



City Council  
Anthony Farnum, Mayor  
Neal Osborne, Vice-Mayor  
Bill Hartley, Council Member  
Kevin Wingard, Council Member  
Becky Nave, Council Member



CITY COUNCIL  
Virginia High School Auditorium  
650 Long Crescent Drive  
October 12, 2021

**6:00 PM**

Call to Order

Moment of Silence

Pledge of Allegiance

- A. Mayor's Minute and Council Comments
- B. City Manager's Comments
- C. Matters to be Presented by Members of the Public- Non-Agenda Items.
- D. Adoption of agenda.

#### REGULAR AGENDA

- 1. [Landfill Engineer/Consultant Presentation.](#)
- 2. [Proclamation Recognizing October as Positive and Adverse Childhood Experiences Awareness and Action Month.](#)
- 3. [Approval of 60 Month Contract with Axon Enterprise, Inc. for Taser and Body Cameras Purchase.](#)
- 4. [Resolution of the City Council of the City of Bristol, Virginia, Approving Becoming a Member of the Southwest Virginia Regional Jail Authority, the Execution and Delivery of an Amended Service Agreement and Support Agreement or Agreements with the Southwest Virginia Regional Jail Authority.](#)

#### CONSENT AGENDA

- 1. [Approval of Minutes from the August 24, 2021, City Council Meeting](#)
- 2. [Approval of Minutes from the September 28, 2021, City Council Meeting](#)
- 3. [Consideration of Street Closure for Partners for Stronger Communities Halloween Extravaganza on October 30, 2021.](#)
- 4. [Consider a Street Closure Request for the Annual Veteran's Day Parade on November 6th, 2021](#)

H. Adjournment

**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: City Manager

Staff Contact: Randall Eads, City Manager

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**AGENDA ITEM WORDING:**

Landfill Engineer/Consultant Presentation.

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**ITEM BACKGROUND:**

Engineers and consultants from Draper Aden Associates and SCS Engineers are present to discuss items related to the landfill.

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**PREVIOUS RELEVANT ACTION:**

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**STAFF RECOMMENDATION:**

**DOCUMENTATION:**

**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: City Clerk

Staff Contact: William Lamie,

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**AGENDA ITEM WORDING:**

Proclamation Recognizing October as Positive and Adverse Childhood Experiences Awareness and Action Month.

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**ITEM BACKGROUND:**

A Proclamation Recognizing Positive and Adverse Childhood Experiences Awareness and Action Month October 1, 2021 and Thursday, October 28, 2021 as PACEs Action Day

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**PREVIOUS RELEVANT ACTION:**

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**STAFF RECOMMENDATION:**

**DOCUMENTATION:**

[PACE Awareness Month Proclamation.pdf](#)



***A Proclamation Recognizing Positive and  
Adverse Childhood Experiences Awareness  
and Action Month  
October 1, 2021***



**WHEREAS**, Adverse Childhood Experiences (ACEs), such as poverty, racism, abuse, neglect, a parent who suffers from substance abuse or mental illness, and unsafe neighborhoods, are harmful events that happen during childhood; and

**WHEREAS**, studies in the fields of neurobiology, psychology, epigenetics, child development, and medicine, among others, show that ACEs create toxic stress in children significantly increases a person's risk for chronic disease, obesity, premature death, mental illness, substance abuse, incarceration, and becoming a victim of violence in adulthood, and can be passed on to the next generation; and

**WHEREAS**, ACEs have been declared a public health crisis by the Centers for Disease Control and Prevention and nearly 60% of adults in Tennessee report at least one ACE with economic burdens in Tennessee estimated by The Sycamore Institute to be \$5.2 billion annually; and

**WHEREAS**, Positive Childhood Experiences (PCEs), such as feeling safe and protected by an adult in the home, relationships with at least one responsible, non-parental adult who is involved in a child's life, or feeling a sense of belonging to a larger group, are supportive systems that can offset ACEs; and

**WHEREAS**, research shows that adults who reported high numbers ACEs but also high numbers of PCEs reported 72% lower levels of adult depression and/or poor mental health and a 1,200% greater chance of a child flourishing; and

**WHEREAS**, by working together through innovative, collaborative approaches to prevent or mitigate the negative effects of ACEs that can help individuals build resilience to adversity through safe, stable, and nurturing relationships at home and in the community; and

**WHEREAS**, in 2019, through Bristol's Promise, Bristol launched a Trauma-Informed System of Care as best practice following recommendations to do so by the Substance Abuse Mental Health Services Administration (SAMHSA).

**THEREFORE, BE IT RESOLVED** that the City Council of Bristol, Virginia does hereby proclaim the month of October as

***PACEs AWARENESS MONTH  
and  
Thursday, October 28, 2021 as PACEs Action Day***

We encourage all residents to become informed about the impacts of ACEs and toxic stress, and learn of the PCEs that promote prevention, healing and resilience in children, adults and communities in order to build a stronger and healthier Bristol.

Together as City Leaders and community partners, this Proclamation indicates our commitment to exploring new ways to make Bristol a more resilient community for all its citizens.

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**William Lamie, City Clerk**

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**Anthony Farnum, Mayor**

**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: Police Department

Staff Contact: John Austin, Chief of Police

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**AGENDA ITEM WORDING:**

Approval of 60 Month Contract with Axon Enterprise, Inc. for Taser and Body Cameras Purchase.

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**ITEM BACKGROUND:**

Approval of 60 Month Contract with Axon Enterprise, Inc. for Taser and Body Cameras Purchase.Â

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**PREVIOUS RELEVANT ACTION:**

N/A

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**STAFF RECOMMENDATION:**

**DOCUMENTATION:**

[Axon Contract.pdf](#)



**Axon Enterprise, Inc.**  
17800 N 85th St.  
Scottsdale, Arizona 85255  
United States  
VAT: 86-0741227  
Domestic: (800) 978-2737  
International: +1.800.978.2737

**Q-334009-44475.817KH**

Issued: 10/06/2021



**Quote Expiration: 10/15/2021**

EST Contract Start Date: 11/01/2021

Account Number: 216297

Payment Terms: N30

Delivery Method: Fedex - Ground

SHIP TO		BILL TO	
Business;Delivery;Invoice-501 Scott St	Bristol Police Dept. - VA	Bristol Police Dept. - VA	
501 Scott St	501 Scott St	501 Scott St	
Bristol, VA 24201-4366	Bristol, VA 24201-4366	Bristol, VA 24201-4366	
USA	USA	USA	
	Email:	Email:	

SALES REPRESENTATIVE		PRIMARY CONTACT	
Kyle Hites		Phone: (276) 645-7426	
Email: khites@axon.com		Email: john.austin@bristolva.org	
Fax:		Fax: 276-645-3797	

Program Length	60 Months
<b>TOTAL COST</b>	\$533,050.60
<b>ESTIMATED TOTAL W/ TAX</b>	\$533,050.60

Bundle Savings	\$207,699.11
Additional Savings	\$39,269.36
<b>TOTAL SAVINGS</b>	\$246,968.47

PAYMENT PLAN: 5 Year Default	
PLAN NAME	INVOICE DATE
Year 1	Oct, 2021
Year 2	Oct, 2022
Year 3	Oct, 2023
Year 4	Oct, 2024
Year 5	Oct, 2025
	AMOUNT DUE
	\$53,305.06
	\$111,940.63
	\$122,601.64
	\$122,601.64
	\$122,601.64

## Quote Details

Bundle Summary			
Item	Description		QTY
Core+	2021 Core+		56
Dynamic Bundle	Dynamic Bundle		1
Pro License	Pro License Bundle		1

Bundle: Dynamic Bundle    Quantity: 1    Start: 11/1/2021    End: 10/31/2026    Total: 0 USD			
Category	Item	Description	QTY    List Unit Price    Net Unit Price    Total(USD)
Other	85147	CEW STARTER	1    \$2,750.00    \$0.00    \$0.00
Other	73478	REDACTION ASSISTANT USER LICENSE	56    \$540.00    \$0.00    \$0.00
Other	85144	AXON STARTER	1    \$2,750.00    \$0.00    \$0.00

Bundle: 2021 Core+    Quantity: 56    Start: 11/1/2021    End: 10/31/2026    Total: 533050.6 USD			
Category	Item	Description	QTY    List Unit Price    Net Unit Price    Total(USD)
Signal Sidearm Kit	75015	SIGNAL SIDEARM KIT	56    \$179.29    \$177.50    \$9,940.10
Warranty	80465	EXT WARRANTY, MULTI-BAY DOCK (TAP)	7    \$907.27    \$907.27    \$6,350.92
Camera Warranty	80464	EXT WARRANTY, CAMERA (TAP)	56    \$504.19    \$504.19    \$28,234.38
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	56    \$1,684.94    \$1,684.94    \$94,356.55
Respond License	73449	RESPOND DEVICE LICENSE	56    \$216.02    \$216.02    \$12,096.99
Device Storage	73686	EVIDENCE.COM UNLIMITED AXON DEVICE STORAGE	56    \$1,036.89    \$1,036.89    \$58,065.57
Multi-bay Dock Refresh 1	73689	MULTI-BAY BWC DOCK 1ST REFRESH	7    \$1,159.30    \$1,159.30    \$8,115.07
Auto Tagging	73682	AUTO TAGGING LICENSE	56    \$388.83    \$388.83    \$21,774.59
Camera Refresh 1 with Spares	73309	AXON CAMERA REFRESH ONE	57    \$543.64    \$543.64    \$30,987.74
Multi-bay Dock Refresh 2	73688	MULTI-BAY BWC DOCK 2ND REFRESH	7    \$1,213.30    \$1,213.30    \$8,493.10
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE	168    \$17.28    \$17.28    \$2,903.28
Camera Refresh 2 with Spares	73310	AXON CAMERA REFRESH TWO	57    \$568.85    \$568.85    \$32,424.26
Auto Tagging Implementation	79999	AUTO TAGGING / PERFORMANCE IMPLEMENTATION SERVICE	1    \$1,440.12    \$1,440.12    \$1,440.12
Fleet Signal Unit	70112	AXON SIGNAL UNIT	19    \$200.90    \$198.89    \$3,778.86
Installation	80129	SIGNAL ONLY OR ROUTER ONLY INSTALLATION PER VEHICLE	19    \$180.01    \$180.01    \$3,420.28



Spare Camera Warranty	80464	EXT WARRANTY, CAMERA (TAP)	1	\$504.19	\$504.19	\$504.19
Cable Assembly	70117	AXON SIGNAL UNIT, CABLE ASSEMBLY	19	\$18.00	\$18.00	\$342.03
Signal Sidearm Batteries	71044	BATTERY, SIGNAL SIDEARM, CR2430 SINGLE PACK	112	\$0.72	\$0.72	\$80.65
Holsters	20160	TASER 7 HOLSTER - SAFARILAND, RH+CARD CARRIER	56	\$57.60	\$57.60	\$3,225.86
HALT Suit	20050	HOOK-AND-LOOP TRAINING (HALT) SUIT	1	\$540.04	\$540.04	\$540.04
Handle License	20248	TASER 7 EVIDENCE.COM LICENSE	56	\$216.02	\$216.02	\$12,096.99
Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	168	\$27.36	\$27.36	\$4,596.86
Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	168	\$27.36	\$27.36	\$4,596.86
Handles	20008	TASER 7 HANDLE, YLW, HIGH VISIBILITY (GREEN LASER), CLASS 3R	56	\$1,238.50	\$1,226.12	\$68,662.53
Inert Cartridges	22179	TASER 7 INERT CARTRIDGE, STANDOFF (3.5-DEGREE) NS	50	\$35.28	\$35.28	\$1,764.14
Inert Cartridges	22181	TASER 7 INERT CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	50	\$35.28	\$35.28	\$1,764.14
Admin License	20248	TASER 7 EVIDENCE.COM LICENSE	1	\$216.02	\$216.02	\$216.02
Taser 7 Target	80087	TASER 7 TARGET, CONDUCTIVE, PROFESSIONAL (RUGGEDIZED)	1	\$108.01	\$108.01	\$108.01
Spare Handles	20008	TASER 7 HANDLE, YLW, HIGH VISIBILITY (GREEN LASER), CLASS 3R	1	\$1,238.50	\$1,238.50	\$1,238.50
Taser 7 Target Frame	80090	TARGET FRAME, PROFESSIONAL, 27.5 IN. X 75 IN., TASER 7	1	\$54.00	\$54.00	\$54.00
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22175	TASER 7 LIVE CARTRIDGE, STANDOFF (3.5-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57

