

May 12, 2009

A regular meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:34 p.m., May 12, 2009.

Members present: Mayor W. D. Tharp; Councilman Jeffrey B. Hubbard; Councilwoman Mary L. Flood; Councilman Steve C. Rush; Councilman C. G. Stanley, Jr.; and Councilman James A. Vest

Members absent Vice Mayor Robert T. Wandrei

Staff present: City Manager Charles P. Kolakowski; City Attorney W. W. Berry, IV; and Clerk of the Council Teresa W. Hatcher

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

Mayor Tharp declared that the minutes of a regular Council meeting held on April 14, 2009, were approved as distributed

City Manager Kolakowski reported on the following:

- City staff continues to work on a number of projects: the ongoing efforts to keep the current budget balanced and next year's budget moving forward – thanked the managers and all City employees – given the nature of the economic downturn the employees are giving a great effort – expressed his appreciation to the employees for what they are doing

The Consent Agenda consisted of the following items:

- Reappointment of Jane Amnott, Thelma Hawkins, Meg Ballard, and Dave Ballard to serve on the Keep Bedford Beautiful Commission for terms expiring June 30, 2012
- Reappointment of Mickey VanDerwerker to serve as the city representative on the County School Board for a term expiring June 30, 2013

On motion by Councilman Vest, seconded by Councilman Stanley, voted upon and carried unanimously by a roll call vote, Council adopted the Consent Agenda. Roll call vote follows:

Councilwoman Flood	aye
Councilman Hubbard	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	absent
Mayor Tharp	aye

Susan Martin, President and CEO of the Bedford Area Chamber of Commerce, reviewed a plan to reinvent efforts in Centertown Bedford with the inclusion of the consolidation of

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the Bedford Main Street organization with the Bedford Area Chamber of Commerce. Ms. Martin stated the Chamber believes in strengthening the downtown area by promoting growth, fostering development, encouraging activities, and improving the general environment through open communication between property owners, business owners, tenants, residents, and government agencies involved in the downtown district. Ms. Martin stated the Chamber proposes the formation of a downtown division or downtown business alliance. The alliance would be managed as a committee of the Chamber of Commerce. Ms. Martin requested funding in the amount of \$25,000.

Ms. Martin will contact the Main Street program to determine if the City would keep its Main Street designation if the consolidation were approved by Council.

Councilman Vest stated he would like to hear from the Main Street participants at the next Council meeting regarding the Chamber's proposal.

The City Manager reported that the City issued \$500,000 of General Obligation Improvement Bonds on August 25, 2006, to finance the upgrades to the Stoney Creek Reservoir in order to meet current Virginia Department of Conservation and Recreation ("VADCR") criteria for a Class I structure. The City desires to modify the agreement with Carter Bank and Trust and extend the maturity date of the bond from July 1, 2009, to January 1, 2011. The City Manager stated that Carter Bank and Trust has agreed to the extension with an interest rate of 2.5% per year. This is a decrease from the current interest rate of 3.92%. Christopher Kulp, with the law firm of Hunton & Williams, has acted as bond counsel for the City and has drafted the proposed resolution.

On motion by Councilman Vest, seconded by Councilman Rush, voted upon and carried by a roll call vote, Council adopted the resolution approving modifications to the \$500,000 General Obligation Public Improvement bond, Series 2006. Roll call vote follows:

Councilman Hubbard	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	absent
Councilwoman Flood	aye
Mayor Tharp	aye

The resolution follows as adopted:

**RESOLUTION APPROVING MODIFICATIONS TO THE
\$500,000 GENERAL OBLIGATION PUBLIC
IMPROVEMENT BOND, SERIES 2006, OF THE CITY OF
BEDFORD, VIRGINIA HERETOFORE AUTHORIZED**

WHEREAS, on August 25, 2006, the Council of the City of Bedford, Virginia (the "City") issued its \$500,000 General Obligation Public Improvement Bond, Series 2006 (the "Bond"), to Carter Bank & Trust

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(successor by merger to First National Exchange Bank) (the "Purchaser"), the proceeds of which are being used to finance upgrades to the Stoney Creek Reservoir to meet current Virginia Department of Conservation and Recreation criteria for a Class I structure;

