

AGENDA
Wytheville Town Council
January 25, 2016
7:00 p.m.
Wytheville Municipal Building
150 East Monroe Street
Wytheville, Virginia 24382

- A. **INVOCATION** – COUNCILMAN H. JUDSON LAMBERT
- B. **CALL TO ORDER**—MAYOR TRENTON G. CREWE, JR.
- C. **ESTABLISHMENT OF QUORUM**—MAYOR TRENTON G. CREWE, JR.
- D. **PLEDGE OF ALLEGIANCE**—COUNCILMAN THOMAS F. HUNDLEY
- E. **CONSENT AGENDA**
 - 1. Minutes of the regular meeting of January 11, 2016
- F. **CITIZENS' PERIOD**
- G. **OLD BUSINESS**—TOWN MANAGER C. WAYNE SUTHERLAND, JR.
- H. **COMMITTEE REPORTS**
 - 1. Budget and Finance
 - a. New water/sewer billing invoice
 - b. Refinancing of taxable bonds
 - 2. Public Works
 - a. Farmers' Market grant funding applications approved
 - b. Participation in 911 ceremony for 2016
- I. **ORDINANCES/RESOLUTIONS**
 - 1. Resolution authorizing the issuance of a general obligation refunding bond for a portion of the Town's debt
- J. **ADJOURNMENT**



Meeting Date:	Monday, January 25, 2016
Item Name:	Committee Reports
Item Number:	H-1
Subject:	Budget and Finance

SUMMARY:

The Budget and Finance Committee will report on the following matters:

- a. New water/sewer billing invoice
- b. Refinancing of taxable bonds

BUDGET AND FINANCE COMMITTEE REPORT

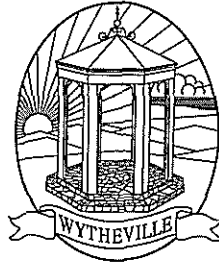
JANUARY 25, 2016

1. This month, when water and sewer bills are sent to consumers, we will be using a new billing format. Historically, the water and sewer bills have always been on a postcard. There have been a number of issues associated with our current billing process. First, we have some customers who do not think that it is appropriate for their billing information to be exposed on the postcard. Secondly, there is very little space on the postcard to provide customers with additional information. Finally, there have been a number of revisions by the postal service, which make it more difficult to use the postcards for invoicing service. Beginning this month, the new water and sewer bills will be printed on an 8½" x 11" sheet of paper and mailed in a regular envelope. The billing will, also, have a return envelope attached with it. The first bills issued under this new format will be due in March. The new format provides us the opportunity to give citizens other information that may be pertinent. The options for payment of the bill will remain the same either by mail or in person at the Municipal Building. Customers should, also, note that the payment of water and sewer bills can be automatically drafted from their checking account or they can make the payment online. We believe that the revision to the water and sewer billing will be an improvement. There is no action required by the Council, but we did want to make citizens aware that the new billing format was commencing.

2. Last March, the Town went through a process of refinancing portions of its existing debt. The terms of the refinancing package provided a lower interest rate, as well as reduced the term of the indebtedness. Over time, these refinancing efforts will save the Town approximately \$8.5 million. The refinancing package totaled approximately \$12.5 million and was divided into a Series A Bond, which was not to exceed \$10 million, and a Series B Bond, which was not to exceed \$2.5 million. The interest rate was a fixed rate of 2.24 percent for the first 10 years with minimal increases during the term of the bond and a maximum increase not to exceed 3.44 percent. Municipalities can only bond \$10 million worth of indebtedness in any calendar year. The Series B portion of this loan package is now eligible to be financed under these same terms. This refinancing is being provided by National Bank that, currently, provides the Town with all of its banking services. Later in the meeting, the Council will consider a resolution authorizing the issuance of this new General Obligation Refunding Bond prepared by our bond counsel, Mr. Webster Day with Spillman, Thomas & Battle, PLLC of Roanoke, Virginia. Later when the authorizing resolution is considered, it would be the recommendation of the Budget and Finance Committee that it be adopted.

Jacqueline K. King

William B. Weisiger



Meeting Date:	Monday, January 25, 2016
Item Name:	Committee Reports
Item Number:	H-2
Subject:	Public Works

SUMMARY:

The Public Works Committee will report on the following matters:

- a. Farmers' Market grant funding applications approved
- b. Participation in 911 ceremony for 2016

PUBLIC WORKS COMMITTEE REPORT

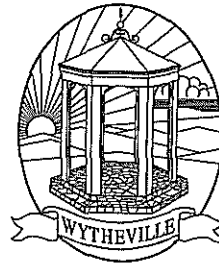
JANUARY 25, 2016

1. We received good news this past week regarding funding for the Farmers' Market. The Town had made application to the Tobacco Commission, and we were advised this past week that \$85,000.00 has been awarded to be used for the construction of the outdoor shelter on the west side of the building. Work on the east side of the building will occur after the completion of the Heritage Walk, which abuts the Farmers' Market on the east side. We were, also, advised this past week by Rural Development that the Town had cleared the environmental review process and this would put the Town in the position to receive \$50,000.00 in grant funding, which could be used for improvements to the Farmers' Market. Finally, we would like to note that we have been approved for \$46,335.00 from the Virginia Brownfields Assistance Fund Grant Program, which is to be used for asbestos abatement and other environmental matters. Primarily, all of these funds pertain to fixing the interior of the building. Between these three funding sources, we have, or will receive, slightly over \$181,000.00 that can be used for the renovation of this facility. The structure was purchased with grant funds from the Wythe-Bland Foundation. These various improvements will be beginning in spring 2016. We would like to note that the Farmers' Market held a sale on the first Saturday in December and drew in over 700 participants. We believe that the Farmers' Market and its activities will be a great enhancement to the downtown area.

2. The Town has been invited to participate in a patriotic ceremony that will be held commemorating the September 11 event. The Committee who is making the arrangements is comprised of a variety of citizens throughout Wythe County. The event will have a number of featured speakers who will speak on a patriotic theme, and there will be a special recognition of military, law enforcement, firefighters and others. It is anticipated that the Community Band will provide patriotic music. Because this is such a worthwhile community activity, we feel that we can provide the Community Center space to this Committee without any fee. It would be the recommendation of the Public Works Committee that the Town participate in this patriotic event, and we provide space at the Community Center for this function at no charge to the Committee.

