

January 24, 2012

A regular meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:00 p.m., January 24, 2012.

Members present: Mayor W. D. Tharp; Councilman Guy E. Murray, Jr.; Councilman Steve C. Rush; Councilman C. G. Stanley, Jr.; Councilman James A. Vest; and Vice Mayor Robert T. Wandrei

Members absent: Councilwoman Mary L. Flood

Staff present: Assistant City Manager Bart Warner; City Attorney W. W. Berry, IV; and Clerk of the Council Teresa W. Hatcher.

Staff absent: City Manager Charles P. Kolakowski

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 January 10, 2012, were approved as distributed.

Assistant City Manager Warner reported on the following:

- The City Manager is in Richmond meeting with the legislative delegation.
- The documents for the conversion to town status are being prepared by Attorney Carter Glass; May 14 and 15 are tentative dates for local public hearings.

Pulaski Chief of Police Gary Roche presented Chief of Police Day with a Certificate of Accreditation from the Virginia Law Enforcement Professional Standards Commission for the Bedford Police Department. To qualify for accreditation, the department must be in compliance with 187 standards set by the commission which was determined by an assessment team.

Chief of Police James Day thanked the men and women of the Bedford Police Department as he sets the policy but they have to adhere to it - so it is really the police officers that achieve this status. The Chief also thanked Captain Bennett and Lt. Foreman, with a special thanks to Sgt. Harmony who is the Accreditation Manager and keeps up with all the paperwork.

Mayor Tharp presented the annual Service Awards to the following employees:

- Five years: Lisa Bryant, Shannon Phillips, Shawn Duff, Michael Shawn Ring, Dawn Sines, Jim Clayton, Jim Day, Charlie Kolakowski
- Fifteen years: Lt. Todd Foreman
- Twenty years: Wayne Hale
- Twenty-five years: Valerie Wilson

Mr. Warner said the City of Bedford Fire Department has been awarded the Federal Emergency Management Agency's Assistance to Firefighters Grant for the amount of

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\$72,500.00. This grant has been awarded for personal protective equipment (turnout gear) and a Thermal Imaging Camera. This is a 95/5 shared cost grant in which the federal share will be \$68,875.00 and the City's match \$3,625.00. Mr. Warner stated that Council was requested to accept the FEMA Assistance to Firefighters Grant that has been awarded to the City of Bedford Fire Department and to appropriate \$68,875 to revenue account 100033 424203 and \$68,875 to expenditure account 10033210 557254. The City match for the grant of \$3,625.00 will come from account number 10033210.560112.

On motion by Councilman Murray, seconded by Councilman Stanley, voted upon and carried by a roll call vote, Council accepted the FEMA Assistance to Firefighters Grant and appropriated \$68,875 to revenue account 100033 424203 and \$68,875 to expenditure account 10033210 557254 with the City match for the grant of \$3,625.00 coming from account number 10033210.560112. Roll call vote follows:

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

The Mayor asked Mr. Warner to find out how many turnout sets the Fire Department will get using the grant money.

The next item considered by Council was adoption of a resolution authorizing the City of Roanoke Economic Development Authority to issue revenue bonds for the purpose of facilitating and refinancing of certain projects required or useful for health care purposes. A portion of the funds will be for use by Bedford Memorial Hospital. The proposed issuance of hospital bonds shall not exceed the aggregate principal amount of \$100,000,000.

On motion by Vice Mayor Wandrei, seconded by Councilman Murray, voted upon and carried by a roll call vote, Council adopted a resolution authorizing the City of Roanoke Economic Development Authority to issue hospital bonds in the aggregate principal amount not to exceed \$100,000,000 with the allocation of a portion of them for use by Bedford Memorial Hospital. Roll call vote follows:

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

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The resolution follows as adopted:

**RESOLUTION OF  
THE CITY COUNCIL OF THE CITY OF BEDFORD, VIRGINIA  
AUTHORIZING, AMONG OTHER THINGS,  
THE ISSUANCE OF NOT TO EXCEED  
\$100,000,000 AGGREGATE PRINCIPAL AMOUNT OF  
ECONOMIC DEVELOPMENT AUTHORITY OF  
THE CITY OF ROANOKE, VIRGINIA  
HOSPITAL REVENUE BONDS  
(CARILION CLINIC OBLIGATED GROUP)**

WHEREAS, the City of Bedford, Virginia (the “City”) is a political subdivision of the Commonwealth of Virginia exercising public and essential governmental functions pursuant to the Constitution and laws of the Commonwealth of Virginia; and

