

**TOWN OF ABINGDON  
REGULAR COUNCIL MEETING  
MONDAY, JUNE 6, 2016 – 7:30 PM  
COUNCIL CHAMBERS – MUNICIPAL BUILDING**

A Regular meeting of the Abingdon Town Council was held on Monday, June 6, 2016 at 7:30 p.m. in the Council Chambers of the Municipal Building.

**A. Welcome by Mayor Morgan**

**B. ROLL CALL**

Members of Council Present:

Edward B. Morgan, Mayor  
Mrs. Cathy Lowe, Vice Mayor  
Mr. Richard E. Humphreys  
Mr. Robert M. Howard  
Mrs. Jayne A. Duehring

Administrative/Town Staff:

Gregory W. Kelly, Town Manager  
Cecile Rosenbaum, Assistant Town Manager  
Tonya Triplett, Deputy Clerk  
Deb Icenhour, Town Attorney  
Matthew Johnson, Director of Planning  
John Dew, Dir. Of Construction/Public Services  
Tony Sullivan, Police Chief  
Kevin Costello, Director of Tourism & Economic  
Development  
Jon Phelps, IT Department  
Stacey Reichler, Director of Human Resources  
Chuck Banner, Director of Finance  
Kevin Worley, Director of Parks & Recreation

Visitors:

Jim & Judy Moore, Stephen Jett, Joe & Donna  
LeVine, Nan Harmon, Cindy Patterson, Rich  
Macbeth, Wayne Craig, Nick Proctor, and others

**C. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Vice- Mayor Lowe

Mayor Morgan reported the public hearing for the issuance of bonds will not be held tonight. Greg Kelly, Town Manager reported the local paper had received several advertisements from the town, but had overlooked and failed to run the bond issuance advertisement within the required time frame. Mayor Morgan noted that the ad ran today, will run again June 13, 2016 and the public hearing for the bond issuance will be held June 20, 2016 at 6p.m. in Council Chambers.

**D. APPROVAL OF MINUTES**

- May 2, 2016 Work Session Meeting
- May 2, 2016 Regular Council Meeting

**On motion by Mr. Howard, seconded by Mrs. Lowe, the Council approved the May 2, 2016 work session meeting minutes and the May 2, 2016 regular meeting minutes as presented.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

#### **E. SPECIAL RECOGNITIONS**

Mr. Kelly, Town Manager recognized Mayor Edward B. Morgan for (16) sixteen years of service as a member of the Abingdon Town Council. Cecile Rosenbaum, Assistant Town Manager read a resolution honoring the Mayor for his years of service and many contributions to the town. Council members stated it has been an honor to serve with Mr. Morgan and wished him the very best for the future.



#### **A RESOLUTION OF THE COUNCIL OF THE TOWN OF ABINGDON, VIRGINIA HONORING EDWARD B. MORGAN FOR HIS SIXTEEN (16) YEARS OF SERVICE AS A MEMBER OF THE ABINGDON TOWN COUNCIL**

**WHEREAS**, Edward B. Morgan was elected to the Abingdon Town Council on May 3, 2000 and attended his first Council meeting on July 3, 2000; and

**WHEREAS**, Edward B. Morgan was appointed Mayor of the Council in December 2010 and has served as such through June, 2016; and

**WHEREAS**, during Ed's sixteen (16) years on the Council he participated in bringing many Town capital improvements to fruition and some of the more noteworthy are as follows:

- The construction of the Stone Mill Business and Technology Park
- The construction of the Virginia Highlands Small Business Incubator
- The construction of the Abingdon Fire Hall building
- The expansion of the Wolfe Creek Water Reclamation Facility
- The construction of the Abingdon Farmer's Market and Pavilion

- The renovation of Depot Square
- The establishment of Veterans Memorial Park
- The acquisition of the Main Street Park
- The acquisition and restoration of the historic Muster Grounds property
- The acquisition and restoration of the historic Fairview property
- The renovation and expansion of the Abingdon Municipal Building
- The construction of the Alvarado Station and Pavilion area along the Virginia Creeper Trail
- The construction of the G.M. Newman Police Department Building
- The construction of the Whites Mill Road/Court Street/Oakhill Street Sidewalk Project

**WHEREAS**, Ed served on many boards and commissions during his tenure on the Council include:

- The Citizens Advisory Committee for the Kings Mountain/Taylor's Hill Planning Grant
- The Recreation Commission
- The Housing Rehabilitation Advisory Board
- Mt. Rogers Planning District
- The Planning Commission
- The Tourism Advisory Board
- District Three Governmental Cooperative
- Sinking Spring Cemetery Committee
- The Tree Commission
- The Washington County Public Library Relocation Committee
- The Go Green Committee

**WHEREAS**, Ed has a great love for history and preservation and has worked during his tenure on Council to ensure that significant town landmarks have been preserved for many years to come; and

**WHEREAS**, Ed was instrumental in establishing the Arthur Campbell Community Service Award, the highest honor given by the Council for community service; and

**WHEREAS**, Ed passionately supported the town's Wolf Creek Stream Restoration Project and has laid claim to catching the first brook trout fingerling in the stream in many years; and

**WHEREAS**, Ed has strongly advocated for a healthier Abingdon and Southwest Virginia through his service to the town and his many years working in the healthcare industry; and

**WHEREAS**, Ed has been a dedicated and loyal supporter of one of the town's greatest assets, the Virginia Creeper Trail and even co-authored a book titled the *Creeper Trail Companion*; and

**WHEREAS**, Ed is an avid "birder" whose love for bird watching has brought local awareness to this hobby and encouraged others in the community to pursue local bird watching opportunities; and

**WHEREAS**, Ed has been a loyal supporter of the local arts scene in Abingdon and has commented on many occasions his pride in the fact that he met the love of his life, Helen Morgan, at the Cave House, now known as Holston Mountain Artisans, a long standing arts cooperative in town; and

**WHEREAS**, Ed has served the citizens of the Town of Abingdon as a faithful and passionate advocate, servant, mentor and leader; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Town of Abingdon, Virginia that we honor and commend Edward B. Morgan for his sixteen (16) years as a member of the Abingdon Town Council, serving six (6) of those Abingdon’s Mayor; and

**BE IT FINALLY RESOLVED** that through Ed’s example we never forget our town’s motto, which he often exclaims, “*Honor Pro Antiquis, Fides Pro Futuris*” Honor the Past, Have Faith for the Future; and further that we endeavor to follow his example and do all things for the greater good of the citizens of the Town of Abingdon.

