Council Meeting Minutes August 21, 2014

The Tazewell Town Council met in regular session at 7:15 p.m. in the Town Hall Council Chambers.

Present: Mayor A. D. Buchanan, Jr. Vice-Mayor Chris Blankenship Councilmember Chris Brown Councilmember Terry Mullins Councilmember Jack Murray Absent: Councilmember Glenn Catron Councilmember David Fox

Staff present were Town Manager, Todd Day; Clerk, Linda S. Griffith; Attorney, Brad Pyott; Executive Assistant, Robin Brewster; Police Chief, DeWitt Cooper; Zoning Administrator, Donald Pruitt, Jr;, Fire Chief Josh Roberts.

PUBLIC HEARING

A public hearing was held for the proposed issuance of general obligation bonds for the Town of Tazewell in the estimated maximum principal amount of \$900,000. The purposes of the proposed bonds are to finance costs incurred with Route 61 improvements and pay costs associated with issuing bonds.

Mayor Buchanan asked for public comment and there were no public comments.

CALL TO ORDER

Mayor Buchanan called the meeting to order with the pledge of allegiance and invocation by Todd Day.

Mayor Buchanan commented on the great success for the Cruise-In on August 16, 2014 thanks to all the hard work of Public Works, Police Department and John Reeves.

Mayor Buchanan advised beginning September 1, 2014 that Donnie Pruitt will be the Public Works Director.

APPROVAL OF MINUTES

Motion was made by Vice-Mayor Blankenship, seconded Councilmember Mullins to approve the minutes of July 8, 2014 and special called meeting July 16, 2014. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

PROJECT AND ACTIVITY REPORTS

Motion was made by Councilmember Brown, seconded by Vice-Mayor Blankenship to approve the project and activity reports for July 2014. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

ECONOMIC DEVELOPMENT COMMITTEE

Councilmember Brown stated the Economic Development Committee is still working on Little League Field, Riverwalk Trail. Have a scheduled tour of the Big Stone Gap to look at the Riverwalk.

TRAIN DEPOT COMMITTEE

Councilmember Mullins stated the Train Depot Committee will meet at the Historical Society on Monday, September 15, 2014. Councilmember Mullins stated the CPPC is helping with a matching grant application.

PLANNING COMMISSION

Councilmember Murray stated the Planning Commission is working on zoning, etc.

EMS COMMITTEE

Vice-Mayor Blankenship stated the EMS Committee has discussed uniforms for the fire department and rescue squad. Vice-Mayor Blankenship the EMS is looking into purchasing new vehicles for both departments.

UPDATE ON WATER PROJECT SCHEDULE

Rick Chitwood with Thompson and Litton updated Council on the Water Distribution System Improvements Phase I in which the Town has submitted to VDH for funding in the amount \$272,598 for a term of 25 years. Mr. Chitwood stated the engineering proposals will begin by October 1, 2014 and begin advertizing for construction bids in January or February 2015.

Manager Day stated the update on the Water Project will allow a debt service savings of two pump stations going off line.

Motion was made by Councilmember Murray, seconded by Vice-Mayor Blankenship to try to get grant monies for leak detection and water meters. On vote, Vice-Mayor Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

APPROVAL OF RFP AND BOND COUNSEL

Motion was made by Vice-Mayor Blankenship to approve the RFP for engineering services for the Water Project Improvements Phase I. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Motion was made by Councilmember Brown, seconded by Councilmember Mullins to appoint Hutton and Williams as the bond counsel for the Water Project Improvements Phase I. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

PROPOSED ENTRANCE SIGNS

Motion was made by Councilmember Murray, seconded by Councilmember Mullins to proceed forward with entrance signs on the east and west of the Town beginning in December 2014 as the finances become available. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Councilmember Mullins stated the founded date on the sign needed to be changed to 1800 instead of 1866, because the Town of Tazewell was actually founded in 1800.

