

June 25, 2019

A REGULAR MEETING OF THE BRISTOL, VIRGINIA, CITY COUNCIL WAS HELD ON JUNE 25, 2019 AT 6:00PM, 300 LEE STREET, BRISTOL, VIRGINIA WITH MAYOR KEVIN MUMPOWER PRESIDING. COUNCIL MEMBERS PRESENT WERE VICE MAYOR KEVIN WINGARD, ANTHONY FARNUM, WILLIAM HARTLEY, AND NEAL OSBORNE. CITY MANAGER/INTERIM CITY ATTORNEY, RANDALL EADS, AND CHIEF FINANCIAL OFFICER TAMRYA SPRADLIN WERE ALSO PRESENT.

Mayor Mumpower asked for a moment of silence, followed by the pledge of allegiance. He thanked those in attendance.

City Manager Randall Eads said the bleachers at the Bristol Pirates baseball field would be closed until an engineering study was completed.

Anthony Farnum asked about the possibility of giving July 5th a holiday for employees. City Manager Randall Eads said that state employees had been given the extra day off. Council agreed to extend the holiday weekend for city staff as well.

Larry Gardner spoke about the condition of homes on Portsmouth Avenue.

Mr. Hartley made a motion that the word "taxable" be removed from Item #4 and that a closed session pursuant to §2.2-3711.A5, Code of Virginia, 1950, as amended. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community (Unannounced business prospect) be added to the closed session on the agenda. Vice-Mayor Wingard asked if that motion could include adding "by caption only" to Item 4 on the agenda, and Mr. Hartley agreed to amend his motion. Vice-Mayor Wingard seconded the motion, which carried by the following votes:

AYES: Farnum, Hartley, Osborne, Wingard, Mumpower.

REGULAR AGENDA

1. Consider public hearing of an Ordinance to Add Section 14-11 to the City Code, pertaining to unlawful feeding of waterfowl in the City of Bristol, Virginia.

Mayor Mumpower opened the public hearing. City Manager Randall Eads said that waterfowl waste was becoming a problem at city parks and recreation fields. The ordinance proposed would make it a \$50 fine for feeding waterfowl in city parks. Mayor Mumpower closed the public hearing.

Michael Pollard asked if there was research on the relationship between feeding and waterfowl presence.

2. Consider first reading of an Ordinance to add new City Code Section 50-177 (Overnight Recreational Development Standards); revise existing Section 50-109 (b) AND Section 50-123 (b); and add Definitions to Section 50-28.

City Planner Sally Morgan said the ordinance had been revised based on feedback from Council at the June 12 meeting, which was reviewed and approved by the Planning Commission. A map was shared that showed the potential areas for recreational development. Mr. Farnum made a motion for first reading of the ordinance by caption only. Mr. Hartley seconded the motion. Council discussed maximum length of stay and need for a special exception. Mr. Farnum amended his motion to strike the language regarding the special exception process. After discussion, Mr. Farnum asked to further amend his motion to make the length of stay limitations match those set out at Sugar Hollow Park of 30 days.

AYES: Farnum, Hartley, Osborne, Mumpower.

ABSTAIN: Wingard.

City Manager Randall Eads read the ordinance by caption only:

TITLE: CREATING REGULATIONS ADDRESSING OVERNIGHT RECREATIONAL DEVELOPMENT; AN ORDINANCE AMENDING ARTICLE II ZONING OF THE CITY CODE FOR BRISTOL VIRGINIA; CREATING A NEW SECTION 50-177: OVERNIGHT RECREATIONAL DEVELOPMENT STANDARDS UNDER DIVISION 10 -- SUPPLEMENTAL REGULATIONS IN ADDITION TO ADDING DEFINITIONS UNDER SECTION 50-28 AND REVISING AND ADDING OVERNIGHT RECREATIONAL DEVELOPMENT AS A PERMITTED USE IN SECTION 50-109 AND 50-123.

3. Consider first reading of an Ordinance to Amend Chapter 70 of the City Code, relating to collections.

City Manager Randall Eads reviewed changes to the ordinance proposed, which included the cost for additional cans and limits on construction/contractor waste.

Jack Johnson spoke about scheduling concerns for collections staff and wait times for pickup. Michael Pollard listed a number of concerns with the ordinance. Renee Hunt spoke about issues with trash collection. Sandy Oliver spoke about issues with grass collection.

