

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., September 14, 2004.

Members present: Mayor E. Thomas Messier; Councilwoman Mary L. Flood; Councilman Jeffrey B. Hubbard; Councilman Thomas M. Padgett; Councilman C. G. Stanley, Jr.; Vice Mayor W. D. Tharp; and Councilman Robert T. Wandrei.

Members absent: None

Staff present: City Manager F. Craig Meadows; City Attorney W. W. Berry, IV; and Deputy Clerk of the Council Debra Anderson.

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

Mayor Messier declared that the minutes of a regular Council meeting held on August 10, 2004, were approved as distributed.

The City Manager reported on the following:

- he attended Virginia Resources Authority annual conference in Roanoke earlier in the day
- He and the Electric Utility Director will be meeting with the other managers and electric directors of the Blue Ridge Power Agency cities on September 15 to begin to discuss implementation strategy for a new wholesale power supply contract.
- He will attend the American Public Power Association Business and Finance workshop from September 19-22.
- Centerfest – September 25
- Virginia Municipal League Conference will be in Alexandria October 3 –5
- Possible dates for a City Council retreat: October 22 & 23 or November 5 & 6
- The City Water & Sewer Committee met with the Bedford County Public Service Authority officials last week to discuss resources and moving forward with the County on some issues.
- The temporary Welcome Center will be dissembled over the next week in order to accommodate completion of the permanent center – the new center will possibly be open the second or third week of October.
- The annual Jefferson Assembly at Poplar Forest will be held on September 21 from 5:30 – 7:50 p.m.
- Dorothy Arthur, long-time community volunteer, passed away over the weekend. Ms. Arthur served on the Keep Bedford Beautiful Commission.

Councilman Wandrei stated that volunteers are always needed to assist with Centerfest.

The City Manager stated that Main Street Board members have a meeting on September 15 from 5:30 p.m. until 9:30 p.m.

Councilwoman Flood, Chairman of the Electric Committee, stated the Committee met earlier in the evening and received a briefing regarding the authorization of loan guaranty for the electric transmission payment, which is required for electric transmission services.

The City Manager stated that Council is requested to approve an ordinance authorizing the execution of a guaranty agreement, in the maximum amount of \$263,000 for the American National Bank account of the Blue Ridge Power Agency, for the purpose of making electric transmission service payments to PJM Interconnection, LLC, on the City of Bedford's behalf.

The Mayor stated that the proposed ordinance had been properly posted and Council could dispense with the reading of the ordinance.

On motion by Vice Mayor Tharp, seconded by Councilman Padgett, voted upon and carried unanimously by a roll call vote, Council adopted the ordinance authorizing the execution of a guaranty agreement, in the maximum amount of \$263,000 for the American National Bank account of the Blue Ridge Power Agency, for the purpose of making electric transmission service payments to PJM Interconnection, LLC, on the City of Bedford's behalf. Roll call vote follows:

Councilwoman Hubbard	aye
Councilman Flood	aye
Councilman Padgett	aye
Councilman Stanley	aye
Vice Mayor Tharp	aye
Councilman Wandrei	aye
Mayor Messier	aye

The Ordinance follows as adopted:

**ORDINANCE NO. 04-15**

**AN ORDINANCE AUTHORIZING THE EXECUTION  
AND DELIVERY BY THE CITY OF BEDFORD, VIRGINIA,  
OF A GUARANTY AGREEMENT IN A MAXIMUM AMOUNT  
OF \$263,000, FOR THE ACCOUNT OF  
BLUE RIDGE POWER AGENCY, INC.**

WHEREAS, the City of Bedford, Virginia (the "City"), and the Cities of Danville, Martinsville and Salem and the Town of Richlands, are members of the Blue Ridge Power Agency, Inc. ("Blue Ridge"); and

WHEREAS, Blue Ridge has advised its constituent members, including the City of Bedford and the above listed members, that to obtain

electric transmission service in the future, the members must either become members of PJM Interconnection, LLC (“PJM”), or have an agent act on their behalf; and

WHEREAS, at the request of its constituent members, Blue Ridge has agreed to act as their agent and itself to become a member of PJM; and

WHEREAS, the credit requirements of PJM require that Blue Ridge obtain an irrevocable stand-by letter of credit to secure payments due from Blue Ridge to PJM; and

WHEREAS, Blue Ridge has obtained a commitment from American National Bank and Trust Company (the “Bank”) to provide the necessary irrevocable stand-by letter of credit provided that each constituent member of Blue Ridge secures such letter of credit with a loan guaranty covering such member’s respective share of Blue Ridge’s total credit commitment to PJM; and

WHEREAS, the City of Bedford’s respective share is an amount not greater than Two Hundred Sixty Three Thousand Dollars (\$263,000); and

WHEREAS, there has been presented to this meeting a form of loan guaranty agreement (the “Guaranty”) provided by the Bank.