CAT ISSUE

Attorney Pyott advised Council that cats could not be controlled like dogs and there is nothing that the Town can do with the cat problem. Mr. Pyott stated the General Assembly doesn't recognize violation for cats.

RECOMMENDATION OF NAMES FOR IDA

Manager Day stated the Town needed to start back with the IDA Committee meetings and appoint members that live in the corporate limits of Town. Manager Day recommended that Council report back at the next meeting.

VDOT LOT REQUEST

Manager Day asked that Council give him permission to write a letter to Ben Chafin and Will Morefield concerning the VDOT lot.

Motion was made by Councilmember Murray, seconded by Councilmember Brown to give Manager Day permission to contact Ben Chafin and Will Morefield concerning the VDOT lot. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

APPROVAL OF PROPOSED ISSUANCE OF GENERAL OBLIGATION BONDS, The

undersigned Town Clerk of the Town of Tazewell, Virginia (the "Town"), certifies as follows:

1. A regular meeting of the Council of the Town of Tazewell, Virginia, was held on August 21, 2014, at the time and place established by the Council for such meetings, at which the following members were present and absent during the voting on the resolution referred to below:

A. Donald Buchanan, Jr., Mayor
Chris A. Blankenship
Chris R. Brown
Terry W. Mullins
Jack T. Murray, Sr.

ABSENT:	Glenn L. Catron
	David H. Fox

2. A resolution entitled "Resolution Authorizing the Issuance, Sale and Award of a General Obligation Public Improvement Bond, Series 2014, of the Town of Tazewell, Virginia, in the Maximum Aggregate Principal Amount of \$900,000, Providing for the Form, Details and Payment Thereof," was duly adopted by an affirmative roll call vote of a majority of all members of the Council, the ayes and nays being recorded in the minutes of the meeting as shown below:

MEMBER	<u>VOTE</u>
A. Donald Buchanan, Jr.	Not Voting
Chris A. Blankenship	Aye
Chris R. Brown	Aye
Terry W. Mullins	Aye
Jack T. Murray, Sr.	Aye

3. Attached hereto is a true, correct and complete copy of such resolution as adopted at such meeting and recorded in the minutes.

4. The foregoing resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

WITNESS my signature and the seal of the Town of Tazewell, Virginia, this 21st day of August, 2014.

Town Clerk, Town of Tazewell, Virginia

(SEAL)

RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND AWARD OF A GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND, SERIES 2014, OF THE TOWN OF TAZEWELL, VIRGINIA, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$900,000, PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, by an ordinance adopted on August 21, 2014, the Council (the "Council") of the Town of Tazewell, Virginia (the "Town"), determined to finance costs incurred with Route 61 roadway improvements (the "Project"), to borrow money for such purpose and to issue the Town's general obligation bonds therefor;

WHEREAS, after soliciting bids, the Town Manager has recommended to the Council that the Town issue and sell a general obligation public improvement bond through a private placement with National Bank (the "Bank") in accordance with the terms of its proposal attached hereto as <u>Exhibit A</u> and the terms of this Resolution;

BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF TAZEWELL, VIRGINIA:

Issuance and Sale. Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, there shall be issued and sold to the Bank a general obligation public improvement bond of the Town to provide funds, together with other available funds, to (i) finance a portion of costs of the Project and (ii) pay costs of issuing such bond.

Bond Details. The bond shall be in the form of a single, typewritten bond, designated "General Obligation Public Improvement Bond, Series 2014" (the "Bond"), shall be in registered form, shall be dated the date of its delivery and shall be numbered R-1. The Bond shall be sold to the Bank in accordance with the terms of its proposal and as the Town Manager may otherwise determine to be in the best interest of the Town; provided, however, that the Bond (a) shall have a principal amount not to exceed \$900,000, (b) shall bear interest at an annual rate not to exceed 2.73%, (c) shall be sold at a price not less than 100% of the original aggregate principal amount thereof and (d) shall mature in monthly installments ending no later than December 31, 2024. Interest on the Bond shall be payable on dates determined by the Town Manager to be in the best interest of the Town. Principal on the Bond shall be payable in installments in amounts and on dates determined by the Town Manager to be in the best interest of the Town. Following the determination of the final pricing terms, the Town Manager shall execute a certificate setting forth such final pricing terms and shall file such certificate with the records of the Council. The actions of the Town Manager in selling the Bond shall be conclusive, and no further action with respect to the sale and issuance of the Bond shall be necessary on the part of the Council.

