

3-14-95 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 14, 1995.

Members present: Mayor G. Michael Shelton; Vice Mayor Larry D. Brookshier; Councilwoman Joanne A. Grahame; Councilwoman Linda Kochendarfer; Councilman Ronnie C. Rice; and Councilman W. D. Tharp.

Members absent: None. (A vacancy exists on City Council due to the death of Councilman Payton M. Otey on February 22, 1995.)

Staff present: City Manager Jack A. Gross; City Attorney W. W. Berry, IV; 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 28, 1995, were approved as distributed.

On motion by Vice Mayor Brookshier, seconded by Councilwoman Kochendarfer, voted upon and carried, the following items were added to the agenda:

Amended Resolution - Virginia Department of Transportation

Work Session on CIP Budget - Continuation of Discussion

Executive Session - Discussion of Candidates for the City Council Vacancy, pursuant to the Code of Virginia of 1950, as amended, Section 2.1-344(a)(1).

The Clerk of Council read aloud the following public hearing notice:

PUBLIC HEARING NOTICE

The City of Bedford, Virginia, will hold a public hearing on Tuesday, March 14, 1995, at 7:30 p.m. during the regularly scheduled City Council meeting at the Municipal Building, 215 E. Main Street, 2nd Floor Council Chambers, Bedford, Virginia 24523. The hearing is required for the proposed Community Development Block Grant application to be submitted to the Virginia Department of Housing and Community

Development on March 17, 1995. The proposed project is for residential and community facility improvements in the West King Street and surrounding neighborhood.

The purpose of the public hearing is to allow for public review and comment on the City's final grant proposal. Information on the amount of funding to be requested for this project, project beneficiaries, the number of low and moderate income persons, and the proposed activities and their cost for the project area will be presented. Plans to minimize displacement will also be discussed during the hearing.

Citizens will be given the opportunity to comment on the City of Bedford's past use of CDBG funds. For additional information, please contact the City of Bedford's Office of Community and Economic Development at the above address or telephone (703) 586-7128 or (703) 586-7123. All interested citizens are urged to attend. Arrangements will be made to accommodate handicapped citizens wishing to participate in the public hearing. Material related to the preparation of the application and records of previous CDBG activities over the past five (5) years are available to the public for review.

By Authority of the Department of Community and Economic Development

Ms. Jennie Martin, Grants Coordinator, reviewed with Council the Rehabilitation Program Summary, Neighborhood Census, and Cost Analysis.

Mayor Shelton opened the public hearing at 7:43 p.m. As there were no comments, Mayor Shelton closed the public hearing at 7:44 p.m.

The Clerk of Council read aloud the following proposed resolution:

RESOLUTION

BE IT RESOLVED that pursuant to two public hearings, the City of Bedford wishes to apply for \$530,952 of Virginia Community Development Block Grant funds for the Greater West King Street Neighborhood Revitalization Program.

WHEREAS \$85,185 will also be expended on this project, it is projected that 105 low-to-moderate income beneficiaries will result from the

implementation of this project, of which 100% will be low-and moderate-income persons.

BE IT FURTHER RESOLVED that Jack A. Gross, City Manager, is hereby authorized to sign and submit the appropriate documents for submittal of this Virginia Community Development Block Grant application.

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

Vice Mayor Brookshier	aye
Councilwoman Grahame	aye
Councilwoman Kochendarfer	aye
Councilman Rice	aye
Councilman Tharp	aye
Mayor Shelton	aye

City Manager Gross stated that the Zoning Administrator has reviewed the preliminary subdivision plat for The Homeplace, Section 1, and forwarded his comments to the Planning Commission, which met on March 2 and unanimously agreed to recommend that City Council approve the plat, subject to several conditions listed in a memorandum that Council has received copies of and also provided to the developer in a letter dated March 1, 1995. The developer requested approval to plant the street trees outside the right of way and to change the name of Baltimore Avenue. Mr. Gross stated that the street tree relocation was not approved because of the City's need of fee simple ownership. The change of street name was denied in the interest of public safety and street continuity, particularly in view of the 911 numbering system.

Mayor Shelton stated that a call was received by Dianne Flake in the City Manager's office today from Angie Patterson regarding the request for approval of the subdivision plat for The Homeplace, Section 1. Mrs. Patterson could not attend this Council meeting but wanted to go on record as believing her brother, Mr. Bob Ayers, has the right to change the name of Baltimore Avenue from the point where it will turn to The Homeplace.

Vice Mayor Brookshier moved that Council approve the subdivision plat for The Homeplace, Section 1, and authorize the Zoning Administrator to sign the final plat,

subject to the conditions as set forth by the City Planning Commission. The motion was seconded by Councilwoman Kochendarfer.

Mr. Bob Ayers stated that if the project is started but only one or two houses are completed, the new street may never get completed all the way through to Baltimore Avenue. Mr. Ayers asked Council to consider this possibility.

Councilwoman Grahame stated that she would not vote on the motion because of a conflict of interest.

The motion was then voted upon, five members voting aye, one member (Grahame) abstaining.