H. Judson Lambert

Thomas F. Hundley



Meeting Date:	Monday, January 25, 2016
Item Name:	Ordinances/Resolutions
Item Number:	I-1
Subject:	Resolution – General Obligation Refunding Bond

SUMMARY:

Please find enclosed a resolution that authorizes the issuance of a general obligation refunding bond in an aggregate principal amount not to exceed \$2,468,148.22. It will be necessary for the Council to adopt this resolution to continue to proceed with the refinancing for a portion of the Town's debt. It will be necessary for the Council to take a roll call vote when taking action on this resolution.

**RESOLUTION OF THE COUNCIL OF THE TOWN OF WYTHEVILLE
AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION
REFUNDING BOND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO
EXCEED \$2,468,148.22, PROVIDING FOR THE FORM, DETAILS AND
PAYMENT OF THE BOND AND AUTHORIZING THE REFUNDING OF A
CERTAIN PRIOR BOND AND CERTAIN RELATED ACTIONS**

The Town of Wytheville, a political subdivision of the Commonwealth of Virginia (the "Town"), has previously issued a certain general obligation bond, and the Council of the Town (the "Council") desires refund that bond.

The Council desires to provide for the issuance of its refunding bond, the proceeds of which will be used to refund the prior bond, to provide for the form, details and payment of the refunding bond and to authorize certain related actions.

BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF WYTHEVILLE:

ARTICLE I

Recitals; Definitions

Section 1.1. Incorporation of Recitals. The recitals above are found and determined to be a part of this resolution.

Section 1.2. Definitions. Whenever used in this resolution, unless a different meaning clearly appears from the context:

"Act" means the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended);

"Bond" means the Town's general obligation bond in a principal amount not greater than the Maximum Amount, as, when and if such bond is issued pursuant to this resolution;

"Refunded Bond" means the General Obligation Refunding Bond, Series 2015B (Taxable), issued by the Town on March 27, 2015, in the original principal amount of \$2,512,809.54; and

"Maximum Amount" means the \$2,468,148.22 or, if less, the principal balance of the Refunded Bond outstanding on the date the Bond is issued.

ARTICLE II

THE REFUNDING AND THE BOND

Section 2.1. Refunded Bond. The Council finds that it is in the best interests of the Town to undertake the refunding of the Refunded Bond. The Council authorizes and directs any one of the Mayor, Vice Mayor, Town Manager and Town Treasurer to take all actions necessary or desirable to arrange for such refunding in accordance with this resolution.

Section 2.2. Authorization of Bond. The Council determines it to be advisable, necessary and expedient for the Town to borrow an amount not to exceed the Maximum Amount, to provide funds, together with other funds that may be available, to refund the Refunded Bond (as defined below). Pursuant to the Constitution of Virginia and the Public Finance Act of 1991, the Council authorizes the issuance and sale of a general obligation refunding bond of the Town (the "Bond").

The Bond shall be a general obligation of the Town, the principal of, premium, if any, and interest on which are payable from ad valorem taxes to be levied without limitation as to rate or amount on all property in the Town subject to taxation, to the extent other funds of the Town are not available and appropriated for such purpose, and a pledge of the full faith and credit of the Town.

To the extent permitted by Section 15.2-2601 of the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended) (the "Act"), the Council elects to issue the Bond under the provisions of the Act without regard to the requirements, restrictions or other provisions contained in any charter or local or special act.

Section 2.3. Details of Bond. The Bond shall be issued as a fully registered bond without coupons, in a principal amount not to exceed the Maximum Amount. Except as otherwise provided in this Section, the Bond shall be in the principal amount and shall bear interest at the rate or rates, and the principal of the Bond and interest on it shall be repayable in the amounts and on the dates, all as established in accordance with Section 2.4 of this resolution.

Section 2.4. Other Details of the Bond. Each of the Mayor and Vice Mayor of the Town is authorized and directed to determine, before the issuance of the Bond, the principal amount of the Bond, the date of the Bond, the series designation, the interest rate or rates thereon or the means for determining such rate or rates, and the due dates and amounts of the installments of principal of and interest on the Bond, the provisions, if any, for optional redemption of the Bond, and all other details of the Bond, except that:

- a. the final maturity of the Bond shall not exceed 25 years from the date of the Bond;
- b. the aggregate principal amount of the Bond shall not exceed the Maximum Amount;
and
- c. the initial interest rate on the Bond shall be 2.24% per annum.

The execution of the Bond as described in Section 2.5 of this resolution shall conclusively evidence the details of the Bond as having been so determined as authorized by this resolution.

Section 2.5. Execution of Bond. The Bond shall bear the manual or facsimile signatures of the Mayor or Vice Mayor of the Town and shall bear a manually impressed or imprinted facsimile of the seal of the Town, attested by the manual or facsimile signature of the Clerk of the Town. In case any officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until such delivery. The Bond may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign the Bond although at the date of the Bond such persons may not have been such officers.

Section 2.6. Form of Bond. The Bond shall be in substantially the following form, with such appropriate variations, insertions and omissions as shall be consistent with this resolution:

FORM OF BOND

No. R-1

\$ _____

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
TOWN OF WYTHEVILLE

General Obligation Refunding Bond
Series 2016

Dated Date

[date]

Registered Owner:

The Town of Wytheville, a political subdivision of the Commonwealth of Virginia (the “Town”), for value received, acknowledges itself indebted and promises to pay to the registered owner named above or registered assigns (the “**Bondholder**”), the principal sum of \$_____, together with interest from the date of this bond on the unpaid installments at the rate stated or otherwise provided in this bond.