If the date on which any payment is due with respect to the Bond is not a Business Day (as hereinafter defined), the payment shall be made on the next succeeding Business Day. "Business Day" shall mean a day on which banking business is transacted, but not including a Saturday, Sunday or legal holiday, or any other day on which banking institutions are authorized or required by law to close in the Commonwealth of Virginia.

Principal and interest shall be payable by the Registrar (as hereinafter defined) by check or draft mailed to the registered owner at the address as it appears on the registration books kept by the Registrar on the last Business Day of the month preceding each interest payment date; provided, however, that at the request of the registered owner of the Bond, payment will be made by wire transfer pursuant to the most recent wire instructions received by the Registrar from such registered owner. Principal and interest shall be payable in lawful money of the United States of America.

Prepayment of Bond. The Bond may be subject to prepayment prior to maturity at the option of the Town on or after dates, if any, determined by the Town Manager, in whole or in part at any time, at a prepayment price equal to 100% of the principal amount of the portion of the Bond to be prepaid, together with any unpaid interest accrued to the date fixed for prepayment.

Execution and Authentication. The Bond shall be signed by the manual signature of the Mayor or Vice Mayor, and the Town's seal shall be affixed thereto and attested by the manual signature of the Town Clerk. The Bond shall be issued as a typewritten bond in substantially the form of <u>Exhibit B</u> attached hereto, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the Mayor or Vice Mayor, whose approval shall be evidenced conclusively by the execution and delivery of the Bond.

Pledge of Full Faith and Credit. The full faith and credit of the Town are irrevocably pledged for the payment of principal of and interest on the Bond. Unless other funds are lawfully available and appropriated for timely payment of the Bond, 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 Town sufficient to pay when due the principal of and interest on the Bond.

Registration, Transfer and Owners of Bonds. The Bond shall be issued in registered form without coupons, payable to the registered holders or registered assigns. The Town Manager is authorized to appoint either the Town Treasurer or a bank or trust company to act as paying agent and registrar for the Bond (the "Registrar"). The Registrar shall maintain registration books for the registration and exchange of the Bond. Upon presentation and surrender of the Bond to the office of the Registrar, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the Town shall execute and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount of the same form and maturity, bearing interest at the same rate and registered in the names as requested by the then registered owner or its duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Registrar may charge the person requesting such exchange the amount of any tax or governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person or entity shown as owner on the registration books on the last Business Day of the month preceding each payment date. **Preparation and Delivery of the Bond.** The officers of the Town are authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with its terms and to deliver the Bond to the Bank upon payment therefor.

Arbitrage Covenants.

The Town represents that there have not been issued, and covenants that there will not be issued, any obligations that will be treated as part of the same issue of obligations as the Bond within the meaning of Treasury Regulations Section 1.150-1(c).

The Town covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the "Code"), or otherwise cause interest on the Bond to be includable in the gross income of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the Town shall comply with any provision of law that may require the Town at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bond from being includable in the gross income of the owners thereof under existing law. The Town shall pay any such required rebate from its legally available funds.

Non-Arbitrage Certificate and Elections. Such officers of the Town as may be requested are authorized and directed to execute an appropriate certificate setting forth the expected use and investment of the proceeds of the Bond in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code and regulations issued pursuant thereto and any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate shall be prepared with the advice of bond counsel for the Town.