THEREFORE, BE IT ORDAINED by the Council of the City of Bedford, Virginia;

Section 1. Authorization of Guaranty. The Council hereby authorizes the City of Bedford to provide a loan guaranty for the account of Blue Ridge to secure the full and prompt repayment by Blue Ridge for draws made under an irrevocable stand-by letter of credit to be issued by the Bank; provided, however, that the loan guaranty from the City of Bedford shall not be in excess of Two Hundred Sixty Three Thousand Dollars (\$263,000) and shall be for a term extending not longer than December 31, 2006. Such guaranty shall constitute an indebtedness authorized to be issued pursuant to Section 28 of the City Charter. To evidence such arrangement, the Mayor, is hereby authorized and directed to execute and deliver to the Bank the Guaranty for the account of Blue Ridge. The Guaranty shall be in substantially the form presented to this meeting, which is hereby approved, with such completions, omissions, insertions or changes not inconsistent with this Ordinance as may be approved by the Mayor, the execution thereof by the Mayor to constitute conclusive evidence of such officer’s approval of such completions, omissions, insertions or changes. It is further authorized that up to two additional current Blue Ridge constituent municipal members may be added to this Guaranty with the sum of guaranty coverage for these members not to exceed Nine Hundred Sixty One Thousand Dollars

(\$961,000) upon the condition there be no increase in the amount of the City of Bedford's loan guaranty.

Section 2. Pledge of Full Faith and Credit. The full faith and credit of the City of Bedford is irrevocably pledged for the payments due under the Guaranty. Unless other funds are lawfully available and appropriated for timely payment under the Guaranty, the Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the City of Bedford sufficient to pay when due the payments under the Guaranty.

Section 3. Effective Date. This Ordinance shall take effect immediately upon its passage.

City Manager Meadows stated that Council is requested to approve an ordinance authorizing the conveyance of the old dam site property located on the west side of Virginia Secondary Route No. 43. The only bid received for this property was from Thomas E. Reynolds, Jr., and Roslyn C. Reynolds and Kenneth Moore and Frances Moore in the amount of \$27,004. This property was the site of a reservoir that stored water from the Big Spring at the Peaks of Otter as part of the City public water system and the old dam site and reservoir have not be used for years. An ordinance authorizing the Mayor and City Clerk to execute a deed quitclaiming the property to the purchasers upon payment of the purchase has been posted.

The Mayor stated that the proposed ordinance had been properly posted and Council could dispense with the reading of the ordinance.

On motion by Councilman Stanley, seconded by Councilwoman Flood, voted upon and carried unanimously by a roll call vote, Council adopted the ordinance authorizing the conveyance of the old dam site property located on the west side of Virginia Secondary Route No. 43. Roll call vote follows:

Councilman Padgett	aye
Councilman Stanley	aye
Vice Mayor Tharp	aye
Councilman Wandrei	aye
Councilman Hubbard	aye
Councilwoman Flood	aye
Mayor Messier	aye

The ordinance follows as adopted:

**ORDINANCE NO. 04-16**

**AN ORDINANCE AUTHORIZING THE SALE  
AND CONVEYANCE OF THE OLD DAM SITE  
LOCATED ON THE WEST SIDE OF  
VIRGINIA SECONDARY ROAD NUMBER 43  
IN BEDFORD COUNTY  
TO THOMAS E. REYNOLDS, JR., AND ROSLYN C. REYNOLDS,  
AND KENNETH MOORE AND FRANCES MOORE**

WHEREAS, the City of Bedford, as successor to the Town of Liberty and the Town of Bedford, is the owner of a lot or parcel of land located on the west side of Virginia Secondary Route No. 43 in Bedford County Virginia and lying on both sides of the creek running from the Big Springs at the Peaks of Otter to Kelso's Mill, which was conveyed to the Town of Liberty by a deed recorded in Deed Book No. 58, at page 301, the real estate being described on a plat of survey of the "Plan of Proposed System of Water Supply for the Town of Liberty, Va.," dated 1885 and recorded in Deed Book No. 58, at page 297; and

WHEREAS, the Town of Liberty constructed a dam upon the land which created a reservoir as a part of the water supply system for the Town; and

