



Town Council
Regular Meeting Minutes
July 23, 2019

The Bedford Town Council of the Town of Bedford held a regularly scheduled meeting Tuesday, July 23, 2019, at 7:00 p.m. in the Town Municipal Building Council Hall.

Town Council members present:

Mayor Steve Rush, Vice Mayor Tim Black, Councilman Stacey Hailey, Councilman Bruce Johannessen, Councilman Bryan Schley and Councilman Robert Wandrei

Town Council members absent:

Councilman Darren Shoen

Town Staff present:

Town Manager Bart Warner, Assistant Town Manager Sonia Jammes, Town Attorney William W. Berry, IV and Mary Boone Recording Secretary

Town Staff absent:

None

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

APPROVAL OF MINUTES:

Mayor Rush declared that the Minutes of the regular Council Meeting held on July 9, 2019, were approved as distributed.

REPORT OF TOWN MANAGER:

Town Manager Bart Warner reported:

- As you are aware we have had our fill of stormy weather for the last few days. Our electric crews have restored everything we know about up until this point. The most recent damage yesterday was to our landfill facility which took a lightning strike. IT and Public Works personnel are trying to get us back online. We had to close that facility briefly while it was out.

- The power line work on 122 is now underway, the right of way issues have been resolved. The Blue Ridge Parkway crossing work will begin this week.
- We received a clean report on the inspection of the dam at Snowden.
- We have another Battle of the Bands event coming up Saturday at Liberty Lake Park from 4 p.m. until 8 p.m.
- Cop Camp is coming up next week and we have full enrolment.
- Today the School to School Bridge Street area plan was recognized by the Professional Planners Association as the Virginia plan of the year.
- I do have one request for revision to the agenda and that would be the addition of a resolution authorizing the execution of a replacement power schedule. I have that before you, basically, it relates to the facility Prairie State that we have ownership rights in and they will be down for six weeks. We may not need that power but if we do I need to be authorized to execute that at a rate not to exceed what we are currently obligated to or lower.

APPEARANCES BEFORE COUNCIL:

None

COUNCIL COMMENTS:

Vice Mayor Black – August 6th is National Night Out and the Police Department will be around Town and Centertown Park. August 9th is the parade and the program for the softball team.

Councilman Hailey – I appreciate Public Works and all of our employees for these events we have had and their work during the recent storms.

Mayor Rush – On the 9th after we leave here D-Day is having an event at the Farmers Market introducing the trolley and hopefully we will be dedicating the plaque.

REPORT OF COUNCIL COMMITTEES:

Finance Committee – Vice Mayor Black

The finance committee met yesterday and went over the financial reports. We had a slight surplus before capital improvements and then after capital improvements we had to go into fund balance a little bit. Overall it is a pretty good year. Our solid waste fund was very solid for the year and the electric fund is very solid as well. Sonia is in the process of issuing RFB's for our

financing for our fire truck and the tractor trailer for solid waste. One of the things Sonia informed as about is we originally budgeted \$180,000 and it came in at \$135,000.

REVISIONS TO THE AGENDA:

Mr. Warner has addressed this.

PUBLIC HEARINGS:

Town Manager Bart Warner read aloud the following Public Hearing Notice:

PUBLIC HEARING NOTICE

Notice is hereby given that the Town Council of the Town of Bedford, Virginia, at 7:00 p.m. on Tuesday, July 23, 2019, will hold a public hearing in the Council Hall in the Town Municipal Building at 215 East Main Street, Bedford, VA, 24523, to obtain public comment on the following:

Proposed amendment of Chapter 10 of the Code of the Town of Bedford, Virginia, to state that the Town is electing to authorize the Town Building Official to obtain a summons pursuant with enforcement actions of the Town Ordinance and of the Virginia Uniform Statewide Building Code.

A copy of the full text of the proposed Town Code amendment is available in the office of the Town Manager in the Town Municipal building.

Mayor Rush opened the Public Hearing at 7:05 p.m.

There being no one come forward, the Mayor closed the Public Hearing at 7:05 p.m.