Limitation on Private Use. The Town covenants that it shall not permit the proceeds of the Bond or the facilities financed with the proceeds of the Bond to be used in any manner that would result in more than (a) 5% of such proceeds or the facilities financed with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% of such proceeds or the facilities financed with such proceeds being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the Town receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bond from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the Town need not comply with such covenant.

SNAP Investment Authorization. The Council has previously received and reviewed the Information Statement (the "Information Statement"), describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"), and the Council hereby authorizes the Director of

Finance in her discretion to utilize SNAP in connection with the investment of the proceeds of the Bonds. The Council acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the Town in connection with SNAP, except as otherwise provided in the Contract.

Qualified Tax-Exempt Obligation. The Town designates the Bond as a "qualified taxexempt obligation" for the purpose of Section 265(b)(3) of the Code. The Town represents and covenants as follows:

The Town will in no event designate more than 10,000,000 of obligations as qualified tax-exempt obligations in calendar year 2014, including the Bond, for the purpose of such Section 265(b)(3);

The Town, all its "subordinate entities," within the meaning of such Section 265(b)(3), and all entities which issue tax-exempt obligations on behalf of the Town and its subordinate entities have not issued, in the aggregate, more than \$10,000,000 of tax-exempt obligations in calendar year 2014 (not including "private activity bonds," within the meaning of Section 141 of the Code, other than "qualified 501(c)(3) bonds," within the meaning of Section 145 of the Code), including the Bond;

Barring circumstances unforeseen as of the date of delivery of the Bond, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of such other entities if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued by the Town and such other entities in calendar year 2014, result in the Town and such other entities having issued a total of more than \$10,000,000 of tax-exempt obligations in calendar year 2014 (not including private activity bonds other than qualified 501(c)(3) bonds), including the Bond; and

The Town has no reason to believe that the Town and such other entities will issue tax-exempt obligations in calendar year 2014 in an aggregate amount that will exceed such \$10,000,000 limit;

provided, however, that if the Town receives an opinion of nationally recognized bond counsel that compliance with any covenant set forth in (a) or (c) above is not required for the Bond to be a qualified tax-exempt obligation, the Town need not comply with such covenant.

13. **\$5,000,000 Annual Bond Limitation.** The Town represents and covenants as follows:

(a) Barring circumstances unforeseen as of the date of delivery of the Bond, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of its "subordinate entities," within the meaning of Section 148(f)(4)(C) of the Code, and all entities that issue tax-exempt obligations on behalf of the Town and its subordinate entities, if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued in calendar year 2014 by the Town and such other entities, result in the Town and such other entities having issued a total of more than \$5,000,000 of tax-exempt obligations in calendar year 2014 (not including private activity bonds), including the Bond;

(b) The Town has no reason to believe that the Town and such other entities will issue tax-exempt obligations in calendar year 2014 in an aggregate amount that will exceed such \$5,000,000 limit; and

(c) At least 95% of the proceeds of the Bond shall be used for "local government activities" of the Town within the meaning of Section 148(f)(4)(D) of the Code;

provided, however, that if the Town receives an opinion of nationally recognized bond counsel acceptable to the holder that compliance with any restrictions set forth in (a) or (c) above will not prevent the Town from having to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, the Town need not comply with such restriction.

14. Other Actions. All other actions of officers of the Town and the Council in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bond are ratified, approved and confirmed. The officers of the Town 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 the issuance, sale and delivery of the Bond.

Repeal of Conflicting Resolutions. All prior resolutions or parts of prior resolutions in conflict herewith are repealed.

Effective Date. This Resolution shall take effect immediately.

Motion was made by Councilmember Brown, seconded by Councilmember Murray to waive the reading of the ordinance. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Motion was made by Councilmember Murray, seconded by Vice-Mayor Blankenship to authorize the ordinance. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Motion was made by Councilmember Murray, seconded by Vice-Mayor Blankenship to adopt the ordinance as an emergency ordinance and that it is in effect from the date of passage immediately. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Motion made by Vice-Mayor Blankenship, seconded by Councilmember Brown to approve the resolution. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye. Passed 4-0 vote.