WHEREAS, the Town of Liberty, Virginia subsequently was renamed the Town of Bedford, Virginia, and in 1968 the City of Bedford was chartered as an independent city and is successor to the Town of Bedford; and

WHEREAS, the old dam site and real estate have not been used for many years and the City Council directed that a Notice of Sale be run in the local newspaper soliciting bids for purchase of the property, and Thomas E. Reynolds, Jr., and Roslyn C. Reynolds, and Kenneth Moore and Frances Moore, in response to said advertisement, offered in writing to purchase the real estate from the City of Bedford for a price of \$27,004; and

WHEREAS, the City Council held a public hearing on August 24, 2004 pursuant to the provisions of Virginia Code, Section 15.2-1800, notice of said public hearing having been advertised once in the Bedford Bulletin at least seven (7) days prior to the hearing, and at said public hearing the City Council considered the aforesaid bid of Thomas E. Reynolds, Jr., and others, that being the only bid, and determined that the proposed price was fair, and directed the advertisement of an ordinance authorizing conveyance of the real estate to the proposed purchasers.

**NOW THEREFORE BE IT ORDAINED BY THE CITY OF BEDFORD:**

Section 1. The City Council approves the sale of the old dam site property to Thomas E. Reynolds, Jr., and Roslyn C. Reynolds and Kenneth Moore and Frances Moore for a price of \$27,004, the property being more particularly described as follows:

A lot or parcel of land in the County of Bedford, on both sides of the creek running from Big Springs at the Peaks of Otter to Kelso's Mill, at the point where the water is taken from the said creek to supply the Town of Liberty, Virginia and fully marked off and described on a plat of survey entitled "Plan of Proposed System of Water Supply for the Town of Liberty, Va.," dated 1885 and recorded in the Clerk's Office of the Circuit Court of Bedford County, Virginia in Deed Book No. 58, at page 297, being 300 feet wide on the West side of said creek and extending the same width with parallel sides crossing said creek and out to the road leading to the Peaks of Otter..

It being the same property conveyed to Mayor and Common Council of the Town of Liberty, Va., by Michael M. Karnes and Sarah W. Karnes by a deed dated May 14, 1885 and recorded in the aforesaid Clerk's Office in Deed Book No. 58, at page 301.

Section 2. Upon payment of the consideration by the purchasers, the Mayor and the City Clerk are hereby authorized to execute and deliver a quit claim deed conveying the said real estate to Thomas E. Reynolds, Jr., and Roslyn C. Reynolds and Kenneth Moore and Frances Moore or as they may direct.

Section 3. This Ordinance shall take effect immediately.

The City Manager stated the City has the opportunity to apply for an "Enterprise Zone Designation."

Elizabeth Berry-Mosley reviewed changes in this application from the previous application.

Deputy Clerk Anderson read the proposed resolution, as follows:

## **RESOLUTION**

**WHEREAS**, the City of Bedford is aware of the Virginia Enterprise Zone Program; and

**WHEREAS**, the City of Bedford understands that such a designation will include State and local incentives for businesses in the designated zone; and

**WHEREAS**, the City of Bedford is interested in stimulating business and industrial growth and is committed to offering certain incentives intended to stimulate private sector investment or revitalization in the proposed enterprise zone; and having reviewed and considered the eligibility;

**NOW, THEREFORE, BE IT RESOLVED** that the Council of the City of Bedford endorses and supports such a program for the City of Bedford and is hereby authorizing the City Manager to submit all information needed to apply for the enterprise zone designation for the Bedford Enterprise Zone and to meet other program administrative and reporting requirements, including identifying and offering for sale all surplus public land located within the zone.

On motion by Councilman Hubbard, seconded by Councilman Padgett, voted upon and carried unanimously by a roll call vote, Council adopted the resolution regarding the Enterprise Zone. Roll call vote follows:

Councilman Stanley	aye
Vice Mayor Tharp	aye
Councilman Wandrei	aye
Councilwoman Flood	aye
Councilman Hubbard	aye
Councilman Padgett	aye
Mayor Messier	aye

City Attorney Berry reviewed highlights of the State and Local Government Conflict of Interest Act. Mr. Berry stated that members of Council can seek advice from the City Attorney or the Commonwealth's Attorney regarding the Conflict of Interest Act. The City Attorney reviewed amendments to the Virginia Freedom of Information Act – reorganization of exceptions for closed sessions and new guidelines for keeping the minutes. Mr. Berry also reviewed a suit brought against the Fredericksburg City Council regarding the councilmen communicating by email about a proposed measure that was coming up before Council and illegal meetings.

Mayor Messier adjourned the meeting at 8:12 p.m.