



AGENDA

WYTHEVILLE TOWN COUNCIL SPECIAL MEETING

WEDNESDAY, MARCH 06, 2024 AT 4:00 PM
MUNICIPAL BUILDING - 150 EAST MONROE STREET
WYTHEVILLE, VA 24382

1. **INVOCATION** - VICE-MAYOR CATHY D. PATTISON
2. **CALL TO ORDER** - MAYOR BETH A. TAYLOR
3. **ESTABLISHMENT OF QUORUM** - MAYOR BETH A. TAYLOR
4. **PLEDGE OF ALLEGIANCE** - COUNCILWOMAN HOLLY E. ATKINS
5. **APPROVAL OF AGENDA (requires motion and roll call vote)**
6. **PUBLIC HEARINGS, REQUESTS, RESOLUTIONS, COUNCIL DECISIONS**
 - A.** **Consider the issuance of a General Obligation Bond in the maximum amount of \$491,784 to be used to finance Phase I of the Town's wastewater collection system inflow and infiltration project**
 1. Staff Report/Presentation by Town Manager Brian Freeman
 2. Public Hearing to receive comments regarding the issuance of a General Obligation Bond in the maximum amount of \$491,784 to be used to finance Phase I of the Town's wastewater collection system inflow and infiltration project
 3. Consideration by the Town Council to adopt a resolution authorizing the issuance of a General Obligation Bond in the maximum amount of \$491,784 to be used to finance Phase I of the Town's wastewater collection system inflow and infiltration project and the execution and delivery of certain related documents (**requires motion and roll call vote**)
7. **ADJOURNMENT**

6-A

**WYTHEVILLE
TOWN COUNCIL**



**AGENDA ITEM
INFORMATION**

Meeting Date:	March 6, 2024
Subject:	Public Hearing – General Bond Resolution

SUMMARY:

A public hearing has been scheduled to receive comments regarding the issuance of a General Obligation Bond in the maximum amount of \$491,784 that will be used to finance Phase I of the Town’s Inflow and Infiltration Project for its wastewater facilities. Town Manager Freeman will review this matter and then the public hearing will be opened to receive comments from any interested citizens. Once the public hearing is declared closed, the Town Council will consider adopting the resolution authorizing the issuance of the General Obligation Bond, as well as the execution and delivery of certain related documents.

Recommended Action

The adoption of the resolution and the execution and delivery of certain related documents will require a motion and a roll call vote.

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A GENERAL OBLIGATION BOND IN AN AMOUNT NOT TO EXCEED \$491,784 OF THE TOWN OF WYTHEVILLE, PROVIDING FOR THE FORM, DETAILS AND PAYMENT OF THE BOND, AND AUTHORIZING CERTAIN RELATED ACTIONS

The Town of Wytheville (the “Town”) is a political subdivision of the Commonwealth of Virginia.

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 Town (the “Council”) is authorized to contract debts on behalf of the Town and to issue, as evidence of such debts, bonds, notes or other obligations payable from a pledge of the Town’s full faith and credit.

The Council has determined it is necessary and expedient to undertake capital improvements to the Town’s sewer system and to borrow money and issue a bond to finance that undertaking.

On March 6, 2024, the Council held a public hearing on the proposed issuance of the bond, in accordance with Section 15.2-2606 of the Act.

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

1. Definitions. Whenever used in this resolution:

“Authorized Officer” means each of the Mayor, Vice Mayor and Town Manager of the Town, any one of whom may act.

“Bond” means the Town’s bond as and when issued under this resolution.

“Clerk” means the Clerk or Chief Deputy Clerk of the Town, either of whom may act.

“Financing Agreement” means the Financing Agreement between VRA and the Town executed in connection with the Project.

“Funding Agreement” means the Funding Agreement between VRA and the Town executed in connection with the Project.

“Fund” means the Virginia Water Facilities Revolving Fund, its successors and assigns.

“Maximum Amount” means \$491,784.

“Project” means capital improvements to the Town’s wastewater system to address inflow and infiltration issues.

“VRA” means Virginia Resources Authority, as Administrator of the Fund.

2. Project. The Council determines that it is necessary and expedient for the Town to undertake the Project and to borrow money for such purposes and to issue its general obligation bond therefor.

3. Authorization of the Bond. It is determined 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 finance the Project and to pay the costs of issuing the Bond. Pursuant to the Act, there is authorized to be issued and sold to VRA a general obligation bond of the Town in a principal amount not to exceed the Maximum Amount. The Bond will provide for principal advances to be made and noted on the Bond from time to time as funds are advanced by the VRA under the Bond.

4. Details of the Bond.

(a) The Bond shall be issued as a single, fully registered bond without coupons, and shall be numbered R-1. The principal of the Bond shall be payable in the amounts and on the dates established in accordance with subsection (b) below. No interest will accrue or be payable on the Bond.