WHEREAS, the Economic Development Authority of the City of Roanoke, Virginia (the “Roanoke Authority”) is a political subdivision of the Commonwealth of Virginia and is authorized under Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), to issue revenue bonds for the purpose of facilitating the financing or refinancing of certain projects required or useful for health care purposes; and

WHEREAS, Carilion Medical Center (“CMC”) is a private, nonstock corporation duly incorporated and validly existing under and by virtue of the laws of the Commonwealth of Virginia, which owns and operates Carilion Roanoke Memorial Hospital (“CRMH”), a health care facility located in the City of Roanoke, Virginia; and

WHEREAS, CMC also owns and operates Carilion Roanoke Community Hospital (“CRCH”), a health care facility located in the City of Roanoke, Virginia; and

WHEREAS, Carilion Giles Community Hospital (“CGCH”) is a private, nonstock corporation duly incorporated and validly existing under and by virtue of the laws of the Commonwealth of Virginia, which owns and operates Carilion Giles Community Hospital, a health care facility located in the Town of Pearisburg, Giles County, Virginia; and

WHEREAS, Bedford Memorial Hospital (“BMH”) is a private, nonstock corporation duly incorporated and validly existing under and by virtue of the laws of the Commonwealth of Virginia, which owns and operates Bedford Memorial Hospital, a health care facility located in the City of Bedford, Virginia; and

WHEREAS, Carilion Franklin Memorial Hospital (“CFMH”) is a private, nonstock corporation duly incorporated and validly existing under and by virtue of the laws of the Commonwealth of Virginia, which owns and operates Carilion Franklin Memorial Hospital, a health care facility located in the Town of Rocky Mount, Franklin County, Virginia; and

WHEREAS, Carilion Stonewall Jackson Hospital (f/k/a Stonewall Jackson Hospital) (“CSJH”) is a private, nonstock corporation duly incorporated and validly

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existing under and by virtue of the laws of the Commonwealth of Virginia, which owns and operates Carilion Stonewall Jackson Hospital, a health care facility located in the City of Lexington, Virginia; and

WHEREAS, the Roanoke Authority has by resolution adopted January 11, 2012 (the "Roanoke Authority Resolution") approved the issuance of its Hospital Revenue Bonds (Carilion Clinic Obligated Group) (the "Bonds") in an aggregate principal amount not to exceed \$100,000,000 for the purpose of providing funds that, together with funds from other sources, will be applied to any or all of the following: (i) financing for CMC a portion of the costs of (A) renovating certain portions of CRMH, and/or acquiring certain capital equipment for use in or in connection with CRMH (the "2012 CRMH Project"), and (B) renovating certain portions of CRCH, and/or acquiring certain capital equipment for use in or in connection with CRCH (the "2012 CRCH Project"); (ii) refunding (A) the Roanoke Authority's outstanding Hospital Revenue Bonds (Carilion Health System Obligated Group) Series 2002A (the "Series 2002A Bonds"), and (B) the Industrial Development Authority of the City of Lexington, Virginia Hospital Facility Revenue Bonds (Stonewall Jackson Hospital), Series 2000 (the "Series 2000 Bonds"); and (iii) paying certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, the proceeds of the Series 2002A Bonds were loaned to CMC, CGCH, BMH and CFMH for the purpose of (i) (A) financing for CMC a portion of the costs of (I) renovating and/or expanding certain portions of CRMH and/or acquiring certain capital equipment for use in or in connection with CRMH (the "2002 CRMH Project"), (II) paying costs of equipping and upfitting an imaging facility housed in a medical office building located adjacent to CRMH (the "CRMH Imaging Project") and (III) renovating and/or expanding certain portions of CRCH, and/or acquiring certain capital equipment for use in or in connection with CRCH (the "2002 CRCH Project"), (B) financing for CGCH a portion of the costs of acquiring certain capital equipment for use in or in connection with Carilion Giles Community Hospital (the "CGCH Project"), (C) financing for BMH a portion of the costs of renovating and/or expanding certain portions of the Bedford Memorial Hospital and/or acquiring certain capital equipment for use in or in connection with Bedford Memorial Hospital (the "BMH Project"), and (D) financing for CFMH a portion of the costs of (I) renovating and/or expanding certain portions of Carilion Franklin Memorial Hospital, (II) constructing a three-story, approximately 40,000 square foot addition to Carilion Franklin Memorial Hospital, including a new entrance and lobby, specialty clinics and administrative offices, and/or (III) acquiring certain capital equipment for use in or in connection with the Carilion Franklin Memorial Hospital (the "CFMH Project") (the 2002 CRMH Project, the CRMH Imaging Project, the 2002 CRCH Project, the CGCH Project, the BMH Project and the CFMH Project are hereinafter collectively referred to as the "Series 2002A Project"); (ii) refinancing certain interim indebtedness incurred by CMC, CGCH, BMH and CFMH in connection with the financing of a portion of the cost of acquiring, constructing, renovating and equipping the Series 2002A Project; (iii) paying a portion of the interest accruing on the Series 2002A Bonds during the acquisition, construction, renovation and equipping of the Series 2002A Project; and (iv) paying certain expenses incurred in connection with the issuance of the Series 2002A Bonds, including credit enhancement fees with respect to the Series 2002A Bonds; and