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Training Live Cartridges	22176	TASER 7 LIVE CARTRIDGE, CLOSE QUARTERS (12-DEGREE) NS	112	\$27.36	\$27.36	\$3,064.57
Batteries	20018	TASER 7 BATTERY PACK, TACTICAL	67	\$61.93	\$61.93	\$4,148.98
Master Instructor Course Vouchers	20119	TASER 7 MASTER INSTRUCTOR SCHOOL VOUCHER	1	\$1,076.49	\$1,076.49	\$1,076.49
Master Instructor Course Vouchers	20119	TASER 7 MASTER INSTRUCTOR SCHOOL VOUCHER	1	\$1,076.49	\$1,076.49	\$1,076.49
Master Instructor Course Vouchers	20119	TASER 7 MASTER INSTRUCTOR SCHOOL VOUCHER	1	\$1,076.49	\$1,076.49	\$1,076.49
Master Instructor Course Vouchers	20119	TASER 7 MASTER INSTRUCTOR SCHOOL VOUCHER	1	\$1,076.49	\$1,076.49	\$1,076.49
Master Instructor Course Vouchers	20119	TASER 7 MASTER INSTRUCTOR SCHOOL VOUCHER	1	\$1,076.49	\$1,076.49	\$1,076.49
Training Halt Cartridges	22177	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, STANDOFF NS	112	\$27.36	\$27.36	\$3,064.57
Training Halt Cartridges	22177	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, STANDOFF NS	112	\$27.36	\$27.36	\$3,064.57
Training Halt Cartridges	22178	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, CLOSE QUART NS	112	\$27.36	\$27.36	\$3,064.57
Training Halt Cartridges	22178	TASER 7 HOOK-AND-LOOP TRN (HALT) CARTRIDGE, CLOSE QUART NS	112	\$27.36	\$27.36	\$3,064.57
Instructor Course Vouchers	20120	TASER 7 INSTRUCTOR COURSE VOUCHER	1	\$270.02	\$270.02	\$270.02
Instructor Course Vouchers	20120	TASER 7 INSTRUCTOR COURSE VOUCHER	1	\$270.02	\$270.02	\$270.02
Instructor Course Vouchers	20120	TASER 7 INSTRUCTOR COURSE VOUCHER	1	\$270.02	\$270.02	\$270.02
Instructor Course Vouchers	20120	TASER 7 INSTRUCTOR COURSE VOUCHER	1	\$270.02	\$270.02	\$270.02
Docks	74200	TASER 7 6-BAY DOCK AND CORE	1	\$1,080.09	\$1,080.09	\$1,080.09
Dock Mount	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	1	\$31.61	\$31.61	\$31.61
Dock Power Cord	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 6-BAY DOCK	1	\$7.52	\$7.52	\$7.52
Duty Cartridge Replenishment Program	20246	TASER 7 DUTY CARTRIDGE REPLACEMENT LICENSE	56	\$108.01	\$108.01	\$6,048.50
Camera	73202	AXON BODY 3 - NA10	56	\$503.32	\$498.29	\$27,904.13
Spare Camera	73202	AXON BODY 3 - NA10	1	\$0.00	\$0.00	\$0.00
Camera Mount	71026	MAGNET MOUNT, FLEXIBLE REINFORCED, RAPIDLOCK	62	\$0.00	\$0.00	\$0.00
USB	11534	USB-C to USB-A CABLE FOR AB3 OR FLEX 2	62	\$0.00	\$0.00	\$0.00
Dock	74210	AXON BODY 3 - 8 BAY DOCK	7	\$1,076.49	\$1,065.72	\$7,460.06
Power Cord	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 6-BAY DOCK	7	\$0.00	\$0.00	\$0.00
Other	80379	EXT WARRANTY, FLEET 2 SIGNAL UNIT	19	\$40.93	\$40.93	\$777.64

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Other	80395	EXT WARRANTY, TASER 7 HANDLE	56	\$220.52	\$220.52	\$12,349.01
Other	80395	EXT WARRANTY, TASER 7 HANDLE	1	\$220.52	\$220.52	\$220.52
Other	80374	EXT WARRANTY, TASER 7 BATTERY PACK	67	\$14.82	\$992.86	\$992.86
Other	80396	EXT WARRANTY, TASER 7 SIX BAY DOCK	1	\$220.52	\$220.52	\$220.52

Bundle: Pro License Bundle    Quantity: 1    Start: 11/1/2021    End: 10/31/2026    Total: 0 USD						
Category	Item	Description	QTY	List Unit Price	Net Unit Price	Total(USD)
E.com License	73746	PROFESSIONAL EVIDENCE.COM LICENSE (Formerly SKU 73746)	1	\$2,340.00	\$0.00	\$0.00
A La Carte Storage	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE	3	\$0.00	\$0.00	\$0.00

**Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.**

Contract Sourcewell Contract #010720-AXN is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

## Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

### Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at [www.axon.com/legal/sales-terms-and-conditions](http://www.axon.com/legal/sales-terms-and-conditions)), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

### ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at [www.axon.com/legal/sales-terms-and-conditions](http://www.axon.com/legal/sales-terms-and-conditions)), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

### Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

\_\_\_\_\_  
Signature

10/6/2021

\_\_\_\_\_  
Date Signed



City of Bristol Virginia  
Capital Item Request Validation Form  
for items costing more than \$15,000

Requisition Date	
Department Name & Person Making Request	Police Dept. John Austin
Capital Item Requested	Taser and Body Cameras
Please answer each of the following in sufficient detail.	
Reason for Purchase	Tasers are out dated and no longer supported. Do not have enough for officers. Constantly sending body cams for repair.
If immediate purchase is necessary, explain why and the potential impact of a delay in the purchase.	For protection of officers Taser and Body cameras is necessary. Camera footage is stored in the cloud instead of server.
What is the time between order placement and delivery? If time is necessary for build, customization, etc., please explain.	Depending on order it may be January 2022 before replaced
Is this an Additional or Replacement item?	Additional <input type="checkbox"/> Replacement <input checked="" type="checkbox"/>
If replacement, what will become of the replaced item?	Hope to sell to another department if anyone is using the same camera. Taser are not supported by Taser any longer.
If this request is for a new item, has the possibility of purchasing "used" been evaluated? If not, why?	Spoke to Chief Austin - "Used" not a possibility due to technology changes, etc.
If "used" has been considered, what were the factors that made "new" preferred?	n/a
If this is an emergency purchase, please provide details as to the emergent situation, steps taken to avert damage to persons and property, and additional details as necessary.	n/a

Requester Signature John Austin  
Date 10-4-2021  
Department Head Signature John Austin  
Date 10-4-2021

Reviewers: Sign and Date upon Review Completion  
Chief Financial Officer Jenny Spradli  
Date 10/5/21  
City Manager \_\_\_\_\_  
Date \_\_\_\_\_



## City of Bristol Virginia Documentation of Quotes

The procurement of goods and services requires:

3 Written Quotes for Purchases of Goods & Services with an Expected Cost of \$10,000 or more, but less than \$25,000;

4 Written Quotes for Purchases of Goods & Nonprofessional Services with an Expected Cost of \$25,000 or more, but Less than or Equal to \$100,000;

Professional Services with an expected cost of less than or equal to \$80,000 shall follow the above requirements;

Purchases of Goods & Nonprofessional Services with an expected cost over \$100,000, or Professional Services with an Expected Cost over \$80,000 requires solicitation of competitive sealed bidding or competitive negotiation.

Department Purchased For: Police

Purchase Order #:

Quotes are to be obtained prior to purchase order issuance.

Description of Item/Service: Taser and Body Cameras

### Summary of Quotes Attached

<u>Date</u>	<u>Vendor &amp; Name of Salesperson/Individual Quoting Price</u>	<u>Cost</u>
1		
2		
3		
4		

### Explanatory Remarks:

Reference Sourcewell Solicitation Number RFP010720-Axon<sup>#</sup> - Attached. ✓

\* Per K. Hites - Axon price is same if buying directly from Axon or through Sourcewell.

Quote expiration extended 10-15-21

John Austin

Department Signature

10-04-2021

Date

Completed Purchase Requisition, Documentation of Quotes and quotes' details if required, should be sent to Purchasing for further processing.

\* Axon rep.

Revised 9/2021

**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: City Manager

Staff Contact: Randall Eads, City Manager

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**AGENDA ITEM WORDING:**

Resolution of the City Council of the City of Bristol, Virginia, Approving Becoming a Member of the Southwest Virginia Regional Jail Authority, the Execution and Delivery of an Amended Service Agreement and Support Agreement or Agreements with the Southwest Virginia Regional Jail Authority.

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**ITEM BACKGROUND:**

Resolution for the City Council to Approve Becoming a Member of the Southwest Virginia Regional Jail Authority.

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**PREVIOUS RELEVANT ACTION:**

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**STAFF RECOMMENDATION:**

**DOCUMENTATION:**

[Resolution for Joinder with SWVARJA.pdf](#)

[SWVARJ Operating Agreement with City draft.pdf](#)

[VRA- SWVRJA - Bristol support agreement.pdf](#)





## City of Bristol, Virginia



### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISTOL, VIRGINIA, APPROVING BECOMING A MEMBER OF THE SOUTHWEST VIRGINIA REGIONAL JAIL AUTHORITY, THE EXECUTION AND DELIVERY OF AN AMENDED SERVICE AGREEMENT AND SUPPORT AGREEMENT OR AGREEMENTS WITH THE SOUTHWEST VIRGINIA REGIONAL JAIL AUTHORITY**

**WHEREAS**, the Southwest Virginia Regional Jail Authority (**the “Authority”**) is a public instrumentality of the Commonwealth of Virginia created pursuant to Article 3.1, Chapter 3, Title 53.1, Code of Virginia of 1950, as amended (**the “Act”**) by resolutions duly adopted by the governing bodies of the Counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington and Wise and the City of Norton (**collectively, the “Member Jurisdictions”**) for the purpose of developing regional jail facilities (**collectively, the “Regional Jail”**) to be operated on behalf of the Member Jurisdictions by the Authority;

**WHEREAS**, the Authority and the Member Jurisdictions have entered into a Southwest Virginia Regional Jail Authority Service Agreement, dated February 1, 2003, which was amended to include Tazewell County by an Amended Service Agreement dated as of July 1, 2005 (**together, the “Service Agreement”**), pursuant to which the Authority constructed the Regional Jail and obtained financing therefor.

**WHEREAS**, the Authority has issued and sold to the Virginia Resources Authority (**“VRA”**), a public body corporate and political subdivision of the Commonwealth of Virginia, its \$65,955,000 Jail Facilities Revenue and Refunding Bond, Series 2013, as amended by an Allonge in connection with the 2020 Bond as described below (**the “2013 Bond”**), the proceeds of which, together with other available funds, were used to finance and refinance the construction of the Regional Jail (**the “Project”**);

**WHEREAS**, VRA purchased the 2013 Bond from a portion of the proceeds of its Series 2013A VRA Bonds (**as more particularly defined in the below-defined 2013 Local Bond Sale and Financing Agreement, the “2013 VRA Bonds”**), in accordance with the terms of a Local Bond Sale and Financing Agreement dated as of April 4, 2013, between VRA and the Authority, as amended (**the “2013 Local Bond Sale and Financing Agreement”**);

**WHEREAS**, the Authority has also issued and sold to VRA its \$37,880,000 Regional Jail Facility Revenue and Refunding Bond, Series 2020 (**the “2020 Bond”**), the proceeds of which, together with other available funds, were used to refund the 2013 Bond;

**WHEREAS**, VRA purchased the 2020 Bond from a portion of the proceeds of its Series 2020A VRA Bonds (**as more particularly defined in the below-defined 2020 Local Bond Sale and Financing Agreement, the “2020 VRA Bonds”**), in accordance with the terms of a Local

Bond Sale and Financing Agreement dated as of April 14, 2020, between VRA and the Authority **(the “2020 Local Bond Sale and Financing Agreement”)**;

**WHEREAS**, VRA's purchase of the 2013 Bond and the 2020 Bond were also conditioned upon each of the Member Jurisdictions undertaking non-binding obligations to appropriate from time to time moneys to the Authority in connection with payments due on the 2013 Bond and the 2020 Bond;

**WHEREAS**, the City Council **(the “City Council”)** of the City of Bristol, Virginia **(the “City”)** has determined that the most cost-effective method to finance its jail facility needs is to join the Authority as a member jurisdiction and access the Regional Jail as a full member;

**WHEREAS**, pursuant to the Service Agreement, consent from each of the existing Member Jurisdictions is required for the joinder of a new member and any related amendment to the Service Agreement in connection therewith and, pursuant to the 2013 Local Bond Sale and Financing Agreement and 2020 Local Bond Sale and Financing Agreement, written consent from VRA is required for the same;

**WHEREAS**, the Authority has indicated that for the required consents to join the Authority, the City must agree to a Second Amended Service Agreement **(the “Amended Service Agreement”)** where the City agrees to contribute to the payment of costs and expenses of the Authority pursuant to the formula set forth in the Amended Service Agreement and to a Support Agreement similar in form to those provided by the existing Member Jurisdictions in connection with the issuance of the 2013 Bond and the 2020 Bond, the form of which is attached hereto as **Exhibit A (the “Support Agreement”)**.

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

1. It is determined by City Council to be in the best interests of the City and its citizens for the City to (a) join the Authority as a member jurisdiction, (b) enter into the Amended Service Agreement providing that the City receive the services and provide for payments pursuant to the formula set forth in the Amended Service Agreement and (c) enter into a Support Agreement to secure the City's share of debt service payments under the 2013 Bond and the 2020 Bond.
2. The City hereby determines to join the Authority. The Mayor, Vice-Mayor and City Manager are authorized to take all action necessary for the City to join the Authority as a member jurisdiction, including, but not limited to executing and delivering the Amended Service Agreement, substantially in the form of the existing Service Agreement, but including the City as a “Member Jurisdiction” thereunder and including the provisions set forth in the letter of conditions provided by the Authority attached hereto as **Exhibit B**, with such completions, omissions, insertions or changes not inconsistent with this resolution as may be approved by the Mayor or Vice-Mayor, in their sole discretion, the execution thereof by the Mayor or Vice-Mayor of the City to constitute conclusive evidence of his or her approval of such completions, omissions, insertions or changes.
3. The Mayor or Vice-Mayor, either of whom may act, is hereby authorized and directed to execute and deliver the Support Agreement. The Support Agreement shall be in

substantially the form presented to this meeting, which is hereby approved, with such completions, omissions, insertions or changes not inconsistent with this resolution as may be approved by the Mayor or Vice-Mayor, in their sole discretion, the execution thereof by the Mayor or Vice-Mayor of the City to constitute conclusive evidence of his or her approval of such completions, omissions, insertions or changes.

4. The City Manager is hereby authorized and directed to carry out the obligations imposed by the Amended Service Agreement and the Support Agreement on the City Manager, and to take all proper steps on behalf of the City as may be required or, including, but not limited to, any amendments, supplements or certifications under the Amended Service Agreement or Support Agreement in connection therewith, if any, or any other documents relating to the Amended Service Agreement, the Support Agreement and any payments in connection with the 2013 Bond and the 2020 Bond required by the Authority or VRA in connection with the matters described herein.
5. Nothing contained herein or in the Support Agreement is or shall be deemed to be a lending of the credit of the City to the Authority, VRA or to any holder of the 2013 Bond or the 2020 Bond or to any other person, and nothing herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of the City, nor shall anything contained herein or in the Support Agreement legally bind or obligate the City Council to appropriate funds for purposes described in the Support Agreement.
6. The City acknowledges and agrees to pay any expenses of the Authority or VRA and any professionals or advisors thereto in connection with the City joining the Authority.
7. All actions previously taken by representatives or agents of the City in furtherance of joining the Authority and the execution and delivery of the Amended Service Agreement and the Support Agreement are hereby ratified and approved.
8. This resolution shall take effect immediately.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2021.

