

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 27, 2005.

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

Members absent: Vice Mayor W. D. Tharp

Staff present: Interim City Manager Jack A. Gross; City Attorney W. W. Berry, IV; and Clerk of the Council Teresa W. Hatcher.

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 September 13, 2005, were approved as distributed.

Bart Warner, Director of Planning & Community Development, reported that the City is one of five communities that has been awarded an Enterprise Zone. This designation gives the City several economic development tools that will encourage future growth and job development in the City. The designation is for an initial period of ten years with subsequent redesignation periods of five years each.

Mayor Messier stated the Police Department has received funds from the Department of Justice for the Department's wireless system. Mayor stated that the City's representative, Virgil Goode, was instrumental in getting those funds for the City.

Mr. Gross stated a letter of thanks is being prepared for Congressman Goode.

Clarke Gibson, Director of Public Works, reported that the water level at the Stoney Creek Reservoir earlier in the day was twenty inches below the spillway. The water level continues to drop one-half inch per day.

Mayor Messier stated that Council had received a card of thanks from the children of the Safe Haven Program.

Councilman Hubbard, Chairman of the Finance Committee, stated the Finance Committee met earlier in the evening for the purpose of reviewing financing of City capital project needs over the next six to twelve months and twelve to thirty-six months. The Committee also received a presentation from Davenport & Co. regarding a preliminary capital plan analysis.

The Consent Agenda consisted of the following items:

- Request by the Bedford Area YMCA for permission to hold its Annual Peaks of Otter Christmas Classic Foot Race on Saturday, December 3, 2005, and to block

the following streets from 8:00 a.m. to 11:30 a.m.: Peaks Street, Whitfield Drive, Oakwood Street, Longwood Avenue, Hampton Ridge Avenue and Elm Street.

- Request by Bedford Main Street, Inc. that Council authorize blocking the following streets to facilitate possible crowd overflow from the Bedford Council for the Arts' Gallery Walk (6:00 p.m. to 10:00 p.m.) on Friday, September 30, 2005, from 6:00 p.m. to 10:00 p.m.: South Bridge Street from the intersection with Main to southern terminus of Centertown Park, leaving the lower  $\frac{3}{4}$  of the 100 block of South Bridge Street open to traffic and parking.

On motion by Councilman Wandrei, seconded by Councilman Stanley, voted upon and carried, Council adopted the Consent Agenda.

Interim City Manager Gross stated that Council had received copies a proposed agreement for the Bedford Community Health Foundation to continue using space in the Bedford Central Library building. Mr. Gross stated the Director of Regional Library Services and the Interim Foundation Executive Director have approved the agreement.

On motion by Councilman Padgett, seconded by Councilwoman Flood, voted upon and carried, Council authorized the City Manager to execute the agreement for the Bedford Community Health Foundation to use portions of the Central Library building for its offices.

Interim City Manager Gross stated that Patton Harris Rust and Associates, PC, has submitted a contract for engineering to conduct a sanitary sewer system evaluation and capacity assurance plan for the City of Bedford. This project will include the following: 1) review of data containing information on sanitary sewer improvements since 1999; 2) comprehensive sanitary sewer system evaluation which includes evaluating the progress made on correcting sewer inflow and infiltration problems; and 3) preparation of comprehensive capacity assurance plan which includes a computer model of the sewer collection system which will determine current sewer collection system capacity and identify areas of insufficient capacity for future development.

Mr. Gross reported that this project was advertised on June 22, 2005, and three engineering firms were interviewed on August 24, 2005. Patton Harris Rust and Associates, PC was unanimously selected for the project by the City's selection committee. Mr. Gross reported that when completed the reports are required to be submitted to the Department of Environmental Quality by December 31, 2005, in accordance with the consent agreement the City has with the DEQ. Mr. Gross indicated that funds are available in the water and sewer operating budget inflow and infiltration line item.

On motion by Councilman Stanley, seconded by Councilman Wandrei, voted upon and carried, Council approved the Engineering Services Proposal for the Sanitary Sewer System Evaluation and Capacity Assurance Plan submitted by Patton Harris Rust and Associates, PC, dated September 12, 2005, in the amount of \$39,900.00.

Mr. Gross reported that in order to construct the proposed solid-waste transfer station, it would be necessary for the City to purchase approximately ½ acre strip of land situated between the landfill property and the proposed transfer station site located on Orange Street. This strip of land is part of a 9.49-acre parcel that was assessed by the City at \$45,000 several years ago. The property owner has agreed to sell the property to the City for a purchase price of \$3,000. After receiving permission to execute the contract to purchase the property, a survey will be conducted and Council will be asked to approve conveyance of the deed at a later Council meeting.

On motion by Councilman Padgett, seconded by Councilman Wandrei, voted upon and carried by a roll call vote, Council approved the purchase of approximately ½ acre strip of land situated between the landfill property and the proposed transfer site located on Orange Street from Mrs. Kitty Johnston for \$3,000, and authorized the City Manager to execute the contract. Roll call vote follows:

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

aye

Mayor Messier aye

Mr. Gross reported that the U. S. Department of Justice has awarded the Police Department a law enforcement technology grant for \$39,466.00 for the use in developing its wireless system. No matching or in-kind funds are required. Congressman Virgil Goode was instrumental in securing this grant for the City. City Manager Gross stated the appropriation would be put in the proper fund.

On motion by Councilman Wandrei, seconded by Councilman Stanley, voted upon and carried, Council appropriated the grant award of \$39,466.00 for use by the Police Department towards the development of its wireless system.