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WHEREAS, the proceeds of the Series 2000 Bonds were used to finance for CSJH all or a portion of the cost of (i) the acquisition, construction and equipping of an acute care replacement hospital facility, located adjacent to the CJSH's then-existing acute care hospital facility in Lexington, Virginia (the "Old CJSH Hospital"), (ii) the renovation and equipping of certain portions of the Old CJSH Hospital, (iii) the demolition of certain portions of the Old CJSH Hospital, (iv) refunding debt, which was incurred initially in 1982 and thereafter refunded a number of times, that financed the cost of constructing an addition to and the renovation and equipping of the Old CSJH Hospital, and (v) financing of a debt service reserve fund, costs of issuance fund, capitalized interest fund and other funds relating to the Series 2000 Bonds; and

WHEREAS, CMC owns and operates CRMH and the location of the 2002 CRMH Project is, and the location of the 2012 CRMH Project will be, Jefferson Street and Belleview Avenue, S.E., Roanoke, Virginia; CMC owns and operates the CRMH Imaging Project and the location of the CRMH Imaging Project is 2001 Crystal Spring Avenue, Roanoke, Virginia; CMC also owns and operates CRCH and the location of the 2002 CRCH Project is, and the location of the 2012 CRCH Project will be, 101 Elm Avenue, S.E., Roanoke, Virginia; BMH owns and operates Bedford Memorial Hospital and the location of the BMH Project is 1613 Oakwood Street, Bedford, Virginia; CGCH owns and operates Carilion Giles Community Hospital and the location of the CGCH Project is 159 Hartley Way, Pearisburg, Virginia; CFMH owns and operates Carilion Franklin Memorial Hospital and the location of the CFMH Project is 124 Floyd Avenue, Rocky Mount, Franklin County, Virginia; CSJH owns and operates the CSJH Project and the location of the CSJH is 1 Health Circle, Lexington, Virginia; and

WHEREAS, the Council of the City of Bedford (the "Bedford City Council") must first approve the issuance of the Bonds before BMH can participate in the financing; and

WHEREAS, the Roanoke Authority has delivered or caused to be delivered to the Bedford City Council the following: (i) a reasonably detailed summary of the comments expressed at the public hearing held by the Roanoke Authority in connection with the issuance of the Bonds, (ii) a fiscal impact statement in the form specified in Section 15.2-4907 of the Act, and (iii) a copy of the Roanoke Authority Resolution, which constitutes the recommendation of the Roanoke Authority that the Bedford City Council approve the issuance of the Bonds; and

WHEREAS, the Bedford City Council has determined that it is necessary at this time to approve the issuance by the Roanoke Authority of not to exceed \$100,000,000 aggregate principal amount of the Bonds to promote the improvement of the health and living conditions of the people of the City and the Commonwealth of Virginia, increase opportunities for gainful employment, improve health care and otherwise aid in improving the prosperity and welfare of said City and Commonwealth and its inhabitants by financing and refinancing the hospital facilities of CMC, CGCH, BMH, CFMH and CSJH;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Bedford, Virginia:

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SECTION 1. The Bedford City Council hereby approves the issuance by the Roanoke Authority of the Bonds in an aggregate principal amount not to exceed \$100,000,000 for the purpose of (i) financing for CMC the 2012 CRMH Project and the 2012 CRCH Project, (ii) refunding the Series 2002A Bonds and the Series 2000 Bonds, and (iii) paying certain expenses incurred in connection with the issuance of the Bonds.

SECTION 2. The Mayor or the City Manager and the Clerk or any Deputy Clerk to the Bedford City Council are hereby authorized and directed, on behalf of the City, to take any and all action necessary, including the execution of any documents, to consummate the issuance and sale of the Bonds in conformity with the provisions of this resolution.