The City Manager stated that the Comprehensive Plan and Subdivision Ordinance are scheduled to be reviewed in the near future and recommended that any changes be considered at that time.

Mayor Shelton referred the matter of the request to change the name of Baltimore Avenue to the Street Committee.

City Manager Gross stated that during the Council meeting of February 14, 1995, Barry Thompson, the Assistant City Manager, presented a memorandum concerning the restructuring of the Electric Escrow Account and the Debt Service Reserve Account. At that meeting Mr. Thompson indicated the City would realize a net gain of \$14,907 on the restructuring of the Electric Escrow Account. Restructuring of the Debt Service fund would yield an approximate net cash gain to the City of \$21,994. At that meeting Council authorized the City Manager to contract with Craigie Incorporated to restructure the Electric Escrow Fund and to develop bid specifications on the Electric Debt Service Reserve Investments, and to seek an opinion from Hunton & Williams as bond counsel to confirm the optimization of the Escrow Refunding and to affirm the legal investments and the rebate situation on the Debt Service Reserve Investment.

Mr. Gross indicated that Council had received copies of the opinion of the bond counsel, along with a draft of the Third Supplemental Agreement of Trust and a resolution authorizing the restructuring of the Escrow Fund.

Councilman Rice moved that Council waive the reading of the proposed resolution regarding the restructuring. The motion was seconded by Councilman Tharp, voted upon and carried.

On motion by Councilman Rice, seconded by Councilwoman Kochendarfer, voted upon and carried by the following roll call vote, Council adopted the resolution authorizing the restructuring of the 1994 Escrow Fund and the execution and delivery of the Third Supplemental Agreement of Trust dated as of March 1, 1995, between the City of Bedford, Virginia, and Signet Trust Company:

Councilwoman Kochendarfer	aye
Councilman Rice	aye
Councilman Tharp	aye
Vice Mayor Brookshier	aye
Councilwoman Grahame	aye
Mayor Shelton	aye

The resolution follows as adopted:

**RESOLUTION AUTHORIZING THE RESTRUCTURING OF
THE 1994 ESCROW FUND AND THE EXECUTION AND
DELIVERY OF THE THIRD SUPPLEMENTAL AGREEMENT
OF TRUST DATED AS OF MARCH 1, 1995, BETWEEN THE
CITY OF BEDFORD, VIRGINIA, AND SIGNET TRUST COMPANY**

WHEREAS, the City of Bedford, Virginia (the "City"), and Signet Trust Company, Richmond, Virginia (successor to Bank of Virginia) (the "Trustee"), have entered into an Agreement of Trust dated as of June 1, 1985 (the "Master Trust Agreement"), as supplemented and amended by a First Supplemental Agreement of Trust dated as of October 1, 1986, and a Second Supplemental Agreement of Trust dated as of January 1, 1994 (the "Second Supplemental Agreement") (collectively, the "Trust Agreement").

WHEREAS, pursuant to the terms of the Second Supplemental Agreement, the City issued its \$16,450,000 Electric system Revenue Refunding Bonds, Series 1994, to refund a portion of its outstanding \$15,225,000 Electric System Revenue Refunding Bonds, Series 1986, maturing on and after June 1, 2007;

WHEREAS, in connection with such refunding, by the terms of the Second Supplemental Agreement there was established the City of Bedford 1994 Escrow Fund (the "Escrow Fund"), into which certain funds were deposited and then used to purchase the United States Treasury

Securities ("Government Obligations") described in Appendix A to the Second Supplemental Agreement;

WHEREAS, as a result of current market conditions, it appears that the City can achieve further savings by substituting other Government Obligations for those currently held in the Escrow Fund and to amend Section 4.3 of the Second Supplemental Agreement to effect the same;

WHEREAS, the Trust Agreement provides that the Authority and the Trustee may enter into supplemental agreements which, in the opinion of the Trustee, do not prejudice in any material respect the rights of the holders of any outstanding Bonds, as defined in the Master Trust Agreement; and

WHEREAS, there has been presented to this meeting a draft dated March 3, 1995, of a Third Supplemental Agreement of Trust between the City and the Trustee, dated as of March 1, 1995 (the "Third Supplemental Agreement"), supplementing and amending the Trust Agreement and providing for the restructuring of the Escrow Fund;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD, VIRGINIA:

1. Authorization of Escrow Fund Restructuring. The City Council hereby finds that it is in the best interests of the City to achieve further savings by substituting other Government Obligations for those currently held in the Escrow Fund and to amend Section 4.3 of the Second Supplemental Agreement to effect the same.

2. Third Supplemental Agreement. The City Manager is authorized and directed to execute the Third Supplemental Agreement and deliver it to the Trustee. The Third Supplemental Agreement shall be in substantially the form presented to this meeting, which is approved, with such completions, omissions, insertions and changes as may be approved by the City Manager, the execution thereof by the City Manager to constitute conclusive evidence of the City Manager's approval of any such completions, omissions, insertions and changes of such Agreement.

3. Other Actions. All other actions of officers of the City in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds are approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments to take all such further action as may be considered necessary or desirable in connection with the restructuring of the Escrow Fund and the execution and delivery of the Third Supplemental Agreement.