By \_\_\_\_\_  
William J. Lamie, City Clerk

By \_\_\_\_\_  
Anthony Farnum, Mayor

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Clerk of the City Council of the City of Bristol, Virginia hereby certifies that the Resolution set forth above was adopted during an open meeting on October 12, 2021, by the City Council with the following votes:

Aye:

Nay:

Abstentions:

Signed this \_\_\_\_ day of \_\_\_\_\_, 2021.

By: \_\_\_\_\_  
City Clerk

## Exhibit A

September 14, 2021

To: SWVRJA Board Members

From: Stephen Clear 

Subject: Executive Committee Meeting With the City of Bristol

On Friday September 10, the executive committee met with representatives from the City of Bristol. Below is a list of points of agreement to begin the formation of a contract.

1. City of Bristol will pay for all legal/financial fees needed to facilitate the agreement.
2. City of Bristol will purchase two vans to transport inmates between Bristol and the Abingdon facility.
3. The Authority will interview, with the intention of hiring, Bristol's current jail employees that do not stay with the Sheriff's Department. All employee hire dates will be transferred along with 12 weeks or less of previously accrued sick leave time. One week previously accrued PTO/Vacation will transferred. If there is a reason a specific individual cannot be hired by the Authority, the City of Bristol will be notified. Currently, we do not see this will be a problem.
4. Debt Service: The City of Bristol will be billed based upon their actual inmate count or the minimum of 200, whichever is higher.
5. City of Bristol will pay a premium of \$2.75 on the guaranteed 200 inmates for 10 years. The premium amount of \$200,750 a year will be paid directly to the localities at year end with the reconciliation. Payment to the localities will be based upon each locality's actual inmate count.

Please review the above information and if you have any questions do not hesitate to contact me. Vern will be updating the service agreement to include these points and for the full Board to approve in October.

Thanks

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## **SOUTHWEST VIRGINIA REGIONAL JAIL AUTHORITY**

### **SECOND AMENDED SERVICE AGREEMENT**

This Second Amended Service Agreement (the “Agreement”) is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by and among the Southwest Virginia Regional Jail Authority (the “Authority”) and the counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington and Wise and the Cities of Norton and Bristol, each of which is a political subdivision of the Commonwealth of Virginia (collectively the “Member Jurisdictions” and individually, a “Member Jurisdiction”).

### **RECITALS**

WHEREAS, pursuant to Article 3.1, Title 53.1 of the Code of Virginia, the counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Washington, and Wise and the City of Norton each adopted resolutions creating the Southwest Virginia Regional Jail Authority (the “Authority”) for the purpose of financing, acquiring, constructing and equipping regional jail facilities in the counties of Dickenson, Washington, and Scott (the “Jail Facilities”), and providing for its ongoing operation and maintenance for the benefit of the Member Jurisdictions; and,

WHEREAS, in order to pay the costs of constructing, equipping, maintaining and operating the Jail Facilities, the counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Washington, and Wise and the City of Norton, entered into a Service Agreement dated February 1, 2003, establishing their financial obligations to the Authority on terms and conditions set forth in said Agreement; and,

WHEREAS, the Authority and Member Jurisdictions agreed to accept Tazewell County as a Member Jurisdiction and entered into Amended Service Agreement dated July 1, 2005, reestablishing the financial obligations of the Member Jurisdictions to the Authority on terms and conditions set forth in said Amended Service Agreement; and,

WHEREAS, City of Bristol desires to become a Member Jurisdiction of the Authority and share certain costs with the equipping, maintaining, financing, and operating the Jail Facilities of the Authority; and,

WHEREAS, the Member Jurisdictions agree that City of Bristol will share in the costs of operation of the Jail Facilities as well as the debt service on the bonds or revenue notes used to finance the construction of said Jail Facilities and renovations to the same based on the number of beds occupied by prisoners or inmates committed to the Sheriff of City of Bristol and housed at said Jail Facilities; and,

WHEREAS, City of Bristol will pay a per diem premium each day for every



prisoner housed by the Authority up to a designated amount in addition to the debt service charge and Facilities Charge and Facilities Charges described herein to become a Member Jurisdiction; and,

WHEREAS, the Member Jurisdictions agree herein to pay certain amounts on the terms set forth in this Agreement to construct, renovate, equip, maintain, and operate the Jail Facilities of the Authority.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the Authority and each of the Member Jurisdictions hereby agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

The capitalized terms in this Agreement have the meanings set forth below unless the context otherwise requires.

“Agreement with Tazewell County” means the lease agreement between the Authority and Tazewell County to staff, operate, and maintain the Tazewell Jail Facility as the fourth jail facility of the Authority and the terms and conditions for Tazewell County to become a Member Jurisdiction.

“Annual Budget” has the meaning given to such term in Section 3.7.

“Applicable Laws” mean all applicable laws, ordinances, judgments, decrees, injunctions, writs, and orders of any court, arbitrator or governmental agency or authority and all rules, regulations, orders, interpretations, licenses and permits of any Federal, state, county, municipal, regional, foreign or other governmental body, instrumentality, agency or authority.

“Authority” means the Southwest Virginia Regional Jail Authority.

“Authority Default” has the meaning given to such term in Section 8.1.

“Bonds” means revenue bonds and notes issued by the Authority in one or more series for permanent financing or refinancing of the design, site acquisition, construction, equipping, financing, preoperational expenses, renovations, additions, and other costs of the Jail Facilities, including any additional revenue bonds and notes issued by the Authority for refunding of prior bonds or notes issued by it or for the financing of additional construction or improvements to the Jail Facilities.

“Chief Executive Officer” means the city manager, county administrator or other official exercising comparable authority, of each Member Jurisdiction.

“Debt Service Charge” means the charge imposed upon Tazewell County and City of Bristol as debt service on the bonds or revenue notes used to finance or refinance the Jail Facilities or renovations and additions to the same in the counties of Dickenson, Scott, and Washington based upon the number of beds occupied by prisoners committed to the Sheriff of Tazewell County and the Sheriff of the City of Bristol and housed at the Jail Facilities.

“Debt Service Reserve Fund” means the reserve fund established in Section 4.3.

“Expenses” mean all expenses which may reasonably be determined by the Authority to be attributable directly or indirectly to the ownership or operation of the Jail Facilities and payable as operating expenses in accordance with generally accepted accounting principles and state law and shall also include debt service payments on indebtedness of the Authority and other capital costs, required payments to the Operating Reserve Fund, required payments to the Debt Service Reserve Fund established in connection with the Bonds and other reasonable or necessary payments required to comply with covenants imposed by the Indenture and other documents under which Bonds are issued.

“Facilities Charge” and “Facilities Charges” means the amounts payable by the Member Jurisdictions as determined in accordance with the provisions of Section 4.1(a)(2).

“Facilities Charge Percentages” has the meaning given such term in Section 4.1(a)(2)(ii).

“Fiscal Year” means the annual accounting period from July 1 of one year to June 30 of the following year.

“Indenture” means the indenture of trust or trust agreement, as the same may be supplemented or amended from time to time, under which the Bonds are issued by the Authority.

“Jail Facility” means any of the jails operated by the Authority referred to herein as either Jail Facilities or Tazewell Jail Facility.

“Jail Facilities” means the three (3) separate regional jail facilities acquired, constructed, renovated, and equipped by and for the use of the Authority, from monies provided from proceeds of the Bonds and located in the Counties of Dickenson, Washington, and Scott, together with any additions or improvements thereto.

“Member Jurisdictions” means the Counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington, and Wise and the Cities of Norton and Bristol, each a political subdivision of the Commonwealth of Virginia, and such other political subdivision or subdivisions joining the Authority as provided in Section 5.7 but excluding any political subdivisions that may have withdrawn from the Authority as provided in Section 5.8.

“Member Jurisdiction” means any of the Counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington, and Wise and the Cities of Norton and Bristol.

“Member Jurisdiction Default” has the meaning given to such term in Section 8.2.

“Net Expenses” means Expenses reduced by an amount equal to revenue received from (i) Non-Member Jurisdictions; (ii) Expenses of the Authority reimbursed by the Commonwealth of Virginia; and (iii) all other non-member revenue.

“Non-Member Jurisdictions” means political subdivisions or agencies thereof, including but not limited to, the federal government and the District of Columbia, which utilize the Jail Facilities.

“Non-Member Per Diem Rate” means the daily charge to Non-Member Jurisdictions for each Prisoner as determined from time to time by the Authority, unless specified by contract with the Authority, which initially shall be a rate not less than 150% of the Per Diem Rate.

“Notes” means bond anticipation notes issued by the Authority in November, 2001 and June, 2002 and refinancing or revenue anticipation notes from 2013 used to construct additions to the Jail Facilities. (Need to add 2020 notes)

“Operating Reserve Fund” means the reserve fund established in Section 4.3.

“Per Diem Premium” means the charge imposed upon City of Bristol for admission or joinder to the Authority as a Member Jurisdiction.

“Per Diem Rate” means a uniform daily charge equal to Net Expenses divided by the total number of beds used by Member Jurisdictions in the preceding Fiscal Year divided by 365 or 366 days, as the case may be; provided, however, for purposes of computing the Per Diem Rate prior to the Fiscal Year that begins on July 1, 2006, Net Expenses shall be divided by the estimated number of beds Member Jurisdictions are expected to use in the then current Fiscal Year divided by the estimated number of days the Jail Facilities are to be available for use in such Fiscal Year.

“Placed in Service” means the first day on which the Jail Facilities have been certified by the appropriate authority of the Commonwealth to accept Prisoners.

“Planning Study” means the feasibility study and conceptual design for the Jail Facilities prepared by Thompson & Litton, Engineers.

“Prisoner(s)” has the meaning given to such term in Section 3.1.

“Tazewell County” means Tazewell County, Virginia, a political subdivision of the Commonwealth, the tenth Member Jurisdiction of the Authority who did not participate in the issuance of the bonds or revenue notes used to finance the Jail Facilities in the Counties of Dickenson, Scott, and Washington.

“City of Bristol” means City of Bristol, Virginia, a political subdivision of the Commonwealth, the eleventh Member Jurisdiction of the Authority who did not participate in the issuance of the bonds or revenue notes used to finance the Jail Facilities or the renovations or additions to the same in the Counties of Dickenson, Scott, and Washington.

“Tazewell Jail Facility” means the jail facility located at the Courthouse in Tazewell, Virginia which was not acquired, constructed, or equipped from monies provided from proceeds of the bonds described herein used to construct the Jail Facilities.

## **ARTICLE II**

### **CONSTRUCTION AND FINANCING**

#### **Section 2.1 Construction of Jail.**

The Authority agrees to construct and equip the Jail Facilities substantially in accordance with the Planning Study.

#### **Section 2.2 Permits.**

The Authority will construct the Jail Facilities in accordance with the requirements of all Applicable Laws and the rules and regulations of the Virginia Board of Corrections. The Member Jurisdictions agree to provide reasonable assistance to the Authority in complying with any such requirements, and will provide the Authority with any and all information that may be necessary in this regard.

### **Section 2.3 Jail Facilities: Agreement to Finance.**

The eligible construction cost of the Jail Facilities totaled approximately \$74,446,751. One-half of the eligible construction costs estimated at \$37, 223,376 was reimbursed by the Commonwealth of Virginia upon completion of construction. The Authority financed the cost of constructing and equipping the Jail Facilities, including but not limited to the costs of issuance and related expenses associated with such financing, through the issuance of the Bonds. In addition, the Authority issued the Notes to finance certain preliminary costs on an interim basis which were not repaid with a portion of the proceeds of the Bonds. The Member Jurisdictions each agree that the Bonds will be secured by, among other things, the payments made pursuant to this Agreement and that the Authority will be issuing the Bonds in reliance on the representations and obligations of each of the Member Jurisdictions set forth in this Agreement. To become a Member Jurisdiction, Tazewell County paid a per diem premium for a period of ten (10) years and allowed the Authority to assume control, staff, operate, and maintain the Tazewell Jail Facility as the fourth jail facility of the Authority. Furthermore, Tazewell County entered into an Agreement to sublease that portion of the Tazewell County Courthouse utilized as the Tazewell County Jail for the Authority to equip, operate, and maintain the same as the fourth Jail Facility of the Authority under such terms and conditions as may be deemed appropriate by the Authority.

The Authority in 2013 refinanced the 2003 Bonds and financed a portion of the construction and improvement of additions to the Jail Facilities in Dickenson, Washington, and Scott Counties through the Virginia Resources Authority with the remaining financing of the improvements to said Jail Facilities through the issuance of a grant revenue anticipation note. With the additions and improvements to the above named Jail Facilities, City of Bristol requested to become a Member Jurisdiction of the Authority and share in the cost of constructing, financing, equipping, and operating the Jail Facilities of the Authority. To become a Member Jurisdiction, City of Bristol shall pay the per diem premium described below in paragraph 4.7 in addition to all other payments and obligations pursuant to this Second Amended Service Agreement. (Add 2020 note issue)

## **ARTICLE III**

### **PROVISIONS OF SERVICE, OPERATION, AND MAINTENANCE**

#### **Section 3.1 Acceptance of Prisoners.**

(a) Immediately after the Jail Facilities and Tazewell Jail Facility are Placed in Service, the Authority will accept Prisoners from each of the Member Jurisdictions (and to the extent space is available, from Non-Member Jurisdictions) who have been (i) duly arrested for committing a criminal offense and held over pending trial; or (ii) duly

convicted of committing a criminal offense and sentenced to a term of incarceration by a court having proper jurisdiction (the “Prisoners”). In the event the Jail Facilities and Tazewell Jail Facility are at capacity with Prisoners, the Authority shall continue to accept all Prisoners committed to it by a Member Jurisdiction and shall be responsible for arranging incarceration of such Prisoners, for transportation thereof and for all costs associated therewith.