SECTION 3. This Resolution shall take effect immediately upon its passage.

The Assistant City Manager said that when the Region 2000 Services Authority entered into the agreement to purchase the existing landfill in Campbell County, there was a portion that was already closed. At the time of purchase, the Authority indicated that it was not interested in purchasing the already closed portion. Mr. Warner said the purpose of this amendment to the agreement is to make that perfectly clear – that the Authority will not be purchasing the closed portion of the Campbell landfill.

On motion by Vice Mayor Wandrei, seconded by Councilman Vest, voted upon and carried by a roll call vote, Council adopted the resolution approving the Second Amendment to the Region 2000 Service Authority Member Use Agreement.

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

The resolution follows as adopted:

### **RESOLUTION**

**WHEREAS**, Appomattox County, Campbell County, Nelson County, the City of Bedford and the City of Lynchburg formed the Region 2000 Services Authority in 2008 to own and operate a regional landfill, initially using the Lynchburg landfill and subsequently the Campbell landfill, which will begin operation as the regional landfill in 2012; and

**WHEREAS**, the five jurisdictions and the Authority adopted the Region 2000 Services Authority Member Use Agreement on January 31, 2008 and adopted the First Amendment to the Agreement on June 20, 2008; and

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**WHEREAS,** the Authority agreed to purchase the Campbell landfill from Campbell County, which landfill was defined as the entire Campbell County landfill, including the closed unlined portion; and

**WHEREAS,** the Authority would prefer not to purchase the closed unlined portion of the Campbell County landfill, which is now possible because the Department of Environmental Quality has agreed to split the permit and issue one permit for the closed portion of the landfill that would remain the property of Campbell County and one permit for the portion that will be owned by the Authority, which is agreeable to Campbell County; and

**WHEREAS,** this necessitates a change in the Member Use Agreement.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Bedford that the Second Amendment to the Region 2000 Services Authority Member Use Agreement attached to this Resolution is hereby approved, and the City Manager is authorized to sign such Amendment on behalf of the City of Bedford.

*The Attachment to the Resolution follows:*

**SECOND AMENDMENT TO THE  
REGION 2000 SERVICES AUTHORITY  
MEMBER USE AGREEMENT**

**THIS SECOND AMENDMENT** to the Region 2000 Services Authority Member Use Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2011 by and among the Region 2000 Services Authority (the “Authority”), a public body politic and corporate, organized under the laws of the Commonwealth of Virginia, and the County of Campbell, Virginia (“Campbell”), the County of Appomattox (“Appomattox”), the County of Nelson, Virginia (“Nelson”), the City of Lynchburg, Virginia (“Lynchburg”) and the City of Bedford, Virginia (“Bedford”), each a political subdivision of the Commonwealth of Virginia (collectively the “Member Jurisdictions”).

**WHEREAS,** the Authority and the Member Jurisdictions entered into a Use Agreement on January 31, 2008 and adopted a First Amendment to the Use Agreement on June 20, 2008 (both collectively referred to as the “Use Agreement”); and

**WHEREAS,** the Use Agreement stated that the Authority would purchase the entire Campbell landfill (the “Campbell Facility”) which consisted of the active landfill site and the closed landfill site, due to the fact that the entire Campbell landfill was covered by one Department of Environmental Quality (“DEQ”) permit; and

**WHEREAS, DEQ** has agreed to separate the permits, which allows the Authority to only purchase the active landfill site with Campbell continuing to be responsible for the closed portion of the landfill.

**NOW THEREFORE,** the parties agree to amend the Use Agreement as follows:

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In Article II, Definitions, the definition of Campbell Facility is amended to read as follows:

“Campbell Facility” means the solid waste disposal facility, including all improvements thereto and subject to all easements, as shown on a plat entitled “Plat of Subdivision and Lot Line Adjustments, Campbell County Properties” prepared by Draper Aden Associates dated February 22, 2011 and last revised November 29, 2011 and that is to be conveyed to the Authority for the Authority to own and operate subject to the terms of this Agreement and as permitted by DEQ. The Campbell Facility shall not include the closed portion of the Campbell landfill, commonly known as Phase II and old Phase II under existing permit number 28~~5~~.

1. In Section 3.1, the closing date for the purchase by the Authority of the Campbell Facility shall be changed from July 1, 2008 to the later of the date that this Amendment is approved by all of the parties or the date DEQ indicates its approval of separate permits for the closed Campbell landfill and the Campbell Facility.