**TOWN OF ABINGDON, VIRGINIA**

By: \_\_\_\_\_  
Vice Mayor

By: \_\_\_\_\_  
Town Manager

The undersigned clerk of the Town of Abingdon, Virginia (the “Town”), hereby certifies that the foregoing constitutes a true and correct copy of a resolution duly adopted at a meeting of the Council held on June 6, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing resolution, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing resolution was as follows:

MEMBERS	ATTENDANCE	VOTE
Edward B. Morgan, Mayor	Present	Aye
Cathy C. Lowe, Vice Mayor	Present	Aye
Robert M. Howard	Present	Aye
Richard E. Humphreys	Present	Aye
Jayne A. Duehring	Present	Aye

WITNESS MY HAND and the seal of the Town of Abingdon as of June 2, 2014.

(SEAL)

\_\_\_\_\_  
Clerk, Town of Abingdon

**On motion by Mrs. Lowe, seconded by Mr. Humphreys, the Council accepted the resolution honoring Mayor Morgan for sixteen (16) years of service as a member of the Abingdon Town Council as presented.**

**Mrs. Duehring      Aye**  
**Mr. Howard        Aye**

**Mr. Humphreys**      **Aye**  
**Mrs. Lowe**            **Aye**  
**Mayor Morgan**      **Aye**

**F. PETITIONS, PUBLIC HEARINGS AND FIRST READING OF ORDINANCES**

- 1. PUBLIC HEARING –SUMMERS LAW OFFICE LEASE-** Deb Icenhour, Town Attorney reported that Tracy Whitman Ference, an award winning artist is interested in leasing the Summers Law Office located at 120 Court Street, Abingdon, Virginia. Ms. Ference would like to use the space for a working studio and retail gallery. The term of the lease is five (5) years.

Mayor Morgan declared the public hearing open and asked if anyone had comments. Hearing no comments Mayor Morgan declared the public hearing closed.

**On motion by Mrs. Lowe, seconded by Mr. Howard, the Council authorized Greg Kelly, Town Manager to enter into a lease agreement with Tracy Whitman Ference for the lease of The Summers Law Office, located at 120 Court Street for a term of five (5) years.**

**The roll call vote was as follows:**

**Mrs. Duehring**      **Aye**  
**Mr. Howard**        **Aye**  
**Mr. Humphreys**    **Aye**  
**Mrs. Lowe**          **Aye**  
**Mayor Morgan**      **Aye**

- 2. PUBLIC HEARING AND FIRST READING - PROPOSED REZONING – Marathon Realty Corp., owners. Application to rezone property located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 31,905.1 sq ft ±, and being a portion of 33.189 acres, from B-2, General Business District to AFOS. Tax Map No. 021-1-5B**

Matthew Johnson, Director of Planning reviewed the application for proposed rezoning for Marathon Realty Corp., and also proposed rezoning for the Town of Abingdon, as they are essentially swapping small pieces of property. The application to rezone property owned by Marathon Realty Corp., located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 31,905.1 sq ft ±, and being a portion of 33.189 acres, from B-2, General Business District to AFOS. Tax Map No. 021-1-5B. Mr. Johnson also reviewed the Town of Abingdon application to rezone property located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 38,373.2 sq ft ±, and being a portion of 40.74 acres, from AFOS to B-2, General Business District. Tax Map No. 105-A-39. Mr. Johnson explained this would allow better separation, a better site line, a better entry and would move the property line an additional 164 feet away from the house. Mr. Johnson noted the Planning Commission unanimously voted to recommend the rezoning.

Mayor Morgan declared the public hearing open and asked if anyone had comments. Hearing no comments Mayor Morgan declared the public hearing closed.

**On motion by Mr. Howard, seconded by Mrs. Lowe, the Council approved the Marathon Realty rezoning for property located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 31,905.1 sq ft ±, and being a portion of 33.189 acres, from B-2, General Business District to AFOS. Tax Map No. 021-1-5B, as recommended unanimously by the Planning Commission, to dispense with the 2<sup>nd</sup> reading thereby making the rezoning effective July 6, 2016.**

The roll call vote was as follows:

Mrs. Duehring	Aye
Mr. Howard	Aye
Mr. Humphreys	Aye
Mrs. Lowe	Aye
Mayor Morgan	Aye

**3. PUBLIC HEARING AND FIRST READING - PROPOSED REZONING – Town of Abingdon, owners. Application to rezone property located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 38,373.2 sq ft ±, and being a portion of 40.74 acres, from AFOS to B-2, General Business District. Tax Map No. 105-A**

Matthew Johnson, Director of Planning reviewed the application for proposed rezoning of Town of Abingdon, owners. Application to rezone property located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 38,373.2 sq ft ±, and being a portion of 40.74 acres, from AFOS to B-2, General Business District. Tax Map No. 105-A-39.

Mayor Morgan declared the public hearing open and asked if anyone had comments.

Robert Neab, 116 East Main Street, inquired about what happened to the petitions submitted to Town council in the Fall of 2015 that had over 3,000 signatures, and asked if it had any effect on the Council.

Mayor Morgan stated Council listened intently to the comments by citizens. Mayor Morgan stated that he made a vow to himself to do what was best long term for the town and is satisfied that decisions he has made have been in the best interest of the town.

Mayor Morgan asked if others had comments. Hearing none he declared the public hearing closed.

