

Pearisburg Town Council met in regular session on Tuesday, February 13, 2018 at 7:30 p.m. in the Pearisburg Town Council Chambers. Present for the meeting was Mayor Dickerson; Council Members Eaton, Clark, Journell, Ballard, Williams and Harrell; Town Attorney Hartley; Town Manager Meredith; Town Clerk Harless; Town Engineer Tawney and Chief Martin. Citizen Brett Hart, New River Valley Regional Commission representative Christy Straight, and reporter Amelia Whittaker from the Virginian Leader were present.

Williams made a motion that Council approve the minutes to the Regular January 9, 2018 Meeting. Clark seconded the motion. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The motion carried by a vote of 7 to 0.

Mayor Dickerson opened the Public Hearing on the Bond Issue for Rural Development (RD) Ultra-Violet (UV) / Sewer Project. Meredith stated that the estimated maximum amount of the bonds proposed to be issued was \$1,537,000. The bond would be used for financing improvements to the Town's sewer system. He stated that no comments were received from citizens. Hearing no comments from Council or the audience Mayor Dickerson closed the public hearing.

Mayor Dickerson moved the Authorizing Resolution, Loan Agreement and Loan Resolution on the RD/UV Sewer Project up on the agenda for Council review and adoption. Hartley stated that he had reviewed the documents and they were in appropriate form. He stated that the Authorizing Resolution was for Interim Financing. He stated that he would be taking a roll call vote to meet bond requirements.

Clark made a motion to approve and adopt a Resolution of Governing Body of Town of Pearisburg authorizing the issuance of General Obligation Bonds in an aggregate amount not to exceed \$1,537,000 of the Town of Pearisburg and a note in anticipation of the bonds, and providing for the form, details and payment of the note, and authorizing certain related actions, and to approve the Loan Agreement between the Town and National Bank of Blacksburg and Loan Resolution to obtain assistance from the United States Department of Agriculture. The Bond will be for the Rural Development UV/Sewer System Improvements Construction Project. Journell seconded the motion. Mayor Dickerson took a roll-call vote. Voting yes: Mayor Dickerson; Council Members Eaton, Clark, Harrell, Journell, Ballard and Williams. The motion carried by a vote of 7 to 0.

RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$1,537,000 OF THE TOWN OF PEARISBURG AND A NOTE IN ANTICIPATION OF THE BONDS, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT OF THE NOTE, AND AUTHORIZING CERTAIN RELATED ACTIONS

The Council of the Town of Pearisburg, Virginia (the "Council") has determined it necessary and expedient to make improvements (the "Project") to the sewer system of the Town of Pearisburg (the "Town") and to issue at one time or from time to time general obligation bonds of the Town to provide funds, together with other available funds, to finance the costs of the Project.

The Council expects to pay a portion of such costs before the bonds are issued and desires to finance that portion by the issuance of a note, in anticipation of the bond issue and the receipt of the proceeds from the sale of the bonds, in accordance with Section 15.2-2628 of the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended) (the "Act").

On February 13, 2018, the Council held a public hearing on the proposed bonds in accordance with Section 15.2-2606 of the Act.

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

Section 1. Authorization of Bonds. Pursuant to the Constitution of Virginia and the Public Finance Act of 1991, there are authorized to be issued general obligation bonds (the "Bonds") of the Town of Pearisburg (the "Town") in an aggregate principal amount not to exceed \$1,537,000 to provide funds to finance the cost of improvements to the sewer system of the Town (the "Project"). To the extent allowed under 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 of the Town (the "Council") elects to issue the Bonds under the provisions of the Act without regard to the requirements, restrictions or other provisions contained in any charter or local or special act applicable to the Town. The United States of America, acting through Rural Development, United States Department of Agriculture (the "Government"), has offered to purchase the Bonds upon certain terms and conditions, and the Council, after mature consideration of the condition of the municipal bond market and other methods of selling bonds, has determined to satisfy such terms and conditions and award the Bonds to the Government. The form and details of the Bonds shall be in accordance with a resolution or resolutions to be adopted by the Council.

Section 2. Authorization of Note. The Council determines that it is advisable, necessary and expedient for the Town to borrow an amount not to exceed \$1,537,000 (the "Maximum Note Amount") in anticipation of the issuance of the Bonds and the receipt of proceeds from the sale of the Bonds. Pursuant to the Constitution of Virginia and the Act, the Council authorizes to be issued and sold a bond anticipation note of the Town in a principal amount not to exceed the Maximum Note Amount (the "Note").

The Note shall be payable from the proceeds from the sale of the Bonds. The proceeds of the Bonds shall be used for no other purpose until the Note has been retired or provision for its retirement has been made. For the benefit of the holder of the Note, the Council agrees that the Town will take all steps necessary or desirable to meet the terms and conditions to have the Bonds issued and the proceeds from their sale available by the maturity date of the Note. Pursuant to Section 15.2-2628 of the Act, the Town may, in its discretion, retire the Note by means of current revenues, special assessments, or other funds, in lieu of retiring it by the issuance of the Bonds, provided that the maximum amount of the Bonds that has been authorized will be reduced by the amount of the Note retired in such manner. Nothing in this resolution, the Note or the Loan Agreement shall be deemed to create or constitute a general obligation of or a pledge of the faith and credit of the Commonwealth of Virginia or any county, city, town or other political subdivision of the Commonwealth, including the Town.

To the extent permitted by Section 15.2-2601 of the Act, the Council elects to issue the Note 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 3. Details of the Note.

(a) The Note shall be issued as a fully registered note without coupons. Each of the Mayor, Vice Mayor and Town Manager of the Town (the "Authorized Officers") is authorized to establish the principal amount of the Note; provided, however, that the amount shall not exceed the Maximum Note Amount.