Mr. Hartley made a motion for first reading of the ordinance by caption only with the following changes: 70.-7 remove item E; 70-21- add language about purchase of second can and temporary can; 70-22- remove section E; 70-24- change last sentence to say amount of the relief shall be 33% of the current rate; 70-28 remove section B and add bulk waste by licensed contractor to section C; 70-58 add language about the street or alleyway. Vice-Mayor Wingard seconded the motion. The motion carried by the following votes:

AYES: Farnum, Hartley, Osborne, Wingard, Mumpower

City Manager Randall Eads read the ordinance by caption only:

Ordinance 19-7 . AN ORDINANCE TO AMEND CHAPTER 70 OF THE CITY CODE OF ORDINANCES.

4. Consider a resolution regarding the issuance and sale of taxable General Obligation Refunding Bonds.

Chief Financial Officer Tamrya Spradlin said that the agenda item was to refinance general obligation fund debt that pays off in 2027 in the amount of \$390,000. The proposed refinance will not extend the payoff date.

David Rose of Davenport and Company presented the responses received to the City's RFP. City Manager Randall Eads read the resolution by caption only:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF BRISTOL, VIRGINIA, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the City of Bristol, Virginia (the "City") is a political subdivision of the Commonwealth of Virginia, and pursuant to the Public Finance Act of 1991, Chapter 26, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), the Council of the City (the "Council") is authorized to contract debts on behalf of the City and to issue, as evidence thereof, bonds, notes or other obligations payable from pledges of the full faith and credit of the City; WHEREAS, on December 14, 2006, the City issued its \$3,675,000 General Obligation Public Improvement Bonds, Series 2006B (the "Series 2006B Bonds") and on October 30, 2007, the City issued its \$4,055,000 General Obligation Public Improvement Bonds, Series 2007B (the "Series 2007B Bonds");

WHEREAS, the City can effect debt service savings by issuing one or more general obligation refunding bonds (a) to refund (i) all or a portion of the outstanding 2006B Bonds and (ii) all or a portion of the outstanding 2007B Bonds (collectively, such refunded portions, the "Refunded

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Bonds”), and (b) to pay the related issuance and refunding costs; WHEREAS, the City’s administration and a representative of Davenport & Company LLC, acting in the role as the City’s financial advisor (the “Financial Advisor”), have recommended to the City Council of the City (the “Council”) that the City issue one or more general obligation refunding bonds (as further described herein, the “Series 2019 Bond”) through a direct bank loan with a commercial banking or other financial institution to refund the Refunded Bonds; and WHEREAS, at the request of the City, the Financial Advisor has solicited proposals for a direct bank loan, evidenced by the Series 2019 Bond, and five proposals from financial institutions have been received in connection with the issuance of the Series 2019 Bond.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRISTOL, VIRGINIA:

Section 1. Authorization and Issuance of Series 2019 Bond. There is hereby authorized to be issued, pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Act, general obligation refunding bonds of the City in the maximum aggregate principal amount of \$3,210,000 to (i) refund the Refunded Bonds and (ii) pay the costs of issuing the Series 2019 Bond.

Section 2. Selection and Acceptance of Winning Proposal. After consideration of the proposals received with respect to the Series 2019 Bond, it is hereby determined that it is in the best interest of the City to accept, and the City does hereby accept, the proposal (the “Winning Proposal”) of JPMorgan Chase Bank, N.A. (the “Bank”) for a direct bank loan, as evidenced by the Series 2019 Bond. The Mayor, the Vice Mayor and the City Manager of the City, any of whom may act, are each hereby authorized and directed to accept the Winning Proposal and to evidence such acceptance by executing and delivering the same to the Bank or by other any means.

Section 3. Details of Series 2019 Bond. The Council hereby authorizes the issuance of the Series 2019 Bond in the form and upon the terms set forth herein. The Series 2019 Bond shall be issued in the form of a single fully-registered bond without coupons, which shall be designated the “General Obligation Refunding Bond, Series 2019,” shall be dated the date of its issuance, shall be registered as to both principal and interest in the name of the Bank, shall be issued in an aggregate principal amount not to exceed \$3,210,000, and shall be numbered RA-1. Interest shall accrue on the Series 2019 Bond at an interest rate per year not to exceed 4.0% until maturity, and the maturity date shall be July 15, 2026. Principal on the Series 2019 Bond shall be payable annually on each July 15, commencing July 15, 2020, as will be more particularly set forth in the Series 2019 Bond. The Series 2019 Bond shall be substantially in the forms attached hereto as Exhibit A, with such changes, omissions and insertions as may be approved by Bond Counsel and by the Mayor and Vice Mayor, either of whom may act, such approval to be evidenced conclusively by the execution and delivery of the Series 2019 Bond.