**On motion by Mr. Humphreys, seconded by Mrs. Lowe, the Council approved the Town of Abingdon rezoning for property located between Green Spring Road and Cummings Street bordering the East side of such street and known as "The Meadows", consisting of 38,373.2 sq ft ±, and being a portion of 40.74**

**acres, from AFOS to B-2, General Business District. Tax Map No. 105-A-39, as recommended unanimously by the Planning Commission, to dispense with the 2<sup>nd</sup> reading thereby making the rezoning effective July 6, 2016.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

## **G. SECOND READINGS OF ORDINANCES**

- 1. Ordinance Of The Council Of The Town of Abingdon, Virginia Proposing A Budget For The Town of Abingdon, Virginia And To Make Appropriation For The Current Expenses Of The Town And To Fix A Tax Rate Upon Real And Personal Property, To Fix All Other Local Tax Rates and Fees and Rates on Utility Services For The Fiscal Year Beginning July 1, 2016 And Ending June 30, 2017.**

Greg Kelly, Town Manager reviewed the Ordinance Of The Council Of The Town of Abingdon, Virginia Proposing A Budget For The Town of Abingdon, Virginia And To Make Appropriation For The Current Expenses Of The Town And To Fix A Tax Rate Upon Real And Personal Property, To Fix All Other Local Tax Rates and Fees and Rates on Utility Services For The Fiscal Year Beginning July 1, 2016 And Ending June 30, 2017. Mr. Kelly stated a public hearing and first reading was held at the May 2, 2016 meeting. Mr. Kelly stated the general fund budget is balanced and includes an increase in cigarette tax from .10 cents per pack to .25 cents per pack. All others taxes will remain the same, with the exception of personal property, which will decrease from .68 cents to .56 cents per 100 and will be consistent with the county rate. \$375,000, previously budgeted for and a match for grant funds, has been transferred from reserves and will be used for work that will take place next year on the Urban Path and Virginia Creeper Trail projects. All departments contingency lines were reduced by 50% and all travel was cut by 1/3. Mr. Kelly further noted the sewer fund is balanced, no general fund money was used to operate the sewer and no rate increases are proposed for this upcoming year. Mr. Kelly stated the general fund budget shows a 4.5% decrease in expenditures and includes a 2% pay increase for all town employees, with the exception of Town Council members and Council appointees, who will not receive an increase. There is \$5.3 million unrestricted reserve fund balance in the general fund and \$2 million in unrestricted reserve in the sewer fund.

**On motion by Mrs. Lowe, seconded by Mr. Howard, the Council approved the resolution for the Budget for Fiscal Year Beginning July 1, 2016 And Ending June 30, 2017 as presented. (See Below)**

**The roll call vote was as follows:**

**Mrs. Duehring**      **Aye**  
**Mr. Howard**        **Aye**  
**Mr. Humphreys**    **Aye**  
**Mrs. Lowe**         **Aye**  
**Mayor Morgan**     **Aye**

**AN ORDINANCE OF THE COUNCIL OF THE TOWN OF ABINGDON, VIRGINIA PROPOSING A BUDGET FOR THE TOWN OF ABINGDON, VIRGINIA AND TO MAKE APPROPRIATION FOR THE CURRENT EXPENSES OF THE TOWN AND TO FIX A TAX RATE UPON REAL AND PERSONAL PROPERTY, TO FIX ALL OTHER LOCAL TAX RATES AND FEES AND RATES ON UTILITY SERVICES FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017**

**WHEREAS**, a proposed balanced budget setting forth the revenues and expenditures for the Town of Abingdon, Virginia was prepared and submitted to the Abingdon Town Council on April 1, 2016; and

**WHEREAS**, the Abingdon Town Council held budget work sessions on March 4, 2016, March 10, 2016, March 16, 2016, and March 17, 2016, April 4, 2016 and April 7, 2016 to review and make necessary modifications to the aforesaid proposed budget, that it deemed to be in the Town's best financial interest; and

**WHEREAS**, a public hearing was held on May 2, 2016 in accordance with Section 15.2-2506 of the Code of Virginia, 1950, as amended, concerning the adoption of the proposed 2016/2017 Town of Abingdon, Virginia Fiscal Year budget and to fix all applicable local tax rates, user fees and utility rates, as are further set forth herein; and

**WHEREAS**, the first reading of this ordinance was held by the Council of the Town of Abingdon, Virginia on May 2, 2016 with the second reading of the Ordinance occurring on June 6, 2016; and

**WHEREAS**, the following tax/rate changes are proposed for the 2016-2017 fiscal year:

- Personal Property Tax Relief tax rate shall decrease from 68% to 56% for qualifying personal use vehicles.
- The annual license fees for motor vehicles, trailers, semi-trailers, including without limitation house trailers, passenger cars, buses, trucks and tractor trucks shall increase from \$20.00 to \$25.00
- The annual license fee for motorcycles and motor bicycles shall increase from \$8.00 to \$10.00
- The annual license fee for boats, utility and camping trailers, with gross weight of 7,500 lbs and under and side cars shall increase from \$6.00 to \$7.50.
- Cigarette tax rate shall increase from \$0.10 per package to \$0.25 per package containing twenty-five (25) or fewer cigarettes; and

**WHEREAS**, all other taxes, service fees, user fees and utility rates not specifically changed or increased herein shall remain in effect at the current rate; and

**NOW THEREFORE, BE IT ORDAINED**, by the Council of the Town of Abingdon, Virginia, pursuant to Section 15.2-2500, et seq. of the *Code of Virginia*, 1950, as amended, the following:

In accordance with budget estimates enclosed herewith, the following revenues and appropriations for the fiscal year beginning **July 1, 2016** and ending **June 30, 2017** are hereby authorized:

**Revenue Estimates General Fund**

General Property Taxes	\$2,686,000
Other Local Taxes	\$6,735,750
Permits	\$22,600
Fines & Forfeitures	\$53,200
Revenue-Use of Money & Property	\$21,217
Charges for Services	\$779,500
Miscellaneous Revenue	\$245,994
Recovered Costs	\$20,000
Revenue-Other Agencies	\$3,582,819
Transfer from Reserves	\$375,000
<b>TOTAL REVENUE GENERAL FUND 2016-17</b>	<b>\$14,522,080</b>

