackson inquired if they still have the truck that rolled over and Mr. Keith advised the insurance company bought it back.

Mr. Wood asked Mr. Campbell how long it will take for him to bring back information to Council regarding payment of this truck and Mr. Campbell advised he should be able to at the next meeting.

IN RE: Aid to Localities Resolution (R-2026-01-01)- Rhudy Keith

Mr. Keith gave a brief description of this Resolution to Council and advised they are trying to get an increase.

Mrs. Mollo thanked Mr. Keith for doing a great job and always being proactive.

Mr. Wood asked if they are collecting anything off insurance for fires, Mr. Keith advised they cannot, because they are in an incorporated Town, only volunteer fire departments can.

Upon a motion by Laura Mollo, seconded by Jan White and the unanimous roll call vote of all members present, the Council voted 6-0 to adopt R-2026-01-01.

Mayor Cury declared a ten-minute recess.

IN RE: PCA Discussion

Mr. Campbell advised that he reviewed the Electric Fund results through the month of November and stated that they are at $27k Year to Date Net Income and the Reserve Balance is at -$110k.

Mr. Campbell advised they have looked at any potential grants that they still have coming in to help with this, but they still have 2 more Quantum payments that will be around $900k. Mr. Campbell stated that he hopes they will receive the Tobacco Commission grant in the next 2 months to help pay Quantum Payments and Debt Service Payments.

Mr. Campbell stated that given all the factors from a business perspective, he doesn't think they should back off the PCA at this time.

Mrs. Mollo inquired if the Debt Service was payments on the Generator, Mr. Campbell advised it was.

Mr. White advised that even with the PCA at its current rate they are only $27k to the positive, Mr. Campbell advised that was correct.

Mr. White advised the Electrical Committee would revisit this again at the next meeting.

Mr. Campbell advised the one good thing they had in November with the loan proceeds they were able to reimburse 1.4 million of the 2.3 million they had taken out of the Unrestricted Fund.

Mrs. Mollo inquired what that 2 million was for, Mr. Campbell advised that it was the loan proceeds from First Bank and Trust, the portion that they were going to use to pay back what they took out of the Unrestricted Electric Fund.

Mrs. Mollo asked what the money was used for, Mr. Campbell advised it was used for Quantum payments.

Mr. White stated they used it for project money, Mr. Mollo asked if that was the Generator and Mr. White advised it was.

Mr. White stated they took it out of Unrestricted Electrical Funds, and they had approximately 4 million dollars, half was restricted and half was unrestricted and they took that amount out and their intentions was always when they got the financing, to put it back in Unrestricted Fund Balance.

Mrs. White asked Mr. Campbell if the figures he gave were for November or December, and Mr. Campbell advised it was year-to-date November results.

Mrs. Mollo advised the reason she is voting no is because they were told that in the wintertime months the PCA would be able to come down a little bit and she's told that to citizens for months.

Mrs. Mollo advised Mr. Campbell that she trusts him and believes his numbers and appreciates all the work he is putting into it, but she is voting no for the reasons she had stated.

Mr. White advised he is voting yes because they have to pay for what it costs them to pay for power.

Mr. White stated the goal has always been to reduce it and they will revisit it again in December.

Mr. White also stated that their promise was not that they would reduce it, but if they can reduce it, they will monitor it closely and look at it each month.

Mr. Bales advised if they reduced it this month, they would have to make it up in the following months.

Mrs. Mollo stated that she completely agrees with Mr. Bales but advised that it bothers her because it was said that it would be reduced in the shoulder months to help bring it down and they would look at it year after year.

Mrs. Mollo stated that it wasn't just the cost of power that was driving that cost up, part of it is the generator payment. Mrs. Mollo advised that she believes the need to generate their own power, and she believes in the generator project, but she also believes that burden should be on the Towns' back and not on the citizens.

Mr. White stated that the burden of it was on everyone sitting on the Council and everyone living in the community and if they do nothing their power will be so high in the next few years, no one will be able to pay for it.