On March 27, 2016, September 27, 2016 and each March 27 and September 27 thereafter, the amount of accrued but unpaid interest on this bond shall be due and payable, and an installment of principal of this bond shall be due and payable in accordance with the following schedule:

Date	Principal Installment
3/27/2016	\$45,407.16
9/27/2016	\$46,165.46
3/27/2017	\$46,936.42
9/27/2017	\$47,720.26
3/27/2018	\$48,517.19
9/27/2018	\$49,327.43
3/27/2019	\$50,151.19
9/27/2019	\$50,988.72
3/27/2020	\$51,840.23
9/27/2020	\$52,705.96
3/27/2021	\$53,586.15
9/27/2021	\$54,481.04
3/27/2022	\$55,390.87
9/27/2022	\$56,315.90
3/27/2023	\$57,256.38
9/27/2023	\$58,212.56
3/27/2024	\$59,184.71
9/27/2024	\$60,173.09
3/27/2025	\$61,177.98
9/27/2025	\$62,199.66
3/27/2026	\$63,238.39
9/27/2026	\$64,294.47
3/27/2027	\$65,368.19
9/27/2027	\$66,459.84
3/27/2028	\$67,569.72
9/27/2028	\$68,698.13
3/27/2029	\$69,845.39
9/27/2029	\$71,011.81
3/27/2030	\$72,197.71
9/27/2030	\$73,403.41
3/27/2031	\$74,629.24
9/27/2031	\$75,875.55
3/27/2032	\$77,142.67
9/27/2032	\$78,430.96
3/27/2033	\$79,740.75
9/27/2033	\$81,072.42
3/27/2034	\$82,426.33
9/27/2034	\$83,802.85
3/27/2035	\$85,202.03
Total	\$2,468,148.22

On March 27, 2035, the entire indebtedness evidenced by this bond, including all accrued but unpaid interest and all principal then outstanding, shall be due and payable.

From the date of this bond until March 27, 2025, this bond shall bear interest at the per annum rate of 2.24%. On March 27, 2025, and March 27, 2030 (each of such dates, a “**Reset Date**”), the interest rate on this bond shall adjust to a per annum rate (the “**Reset Rate**”) equal to 0.95% above the “U.S. Securities Rate,” as defined below; provided, however, that no Reset Rate shall be less than 2.24% per annum or greater than 3.44% per annum.

For purposes of this bond, “**U.S. Securities Rate**” shall mean, as of a Reset Date, the rate of interest equal to the weekly average yield on U.S. Treasury Securities, adjusted to a constant maturity of five (5) years, as published in Federal Reserve Board Statistical Release H.1 (519) (or, if such source is not available, such alternate source as determined by the Bondholder) on the Business Day next preceding the Reset Date. “Business Day” means any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banking institutions generally are open for business in Virginia.

Interest on this bond will be calculated based on a 360-day year composed of twelve 30-day months.

The Council of the Town has designated this bond as a “qualified tax-exempt obligation,” as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”).

Either of (1) or (2) below shall be a “**Rate Adjustment Event**” for purposes of this bond:

(1) a change in the Code or an administrative or judicial interpretation of the Code (collectively, a “**Code Change**”) after the date of this bond occurs that:

(a) subjects any payment of interest or principal, or any amount in respect of or measured in whole or in part by reference to interest on or principal of this bond or any amount of interest on indebtedness attributable or deemed to be attributable directly or indirectly to the purchase or carrying of this bond, to:

(i) a preference or alternative minimum tax (meaning a tax imposed by Section 55-59A of the Code, as amended from time to time, or any successor sections thereto or any similar provisions),

(ii) an excess profits tax, or

(iii) other federal tax that changes the basis of taxation of the payments of interest on or principal of this bond, or interest on indebtedness attributable or deemed to be attributable directly or indirectly to the purchase or carrying of this bond, to the Bondholder or affects any method used or calculation involved in determining any federal tax, or

- (b) adversely affects the deductibility or other tax treatment of losses, reserves, interest expense or any other amounts attributable or deemed to be attributable directly or indirectly to the purchase or carrying of this bond or otherwise relating or allocable to the tax-exempt interest received on this bond;

or

- (2) a Determination of Taxability (defined below) occurs.

If a Rate Adjustment Event occurs, then the interest rate on this bond, from and after the date (the “**Rate Adjustment Date**”) as of which the payment or amount became subject to such preference, alternative minimum, excess profits or other federal tax, or such deductibility or other tax treatment was adversely affected, or of the Event of Taxability, will adjust to that rate (the “**Tax Consequences Rate**”) as will result in the tax equivalent yield to the Bondholder on this bond after the Rate Adjustment Event equaling the tax equivalent yield to the Bondholder on this bond before the Rate Adjustment Event (assuming tax at the highest marginal tax rate). Receipt by the Town from the Bondholder of a statement setting forth the Rate Adjustment Event, the Rate Adjustment Date, the Tax Consequences Rate, and the amount of additional interest, if any, then due and the basis for the determination of such additional interest, shall be conclusive and binding upon the Town absent manifest error. The provisions of this paragraph apply whether a Code Change occurs before or after maturity, redemption or other payment or prepayment of this bond or any sale or other transfer of this bond to any person, firm or corporation and whether such change has an effective date before or after the issuance of this bond.

For purposes of this bond:

“**Determination of Taxability**” shall mean: (i) any determination, decision or decree made in regard to Section 103 of the Code by the Commissioner of the Internal Revenue Service or any officer of the Internal Revenue Service empowered to make such determinations, or by any court of competent jurisdiction, to the effect that the interest payable on this bond is includable in the gross income of the Bondholder for federal income taxation purposes, or (ii) a determination by the Bondholder that interest payable on the bond is includable in gross income of the Bondholder for purposes of federal income taxation; provided, however, that the Bondholder shall have no obligation to make such a determination and any such determination by the Bondholder shall be confirmed in an opinion of nationally-recognized bond counsel.

“**Event of Taxability**” shall mean the date as of which the interest payable on this bond becomes includable in the gross income of the Bondholder (for federal income taxation purposes) with respect to a Determination of Taxability.

“Supplemental Interest” shall mean the increment of additional interest payable on this bond as a result of a Rate Adjustment Event.

For Supplemental Interest caused by an Event of Taxability, the Supplemental Interest accruing before a Determination of Taxability shall be immediately due and payable on the date of the Determination of Taxability, and the Supplemental Interest accruing on and after a Determination of Taxability shall be payable on the regularly scheduled payment date in addition to any regularly scheduled installment of principal and interest.

The Town shall pay all amounts, if any, that may be necessary to reimburse the Bondholder for any interest, penalties or other charges assessed by the Internal Revenue Service against such Bondholder by reason of the Bondholder's failure to include interest on this bond in its federal gross income during the period following the Event of Taxability until such Bondholder shall be notified of a Determination of Taxability by the Internal Revenue Service or the Town (the **“Unpaid Tax Penalties”**). Unpaid Tax Penalties shall not include any amounts representing taxes which should have been paid to the Internal Revenue Service as a result of a Determination of Taxability, it being expressly intended that such taxes be paid from the Supplemental Interest. Unpaid Tax Penalties shall not include any penalties imposed as a result of a Bondholder's willful or fraudulent conduct. The Town shall make payments of Supplemental Interest and Unpaid Tax Penalties to each person who presents written proof satisfactory to the Town that on or after the Event of Taxability, such person was a Bondholder. It is expressly intended that to the extent interest received on this bond may become subject to federal income taxation as a result of a Determination of Taxability, the Supplemental Interest and Unpaid Tax Penalties which would have been payable to the Bondholder but for the payment or authorized transfer of this bond shall continue, notwithstanding the payment or transfer, as an obligation of the Town.

