

3-9-93 Minutes

A regular meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:30 p.m., March 9, 1993.

Members present: Mayor G. Michael Shelton; Councilman Larry D. Brookshier (arrived during viewing of video); Councilwoman Joanne A. Grahame; Councilman Payton M. Otey; Councilman Ronnie C. Rice; Councilman W. D. Tharp; and Vice Mayor James A. Vest.

Members absent: None.

Staff present: City Manager Jack A. Gross; City Attorney W. W. Berry, IV (arrived during viewing of video); and Clerk of the Council Teresa W. Hatcher.

Mayor Shelton opened the meeting and led all present in saying the Pledge of Allegiance to the Flag.

Mayor Shelton declared that the minutes of a regular Council meeting held on February 23, 1993, were approved as mailed.

City Manager Gross stated that the Central Virginia Disabilities Services Board is planning to hold a series of public meetings to receive information from citizens concerning the needs of disabled persons. The Board has scheduled the public meeting in Bedford for March 16 at 7:30 p.m. in the Council Chambers.

On motion by Councilman Tharp, seconded by Councilwoman Grahame, voted upon and carried, the following item was added to the agenda:

Executive Session - Real Estate Offers to Purchase Property on Pinecrest Avenue, pursuant to Section 2.1-344(a)(3) of the Code of Virginia of 1950, as amended.

Councilman Rice stated that a call had been received from a Mrs. Johnson on Liberty Street concerning the condition of her water. The City Manager stated it would be checked.

Councilman Otey reported that Local Government Day is scheduled for May 12. Mr. Otey stated that the students will be voting on April 7.

A videotape report was presented by Sue Gilbert on the 1992 Christmas in April Project.

Councilman Brookshier and City Attorney Berry arrived during the viewing of the video.

Ms. Gilbert stated that this year's Christmas in April project is scheduled for April 24. Ms. Gilbert asked for Council's assistance in trash removal on that day and help from the building department.

The City Manager recommended a 3 1/2% electric rate increase on all classes of customers effective April 1, 1993, to be collected beginning in May. Mr. Gross further recommended that the City's policy on future wholesale rate increases and decreases will be that they are reflected in the City's retail rate schedule the following month after the wholesale rate takes effect and that the retail increase or decrease be spread equally among all classes of customers.

City Manager Gross stated that the City will not make any money from this increase since it was not instituted at the time the wholesale rate increase went into effect. Mr. Gross presented graphs showing an

11% increase in the SEPA (Southeastern Power Association) wholesale rate which went into effect in October 1991, costing the City about \$500 per month, and a graph showing the APCo (Appalachian Power Company) increase which was effective in September 1992 and is costing the City approximately \$30,000 per month.

Mr. Steve Shurbutt, GDS Associates, Inc., made a presentation on the proposed rate increase.

Discussion ensued.

Councilwoman Grahame moved for the adoption of the electric tariff to be effective April 1, 1993. The motion was seconded by Councilman Otey.

Further discussion ensued.

Mayor Shelton suggested that the Council's Industrial Liaison Committee meet with representatives of the Bedford Industrial Management Council (BIMC) on a regular basis before the BIMC meetings.

Discussion ensued.

Councilwoman Grahame amended and restated her motion on the adoption of the electric tariff: that Council approve a 3 1/2% rate increase on all classes of customers to take effect April 1, 1993, and to be collected beginning in May; and that the City's policy on future wholesale rate increases and decreases will be that they are reflected in the City's retail rate schedule the following month after the wholesale rate takes effect. Councilman Otey, who seconded the motion, agreed to the amendment. The motion was then voted upon and carried, six members voting aye, one member (Rice) voting nay.

Mr. Hugh Baker, GDS Associates, Inc., explained a proposed agreement with the Blue Ridge Power Agency, whereby members of the Agency will purchase 50 megawatts of power from Public Service of Indiana (PSI Energy, Inc.), to be wheeled through APCo's system. Mr. Baker explained the financial benefits that would result from entering into this agreement. Mr. Baker indicated that the contract is contingent upon a transmission contract with APCo that is acceptable to City.

Discussion ensued.

Mr. Dan Carson, Appalachian Power Company, stated that APCo would meet with Council to discuss APCo's concerns regarding this proposal.