(b) The Note shall bear interest from its dated date at the per annum rate and the principal of and the interest on the Note shall be due and payable on dates determined in accordance with (c) below.

(c) Each of the Authorized Officers is authorized to determine and approve all of the other final details of the Note, including, but not limited to, its dated date, original principal amount, the interest rate or rates on the Note and payment dates of principal and interest, provided that the original principal amount of the Note shall not exceed the Maximum Note Amount, the interest rate shall not exceed 2.17% per annum, and the maturity date shall not be later than five years after its dated date. Such officer's determination and approval of the final details of the Note shall be evidenced conclusively by such officer's execution and delivery of the Note in accordance with this resolution.

Section 4. Redemption. The Note shall be subject to prepayment in whole or in part at the option of the Town before its stated maturity at any time, without penalty or premium.

Section 5. Execution of Note. The Note shall bear the manual signature of an Authorized Officer and the manual signature of the Clerk or Deputy Clerk of the Town. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until such delivery. The Note may be signed by such persons as at the actual time

of the execution thereof shall be the proper officers to sign the Note although at the date of the Note such persons may not have been such officers.

Section 6. Form of Note. The Note shall be in substantially the form of the attached Exhibit A, with such variations, insertions and omissions as shall be consistent with this resolution, the execution and delivery of the Note constituting conclusive evidence that any variations, insertions, or omissions are consistent with this resolution.

Section 7. Sale and Award of Note; Authorization of Loan Agreement.

(a) The proposal of National Bank of Blacksburg (the "Bank") to make the loan evidenced by the Note is determined, after mature consideration of the methods of sale of the Note and current conditions of the municipal bond market, to be in the best interest of the Town, and the Authorized Officers are authorized to award the Note to the Bank on such terms and conditions as such officer may determine to be in the Town's best interest. Such officer's determination of the terms and conditions of the award of the Note shall be evidenced conclusively by such officer's execution and delivery of the Note and the Loan Agreement, defined below, in accordance with this resolution. The Authorized Officers and the Clerk or Deputy Clerk of the Town are authorized and directed to take all proper steps to have the Note prepared and executed in accordance with the terms of this resolution and to be delivered to the Bank upon payment of the initial disbursement of principal of the Note.

(b) The Council approves the Loan Agreement between the Bank and the Town (the "Loan Agreement"), the form of which has been made available to the Council. Each Authorized Officer is authorized to execute on behalf of the Town the Loan Agreement in substantially such form, with such changes, insertions or omissions as may be approved by the Authorized Officer executing it, whose approval shall be evidenced conclusively by the execution and delivery of the Loan Agreement. The Authorized Officers and any other officer of the Town are authorized to execute and deliver on behalf of the Town such 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 Note or the Loan Agreement, and all of the foregoing, previously done or performed by such officers of the Town, are in all respects approved, ratified and confirmed.

Section 8. Payment of Note. The Town shall pay promptly the principal of and interest on the Note as the same become due in accordance with the Note from the proceeds of the sale of the Bonds or other available funds. To the extent allowed by law, the proceeds from the sale of the Bonds are pledged to the payment of the Note.

Section 9. Tax-Exempt Status of Note.

(a) No Adverse Action: The interest on the Note is intended to be exempt from Federal income taxation. The Town shall not take any action that would adversely affect the exemption of interest on the Note 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 Note

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 Note, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Note 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 Note which would cause the Note 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 Note other than in accordance with the Town's "non-arbitrage" certificate delivered at the time of the issuance of the Note.

(c) Tax Compliance Agreement: Each of the Authorized Officers is authorized and directed to execute and deliver a tax compliance agreement regarding any matters described in Section (a) and (b) above, 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: Each of the Authorized Officers is authorized to sign appropriate certificates setting forth, among other things, the expected use and investment, if any, of the proceeds of the Note 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 10. Designation as Qualified Tax-Exempt Obligation. The Note 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:

(a) 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 Note, for the purpose of Section 265(b)(3) of the Code;

(b) 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 Note;

(c) Barring circumstances unforeseen as of the date of delivery of the Note, 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 Note; and

(d) 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 (a) or (c) above is not required for the Note to be a qualified tax-exempt obligation, the Town need not comply with such restriction.

Section 11. 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 Note 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 Note.

Section 12. 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 Note shall be liable personally on the Note 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 13. Conditions Precedent. Upon the issuance of the Note, 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 Note shall have happened, exist and have been performed.

Section 14. 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 15. 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 16. Effective Date. This resolution shall take effect immediately.

Section 17. 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 Giles County, Virginia.

EXHIBIT A

FORM OF NOTE

*INTEREST ON THIS NOTE IS INTENDED TO BE EXCLUDED FROM GROSS INCOME OF
THE HOLDER FOR FEDERAL INCOME TAX PURPOSES.*

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
TOWN OF PEARISBURG

Bond Anticipation Note

Dated: [date]

The Town of Pearisburg, a political subdivision of the Commonwealth of Virginia (the "Town"), for value received, promises to pay to National Bank of Blacksburg, or registered assigns, the principal sum equal to the aggregate amount of principal advances shown on the attached Certificate of Principal Advances, but not to exceed the sum of \$1,537,000.00, and to pay to the registered owner of this note interest on the unpaid principal from the date of each principal advance shown on the attached Certificate of Principal Advances until payment of the entire principal sum at a rate equal to 2.17% per annum.

Commencing [date] and on the same day of each subsequent month, the amount of interest accrued but unpaid on this note shall be due. If not sooner paid, the principal of and accrued but unpaid interest on this note shall be due and payable on [date]. Any payment on this note shall be applied first to interest accrued to such payment date and then to principal.

