

A called meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 5:30 p.m., June 4, 1996.

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 (arrived at 5:39 p.m.).

Members absent: Councilwoman Mary L. Flood.

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.

The Clerk of Council read aloud the Notice of Called Meeting which indicated the purpose of the meeting as follows:

To consider a technical change to the Bond Purchase Agreement in connection with Taxable Lease Revenue Bonds for Lease of Equipment at an Electrical Substation in Bedford County, Virginia.

The City Manager explained the reason for the requested change by Ohio National Life Insurance Company to the Bond Purchase Agreement.

The Clerk of Council read aloud the following proposed resolution:

**RESOLUTION AMENDING CERTAIN TERMS OF THE
RESOLUTION ADOPTED ON MAY 28, 1996,
RELATING TO THE ISSUANCE AND SALE OF \$2,630,000
TAXABLE LEASE REVENUE BONDS, SERIES OF 1996,
OF THE CITY OF BEDFORD, VIRGINIA**

WHEREAS, the City Council (the "Council") of the City of Bedford, Virginia (the "City"), adopted on May 28, 1996, a resolution (the "Prior Resolution") authorizing the issuance and sale of \$2,630,000 Taxable Lease Revenue Bonds, Series of 1996, of the City (the "Bonds") to provide funds, together with other available funds, to finance the acquisition of certain electric distribution facilities from Appalachian Power Company and to pay costs incurred in connection with issuing such bonds;

WHEREAS, the purchaser of the Bonds has requested by letter dated June 4, 1996, a copy of which is attached hereto, that the Council amend certain terms of the bonds, and the Council has agreed to do so;

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

1. Bond Details. Section 2 of the Prior Resolution is hereby amended to clarify that any holder of a Bond or Bonds in an aggregate original principal amount of not less than \$500,000 may, by prior written instructions filed with the Registrar not later than three (3) business days prior to the Payment Date (which instructions shall remain in effect until revoked by subsequent written instructions), instruct that such principal and interest payments be made by wire transfer to an account in the continental United States or other means acceptable to the Registrar.

2. Optional Redemption Provisions. The definitions of "Weighted Average Life to Maturity" and "Remaining Dollar-Years" contained in Section 3 of the Prior Resolution and in the bond form attached as Exhibit A thereto are hereby amended and restated as follows:

"Weighted Average Life to Maturity" of the principal amount of the Bonds being prepaid shall mean as at the time of any determination thereof the number of years obtained by dividing the then Remaining Dollar-Years of such principal by the aggregate amount of such principal.

"Remaining Dollar-Years" of such principal amount of the Bonds being prepaid shall mean the amount obtained by (1) multiplying (A) the amount of principal that would have become due on each scheduled payment date if such prepayment had not been made by (B) the number of years (calculated to the nearest one-twelfth) which will elapse between the date of determination and such scheduled payment date, and (2) totalling all the products obtained in (1).

3. Repeal of Conflicting Resolutions. The Prior Resolution is amended as provided herein and all other resolutions or parts of resolutions in conflict herewith are repealed.

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

Councilman Tharp arrived at 5:39 p.m. (during the reading of the resolution).

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

Vice Mayor Brookshier aye

Councilwoman Flood absent

Councilwoman Grahame aye

Councilwoman Kochendarfer aye

Councilman Rice aye

Councilman Tharp aye

Mayor Shelton aye

Mayor Shelton adjourned the meeting at 5:41 p.m.