(b) The Authority shall exercise its best efforts to keep the Jail Facilities and Tazewell Jail Facility full of Prisoners at all times. Prisoners of Member Jurisdictions shall be given a preference over those of Non-Member Jurisdictions; however, to the extent space is available, the Authority will endeavor to accept Prisoners from Non-Member Jurisdictions. The Authority shall attempt to place Member Jurisdiction Prisoners in the closest of the Jail Facilities and the Tazewell Jail Facility to such Member Jurisdiction. If a Non-Member Jurisdiction’s Prisoner prevents placement in the closest of the Jail Facilities or Tazewell Jail Facility to such Member Jurisdiction, such Non-Member Jurisdiction’s Prisoner shall be transferred to another of the Jail Facilities or Tazewell Jail Facility operated by the Authority, if space is available, to allow space for the Member Jurisdiction Prisoner at the closest of the Jail Facilities or Tazewell Jail Facility to such Member Jurisdiction. Non-Member Jurisdictions shall be responsible for all costs associated with such transportation unless otherwise provided for by contract with the Authority. Further, to the extent a Member Jurisdiction Prisoner is placed in one of the Jail Facilities or Tazewell Jail Facility that is not the closest to the Member Jurisdiction, then at such time as space is available in the closest of the Jail Facilities or Tazewell Jail Facility, the Authority agrees to transport the Member Jurisdiction Prisoner to such closest Jail Facility unless said Member Jurisdiction Prisoner is placed in a certain Jail Facility for a specific purpose other than lack of available space at the closest Jail Facility. The Authority is responsible for all costs associated with transportation of said Member Jurisdiction Prisoner.

### **Section 3.2 Commitment of Prisoners.**

(a) After the Jail Facilities are Placed in Service and until final Payment of the Bonds, each Member Jurisdiction agrees, to the extent permitted by law: (1) to be obligated to commit promptly all of its Prisoners to the custody of the Authority and (2) to refuse to pay for the incarceration of any Prisoner committed to the custody of its Sheriff that is incarcerated in any facility other than the Jail Facilities or Tazewell Jail Facility of the Authority unless in the case of either: (i) commitment of any such Prisoner to a facility other than the Jail Facilities or Tazewell Jail Facility is ordered by a court of competent jurisdiction; (ii) a court of competent jurisdiction orders the Member Jurisdiction to make such a payment; or (iii) the Authority, in breach of this Agreement, refuses to accept any such Prisoner. The Member Jurisdiction shall have the right to seek reimbursement of its costs for the incarceration of any such Prisoner from the Authority, if the Authority unjustifiably refuses to accept any such Prisoner.

(b) Upon the Jail Facilities and Tazewell Jail Facility being Placed in Service, each Member Jurisdiction, to the extent permitted by law, agrees that it shall cease to use its existing jail facilities except for use as temporary holding cells prior to commitment of Prisoners to the custody of the Authority.

(c) The Authority agrees to assist the Member Jurisdictions in evaluating the feasibility of utilizing its existing local jail facilities or in the demolition or conversion to other use of such existing local jail facilities.

### **Section 3.3 Transportation of Prisoners.**

Unless the Member Jurisdictions and the Authority agree otherwise, the Authority shall be responsible for the transportation of Prisoners from such Member Jurisdiction to the appropriate Jail Facility or Tazewell Jail Facility for processing and for all costs, expenses, and security relating to such Prisoners during transportation. The Authority agrees to provide transportation of such Prisoners to and from any and all court appearances and shall remain with and maintain responsibility for such Prisoners while such Prisoners await court appearance, unless otherwise agreed by the parties.

### **Section 3.4 Operation and Maintenance.**

The Authority will acquire, design, construct, equip, finance, operate, and maintain the Jail Facilities or Tazewell Jail Facility in accordance with the rules and regulations of the Virginia Board of Corrections and all other Applicable Laws. The Authority shall be an equal opportunity employer.

### **Section 3.5 Insurance.**

The Authority will maintain hazard, liability, or such other insurance as may be required by Applicable Law or which the Authority may deem advisable to protect the interest of the Authority and its Member Jurisdictions. Any such insurance policies shall include the Member Jurisdictions as additional insureds thereunder to the extent of their respective interest. Additionally, the Authority shall obtain surety or fiduciary bonds on Authority employees who have access to Authority funds, bank accounts, deposits or receivables.

### **Section 3.6 Annual Report.**

Within 30 days of the end of each of the Fiscal Year quarters, the Authority will provide each Member Jurisdiction with a statement of revenues and expenditures of the Authority for the preceding quarter, including data on the utilization of the Jail Facilities and Tazewell Jail Facility by the Member Jurisdictions and other users of the Jail Facilities.

The Authority will cause an annual audit to be performed and completed by October 31 of each year for the immediately preceding Fiscal Year by an independent certified public accountant. The final report shall include an estimate of the Fiscal Year-end adjustments to be paid by or credited to each Member Jurisdiction in the following Fiscal Year pursuant to Section 4.1 (a)(4) to reflect actual utilization of the Jail Facilities and Tazewell Jail Facility. A copy of the auditor's report will be delivered to the Chief Executive Officer of each Member Jurisdiction promptly upon completion.

### **Section 3.7 Annual Budget.**

The Authority shall provide to each Member Jurisdiction on or before each January 31st of each calendar year, the Authority's preliminary Annual Budget for the next Fiscal Year and on or before April 30 of each calendar year its final Annual Budget for the next Fiscal Year. Such Annual Budget shall set forth the Facilities Charge Percentage for each Member Jurisdiction, the projected number of Prisoners from each Member Jurisdiction, as well as any payment adjustments that are due to be paid or credited pursuant to Section 4.1(a)(4). The Authority agrees to set, and revise as needed, the Facilities Charges sufficient to generate revenue adequate to pay Net Expenses. Within ten (10) days of any revision to the Facilities Charge, the Authority shall notify each Member Jurisdiction of such revision. The Authority shall promptly provide copies of any amendments to its Annual Budget to each Member Jurisdiction.

Each Member Jurisdiction hereby directs its Chief Executive Officer to include in each annual budget submitted to the governing body of his or her jurisdiction or in an amendment thereto, sufficient funds to cover the payment of the Facilities Charge assessed by the Authority in each Fiscal Year including any subsequent revisions thereto during the course of such year. Each Member Jurisdiction hereby directs its Chief Executive Officer to notify the Authority (i) by July 1 of each year, of the amount so budgeted by the Member Jurisdiction and (ii) at any time, of any amendments to the amount so budgeted by the Member Jurisdiction.

To assist the Member Jurisdictions in estimating their obligations to the Authority, the Authority will develop a policy, which it may amend from time to time, for forecasting its revenues and expenditures over future periods of up to five (5) years beyond the then current Fiscal Year. The forecast will be revised annually and distributed to the Member Jurisdictions during the budget setting process.

### **Section 3.8 Books and Records; Fiscal Agent.**

The Authority will maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted accounting principles for governmental bodies, consistently applied, of all of its business and affairs related to the Jail Facilities and Tazewell Jail Facility. The books and records of account of the Authority



shall be audited annually by a firm of independent public accountants selected by the Authority. The Authority may contract with one of its Member Jurisdictions for the Member Jurisdiction to serve as fiscal agent for the Authority. All books of record and account and documents in the Authority's (or its fiscal agent's) possession relating to the Jail Facilities shall at all reasonable times be open to inspection by such agents or employees of the Member Jurisdictions as they may designate.

### **Section 3.9 Preliminary Responsibilities.**

Before the Jail Facilities are Placed in Service, the Authority will be responsible for (i) the final design, construction and equipping of the Jail Facilities; (ii) the employment or procurement and equipping of the Jail Facilities; (iii) the adoption of rules, regulations, policies and guidelines for the operation and maintenance of the Jail Facilities, not inconsistent with the standards of the Virginia Board of Corrections; and (iv) the arrangements for financing the Jail Facilities.

### **Section 3.10 Annual Per Diem Rate Calculation.**

The Authority will provide each Member Jurisdiction, annually, following the end of each Fiscal Year, the calculation for the effective Per Diem Rate for such Member Jurisdiction for its usage of the Jail Facilities and Tazewell Jail Facility.

## **ARTICLE IV**

### **PAYMENTS**

#### **Section 4.1 Payments from Member Jurisdictions.**

##### **(a) Facilities Charges.**

(I) In each Annual Budget, the Authority shall establish the Facilities Charge for the following Fiscal Year which shall be revised as necessary as provided in Section 3.7.

(2) (i) The Facilities Charge shall be invoiced quarterly by the Authority 30 days in advance of service and shall be payable no later than July 15, October 1, January 1, and April 1 in each year, beginning July 15, 2005. Notwithstanding the foregoing, if as a result of construction cost overruns, cost savings or delays in construction, or early completion of construction, or any combination thereof, it becomes necessary to accelerate or delay payment of the first Facilities Charge, the Authority and the Member Jurisdictions will make such adjustment as may be necessary or appropriate for timely payment of Net Expenses.

(ii) In order to facilitate the successful financing of the Jail Facilities, the Member Jurisdictions agree to pay their ratable share of the Facilities Charge as budgeted by the Authority in accordance with the percentages established annually pursuant to this Section (the “Facilities Charge Percentages”) notwithstanding the actual number of Prisoners committed or expected to be committed, subject to Fiscal Year-end adjustment to reflect actual use.

(A) Unless the Member Jurisdictions mutually agree upon other percentages due to a change in proportionate Prisoner populations, the Facilities Charge for each Member Jurisdiction shall be based upon the actual Prisoner count at the end of the fiscal year after reconciliation subject to Paragraph 4.7(a). For the period commencing on the date of this Agreement through the Fiscal Year ending June 30, 2022, the proposed Facilities Charge will be paid in accordance with the following percentages:

<b>Member Jurisdiction</b>	<b>Estimated Bed Usage</b>	<b>Facilities Charge Percentage</b>
Buchanan County	150	7%
Dickenson County	100	5%
Lee County	140	6%
Russell County	180	9%
Scott County	195	10%
Smyth County	195	10%
Tazewell County	320	16%
Washington County	320	16%
Wise County	205	10%
City of Norton	20	1%
City of Bristol	200	10%
<b>Total</b>	<b>2,025</b>	<b>100.00%</b>

(B) Beginning with the Fiscal Year that commences July 1, 2007, the budget Facilities Charge Percentages shall be adjusted each Fiscal Year to approximate the actual proportionate use of the Jail Facilities and Tazewell Jail Facility by the Member Jurisdictions as of the end of the immediately preceding Fiscal Year. Such actual proportionate use for each Member Jurisdiction shall be determined by a fraction the numerator of which shall be the number of Prisoner beds used by the Member Jurisdiction during the immediately preceding Fiscal Year and the denominator of which shall be the total number of Prisoner beds used by all Member Jurisdictions in the immediately preceding Fiscal Year. Notwithstanding the foregoing, the Authority and the Member

Jurisdictions may use such other method for annually adjusting budgeted Facilities Charge Percentages as may be mutually agreeable.

(3) If not paid when due, the Facilities Charge shall bear interest at  $\frac{3}{4}\%$  per month until paid; provided, however, that this provision shall not apply in instances where Applicable Law prescribes some other due date or late payment charge. If not paid on the date payment is due, a Member Jurisdiction shall be charged at the Non-Member Per Diem charge for its Prisoners in accordance with Section 4.1(c) until all amounts due and unpaid have been fully paid.

4) By the end of each October following the immediately preceding Fiscal Year, the Authority shall reconcile the total amount of each Member Jurisdiction's payments to reflect the amount each Member Jurisdiction should have paid during such year based upon actual proportionate use of the Jail Facilities and Tazewell Jail Facility and compare it to the amount paid by each Member Jurisdiction. Any Member Jurisdiction which has underpaid shall be notified by the Authority of the amount of the shortfall, which amount shall be paid as an additional sum in equal quarterly installments over the next Fiscal Year. Any Member Jurisdiction that has overpaid shall be entitled to a refund or a credit, as such Member Jurisdiction may elect, in the amount of such overpayment to be applied in equal quarterly installments over the next Fiscal Year; provided, however, no Member Jurisdiction shall be entitled to a full credit until such time as the Authority has received payment of all underpaid amounts. In the event the Authority receives a portion but not all of the payments due for underpaid bills, the Authority shall apply the amount received ratably as a partial credit to the Member Jurisdictions which overpaid.

(b) The obligation of each Member Jurisdiction to pay the Facilities Charge in advance shall be subject to and contingent upon appropriations being made for such purpose by the governing body of such Member Jurisdiction.

(e) If Facilities Charges due and payable in advance as set forth in Section 4.1(a)(2) are not paid within 30 days of their respective due dates, each Member Jurisdiction hereby agrees to pay, on a monthly basis, the Non-Member Per Diem Rate for each Prisoner committed to the Jail Facilities or Tazewell Jail Facility during preceding calendar month. All payments pursuant to this paragraph shall be due and payable not later than 30 days following the date of the Authority's invoice setting forth the amounts due for the services rendered by the Authority in housing such Member Jurisdiction's Prisoners.

(d) Prior to the issuance of the Bonds, if for any reason the Jail Facilities are not Placed in Service, the Member Jurisdictions shall reimburse the Authority for all expenses, including debt service on the Authority's interim financings, not previously paid by the Member Jurisdictions pursuant to the percentages contained in the table in Section 4.1(a)(2): provided, however, that the payment required by any Member Jurisdiction, will be subject to the appropriation of funds for such purpose by the governing body of such

## Member Jurisdiction.

(e) Commencing on the date of issuance of the Bonds, if the Authority lacks sufficient funds to pay scheduled debt service on the Bonds, or to pay any debt service reserve funding requirements. The Authority shall promptly notify the Member Jurisdictions of the amount of each insufficiency. Upon such notification, each Member Jurisdiction agrees to pay, subject to the conditions contained in this paragraph, a portion of such deficit equal to its Facilities Charge Percentage then in effect for the then current Fiscal Year as determined pursuant to Section 4.1 (a)(2). Any such payment under this paragraph shall be subject to the appropriation of funds by the governing body of each Member Jurisdiction. In no event shall the obligation of any Member Jurisdiction, under this paragraph (e) or the immediately preceding paragraph (d) be deemed to constitute a debt within the meaning of the Constitution of Virginia.