Principal and interest shall be payable in lawful money of the United States of America to the registered owner. Upon final payment, this note shall be surrendered to the Treasurer of the Town, Pearisburg, Virginia, who has been appointed Registrar, for cancellation.

This note is subject to prepayment in whole or in part at the option of the Town before its stated maturity at any time, without penalty or premium.

The Council of the Town has designated this note a qualified tax-exempt obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This note 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) (the "Act"), a resolution duly adopted under the Act by the Council of the Town on February 13, 2018 (the "Resolution") and a Loan Agreement dated the date of this note between National Bank of Blacksburg and the Town (the "Loan Agreement"). This note is issued in anticipation of the issuance of general obligation bonds in an aggregate principal amount not to

exceed \$1,537,000.00 (the "Bonds") and the receipt of proceeds from the sale of the Bonds. The Bonds have been duly authorized by the Resolution. A copy of the Resolution is on file at the office of the Registrar. Reference is made to the Resolution, the Loan Agreement, and any amendments to them for the provisions, among others, describing the terms and conditions upon which this note is issued, the rights and obligations of the Town and the rights of the holder of this note.

Nothing in the Resolution, this note or the Loan Agreement shall be deemed to create or constitute a general obligation of or a pledge of the faith and credit of the Commonwealth of Virginia or any county, city, town or other political subdivision of the Commonwealth, including the Town.

Upon the occurrence of certain events or upon certain conditions, in the manner and with the effect set forth in the Loan Agreement, the principal of this note then outstanding, together with any accrued interest on this note, may become or may be declared due and payable before its stated maturity.

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

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this note have happened, exist and have been performed, and this note, 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 of Pearisburg has caused this note to be signed by the manual signatures of its Town Manager and its Clerk, and this note to be dated the date stated above.

TOWN OF PEARISBURG, VIRGINIA

NOT FOR SIGNATURE--NOTE FORM

By: _____
Town Manager, Town of Pearisburg

NOT FOR SIGNATURE--NOTE FORM

By: _____
Clerk, Town of Pearisburg

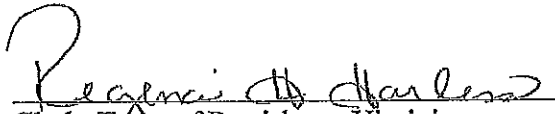
CERTIFICATE OF PRINCIPAL ADVANCES

The amount and date of principal advances not to exceed the face amount of this note shall be entered hereon by the holder of this note, when the proceeds of each such principal advance are delivered to the Town.

[illegible]

The undersigned Clerk of the Town of Pearisburg, Virginia, certifies that (a) the foregoing constitutes a true, complete and correct copy of a resolution adopted by the Council at a meeting of the Council held on **February 13, 2018**, (b) such meeting was a duly called and held regular meeting and (c) 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 present at the meeting voted with respect to the adoption of the foregoing resolution as follows:

| <u>Member</u> | <u>Attendance</u> | <u>Vote</u> |
|---------------------|-------------------|-------------|
| Robert L. Dickerson | Present | Yes |
| Kristi Eaton | Present | Yes |
| Judy R. Harrell | Present | Yes |
| Jason S. Ballard | Present | Yes |
| Cathy Clark | Present | Yes |
| Jimmie R. Williams | Present | Yes |
| Mary D. Journell | Present | Yes |


Clerk, Town of Pearisburg, Virginia

LOAN AGREEMENT

This Loan Agreement, dated as of Feb. 13, 2018, is made between National Bank of Blacksburg (the "Bank") and the Town of Pearisburg, a political subdivision of the Commonwealth of Virginia (the "Town").

Recitals

The Town has determined to construct improvements to its sewer facilities and to issue its bonds, the proceeds of which, together with other available funds, are estimated to be sufficient to pay the cost of the Project; and

The United States of America, acting through Rural Development, United States Department of Agriculture (the "Government"), has offered to purchase such bonds upon certain terms and conditions, and the Town, after mature consideration of the condition of the municipal bond market and other methods of selling its bonds, has determined to satisfy such terms and conditions and award the bonds to the Government;

Before the issuance of the bonds to the Government it will be necessary to commence the Project and for the Town to borrow funds for the Project on an interim basis, and the Bank is agreeable to making a loan to the Town for that purpose in accordance with the terms of this Loan Agreement.

Agreement

In consideration of the premises and the mutual benefits to be derived under this Agreement, the parties covenant and agree as follows:

ARTICLE I

Definitions and Rules of Construction

Section 1.1. Definitions. The terms set forth below have the following meanings in this Loan Agreement unless the context clearly requires otherwise:

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

"Cost" or "Cost of the Project" means, with respect to the Project, "cost" as defined in the Act.

"Event of Default" means any Event of Default specified in Section 8.1.

"Letter of Conditions" means the Letter dated December 20, 2016, from the Government to the Town, setting forth conditions upon which the Government will provide long term financing for the Project.

"Loan Agreement" means this Loan Agreement, as it may be modified, altered, amended and supplemented from time to time in accordance with its terms.

"Note" means the Town's note dated the date of this Loan Agreement and payable to the Bank.

"Noteholder" means the person in whose name the Note is registered on the records of the Town. The initial Noteholder is the Bank.

"Opinion of Counsel" means a written opinion of any Counsel in form and substance acceptable to the Noteholder.

"Pledged Funds" means all loan proceeds received or to be received by the Town from the Government upon satisfaction of the Letter of Conditions.

"Project" means the construction of improvements to the Town's sewer system, as approved by the Government in accordance with the Letter of Conditions.

