

A regular meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:30 p.m., May 27, 2008.

Members present: Mayor W. D. Tharp; Councilwoman Mary L. Flood; Councilman Jeffrey B. Hubbard; Councilman C. G. Stanley, Jr.; Councilman Thomas M. Padgett; Councilman James A. Vest, and Vice Mayor Robert T. Wandrei.

Members absent: None

Staff present: City Manager Charles P. Kolakowski; City Attorney W. W. Berry, IV; and Clerk of the Council Teresa W. Hatcher.

Mayor Tharp opened the meeting and led all present in saying the Pledge of Allegiance to the Flag.

Mayor Tharp declared that the minutes of an adjourned Council meeting held on May 13, 2008, and the minutes of a regular Council meeting held on May 13, 2008, were approved as distributed.

City Manager Kolakowski reported on the following:

- There was a very good turnout at the D-Day Memorial providing honor to the veterans who have served the country.

Mayor Tharp opened the public hearing on the proposed budget at 7:31 p.m.

The Public Hearing Notice follows:

Notice
Synopsis of Budget for Fiscal Year July 1, 2008 to June 30, 2009
City of Bedford, Virginia

Notice is hereby given that a public hearing will be held by the City Council May 27, 2008, at 7:30 p.m. in the Council Hall of the City Municipal Building in relation to the budget for the City of Bedford for Fiscal Year 2007-08, at which time any citizen of the City shall have the right to attend and state his or her views. Detailed copies of the budget are available for inspection during normal office hours in the office of the City Manager and the office of the Clerk of Council.

Larry Brookshier, Executive Vice President, Rubatex International, LLC, spoke regarding concern with the recent electric rate increase as it occurred in the middle of the year. Mr. Brookshier stated that industry encourages Council to schedule increases at budget time for industry to have time to factor increases into their budgets. Mr. Brookshier encouraged Council to try to work a way that the City does not have to depend on the profitability from the Electric Fund to the General Fund to support the tax base. Mr. Brookshier stated that industry in the City of Bedford is very stressed at this point in time. He said at a recent meeting the City staff told industry that the City is not

realizing any profit off of industry from an electrical point of view – that it is a straight pass-through. Mr. Brookshier asked that the City Manager and staff continue to work with industry and AEP or another source – the City would not have that pass-through and industry would have approximately a twenty-five per cent reduction in the electric rate.

Brett Wood, Wheelabrator Abrasives, Inc., stated he has sent letters to Council expressing Wheelabrator's displeasure at the electric rate increase that is being imposed by the City. Mr. Wood asked that the City take a hard look at that rate increase and do what it can to cap the rate increase. Mr. Wood reported that the electric rate increase will cost Wheelabrator over \$360,000 in this year. Mr. Wood stated that with continued increases the following could occur: loss of jobs, industry, and Wheelabrator moving away. Mr. Wood asked that the 1.4 million dollars in the proposed budget to be transferred over to the General Fund be used to absorb the cost that the City is getting to offset the cost being passed through to the industry and residents of the City.

Dave Ballard, 995 Ashland Avenue, asked several questions, as follows: 1) sewer line extension on Route 460 West at a cost of 2.2 million dollars: who will it serve, how far is it going, is it a worthwhile project, and will the County share in the cost. 2) Sheriff's Department is getting a nice healthy grant – does it mean that the City's share of the Sheriff's Department budget can be decreased. 3) has Council given any thought to developing Macon Street

Mike Moldenhauer, 617 Westview Street, President & CEO, Sam Moore Furniture, LLC, stated the letter he wrote to Council basically said what the other business leaders said. Mr. Moldenhauer stated he is concerned about the electric rates; however, he is more concerned about the overall increased budgets in the last few years. Mr. Moldenhauer urged City Council to do a very thorough job, a better job at increasing revenues or decreasing expenses, and fairly allocating the revenues where it should. Mr. Moldenhauer stated the problem industry has with the electrical fund is that the transfer of the money seems to be subsidizing other areas that should bring revenues in from other resources. He urged Council to be as vigilant and helpful as it can in cutting expenses and keeping industry in Bedford.