CONSENT AGENDA:

None

OLD BUSINESS:

None

NEW BUSINESS:

Ordinance – Amending Chapter 10 - Section 10-4 of the Town Code

When authorized by the locality, the Virginia Statewide Building and Maintenance Codes allow the appointed Code Official to directly obtain a civil summons for defiance of, or failure to comply with appropriately issued notices of violation. Without such authorization, the Code Official is required to request the Town Attorney to initiate legal proceedings which must ultimately be approved by Town Council. This proves to be a time consuming and costly process for code compliance, which may be burdensome or inappropriate for Council to become directly involved in.

ACTION REQUESTED:

Town Council is requested to adopt the Ordinance approving the proposed amendments to Chapter 10 of the Town Ordinance – specifically, to Section 10-4, to authorize the Town Building Official to directly obtain a civil summons for enforcement actions of the Town Ordinance and of the Virginia Uniform Statewide Building Code, Parts I, II and III.

On a motion by Vice Mayor Black, seconded by Councilman Hailey, discussion ensued regarding fees and fines, authority to obtain a summons, voted upon and carried by a roll call vote, Council adopted the Ordinance approving the proposed amendments to Chapter 10 of the Town Ordinance – specifically, to Section 10-4, to authorize the Town Building Official to directly obtain a civil summons for enforcement actions of the Town Ordinance and of the Virginia Uniform Statewide Building Code, Parts I, II and III. Roll call vote follows:

Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Schley	aye
Councilman Shoen	absent
Councilman Wandrei	aye
Mayor Rush	aye

The motion carries with six members voting aye and one member absent.

The ordinance is as follows:

Ordinance No. 9

**AN ORDINANCE AMENDING CHAPTER 10 OF THE TOWN OF BEDFORD
MUNICIPAL CODE**

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

Section 1. Section 10-4 of the Municipal Code of the Town of Bedford, Virginia, is amended and re-enacted as follows:

Sec. 10-4. – Enforcement procedures.

The town property maintenance official shall institute and enforce the provisions of the property maintenance code in accordance with the provisions for unsafe buildings and structures and when the property maintenance official receives a written complaint that alleges a violation of the code. The town code official is granted the authority to obtain a summons or warrant for enforcement of the provisions Town Ordinance stated herein and of the Virginia Uniform Statewide Building Code, Parts I, II and III, pursuant with Code of Virginia §36-106.

State Law Reference: Code of Virginia §36-105

Section 2. This ordinance is effective upon adoption.

Appointment of Town Maintenance Code Official

To enforce the Town adopted provisions of the Virginia Property Maintenance Code, a Code Official is required to be appointed by the local governing body. The previously appointed staff position has become vacant.

ACTION REQUESTED:

Town Council is requested to appoint the Town Building Official, Gary L. McIver, as the Maintenance Code Official.

On a motion by Councilman Hailey, seconded by Councilman Schley, voted upon and carried by a roll call vote, Council approved to appoint the Town Building Official, Gary L. McIver, as the Maintenance Code Official. Roll call vote follows:

Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Schley	aye
Councilman Shoen	absent
Councilman Wandrei	aye
Vice Mayor Black	aye
Mayor Rush	aye

The motion carries with six members voting aye and one member absent.

Prairie State Replacement Power

Mr. Warner said I apologize for catching you all cold on this. We received an email back in May but I received a follow up. I have been advised that this is something that staff has done

administratively in the past. This relates to the Prairie State facility in which we have an ownership right, it is a generation facility, it is going to be shut down for maintenance on September 7 – October 11. In anticipation of our possible needs for power AMP is prepared to find a replacement power at a cost that should be lower than our current contract but will be at the market rate in any event. Given the timing involved we may be at a point with our load and we would not need the power.

I am asking you to adopt the resolution prepared by AMP which authorizes me to execute the replacement power schedule that we could then evaluate according to the operation.