"Town Representative" means each of the Mayor, Vice Mayor and Town Manager of the Town.

Section 1.2. Rules of Construction. Except where the context otherwise requires, (i) singular words connote the plural number as well as the singular and vice versa, (ii) words imparting persons include individuals, corporations, partnerships, general partners of partnerships, limited liability companies, associations, joint stock companies, trusts, unincorporated organizations, or governmental units or their political subdivisions, and (iii) pronouns inferring the masculine gender include the feminine and neuter genders and vice versa. All references to particular articles or sections are references to articles or sections of this Loan Agreement unless otherwise indicated. The headings in this Loan Agreement are solely for convenience of reference and do not constitute a part of this Loan Agreement or affect its meaning, construction or effect.

ARTICLE II

Pledge of Pledged Funds

Section 2.1. Pledge of Pledged Funds. In order to provide for the payment of the principal of and interest on the Note, and to secure the performance of all of the obligations of the Town under the Note and this Loan Agreement, subject to the terms of this Loan Agreement, the Town pledges, assigns and grants to the Noteholder a security interest in the Pledged Funds. The Pledged Funds shall be used for no other purpose until the Note has been retired or provision for its retirement has been made. In no event will the foregoing trust estate include any money or property

of the Town other than that specifically pledged in this Section. The lien of this pledge shall have priority over all other obligations and liabilities of the Town, and the lien of this pledge shall be valid and binding against all parties having claims of any kind against the Town regardless of whether such parties have notice of this pledge.

ARTICLE III

Sale of Note

Section 3.1. Determinations. The Town determines that the provisions of this Loan Agreement are reasonable and proper for protecting and enforcing the rights and remedies of the Noteholder.

Section 3.2. Form of Note. The Note will be issued substantially in the form approved by resolution adopted by the Town, with such appropriate variations, omissions and insertions as are permitted or required by the resolution.

Section 3.3. Registration and Transfer. The Town will cause books for the registration and transfer of the Note to be kept at the principal office of the Town, and the Town appoints the Treasurer of the Town as its registrar and transfer agent to keep the books and to make the registrations and transfers under such reasonable regulations as the Town may prescribe.

Upon surrender for transfer of the Note at the principal office of the Town, the Town will execute and deliver in the name of the transferee or transferees a new Note of like date, tenor and for the aggregate principal amount which the Noteholder is entitled to receive, subject in each case to such reasonable regulations as the Town may prescribe. Any Note presented for transfer, exchange, redemption or payment must be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the Town, duly executed by the registered Noteholder or by the Noteholder's duly authorized attorney-in-fact or legal representative. No Note may be registered to bearer.

A new Note delivered upon any transfer will be a valid obligation of the Town, evidencing the same debt as the Note surrendered, will be secured by this Loan Agreement and entitled to all of its security and benefits to the same extent as the Note surrendered.

Section 3.4. Note Mutilated, Lost, Stolen or Destroyed. If the Note is mutilated, lost, stolen or destroyed, the Town may execute and deliver a new Note of the same principal amount and maturity and of like tenor as the mutilated, lost, stolen or destroyed Note in exchange and substitution for such mutilated Note, or in lieu of and substitution for such lost, stolen or destroyed Note.

Application for exchange and substitution of a mutilated, lost, stolen or destroyed Note will be made to the Town. Any applicant for a substitute Note must furnish to the Town security or indemnification to its satisfaction. In case of loss, theft or destruction of a Note, the applicant must also furnish to the Town evidence to its satisfaction of the loss, theft or destruction and of the identity of the applicant, and in case of mutilation of a Note, the applicant must surrender the Note so

mutilated for cancellation. The Town may charge the Noteholder its reasonable fees and expenses in connection with the issuance of any substitute Note.

Notwithstanding the foregoing provisions of this Section, in the event any such Note has matured and no default has occurred which is then continuing in the payment of the principal of or interest on the Note, the Town may authorize the payment of the Note (without surrender except in the case of a mutilated Note) instead of issuing a substitute Note, provided security or indemnification is furnished as provided in this Section.

3.5. No Underwriting. The Bank represents that it is purchasing the Note for its own account for investment and has no present intention of reselling or disposing of the Note or engaging in any "distribution" thereof (as that term is used in the Securities Act of 1933, as amended, and the regulations of the Securities and Exchange Commission thereunder). The Bank has made such inquiries as it deems appropriate in connection with the purchase of the Note. The Bank further acknowledges that it is capable of evaluating the merits and risks of the purchase of the Note.

No official statement, prospectus, disclosure document or other comprehensive offering statement containing material information with respect to the Town and the Note are being issued. The Bank has made its own inquiry and analysis with respect to the Town, the Note and other material factors affecting the credit standing of the Town, the security for the Note, and the ability of the Town to pay the same. The Bank understands and acknowledges that no financial information in connection with this transaction has been reviewed by the Town, the Town's attorney or bond counsel.

The Note (a) is not being registered under the Securities Act of 1933 and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) may not be readily marketable. The Bank acknowledges that as the purchaser of the Note it must bear the economic risk of the investment for an indefinite period of time because the Note has not been registered under the Securities Act of 1933 and, therefore, cannot be sold unless it is subsequently registered under such Act or an exemption from such registration is available. The Bank is able to bear the economic risk of the investment represented by its purchase of the Note.

The Bank will not assign or offer the Note or any participation in it for sale in any state of the United States of America without first taking all necessary action to qualify the Note for offer and sale under the securities or "Blue Sky" laws of the United States of America or such state.

ARTICLE IV

Issuance of Note

Section 4.1. Issuance of Note.

(a) The Note will be issued under this Loan Agreement for the purpose of providing funds to pay the Cost of the Project.