Tim Funk, 916 Greenwood Street, Funk Collision & Towing, stated that he couldn't afford any higher taxes, with power going up in the last two years. Mr. Funk stated that he would not be able to sell his house due to the price of power. Mr. Funk also stated that small business would not be able to stay.

As there were no further comments, the Mayor closed the public hearing at 7:45 p.m.

Mayor Tharp opened the public hearing regarding school board appointments at 7:45 p.m.

The Public Hearing Notice follows:

NOTICE OF PUBLIC HEARING

Notice is hereby given that, pursuant to Section 22.1-29.1 of the Code of Virginia of 1950, as amended, the City Council of the City of Bedford will hold a public hearing at 7:30 p.m. on May 27, 2008, in the Council Hall of the Municipal Building, for the purpose of receiving the views of citizens on the appointment of members to the City School Board.

Any citizens who wish to be considered for appointment to the City School Board should notify the office of the City Manager, P. O. Box 807, Bedford, VA 24523, phone 587-6001, no later than May 21, 2008.

Individuals being considered: William H. "Bill" Ross, Phyllis, J. Parker, and Mickey VanDerwerker.

As there were no comments, the Mayor closed the Public Hearing at 7:46 p.m.

City Manager Kolakowski reported that the Virginia Department of Rail and Public Transportation (VDRPT) requested Amtrak identify potential markets and service schedules in the state that could be implemented in a short time frame and with minimal cost. Evaluation criteria included – serving established markets, lower operating costs/taking advantage of existing operating efficiencies, minimal capital investment and ability to implement in a short time frame. Lynchburg to Washington, DC continuing on to New York/Boston and Newport News through Richmond to Washington, DC were the two potential opportunities identified.

The City Manager stated it was determined that the Lynchburg service has fewer technical and operating issues and could be implemented much faster and at lower total cost. Amtrak recommends the Lynchburg to DC service be implemented as soon as possible. An application for State Rail Enhancement Funds (REF) for capital investments in the corridor in support of the proposed new Amtrak passenger service has been developed by Norfolk Southern Railroad and is included in the list of projects recommended by VDRPT for inclusion in the State's 2009-2014 Six-Year Improvement Program. By supporting this Resolution, the City urges the Commonwealth Transportation Board to approve DRPT's recommended REF funding for infrastructure investments needed to support new passenger service in the corridor.

City Manager Kolakowski stated City Council is requested to adopt the proposed resolution in favor of Amtrak's proposed new daily passenger rail service in the US 29 corridor and in support of related infrastructure improvements.

On motion by Councilman Padgett, seconded by Councilman Stanley, voted upon and carried unanimously by a roll call vote, Council adopted the resolution regarding proposed Amtrak passenger rail service. Roll call vote follows:

Councilwoman Flood	aye
Councilman Hubbard	aye
Councilman Padgett	aye
Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	aye
Mayor Tharp	aye

The resolution follows as adopted:

**RESOLUTION IN FAVOR OF AMTRAK'S PROPOSED NEW
DAILY PASSENGER RAIL SERVICE IN THE US29 CORRIDOR
AND IN SUPPORT OF RELATED INFRASTRUCTURE
IMPROVEMENTS**

WHEREAS, the Virginia Department of Rail and Public Transportation (VDRPT) is developing a State Rail Plan that will address the present and future needs for rail in the Commonwealth and provide a strategy to address them; and

WHEREAS, the State Rail Plan will address commuter, intercity, higher speed and high speed rail services as well as multimodal integration of rail with other modes of transportation; and

WHEREAS, the DRPT has asked for public input on the needs, priorities and rail improvements to be considered when developing the State Rail Plan; and

WHEREAS, the US29 – I-66 (Piedmont) rail corridor between Danville and Alexandria is home to 30% of the state's population; and