**Expenditure Estimates General Fund**

<i>General Government</i>	
Legislative	\$183,381
General & Financial Administration	\$2,113,916
Board of Elections	\$3,500
<i>Public Safety</i>	
Police Department	\$1,993,077
Fire Department	\$447,818
Bureau of Inspection	\$225,081
<i>Maintenance of Highways, Streets, Buildings &amp; Grounds, Recreation, Community Development</i>	
Street Maintenance & Operations	\$2,218,215
Buildings & Grounds	\$1,538,372

Solid Waste Collection & Recycling	\$386,295
Parks & Recreation	\$2,687,488
Cemeteries	\$31,500
Community Development	\$1,204,941
Non-Departmental	\$659,840
Municipal Insurance	\$120,000
Contingencies & Debt Service	\$708,656
<b>TOTAL APPROPRIATION</b>	<b>\$14,522,080</b>
<b>GENERAL FUND 2016-17</b>	<b>\$14,522,080</b>

<b>Revenue Estimates-Sewer Fund</b>	
Sewer Service	\$2,775,000
Sewer Service Penalties	\$48,000
Sewer Connection	\$20,000
WCSA Exit 13	\$50,000
Recovered Costs	\$15,000
Pretreatment Control Authority	\$69,490
Non-Operating Revenue	\$5,500
<b>TOTAL REVENUE-SEWER FUND</b>	<b>\$2,982,990</b>
<b>2016-17</b>	<b>\$2,982,990</b>

<b>Expenditure Estimates-Sewer Fund</b>	
Administration	\$32,500
Collection	\$725,357
Disposal	\$1,201,958
Pretreatment Control Authority	\$85,436
Debt Service	\$797,689
Contingencies	\$114,050
Municipal Insurance	\$26,000
<b>TOTAL EXPENSE-SEWER FUND</b>	<b>\$2,982,990</b>
<b>2016-17</b>	<b>\$2,982,990</b>

**BE IT FURTHER ORDAINED** by the Council of the Town of Abingdon, Virginia that the following local tax rates and utility rates for fiscal year 2016/2017 shall be set as follows:

- The Town tax rate upon all real property located within the corporate limits of the Town of Abingdon shall be \$0.28 for each \$100.00 of assessed value, and upon all personal property, exclusive of household goods and personal effects, located within the corporate limits of the Town of Abingdon shall be \$0.55 for each \$100.00 of assessed value. Personal Property Tax Relief will decrease from 68% to 56% for qualifying personal use vehicles.

- Real property tax rate will remain unchanged at \$0.28 per \$100 of assessed value.
- 10% tax on the purchase of utility services will remain unchanged.
- Allowance for elderly & handicapped real property tax exemption shall remain the same and as per Ordinance passed by the Council of the Town of Abingdon, Virginia.
- Cigarette tax rate shall increase from \$0.10 per package to \$0.25 per package containing twenty-five (25) or fewer cigarettes; and
- Assessed value of real and personal property shall be determined by the Washington County Commissioner of Revenue and by the State Corporation Commission for public service corporation property.
- Residential/Commercial sewer rates and sewer tap fees will remain unchanged.
- Solid Waste charges of \$10.00 per household will remain unchanged.
- Meals and Lodging tax rate of 7% will remain unchanged.

**BE IT FURTHER ORDAINED** that this Ordinance of adoption of budget and fixation of local tax rates and utility rates shall take effect on July 1, 2016.

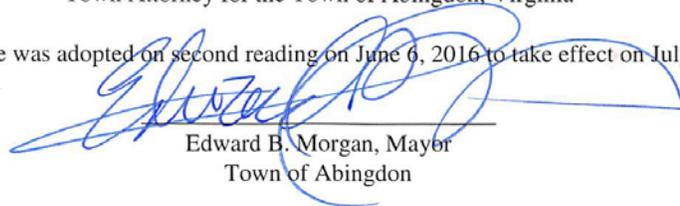
**CERTIFICATE**

Pursuant to Section 2-100 of the Code of the Town of Abingdon, I hereby certify that I have reviewed the foregoing ordinance Proposing a Budget for the Town of Abingdon, Virginia and to Make Appropriation for the Current Expenses of the Town and to Fix a Tax Rate Upon Real and Personal Property and a Rate on Utility Services for the Fiscal Year Beginning July 1, 2016 and ending June 30, 2017 of the Town of Abingdon to reflect the foregoing amendments, modifications and additions and find it to be in correct form this 25th day of April, 2016.

  
Deborah Icenhour

Town Attorney for the Town of Abingdon, Virginia

This ordinance was adopted on second reading on June 6, 2016 to take effect on July 1, 2016.

  
Edward B. Morgan, Mayor  
Town of Abingdon

The undersigned clerk of the Town of Abingdon, Virginia (the "Town"), hereby certifies that the foregoing constitutes a true and correct copy of an ordinance duly adopted at a meeting of the Council held on June 6, 2016. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing ordinance, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing ordinance was as follows:

MEMBERS	ATTENDANCE	VOTE
Edward B. Morgan, Mayor	Present	Aye
Cathy Lowe, Vice Mayor	Present	Aye
Robert M. Howard	Present	Aye
Richard E. Humphreys	Present	Aye
Jayne Duehring	Present	Aye

WITNESS MY HAND and the seal of the Town of Abingdon as of July 1, 2016



(SEAL)   
Tonya Triplett, Deputy Clerk  
Town of Abingdon, Virginia

**H. CONSIDERATION OF ANY BIDS - None.**

**I. RESOLUTIONS - Resolution of the Council of the Town of Abingdon authorizing the issuance of a general obligation bond in a principal amount not to exceed \$10,000,000, and providing for the form, details and payment of the bond and authorizing certain related actions.**