(b) The Town will not issue any bonds, notes or other evidences of indebtedness or incur any obligation or indebtedness which will be secured by a mortgage or lien on the Project or a pledge of the Pledged Funds except for the Note.

(c) Subject to the restrictions set forth in subsection (b) of this Section, the Town reserves the right in its sole discretion and without the consent of the Noteholder to issue from time to time bonds, notes and other evidences of indebtedness for any purposes authorized by the Act.

(d) Nothing in the Note or this Loan Agreement shall be deemed to create or constitute a general obligation of or a pledge of the faith and credit of the Commonwealth of Virginia or any county, city, town or other political subdivision of the Commonwealth, including the Town.

ARTICLE V

Undertaking of Project

Section 5.1. Undertaking of the Project. The Town shall undertake and complete the Project and cause the Bond to be issued, with all reasonable dispatch, delays incident to strikes, riots, acts of God or the public enemy or any delay beyond its reasonable control only excepted.

Section 5.2. Town to Obtain Approvals Required for the Project. The Town shall obtain or cause to be obtained all necessary permits and approvals for the Project and the operation and maintenance of the Project and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project. The Town may, however, contest any such requirement by an appropriate proceeding diligently prosecuted.

ARTICLE VI

Advances under the Note

Section 6.1. Conditions of Advances. The Bank agrees to advance amounts of principal under the Note upon the terms and conditions stated in this section, in an aggregate amount not greater than the face amount of the Note. The Bank shall have no obligation to make advances of principal under the Note at any time that an Event of Default has occurred and is continuing. The Town shall request an advance only as and when the entire amount of such advance is needed to pay a Cost of the Project. Before any advance under the Note shall be made, the Town will provide the Bank at least three (3) business days before the requested date of such advance a requisition and certificate substantially in the form attached as Exhibit A, signed by an Authorized Representative of the Town and approved by the Government.

Section 6.2. Advances under the Note. If all conditions precedent to an advance under the Note have been performed to the satisfaction of the Bank, the Bank shall promptly make such advance by issuing a check made payable to the party to whom the payment is to be made as set forth in the requisition. The proceeds of each advance under the Note shall be applied directly, solely and exclusively to payment, or reimbursement of the Town for payments, of the Cost of the Project, and the

Town agrees at any time and from time to time, upon request of the Bank, to exhibit to the Bank receipts, vouchers, statements, bills of sale or other evidence satisfactory to the Bank of actual payment of such Cost of the Project. In particular, within ten days after each payment hereunder, the Town shall, if requested by the Bank, deliver to the Bank a receipt executed by the contractor or supplier for each payment made to it. Within thirty days after each payment hereunder, the Town shall, if requested by the Bank at the time of the payment, deliver to the Bank a receipt executed by every subcontractor, person, firm or corporation to be paid by the Town or the contractor for each payment made to it.

ARTICLE VII

General Covenants of the Town

Section 7.1. Payment of Note. The Town will promptly pay the principal of and interest on the Note issued under and secured by this Loan Agreement at the places, on the dates and in the manner specified in this Loan Agreement and the Note. Nothing in the Note or this Loan Agreement shall be deemed to create or constitute a general obligation of or a pledge of the faith and credit of the Commonwealth of Virginia or any county, city, town or other political subdivision of the Commonwealth, including the Town.

Section 7.2. Covenants and Representations of Town. The Town will make available to the Noteholder the Town's comprehensive annual financial report within 180 days after the end of the Town's fiscal year. The Town represents that (i) it is duly authorized under the Constitution and laws of the Commonwealth, including particularly and without limitation the Act, to issue the Note and to pledge the Pledged Funds in the manner and to the extent set forth in this Loan Agreement; (ii) all action on its part necessary for the adoption of this Loan Agreement has been duly and effectively taken; and (iii) the Note in the hands of the Noteholder is and will be a valid and enforceable obligation of the Town.

Section 7.3. Covenants with Respect to Letter of Conditions. The Town will not suffer, permit or take any action or fail to take any action that may result in the termination or cancellation of the Letter of Conditions by the Government. The Town will fulfill its obligations under the Letter of Conditions and will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification of the obligation to meet any of its obligations under the Letter of Conditions, except as provided in this Loan Agreement. The Town will promptly notify the Noteholder of any actual or alleged event of default under or cancellation of the Letter of Conditions.

ARTICLE VIII

Defaults And Remedies

Section 8.1. Events of Default. Each of the following is an Event of Default:

- (a) Payment of interest on the Note is not made when due and payable;

(b) Payment of the principal of the Note is not made when due and payable;

(c) Default in the observance or performance of any other covenant, condition or agreement on the part of the Town under this Loan Agreement or in the Note and continuation thereof for thirty days after notice of such default is given to the Town by the Noteholder;

(d) Appointment by a court of competent jurisdiction of a receiver for all or any substantial part of the Pledged Funds of the Town pledged pursuant to this Loan Agreement, or approval by a court of competent jurisdiction of any petition for reorganization of the Town or rearrangement or readjustment of the obligations of the Town under provisions of any applicable bankruptcy or insolvency law; or

(e) Termination of the Letter of Conditions.

Section 8.2. Acceleration. Upon the occurrence and continuation of an Event of Default, the Noteholder may, at its option, by notice to the Town, declare the entire unpaid principal of and interest on the Note due and payable and, thereupon, the entire unpaid principal of and interest on the Note will immediately become due and payable. Upon any such declaration, the Town will immediately pay to the Noteholder of the Note the entire unpaid principal of and accrued interest on the Note.