WHEREAS, the cities, towns and counties of the US29 Corridor have experienced significant residential and commercial growth and with it, significant increases in highway traffic, congestion and travel time on through trips; and

WHEREAS, fifty years ago, the Piedmont Corridor was served by 22 passenger trains a day operated by the Southern and C & O Railroads and today the Lynchburg area is served by only one round-trip train a day (Amtrak's Crescent) between New Orleans and New York; and

WHEREAS, these long-distance trains are frequently overbooked, with most seats reserved for long-distance ticket holders, the schedule is not conducive to business travel, and trains are frequently late (68% on-time performance), Lynchburg's existing level and quality of passenger

rail service cannot meet the demands of business travelers, tourists, students or the traveling public; and

WHEREAS, convenient access to our nation's capital can be critical to the area's ability to attract and keep businesses, and passenger rail service is increasingly important for both resident commuters and potential tourists and visitors; and

WHEREAS, the rising cost of oil and the environmental concerns brought on by carbon based emissions have heightened the interest in energy efficient and environmentally friendly alternatives to the automobile; and

WHEREAS, recognizing the Piedmont Corridor as an underserved market, Amtrak has recommended to VDRPT that steps be taken to implement new Lynchburg to Washington rail service "as soon as possible" – including any capital improvements needed to the existing rail line by the host railroad; and

WHEREAS, Amtrak reports that the addition of a second daily train can be accomplished easily and at a relatively low cost; and

WHEREAS, ridership on the Piedmont Corridor can be expected to increase significantly as direct service results in reliable, on-time trains with available seats; and

WHEREAS, the Route 29 passenger rail corridor is significantly under-served compared to the I-95 corridor, where the State has made massive investments for rail infrastructure and operations; and

WHEREAS, an application for State Rail Enhancement Funds (REF) for capital investments in the corridor in support of the proposed new Amtrak passenger service has been developed by Norfolk Southern Railroad and is included in the list of projects recommended by VDRPT for inclusion in the State's 2009-2014 Six Year Improvement Program.

NOW THEREFORE BE IT RESOLVED, that the City of Bedford Council urges the VDRPT to include enhanced passenger rail service for the US29 (Piedmont) Corridor in the State Rail Plan, specifically the proposed new daily direct service between Lynchburg and Washington, DC and on to New York and Boston, as proposed by Amtrak; and

BE IT FURTHER RESOLVED, that the Bedford City Council urges the Commonwealth Transportation Board to approve DRPT's recommended REF funding for infrastructure investments needed to support new passenger service in the corridor; and

BE IT FURTHER RESOLVED, that the Bedford City Council requests that DRPT identify the US29 corridor as the state's top priority for funding new rail service according to Amtrak's recommended Short Term Action Plan for Advancing Passenger Rail in the Commonwealth.

Councilman Stanley moved that Council adjourn into closed session pursuant to Section 2.2-3711(a)(29), of the Code of Virginia of 1950, as amended, for discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contracts, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body. Councilman Hubbard seconded the motion. The motion was voted upon and carried by the following roll call vote:

Councilman Hubbard	aye
Councilman Padgett	aye
Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	aye
Councilwoman Flood	aye
Mayor Tharp	aye

Council adjourned into closed session at 7:50 p.m. The following non-council members attended: City Manager Kolakowski, City Attorney Berry, and Assistant City Manager Warner.

Council reconvened into open session at 8:10 p.m.

The Clerk of Council read aloud the following resolution:

BE IT RESOLVED that the Council of the City of Bedford hereby certifies that (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Council.

On motion by Vice Mayor Wandrei, seconded by Councilman Stanley, voted upon and carried by a roll call vote, Council adopted the resolution. Roll call vote follows:

Councilman Padgett	aye
Councilman Stanley	aye
Councilman Vest	aye
Vice Mayor Wandrei	aye
Councilwoman Flood	aye
Councilman Hubbard	aye
Mayor Tharp	aye

Mayor Tharp adjourned the meeting at 8:12 p.m.