(f) The Authority shall notify all Member Jurisdictions not later than 30 days after any payment due date if a Member Jurisdiction fails to pay any charge when due, and shall pursue with diligence the collection of such past due amount. The notice shall include a statement of the Authority's intention to adjust the remaining payments due during the Fiscal Year (and thereafter if such default is not cured) from all non-defaulting Member Jurisdictions and shall state the amount of the adjusted charge. The adjustment shall be based upon a reallocation of Facilities Charge Percentages to all non-defaulting Member Jurisdictions. Upon payment in full of the amount in arrears by the defaulting Member Jurisdiction the Authority shall readjust charges to the Member Jurisdictions to pre-default levels and credit all non-defaulting Member Jurisdictions in the appropriate amount for any excess payments previously made at the default adjusted rate. The Authority shall make other adjustments as may be necessary to the Facilities Charge during the Fiscal Year to meet expenses and to comply with any covenant entered into in connection with issuance of the Bonds.

### **Section 4.2 Payments from other Jurisdictions.**

Within the limits allowed by law, the Authority shall establish a Non-member Per Diem Rate for the care, maintenance and subsistence of Prisoners from Non-Member Jurisdictions. Such Non-Member Per Diem Prisoner charge shall be due and payable to the Authority from Non-Member Jurisdictions having Prisoners in the Jail Facilities no later than the fifteenth day of the month next following the month in which the charge was incurred and if not paid when due shall bear interest at the rate of 1% per month until paid; provided, however, that the provision as to interest on late payments shall not apply in instances where state law prescribes some other due date or late payment charge. Revenue received from all sources other than the Member Jurisdictions shall be used to pay Expenses.

### **Section 4.3 Operating Reserve Fund and Debt Service Reserve Fund.**

Upon the Jail Facilities being placed in Service, the Authority agrees to provide for an Operating Reserve Fund in each of its Annual Budgets in an amount equal to not less than 60 days of Expenses, excluding debt service requirements, contained in the Annual Budget for such year. The Operating Reserve Fund will be established as a separate account and will be used to cover periods of revenue shortfall when the Authority's revenues are not sufficient to cover its actual Net Expenses. Upon the issuance of the Bonds, the Authority agrees to provide for a Debt Service Reserve Fund to be held by the trustee under the Indenture and in an amount not less than the maximum annual debt service on the Bonds as further described in the Indenture. The Authority agrees to provide for contributions to the Debt Service Reserve Fund in each of its Annual Budgets to the extent necessary to maintain the amounts therein at not less than the minimum amount required. The Debt Service Reserve Fund will be established as a separate account held by the trustee under the Indenture for the Bonds.

#### **Section 4.4 Commonwealth Reimbursement Grants.**

Any funds that the Authority receives from the Commonwealth of Virginia as reimbursement for the cost of constructing the Jail Facilities will be applied immediately to the payment of the notes portion of the Bonds.

#### **Section 4.5 Limitation of Liability.**

The only obligation of the Member Jurisdictions to pay for the establishment, operation, or maintenance of the Jail Facilities and the Tazewell Jail Facility arises out of this Agreement. No such payment for future responsibility shall constitute a debt of any Member Jurisdiction within the meaning of any constitutional or statutory limitation. Nothing in this Agreement shall constitute a pledge of the full faith and credit of any Member Jurisdiction under any provision of its charter, if any, or the Constitution of Virginia.

#### **Section 4.6 Paragraph Reserved.**

#### **Section 4.7 Payments and Contributions by City of Bristol.**

(a) Per Diem Premium: City of Bristol shall pay the Authority a per diem premium, in addition to the debt service charge, Facilities Charge, and Facilities Charges set forth herein, of Two Dollars Seventy-Five Cents (\$2.75) per Prisoner committed to the Authority and housed at the Jail Facilities and Tazewell Jail Facility each day for ten (10) years commencing on the day Prisoners are committed to the Authority from City of Bristol pursuant to this Agreement. The per diem premium described herein shall be in addition to the debt service charge, Facility Charge, and Facilities Charges herein. Furthermore, City of Bristol shall pay the per diem premium herein based upon a minimum of two hundred (200) prisoners per day, or the actual number of inmates housed, whichever is

greater.

(b) Debt Service Charge: City of Bristol shall pay annually a debt service charge on the bonds or revenue notes used to finance or refinance the costs of construction of the Jail Facilities and the renovations and additions to the same. The debt service charge described herein in this Second Service Agreement shall be based upon a minimum of two hundred (200) prisoners per day, or the actual number of inmates housed, whichever is greater, committed to the Sheriff of the City of Bristol and housed by the Authority at the Jail Facilities located in Dickenson, Scott, and Washington Counties or the Tazewell Jail Facility. The debt service charge described herein shall be in addition to the Per Diem Premium set forth above and the Facilities Charge and Facilities Charges imposed annually on each Member Jurisdiction pursuant to the Service Agreements described herein and entered into by the Member Jurisdictions.

(c) City of Bristol shall donate two vehicles to the Authority upon approval of this Service Agreement capable of transporting prisoners.

(d) City of Bristol shall pay all legal fees in connection with becoming a Member Jurisdiction, including but not limited to, the approvals associated with the Bonds.

(e) The per diem premiums collected by the Authority for ten (10) years shall be reallocated or reimbursed at the end of each fiscal year to the other ten (10) Member Jurisdictions based upon the average number of Prisoners housed during the fiscal year by each of the other ten (10) Member Jurisdictions.

## ARTICLE V

### ADDITIONAL AGREEMENTS

#### **Section 5.1 Sale or Other Conveyance.**

Except as specifically permitted under the Indenture, the Authority will not sell, lease, sublease, assign, convey, or otherwise voluntarily dispose of any of the Jail Facilities or any material interest in the Jail Facilities unless the Bonds and any other debt incurred by the Authority have been paid or otherwise deemed paid or defeased in accordance with the Indenture or other agreements pursuant to which the Bonds or other debt was issued,

#### **Section 5.2 Further Documents and Data.**

The parties to this Agreement will execute and deliver all documents and perform all further acts that may be reasonably necessary to perform the obligations and consummate the transactions contemplated by this Agreement.

### **Section 5.3 Right to Access.**

Each of the Member Jurisdictions will have reasonable access to the Jail Facilities and Tazewell Jail Facility in order to monitor the Authority's compliance with the terms of this Agreement.

### **Section 5.4 Confidentiality.**

The Authority will maintain all records and files on the Prisoners on a confidential basis in accordance with all Applicable Laws. Each of the Member Jurisdictions will maintain the confidential nature of all records and files relating to the Prisoners in accordance with all Applicable Laws.

### **Section 5.5 Notification.**

The Authority will promptly furnish to each of the Member Jurisdictions a copy of any notice or order of any governmental authority asserting that the Authority, the Jail Facilities, or the Tazewell Jail Facilities are not in compliance in any material respect with any Applicable Law.

### **Section 5.6 Tax-Exemption Covenant; Continuing Disclosure.**

(a) The Authority intends to issue the Bonds in a manner such that the interest thereon is excludable from gross income for Federal income tax purposes under Section 103(a) and related provisions of the Internal Revenue Code of 1986, as amended and applicable rules and regulations. The Authority and each of the Member Jurisdictions agrees that, after the Bonds have been issued, they will not take any action or omit to take any action, which would adversely affect such exclusion of interest.

(b) Pursuant to Section 15c2-12 (b) of the regulations issued by the Securities and Exchange Commission (the "Rule"), the Authority shall, and Member Jurisdictions may, be required to agree with the underwriters of the Bonds, and for the benefit of the owners of the Bonds, to supply certain national municipal securities information repositories for as long as the Bonds are outstanding certain financial information on an annual basis and notification of certain specified material events affecting the Authority and the Member Jurisdictions in compliance with such Rule. The requirements of this ongoing disclosure requirement will be set forth in a continuing disclosure agreement relating to the issuance of the Bonds. Each of the Member Jurisdictions agrees to comply with the ongoing disclosure requirements described above to the extent required therein, including, but not limited to, providing the Authority with timely notice of the occurrence of any of the

specified events which is material to its operations as set forth in the Rule.

### **Section 5.7 Additional Members.**

Any city or county in Virginia may, with the approval of its governing body and with the consent of all the Member Jurisdictions, join and participate in the Authority under such additional terms and conditions for membership as may be prescribed by the Authority.

### **Section 5.8 Withdrawal of Membership.**

(a) Any Member Jurisdiction may withdraw from membership in the Authority by resolution or ordinance of its governing body; however, no Member Jurisdiction shall be permitted to withdraw from the Authority after the Bonds have been issued and remains outstanding unless (1) the withdrawal is consented to by unanimous vote of the Member Jurisdictions; and (2) the withdrawing Member Jurisdiction shall have agreed to pay its proportionate share of the costs of the Jail Facilities financed with Bonds or other indebtedness, such proportionate share to be determined by multiplying the then unpaid principal portion of the Bonds or other indebtedness by the withdrawing Member Jurisdiction's average actual use of Prisoner beds (as determined by Section 4.1(e)(2)(ii)) in the two Fiscal Years immediately preceding the effective date of withdrawal plus such other amounts as shall be sufficient to pay any premium then due or to be due and interest accruing on the withdrawing Member Jurisdiction's proportionate share of such unpaid principal until the date the Bonds or other indebtedness shall be next eligible for redemption.

(b) The Member Jurisdictions shall not dissolve the Authority during any period in which Bonds or Notes are outstanding without providing by way of agreement or through some other arrangement for payment or defeasance of the principal of, premium, if any, and interest then remaining to be paid on such Bonds or Notes and any expenses related thereto. Any such agreement or arrangement shall be subject to the appropriation of funds for such purpose by the governing bodies of the Member Jurisdictions.

### **Section 5.9 Preferential Hiring.**

Qualified employees of any of the correctional departments of the sheriffs of any of the Member Jurisdictions shall be given preferred consideration for employment at the Jail Facilities and Tazewell Jail Facility by the Authority, subject to the employment policies and procedures adopted by the Authority.

## **ARTICLE VI**



## **REPRESENTATIONS, WARRANTIES, AND COVENANTS OF AUTHORITY**

In addition to the covenants in other Articles of this Agreement, the Authority represents, warrants, and covenants as follows:

### **Section 6.1 Organization, Authorization and Validity.**

The Authority is a political subdivision of the Commonwealth duly organized and validly existing under the laws of the Commonwealth and has duly authorized, executed and delivered this Agreement enforceable against the Authority in accordance with the terms.

### **Section 6.2 Authority.**

The Authority has all requisite authority to execute and deliver and perform its obligations under this Agreement and is not a party to any indenture, contract or other agreement or arrangement, the performance of which by the Authority would prevent or materially and adversely affect the Authority's ability to perform the terms of this Agreement.

### **Section 6.3 Non-Contravention.**

The execution and delivery of this Agreement by the Authority and the consummation of the transactions contemplated in it will not conflict with or result in a breach of or constitute a default under or violate any of the terms, conditions or provisions of the resolutions creating the Authority, the bylaws of the Authority or any material indenture, contract or other agreement or arrangement to which the Authority is a party or by which any of its properties are bound, or any Applicable Law by which the Authority is bound.

### **Section 6.4 Litigation.**

The Authority is not a party to any legal, administrative, arbitration or other proceeding or controversy pending, or, to the best of the Authority's knowledge, threatened, which would materially adversely affect the Authority's ability to perform under this Agreement.

### **Section 6.5 Approvals.**

Except for approvals that may be required by the Virginia Board of Corrections and any approvals that may be required for reimbursements from the Commonwealth of Virginia, the Authority does not require the consent or approval of any governmental body

to carry out the terms of this Agreement.

## **ARTICLE VII**

### **REPRESENTATIONS, WARRANTIES, AND COVENANTS OF MEMBER JURISDICTIONS**

Each of the Member Jurisdictions represents, warrants, and covenants as follows:

#### **Section 7.1 Organization. Authorization and Validity.**

Each of the Member Jurisdictions is a political subdivision of the Commonwealth duly organized and validly existing under the laws of the Commonwealth, and each has duly authorized, executed, and delivered this Agreement. The obligations of each of the Member Jurisdictions in this Agreement are valid, legal, and binding agreements enforceable against each of the Member Jurisdictions in accordance with the terms of this Agreement.

#### **Section 7.2 Authority.**

Each of the Member Jurisdictions has all requisite authority to execute and deliver and perform its obligations under this Agreement and is not a party to any indenture, contract or other agreement or arrangement, the performance of which by it would prevent or materially and adversely affect its individual performance under this Agreement.

#### **Section 7.3 Non-Contravention.**

The execution and delivery of this Agreement by each of the Member Jurisdictions and the consummation of the transactions contemplated herein will not conflict with or result in a breach of or constitute a default under or violate any of the terms, conditions or provisions of any charter, resolution or ordinance, any material indenture, contract or agreement or arrangement to which it is a party or by which any of its properties are bound, or any Applicable Law by which it is bound.

#### **Section 7.4 Litigation.**

None of the Member Jurisdictions is a party to any legal, administrative, arbitration, or other proceeding or controversy pending, or, to the best of its knowledge threatened, which would materially and adversely affect its ability to perform under this Agreement.

## **ARTICLE VIII**

## **DEFAULTS AND REMEDIES**

### **Section 8.1 Default by Authority.**

‘The occurrence of any one or more of the following events will constitute an “Event of Default” by the Authority (**“Authority Default”**):

(a) failure of the Authority to pay principal of or interest when due on any Bonds or Notes or other temporary or permanent financing for the Jail Facilities issued or obtained by the Authority pursuant to this Agreement;

(b) if the Authority is for any reason rendered incapable of performing any of its material obligations under this Agreement;

(c) the Authority makes an assignment of all or a portion of its obligations under this Agreement without the prior consent of the Member Jurisdictions;

(d) the Authority defaults on any of its material obligations under any agreement pursuant to which the Bonds, the Notes or oilier temporary or permanent financing for the Jail Facilities are issued or obtained by the Authority pursuant to this Agreement and such default is not cured within the applicable cure period;

(e) any proceeding is instituted, with the consent or acquiescence of the Authority. for the purpose of effecting a composition between the Authority and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are tinder any circumstances payable from the funds of the Authority; or

f) the Authority defaults in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in this Agreement, and the default continues for thirty days after written notice specifying the default and requiring it to be remedied has been given to the Authority by any of the Member Jurisdictions.