Mr. White advised if they do nothing, their power will be so high in the next few years that no one will be able to pay for it, and if they do this, they are making a plan for the future to have at or below the cost of AEP. Mr. White advised there were 2 proposed rate increases on the ballot right now. Mr. Wood advised there are five.

Upon a motion by Jordan Bales, seconded by Seth White and the roll call vote of all members present, with Laura Mollo voting no, the Council voted 5-1 to accept the recommendation to leave the PCA as it is.

IN RE: Quantum- Generator Project Update

Mayor Cury advised Quantum was not in attendance.

IN RE: Blue Ridge Power and GDS

Garrett Cole from GDS and Alice Wolfe from Blue Ridge Power were in attendance via zoom.

Mrs. Wolfe stated they were happy to be there, and she appreciates the Towns membership in Blue Ridge.

Mr. Cole stated they were grateful for the relationship they have with the Town and he personally worked as a consultant for the Town for 20 years and will be glad to answer any questions from Council.

Mrs. Mollo thanked both Mr. Cole and Mrs. Wolfe for being there and stated that she was surprised that Quantum wasn't.

Mr. White advised he texted Quantum and they advised that no one contacted them about attending the meeting, so that is why they are not here.
Mrs. Mollo stated they should invite them next month so they can get updates.

Mrs. Mollo stated that obviously they need to generate power but they got an alarming update a couple months ago from Davenport that shows the savings after the generator payments were not going to be as much as they initially thought, so she wanted to ask them what they think of the Generator Project and is she just being overly concerned about this, or do they see financial implications like Davenport did.

Mr. Cole stated that he appreciated the opportunity to comment and stated that GDS has taken a lot of pride in supporting the Towns power supply for nearly 30 years. Mr. Cole stated that Blue Ridge has brought project alternatives to the Town in the past for consideration to avoid the rising costs. Mr. Cole also stated that it is reasonable that the Town is considering projects to avoid those costs and he looks forward to supporting the Quantum Team.

Mr. Cole advised that when he reviewed some of the anticipated costs of the project, he had some initial concerns or thoughts on some of the pieces that weren't nailed down so he's eager to learn if those have resulted in higher costs.

Mr. Cole also advised they have done everything they can to support the Quantum guys when they have had questions, they also had an additional consultant reach out to them and they've shared their expertise with them as well.

Mr. Cole stated that the pursuit is certainly one that is important to avoid rising costs.

Mrs. Wolfe stated that Blue Ridge also supports it, but they have not been involved in a lot of the details with the Quantum project so they can't speak on the long-term feasibility of it.

Mrs. Wolfe stated they are very supportive of the project and want to see Richlands see the long term -inaudible-.

Mrs. Mollo inquired if they have had any experience with a project like this elsewhere.

Mr. Cole stated they have pretty extensive experience, and they have about 200 engineers and consultants because they are a national engineering company in the power sector.

Mr. Cole gave a brief overview of what GDS does and their experience.

Mr. Cole advised it does take hard work for these projects, but they have a valuable end result.

Mrs. Mollo inquired about how this will impact the contract that the Town has with them for purchasing power.

Mr. Cole stated that they regularly go to support the Town for market purchases and needs that they may have and he's not sure if they are fully aware but the Town has existing agreements in place to purchase supplies from different suppliers and also a relationship with American

Municipal Power to purchase and procure supplies so as an agent they are simply doing the advisory portion of that.

Mr. Cole advised that as of late they have been waiting to hear more about how their power project fits into their overall needs so they can plan to make purchases around that project with the reasonable expectation of the energy that the project would provide.

Mr. Cole also advised that they need to know exactly when the project will be available to be online so that they will be prepared.

Mrs. Wolfe stated that Richlands does have long-term contracts, but they will be able to fit the generator into that and still have those existing contracts, so there is no conflict with them.

Mr. White asked Mr. Cole if the power that they help them procure or purchase means the more money they will make in that arrangement. Mr. Cole stated no, there was a flat fee.