Interest on the Series 2019 Bond shall be calculated on the basis a year of 360 days consisting of twelve 30-day months. All payments made on the Series 2019 Bond shall be applied first to accrued interest and then to principal. If the payment date of any payment due under the Series 2019 Bond does not fall on a Business Day (as hereinafter defined), then payment need not be made on such date, but may be made on the next succeeding Business Day, and if made on such next succeeding Business Day, no additional interest shall accrue. “Business Day” shall mean any day other than a Saturday, Sunday or day on which banking institutions within the Commonwealth of Virginia are authorized or required by law to remain closed.

The Mayor and Vice Mayor, either of whom may act, are each hereby authorized to approve (i) the final principal amounts of the Series 2019 Bond, so long as the final principal amount of the Series 2019 Bond does not exceed \$3,210,000, and (ii) the final principal amortization schedule for the Series 2019 Bond, such approvals to be evidenced conclusively by the execution and delivery of the Series 2019 Bond.

Section 4. Redemption Provisions. The Series 2019 Bond will not be subject to redemption prior to maturity.

Section 5. Pledge of Full Faith and Credit. The Series 2019 Bond will be secured by the full faith and credit of the City. For the prompt payment of the principal of and interest on the Series 2019 Bond as the same shall become due, the full faith and credit of the City are hereby irrevocably pledged. Pursuant to Section 15.2-2624 of the Code of Virginia of 1950, as amended, there shall be levied and collected an annual tax upon all taxable property in the City subject to local taxation sufficient to provide for the payment of the principal of and interest on the Series 2019 Bond as the same shall become due, which tax shall be without limitation as to rate or amount and shall be in addition to all other taxes authorized to be levied in the City to the extent other funds of the City are not lawfully available and appropriated for such purpose.

Section 6. Execution and Delivery of Series 2019 Bond. The Mayor and the Vice

Mayor, either of whom may act, are each authorized and directed to execute the Series 2019 Bond. The City Clerk and any Deputy City Clerk, either of whom may act, are authorized and directed to execute the Series 2019 Bond, to affix the seal of the City to the Series 2019 Bond, to attest the seal and then to deliver the Series 2019 Bond to the Bank upon payment of the purchase price of 100% of the principal amount thereof.

Section 7. Registration and Transfer of Series 2019 Bond. The City Treasurer is appointed paying agent and registrar for the Series 2019 Bond (the "Registrar"). The Registrar shall maintain registration books for the registration and registration of transfers of the Series 2019 Bond. Upon presentation and surrender of the Series 2019 Bond at the office of the Registrar, together with an assignment duly executed by the registered owner or its duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the City shall execute and deliver in exchange, a new Bond having an equal aggregate principal amount, of the same form, series and maturity, bearing interest at the same rate and registered in the name as requested by the then registered owner thereof or its duly authorized attorney or legal representative. Any such transfer or exchange shall be at the expense of the City, except that the Registrar may charge the person requesting such transfer or exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

Section 8. Bond Purchase Agreement. To the extent deemed necessary by the Bank, the terms of the Winning Proposal may be set forth in a Bond Purchase Agreement, dated as of the date of its execution and delivery, between the City and the Bank (the "Bond Purchase Agreement"). The Series 2019 Bond, as evidence of the direct bank loan, will be sold to the Bank in accordance with the terms of the Bond Purchase Agreement, subject to the parameters and other provisions set forth in this Resolution. The Mayor, the Vice Mayor and the City Manager, any of whom may act, are each authorized to execute and deliver the Bond Purchase Agreement on behalf of the City.

Section 9. Further Actions. The Mayor, the Vice Mayor, the City Manager, the City Treasurer, the City's Chief Financial Officer and such officers, employees and agents of the City as may be designated by any of them are authorized and directed to take such further actions as they deem necessary regarding the issuance of the Series 2019 Bond, including, without limitation, the execution and delivery of closing documents and certificates including IRS Forms and a Non Arbitrage and Tax Matters Certificate (the "Tax Certificate"). All such actions previously taken by the Mayor, Vice Mayor, the City Manager, the City Treasurer, the City's Chief Financial Officer or such officers, employees and agents are hereby approved, ratified and confirmed.