### **Section 8.2 Default by Member Jurisdictions.**

(a) The occurrence of any one or more of the following events will constitute an “Event of Default” by any Member Jurisdiction (**“Menber Jurisdiction Default”**):

(1) failure of any of the Member Jurisdictions to make payments of Facilities Charges when due;

(2) failure of any of the Member Jurisdictions to make payments based on the Non-Member Per Diem Rate when due, if applicable;

(3) any of the Member Jurisdictions, for any reason, being rendered incapable of fulfilling its obligations under this Agreement; or

(4) any proceeding is instituted, with the consent or acquiescence of any of the Member Jurisdictions, for the purpose of effecting a composition between such Member Jurisdiction and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the finds of such Member Jurisdiction; or

(5) any of the Member Jurisdictions defaults in the due and punctual performance of any of the other covenants, conditions, agreements and provisions contained in this Agreement, and the default continues for thirty days after written notice specifying the default and requiring it to be remedied has been given to such Member Jurisdiction by the Authority.

(b) Notwithstanding anything contained in this Section to the contrary, (1) failure by a Member Jurisdiction to pay when due any payment required to be made under this Agreement (other than payments due pursuant to Section 4.1(c)) or (2) failure by a Member Jurisdiction to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement. either of which results from failure of such Member Jurisdiction to appropriate moneys for such purposes shall not constitute a Member Jurisdiction Default. Upon any such failure to appropriate, the provisions of Section 8.4(b) shall be applicable.

### **Section 8.3 Remedies of Member Jurisdictions.**

Upon the occurrence of an Authority Default, any of the Member Jurisdictions, after giving notice of such Authority Default to all parties, may bring suit by mandamus or other appropriate proceeding to require the Authority to perform its duties under this Agreement or to enjoin any acts in violation of this Agreement.

### **Section 8.4 Remedies of Authority.**

(a) Upon the occurrence of a Member Jurisdiction Default, the Authority, after giving notice of such Member Jurisdiction Default to all parties, may bring suit by mandamus or other appropriate proceeding to require the defaulting Member Jurisdiction to perform its duties under this Agreement or to enjoin any acts in violation of this Agreement. The Authority may also refuse to accept Prisoners from such defaulting Member Jurisdiction until the default has been cured.

(b) If by June 30th of ally year the governing body of a Member Jurisdiction has

failed to appropriate moneys sufficient for the payment in the following Fiscal Year of its (i) Facilities Charges pursuant to the provisions Section 4. 1 (a)(2); and (ii) any other amounts due pursuant to the provisions Section 4.1(a)(4), the Chief Executive Officer of such Member Jurisdiction shall give notice to the Authority and the trustee under the Indenture of such failure within five (5) business days thereafter, and if no such appropriation has been made by the following July 15, the Authority may declare due and payable the Member Jurisdiction's proportionate share of the costs of the Jail Facilities financed with Bonds or other indebtedness, such proportionate share of costs to be determined as set forth in Section 5.8(a)(2), provided; however, such share shall be subject to annual appropriation by the governing body of such Member Jurisdiction. The Authority may also refuse to accept Prisoners from any Member Jurisdiction which fails to appropriate sums sufficient to meet its obligations under this Agreement.

#### **Section 8.5 Remedies Not Exclusive.**

No remedy in this Agreement conferred upon or reserved to the parties is intended to be exclusive of any other remedy; and each remedy is cumulative and in addition to every other remedy given under this Agreement or hereafter existing at law, in equity or by statute.

### **ARTICLE IX**

#### **MISCELLANEOUS**

#### **Section 9.1 Severability of Invalid Provisions.**

If any clause, sentence, provision or section of this Agreement is held to be illegal or invalid by any Court, the invalidity of the clause, sentence, provision or section will not affect any of the remaining clauses, sentences, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, sentence, provision or section had not been contained in it.

#### **Section 9.2 Notices.**

Any notice or other communication under or in connection with this Agreement shall be in writing and shall be effective when delivered in person or sent in the United States mail postage prepaid, to the following persons and addresses or to such other persons and addresses as any of such persons may from time to time specify in writing.

If to the Authority:

Stephen Clear, Superintendant  
Southwest Virginia Regional Jail Authority  
15205 Joe Derting Drive  
Abingdon, VA 24210

If to Buchanan County:

County Administrator  
P.O. Drawer 950  
Grundy, Virginia 24614

If to Dickenson County:

County Administrator  
P.O. Box 1098  
Clintwood, Virginia 24228

If to Lee County:

County Administrator  
P.O. Box 367  
Jonesville, Virginia 24263

If to Russell County:

County Administrator  
121 F. Main Street  
Lebanon, VA 24266

If to Scott County:

County Administrator  
112 Water Street. Suite I  
Gate City. Virginia 24251

If to Smyth County:

County Administrator  
121 Bagley Circle, Suite 100  
Marion, Virginia 24354

If to Tazewell County:

County Administrator  
108 E. Main St  
Tazewell, VA 24651

If to Washington County:

County Administrator  
205 Academy Drive  
Abingdon, Virginia 24210

If to Wise County:

County Administrator  
P.O. Box 570  
Wise, Virginia 24293

If to the City of Norton:

City Manager  
P.O. Box 618  
Norton, Virginia 24273

If to the City of Bristol

City Manager  
300 Lee Street  
Bristol, VA 24201

### **Section 9.3 Execution of Agreement.**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original having identical legal effect.

### **Section 9.4 Governing Law.**

This Agreement shall be governed by and construed and enforced in accordance with, the *laws* of the Commonwealth of Virginia.

### **Section 9.5 Amendments.**

This Agreement may be changed or amended only with the consent of the Authority and each of the Member Jurisdictions. After the issuance of the Bonds, no such change or amendment shall be effective which would cause a violation of any provision of any resolution, indenture or agreement pursuant to which the Bonds or other temporary or



permanent financing for the Jail Facilities are issued or obtained by the Authority.

**Section 9.6 Effective Date of Agreement.**

This Agreement will be effective from the date of its execution and delivery by all of the Member Jurisdictions and the Authority.

**Section 9.7 Waiver.**

Any waiver by any party of its rights under this Agreement must be in writing and will not be deemed a waiver with respect to any matter not specifically covered. Nothing in this Agreement authorizes the waiver of any Member Jurisdiction's obligation to make payments when due of all monies required to be paid by the Member Jurisdictions under the terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date above written.

SOUTHWEST VIRGINIA REGIONAL JAIL  
AUTHORITY

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF BUCHANAN

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF DICKENSON

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF LEE

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF RUSSELL

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF SCOTT

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF SMYTH

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF TAZEVELL

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF WASHINGTON

BY: \_\_\_\_\_  
CHAIRMAN

COUNTY OF WISE

BY: \_\_\_\_\_  
CHAIRMAN

CITY OF NORTON

BY: \_\_\_\_\_  
MAYOR

CITY OF BRISTOL

BY: \_\_\_\_\_  
MAYOR

**SUPPORT AGREEMENT  
SOUTHWEST VIRGINIA REGIONAL JAIL AUTHORITY AND THE CITY OF  
BRISTOL**

**THIS SUPPORT AGREEMENT (this “Support Agreement”)** is made as of December 1, 2021, between the **CITY OF BRISTOL, VIRGINIA (the “City”)** and the **SOUTHWEST VIRGINIA REGIONAL JAIL AUTHORITY (the “Jail Authority”)**, in connection with the 2013 Local Bond and the 2021 Local Bond, each as hereinafter defined, issued pursuant to an Indenture of Trust, dated as of June 1, 2013 (**the “Indenture”**), between the Jail Authority and REGIONS BANK, as Trustee, and sold to the Virginia Resources Authority (**“VRA”**) pursuant to a Local Bond Sale and Financing Agreement dated as of April 4, 2013 (**the “2013 Local Bond Sale and Financing Agreement”**), between VRA and the Jail Authority and a Local Bond Sale and Financing Agreement dated as of April 14, 2020 (**the “2020 Local Bond Sale and Financing Agreement,” and, together with the 2013 Local Bond Sale and Financing Agreement and any amendments or supplements thereto, the “Local Bond Sale and Financing Agreements”**), between VRA and the Jail Authority, respectively.

**RECITALS:**

**WHEREAS**, the Jail Authority is a regional jail authority pursuant to Section 53.1-95.2 et seq. of the Code of Virginia, as amended, and a public instrumentality of the Commonwealth of Virginia by resolutions duly adopted by the governing bodies of the Counties of Buchanan, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington and Wise, Virginia and the City of Norton, Virginia (**collectively, the “Member Jurisdictions”**) for the purpose of developing regional jail facilities (**collectively, the “Regional Jail”**) to be operated on behalf of the Member Jurisdictions by the Authority;

**WHEREAS**, the Jail Authority issued and sold its Jail Facilities Revenue and Refunding Bond, Series 2013 in an original aggregate principal amount of \$65,955,000, as amended by an Allonge relating to the 2020 Local Bond described below (**the “2013 Local Bond”**) to VRA pursuant to the terms of the 2013 Local Bond Sale and Financing Agreement, to finance and refinance a portion of the costs of constructing, renovating and improving the Regional Jail;

**WHEREAS**, the Jail Authority also issued and sold to VRA its \$37,880,000 Regional Jail Facility Revenue and Refunding Bond, Series 2020 (**the “2020 Local Bond,” and, together with the 2013 Local Bond, the “Local Bonds”**), pursuant to the 2020 Local Bond Sale and Financing Agreement, the proceeds of which, together with other available funds, were used to refund a portion of the 2013 Bond;

**WHEREAS**, the City has determined that it is in the best interest of its citizens to become a member of the Jail Authority and access the Regional Jail pursuant to a Second Amended Service Agreement (**the “Service Agreement”**) among the Jail Authority, the City and the Member Jurisdictions;

**WHEREAS**, the consent of the Member Jurisdictions is required for such joinder pursuant to the existing Service Agreement and the consent of VRA is required pursuant to the Local Bond Sale and Financing Agreements; and

**WHEREAS**, in connection with the City's entry into the Jail Authority as a member thereof, the City Council of the City (**the "Council"**) adopted on \_\_\_\_\_, 2021, a resolution authorizing, among other things, the execution and delivery of an agreement providing for a non-binding obligation of the Council to consider certain appropriations in support of the Local Bonds.

### **AGREEMENT**

**NOW, THEREFORE**, for and in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto agree as follows:

1. Unless otherwise defined, each capitalized term used in this Support Agreement shall have the meaning given it in the Local Bond Sale and Financing Agreements.

2. For the initial year of membership, no later than July 1, 2022 and thereafter no later than May 15 of each year, beginning May 15, 2023, the Jail Authority shall notify the City of the City's share (**the "Annual Deficiency Amount"**), pursuant to the Service Agreement, of the amount by which the Jail Authority reasonably expects the Revenues to be insufficient to pay (i) the debt service obligations under the Local Bond Sale and Financing Agreements and the Local Bonds, (ii) the Operation and Maintenance Expenses, and (iii) any other payments due and owing by the Jail Authority under the Local Bond Sale and Financing Agreements in full as and when due during the City's fiscal year beginning the following July 1.

3. The City Manager of the City (**the "City Manager"**) shall include the Annual Deficiency Amount in his budget submitted to the Council for the following fiscal year as an amount to be appropriated to or on behalf of the Jail Authority. The City Manager shall deliver to the Jail Authority within ten days after the adoption of the City's budget for each fiscal year, but not later than July 15 of each year, a certificate stating whether the Council has appropriated to or on behalf of the Jail Authority an amount equal to the Annual Deficiency Amount.

4. If at any time Revenues shall be insufficient to make any of the payments referred to in paragraph 3 hereof, the Jail Authority shall notify the City of the amount of such insufficiency and the City Manager shall request a supplemental appropriation from the Council in the amount necessary to make such payment.

5. The City Manager shall present each request for appropriation pursuant to paragraph 4 above to the Council, and the Council shall consider such request at the Council's next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. Promptly after such meeting, the City Manager shall notify the Jail Authority as to whether the amount so requested was appropriated. If the Council shall fail to make any such appropriation, the City Manager shall add the amount of such requested appropriation to the Annual Deficiency Amount reported to the City by the City Manager for the City's next fiscal year.

6. The Council hereby undertakes a non-binding obligation to appropriate such amounts as may be requested from time to time pursuant to paragraphs 3 and 4 above, to the fullest degree and in such manner as is consistent with the Constitution and laws of the Commonwealth of Virginia. The Council, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future City Councils do likewise.

7. The City acknowledges and agrees that (i) VRA would not consent to the joinder of the City with the Jail Authority and the execution of the Service Agreement without the security and credit enhancement provided by this Support Agreement, (ii) VRA will be an express, intended third party beneficiary of the Service Agreement and (iii) VRA is treating this Support Agreement as a “local obligation” within the meaning of Section 62.1-199 of the Code of Virginia of 1950, as amended, including amendments thereto taking effect as of July 1, 2011 (**the “Virginia Code”**), which in the event of a nonpayment hereunder authorizes VRA or the Trustee to file an affidavit with the Governor that such nonpayment has occurred pursuant to Section 62.1-216.1 of the Virginia Code. In consenting to the joinder of the City and the execution of the Service Agreement, VRA is further relying on Section 62.1-216.1 of the Virginia Code, providing that if the Governor is satisfied that the nonpayment has occurred, the Governor will immediately make an order directing the Comptroller to withhold all further payment to the County of all funds, or of any part of them, appropriated and payable by the Commonwealth of Virginia to the County for any and all purposes, and the Governor will, while the nonpayment continues, direct in writing the payment of all sums withheld by the Comptroller, or as much of them as is necessary, to VRA, so as to cure, or cure insofar as possible, such nonpayment.

8. Nothing herein contained is or shall be deemed to be a lending of the credit of the City to the Jail Authority, VRA or to any holder of the Local Bonds or to any other person, and nothing herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of the City, nor shall anything herein contained legally bind or obligate the Council to appropriate funds for the purposes described herein.

9. Any notices or requests required to be given hereunder shall be deemed given if sent by registered or certified mail, postage prepaid, addressed (i) if to the City, to 300 Lee Street, Bristol, Virginia 24201 Attention: City Manager, (ii) if to the Jail Authority, to 16325 Taylor Place, Suite 400, Abingdon, Virginia 24211, Attention: Administrator and (iii) if to VRA, to 1111 East Main Street, Suite 1920, Richmond, Virginia 23219, Attention: Executive Director. . Any party may designate any other address for notices or requests by giving notice.

10. It is the intent of the parties hereto that this Support Agreement shall be governed by the laws of the Commonwealth of Virginia.

