

10-24-95 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., October 24, 1995.

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

Members absent: None.

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 expressed appreciation to the citizens who serve on volunteer boards and commissions, members of the Volunteer Fire Department and Lifesaving Crew, and volunteers in Parks and Recreation Department activities.

Mayor Shelton declared that the minutes of a regular Council meeting held on September 26, 1995, were approved as distributed and the minutes of an adjourned Council meeting held on October 4, 1995, were approved as corrected.

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

Resolution Authorizing Execution of Lease Agreement With
Appalachian Power Company

Vice Mayor Brookshier stated that he had received complaints of speeding on Independence Boulevard.

Councilman Rice and Mayor Shelton reported on the annual Virginia Municipal League Conference at which the City won two awards.

Councilman Tharp reported that the fund raising campaign for the new Library has exceeded its goal and the total raised is \$600,700.

Two members of the audience asked questions. Discussion ensued.

The Consent Agenda consisted of the following items:

- Approve the following street closings for the Christmas Parade on December 2, 1995:

1. College Street and Ashland Avenue near the Recreation Field, and, if necessary, Ashland Avenue in the vicinity of the Elks Home, from 11:30 a.m. to 2:00 p.m.
2. Peaks Street from College Street to North Bridge Street, North Bridge Street to West Main Street, West Main Street to Fourth Street and to the County Recreation Field, from 2:00 to 4:00 p.m., with Bedford Avenue and Mountain Avenue to be one-way streets during that time.

- Appoint Mrs. Ann Wood, Mrs. Dorothy Arthur, and Mrs. Margaret Mosby to the Keep Bedford Beautiful Commission for three-year terms, said terms to expire June 30, 1998.

Councilman Rice moved that the Consent Agenda be adopted. The motion was seconded by Councilwoman Kochendarfer, voted upon and carried unanimously.

City Manager Gross stated that in order to implement the pretreatment program for significant industrial users of the City's wastewater treatment facility, as mandated by the Department of Environmental Quality, it will be necessary for Council to approve the revision of the sewer use ordinance, contained in Chapter 19 of the City Code. The revised ordinance has been submitted to the Department of Environmental Quality, which has approved the revisions. The City must now request final approval by the DEQ of the revised program elements as submitted. This request for approval must be accompanied by documentation of Council's adoption of the proposed sewer use ordinance.

Mr. Alex Monroe, Olver Incorporated, reviewed with Council the Pretreatment Program Outline.

On motion by Councilwoman Grahame, seconded by Vice Mayor Brookshier, voted upon and carried unanimously, Council waived the reading of the proposed ordinance to amend Chapter 19, Sewers and Sewage Disposal, of the Bedford City Code, as the ordinance had been posted in accordance with the provisions of Section 2-30 of the City Code.

Councilwoman Grahame moved that Council adopt the ordinance amending Chapter 19, Sewers and Sewage Disposal, of the Bedford City Code. The motion was seconded by Councilwoman Kochendarfer, voted upon and carried unanimously by the following roll call vote:

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

(The ordinance will be included in the permanent minute book)

The City Manager reported that the Bedford County Board of Supervisors, at its August 28, 1995, meeting voted to submit an application to the Department of Youth & Family Services to secure grant funds for both the County and the City from the Juvenile Criminal Crime Control Act. The grant would be administered by the County. A Committee was appointed and has prepared a proposed grant for the period January 1 through June 30, 1996, and July 1, 1996, through June 30, 1998. The grant does not require additional local monies but does require that the County continue its current level of funding for juvenile detention and probation. Mr. Gross indicated that the grant is for secure detention facilities, electronic monitoring, intensive probation/parole, and intensive counseling including home based counseling for high risk delinquent juveniles. In order to provide these services, monies from the grant will be used to employ two positions. The grant requires that the governing body from each participating locality endorse the local plan.

Councilman Rice moved that Council endorse the local plan as prepared by the Juvenile Criminal Crime Control Act Grant Committee requesting \$57,160 in state funds to be administered by Bedford County for both Bedford County and the City of Bedford pursuant to an existing agreement, and approve the submission by the County Administrator of all the necessary documents for this grant. The motion was seconded by Councilwoman Flood, voted upon, and carried unanimously.

City Manager Gross stated that Appalachian Power Company has agreed to purchase and install certain equipment at a new 115/69/12 KV substation known as the "Skimmer Station", located in the County of Bedford, and to sell the equipment to the City and lease back the equipment from the City. The equipment will be conveyed to the City for a sum of not less than \$2,000,000 and not more than \$3,000,000. Council has received the final version of the Equipment Sale and Lease Agreement, which has been executed by APCo.