Mr. Gross stated the Deputy Emergency Management Coordinator's position is vacant. City Council needs to appoint an individual to fill this position.

On motion by Councilman Padgett, seconded by Councilman Wandrei, voted upon and carried, Council appointed Jack A. Gross as the Deputy Emergency Management Coordinator for the City of Bedford.

The Interim City Manager stated the City intends to borrow funds to finance the construction of the Solid Waste Transfer Station, construction of a water line adjacent to the closed City landfill and completing the requirements of the Corrective Action Plan for the closed City landfill. These projects and the related borrowing were approved by City Council as part of the fiscal year 2006 capital budget. The total price of the project is estimated to be \$2,745,000. Mr. Gross indicated that in connection with that borrowing, Council needs to adopt a "reimbursement resolution" providing for the reimbursement to

the City from the bond proceeds of certain expenses that will have been incurred in the period 60-days prior to the date of the resolution. (This is required under certain technical Internal Revenue Code provisions.) Christopher Kulp with the law firm of Hunton & Williams has acted as bond counsel for the City and has reviewed the necessary reimbursement resolution.

Mayor Messier waived the reading of the proposed resolution.

On motion by Councilman Padgett, seconded by Councilman Wandrei, voted upon and carried by a roll call vote, Council adopted the Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing. Roll call vote follows:

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

The resolution follows as adopted:

**RESOLUTION OF OFFICIAL INTENT TO REIMBURSE  
EXPENDITURES WITH PROCEEDS OF A BORROWING**

**WHEREAS**, the City of Bedford, Virginia (the “Borrower”), intends to construct a Solid Waste Transfer Station, construct a water line adjacent to the closed City Landfill and complete the requirements of the Corrective Action Plan for the closed City Landfill for the Solid Waste Fund (the “Project”); and

**WHEREAS**, plans for the Project have advanced and the Borrower expects to advance its own funds to pay expenditures related to the Project (the “Expenditures”) prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or taxable debt, or both;

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

1. The Borrower intends to utilize the proceeds of tax-exempt bonds (the “Bonds”) or to incur other debt, in an amount not currently expected to exceed \$2,745,000 to pay the costs of the Project.
2. The Borrower intends that the proceeds of the Bonds be used to reimburse the Borrower for Expenditures with respect to the Project made

on or after July 29, 2005, which date is no more than 60 days prior to the date hereof. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.

3. Each Expenditure was or will be, unless otherwise approved by bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Borrower so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Borrower.

4. The Borrower intends to make a reimbursement allocation, which is a written allocation by the Borrower that evidences the Borrower's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Borrower recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction of at least five years.

5. The Borrower intends that the adoption of this resolution confirms the "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

6. This resolution shall take effect immediately upon its passage.

Mr. Gross stated that October has been designated as Public Power Month, in which communities across the United States celebrate their commitment to providing public power for their citizens and customers. October is also the month in which the City of Bedford Electric Department celebrates its 106<sup>th</sup> anniversary as the provider of public power to the community.

Mayor Messier waived the reading of the proposed resolution.

On motion by Councilman Wandrei, seconded by Councilman Stanley, voted upon and carried by a roll call vote, Council adopted the Resolution declaring October as Public Power Month in the City of Bedford and recognizing October as the 106<sup>th</sup> anniversary for the City of Bedford Electric Department. Roll call vote follows:

Councilman Padgett

aye

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

The resolution follows as adopted:

**Resolution Declaring October  
As Public Power Month**

**WHEREAS**, the citizens of Bedford have chosen to operate a community-owned, not-for-profit electric utility; and

**WHEREAS**, we are both consumers and owners of our public power system and have a direct say in utility operations and policies; and

**WHEREAS**, The City of Bedford Electric Department provides our homes, businesses, farms, social service, and local government agencies with reliable, efficient, and cost-effective electricity employing sound business practices designed to ensure the best possible service at the lowest possible rates; and

**WHEREAS**, The City of Bedford Electric Department is part of a community of 2,000 publicly owned electric utilities in the United States that through consumer-ownership ensure competition in the electric utility industry to the benefit of electricity consumers everywhere; and

**WHEREAS**, the City began operation of its municipal electric system in 1899 and has provided our citizens and other customers with reliable, low-cost power for 106 years;

**NOW, THEREFORE, BE IT RESOLVED**, that the month of October be declared as Public Power Month in order to honor the City of Bedford Electric Department, its consumers-owners, policy makers, and employees, who work together to provide the best possible electric service, and that our community join hands with other public power communities across the nation and celebrate the benefits of public power to our local and national progress.

Councilman Hubbard moved that Council adjourn into closed session pursuant to Section 2.2-3711(a)(3) of the Code of Virginia of 1950, as amended, for discussion of real estate – lease of Bedford Chamber of Commerce, Inc., and session pursuant to Section 2.2-3711(a)(1) of the Code of Virginia of 1950, as amended, for discussion of personnel

matters. Councilman Padgett seconded the motion. The motion was voted upon and carried by the following roll call vote:

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

Council adjourned into closed session at 7:46 p.m. The following non-council members attended: City Manager Meadows and City Attorney Berry.

Council reconvened into open session at 8:10 p.m.

The Clerk of Council read aloud the following resolution:

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

On motion by Councilman Stanley, seconded by Councilwoman Flood, voted upon and carried by a roll call vote, Council adopted the resolution. Roll call vote follows:

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

Mayor Messier adjourned the meeting at 8:11 p.m.