The Bondholder by its acceptance of this bond agrees, if requested by the Town, to have an attorney-in-fact, qualified to practice before the Internal Revenue Service, designated by the Town for the purpose of appealing a Determination of Taxability, provided the Town provides indemnity reasonably satisfactory to the Bondholder to indemnify it against any additional tax liability, penalties or interest that may result from any such appeal and agrees to pay legal fees and costs incurred in prosecuting such appeal. If a final non-appealable judgment or order is entered finding that no Event of Taxability has occurred, the Bondholder shall reimburse to the Town all Supplemental Interest which has been paid on this bond, and no additional Supplemental Interest shall be payable unless and until an Event of Taxability shall subsequently occur. Despite anything in this bond to the contrary, the right of the Town to challenge any Determination of Taxability shall terminate if no such final judgment or order shall have been entered within 90 days after the occurrence of the Determination of Taxability, unless the Town shall provide the Bondholder with security acceptable to such Bondholder, in which case the Town's right to challenge the Determination of Taxability will continue so long as such challenge is being pursued with due diligence and through appropriate proceedings.

Principal of and interest on this bond are payable in lawful money of the United States of America.

Any payment on this bond shall be applied first to interest accrued to such payment date and then to principal.

Principal, premium, if any, and interest shall be payable in lawful money of the United States of America to the registered owner, at its address as it appears on the registration books kept for that purpose at the principal office of the Treasurer of the Town, who has been appointed registrar of this bond (the “**Registrar**”).

This bond has been authorized by a resolution duly adopted by the Council of the Town on _____, 2016 (the “**Resolution**”), and is issued pursuant to the Constitution and applicable statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991 (Chapter 26, Title 1.2, Code of Virginia of 1950, as amended) to provide funds, together with other funds that may be available, to refund the outstanding principal of and interest on the General Obligation Refunding Bond, Series 2015B (Taxable), issued by the Town on March 27, 2015, in the original principal amount of \$2,512,809.54.

Copies of the Resolution are on file at the office of the Registrar. Reference is made to the Resolution and any amendments to it for the provisions, among others, describing the pledge of the full faith and credit of the Town and covenants securing this bond, the nature and extent of the security, the terms and conditions upon which this bond is issued, the rights and obligations of the Town and the rights of the holder of this bond.

This bond and the premium, if any, and interest hereon are payable from ad valorem taxes to be levied without limitation as to rate or amount on all property in the Town subject to taxation to the extent other funds of the Town are not available and appropriated for such purpose, and a pledge of the full faith and credit of the Town. This bond and the premium, if any, and interest hereon shall not be deemed to constitute a pledge of the faith and credit of the Commonwealth of Virginia or any of its political subdivisions, except the Town. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any of its political subdivisions, except the Town, is pledged to the payment of the principal of, or premium, if any, and interest on, this bond.

Installments of principal due on this bond may be prepaid at the option of the Town at any time as a whole or in part from time to time (but if in part, in inverse order of their maturities), without premium.

This bond shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed, and this bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

The Town has caused this bond to bear the manual signature of the Mayor or Vice Mayor of the Town, its seal to be imprinted or impressed hereon and attested by the manual signature of the Clerk of the Council of the Town, and this bond to be dated the date shown above.

SEAL

Attest:

**[FORM OF BOND-NOT FOR
SIGNATURE]**

Clerk, Town of Wytheville

**[FORM OF BOND-NOT FOR
SIGNATURE]**

Mayor, Town of Wytheville

END OF BOND FORM

Section 2.7. Registrar. The Treasurer of the Town is appointed Registrar for the Bond.

Section 2.8. Registration, Transfer and Exchange. The Town shall cause books for the registration and transfer of the Bond to be kept at the principal office of the Registrar, and the Council instructs the Registrar to keep such books and to make such registrations and transfers under such reasonable regulations as the Council or the Registrar may prescribe. Transfer of the Bond may be registered upon books maintained for this purpose at the office of the Registrar. Prior to due presentment for registration of transfer the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner.

Upon surrender for transfer or exchange of the Bond at such office, the Town shall execute and deliver in the name of the transferee or transferees a new Bond for the aggregate principal amount which the registered owner is entitled to receive, subject in each case to such reasonable regulations as the Council or the Registrar may prescribe. The Bond presented for transfer, exchange, or payment, (if so required by the Council or the Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the Council and the Registrar, duly executed by the registered owner or by his duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

The new Bond delivered upon any transfer or exchange shall be a valid obligation of the Town, evidencing the same debt as the Bond surrendered, shall be secured by this Resolution and entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

Section 2.9. Charges for Exchange or Transfer. No service charge shall be made for any exchange or transfer of the Bond.

ARTICLE III

EXCHANGE OF BOND

Section 3.1. Preparation and Exchange of Bond. The Council determines that it will be in the best interests of the Town and the Commonwealth of Virginia to exchange the Bond for the Refunded Bond with National Bank of Blacksburg, the holder of the Refunded Bond. Upon such exchange the outstanding principal of the Refunded Bond shall be deemed to be outstanding under the Bond and no longer outstanding under the Refunded Bond. The Mayor, Vice Mayor and the Clerk of the Town are authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with its terms.

Section 3.2. Payment of Accrued Interest on Refunded Bond. In conjunction with the exchange of the Bond for the Refunded Bond, the Town will pay the amount of accrued but unpaid interest on the Refunded Bond to the holder of the Refunded Bond.

ARTICLE IV

COVENANTS

Section 4.1. Payment of Bond. The Town shall pay promptly, as provided herein, the principal of, premium, if any, and interest on the Bond. Nothing in the Bond or in this Resolution shall be deemed to create or constitute an indebtedness of the Commonwealth of Virginia or any of its political subdivisions other than the Town, or a pledge of the full faith and credit of the Commonwealth of Virginia or of any of its political subdivisions other than the Town.