WHEREAS, the City desires to extend the maturity date of the Bond and to modify the interest rate, and the Purchaser has agreed to such modifications;

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

1. The Council hereby authorizes the maturity date of the Bond to be extended from July 1, 2009, to January 1, 2011, and the interest rate on the Bond to be changed from 3.92% per year to 2.50% per year. An allonge in the form attached hereto as Exhibit A, shall be signed by the Mayor or Vice-Mayor and the City's seal shall be affixed thereto by the City Clerk or any Deputy City Clerk. Such allonge shall be delivered to the Purchaser to be attached to the Bond.

2. All other actions of officers of the City in conformity with the purposes and intent of this resolution and in furtherance of this undertaking are ratified, approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with this undertaking.

3. This resolution shall take effect immediately.

**ALLONGE DATED AS OF MAY __, 2009, ATTACHED TO
\$500,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT
BOND, SERIES 2006,
DATED AUGUST 25, 2006,
PAYABLE TO CARTER BANK & TRUST
(SUCCESSOR BY MERGER TO FIRST NATIONAL
EXCHANGE BANK),
AS REGISTERED OWNER**

Pursuant to action by the City Council of the City of Bedford, Virginia, on May 12, 2009, the maturity date of this Bond is extended to January 1, 2011, and the interest rate on the Bond, commencing on the date hereof, is changed to 2.50% per year.

CITY OF BEDFORD, VIRGINIA

(SEAL) _____
Mayor, City of Bedford, Virginia

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Attachment continued:

City Clerk, City of Bedford, Virginia

(SEAL)

Carter Bank & Trust (successor by merger to First National Exchange Bank)
hereby agrees to such extension of the maturity date.

APPROVED:

CARTER BANK & TRUST
(successor by merger to First National Exchange Bank)

By _____
[Senior Vice President]

City Manager Kolakowski reported the City has received a DCJS Byrne Justice Assistance Grant for \$2,121 for traditional police equipment. The grant monies will be used to purchase digital voice recorders, rechargeable flashlights and battery jump boxes. The City Manager indicated that this is a reimbursement grant and there is an in-kind match of \$236, which will come from the Police Department's line item budget for uniforms and equipment.

On motion by Councilman Stanley, seconded by Councilwoman Flood, voted upon and carried by a roll call vote, Council appropriated the grant funds in the amount of \$2,121 to Revenue Account 100033.433146 and appropriated \$2,121 to Expenditure Account 10033110.557244. Roll call vote follows:

Councilman Rush	aye
Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	absent
Councilwoman Flood	aye
Councilman Hubbard	aye
Mayor Tharp	aye

The City Manager reported on April 29 the Bedford Police Department was notified that it had been awarded a grant from the Bedford Community Health Foundation in the amount of \$3,447 for the purchase of three Automated External Defibrillators (AED). The AED's will be added to the Department fleet equipment for emergency medical use. The City Manager indicated there is no match required for this grant and the expenditure account number for this grant is 10033110 582100.

On motion by Councilwoman Flood, seconded by Councilman Rush, voted upon and carried by a roll call vote, Council accepted the grant to the Bedford Police Department in the amount of \$3,447 from the Bedford Community Health Foundation and appropriated the funds to revenue account 100033.424400. Roll call vote follows:

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Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	absent
Councilwoman Flood	aye
Councilman Hubbard	aye
Councilman Rush	aye
Mayor Tharp	aye

Mayor Tharp asked the City Manager to prepare a letter thanking the Bedford Community Health Foundation for its recognition of this need and providing the funds.

City Manager Kolakowski stated Council is requested to adopt an ordinance which readopts and reenacts §34-2 of the City Code, incorporating by reference current provisions of the Code of Virginia dealing with traffic laws and motor vehicle operation. Failure to adopt this ordinance would mean that offenders would have to be charged under the State law rather than the City law. Any fines collected would then be payable to the State rather than to the City. The City Manager reported that the ordinance had been posted in three locations in the City, in accordance with §2-54 of the City Code.