The Clerk of Council read aloud the following proposed resolution:

RESOLUTION

WHEREAS, the City of Bedford is a member of the Blue Ridge Power Agency; and

WHEREAS, this Agency has been negotiating for additional power supply capabilities;
and

WHEREAS, after much deliberation and study, the Blue Ridge Power Agency has made certain recommendations to its members; and

WHEREAS, Bedford City Council, after considering the proposal and benefits to be

derived, desires to take certain actions involving the Blue Ridge Power Agency and American Electric Power;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Bedford, Virginia, that the City Manager is hereby authorized to execute the following:

1. An agreement between the City of Bedford and the Blue Ridge Power Agency for billing and power supply services and partial assignment of contract;
2. Notification from the City of Bedford to American Electric Power/Appalachian Power Company informing them of a reduction of contract capacity and partial assignment of electric service contract;
3. Notification to American Electric Power/ Appalachian Power Company formally requesting transmission service for the City's 6.1 megawatt share of the 50 megawatt Public Service of Indiana energy purchase; and
4. A letter authorizing the Blue Ridge Power Agency to proceed with negotiations with American Electric Power and initiate proceedings before the Federal Energy Regulatory Commission, if necessary, to secure the aforementioned transmission service.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be forwarded to the Blue Ridge Power Agency and its members.

Councilman Brookshier moved that the resolution be adopted as read. The motion was seconded by Vice Mayor Vest, voted upon and carried unanimously by the following roll call vote:

Councilman Brookshier	aye
Councilwoman Grahame	aye
Councilman Otey	aye
Councilman Rice	aye
Councilman Tharp	aye
Vice Mayor Vest	aye

Mayor Shelton

aye

City Manager Gross stated that during the Council meetings on January 26 and February 23, 1993, public hearings were held regarding the proposed Community Development Block Grant. The amount of funding to be requested is \$1,000,000; and the number of low-and moderate-income residents to benefit from the project is approximately 163. It will be necessary for the City to provide matching funds in the amount of \$50,000. Mr. Gross stated that funds would be obtained through a \$5,000 contribution from a previous rehabilitation program grant and a request for \$45,000 in the 1993-94 budget. The funds would only be used if the City is awarded a contract.

Councilman Otey asked that the minutes reflect that he did not participate in discussion of the proposed Block Grant and that he would abstain from voting as he owns property in the area being considered for the grant.

Councilman Tharp moved that Council authorize the City Manager to sign and submit the application for Community Development Block Grant for the King Street neighborhood project and to negotiate and sign the final contract with the Department of Housing and Community Development. The motion was seconded by Councilman Rice, voted upon and carried, six members voting aye, one members (Otey) abstaining.

Vice Mayor Vest moved that Council adjourn into executive session to discuss real estate offers to purchase property on Pinecrest Avenue, pursuant to Section 2-1.344(a)(3) of the Code of Virginia of 1950, as amended. The motion was seconded by Councilwoman Grahame, voted upon and carried unanimously by the following roll call vote:

Councilwoman Grahame aye

Councilman Otey aye

Councilman Rice aye

Councilman Tharp aye

Vice Mayor Vest aye

Councilman Brookshier aye

Mayor Shelton aye

Council adjourned into executive session at 9:22 p.m. following a five minute recess which was declared by the Mayor. Non-council members attending were: City Manager Gross, City Attorney Berry, and Clerk of the Council Hatcher.

Council reconvened into open session at 9:40 p.m.

The Clerk of Council read aloud the following proposed resolution:

BE IT RESOLVED that the Council of the City of Bedford hereby certifies that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive meeting to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Council.

Councilman Tharp moved that the resolution be adopted as read. The motion was seconded by Councilwoman Grahame, voted upon and carried by the following roll call vote:

Councilman Otey	aye
Councilman Rice	aye
Councilman Tharp	aye
Vice Mayor Vest	aye
Councilman Brookshier	aye
Councilwoman Grahame	aye
Mayor Shelton	aye

Mayor Shelton stated that the next item on the agenda was the review of the offers for the purchase of the City-owned house on Pinecrest Avenue.

Councilman Rice moved that Council accept the offer of Mrs. Hylton to buy the house at \$67,000 and authorize the Mayor and the Clerk to prepare and sign the necessary papers. The motion was seconded by Councilman Otey, voted upon and carried unanimously by the following roll call vote:

Councilman Rice	aye
Councilman Tharp	aye
Vice Mayor Vest	aye

Councilman Brookshier	aye
Councilwoman Grahame	aye
Councilman Otey	aye
Mayor Shelton	aye

Mayor Shelton adjourned the meeting at 9:43 p.m.