Section 4.2. Tax Rate Covenant. The Council covenants and agrees that so long the Bond is outstanding, to the extent other funds are not lawfully available and appropriated for timely payment of the Bond, the Council will levy and collect annually over and above all other taxes authorized or limited by law, an ad valorem tax, without limitation as to rate or amount, on all the taxable property in the Town in an amount sufficient to pay principal of, premium, if any, and interest on the Bond as the same become due and payable.

Section 4.3. Maintenance of Tax-Exempt Status.

(a) No Adverse Action: The Town shall not take any action that would adversely affect the exemption of any interest on the Bond from Federal income taxation and state income taxation. The Town shall, to the extent permitted by Virginia law, take all actions necessary to maintain the tax-exempt status of any interest on the Bond under Federal or Virginia law, including all actions necessary to comply with Section 103 or Sections 141 through 10 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations promulgated by the Treasury Department with respect thereto and the law of the Commonwealth of Virginia. Without limiting the generality of the foregoing, the Town shall comply with any provision of law which 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 any interest on the Bond from being includable in the gross income for Federal income tax purposes of the registered owners thereof under existing law.

(b) Arbitrage/Investment: The Town shall not take or approve any action, investment or use of the proceeds of the Bonds which would cause the the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations thereunder. The Town shall not request or approve the use of the proceeds of the Bond other than in accordance with the Town's "non-arbitrage" certificate delivered at the time of the issuance of the Bond, unless the Town receives an opinion of bond counsel stating that such action will not adversely affect the tax exempt status of the Bond.

(c) Tax Compliance Agreement: Each of the Mayor, Vice Mayor and Town Manager is authorized and directed to execute and deliver a tax compliance agreement regarding any matters described in Section (a) and (b) above and any other matters reasonably required by the

initial purchaser of the Bond, which agreement shall be in such form and content as may be required by bond counsel to the Town.

(d) Non-Arbitrage and Other Certificates: The Mayor, Vice Mayor, Town Manager and such other officers as may be requested are authorized to sign appropriate certificates setting forth, among other things, 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, applicable to “arbitrage bonds.” Such certificates may also contain certain elections with regard to Section 148 of the Code and such officers are authorized to make such elections on behalf of the Town and the Council.

Section 4.5. Designation of Bond as Qualified Tax-Exempt Obligation. The Bond is not a private activity bond and is designated by the Council as a Qualified Tax-Exempt Obligation, as defined in Section 265(b)(3) of the Code. The Council represents and covenants as follows:

(i) The Council will in no event designate more than \$10,000,000 of obligations as qualified tax-exempt obligations in the current calendar year, including the Bond, for the purpose of Section 265(b)(3) of the Code;

(ii) The Town, all its “subordinate entities,” within the meaning of Section 265(b)(3) of the Code, and all entities which issue tax-exempt bonds on behalf of the Town and such subordinate entities have together not authorized to be issued more than \$10,000,000 of tax-exempt obligations in the current calendar year (not including “private activity bonds,” as defined in Section 141 of the Code), including the Bond;

(iii) The Town does not intend to 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 the current calendar year, result in the Town and such other entities having issued a total of more than \$10,000,000 of tax-exempt obligations in such year (not including private activity bonds), including the Bond; and

(iv) The Council has no reason to believe that the Town and such other entities will issue in the current calendar year tax-exempt obligations 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 (i) or (iii) above is not required for the Bond to be a qualified tax-exempt obligation, the Town need not comply with such restriction.

ARTICLE V

MISCELLANEOUS

Section 5.1. Contract with Bondholder. The provisions of this resolution shall constitute a contract between the Town and the holder of the Bond for so long as the Bond is outstanding.

Section 5.2. Authority of Officers and Agents. The officers and agents of the Town shall do all acts and things required by them of this resolution and the Bond for the complete and punctual performance of all the terms, covenants and agreements contained therein. The appropriate officers of the Town are further authorized and empowered to take such other action as they may consider necessary or desirable to carry out the intent and purpose of this resolution, and the issuance of the Bond.

Section 5.3. Limitation of Liability of Officials of Town. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of an officer, employee or agent of the Town in his or her individual capacity, and no officer of the Town executing the Bond shall be liable personally on the Bond or be subject to any personal liability or accountability by reason of the issuance thereof. No officer, employee or agent of the Town shall incur any personal liability with respect to any other action taken by him or her pursuant to this resolution, provided he or she acts in good faith.

Section 5.4. Conditions Precedent. Upon the issuance of the Bonds all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia or this resolution to have happened, exist and to have been performed precedent to or in the issuance of the Bond shall have happened, exist and have been performed.

Section 5.5. Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

Section 5.6. Severability. If any court of competent jurisdiction shall hold any provision of this resolution to be invalid and unenforceable, such holding shall not invalidate any other provision of this resolution.

Section 5.7. Effective Date. This resolution shall take effect immediately.

Section 5.8. Filing of Resolution. The Clerk of the Council is authorized and directed to see to the immediate filing of a certified copy of this resolution with the Circuit Court of Wythe County, Virginia, pursuant to Section 1.2-2607 of the Public Finance Act of 1991.

The undersigned Clerk of the Council of the Town of Wytheville, Virginia, certifies that the foregoing constitutes a true and correct copy of a resolution adopted at a meeting of the Council of the Town of Wytheville, held on _____, 2016. I further certify that such meeting was a regular meeting, duly called and held, and that during the consideration of the foregoing resolution, a quorum was present. I further certify that the minutes of such meeting reflect how each member of Council voted with respect to the adoption of the foregoing resolution as follows:

Member	Attendance	Vote
Trenton G. Crewe, Jr.		
Jacqueline K. King		
H. Judson Lambert		
Thomas F. Hundley		
William B. Weisiger		

SEAL

Clerk, Town of Wytheville

**MINUTES OF THE REGULAR MEETING OF THE WYTHEVILLE TOWN COUNCIL
HELD IN THE COUNCIL CHAMBERS ON MONDAY, JANUARY 11, 2016, AT 7:00 P.M.**

Members present: Jacqueline K. King, H. Judson Lambert, William B. Weisiger, Thomas F. Hundley

Members absent: Trenton G. Crewe, Jr.