On motion by Councilman Stanley, seconded by Councilman Hubbard, voted upon and carried by a roll call vote, Council adopted the ordinance dealing with traffic laws. Roll call vote follows:

Councilman Vest	aye
Vice Mayor Wandrei	absent
Councilwoman Flood	aye
Councilman Hubbard	aye
Councilman Rush	aye
Councilman Stanley	aye
Mayor Tharp	aye

The Ordinance follows as adopted:

ORDINANCE NO 09-05

**AN ORDINANCE TO READOPT AND REENACT SECTION 34-2
OF THE CITY CODE INCORPORATING BY
REFERENCE CURRENT PROVISIONS OF
THE CODE OF VIRGINIA DEALING WITH TRAFFIC LAWS
AND MOTOR VEHICLE OPERATION**

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

Section 1. Sec. 34-2 of the City Code is hereby readopted and re-enacted as follows:

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Pursuant to the authority of Section 46.2-1313 of the Code of Virginia, the provisions and requirements of the laws of the Commonwealth of Virginia contained in Title 46.2 in Article 9 (Sec. 16.1-278 et seq) of Chapter 11 of Title 16.1, and in Article 2 (Sec. 18.2-266 et seq) of Chapter 7 of Title 18.2, of the Code of Virginia, except those provisions and requirements the violation of which constitute a felony, and except those provisions and requirements which by their very nature can have no application to or within the City, are hereby adopted and incorporated herein by reference and made applicable within the City. References to "Highways of the State" contained in such provisions and requirements hereby adopted, shall be deemed to refer to streets, highways and other public ways within the City. Such provisions and requirements are hereby adopted, mutatis mutandis, and made a part of this Chapter as fully as those set forth at length herein, and it shall be unlawful for any person, within the City, to violate or fail, neglect or refuse to comply with any provision of Title 46.2 or of Article 9 of Chapter 11 of Title 16.1 or of Article 2 of Chapter 7 of Title 18.2 of the Code of Virginia, which are adopted by this Section; provided, that in no event shall the penalty imposed for the violation of any provision or requirement hereby adopted exceed the penalty imposed for a similar offense under such titles of the Code of Virginia.

Section 2. This Ordinance shall become effective on July 1, 2009, upon publication one time, immediately following its passage, in some newspaper published in the City or upon posting at three or more public places in the City for one week, as required by Section 19 of the City Charter.

City Manager Kolakowski stated that City Council needs to approve the establishment of the amended cafeteria plan for employees effective July 1, 2009, and grant the City Manager authorization to administer the plan. The following change has been made to the current plan: 1) the extension of 2.5 months to incur qualified reimbursable expenses.

On motion by Councilman Vest, seconded by Councilman Stanley, voted upon and carried by a roll call vote, Council adopted the resolution approving the amended cafeteria plan to include reimbursement of Dependent Care and Health Care Reimbursement plans on a pre-tax basis, and give authorization to the City Manager to execute, deliver and implement the plan. Roll call vote follows:

Vice Mayor Wandrei	absent
Councilwoman Flood	aye
Councilman Hubbard	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Vest	aye
Mayor Tharp	aye

The resolution follows as adopted:

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RESOLUTION

WHEREAS, that the administrator shall be instructed to take such actions that are deemed necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan; and

WHEREAS, that the duly authorized agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Cafeteria Plan by delivering to each employee a copy of the summary description of the Plan in the form of the Summary Plan Description presented to this meeting, which form is hereby approved; and

WHEREAS, that the undersigned further certifies that Exhibits A and B, respectively, are true copies of the City of Bedford Flexible Benefit Plan as amended and restated and the Summary Plan Description approved and adopted in the foregoing resolution; and

NOW, THEREFORE BE IT RESOLVED, that the form of amended Cafeteria Plan including a Dependent Care Assistance Program and Health Care Reimbursement Plan effective July 1, 2009, presented to this meeting is hereby approved and adopted and that the duly authorized agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan;

BE IT FURTHER RESOLVED, that the undersigned Principal of the City of Bedford (Employer) hereby certifies that the following resolution was duly adopted by the Employer on May 12, 2009, and that such resolution has not been modified or rescinded as of the date hereof.

Mayor Tharp adjourned the meeting at 7:59 p.m.