RENAME PORTION OF DIAL ROCK ROAD (FROM HILLSBORO DRIVE TO EAST FINCASTLE)

Motion was made by Councilmember Brown, seconded by Councilmember Murray to rename the portion of Dial Road at David Nichols office from Hillsboro Drive to East Fincastle to be named Midway Street due to 911 addressing issues. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

SET HALLOWEEN TRICK-OR-TREAT HOURS

Council set Halloween Trick-or-Treat Hours on Saturday, November 1, 2014 from 6-8 and a Trunk and Treat on Main Street if it isn't a ball game night.

DONATION – CELEBRATION OF THE ARTS

Motion was made by Councilmember Mullins, seconded by Councilmember Murray to donate \$500 to the Celebration of the Arts contingent upon getting a financial statement. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

VML CONFERENCE

Manager Day stated the VML Conference will be on October 5-7, 2014 in Roanoke if anyone is interested in attended to let him know immediately.

MUNCIPAL BUILDING SIGNAGE

Manager Day discussed with Council lettering for the Municipal Building and for the Fire Department.

UPDATE VANGUARD STREET

Manager Day asked to widen Vanguard Street to meet VDOT specifications to be able to seek funding for this road.

2014/2015 PAVING APPROVAL

Motion was made by Councilmember Brown, seconded by Councilmember Murray to approve the low-bid from W & L Construction in the amount of \$229,862.75. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Motion was made by Councilmember Murray, seconded by Councilmember Brown to approve additional streets in the amount of \$155,862. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

APPROVAL REFINANCE USDA LOAN

Motion was made by Councilmember Mullins, seconded by Councilmember Murray to refinance the USDA Loan to receive a low interest rate. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

REVISION OF TOWN CODE SEC.13A-28 REMOVAL OF WEEDS

Mayor Buchanan read the revision of the Town Code Sec.13a-28 Removal of Weeds for approval by Council. Motion was made by Councilmember Brown, seconded by Vice-Mayor Blankenship to approve the revision ordinance. On vote, Vice-Mayor Chris Blankenship, aye; Councilmember Brown, aye; Councilmember Mullins, aye; Councilmember Murray, aye.

Councilmember Brown stated the Town should walk the talk and take care of our own sidewalks.

AUDITORS

Manager Day stated the staff has worked very hard this week with auditors and was not able to provide some of the information for Council packets.

EXECUTION SESSION

EXECUTIVE SESSION

MOTION MADE BY: Councilmember Murray MOTION SECONDED BY: Councilmember Brown RESOLUTION NUMBER: ES08212014 MEETING DATE: August 21, 2014

VOTE: All voted aye.

PURPOSE: Personnel and Legal

CERTIFICATION OF EXECUTIVE SESSION

WHEREAS, the Tazewell Town Council has convened an executive session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, §2.1-344.1 of the Code of Virginia requires a certification by this Council that such executive session was conducted in conformity with Virginia law;

NOW THEREFORE, BE IT RESOLVED that the Tazewell Town Council hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive session to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the executive session were heard, discussed or considered by the Tazewell Town Council.

AYES: Councilmember Blankenship, Brown, Mullins, Murray **NAYS:** None

(For each nay vote, the substance of the departure from the requirements of the Act should be described.)

ABSENT DURING VOTE: Councilmember Catron, Fox **ABSENT DURING MEETING:** Councilmember Catron, Fox

Linda S. Griffith, Clerk of Council

AMENDMENT TO HUNTING IN TOWN ORDINANCE

Mayor Buchanan read the amended to Hunting Ordinance in the Town of Tazewell for the first time.

ADJOURNMENT

With no further business to come before Council, meeting was adjourned at 9:50 p.m.