Greg Kelly, Town Manager explained that a public hearing was planned for the issuance of bonds this evening, but because the Bristol Herald Courier overlooked the advertisement for the public hearing, the hearing is scheduled for June 20, 2016 at 6 p.m. The resolution states intent to borrow up to \$10 million for the Green Spring Road realignment, the sports complex development and possible renovation of town owned historic properties. Mr. Kelly introduced David Rose, Jimmy Sanderson with Davenport and Company and Webster Day with bond counsel. David Rose reported the town had received excellent bond ratings from Moody's and Standard & Poore's. Mr. Rose commented that the town was well positioned to borrow the proposed funds. Mr. Rose reported four (4) proposals had been received for interim financing. He

recommended Carter Bank & Trust, who proposed a five (5) year line of credit with a locked in interest rate of 1.4%, which is the same rate the federal government can borrow at. The interim financing is very flexible and would allow the town to only pay interest on the amount borrowed, would satisfy the time frame, would allow time to plan and prepay without penalty at any time. The loan can also be converted at any time. Webster Day reported the resolution that was included in the packet states intention to borrow up to \$10 million subject to a Public Hearing that will be held on June 20, 2016. Mrs. Duehring inquired about the development paying for itself. Mr. Rose stated calculations were based on inflated borrowing, \$12 million instead of \$10 million, while revenue estimates were very conservative. Mr. Rose commented that all indications are that the town should be able to maintain debt service payments based on conservative revenue projections. The bond term states a twenty (20) year term that could be increased or decreased.

Webster Day explained the resolution authorizes the town to borrow up to \$10 million on a line of credit at a 1.4 % interest rate, authorizes the execution of the bond, sets out the form of the bond, sets out certain representation covenants of the town concerning the tax exempt interest on the bond and awards the bond to Carter Bank & Trust. The resolution recognizes that under the Public Finance Act, the bonds cannot be authorized and finally issued until Council holds a public hearing on June 20, 2016 and formal authorization from Council would be needed after the public hearing.

**On motion by Mr. Humphreys, seconded by Mrs. Lowe, the Council approved the Resolution of the Council of the Town of Abingdon authorizing the issuance of a general obligation bond in a principal amount not to exceed \$10,000,000, and providing for the form, details and payment of the bond and authorizing certain related actions.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

**RESOLUTION OF THE COUNCIL OF THE TOWN OF ABINGDON  
AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION BOND IN  
A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, AND PROVIDING  
FOR THE FORM, DETAILS AND PAYMENT OF THE BOND AND  
AUTHORIZING CERTAIN RELATED ACTIONS**

The Town of Abingdon, a political subdivision of the Commonwealth of Virginia (the "Town"), is authorized pursuant the Code of Virginia of 1950, as amended (the "Code"), to undertake (a) developing and constructing a public sports and recreation complex, (b) making capital improvements to roads, storm drains and other infrastructure of the Town and (c) renovating certain historic landmarks, structures or buildings of the Town (collectively, the "Projects").

On June 20, 2016, the Council will hold a public hearing on the proposed issuance by the Town of bonds in an estimated maximum amount of \$10,000,000 to provide funds, together with other available funds, to pay costs of the Projects, in accordance with Section 15.2-2606 of the Code.

Subject to final authorization of such issuance by the Council after holding the public hearing, the Council desires to provide for the issuance of its bond, the proceeds of which will be used to pay costs of the Projects, and pay the costs of issuing the bonds, to provide for the form, details and payment of the bond and to authorize certain related actions.

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

ARTICLE I

THE BOND

Section 1.1. Authorization of Bond. The Council determines it to be advisable, necessary and expedient for the Town to borrow an amount not to exceed \$10,000,000, to provide funds, together with other funds that may be available, to pay costs of the Projects, and pay the costs of issuing the bond authorized by this resolution. Pursuant to the Constitution of Virginia and the Public Finance Act of 1991, the Council authorizes to be issued and sold a general obligation bond of the Town in a principal amount not to exceed \$10,000,000 (the "Bond").

The Bond will 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 1.2. Details of Bond. The Bond will be issued as a fully registered bond without coupons. The Bond will be in the principal amount and bear interest at the rate or rates, and the principal of the Bond and interest on it will be repayable in the amounts and on the dates, all as established in accordance with Section 1.3 of this resolution.

Section 1.3. Other Details of the Bond. Each of the Mayor, Vice Mayor and Town Manager 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 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, so long as:

- a. the final maturity of the Bond will not exceed six years from the date of the Bond;
- b. the principal amount of the Bond will not exceed \$10,000,000;
- c. the interest rate on the Bond will not exceed 1.40% per annum.

The execution of the Bond as described in Section 1.4 of this resolution shall conclusively evidence the details of the Bond as having been so determined as authorized by this resolution.

Section 1.4. Execution of Bond. The Bond will bear the manual or facsimile signatures of the Mayor, Vice Mayor, or Town Manager of the Town and will 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 appears on any Bond ceases 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 of it 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 1.5. Form of Bond. The Bond will be in substantially the following form, with such appropriate variations, insertions and omissions as shall be consistent with this resolution:

No. R-1 \$[amount]

UNITED STATES OF AMERICA  
COMMONWEALTH OF VIRGINIA  
TOWN OF ABINGDON

General Obligation Bond  
Series 2016

Dated Date

[date]

Registered Owner: Carter Bank & Trust

The Town of Abingdon, 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 principal sum equal to the aggregate amount of principal advances made under this bond, but not to exceed the sum of \$10,000,000, together with interest on the outstanding principal of this bond at the rate of 1.40% per annum, from the date of each advance until paid in full.

The amount of accrued interest on this bond is due and payable on \_\_\_\_\_ 1, \_\_\_\_\_ 1, \_\_\_\_\_ 1, and \_\_\_\_\_ 1 of each year, commencing \_\_\_\_\_ 1, 2016. On the fifth anniversary of the date of this bond the entire indebtedness evidenced by this bond, including all outstanding principal and accrued but unpaid interest, shall be due and payable.

Interest on this bond shall be computed based on a 360-day year consisting of twelve 30-day months.

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. In case the date of maturity of the principal of this bond or the date fixed for the redemption of this bond shall be a date on which banking institutions are authorized or obligated by law to close at the place where the principal office of the Registrar is located, then payment of principal, premium, if any, and interest need not be made on such date, but may be made on the next succeeding date which is not such a date at the place where the principal office of the Registrar is located, and if made on such next succeeding date no additional interest shall accrue for the period after such date of maturity or date fixed for redemption.