Section 8.3. Other Remedies; Rights of Noteholder. Upon the happening and continuance of an Event of Default, the Noteholder may, with or without action under Section 8.2, pursue any available remedy, at law or in equity, to enforce the payment of the principal of and interest on the Note, to enforce any covenant or condition under this Loan Agreement, or to remedy any Event of Default. No remedy conferred upon or reserved to the Noteholder by the terms of this Loan Agreement is intended to be exclusive of any other remedy, but each such remedy is cumulative and is in addition to any other remedy given to the Noteholder under this Loan Agreement or now or later existing.

Section 8.4. Waiver of Events of Default; Effect of Waiver. If any Event of Default has been waived, the Noteholder will promptly give written notice of the waiver to the Town. No such waiver, rescission and annulment will extend to or affect any subsequent Event of Default or impair any right, power or remedy available under this Loan Agreement.

No delay or omission of the Noteholder to exercise any right, power or remedy accruing upon any default or Event of Default will impair any right, power or remedy or will be construed to be a waiver of or acquiescence in any such default or Event of Default. Every right, power and remedy given by this Article to the Noteholder may be exercised from time to time and as often as may be deemed expedient.

ARTICLE IX

Miscellaneous

Section 9.3. Interested Parties. Nothing in this Loan Agreement is intended or is to be construed to confer upon any person other than the Town and the Noteholder, any right, remedy or claim under or by reason of this Loan Agreement. This Loan Agreement is intended be for the sole and exclusive benefit of the Town and the Noteholder.

Section 9.4. Severability of Invalid Provisions. If any clause, provision or section of this Loan Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Loan Agreement will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

In witness whereof, the parties have executed this Loan Agreement as of the date first shown above.

Town of Pearisburg

By: Todd Meredith
Name: Todd Meredith
Title: Town Manager

National Bank of Blacksburg

By: _____
Name: Paul M. Mylum
Title: Senior Vice President

EXHIBIT A

No. _____

REQUISITION AND CERTIFICATE

_____, 2018

National Bank of Blacksburg

Re: \$1,537,000 Note (the "Note")

Ladies and Gentlemen:

On behalf of the Town of Pearisburg (the "Town"), and in accordance with the Loan Agreement (the "Loan Agreement") dated as of _____, between the Town and you, the undersigned requests the sum of \$ _____ as an advance of principal of the Note, to be used to pay to the payees the amounts designated on the schedule attached hereto.

I hereby certify that (a) the obligation to make such payment was incurred by the Town in connection with the Project (referred to in the Loan Agreement), is a proper charge against the Cost of the Project (as defined in the Loan Agreement), and has not been the basis for any prior requisition which has been paid; (b) the Town has not received written notice of any line, right to lien or attachment upon, or claim affecting the right of such payee to receive payment of, any of the money payable under this requisition to any of the persons, firms or corporations named herein, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition; (c) this requisition contains no items representing payment on account of any retained percentages which the Town is entitled to retain at this date; (d) the payment of this requisition will not result in any of the proceeds of the Note expended or to be expended under this requisition and under all prior requisitions being used directly or indirectly in the trade or business carried on by any person who is not a governmental unit, (e) this requisition contains no items representing payment of any amounts paid before the date the Note was issued (except to refinance any such item); (f) no Event of Default (as defined in the Loan Agreement) or event which after notice or lapse of time or both would constitute an Event of Default has occurred and not been waived; and (b) the amount requisitioned is being expended in a manner consistent in all material respects with the representations and warranties of the Town set forth in the Loan Agreement and in compliance with the Letter of Conditions as defined in the Loan Agreement.

[The following paragraph is to be completed when any requisition and certificate includes any item for payment for labor, for indicated items of equipment or to contractors, builders or materialmen.]

I hereby certify that insofar as the amount covered by the above requisition includes payments to be made for labor or to contractors, builders or materialmen, including payment of equipment, materials or supplies, in connection with the Acquisition of the Project: (i) all obligations to make such payments have been properly incurred, (ii) any such labor was actually performed and any such equipment, materials or supplies were actually furnished or installed on or about the Project and are a proper charge against the Cost of the Project, and (iii) such equipment, materials or supplies either are not subject to any lien or security interest or, if the same are so subject, such lien or security interest will be released or discharged upon payment of this requisition.

Town Representative

Approved:

United States of America, acting through
Rural Development, United States Department
of Agriculture

By: _____
Area Specialist

LOAN RESOLUTION
(Public Bodies)A RESOLUTION OF THE Town CouncilOF THE Town of PearisburgAUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS
sewer system

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Town of Pearisburg

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

One Million Five Hundred Thirty-Seven Thousand & 00/100pursuant to the provisions of VA Public Finance Act; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and, prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ _____

under the terms offered by the Government; that the Town Manager

and Town Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was:

Yeas

7

Nays

0

Absent

0

IN WITNESS WHEREOF, the Town Council of the

Town of Pearisburg has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this 13th day of February 2018.

(SEAL)

Attest:

Regina Harless
Regina Harless
Title Town Clerk

By

Todd Meredith

Title

Town Manager

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

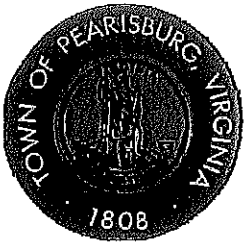
I, the undersigned, as Town Clerk of the Town of Pearisburg
hereby certify that the Town Council of such Association is composed of
_____ members, of whom, _____ constituting a quorum, were present at a meeting thereof duly called and
held on the _____ day of _____; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of _____
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this _____ day of _____

Regina Harless
Title Town Clerk

Christy Straight of the New River Valley Regional Commission briefed Council on the Hazard Mitigation Plan. She stated that the definition of hazard mitigation is sustainable actions in advance of events to minimize the impact. The plan assists emergency responders and their operations. The plan is to collaborate as a region and find commonalities. The Hazard Mitigation Plan is a 5-year plan. She stated that if localities adopt the resolution to adopt a plan then the locality becomes eligible for FEMA grant money. Her organization matches the money supplied from town fees. She stated that the Commission is working on creating a Steering Committee which will be made up of local representatives. She explained that each locality should identify their past, present and future mitigation items. She stated that examples include wildfire awareness, water hazards along with several others. Each locality needs to assess their mitigation and work with staff on determining what mitigation hazards to address in an application for FEMA Grant. Meredith thanked Straight for all her hard work on the Hazard Mitigation Plan and the presentation.