Mr. White asked Mrs. Wolfe who advised Richlands to enter into these asset-based purchase agreements. Mrs. Wolfe advised this was before her time at Blue Ridge, but the AMP ones were entered into around 2006-2010 timeframe, and she hasn't discussed this with Mr. Cole, but she assumed he may have been a part of it as well because he had been serving Richlands for a very long time.

Mr. White advised that with some of the asset-based purchases agreements they have, they are paying $150 per megawatt, and it is dramatically affecting the Town.

Mr. White stated that the reason they are struggling now, and it was a false misconception when they started the project, is because when they start off the year it is about 5-6 million dollars in asset-based power purchase agreements that they are contractually obligated to on agreements that were made with AMP, and these were 40 year agreements. Mr. White asked why they are stuck in these contracts where they have to purchase power at those rates when they can generate their own power at $40-$50 per megawatt.

Mrs. Wolfe advised that AMP was the developer of the project and when they started the project it wasn't forecast to cost $140 per megawatt, it was forecast to be a market competitive project which would've put it around $60-$70 per megawatt.

Mr. White stated that no one on the current Council was on the Council when those agreements were signed, besides the Mayor, and he's confident that he wouldn't have signed them had he known it would be $140 per megawatt for 45 years.

Mrs. Mollo asked if when they start generating their own power, is it going to get rid of the contract or are they still going to be paying the contract and the generator debt for 25 years, Mr. White advised yes, they would, but the contract doesn't supply all of the power that they need.

Mr. Cole advised they their perspective on the project is to gain as much information as they can about it and to advise when they can.
Mr. White inquired if there were additional transmission costs on top of the $150 per megawatt cost, Mr. Cole advised not in the way they pay transmission costs for the Town, it is much less than traditional transmission charge and referred to as a congestion cost.

Mr. White asked how much the congestion charge would be on $150 per megawatt, Mr. Cole advised congestion is only a few dollars, $3 or less.

Mr. White asked if they can dispatch their unit in a way where yes, we're contractually obligated to buy this power, can they choose when they purchase that energy? Mr. Cole advised there is no control over it, they take it when they can get it with the hydro project but advised them to dispatch it as much as they possibly can when economic to do so.

Mr. White asked, hypothetically, if the Town didn't have the contracts out there, there's never going to be a time based on today's market economy that it wouldn't be more advantageous for them to run an asset generation at $50 per megawatt with zero transmission costs, so there is never going to be a time if they didn't have the contracts that they would not want to run that, and asked if he was correct. Mr. Cole advised that it was not correct, the price of power that the original node is at an hourly price and the price of power from a generator isn't always going to be less than the power of that node, so they want to economically generate from the power project when it is cheaper.

Mrs. Mollo thanked GDS and Blue Ridge for attending and answering their questions and hope that they will come back if Quantum comes and give an update. Mrs. Mollo advised her concerns are just that she was face to face asked in a grocery store a couple months ago what their financial feasibility study said about this generator and had to tell them they didn't have one and they advised her how disappointed they were in all the Council members that they didn't do one. Mrs. Mollo stated that she wants GDS and Blue Ridge to be involved with the whole Council going forward.

Mrs. Mollo stated that her issues are they don't already own the land and the contracts with AMP don't just go away when they start the generator up.

Mrs. Mollo advised that she does not disagree that they need to generate their own electricity, she just has concerns and wants to be realistic with the citizens and wants to be honest with the citizens about the project, she doesn't think they will see the savings that they originally advised they would. She doesn't know if they should move forward with the project or stop it, and stated they need to have uncomfortable conversations to do what's best.

Mr. White stated it wasn't hurting them to build the generator; it's the contracts that are hurting them.

Mrs. Mollo stated that with the $150 megawatt contract that ends in 20 more years, they will be able to utilize the hydro facility at a very low cost to the Town, Mrs. Wolfe advised that was the expectation. Mrs. Mollo also stated there was a 25-year term on the generator loans, Mr. Campbell verified. Mr. White stated they are generating power at $45 a megawatt and that's not how much they sell power for, so there was an economic benefit.