11. This Support Agreement shall remain in full force and effect until the Local Bonds and all other amounts payable by Jail Authority under the Local Bond Sale and Financing Agreements have been paid in full.

12. This Support Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[REMAINDER OF PAGE LEFT BLANK; SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the parties hereto have each caused this Support Agreement to be executed in their respective names as of the date first above written.

**CITY OF BRISTOL, VIRGINIA**

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

By: \_\_\_\_\_  
City Manager

**SOUTHWEST VIRGINIA REGIONAL JAIL  
AUTHORITY**

By: \_\_\_\_\_  
Chairman



**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: City Clerk

Staff Contact: William Lamie,

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**AGENDA ITEM WORDING:**

Approval of Minutes from the August 24, 2021, City Council Meeting

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**ITEM BACKGROUND:**

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**PREVIOUS RELEVANT ACTION:**

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**STAFF RECOMMENDATION:**

**DOCUMENTATION:**

[Minutes 8.24.21.pdf](#)



**MINUTES  
REGULAR MEETING OF THE CITY COUNCIL**

Tuesday August 24, 2021  
6:00 PM

Present: Neal Osborne, Bill Hartley, Anthony Farnum, Kevin Wingard, Becky Nave

Absent: none

Staff Present: Randall Eads, City Manager; Tamrya Spradlin, Chief Financial Officer; Jay Detrick, City Planner; Mack Chapman, Economic Development Specialist; Gene Christian, Audio/Visual; William Lamie, City Clerk.

**Call to Order**

*Mayor Farnum called the meeting to order at 6:01 p.m.*

**Moment of Silence**

**Pledge of Allegiance**

**A. Mayor's Minute and Council Comments**

*The Mayor and City Council had no comments.*

**B. City Manager's Comments**

*The City Manager had no comments.*

**C. Matters to be Presented by Members of the Public- Non-Agenda Items.**

*There were no public comments.*

**D. Adoption of agenda.**

Moved by Councilman Osborne to adopt the agenda as presented; seconded by Hartley.

Motion passed: 5 - 0

Voting For: Hartley, Nave, Osborne, Wingard, Farnum

Voting Against: None

**REGULAR AGENDA**

**1. Update on Capital Improvements of the Bristol, Virginia Public Schools**

*Dr. Keith Perrigan, Superintendent of the Bristol, Virginia Public Schools, addressed City Council. The School Board has looked at multiple options over the past few years with respect to either upgrading or building a new school. After reviewing these options, the School Board believes the best available option is to build a new school at the current Van Pelt Elementary School property. This would result in the closing of Washington and Lee Elementary School*

*and Highland View Elementary School. Stonewall Jackson Elementary School will be renovated and remain open. Because of inflation and building materials, the cost to build at Van Pelt would be approximately \$22,381,679. The Virginia Department of Education has conditionally approved the use of two million dollars in ESSER funds for construction.*

2. Approval of Banking Services for the City of Bristol

*Angel Britt, Treasurer for the City of Bristol, gave the staff comment. Ms. Britt stated that the City uses HomeTrust Bank for many of its banking services and HomeTrust is closing its Bristol branch. Therefore, the City needed to find a new banking service. The process began with a Request for Proposals for Banking Services. The Request for Proposals was placed on the City's website and eVA on July 8, 2021 and closed on July 30, 2021 at 2:00pm. Two responses were received as follows: First Bank & Trust Company and New Peoples Bank. The respondents were evaluated by a committee consisting of the City Treasurer, the City Manager, the City CFO, and the School Board CFO. The committee interviewed both respondents and evaluated the banks based upon the evaluation criteria listed in the RFP. After the evaluations, it was determined that the City use First Bank & Trust for its banking services.*

Moved by Neal Osborne to accept the recommendation of First Bank & Trust for the City's banking services; seconded by Bill Hartley.

Motion Passed: 5-0

Voting For: Hartley, Nave, Osborne, Wingard, Farnum

Voting Against: None

3. Planning Commission Annual Report for FY 2020-2021.

*Jay Detrick, City Planner, gave the staff report. Mr. Detrick stated that the Planning Commission had seven regularly scheduled meetings and one called meeting over the past year. There were sixteen agenda items that required action during the past year.*

4. Request for a Parking Variance for Crossroads Medical Mission, 433 Scott Street

*Jay Detrick, City Planner, gave the staff report. Mr. Detrick stated that Crossroads Medical Mission has purchased property at 433 Scott Street. 433 Scott Street is zoned B-1. The required number of off-street parking spaces that the City Code requires for B-1 cannot be met in this situation. Therefore, Crossroads asks for a variance from City Code §50-582. Ms. Cindy Rockett, Executive Director of Crossroads Medical Mission, addressed City Council and requested that Council approve this variance.*

Moved by Neal Osborne to approve the variance only for Crossroads Medical Mission during the time it occupies 433 Scott Street; seconded by Nave.

Motion Passed: 5-0

Voting For: Hartley, Nave, Osborne, Wingard, Farnum

Voting Against: None

5. Resolution to Change the Name of Industrial Development Authority (IDA) to Economic Development Authority (EDA).

*Mack Chapman, Economic Development Specialist, gave the staff report. Mr. Chapman noted that the IDA adopted a resolution on August 9, 2021, to ask the City Council to change the*

*name of the Industrial Development Authority (IDA) to Economic Development Authority (EDA). Mr. Chapman asked the City Council to adopt the following resolution:*

## RESOLUTION

To Amend Section 22-277 of the Bristol Code to Change the Name of the  
“Industrial Development Authority of the City of Bristol, Virginia (the authority)  
to the “Economic Development Authority of the City of Bristol, Virginia.”

WHEREAS, The City of Bristol Virginia Industrial Development Authority (IDA) is the primary organization responsible for economic and industrial development within the City of Bristol Virginia, including the development of publicly owned industrial parks and a variety of financing mechanisms to assist in the location or expansion of industry within the City; and,

WHEREAS, The IDA is composed of a seven-member Board of Directors appointed at-large by the City of Bristol Virginia City Council for four-year terms; and,

WHEREAS, The Industrial Development Authority for the City of Bristol, Virginia, by resolution dated August 9, 2021, requested that this City Council adopt an ordinance amending the name of the “Industrial Development Authority of the City of Bristol, Virginia” to the “Economic Development Authority of the City of Bristol, Virginia;” and,

WHEREAS, the purpose of amending the name is to indicate that the authority promotes a wide range of economic develop activities for the City in addition to promoting manufacturing and industrial development; and,

WHEREAS, all the terms and conditions related to the ordinances adopted by the City Council related to the authority shall remain in full force and effect except as requested to amend herein.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF BRISTOL, VIRGINIA, that the City Manager shall properly set and notice a public hearing before this Council for input on the proposed name change contained herein and to adopt an ordinance amending the name change of the “Industrial Development Authority of the City of Bristol, Virginia” to the “Economic Development Authority of the City of Bristol, Virginia.”

Moved by Bill Hartley to adopt the resolution; seconded by Nave.

*Councilman Wingard asked what is the reasoning for the name change. Mr. Chapman stated it is to signify that the IDA is open to all economic development and not just industrial development. Councilman Osborne noted that there are multiple jurisdictions in the Commonwealth that use Economic Development Authority and many that still use Industrial Development Authority, but there is no underlying difference in the purpose of the authorities. Mr. Eads noted that a name change to EDA will not change any prior agreements the IDA has entered into, but a notice will need to be posted notifying all of the name change. Mayor Farnum asked if there was any benefit to the timing of this change. City Manager Eads noted there is a debt payment for the Falls due on November 1 that we should consider.*

Voting For: Hartley, Nave

Voting Against: Osborne, Wingard, Farnum

Motion Failed: 2-3

### 6. Supplemental Appropriation of \$706,563

*Tamrya Spradlin, Chief Financial Officer, gave the staff report. The details of the appropriation are as follows:*

## **GENERAL FUND - CARRYOVER ITEMS**

Appropriate carryover items from FY2021 to FY2022. The revenue for these items is beginning fund balance.

Revenue 3-001-10110-0001 Beginning Fund Balance \$629,448

## **CITY ATTORNEY**

Appropriate unexpended FY21 funds to FY22.

Expenditure 4-001-12030-3140 Professional Services \$58,906

## **INFORMATION TECHNOLOGY**

Appropriate funds for items that were not available in FY21 due to parts shortages.

Expenditure 4-001-12095-6014 Operating Supplies & Materials \$10,704

## **POLICE DEPARTMENT**

Appropriate unexpended donations received in FY21.

Expenditure 4-001-31010-8101 Other Equipment \$11,748

## **FIRE DEPARTMENT**

Appropriate unexpended insurance claim received in FY21 for damaged PPE

Expenditure 4-001-32010-6014 Operating Supplies & Materials \$40,721

## **FIRE DEPARTMENT-GRANTS**

Appropriate revenue received but unexpended in FY21 from Fire Programs ATL and Four-For-Life grants.

Expenditure 4-001-32030-5850 Fire Programs Fund \$47,930

Expenditure 4-001-32030-5854 Four For life Funds \$3,279

## **CITY SHERIFF AND JAIL**

Appropriate insurance proceeds received in FY21 for repairs that will be paid for in FY22.

Expenditure 4-001-33010-3320 Maintenance of Machinery & Equip. \$19,629

Appropriate unexpended Inmate Holiday Pack revenue from FY21.

Expenditure 4-001-33010-6016 Operating Supplies-Inmate Holiday \$4,351

## **CITY SHERIFF AND JAIL-GRANTS**

Appropriate unexpended DARE proceeds from FY21.

Expenditure 4-001-33030-5860 DARE Program \$4,695

## ANIMAL CONTROL

Appropriate unexpended donations received in FY21.

Expenditure 4-001-35010-6014 Operating Supplies & Materials \$330

## HAZARDOUS MATERIALS EMERGENCY

Appropriate Hazmat pass-through funding unexpended in FY21.

Expenditure 4-001-35050-6014 Operating Supplies & Materials \$34,033

## STREET & ENGINEERING DIVISIONS

Appropriate unexpended Stormwater Management permit fees from FY21.

Expenditure 4-001-41010-7002 Stormwater Management \$25,323

## CLEAR CREEK GOLF COURSE

Appropriate unexpended revenue from FY21 related to capital fees charged and the previous membership drive.

Expenditure 4-001-71040-3310 Maint of Building & Property \$5,000

Expenditure 4-001-71040-3320 Maint of Machinery & Equipment \$5,000

Expenditure 4-001-71040-6007 Materials - Building and Property \$7,000

Expenditure 4-001-71040-8101 Other Equipment \$50,799

## ECONOMIC DEVELOPMENT

Appropriate unexpended Commonwealth's Opportunity Funds received in FY2018 for American Merchant.

Expenditure 4-001-81025-5704 American Merchant - Comm Opp Fund \$300,000

## **GENERAL FUND - NON-CARRYOVER ITEMS**

### JUDICIAL ALTERNATIVE SENTENCING PROGRAM

Appropriate state grant award funds for the Drug Court Sustainability Grant.

Revenue 3-001-24020-0095 Drug Court Sustainability Grant \$28,928

Expenditure 4-001-21035-6045 Supplies - Sustainability Grant \$28,928

### FIRE DEPARTMENT GRANTS

Appropriate additional Fire Programs ATL funds for FY22.

Revenue 3-001-24020-0012 Fire Program Fund-Aid to Locality \$8,187

Expenditure 4-001-32030-5850 Fire Programs Fund \$8,187

### VDOT REIMBURSED MAINTENANCE

Appropriate insurance proceeds received to be expended in FY22. Revenue 3-001-18020-0003 Insurance Adj & Recovery \$10,000 Expenditure 4-001-41020-3310 Maintenance of Building & Property \$10,000

## TRANSIT FUND

Appropriate local, federal and state revenue for payment of PO 32988 for electronic fare boxes.

Revenue 3-015-10110-0001 Beginning Fund Balance \$1,200 Revenue  
3-015-24010 0010 Mass Transit Capital Expense \$4,800 Revenue 3-  
015-33010-0002 FTA - Capital Funds \$24,000 Expenditure 4-015-  
91010-8101 Other Equipment \$30,000

Moved by Neal Osborne to approve the supplemental appropriation as presented; seconded by Becky Nave.

Motion Passed: 5- 0

Voting For: Hartley, Nave, Osborne, Wingard, Farnum

Voting Against: None

### 7. Presentation of FY21 Annual Financial Update

*Tamrya Spradlin, CFO, gave the financial update. Mrs. Spradlin advised Council that, as of June 30, 2021, the General Fund revenues were \$58,041,561 and the expenditures were \$50,620,508. Local sales tax collection was up from FY20, but cigarette and lodging taxes are down slightly from the previous year. The debt allocation of \$2,319,433 was paid in full to the Falls. The actual deficit to the Falls was (1,646,984). The operating cash balance for the City as of June 30, 2021, is \$23,622,767. The City has a reserve balance of \$1.4 million, a debt reserve of \$3 million, and a Solid Waste Disposal Fund reserve of \$21,882. The City has made great financial progress over the past four years. The operating cash balance has gone from \$7,416,958 in 2017, to \$23,622,767 in 2021. Also, the City's credit rating has increased over the past four years.*

*Councilman Osborne thanked the City staff for the hard work and improving the City's finances.*

*Councilman Hartley thanked the City staff for tightening their belts and making such great progress over the past few years.*

*Mayor Farnum stated he is optimistic for the future of the City.*

## CONSENT AGENDA

1. Purchase Requisition: Blue Ridge Regional Jail Authority
2. Purchase Requisition: Southwest Virginia Regional Jail Authority
3. Request for Approval of Traffic Management Plans for 2021 Rhythm and Roots Reunion Festival and 5k/10k Run  
All required documentation has been submitted and staff recommends the traffic plans be approved.
4. Approval of Minutes from the August 10, 2021, City Council meeting

Moved by Neal Osborne to approve items 1, 2 and 3 on the Consent Agenda as presented;  
seconded by Hartley.