Others present: Town Manager C. Wayne Sutherland, Jr., Assistant Town Manager Stephen A. Moore, Town Clerk Sharon G. Corvin, Town Attorney Robert P. Kaase, Tim Reeves, Brandon Harner, Tyler Hardin, Holden Tolley, Clay Sweet, Tray Johnson, Steven Fox, David Dickinson, Chase Rosenbaum, Johnny Beamer, Danny Suthers, Mark Dillon, Max Dillon, Chris Boothe, Charlene Abate, Cody Abate, Kenny Sayers, Danny Gordon with WYVE-AM/WXBX-FM/WLOY-AM, Police Officer David Johnson

RE: CALL TO ORDER, QUORUM, PLEDGE

In the absence of Mayor Crewe, Vice-Mayor King called the meeting to order and established that a quorum of Council members was present. The Pledge of Allegiance was led by Councilman Hundley.

RE: CONSENT AGENDA

Vice-Mayor King presented the consent agenda consisting of the minutes of the regular meeting of December 14, 2015. She inquired of the Council if there is a motion to approve the consent agenda, as presented. A motion was made by Councilman Weisiger and seconded by Councilman Lambert to approve the consent agenda consisting of the minutes of the regular meeting of December 14, 2015, as presented. Vice-Mayor King inquired if there is any discussion on the motion to approve the consent agenda, as presented. There being none, the motion was approved with the following voting results: For: Jacqueline K. King, H. Judson Lambert, William B. Weisiger. Abstention from minutes: Thomas F. Hundley. Against: None.

RE: CITIZENS' PERIOD - PRESENTATION OF RESOLUTION – GEORGE WYTHE HIGH SCHOOL FOOTBALL TEAM

Vice-Mayor King advised the next agenda item is the presentation of the resolution recognizing the George Wythe High School Football Team. She inquired if Coach Harner would read the resolution. Coach Harner proceeded to read the resolution.

RESOLUTION

WHEREAS, the George Wythe High School Football Team completed their 2015 season with an overall record of 12-2; and,

WHEREAS, the George Wythe High School Football Team was District Champions in regular season play in the Hogoheegee District with a 6-0 record; and,

WHEREAS, the George Wythe High School Football Team defeated Twin Springs in the Sectional Quarter Finals with a score of 42-0; and,

WHEREAS, the George Wythe High School Football Team defeated Bland County in the Sectional Semi-Finals with a score of 56-12; and,

WHEREAS, the George Wythe High School Football Team defeated Radford in the Sectional Finals, Western Section game, with a score of 35-28; and,

WHEREAS, Rashad Wells, Jr., and Tyler Hardin both rushed for over 1,000 yards during the season; and,

WHEREAS, Deacon Beamer passed for over 1,000 yards, and he was the first sophomore in the history of the school to achieve this success; and,

WHEREAS, the teaching fundamentals the George Wythe High School football players received while participating in the youth recreation sandlot football program through the Town's Recreation Department were displayed during the 2015 season; and,

WHEREAS, the players and coaches of the George Wythe High School Football Team through their outstanding display of athletic ability, team play and sportsmanship have reflected great credit upon the school and upon the Town.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Wytheville, Virginia, officially commends the George Wythe High School Football Team, its Head Coach, Mr. Brandon Harner, its Assistant Coaches, Doug Campbell, Quinton Hensley, Brandon Blankenship, Trey Johnson, Mark Harmon, Kenny Sayers, Steve Gollither, David Martin, and Scotty Dove - Team Doctor and other high school officials concerned for the outstanding record of the Football Team.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the George Wythe High School Football Team, the coaches, other officials concerned and the news media.

Vice-Mayor King thanked Coach Harner, the other members of the George Wythe coaching staff and the football team for attending the Council meeting and for accepting the resolution.

RE: CITIZENS' PERIOD - PRESENTATION OF RESOLUTION – GEORGE WYTHE HIGH SCHOOL GOLF TEAM

Vice-Mayor King advised the next agenda item is the presentation of the resolution recognizing the George Wythe High School Golf Team. She inquired if Coach Beamer would read the resolution. Coach Beamer proceeded to read the resolution.

RESOLUTION

WHEREAS, the George Wythe High School Golf Team completed their 2015 season with an overall record of 13-2; and,

WHEREAS, the George Wythe High School Golf Team was Hogoheegee District Champions and Conference 46 Champions; and,

WHEREAS, the George Wythe High School Golf Team advanced to the 1A West Regional and won the 1A West Regional Tournament; and,

WHEREAS, the George Wythe High School Golf Team advanced to the 1A State Golf Tournament and won the 1A VHSL Golf Championship on October 13, 2015; and,

WHEREAS, Alex Arnold, Maxwell Dillon and Chris Boothe were among the top ten golfers for 1A division schools; and,

WHEREAS, the players and coaches of the George Wythe High School Golf Team through their outstanding display of athletic ability, team play and sportsmanship have reflected great credit upon the school and upon the Town.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Wytheville, Virginia, officially commends the George Wythe High School Golf Team, its head coach, Johnny Beamer, its Assistant Coach, Danny Suthers and other high school officials concerned for the outstanding accomplishment of the golf team.

BE IT FURTHER RESOLVED that copies of this resolution be presented to the George Wythe High School Golf Team, the coaches, other officials concerned and the news media.

Vice-Mayor King thanked Coach Beamer, the other members of the George Wythe coaching staff and the golf team for attending the Council meeting and for accepting the resolution.

RE: OLD BUSINESS

Under Old Business, Town Manager Sutherland reported the following:

1. The Council Work Session will be held on Tuesday, January 12, 2016, at 7:00 a.m.
2. The Council Personnel Committee will meet on Friday, January 15, 2016, at the Heritage Preservation Center.
3. The Town of Wytheville offices will be closed on Monday, January 18, 2016, and all services will be curtailed, in observance of the Martin Luther King, Jr. holiday.

4. The New River Regional Water Authority meeting will be held on Thursday, January 21, 2016, at 9:30 a.m., in the Council Chambers.

RE: BUDGET AND FINANCE COMMITTEE REPORT

Councilman Weisiger, reporting for the Budget and Finance Committee, stated that the Town, as a recipient of State and Federal funding, must provide certain assurances to the State and Federal governments that they are complying with various facets of law. He explained that one of the assurances that the Town must provide is that the Town endorses the concept of fair housing and calls upon the citizens of Wytheville, along with those in the banking and housing industries, to join and work together in the observance of free and equal housing treatment for all. Councilman Weisiger advised that later in the meeting, a resolution will be considered by the Council, and it would be the recommendation of the Budget and Finance Committee that it be adopted.