Eaton made a motion that Council approve and adopt the New River Valley Hazard Mitigation Plan 2017 Update Resolution. Journell seconded the motion. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The motion carried by a vote of 7 to 0.



TOWN OF PEARISBURG

112 TAZEWELL ST.
PEARISBURG, VIRGINIA 24134

Robert L. Dickerson
Mayor

Council:
Jimmie R. Williams
Kristi Eaton
Judy R. Harrell
Susie Journell
Cathy Clark
Jason S. Ballard

Todd Meredith
Town Manager
tmmeredith@pearisburg.org

Rick C. Tawney
Town Engineer/Public
Works Director

Jackie C. Martin
Chief of Police

Hope Harrell
Town Treasurer

Regina H. Harless
Town Clerk

Allison Long
Librarian

Rodney F. Wilson
Building Official

Danielle Collins
Recreation Director

Telephone:
(540) 921-0340

Website:
www.pearisburg.org

Resolution of Adoption of the New River Valley Hazard Mitigation Plan, 2017 Update

WHEREAS the Town of Pearisburg recognizes the threat that natural hazards pose to people and property within Pearisburg; and

WHEREAS, the Town of Pearisburg, participated in the preparation of a multi-jurisdictional plan, New River Valley Hazard Mitigation Plan, 2017 Update; and,

WHEREAS, the New River Valley Hazard Mitigation Plan, 2017 Update has been prepared in accordance with FEMA requirements at 44 C.F.R. 201.6; and,

WHEREAS the New River Valley Hazard Mitigation Plan, 2017 Update identifies mitigation goals and actions to reduce or eliminate long-term risk to people and property in Pearisburg from the impacts of future hazards and disasters; and

WHEREAS adoption by the Pearisburg Town Council demonstrates their commitment to the hazard mitigation and achieving the goals outlined in the New River Valley Hazard Mitigation Plan, 2017 Update.

WHEREAS, the Town of Pearisburg is a local unit of government that has afforded the citizens an opportunity to comment and provide input in the Plan and the actions in the Plan; and

WHEREAS, the Town of Pearisburg has reviewed the Plan and affirms that the Plan will be updated no less than every five years.

NOW THEREFORE, BE IT RESOLVED by Pearisburg Town Council that the Town of Pearisburg adopts the New River Valley Hazard Mitigation Plan, 2017 Update as this jurisdiction's Multi-Hazard Mitigation Plan.

ADOPTED by a vote of 7 in favor and 0 against, and 0 abstaining, this 13th day of February, 2018 at the meeting of the Pearisburg Town Council.

By: Robert L. Dickerson
Robert L. Dickerson, Mayor

ATTEST:
By: Regina H. Harless
Regina H. Harless, Town Clerk

Journell reported on the Public Safety Committee. Chief Martin stated he was applying for a grant that could assist the department in getting laptop computers for the Town officers to be mounted in their police vehicle.

Ballard reported on the Property and Recreation Committee. Staff updated the committee on the progress of the Goodwill and hospital addition. He also informed them that Food Lion would be doing upgrades to the interior and exterior of their store. Council discussed the floor being painted for the martial arts room. Town staff will do the painting. Clark stated that the Library bathroom repairs looked great. Clark asked about the owner on Woodrum Street property hauling off metal. Tawney stated that Wilson had approved the owner removing material.

Eaton reported on the Finance Committee. She stated that Corbin Stone with Robinson, Farmer, Cox Associates gave a presentation to the Committee on the FY 2017 Audit.

The Finance Committee recommends that Council approve the real estate tax refund in the amount of \$7.03 to Jason Tickle. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The recommendation carried by a vote of 7 to 0.

The Finance Committee recommends that Council approve the personal property tax refund in the amount of \$45.66 to Sandra M. Dickerson. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The recommendation carried by a vote of 7 to 0.

The Finance Committee recommends that Council approve budget amendment FY 2017-2018-04. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The recommendation carried by a vote of 7 to 0.

BUDGET AMENDMENT FY 2017-2018-04

| REVENUE | | Current Budget | New Amount | Difference |
|--------------|----------------------|----------------|--------------|--------------------|
| 10.0380.9450 | Property Acquisition | \$0.00 | \$14,688.00 | \$14,688.00 |
| | | | Total | \$14,688.00 |

| EXPENDITURES | | Current Budget | New Amount | Difference |
|--------------|----------------------|----------------|-------------|-------------|
| 10.1500.1500 | Electric | \$0.00 | \$1,000.00 | \$1,000.00 |
| 10.4000.4900 | Police Facility Loan | \$0.00 | \$3,885.00 | \$3,885.00 |
| 10.5000.1510 | Capital Projects | \$6,223.00 | \$20,911.00 | \$14,688.00 |

Total \$19,573.00

| | Revenue | Expenditures | Difference |
|--------------|-----------------------|-----------------------|-------------------|
| Current | \$4,281,003.00 | \$4,269,918.00 | \$11,085.00 |
| Amended | \$14,688.00 | \$19,573.00 | (\$4,885.00) |
| Total | \$4,295,691.00 | \$4,289,491.00 | \$6,200.00 |

For Council Action on February 13, 2018

The Finance Committee recommends that Council approve the Giles-Narrows After Prom Committee to use the Community Center to host the Giles-Narrows After Prom at no charge. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The recommendation carried by a vote of 7 to 0.