This bond has been authorized by a resolution duly adopted by the Council of the Town on June 6, 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 15.2, Code of Virginia of 1950, as amended) to provide funds, together with other funds that may be available, to pay the costs of (a) developing and constructing a public sports and recreation complex, (b) making capital improvements to roads, storm drains and other infrastructure of the Town and (c) renovating certain historic landmarks, structures or buildings of the Town (collectively, the "Projects"), and to pay the cost of issuing this bond. A copy of the Resolution is 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 thereon 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 political subdivision thereof, except the Town. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, except the Town, is pledged to the payment of the principal of, or premium, if any, and interest on, this bond.

The principal of this bond is subject to prepayment in whole or in part at anytime at the option of the Town without penalty or premium.

As long as this bond is outstanding, the Town will provide the registered owner of this bond with a copy of the Town's comprehensive annual financial report for the most recent fiscal year, within 30 days after such report is available.

This bond is 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.

IN WITNESS WHEREOF, the Town has caused this bond to bear the manual or facsimile signature of the Mayor, Vice Mayor or Town Manager of the Town, its seal to be imprinted or impressed on this bond and attested by the manual or facsimile signature of the Clerk of the Council of the Town, and this bond to be dated the dated date shown above.

**SEAL**

Attest:

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

\_\_\_\_\_  
Clerk, Town of Abingdon

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

\_\_\_\_\_  
Mayor, Town of Abingdon

### END OF BOND FORM

Section 1.8. Registrar. The Treasurer of the Town is appointed Registrar for the Bond.

Section 1.9. 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 Town 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 transferee 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 Town or the Registrar may prescribe. Any Bond presented for transfer, exchange, or payment, (if so required by the Town 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 Town 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 1.10. Charges for Exchange or Transfer. No service charge shall be made for any exchange or transfer of the Bond, but the Town may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

### ARTICLE II

#### SALE OF BOND; APPLICATION OF PROCEEDS

Section 2.1. Preparation and Sale of Bond. The Council determines that it will be in the best interests of the Town and the Commonwealth of Virginia to sell the Bond to Carter Bank & Trust in accordance with that bank's proposal dated May 27, 2016, which has been presented to Council at this meeting. 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 2.2. Application of Proceeds of Bond. The proceeds derived from the sale of the Bond will be advanced from time to time to, or at the direction of, the Town Manager or the Town Treasurer and will be (a) immediately applied to reimburse the Town for costs of the Projects it has

already incurred and paid or (b) actually spent to pay costs of the Projects not later than 5 banking days after such receipt. Such proceeds shall be accounted for through a fund designated "Town of Abingdon Series 2016 Bond Proceeds Fund" (the "Fund"), to be used by the Town to pay the costs of the Projects and the costs of issuance of the Bond. Each of the Treasurer and the Town Manager is authorized and directed to receipt for such proceeds and to provide that the proceeds are applied as required by this resolution.

### ARTICLE III

#### COVENANTS

Section 3.1. Payment of Bond. The Town shall pay promptly 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 political subdivision thereof 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 3.2. Tax Rate Covenant. The Council covenants and agrees that so long as the Bond is outstanding, to the extent other funds are not lawfully available and appropriated for timely payment of the Bond, the Council shall 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 3.3. Tax-Exempt Bond. The interest on the Bond issued under this resolution is intended to be exempt from Federal income taxation. The covenants and provisions in this Article will be construed in accordance with that intent.

Section 3.4. Maintenance of Tax-Exempt Status.

(a) No Adverse Action: The Town shall not take any action that would adversely affect the exemption of interest on the Bond from Federal income taxation. The Town shall, to the extent permitted by Virginia law, take all actions necessary to maintain the tax-exempt status of interest on the Bond under Federal or Virginia law, including all actions necessary to comply with Section 103 or Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations promulgated by the Treasury Department with respect thereto. 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 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 Bond which would cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations thereunder. The Town, barring unforeseen circumstances, 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.

(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 hereby 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 3.5. Designation 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 Town 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) 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 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;

however, 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 IV

#### MISCELLANEOUS

Section 4.1. 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 4.2. 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 4.3. 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 4.4. Conditions Precedent. Upon the issuance of the Bond 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 4.5. 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 4.6. 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 hereof.

Section 4.7. Effective Date. This resolution shall take effect immediately.

Section 4.8. Filing of Resolution. The Clerk of the Council is hereby authorized and directed to see to the immediate filing of a certified copy of this resolution with the Circuit Court of Washington County, Virginia, pursuant to Section 15.2-2607 of the Public Finance Act of 1991.

The undersigned Clerk of the Council of the Town of Abingdon, 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 Abingdon, held on June 6, 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
Ed Morgan	yes	aye
Cathy Lowe	yes	aye
Jayne Duehring	yes	aye
Bob Howard	yes	aye
Rick Humphreys	yes	aye

SEAL



Cecile M. Rosenbaum  
Clerk, Town of Abingdon

**VIRGINIA: IN THE CIRCUIT COURT OF WASHINGTON COUNTY**

**IN RE:       ISSUANCE OF GENERAL OBLIGATION BOND BY THE TOWN OF  
              ABINGDON IN AN AMOUNT NOT TO EXCEED \$10,000,000**

**FILING OF RESOLUTION**

Comes now the Town of Abingdon, a political subdivision of the Commonwealth of Virginia (the "Town"), and pursuant to Section 15.2-2607 of the Code of Virginia of 1950 files with the Court a certified copy of a resolution entitled:

**RESOLUTION OF THE COUNCIL OF THE TOWN OF ABINGDON  
AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION BOND  
IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, AND  
PROVIDING FOR THE FORM, DETAILS AND PAYMENT OF THE  
BOND AND AUTHORIZING CERTAIN RELATED ACTIONS**

adopted by the Town Council on June 6, 2016.