The Council covenants on behalf of the City that (i) the proceeds from the issuance of the Series 2019 Bond will be invested and expended as set forth in the Tax Certificate, (ii) the City shall comply with the other covenants and representations contained in the Tax Certificate, and (iii) the City shall comply with the provisions of the Code, so that interest on the Series 2019 Bond will remain excludable from gross income for federal income tax purposes and that the Series 2019 Bond will maintain its status as a "qualified tax-exempt obligation."

Section 10. Selection of Bond Counsel. The Council hereby consents to Kaufman & Canoles, P.C., serving as Bond Counsel to the City in connection with the issuance of the Series 2019 Bond.

Section 11. Election Under the Act. The Council elects to issue the Series 2019 Bond under the provisions of the Act and without regard to the City Charter.

Section 12. Discharge upon Payment of Series 2019 Bond. If the Series 2019 Bond shall have become due and payable in accordance with their terms, shall have been fully refunded from the proceeds of refunding bonds issued by the City and the full amount of the principal and interest so due and payable upon the Series 2019 Bond then outstanding shall have been paid, or sufficient cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America shall be held by the City Treasurer or by an escrow agent selected by the City for such purpose, at the time and in the manner provided in this Resolution, then all covenants, agreements and other obligations of the City to the holder of the Series 2019 Bond under this Resolution shall cease, terminate and be void and the City shall be discharged from its obligations hereunder. Upon the deposit of such cash or obligations with the City Treasurer or escrow agent, the City Treasurer or escrow agent may request a report from certified public accountants, actuaries or other similar professionals, addressed to the City Treasurer or escrow agent, to the effect that the cash and the proceeds to be received from such obligations will be sufficient, without reinvestment, to provide for the payment of the principal of and interest on the Series 2019 Bond when due.

In the event that all of such cash and obligations are not required for the payment of the principal of and interest on the Series 2019 Bond, such excess may be used by the City for any

lawful purpose.

Notwithstanding anything to the contrary contained herein, any defeasance and discharge hereunder shall not be deemed to release the City from its obligations to pay the principal of and interest on the Series 2019 Bond as contemplated herein until the date the Series 2019 Bond are paid in full. In addition, such defeasance and discharge shall not terminate the obligations of the City to comply with the tax laws pertaining to the Series 2019 Bond until the date the Series 2019 Bond are paid in full.

Section 13. Refunding; Escrow Agreement. The Council hereby irrevocably calls for the optional redemption of the Refunded Bonds on a date not less than thirty (30) nor more than sixty (60) days after the date of the issuance of the Series 2019 Bond (all of the foregoing dates being referred to herein as the "Redemption Dates") at a redemption price equal to 100% of the principal amount of the Refunded Bonds plus accrued interest to the Redemption Dates.

To the extent deemed necessary to facilitate the defeasance of the Refunded Bonds and the payment of the principal of and interest on the Refunded Bonds from the issuance date of the Series 2019 Bond through the Redemption Dates, the Council hereby authorizes the use of an Escrow Agreement, dated as of the date of its execution and delivery (the "Escrow Agreement"), between the City and U.S. Bank National Association, as escrow agent (the "Escrow Agent"). The Council hereby authorizes the Mayor, the City Manager and the Chief Financial Officer, any of whom may act, and the Escrow Agent to (i) with the advice of the Underwriters, obtain competitively a portfolio of securities and/or (ii) invest the proceeds as otherwise permitted by law until the Redemption Dates. The Council hereby authorizes the Mayor, the City Manager and the Chief Financial Officer, any of whom may act, to execute and deliver the Escrow Agreement on behalf of the City.

Section 14. Covenants. The City agrees to provide its audited financial statements to the Bank, or any subsequent owner of the Series 2019 Bond, each year within 270 days of the City's fiscal year end. The City also agrees to not violate the debt limit imposed upon the City by the Virginia Constitution and the Act.

Section 15. Arbitrage Covenants.

(a) No Composite Issue. The City 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 Series 2019 Bond, within the meaning of the Code.

(b) Not an Arbitrage Bond. The City covenants that it shall not take or omit to take any action the taking or omission of which will cause the Series 2019 Bond to be "arbitrage bonds" within the meaning of Section 148 of the Code, or otherwise cause interest on the Series 2019 Bond to be includable in the gross income for federal income tax purposes of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of law which may require the City at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Series 2019 Bond, unless the City receives an opinion of nationally recognized Bond Counsel that such compliance is not required to prevent interest on the Series 2019 Bond from being includable in the gross income for federal income tax purposes of the registered owner thereof under existing law. The City shall pay any such required rebate from its legally available funds.