(b) Each of the Authorized Officers is authorized to determine and approve all of the other final details of the Bond, including, but not limited to, its description and series designation, dated date, original principal amount, and the dates and amounts of principal payments; however, the original principal amount of the Bond will not exceed the Maximum Amount and the due date of the last installment of principal will not be later than 40 years after the date of the Bond. Such officer's determination and approval of the final details of the Bond shall be evidenced conclusively by such officer's execution and delivery of the Bond in accordance with this resolution.

5. Execution of Bond. The Bond shall bear the manual signature of an Authorized Officer and shall bear a manually impressed or imprinted facsimile of the seal of the Town attested by the manual signature of the Town Clerk or Deputy Town Clerk. 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 shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

6. Form of Bond. The Bond shall be in substantially the form shown below, with such variations, insertions, and omissions as shall be consistent herewith, the execution and delivery of the Bond constituting conclusive evidence that any variations, insertions, and omissions are consistent with the form below:

(Form of Bond)

No. R-1

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA

[\$amount]

TOWN OF WYTHEVILLE

[date]

GENERAL OBLIGATION SEWER BOND
Series [year]

The Town of Wytheville, a political subdivision of the Commonwealth of Virginia (the “Town”), acknowledges itself indebted and, for value received, promises to pay to the order of the Virginia Resources Authority, as Administrator of the Virginia Water Facilities Revolving Fund, Richmond, Virginia (“VRA”) or its legal representative or registered assigns, the principal sum equal to the aggregate amount of principal advances made and noted on the Schedule of Principal Advances below, but not to exceed [amount] Dollars (\$[amount]), without interest.

Commencing [month] 1, [year] and continuing semiannually thereafter on [month] 1 and [month] 1 in each year, principal of this Bond shall be due and payable in equal installments of \$[amount] with a final installment of \$[amount] due and payable on [month] 1, [year]; however, if principal advances up to the maximum authorized amount are not made, the principal amount due on this Bond shall not include such undisbursed amount. However, unless the Town and the VRA agree otherwise in writing, until all payments due hereunder shall have been paid in full, less than full disbursement of the maximum authorized amount of this Bond shall not postpone the due date of any semi-annual installment due hereunder or change the amount of such installment unless the principal amount due under this Bond is less than the amount of such installment. If not sooner paid, all amounts under this Bond shall be due and payable in full on [month] 1, [year].

In addition, if any installment of principal of this Bond is not received by the registered owner of this Bond within ten (10) days from its due date, the Town shall pay to the registered owner of this Bond a late payment charge in an amount equal to five percent (5.00%) of such overdue installment. Principal of this Bond and other sums hereunder are payable in lawful money of the United States.

No notation is required to be made on this Bond of the payment of any principal on normal installment payment dates or of any prepayments of principal. **HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.**

This Bond is issued pursuant to the Public Finance Act of 1991 and a resolution duly adopted by the Council of the Town of Wytheville, Virginia, on [date] under the Constitution and the statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, and pursuant to the terms of a Financing Agreement date as of [date] (the “Financing Agreement”) between VRA and the Town to evidence a loan by VRA to the Town to finance the Project Costs (as defined in the Financing Agreement). The obligations of the Town under this Bond shall terminate when all amounts due and to become due pursuant to this Bond and the Financing Agreement have been paid in full.

The full faith and credit of the Town are irrevocably pledged for the payment of principal of this Bond. The resolution adopted by the Council of the Town authorizing the issuance of this Bond provides, and Section 15.2-2624 of the Code of Virginia of 1950, as amended, requires, that there shall be levied and collected an annual tax upon all taxable property in the Town subject to local taxation sufficient to provide for the payment of the principal of this Bond as the same shall become due, which tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied in the Town, to the extent other funds of the Town are not lawfully available and appropriated for such purpose.

Transfer of this Bond may be registered upon the registration books of the Bond Registrar. Prior to due presentment for registration of transfer of this Bond, the Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and the exercise of all other rights and powers of the owner.

This Bond is subject to optional prepayment, as set forth in the Financing Agreement.

If an Event of Default (as defined in the Financing Agreement) occurs, the principal of this Bond may be declared immediately due and payable by the holder by written notice to the Town.

Notwithstanding anything in this Bond to the contrary, in addition to the payments of the principal provided for by this Bond, the Town shall also pay such additional amounts, if any, which may be necessary to provide for payment in full of all amounts due under the Financing Agreement.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in due time, manner and form as required.

IN WITNESS WHEREOF the Town has caused this Bond to be signed by its Mayor, Vice Mayor or Town Manager and its seal to be impressed hereon and attested by its Clerk.

Town of Wytheville, Virginia

By: **FORM OF BOND-NOT FOR SIGNATURE**

Name: _____

Title: _____

(SEAL)

ATTEST:

FORM OF BOND-NOT FOR SIGNATURE

Clerk, Town of Wytheville, Virginia

SCHEDULE OF PRINCIPAL ADVANCES

The amount and date of principal advances not to exceed the face amount shall be entered hereon by an authorized representative of VRA when the proceeds of each such advance are delivered to the Town.