Councilman Weisiger, also, reported that the Town has received from its auditors, Robinson, Farmer, Cox Associates, the financial statements for the fiscal year ending June 30, 2015. He stated that the Town has also received from them a letter, which is required by professional standards, to communicate findings associated with the audit report. Councilman Weisiger noted that Robinson, Farmer, Cox Associates reported that the financial disclosures are neutral, consistent and clear, which means that they have found no issues with the audit of the Town's finances. He explained that, also, provided in the report, it is noted that certain matters involving internal control structure and other operational matters should be reviewed by the Council. Councilman Weisiger remarked that one of these recommendations was procedural in nature, and the Budget and Finance Committee has advised Town Treasurer Stephens to note their recommendations. He commented that now that the Council has had the opportunity to review this audit, it would be the recommendation of the Budget and Finance Committee that the Council note its receipt of the audit and its agreement with the information contained therein. Councilman Weisiger advised that, also, given that there are no findings in the audit, the Budget and Finance Committee does not believe that it is necessary to have a meeting with the auditors. A copy of the Budget and Finance Committee report is attached and made part of these minutes.

RE: PUBLIC WORKS COMMITTEE REPORT

Councilman Hundley, reporting for the Public Works Committee, stated for many years, regulations concerning stormwater management and soil erosion and sediment control have been handled by the individual communities under guidelines developed by the Department of Housing and Community Development. He noted that a little over two years ago, the management of these programs was placed under the Department of Environmental Quality (DEQ). Councilman Hundley explained that the Department of Environmental Quality significantly changed regulations with regard to these matters and notably increased the standards that had to be achieved. He stated that the Department of Environmental Quality is relying on localities to impose these new rigorous standards and most communities expressed their concern about the liability that was incurred by the community for being an approving authority for the measures. He noted that, additionally, there were significant application fees associated with this type of management of the program and the fees were returned to the State. Councilman Hundley remarked that, subsequently, State law was amended to allow local governments to manage their own Stormwater Management Programs or to "Opt-out." He explained that in the situation where the community chose to opt-out of the program, the administration, implementation and enforcement of these programs were left with The Department of Environmental Quality. Councilman Hundley commented that since the vast majority of communities chose to opt-out, it caused a burden for the administration and enforcement of DEQ. He expressed that the most recent movement proposed is to not allow communities to opt-out, which collectively means that all communities will, once again, be required to enforce regulations that appear to be excessive and, at times, require excessive application fees, all of which will be returned to the State. Councilman Hundley stated the Town of Wytheville and other communities believe that this is an unfair expectation of the State and is yet another unfunded, mandatory local obligation. He commented that later in the meeting, the Council will consider a resolution expressing its concern with any new legislation that would eliminate the "Opt-out" program. Councilman Hundley advised that it would be the recommendation of the Public Works Committee that this resolution be adopted and be forwarded to the State legislatures representing this area.

Councilman Hundley, also, reported that on several occasions, the Public Works Committee has looked at the traffic movement at the intersections of 11th and Main Streets and 11th and Monroe Streets. He stated that at certain times during the day, there is significant congestion in these two intersections. Councilman Hundley commented, for example, if the Public Works Committee considers the intersection of 11th and Monroe Streets, it can be observed that traffic moving

west on Monroe Street often has difficulty making a left hand turn onto 11th Street because of eastward bound traffic on Monroe Street, as well as the traffic which is making a right hand turn onto 11th Street. He explained that a similar situation exists on Main Street where west bound traffic on Main Street at the intersection with 11th Street has a left turn, right turn and straight lanes adjacent to the two east bound opposing lanes. Councilman Hundley stated on the west side of 11th Street on Main Street, traffic lanes are reduced to two lanes. He noted that in any event, the Public Works Committee feels that the geometry of both of these intersections needs to be studied as well as an assessment made of some way to coordinate the traffic signals, which would facilitate traffic movement and create a safer environment. Councilman Hundley advised that it would be the recommendation of the Public Works Committee that the Town proceed with having a study performed that would offer improvements for all of these situations. A motion was made by Councilman Hundley and seconded by Councilman Lambert to authorize the Town to conduct a study on the intersections on 11th and Main Streets and 11th and Monroe Streets to offer traffic flow improvements. Vice-Mayor King inquired if there is any discussion on the motion. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Jacqueline K. King, H. Judson Lambert, William B. Weisiger, Thomas F. Hundley. Against: None. A copy of the Public Works Committee report is attached and made part of these minutes.

RE: RESOLUTION – FAIR HOUSING ACT

Vice-Mayor King advised that the next agenda item is the resolution regarding the Fair Housing Act. She explained that each year, the Town must adopt a resolution that endorses the concept of providing fair housing. Vice-Mayor King remarked that by adopting this resolution, the Town, as a recipient of State and Federal funding, provides certain assurances to the State and Federal governments that it is complying with various facets of law. She commented that one of the assurances that the Town must provide is that the Town endorses the concept of fair housing and calls upon the citizens of Wytheville, along with those in the banking and housing industries, to join and work together in the observance of free and equal housing treatment for all. Vice-Mayor King inquired if there is a motion to approve the Fair Housing Act resolution. A motion was made by Councilman Hundley and seconded by Councilman Lambert to adopt the annual resolution regarding the Federal Fair Housing Act. Vice-Mayor King inquired if there is any discussion on the motion to adopt the resolution. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Jacqueline K. King, H. Judson Lambert, William B. Weisiger, Thomas F. Hundley. Against: None.

RE: RESOLUTION – STORMWATER MANAGEMENT RESOLUTION

Vice-Mayor King advised that the next agenda item is the resolution regarding the Town's Stormwater Management Program. She inquired of the Council if there is a motion concerning the resolution. A motion was made by Councilman Hundley and seconded by Councilman Weisiger to adopt a resolution regarding the Town's Stormwater Management Program. Vice-Mayor King inquired if there is any discussion on the motion to adopt the resolution. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Jacqueline K. King, H. Judson Lambert, William B. Weisiger, Thomas F. Hundley. Against: None.