The Finance Committee recommends that Council approve a donation in the amount of \$75 to the International Institute of Municipal Clerks. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The recommendation carried by a vote of 7 to 0.

The Finance Committee recommends that Council approve the purchase a one-year subscription to the LexisNexis program in the amount of \$50 per month. Meredith stated that staff could look up to 100 items per month. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The recommendation carried by a vote of 7 to 0.

Williams reported on the Public Works Committee. The water loss for December was 33.46% and 32.73% for the annual. Staff updated the Committee on Ingram Tank repairs and the upcoming UV/Sewer Project.

Clark reported on the Community Market Sub-Committee. She stated the Committee had discussed staff coverage and potential vendors for the 2018 season.

Meredith reported on the Parks and Rec Revitalization Sub-Committee. They discussed the size of the ball fields with the 250-foot fields. The Subcommittee had to look at what fits best for the town. The town can host regular season baseball for the oldest age groups with the 250-foot model but would not be able to host tournament games. Meredith stated that Brian Reed with the County took his computer and staked out the fields. There are three light poles and one power pole that will need to be moved. He stated that, as of right now, there is no plan to move the light poles. He recommends to Council that the project be put on hold until we have a cost estimate on the lights. He felt it was a risk to grade dirt not knowing the amount of funds needed. He recommended project fundraising in the spring and summer, which would also allow staff time to develop a feasible plan. Eaton asked if the poles could be taken down then the fields graded. Meredith is not sure where the poles will be placed. The

Subcommittee and staff will need to get a plan and cost estimates. He plans to talk more to AEP and someone else to get a cost estimate. Tawney stated that it had cost \$30,000 in the past for AEP to move a pole in the downtown. The Subcommittee discussed fundraising tournaments for Kickball and Basketball. They also wanted to place a banner on the fence with a status thermometer. The Subcommittee is working on developing a benchmark for fundraising and construction milestones.

Eaton asked if the Parks and Recreation Advisory Board had met. Journell stated that Recreation Director Martin is setting up a meeting the last date didn't work out for everyone.

Williams made a motion to accept and approve the FY 2017 Audit for the Town. Harrell seconded the motion. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The motion carried by a vote of 7 to 0.

Clark asked about the color shingles for the roof on the new Police Department. Chief Martin asked for suggestions from council. He stated he would get with Building Official Wilson on picking out a color.

Journell made a motion that Council approve the Contract with Cook's General Contracting LLC to replace the roof at 1611 Wenonah Avenue for the new Police Department in the amount of \$12,546. Williams seconded the motion. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The motion carried by a vote of 7 to 0.

Meredith updated Council on the upcoming Arts Challenge Grant application. Meredith and Harless had met with Betty Herbert of Giles Arts Council (GAC) on ideas for the Town application. Harless explained that Herbert asked for a 3-year plan on the Living Mosaic for the Town Park. She stated that Herbert had a difficult time finding someone to assist her with the design of the mosaic and give her sound cost estimates. Herbert indicated that to complete the mosaic it would take funds from 3 years of the Arts Grant. Meredith explained that the grant available is \$4500 and the town matches it.

Eaton made a motion to approve including the Mosaic and other items as listed on the budget presented to Council for a total of \$9,000 with the town matching \$4500. Clark

seconded the motion. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The motion carried by a vote of 7 to 0.

Eaton inquired about the mural on the Ingram Building. Meredith stated that he had spoken with Hill Studios. The architect indicated the mural could be painted on the wall and stay. He stated that a very thin layer of concrete was needed before painting on the wall. Meredith stated that after staff had investigated the cost of the tiles and how cumbersome it would be to install staff recommended not going that route.

Hartley stated he had reviewed the amusement contract for this year's Town Festival and had no objections to its approval. Harrell made a motion that Council approve the contract with Fun Time Amusements at the Pearisburg Festival for 2018. Journell seconded the motion. Voting yes: Mayor Dickerson; Council Members Williams, Ballard, Journell, Harrell, Clark and Eaton. The motion carried by a vote of 7 to 0.

On a motion by Eaton, seconded by Clark, passed by the following recorded vote, Council Members, Dickerson, yes, Williams, yes; Eaton, yes; Ballard, yes; Harrell, yes; Journell, yes; Clark, yes; Council went into Executive Session as permitted by Virginia Code § 2.2-3711(A) (1), for discussion, consideration or interviews of candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of the Town of Pearisburg.

On a motion by Williams, seconded by Clark, passed by the following recorded vote, Council Members Dickerson, yes, Williams, yes; Eaton, yes; Ballard, yes; Harrell, yes; Journell, yes; Clark yes; Council returned to regular session.

On a motion by Williams seconded by Ballard, and passed by the following recorded vote, Council Members Dickerson, yes, Williams, yes; Eaton, yes; Ballard, yes; Harrell, yes; Journell, yes; Clark yes; Council certified that the subject discussed in this Executive Session was the subject identified in the motion to go into Executive Session and only that subject, and that Council discussed no other subject while in Executive Session.

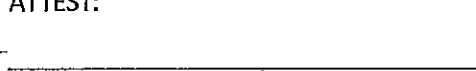
There being no further business the meeting was adjourned.

APPROVED:



Robert L. Dickerson, Mayor

ATTEST:



Regina H. Harless, Town Clerk