Mrs. Mollo asked the Council why would they not want to stick to the 40-year contracts with 20 years remaining and use the hydro facility plant at a very low cost. Mr. White advised that it was $25 million more dollars. Mrs. Mollo advised they are paying $15 million for the generator. Mr. White advised they will have it owned forever and will pay no transmission costs on. Mrs. Mollo stated that by the time the 25 years is up, they will have had to buy a new engine for the generator. Mr. White advised that it was part of the plan that they are paying for, it's included. Mr. White advised that as they are generating power, every megawatt that is generated, a portion of that is being paid for the engine, Mrs. Mollo advised they still have to write a check for it.

Mrs. Mollo advised that at some point they will have to take a vote on trying to get out of the contract and she will vote no. Mr. White advised she was one person. Mrs. Mollo stated they will have to have a conversation about it. Mayor Cury advised they will have to have a conversation, but they have GDS and Blue Ridge in attendance and if they have questions for them, that's what they need to do right now.

Mrs. Mollo asked if they follow through with the $150-megawatt 40-year contract, the debt will roll off in 2049 and then they will be able to utilize the hydro facility plant at a much lower cost, Mr. Cole stated the cost is very low.

Mrs. Mollo asked if they did get an attorney to come and get them out of the contract, will they have lost the money that they already paid towards that, Mr. Cole advised he is not certain, but if that were the case a lot of people would've already abandoned that debt.

Mrs. Mollo stated that they keep hearing they are the first people who have pioneered this project, are they the first municipality to pioneer the generator project, Mr. Cole advised there are municipalities that they work with that have similar projects.

Mayor Cury stated he appreciated Mr. Cole and Mrs. Wolfe.

Mr. White advised Quantum texted and said that they were not contacted about attending this meeting but would be there in February if they want them to be.

Mayor Cury asked if the Council would like to invite Quantum.

Mrs. Mollo advised she would like Quantum to be there with GDS and Blue Ridge, so they are on the same page.

Mr. White advised it costs $2k every time they invite GDS and Blue Ridge.

Mrs. Mollo stated she thinks they could put that in the contingency funds, since they just wrote a check for $145k to CNX that no one said anything about.

Mr. Marr advised he would handle getting them at the next meeting.

IN RE: Monthly Financial Report

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

- General Fund- Year to Date Net Income Loss is -$970,770
- Water- Year to Date Net Income Loss is -$548,570
- Sewer- Year to Date Net Income Loss is $170,031
- Water and Sewer Line Maintenance Year to Date Net Income Loss $430,850
- Electric w/o Generator Year to Date Net Income Loss $27,937
- General Fund- Reserved Cash Balance $2,140,148
- General Fund- Unreserved Cash Balance $110,628
- Water Department Reserved Cash Balance $1,099,252
- Water Department Unreserved Cash Balance $571,302
- Sewer Department Reserved Cash Balance $498,166
- Sewer Department Unreserved Cash Balance -$412,471
- Electric Department Reserved Cash Balance $2,140,148
- Electric Department Unreserved Cash Balance -$110,628

Generator Project:

- Capital Purchases Year to Date- $2 million (which includes the 2nd payment to Enbridge & Quantum Power Progress Payments).
- Cumulative Funding through November- $15.5 million (Includes $12.6 million from the Note Payable and $900k from Unrestricted Funds, $2 million by the Tobacco Commission Loan)

IN RE: Draft Financial Investment Policies

Mr. Campbell advised he presented the draft at the last meeting and asked if they had any additional comments before approving.

Mr. White stated that he thought there were a few things that they should pick out and change and asked Mayor Cury if they could e-mail those to Mr. Campbell and bring it back at the next meeting, Mayor Cury advised that was a good idea.

IN RE: Attorney Report

Mr. Thomas advised he did not have anything additional to report.

IN RE: Town Manager Report

Mr. Marr advised of the following:

Boil Water Advisory- Mr. Marr advised that he asked for the Water Department to attend and explain the Boil Water Advisory that they issued to explain what happened and share the information.

Mr. Shelton advised there were two tanks in Cedar Bluff, the College Hill tank and Cedar Bluff tank that they fill.