The Clerk of Council read aloud the following proposed resolution:

**RESOLUTION AUTHORIZING THE EXECUTION OF A
LEASE AGREEMENT WITH APPALACHIAN POWER COMPANY
AND AMENDING A RESOLUTION ENTITLED
"RESOLUTION PROVIDING FOR THE ISSUANCE
AND SALE OF TAXABLE LEASE REVENUE BONDS,
SERIES OF 1995, OF THE CITY OF BEDFORD,
VIRGINIA, IN A PRINCIPAL AMOUNT NOT TO EXCEED
\$3,000,000, HERETOFORE AUTHORIZED AND PROVIDING
FOR THE FORM, DETAILS AND PAYMENT THEREOF"**

WHEREAS, the City Council (the "Council") of the City of Bedford, Virginia (the "City") adopted a resolution on August 22, 1995 (the "Prior Resolution"), providing for the issuance of taxable lease revenue bonds of the City in the maximum amount of \$3,000,000 (the "Bonds") to provide funds, together with other available funds, to finance the acquisition of certain electric distribution facilities (the "Facilities") from the Appalachian Power Company ("APCO") and to pay costs incurred in connection with issuing such bonds (collectively, the "Project");

WHEREAS, the Prior Resolution requires the City Manager to present to the Council a supplemental resolution prior to the issuance of the Bonds that provides for the execution and delivery of the Equipment Sale and Lease Agreement to be entered into between the City and APCO (the "Lease Agreement");

WHEREAS, the Council desires to amend certain provisions of the Prior Resolution to be consistent with the proposed terms of the Lease Agreement;

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

1. Execution and Delivery of Equipment Sale and Lease Agreement. The purchase of the Facilities from, and the lease of such Facilities to, APCO upon the terms set forth in the Lease Agreement are hereby approved. The City Manager is authorized and directed to execute

the Lease Agreement in substantially the form attached hereto as Exhibit B, with such completions, insertions, omissions and changes not inconsistent with this resolution as may be approved by the City Manager, whose approval shall be evidenced conclusively by the execution and delivery of the Lease Agreement.

2. Amendment to Section 5 of the Prior Resolution. Section 5 of the Prior Resolution is hereby amended and restated as follows:

The Bonds are limited obligations of the City. Except as provided in the next sentence, prior to the Mandatory Redemption Date, the Bonds will be payable solely from amounts on deposit in the Acquisition Fund and the interest earnings thereon, and to the extent such monies are insufficient to pay interest accrued on the Bonds, from funds to be appropriated by the City Council for such purpose. On and after the date on which the Conditions for Release of the Acquisition Fund (as hereinafter defined) occurs, the Bonds will be payable solely from revenues derived from lease payments (the "Lease Payments") to be made by APCO pursuant to the terms of the Lease Agreement, moneys on deposit in the Lease Revenue Fund (as hereinafter defined), and, only to the extent such monies are insufficient to pay interest accrued to the first interest payment date on the Bonds or to the Mandatory Redemption Date upon a partial redemption, from funds to be appropriated by the City Council for such purpose.

Neither this Resolution nor the Bonds shall be deemed to constitute a debt or pledge of the faith and credit of the City within the meaning of any constitutional or statutory limitation, and neither the faith and credit nor the taxing power of the City is pledged to the payment of amounts payable under the Bonds or other costs incident thereto.

To the extent that earnings on the Acquisition Fund or amounts on deposit in the Lease Revenue Fund are insufficient to pay interest accrued on the Bonds in the City's current fiscal year or succeeding fiscal year, the Council hereby states its non-binding commitment to make annual appropriations for this fiscal year and the succeeding fiscal year in amounts sufficient to pay such interest. The Council hereby directs the City Manager, or such other officer as may be charged with the responsibility for preparing the City's annual budget, to include in the annual budget (or to make an amendment to such budget to

include) any amounts necessary to pay interest accrued on the Bonds through the first interest payment date on the Bonds or the Mandatory Redemption Date. The City is not obligated to make an appropriation for such purpose.

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

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

Councilwoman Kochendarfer moved that Council adopt the resolution as read. The motion was seconded by Councilman Tharp, voted upon and carried unanimously by the following roll call vote:

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

Mayor Shelton adjourned the meeting at 8:40 p.m.