Discussion ensued regarding the resolution which gives Mr. Warner the authority purchase power if we need it from September 7 – October 11 at the current cost or lower, need of power, base load, cost to customers, length of contract going to 2057 is not extending the master service, AMP will secure price, it is only if we need to replace the power from this facility that we usually get while it is closed, will it cost more, cost to town, we do not have to participate, when do we need to respond and date of letter, Mr. Wagner’s position which is to go ahead and sign, this is an operational issue and no financial risk to the Town.

On a motion by Vice Mayor Black, seconded by Councilman Hailey, voted upon and carried by a roll call vote, Council approved the resolution authorizing the execution of the Prairie State Replacement Power schedule with AMP. Roll call vote follows:

Councilman Johannessen	aye
Councilman Schley	aye
Councilman Shoen	absent
Councilman Wandrei	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Mayor Rush	aye

The motion carries with six members voting aye and one member absent.

The resolution is as follows:

RESOLUTION

AUTHORIZING THE EXECUTION OF THE PRAIRIE STATE REPLACEMENT POWER SCHEDULE WITH AMERICAN MUNICIPAL POWER, INC. (“AMP”)

WHEREAS, the Town of Bedford (“Municipality”) and American Municipal Power, Inc. (“AMP”), collectively (“Parties”), have entered into a Master Service Agreement dated March 2, 2006 (“Agreement”) under which certain services may be provided under schedules thereto;

WHEREAS, Municipality is a Participant in the Prairie State Energy Campus Project (“Project”), and is subject to the Project Power Sales Contract, which permits AMP to purchase Replacement Power to back-up all or any portion of the output of the Project’s generation or to replace the same during periods in which any unit of the Project is not, for any reason in service or is derated or otherwise incapable of generating its full nominal capability on behalf of Municipality;

WHEREAS, the Project Participants desire and request that AMP purchase Replacement Power on their behalf only for those Participants that so request and only for specific planned and unplanned outages;

WHEREAS, as a result of the Participants Committee electing that such Replacement Power purchases be outside of the Project rate structure and therefore require additional Project Participant authorization; and,

WHEREAS, AMP and Municipality agree that AMP will purchase and deliver Project Replacement Power as specified in the Prairie State Replacement Power Schedule.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF BEDFORD.

SECTION 1. That the form of the Prairie State Replacement Power Schedule between this Municipality and AMP, substantially in the form attached hereto as Exhibit 1, is approved, subject to and with any and all changes provided for herein and therein.

SECTION 2. That the Town Manager or the Town Manager’s designee are hereby authorized to execute the Prairie State Replacement Power Schedule and to acquire the Municipality’s Replacement Power, and is further authorized to execute and deliver any and all documents necessary to replace the output of the Prairie State Project’s generation facilities or to replace the same during periods in which any unit of the Project is not, for any reason, in service or is derated or otherwise incapable of generating its full nominal capability, pursuant to the conditions set forth herein and as set forth in the Prairie State Replacement Power Schedule.

SECTION 3. That competitive bidding is not required on the Municipality’s acquisition of its right to secure Replacement Power the Prairie State Replacement Power Schedule, and in the event any competitive bidding requirements are applicable, any such competitive bidding requirement that might otherwise be applicable, are hereby waived.

SECTION 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of a quorum of the Council, and that all deliberations of this Council and of any its committees that resulted in such formal action, were held in meetings open to the public, in compliance with all legal requirements.

SECTION 5. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 6. That this Resolution shall take effect at the earliest date allowed by law.

TOWN OF BEDFORD

PRAIRIE STATE REPLACEMENT POWER SCHEDULE

AMP Contract No. 2019-005499-SCHED

A Schedule to American Municipal Power, Inc.

and

**Town of Bedford Master Service
Agreement No. C-2-2006-4974 Dated March 2, 2006**

WHEREAS, the Town of Bedford (“Municipality”) and American Municipal Power, Inc. (“AMP”), collectively (“Parties”), have entered into a Master Service Agreement (“Agreement”) under which certain services may be provided under schedules thereto;