2. In Section 3.2, the reference to the Authority’s maintenance responsibility for the closed portion of the Campbell landfill is deleted.

3. The following new subparagraphs shall be added after paragraph (2) in section 3.2:(3) Access to the Campbell Facility to be retained and that portion to be conveyed to the Region is by way of Livestock Road, which ends state maintenance at the entrance to the Facility. Thereafter there is an existing road running generally east/west at the boundary of the area to be retained by Campbell and through the property to be conveyed to the Authority. There are also proposed new roads which will be constructed by the Authority after acquisition of the Campbell Facility and it is agreed that this entire road system, both existing and such as may be constructed in the future, will be used by both parties for ingress and egress to and from any portion of the properties which they own, including the firing range to be constructed on Campbell property to the northeast of the Authority’s property. The Authority agrees to maintain this road in its entirety in a good and sufficient state of repair including maintenance of the existing culvert in the area between Phase II and Phase III and replacement of that culvert from time to time, should the same become necessary.

4. The Authority agrees to provide water and sewer easements across property owned by it as may be necessary to enable water and sewer lines to be constructed to Campbell’s property upon which it intends to construct a firing range.

5. The Authority will be installing a sewer force main to discharge leachate and water from the Authority’s facilities into the Campbell County Utilities and Service Authority treatment system. The Authority will provide appropriate easements for Campbell to connect to this force main for purposes of disposal of the effluent from its groundwater extraction and treatment system and Campbell and the Authority will monitor the amount of liquids going into that main so as not to impair the Authority’s use of that main. Campbell will pay an annual maintenance fee for its use of the force main based on construction costs and percentage of capacity used.

6. The Authority will provide an easement to discharge leachate from the retained Phase II into the existing leachate tank, as well as to discharge groundwater from the sump currently in operation on Phase II to the leachate tank or sewer force main.

7. The Authority will grant Campbell an easement for any necessary monitoring and extraction wells, together with water and electrical conduits in connection with the remediation, if necessary, of cobalt exceedences which have been detected in property to the south of the Phase II.

8. The parties will grant cross easements each to the other for the installation of all necessary utilities along the access road, as well as other properties owned by either of the parties so that all parties will have adequate space for the installation of all necessary utilities including, but not limited to, potable and non-potable water, sewer and electricity.

9. The Authority will provide an easement for Campbell to have access to all existing and any necessary future monitoring wells, so Campbell may fully comply with the remediation and post closure requirements of the Department of Environmental Quality, this to include, but not be limited to, monitoring well 1-B and any other monitoring or extraction wells or any gas probes which may be located on property being conveyed to the Authority.

10. The parties anticipate that a sound buffering wall will be constructed on property to be retained by Campbell along the southern boundary of the facilities. Campbell will grant the Authority an easement to construct and maintain this wall and Campbell will have access to any boundary probes or monitoring or extraction wells which may be to the south side of the wall once it is constructed.

11. It is anticipated that at some point the Campbell Facility which is being purchased by the Authority will be filled and subject to closure and post closure monitoring. At the termination of the post closure monitoring period the Authority may choose to continue to use shop facilities or other improvements constructed on the land and so long as it is continuing to use those facilities it will maintain the roads and utilities. Once the facility is closed and no longer in use by the Authority, the Authority agrees that it will take whatever steps are necessary to reconvey the roads and water, sewer and electrical and other associated easements to Campbell, which will thereafter maintain the same for so long as is necessary for its own purposes. These roads and other utilities will be conveyed to Campbell in good condition.

12. The parties hereto agree that all will share any data required by any regulatory authority or necessary in the operation and maintenance of the Authority's facility or the property being retained by Campbell reasonable format and within a reasonable time after request by any other party.

13. Other than the above amendments, the Use Agreement shall remain as previously agreed to by the parties.

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IN WITNESS WHEREOF, the parties have each caused this Agreement to be signed as of the date written above.

**CAMPBELL COUNTY, VIRGINIA**

By: \_\_\_\_\_

**APPOMATTOX COUNTY, VIRGINIA**

By: \_\_\_\_\_

**NELSON COUNTY, VIRGINIA**

By: \_\_\_\_\_

**CITY OF LYNCHBURG, VIRGINIA**

By: \_\_\_\_\_

**CITY OF BEDFORD, VIRGINIA**

By: \_\_\_\_\_

The Mayor adjourned the meeting at 7:17 p.m.