Town of Abingdon

By: *Cecile M. Rosenbaum*  
Name: Cecile M. Rosenbaum  
Title: Clerk of the Town



14397.11  
8538671

**VIRGINIA: IN THE CIRCUIT COURT OF WASHINGTON COUNTY**

**IN RE:       ISSUANCE OF GENERAL OBLIGATION BOND BY THE TOWN OF  
              ABINGDON IN AN AMOUNT NOT TO EXCEED \$10,000,000**

**FILING OF RESOLUTION**

Comes now the Town of Abingdon, a political subdivision of the Commonwealth of Virginia (the "Town"), and pursuant to Section 15.2-2607 of the Code of Virginia of 1950 files with the Court a certified copy of a resolution entitled:

**RESOLUTION OF THE COUNCIL OF THE TOWN OF ABINGDON  
AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION BOND  
IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, AND  
PROVIDING FOR THE FORM, DETAILS AND PAYMENT OF THE  
BOND AND AUTHORIZING CERTAIN RELATED ACTIONS**

adopted by the Town Council on June 6, 2016.

Town of Abingdon

By: Cecile M. Rosenbaum  
Name: Cecile M. Rosenbaum  
Title: Clerk of the Town



14397.11  
8538671

VALIDATE CASE PAPERS  
RCPT : 16000007285  
DATE : 06/09/16 TIME: 10:53  
CASE : 191CL16000988-00  
ACCT : TOWN OF ABINGDON  
AMT. :           \$.00

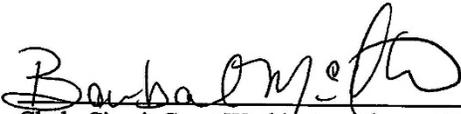
*Robert M. [Signature]*

**CERTIFICATE OF THE CLERK OF THE CIRCUIT COURT  
OF WASHINGTON COUNTY, VIRGINIA**

The undersigned, the duly elected Clerk of the Circuit Court of Washington County, Virginia, certifies that a certified copy of a resolution entitled:

**RESOLUTION OF THE COUNCIL OF THE TOWN OF ABINGDON  
AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION BOND IN  
A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, AND PROVIDING  
FOR THE FORM, DETAILS AND PAYMENT OF THE BOND AND  
AUTHORIZING CERTAIN RELATED ACTIONS**

and adopted by the Council of the Town of Abingdon, Virginia, on June 6, 2016, was duly filed with the Circuit Court of Washington County pursuant to Section 15.2-2607 of the Code of Virginia of 1950, as amended, on the 9 day of June, 2016.

  
Clerk, Circuit Court Washington County, Virginia

14397.11  
8538706

Mrs. Lowe stated she would like to address some of Mr. Neab's questions. Mrs. Lowe explained the Council is elected to represent the 8,100 citizens of Abingdon and that she had counted about 500 Abingdon citizens on the petition.

At this time, Mr. Kelly indicated that he would be leaving the meeting to travel to his VLGMA conference in VA. Beach. Cecile Rosenbaum, Assistant Town Manager took Mr. Kelly's place on the dais.

**J. REPORTS FROM THE TOWN MANAGER**

**1. Recommendation for Fire Department Insurance**

John McCormick, Fire Chief reported that Washington County approached the Town about absorbing the cost of insurance for the Abingdon Fire Department, as well as all other county fire departments. By combining all the department's insurance costs, the county would save approximately \$18,000 per year. However, at the recommendation of the internal auditor, the Abingdon Fire Department has recently become a town department, fire department members became town employees and insurance falls under the VML Insurance policy. No action is required on the insurance. Vice Mayor Lowe asked that the County Administrator be notified for the towns change in status relative to the fire department.

**2. Proposed adoption of fee schedule relative to the fire code**

John McCormick, Fire Chief reviewed the fee schedule. He researched other localities' fee schedules to determine fees for Abingdon. The list was generated from an older business license list and does not break shopping centers into individual businesses, that's the reason some of the lines are blank. Mrs. Duehring inquired if owners or tenants in leased businesses are responsible for the fire inspection fees. Mr. McCormick stated that would be determined by the lease agreement between the owner and the tenant. Mrs. Duehring inquired if fees for hotels are based on square footage or number of rooms. Mr. McCormick stated that most localities he researched, base the fees on the number of beds. Mr. Humphreys inquired about the amount of money the fees will generate and the amount of time inspections will take.

**On motion by Mr. Howard, seconded by Mr. Humphreys, the Council adopted the fee schedule relative to the fire code as presented, effective July 1, 2016 and agreed to revisit the fee schedule in January 2017.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

**3. Authorization of the Town Manager to accept a gift of a tennis court dome donated by the Bristol Country Club and to provide them with a tax donation letter.**

Kevin Worley, Director of Parks and Recreation explained the Bristol Country Club had a tennis court dome that they no longer needed. The Coomes Recreation Center applied and was awarded the dome for use on the tennis courts at the Coomes Recreation Center. The Coomes Center has the dome in storage and will need to raise funds to install electricity and an anchoring system for the dome. The

Bristol Preservation LLC., would like to receive a tax donation letter for \$30,000. Mrs. Duehring inquired about plans to raise the funds and thanked Mr. Worley for his work in getting the dome. Mr. Worley stated he has some community support and should not have any problems raising money or getting help with the installation. Mayor Morgan complimented Mr. Worley and his department on the ADA playground addition.

**On motion by Mr. Humphreys, seconded by Mrs. Lowe, the Council authorized, Greg Kelly, Town Manager to accept a gift of a tennis court dome donated by the Bristol Country Club and to provide them with a tax donation letter for \$30,000.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

**4. Acknowledgement of town bus being declared surplus and acceptance of sealed bids for the purchase of same.**

Cecile Rosenbaum, Assistant Town Manager reported a citizen is interested in purchasing a 2002 town bus that is handicapped assessable and has a lift, but has some mechanical issues and asked Council to consider declaring the bus surplus and to accept sealed bids for the purchase.

**On motion by Mrs. Lowe, seconded by Mr. Howard, the Council authorized Greg Kelly, Town Manager to accept sealed bids for the 2002 town owned bus with a lift.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

**5. Consideration of funding request from Barter Theatre.**

Cecile Rosenbaum, Assistant Town Manager stated Barter Theatre is planning a performance of "Cry Wolf" and has ask the town to consider being a sponsor.