Section 16. Limitation of Liability of Officials of the City. No covenant, condition, agreement or obligation contained herein shall be deemed to be a covenant, condition, agreement or obligation of a Council member, any officer, employee or agent of the City in his or her individual capacity, and no officer of the City executing the Series 2019 Bond shall be liable personally on the Series 2019 Bond or be subject to any personal liability or accountability by reason of the issuance thereof. No Council member, officer, employee or agent of the City 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 17. Contract with Bank. The provisions of this Resolution shall constitute a contract between the City and the Bank (or any subsequent owner of the Series 2019 Bond), for so long as the Series 2019 Bond are outstanding. This Resolution may not be amended by the City in any manner without the prior written consent of the Bank (or any subsequent owner of the Series 2019 Bond), except to cure any defect, error, omission or ambiguity herein.

Section 18. Other Actions. All other actions of the Council members, officers, employees, and agents of the City in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Series 2019 Bond are approved and confirmed. The officers and staff of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Series 2019 Bond. Any reference to an officeholder herein shall include a person acting in such capacity or serving in

such capacity on an interim basis pursuant to due authority. The Vice Mayor may take any action hereunder with respect to which the Mayor has been authorized to act.

Section 19. Designation for Purchase by Financial Institutions. The City hereby designates the Series 2019 Bond as a “qualified tax-exempt obligation” eligible for the exception from the disallowance of the deduction of interest by financial institutions allocable to the cost of carrying tax-exempt obligations in accordance with the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The City and its “subordinate entities” have not issued, nor do they reasonably anticipate issuing, more than \$10,000,000 in qualified tax-exempt obligations during calendar year 2019, and the City and its subordinate entities will not designate more than \$10,000,000 of qualified tax-exempt obligations in calendar year 2019.

Section 20. Filing of Resolution. The City Clerk is hereby authorized and directed to cause a certified copy of this Resolution to be filed with the Circuit Court of the City of Bristol, Virginia.

Section 21. Effective Date. This Resolution shall take effect immediately.
Exhibit A – Form of the Series 2019 Bond

Mayor Mumpower asked for a motion on the resolution. Mr. Osborne made a motion to adopt the Resolution regarding the issuance and sale of taxable general obligation refunding bonds. Mr. Hartley seconded the motion which carried by the following votes:

AYES: Farnum, Hartley, Osborne, Wingard, Mumpower

5. Consider approval of personnel policies.

City Manager Randall Eads said that the policies presented would replace what was previously in the Code of Ordinances for annual leave, sick leave, and comp leave. There was no public comment.

Vice-Mayor Wingard made a motion to approve the leave policies with the accrual for fire department employees at 19 hours. Mr. Osborne seconded the motion. Council discussed the issues in making an equitable leave policy that applies to all employees, including those working different shifts.

AYES: Hartley, Osborne, Wingard.
NO: Farnum, Mumpower.

6. Discussion of funding for school building needs.

City Manager Randall Eads said the purpose of the item was to discuss school safety and accessibility funding. Mayor Mumpower asked about fund balance available from the current fiscal year. Chief Financial Officer Tamrya Spradlin said it was early to project year-end financial numbers but that there would likely be funds available. Vice-Mayor Wingard said he was not comfortable committing to additional money for the next physical year and asked about the source of teacher bonuses. Superintendent Keith Perrigan discussed funding sources and maintenance issues in school buildings.

7. Consider closed session pursuant to §2.2-3711.A1, Code of Virginia 1950, as amended. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body (personnel).

Mr. Osborne made a motion to enter closed session. Mr. Farnum seconded the motion, which carried by the following votes.

AYES: Farnum, Hartley, Osborne, Wingard, Mumpower

Mayor Mumpower asked for a roll call to certify closed session.

AYES: Farnum, Hartley, Osborne, Wingard, Mumpower

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CONSENT AGENDA

8.1 Consider approval of minutes

June 4, 2019

June 7, 2019

June 12, 2019

8.2 Consider purchase requisition totaling \$97,136.17 per the items below:

Sheriff's Office; Inmate Housing \$71,000.00

Police Department; Vehicle computers \$26,136.17

Mr. Wingard made a motion to approve the consent agenda which was seconded by Mr. Osborne. The motion carried by the following votes:

AYES: Farnum, Hartley, Osborne, Wingard, Mumpower

There being no other business, the meeting was adjourned.

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City Clerk



Mayor