WHEREAS, Municipality is a Participant in the Prairie State Energy Campus Project (“Project”), and is subject to the Project Power Sales Contract, which permits AMP to purchase Replacement Power to back-up all or any portion of the output of the Project’s generation or to replace the same during periods in which any unit of the Project is not, for any reason in service or is derated or otherwise incapable of generating its full nominal capability on behalf of Municipality;

WHEREAS, the Project Participants may elect not to include Replacement Power on the Project’s behalf for specific planned and unplanned outages through the Project;

WHEREAS, such Replacement Power purchases would be outside of the Project rate structure and require additional Project Participant authorization; and,

WHEREAS, AMP and Municipality agree that AMP will purchase and deliver Project Replacement Power at the same delivery point as identified in the Project Power Sales Contract as specified herein.

NOW, THEREFORE, in consideration of the conditions, terms and covenants hereinafter contained, the Parties hereto do hereby mutually agree as follows:

ARTICLE I
TERM

Subject to the conditions contained herein, this Schedule shall be for a term beginning on June 1, 2019 and ending no later than December 31, 2057.

ARTICLE II
**CONTRACT QUANTITIES AND
RATE**

SECTION 201 - CONTRACT QUANTITIES: For the compensation hereinafter set forth, and pursuant to the terms and conditions contained herein, AMP shall arrange for the delivery of Replacement Power to the Municipality. The Municipality shall be invoiced and responsible for paying, and AMP is entitled to receive as compensation, the following:

- A. Actual monthly transmission fees, congestion charges, ancillary services, unforced capacity charges, losses, customer charges, security costs, Replacement Power, and taxes or other such costs incurred by AMP to deliver the Replacement Power to the Municipality's Delivery Point as specified in the Project Power Sales Contract; and
- B. AMP's Service Fee B, as defined in the Agreement, for all Replacement Power sold or arranged for and delivered pursuant to this Schedule, unless the same is paid for under another power supply schedule; and
- C. The contract rates or fees that AMP pays or incurs for each MW or MWh of Replacement Power and/or energy supplied to the Municipality.

The Municipality's Authorized Representative as designated in Section 402 (or his/her designee) shall be authorized to approve purchases (and execute necessary Replacement Power confirmations) of Replacement Power as set forth in the transaction confirmations.

Section 202 – Procedures for Authorization of Power Supply Acquisition and Sale

- A. It is understood and anticipated that AMP may throughout the term of this Schedule, enter into power purchase arrangements on behalf of the Municipality, subject to the approval of Municipality's Authorized Representative, to implement the Replacement Power purchases contemplated in Section 201 of this Schedule. The steps that will be

followed in securing such Replacement Power purchases are set forth below.

At the time that AMP recommends that a Replacement Power purchase should be finalized, the following shall take place:

1. Authorized personnel of AMP shall confer with the Municipality's Authorized Representative (or his/her designee) on a recorded telephone line or through E-mail, regarding AMP's recommended Replacement Power purchase that meet the requirements of Section 201 prior to entering into a purchase arrangement. AMP will provide Replacement Power supply recommendations to Municipality's Authorized Representative based upon the best market information available to AMP at the time any conferring takes place.

2. If the Municipality's Authorized Representative approves AMP's recommendation and authorizes acquisition of the Replacement Power purchase over a recorded telephone line or through E-mail, then AMP shall acquire the power on behalf of the Municipality subject to the effective date and other terms and conditions approved by the Municipality's Authorized Representative.

3. AMP will enter into a transaction confirmation or other arrangement as soon as reasonably possible after approval is received as set forth above.

4. Once a Purchase is finalized and transaction confirmation executed, AMP will send an acknowledgement of the transaction via email to Municipality's Authorized Representative that contains the commercial terms for Municipality's review and records.

ARTICLE III
DELIVERY
POINT

The delivery point(s) for Replacement Power to be delivered hereunder ("Point of Delivery" or "Delivery Point") shall be consistent with the Project Power Sales Contract Delivery Point.

ARTICLE IV
GENERAL

SECTION 401 - FIRMNESS OF SUPPLY: Firmness of supply under this Schedule shall be equal to the firmness provided by the power supply schedules and transmission service arrangements executed by AMP, which are utilized to provide Replacement Power under this Schedule.