**On motion by Mr. Humphreys, seconded by Mrs. Lowe, the Council approved \$3,500 to be taken from Council Contingency for the sponsorship of the performance of "Cry Wolf" at Barter Theatre.**

**The roll call vote was as follows:**

**Mrs. Duehring**      **Aye**  
**Mr. Howard**        **Aye**  
**Mr. Humphreys**    **Aye**  
**Mrs. Lowe**         **Aye**  
**Mayor Morgan**    **Aye**

**6. Consideration of request for traffic study relative to the sports complex property as recommended by Planning Commission.**

Matthew Johnson, Director of Planning reported that during the Planning Commission meeting, Wayne Craig approached the commission and requested a traffic study be done relative to the sports complex. The Planning Commission unanimously voted to bring the recommendation to Council. Mrs. Rosenbaum stated the funding is not in this year's budget, but the costs could be taken from the borrowed funds. There is no estimation on the cost of a study. Mayor Morgan recommended the issue be placed on the August agenda for further consideration.

**7. Appointment of FOIA Officer.**

Cecile Rosenbaum, Assistant Town Manager reported on new legislation that will go into effect on July 1, 2016, requires localities to now appoint a FOIA officer. Mrs. Rosenbaum recommended Deb Icenhour, Town Attorney be designated FOIA Officer.

**On motion by Mrs. Lowe, seconded by Mrs. Duehring, the Council approved the appointment of Deb Icenhour, Town Attorney as the FOIA Officer for the Town of Abingdon, at the recommendation of the Town Manager and Assistant Town Manager.**

**The roll call vote was as follows:**

**Mrs. Duehring**      **Aye**  
**Mr. Howard**        **Aye**  
**Mr. Humphreys**    **Aye**  
**Mrs. Lowe**         **Aye**  
**Mayor Morgan**    **Aye**

**K. OLD BUSINESS- None.**

**L. MATTERS NOT ON THE AGENDA**

Deb Icenhour, Town Attorney and Mr. Humphreys reported that David Millsap has offered to mow the 24 acres of town owned property, Lot 5 of Harmony Hills subdivision and use the bales of hay in lieu of payment.

**On motion by Mr. Humphreys, seconded by Mrs. Lowe, the Council accepted David Millsap's offer to mow the 24 acres of town owned property, Lot #5 of Harmony Hills Subdivision and use the bales of hay in lieu of payment.**

**The roll call vote was as follows:**

**Mrs. Duehring**      **Aye**

<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

Deb Icenhour, Town Attorney requested authorization for the Town Manager to accept a settlement regarding a matter that was recently mediated.

**On motion by Mrs. Lowe, seconded by Mr. Howard, the Council authorized Greg Kelly, Town Manager to enter in to an agreement to settle the closed session matter as described by the Town Attorney.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

Joe Levine, 350 Green Spring Road inquired when these types of matter could be shared with the public and was told matters such as this are protected and would not be disclosed. Mr. LeVine stated he feels that Abingdon finances are not in as good of shape as it was several years ago and seems to be declining every year. Mayor Morgan suggested Mr. LeVine set up an appointment with Mr. Banner, Director of Finance to discuss his concerns.

Wayne Craig, 204 Glenrochie Drive asked Council to deliberate and think about the bond issue before making a decision.

David Walls, 377 Augusta Drive thanked Mrs. Duehring and Mayor Morgan for their service.

Cindy Patterson, 410 Green Spring Road mirrored Mr. Craig and asked Council to listen to citizens on the bond issue.

Janan Hurst, 185 Longview Drive has concerns about the project and concerns that her property value will decrease because of increased traffic.

Rhudy Flora, 185 Longview Drive expressed concerns about traffic and asked that a traffic study be done.

Mrs. Lowe reported that Exit 17 has been on and off the six-year plan for some time and is now on the six-year plan. If passed, House Bill -2 states that once a project is placed on the six-year plan it can't be removed, so there should be some relief at Exit 17 in the near future.

## **M. APPOINTMENTS TO BOARDS AND COMMITTEES**

Sinking Spring Cemetery Committee

**On motion by Mrs. Lowe and seconded by Mr. Howard, the Council reappointed Wayne Miller to the Sinking Springs Cemetery Committee for a second term.**

**The roll call vote was as follows:**

<b>Mrs. Duehring</b>	<b>Aye</b>
<b>Mr. Howard</b>	<b>Aye</b>
<b>Mr. Humphreys</b>	<b>Aye</b>
<b>Mrs. Lowe</b>	<b>Aye</b>
<b>Mayor Morgan</b>	<b>Aye</b>

#### **N. COUNCIL MEMBER REPORTS**

- Mr. Humphreys stated the town has several committees and encouraged citizens to serve. The information is listed on the town website.
- Council Members thanked Mayor Morgan and Mrs. Duehring for their leadership, guidance and service and wished them the very best.
- Mrs. Duehring stated she has gotten so much out of this experience and thanked citizens and Council for the opportunity to serve and for the enriching experience.
- Mayor Morgan thanked the citizen for allowing him to serve that past 16 years and fellow council members for permitting him to serve as Mayor the past 6 years. He also thanked his wife, town staff, department heads, town employees, police department and fire department for their support, leadership and hard work during his time of service and for making Abingdon a great place to live. Mayor Morgan expressed best wishes to fellow council members and to Wayne Craig and Cindy Patterson as they take office.

Mayor Morgan recessed the meeting until Monday, June 20, 2016 at 6:00 p.m. for a PUBLIC HEARING -Issuance of Bonds, The Council of the Town of Abingdon, Virginia will hold a public hearing on the proposed issuance of bonds by the Town of Abingdon at one time or from time to time. The estimated maximum amount of the bonds is \$10,000,000. More than 10 percent of the total bond proceeds is expected to be used for each of the following proposed uses: (a) to pay costs of developing and constructing a public sports and recreation complex, (b) to pay costs of capital improvements to roads, storm drains and other infrastructure of the Town and (c) to pay costs of renovating certain historic landmarks, structures or buildings

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Edward B. Morgan, Mayor

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Tonya Triplett, Deputy Town Clerk