RE: APPOINTMENT – DISTRICT III GOVERNMENTAL COOPERATIVE

Vice-Mayor King advised that the next agenda item is the reappointment of members to the District III Governmental Cooperative to fill the expiring terms of William B. Weisiger and Thomas F. Hundley (terms expire January 27, 2016). She noted that both Council members have indicated a willingness to serve again. Vice-Mayor King commented that Councilman Weisiger is the member and Councilman Hundley is the alternate member to the Cooperative. She inquired of the Council if there is a motion concerning the reappointment. A motion was made by Councilman Lambert and seconded by Councilman Weisiger to reappoint Councilman William B. Weisiger as the member and Councilman Thomas F. Hundley as the alternate member to the District III Governmental Cooperative for a one year term, which expires January 27, 2017. Vice-Mayor King inquired if there is any discussion on the motion concerning the reappointment. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Jacqueline K. King, H. Judson Lambert, William B. Weisiger, Thomas F. Hundley. Against: None.

RE: RESOLUTION – HILMAR WYTHEVILLE, LLC

Town Attorney Kaase advised that he and Town Manager Sutherland are working on a deed that will allow Hilmar Wytheville, LLC, to convey property that runs from Dominion Street, which ends in front of the Walmart Shopping Center, in a westerly direction, as provided in the original proffer from the developer of the shopping center. He stated that he has prepared a deed, and

has all real estate to be received by the Town of Wytheville for a 50 foot wide public street that will be installed. Town Attorney Kaase explained that the Town Council should adopt a resolution that would authorize him to approve the form of the deed and Town Manager Sutherland to execute the deed on behalf of the Town of Wytheville receiving the 50 foot wide street which will be constructed as a public street. He advised, therefore, he would invite the Council to consider a resolution that authorizes him to approve the form of the deed and Town Manager Sutherland to execute the instrument of receiving the property. A motion was made by Councilman Weisiger and seconded by Councilman Lambert to adopt a resolution regarding the conveyance of property to the Town of Wytheville from Hilmar Wytheville, LLC, and authorize the Town Attorney to approve the form of the deed and authorize the Town Manager to sign on behalf of the Town to execute and to accept the deed. Vice-Mayor King inquired if there is any discussion on the motion concerning the resolution. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Jacqueline K. King, H. Judson Lambert, William B. Weisiger, Thomas F. Hundley. Against: None.

Councilman Weisiger inquired of Town Attorney Kaase if this is a goal of the developers of the shopping center. Town Attorney Kaase commented that he is in the process of finding out that answer.

RE: ADJOURNMENT

There being no further business to be discussed, a motion was duly made, seconded and carried to adjourn the meeting (7:21 p.m.).

Jacqueline K. King, Vice-Mayor

Sharon G. Corvin, Town Clerk

BUDGET AND FINANCE COMMITTEE REPORT

JANUARY 11, 2016

1. The Town, as a recipient of State and Federal funding, must provide certain assurances to the State and Federal governments that we are complying with various facets of law. One of the assurances that we must provide is that the Town endorses the concept of fair housing and calls upon the citizens of Wytheville, along with those in the banking and housing industries, to join and work together in the observance of free and equal housing treatment for all. Later in the meeting, a resolution will be considered by the Council, and it would be the recommendation of the Budget and Finance Committee that it be adopted.
2. We have received from our auditors, Robinson, Farmer, Cox Associates, the financial statements for the fiscal year ending June 30, 2015. We have also received from them a letter, which is required by professional standards, to communicate findings associated with the audit report. Robinson, Farmer, Cox Associates reported that the financial disclosures are neutral, consistent and clear, which means that they have found no issues with the audit of the Town's finances. Also, provided in the report, it is noted that certain matters involving internal control structure and other operational matters should be reviewed by the Council. One of these recommendations was procedural in nature, and we have advised Town Treasurer Stephens to note their recommendations. Now that the Council has had the opportunity to review this audit, it would be the recommendation of the Budget and Finance Committee that we note our receipt of the audit and our agreement with the information contained therein. Also,

given that there are no findings in the audit, we do not believe that it is necessary to have a meeting with the auditors.

Jacqueline K. King

William B. Weisiger

PUBLIC WORKS COMMITTEE REPORT

JANUARY 11, 2016

1. For many years, regulations concerning stormwater management and soil erosion and sediment control have been handled by the individual communities under guidelines developed by the Department of Housing and Community Development. A little over two years ago, the management of these programs was placed under the Department of Environmental Quality (DEQ). The Department of Environmental Quality significantly changed regulations with regard to these matters and notably increased the standards that had to be achieved. The Department of Environmental Quality is relying on localities to impose these new rigorous standards and most communities expressed their concern about the liability that was incurred by the community for being an approving authority for the measures. Additionally, there were significant application fees associated with this type of management of the program and the fees were returned to the State. Subsequently, State law was amended to allow local governments to manage their own Stormwater Management Programs or to "Opt-out." In the situation where the community chose to opt-out of the program, the administration, implementation and enforcement of these programs were left with The Department of Environmental Quality. Since the vast majority of communities chose to opt-out, it caused a burden for the administration and enforcement of DEQ. The most recent movement proposed is to not allow communities to opt-out, which collectively means that all communities will, once again, be required to enforce regulations that appear to be excessive and, at times,

require excessive application fees, all of which will be returned to the State. We and other communities believe that this is an unfair expectation of the State and is yet another unfunded, mandatory local obligation. Later this evening, the Council will consider a resolution expressing our concern with any new legislation that would eliminate the “Opt-out” program. It would be the recommendation of the Public Works Committee that this resolution be adopted and be forwarded to the State legislatures representing our area.

2. On several occasions, our Committee has looked at the traffic movement at the intersections of 11th and Main Streets and 11th and Monroe Streets. At certain times during the day, there is significant congestion in these two intersections. For example, if we consider the intersection of 11th and Monroe Streets, it can be observed that traffic moving west on Monroe Street often has difficulty making a left hand turn onto 11th Street because of eastward bound traffic on Monroe Street, as well as the traffic which is making a right hand turn onto 11th Street. A similar situation exists on Main Street where west bound traffic on Main Street at the intersection with 11th Street has a left turn, right turn and straight lanes adjacent to the two east bound opposing lanes. On the west side of 11th Street on Main Street, traffic lanes are reduced to two lanes. In any event, we feel that the geometry of both of these intersections needs to be studied as well as an assessment made of some way to coordinate the traffic signals, which would facilitate traffic movement and create a safer environment. It would be the recommendation of the Public

Works Committee that we proceed with having a study performed that would offer improvements for all of these situations.

H. Judson Lambert

Thomas F. Hundley