Motion Passed: 5-0

Voting For: Hartley, Nave, Osborne, Wingard, Farnum

Voting Against: None

Moved by Neal Osborne to approve item 4 on the Consent Agenda; seconded by Hartley

Motion Passed: 4-0

Voting For: Hartley, Nave, Osborne, Farnum

Voting Against: None

Abstain: Wingard

## **H. Adjournment**

*There being no further business, the meeting adjourned at 7:32 p.m.*



**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: City Clerk

Staff Contact: William Lamie,

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**AGENDA ITEM WORDING:**

Approval of Minutes from the September 28, 2021, City Council Meeting

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**ITEM BACKGROUND:**

Approval of Minutes from the September 28, 2021, City Council Meeting

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**PREVIOUS RELEVANT ACTION:**

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**STAFF RECOMMENDATION:**

**DOCUMENTATION:**

[Minutes 9.28.21.pdf](#)



**MINUTES  
REGULAR MEETING OF THE CITY COUNCIL**

Tuesday, September 28, 2021  
6:00 p.m.

Present: Neal Osborne, Bill Hartley, Anthony Farnum, Kevin Wingard, Becky Nave

Absent: None

Staff Present: Randall Eads, City Manager; Tamrya Spradlin, Chief Financial Officer; Ellen Tolton, CDBG Coordinator; Jay Detrick, City Planner; Wallace McCulloch, Director of Public Works; Gene Christian, A/V Technician; William Lamie, City Clerk.

**Call to Order**

*Mayor Farnum called the meeting to order at 6:01 p.m.*

**Moment of Silence**

**Pledge of Allegiance**

**A. Mayor's Minute and Council Comments**

*Mayor Farnum was grateful for the success of the events such as Rhythm & Roots that occurred in the City during September.*

*Councilman Wingard said he has recovered from COVID-19. He encouraged everyone to take precautions to stay safe.*

*Councilmember Nave stated that Bristol led the entire state over the past weekend in hotel occupancy rates. These numbers show how vital Rhythm & Roots and the NASCAR race are to the City.*

**B. City Manager's Comments**

*City Manager Eads gave an update on the current well drillings at the landfill. Mr. Eads also noted that an 8-inch flare was installed today and is operational. This flare will burn a higher capacity of gas. Currently, contractors have drilled eight wells at the landfill. Mr. Eads stated that there had been much discussion in the community about the desire to close the landfill. Many issues would need to occur to close the landfill, and a hypothetical timeline might look like this:*

- 1. Gas Well Installation – October 15, 2021*
- 2. Odor Mitigation Pilot Program Installation – September 30, 2021*
- 3. Connection of New Gas Wells to LFG Collection System – December 31, 2021*
- 4. Inspection and Repair of Wet Wells – Fall/Winter 2021-2022*
  - a. New pumps*

- b. Potential Repair of Weir Wall*
- 5. Liner Installation – July 2022*
- 6. Closure of SE Chimney – Unknown at this time*
- 7. Construction and Installation of 1-million-gallon wastewater storage tank – June 2024*
- 8. Installation of air stripper and other remediation tools to extract benzene – June 2024*

*ASSUMING OVERLAP FOR A CLOSURE and a FASTRACK TO CLOSURE*

- 1. Closure Issues Presentation to Council – October 12, 2021*
- 2. Council and Engineers Continue to Consider Issues to Determine Potential for Closure October – June 2022*
- 3. Council Agrees to Submit Closure Plan for Landfill to DEQ – June 2022*
- 4. Engineers Begin Design Phase of Closure Plan – July 2022*
- 5. Engineers Complete Design Phase of Closure Plan – December 2023*
- 6. Closure Plan Submitted to DEQ for Review – January 2024*
- 7. DEQ Approves or Denies Closure Plan – January 2026*
- 8. If DEQ Approves Plan, City Begins Closure Process – February 2026*
- 9. Completion of Closure – June 2027*

*Councilman Osborne asked if a closure plan would have to be approved by the Virginia Department of Environmental Quality (DEQ) and the Environmental Protection Agency (EPA). Mr. Eads answered that both would have to approve any possible closure plan. Mr. Eads stated that the odor mitigation pilot system has been installed and should be operational within a few days. Mayor Farnum said, though they are tied together, there is a difference between the closure of the landfill and the smell of the landfill; we will have to fix the smell first.*

**C. Matters to be Presented by Members of the Public- Non-Agenda Items.**

*Todd Semple stated that there is a physical and mental crisis happening in the area due to the smell from the landfill. Mr. Semple said Council needs to stop taking trash and create a closure plan for the landfill.*

*Joel Kellogg said the landfill is poisoning people in the area, and we need to stop accepting trash and close the landfill. The lack of action of the City Council and the lack of appropriating funds to make the smell go away is ludicrous, said Kellogg.*

**D. Adoption of Agenda.**

Moved by Neal Osborne to accept the Agenda as presented; seconded by Bill Hartley.  
 Motion Passed: 5 - 0  
 Voting For: Bill Hartley, Becky Nave, Neal Osborne, Kevin Wingard, Anthony Farnum.  
 Voting Against: None

**REGULAR AGENDA**

- 1. Public Hearing for the CDBG Program Year 2020 Consolidated Annual Performance and Evaluation Report (CAPER)

*Ellen Tolton, CDBG Director, gave the staff report. Mrs. Tolton reported that the City of Bristol is an annual recipient of federal funding through the U.S. Department of Housing and Urban Development (HUD). The entitlement monies may be spent developing or sustaining viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally benefiting low-to moderate-income persons. All entitlement monies received are disbursed through the City's CDBG program. The Consolidated Annual Performance and Evaluation Report (CAPER) for the City's CDBG Program is an annual assessment of the City's performance in meeting its priorities and objectives of its 5-year Consolidated Plan and Annual Action Plan; this report is being brought before the City Council for public comment before its submission to the U.S. Department of Housing and Urban Development.*

*A Public Hearing Notice with a 15-day comment period was advertised in the Bristol Herald Courier on Friday, September 3, 2021, and posted on the City's website and the Bristol Public Library. A copy of the draft Consolidated Annual Performance and Evaluation Report (CAPER) was available for the public's review on the City's website, at the Library, and in the Community Development and Planning Department. Ms. Tolton noted that \$270,267 CDBG Entitlement grant funds were received for the year, and \$220,860 was spent (includes carryover). Nine (9) public service agencies were provided \$40,545 to carry out activities benefiting those with low to moderate income, leveraging more than \$1.2 million to operate programs fully. Public service agencies also leveraged a total of 2,676.75 volunteer hours valued at \$76,394.45. Ms. Tolton shared the accomplishments over the past year that were aided with CDBG funds: 5 homes were rehabbed; 3 blighted properties were demolished; a handicap accessible ramp was completed connecting an underutilized parking area on Goode Street to State Street; 301 uninsured individuals received medical care and prescriptions; 63 individuals received literacy and job skills; 135 neglected and/or abused children were provided assistance; child care and case management services were provided to 956 school-aged children; 12 chronically homeless men received housing and case management; 27% award funded a portion of Admin and Code Enforcement staff salaries; 1,623 LMI families were provided direct services, and 98.47% of monies spent benefitted those with low to moderate income.*

## **E. Ordinances Second Reading**

### **E1. Second Reading of an Ordinance to Vacate all of a certain Public Right-of-Way in the City of Bristol [Ordinance 21-4]**

*City Manager Eads gave the staff report. Mr. Eads explained that the Code of Virginia Section 15.2-2006 requires vacating a public right-of-way to involve advertising such a request and a public hearing. The City Council shall then consider the request to vacate the right-of-way by Ordinance. This request is being made by Mr. Steve Buchanan, Pastor of Administration at Fellowship Chapel Church. Fellowship Chapel Church owns all adjoining properties to the East and West of this segment of Carter Street.*

*This request has followed the procedure to vacate right-of-way. A petition was filed, and the public hearing was advertised on July 27th and August 3rd, 2021, in the Bristol Herald Courier. The request has been circulated to other departments and Bristol Virginia Utilities (BVU).*

Moved by Neal Osborne for the second reading of the Ordinance by caption only; seconded by Becky Nave.

Motion Passed: 5 - 0

Voting For: Bill Hartley, Becky Nave, Neal Osborne, Kevin Wingard, Anthony Farnum.

Voting Against: None

*Mr. Eads then read Ordinance 21-4, Ordinance to vacate a portion of an open/improved public right-of-way.*

Moved by Neal Osborne to adopt the Ordinance as presented; seconded by Becky Nave.

Motion Passed: 5 - 0

Voting For: Bill Hartley, Becky Nave, Neal Osborne, Kevin Wingard, Anthony Farnum.

Voting Against: None

## **CONSENT AGENDA**

1. Consideration of Street Closure for Bristol Historical Association Historical Marker Dedication Ceremony on October 30, 2021
2. Approval of Minutes from the September 14, 2021, City Council Meeting.

Moved by Neal Osborne to accept the Consent Agenda as presented; seconded by Becky Nave.

Motion Passed: 4 - 0

Voting For: Bill Hartley, Becky Nave, Neal Osborne, Anthony Farnum.

Abstain: Kevin Wingard

Voting Against: None

## **F. Adjournment**

*There being no further business, the meeting adjourned at 6:58 p.m.*

**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: Transit

Staff Contact: Melanie Fleenor, Transportation Planner

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**AGENDA ITEM WORDING:**

Consideration of Street Closure for Partners for Stronger Communities Halloween Extravaganza on October 30, 2021.

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**ITEM BACKGROUND:**

Partners for Stronger Communities has requested the closure of Oakview Avenue for their Halloween Extravaganza event on October 30th, 2021. This is a free community event which will feature bounce houses, a costume contest, games, etc. The street closure requested is from 8 am until approximately 6:30 pm.

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**PREVIOUS RELEVANT ACTION:**

A similar street closure has been approved for comparable events in past years.

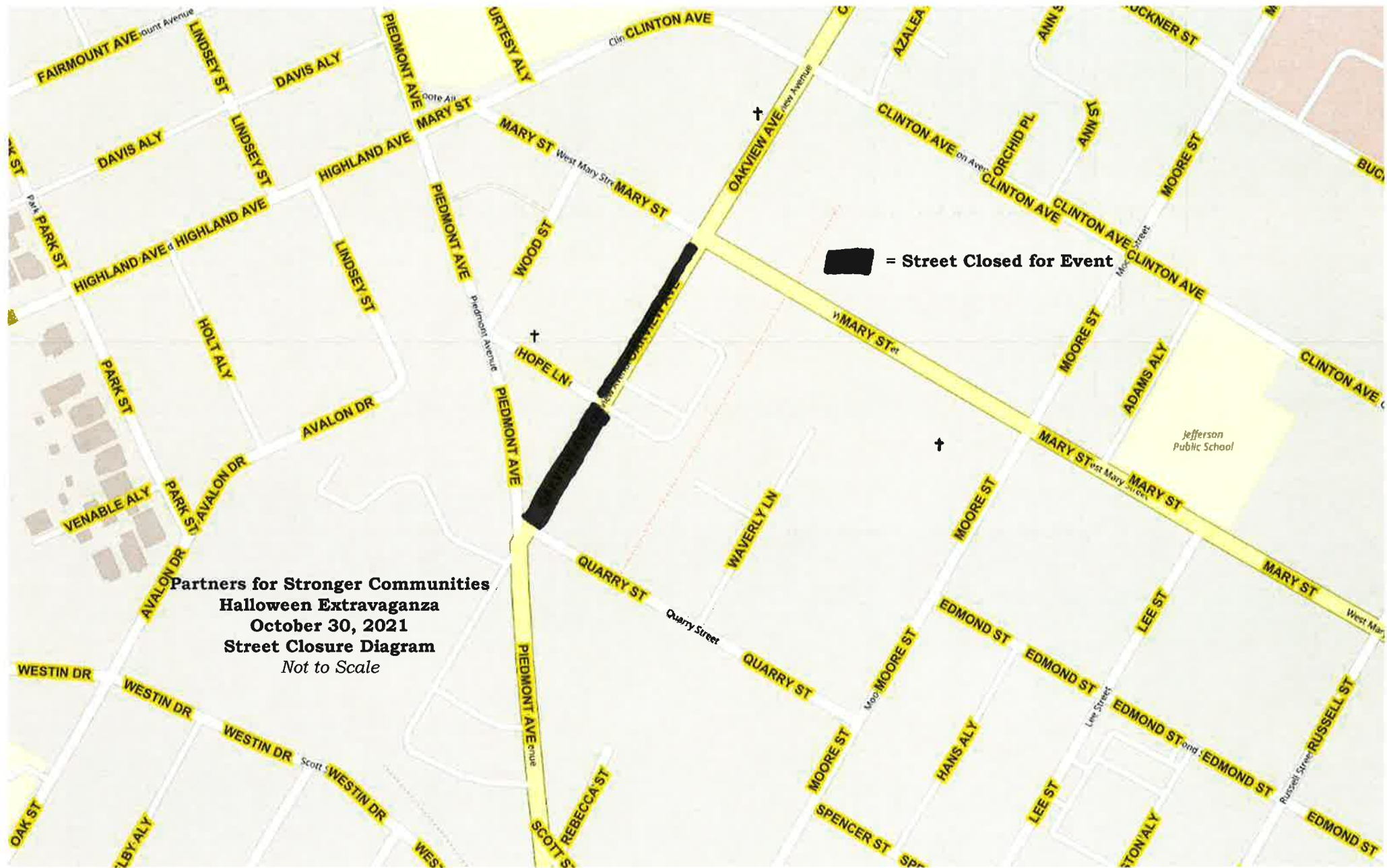
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**STAFF RECOMMENDATION:**

Staff recommends that the street closure be approved as requested.

**DOCUMENTATION:**

[Oakview Street Closure for Council Agenda.pdf](#)



**CITY COUNCIL  
AGENDA ITEM SUMMARY**

Meeting Date: October 12, 2021

Department: Transit

Staff Contact: Melanie Fleenor, Transportation Planner

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**AGENDA ITEM WORDING:**

Consider a Street Closure Request for the Annual Veteran's Day Parade on November 6th, 2021

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**ITEM BACKGROUND:**

This request includes street closures on Bob Morrison Boulevard, West State Street, and Lee Street. The parade route is the same as it has been in previous years.

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**PREVIOUS RELEVANT ACTION:**

Street closures for this event have been approved by City Council in previous years.

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**STAFF RECOMMENDATION:**

Staff recommends the street closure be approved as requested.

**DOCUMENTATION:**

[Veteran's Day Route.png](#)