Mr. Shelton stated that there is a valve between the two tanks called an altitude valve that allows the College Hill tank when it reaches a certain level to open and it automatically fills, there is no control over that.

Mr. Shelton stated that the altitude valve opened and stuck open, started sucking the tank out. Mr. Shelton advised that they never lost water on that end of Town in the lines, but as a precaution they went ahead and put the notice out.

Mr. Shelton advised that best case scenario they can lift the Notice by Thursday. Mr. Shelton stated they had sent a sample that is required by the Health Department, once the tests pass, they can lift it.

Mr. Wood inquired about the vacuum truck that cleans the sewer line, Mr. Shelton advised they are taking the transfer case out. Mr. Wood stated this needs to be a top priority.

Mayor Cury declared a ten-minute recess.

IN RE: Council Member Reports

Laura Mollo-

- Stated that the past couple of months in Richlands have been difficult for herself personally and she has given countless amounts of hours to the Town and to the Council, she watched her dad go through cancer, and when he passed away after midnight and she still sat there the next day, because she is so dedicated to the Town.
- Stated that her vision for Richlands has always been to keep the services high and the costs low and the Council, including herself, have not been doing that so she is asking questions that she knows is making people uncomfortable and she cant help that, be it ignorance or stupidity on her part, she's feels like she has dropped the ball by not asking questions so she wants everyone to know and the public to know that she is going to continue to ask her questions and she don't want to be made to feel badly or like they are pointed questions, because everyone has seen that she doesn't mind to say what she is thinking, even when she's had embarrassing moments, her questions are valid and not personal or pointed to anyone, she has questions about the Towns finances and if she sits there for another day or another year she will continue to ask questions for her understanding and the citizens.
- Advised that she loves being on the Council and she loves Richlands, as a Town they've had a difficult year, but they are resilient and will continue to move forward.
- Welcomed the new Interim Town Manager, Mr. Marr and advised she is looking forward to work with him.

Jan White- No Comments.

Jordan Bales-
- Stated that he has gotten several pothole complaints at the exit of First Community Bank and asked if it could be looked at.
- Basketball has started at the REC Park- they have nicer shirts this year.
- Parking at the REC Park- need someone to tell them where they can put parking spots.
- Have had several people comment on how good their leagues are going and would like to earmark some of the funds they bring in to reinvest in the REC Park.
- Asked if it would be possible to look at the TVs HDMI cord or whatever is causing the flash during meetings.

Rick Wood-
- Inquired if they can set the barrels back up that have been knocked over on the 2nd street detour.
- Advised there is a pothole at the end of the detour where you turn up at Advance Auto that keeps coming back.

Gary Jackson-

- Stated they need to set up a Public Hearing at their next meeting on February 10 for a Conditional Use Permit to put in a Tattoo Parlor.

Seth White-

- No Comments.

IN RE: Mayor Comments

Mayor Cury-

- Stated that he hoped everyone had a great Christmas and a Happy New Year.
- Advised the Town is closed next Monday for Martin Luther King Jrs. Birthday.
- Stated that the Section House has been working hard and made contacts with a gentleman who is an interpreter of James Monroe.

IN RE: Executive Session

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

- VA Code Section 2.2-3711 (A) (1) -Personnel
  a. Town Manager Search (SGR)
  b. Revenue Clerk
  c. Discussion for Lab Tech

Upon a motion by Gary Jackson, seconded by Jan White and the roll call vote of all members present, with Laura Mollo voting no, the Council voted 6-0 to go into Executive Session.

Upon a motion by Rick Wood, seconded by Jordan Bales and the unanimous roll call vote of all members present, the Council voted to return to Open Session.

Upon a motion by Rick Wood, seconded by Jan White and the unanimous roll call vote of all members present, the Council certified that only the following VA Code Sections were discussed during the Executive Session.

- VA Code Section 2.2-3711 (A) (1) -Personnel
  a. Town Manager Search (SGR)
  b. Revenue Clerk
  c. Discussion for Lab Tech

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.

Rodney D. Cury
Rodney D. Cury, Mayor

Amanda Beheler
Amanda Beheler, Town Clerk