AMOUNT	DATE	AUTHORIZED SIGNATURE

(End of Form of Bond)

Upon request of VRA, the Town shall arrange to have prepared, executed, authenticated and delivered in exchange as soon as practicable bonds in printed form in an aggregate principal amount equal to the unpaid principal of the Bond in typewritten form, in denominations of \$5,000 and multiples thereof, except for one bond which may be issued in an odd denomination of not less than \$5,000, of the same form and maturity and registered in such names as requested by VRA or its duly authorized attorney or legal representative. The typewritten bond surrendered in any such exchange shall be canceled.

7. Bond Registrar; Registration, Transfer and Exchange. The Treasurer of the Town is appointed Bond Registrar for the Bond. The Town shall cause books for the registration and transfer of the Bond (and any printed bond or bonds issued in substitution for it in accordance with Section 3.4 above) to be kept at the office of the Bond Registrar, and the Council instructs the Bond Registrar to keep such books and to make such registrations and transfers under such reasonable regulations as the Council or the Bond Registrar may prescribe. Transfer of the Bond or any printed bond issued in substitution for it may be registered upon books maintained for that purpose at the office of the Bond Registrar. Prior to due presentment for registration of transfer, the Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal of this Bond and the exercise of all other rights and powers of the owner.

8. Preparation and Award of Bond. After consideration of the methods of sale of the Bond and the current state of the municipal bond market, the Council determines that it will be in the best interests of the Town to accept the offer of VRA to purchase the Bond, and the Bond is awarded to VRA in accordance with the Financing Agreement. Each Authorized Officer is to take all proper steps to have the Bond prepared and executed in accordance with its terms and to deliver the Bond to the VRA in accordance with the terms of the Financing Agreement.

9. Authorization of Financing Agreement, Funding Agreement and Other Matters. Forms of the Financing Agreement and Funding Agreement have been presented to the Council at this meeting and filed with the records of the Council and are approved by the Council. Each of the Authorized Officers is authorized to execute and deliver on behalf of the Town a Financing Agreement and a Funding Agreement in substantially the forms submitted to the Council, with such changes, insertions or omissions as may be approved by the Authorized Officer, whose approval

shall be evidenced conclusively by the execution and delivery of the Financing Agreement or Funding Agreement, as applicable. The acceptance by the Town of grants from governmental agencies to fund the Project is approved and authorized. Each of the Authorized Officers, Clerk and any other officer of the Town is authorized to execute and deliver on behalf of the Town such grant agreements and other instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this resolution or contemplated by the Bond, Financing Agreement or Funding Agreement, and all of the foregoing, previously done or performed by such officers of the Town, are in all respects approved, ratified and confirmed.

10. Constitutional Authority. The Bond shall be issued under the provisions of Article VII, Section 10(a) of the Constitution of Virginia (other than Subsection (2)). The principal of the Bond shall be 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 lawfully available and appropriated for such purpose.

11. Election of Applicable Law. To the extent permitted by Section 15.2-2601 of the Act, the Council elects that the Bond will be issued under the provisions of the Act without regard to the requirements, restrictions or provisions contained in any charter or local or special act applicable to the Town.

12. Payment of the Bond. The Town shall pay promptly the principal of the Bond as and when due in accordance with 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 other than the Town, or a pledge of the full faith and credit of the Commonwealth of Virginia or of any political subdivision other than the Town.

13. Pledge of Full Faith and Credit. For the prompt payment of the principal of the Bond as the same shall become due, the full faith and credit of the Town are irrevocably pledged. In each year while the Bond is outstanding there shall be levied and collected in accordance with law an annual ad valorem tax upon all taxable property in the Town subject to local taxation sufficient in amount to provide for the payment of the principal of the Bond as such principal shall become due, which tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied in the Town, to the extent other funds of the Town are not lawfully available and appropriated for such purpose.

14. Authority of Officers and Agents. The officers and agents of the Town shall do all acts and things required of them by 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.

15. 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, member of Council, or agent of the Town in his or her individual capacity, and no officer of the

Town or member of Council executing the Bond shall be liable personally on the Bond or be subject to any personal liability or accountability by reason of the issuance. 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.

16. 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.

17. 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.

18. 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.

19. Effective Date. This resolution shall take effect immediately. All ordinances, resolutions or parts in conflict herewith are repealed.

20. Filing of Resolution. The Clerk is authorized and directed to see to the prompt filing of a certified copy of this resolution with the Circuit Court of Wythe County, Virginia.

* * * * *

The Clerk of the Town of Wytheville, Virginia, certifies that:

- (a) the foregoing is a true, complete and correct copy of a resolution adopted by the Council of the Town at a meeting of the Council held on March 6, 2024;
- (b) the meeting was a duly called, noticed and held special meeting;
- (c) during the consideration of the foregoing resolution, a quorum was present; and
- (d) the name of each member of Council voting on the adoption of the foregoing resolution and his or her vote were recorded at the meeting as follows:

Member	Attendance	Vote
Beth A. Taylor		
Cathy D. Pattison		
Holly E. Atkins		
Gary L. Gillman		
Candice N. Johnson		

Chief Deputy Clerk, Town of Wytheville, Virginia

(SEAL)