4. Repeal of Conflicting Resolutions. All resolutions or parts of resolutions in conflict herewith are repealed.

5. Effective Date. This Resolution shall take effect immediately.

The Clerk of Council read aloud the following proposed resolution:

AMENDED RESOLUTION NO. 95-01
RESOLUTION REQUESTING THE VIRGINIA DEPARTMENT OF
TRANSPORTATION TO DESIGNATE
INDEPENDENCE BOULEVARD AS STATE ROUTE 122 AND
TO DESIGNATE THE OLD LOCATION OF STATE ROUTE 122
AS STATE ROUTE 122 BUSINESS

WHEREAS, it is necessary for a formal request to be made to the Virginia Department of Transportation by the Council of the City of Bedford by resolution to designate Independence Boulevard as State Route 122 and to designate the old location of State Route 122 as State Route 122 Business; and

WHEREAS, the Virginia Department of Transportation has provided the Council of the City of Bedford with a sketch depicting the locations to be designated as State Route 122 and State Route 122 Business, which sketch is incorporated herein by reference;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Bedford, Virginia, at its regular meeting on the 14th day of March, 1995, that

1. The Virginia Department of Transportation be, and hereby is requested to designate as State Route 122 from the intersection of U. S. Route 460 and Burks Hill Road; overlapping U.S. Route 460 to U.S. Route 460 Business; thence

overlapping U.S. Route 460 Business to Independence Boulevard; thence via Independence Boulevard to U. S. Route 221.

2. The Virginia Department of Transportation be, and hereby is, requested to designate the old location of State Route 122 as State Route 122 Business from U.S. Route 460 to U.S. Route 460 Business; thence overlapping U.S. Route 460 Business to U.S. Route 221; thence overlapping U.S. Route 221 to the intersection of U.S. Route 221 and State Route 122.

BE IT FURTHER RESOLVED that a certified copy of this resolution be forwarded to the Resident Engineer for the Virginia Department of Transportation.

On motion by Councilwoman Kochendarfer, seconded by Councilman Tharp, voted upon and carried by a roll call vote, Council approved the resolution. Roll call vote follows:

Councilman Rice	aye
Councilman Tharp	aye
Vice Mayor Brookshier	aye
Councilwoman Grahame	aye
Councilwoman Kochendarfer	aye
Mayor Shelton	aye

Council continued with the work session on the proposed 1995-96 capital improvement budget.

Mr. Clarke Gibson, Director of Public Works, reviewed the requests for the following departments: Engineering, Landfill, Water, and Wastewater.

Mr. Barry Thompson, Assistant City Manager, reviewed the proposed CIP budget for the Electric Department. Mr. Thompson explained the proposed method of funding the Electric Department CIP budget.

The City Manager pointed out that at some point in future years, Council may want to consider raising the \$750,000 cap on the CIP budget.

Discussion ensued regarding the original CIP budget requests of the City departments.

Mayor Shelton asked Mr. Gross to provide Council with copies of the original list of CIP budget requests from the department heads. Vice Mayor Brookshier asked the City Manager to provide Council with a short report from each department on the item which was cut in their proposed budgets that hurt them the most.

Council discussed the problem of trash being scattered along a section of Orange Street.

City Manager Gross reported that the Bedford County Board of Supervisors were requested to pass a resolution prepared by Appalachian Power Company (APCO) supporting APCO's supplying power to Georgia Pacific Corporation. The City Manager indicated that the Board, at its last meeting, passed a resolution requesting the State Corporation Commission to give expedited review to the application of APCO for a determination of scope of territory served in connection with the proposed plant expansion by Georgia Pacific Corporation at Big Island in Bedford County, Virginia. Mr. Gross stated that in the City's brief being filed with the State Corporation Commission, the City is joining in the County's request to expedite that decision.

Mayor Shelton stated that Governor Allen's wife will be in Bedford on April 27 at 3:00 p.m. as part of a tourism promotion.

Council discussed holding a meeting on February 21 to interview candidates to fill the vacancy that exists on City Council.

On motion by Councilwoman Kochendarfer, seconded by Vice Mayor Brookshier, voted upon and carried by a roll call vote, Council adjourned into executive session for discussion of candidates for the City Council vacancy, pursuant to Section 2.1-344(a)(1) of the Code of Virginia of 1950, as amended. Roll call vote follows:

Councilman Tharp	aye
Vice Mayor Brookshier	aye
Councilwoman Grahame	aye
Councilwoman Kochendarfer	aye
Councilman Rice	aye
Mayor Shelton	aye

Council adjourned into executive session at 9:01 p.m.

Council reconvened into open session at 9:50 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 Rice moved that the resolution be approved. The motion was seconded by Councilwoman Kochendarfer, voted upon and carried by the following roll call vote:

Vice Mayor Brookshier	aye
Councilwoman Grahame	aye
Councilwoman Kochendarfer	aye
Councilman Rice	aye
Councilman Tharp	aye
Mayor Shelton	aye

Mayor Shelton adjourned the meeting at 9:51 p.m. until March 16, 1995, at 7:00 p.m.