AMP's obligations hereunder are specifically dependent upon the performance of its suppliers or otherwise agreed to by the Parties. AMP will have selected the power suppliers based on AMP's current risk management policies. In the event of default of a power supplier, AMP shall provide replacement power to Municipality and Municipality shall pay any cost difference (if any) of the replacement power (or, if the cost of replacement power is less, then Municipality shall pay that lower cost). Should a supplier default to such a degree that the agreement by and between that supplier and AMP is terminated, AMP shall execute an alternate supply agreement, with another supplier, utilizing the four (4) step method described in Section 202.

Municipality specifically acknowledges that although power and energy made available or otherwise agreed to by the Parties are intended to be the primary source of power and energy pursuant to this Schedule, AMP may, from time to time, substitute for actual delivery purposes other power and energy; provided that such substitute power be of a similar firmness and reliability as that made available under the power supplier agreements and further provided that such substitution does not result in increased costs to Municipality.

When third parties providing firm transmission service interrupt deliveries from AMP to Municipality, AMP will use commercially reasonable efforts to deliver energy across other parties' transmission systems if interruptions occur from the primary firm transmission provider's system.

All other terms and conditions of the Project Power Sales Contract between AMP and the Municipality that are not consistent with the terms and conditions of this Schedule shall be applicable as if fully restated herein.

SECTION 402 – AUTHORIZED REPRESENTATIVE:

The Municipality's Representative shall be the Town Manager until modified by written notice to AMP by the Municipality.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

**TOWN OF
INC. BEDFORD, VIRGINIA**

AMERICAN MUNICIPAL POWER,

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Legal Counsel

Lisa G. McAlister, Senior VP/General
Counsel for Regulatory Affairs

APPENDIX A (SAMPLE)

AMP Contract No. _____, 2019.

The purpose of this email is to inform you that, pursuant to the terms of AMP Schedule No. 2023-005295- SCHED, and the authorization you already provided, AMP has transacted with a supplier to purchase electric energy on behalf of the Municipality. The commercial terms of this Transaction are as follows:

Trade Date: _____

Buyer: Village/City of _____, _____

Seller: American Municipal Power, Inc.

Supplier: _____

Commodity: Firm Physical Power with Liquidating Damages

Term: _____ Delivery Period: _

Hourly Schedule: Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Energy Rate: \$ _____ Delivery Point: _____

Please confirm that the aforementioned correctly sets forth the terms and conditions of our written agreement by executing and returning via facsimile to the attention of Director of Energy Marketing at (614) 540-1080.

Jerry Willman
Assistant Vice President of Energy Marketing
American Municipal Power, Inc.
Desk: 614-540-6419
Cell: 614-561-9817
Fax: 617-540-1080
jwillman@amppartners.org

Mayor Rush read Closed Session pursuant to Section 2.2-3711 (a) (1) of the Code of Virginia of 1950, as amended, to discuss personnel matters.

On a motion by Councilman Hailey, seconded by Councilman Schley, the motion was voted upon and carried by the following roll call vote:

Councilman Schley	aye
Councilman Shoen	absent
Councilman Wandrei	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Mayor Rush	aye

The motion carries with six members voting aye and one member absent.

Council adjourned into closed session at 7:21 p.m.

Non-Council members present: None

Council reconvened into open session at 7:31 p.m.

The Recording Secretary read aloud the following resolution:

BE IT RESOLVED that the Council of the Town 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 a motion by Councilman Wandrei, seconded by Vice Mayor Black, voted upon and carried by a roll call vote, Council adopted the resolution. Roll call vote follows:

Councilman Shoen	absent
Councilman Wandrei	aye
Vice Mayor Black	aye
Councilman Hailey	aye

Councilman Johannessen	aye
Councilman Schley	aye
Mayor Rush	aye

The motion carries with six members voting aye and one member absent.

ADJOURNMENT:

Mayor Rush adjourned the meeting at 7:32 p.m.

Steve Rush, Mayor

Debra Anderson, Clerk of the Council