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An adjourned meeting from the November 8, 2011, regular meeting of the Council of the City of Bedford, Virginia, was held in the Recreation Building at Liberty Lake Park at 10:00 a.m. on December 7, 2011.

Members present: Mayor W. D. Tharp (arrived at 10:16 a.m.), Councilman Guy E. Murray, Jr.; Councilman Steve C. Rush; Councilman C. G. Stanley, Jr.; Councilman James A. Vest; and Vice Mayor Robert T. Wandrei

Members absent: Councilwoman Mary L. Flood

Staff present: City Manager Charles P. Kolakowski; City Attorney W. W. Berry, IV; Assistant City Manager Bart Warner; Finance Director Rosie Jordan; Chief of Police James Day; Jeff Weddle, Director of Public Services; and Clerk of the Council Teresa W. Hatcher.

Vice Mayor Wandrei opened the meeting. The purpose of the meeting was for a Council work session.

City Manager Kolakowski gave an update on the revision to town status process: both the City and the County are working on submitting data to Mr. Carter Glass IV, Troutman Sanders LLP for his review and comments, which will be submitted to the Commission on Local Government.

The City Manager said Council had copies of a resolution from the Bedford County Public Service Authority where it formally took action to agree to the consolidation.

City Attorney Berry reported that Mr. Harwell M. Darby, Jr., of the firm Glenn Feldmann Darby Goodlatte will help him and the County Attorney draft the utility agreement that the parties will sign. The new authority will decide what attorney will represent the authority in the future.

The City Attorney spoke about details in several areas that will have to be worked out for the agreement.

Mayor Tharp arrived at 10:16 p.m.

Mr. Berry explained that filing the petition with the Commission on Local Government is the first order of business that gets things going – the City is trying to get that done by January 8, 2012. Mr. Berry said that if the petition cannot be filed by January 8, then the Commission's next meeting will be in March.

City Manager Kolakowski said the Elks Lodge #2844 has requested that the City extend a sewer main line to serve its proposed lodge on Ashland Avenue – the estimated cost of the line extension is \$20,000. The City Manager said that the City looks at the benefits to the City of the extension: will it serve just that particular customer, will it serve other customers, will it open up areas for development, what is the expected revenue from that particular customer, will it pay for the line extension, and are there other benefits to the City from that development or any other potential development along that line extension

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be it water, sewer, or electric. Mr. Kolakowski said in this situation the line would serve the proposed Elks Lodge and there is the possibility of some additional property adjacent to that being opened up for future development if the Elks Lodge sold some property.

The City Attorney stated that some of the Council members are members of the Lodge and that it is such a significant number that the Conflict of Interest ordinance would allow the Council members under State law to vote on this matter, but they would probably have to sign a statement that they share that with a larger number of people and that they would make a decision without any bias towards it.

The City Attorney stated that lodges, under State law, are exempt from real estate taxes.

Councilman Murray made a motion to split the price of the extension of the sewer line to serve the new Elks Lodge on Ashland Avenue. The motion was seconded by Vice Mayor Wandrei, voted upon and did not pass. Roll call vote follows:

Councilwoman Flood	absent
Councilman Murray	aye
Councilman Rush	nay
Councilman Stanley	aye
Councilman Vest	nay
Vice Mayor Wandrei	*aye
Mayor Tharp	nay

\*Vice Mayor Wandrei stated for the purposes of discussion that he represented the Lodge when they acquired the property from the Elks National Home and that he is a member of the Lodge.

Council Members Murray, Stanley, Vest, and Mayor Tharp stated that they are members of the Lodge and they get no benefits from being members.

The City Manager explained that Mr. Oscar Padgett has requested a letter of authorization for sewer service for a property along Route 43 in Bedford County. Mr. Kolakowski said the property currently has a septic system. As part of a property transfer, Mr. Padgett is looking for a letter of authorization to have a sewer hookup so that he does not have to provide a secondary drain field in case of a failure.

The City Attorney said the property has over 100 acres available and Mr. Padgett would have that acreage for a secondary location.

Vice Mayor Wandrei stated he believes it is premature, as Council is talking about setting up a joint water and sewer with Bedford County and should not start approving such requests and suggested that Council defer the matter.

There was no motion to approve the request of Mr. Padgett.

The City Manager reported that Fostek Corporation, rubber manufacturer, on Dawn Drive has over thirty employees. The company is looking to start a second shift. He said

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that over the years the ownership and operation of the electric substation has gotten blurred. The City Manager said it appears that at some point the City became responsible for the substation. He said the substation is non-standard and it was built by Bondtex/Rubatex thirty years ago and under its own specifications for its operations. Mr. Kolakowski said the concern is the City does not have the experience or the equipment to do the maintenance on it and are looking to get rid of the transformer and supply Fostek Corporation with power in a different fashion. It would provide power in a more efficient fashion for the City and Fostek; it would also allow the City to safely provide the maintenance and repair if something were to happen there. The City Manager said the City will put in standard transformers to supply that facility and other industrial facilities throughout the town.

The cost of the project and the amount of time to recoup the cost was discussed with the City Manager explaining that Fostek will possibly double the amount of electricity it uses.

The Mayor said that the Coffee & Saunders building has been sold to Chris Bass for his business of making special rubber gaskets that used to be made by Rubatex Corp.

The City Manager spoke of the advantage to the City of Mr. Bass's business remaining in the City - purchasing a vacant building and remodeling it.

Mr. Kolakowski said that the staff is looking for Council's input on the goals and objectives for the future – such as staffing, operations, programming, economic development, economic redevelopment, how to keep current businesses and industries in the City.

Councilman Vest stated the Council had been given copies of Goals and Objectives developed in 2010 for its review.

Discussion ensued about developing a plan for what to do with the old school buildings which included: various possible uses, higher education center, continuing education center, sale to a private school. Councilman Rush said the City would have to spend money to make the building marketable.

The staff and Mayor have spoken with the new Bedford County Economic Development Director, Tracey Blido. The Mayor said that Ms. Blido is concerned about how to show the City that she is as interested in the City as she is in the County.

Mayor Tharp stated he recently visited southwest Virginia and was impressed with the village of Floyd. Floyd is part of the Crooked Road Trail which is a good tourist attraction. The Mayor suggested that Bedford be included on the Crooked Road Trail.

The City Manager said that the City could be known for music and arts.

Vice Mayor Wandrei suggested that the tourism ideas for economic development be passed along to Ms. Blido; organize a committee; and talk to the Tourism Director.

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There was discussion about Centertown not progressing and the Main Street Program needing improvement.

City Manager Kolakowski stated the City will include in the proposed budget a cost accountant position for the Electric Utility and for the entire town. It would be someone who could oversee some of the purchasing, could oversee making appraisals for things such as sewer line extensions, making it where businesses can come to the City and have good discussions with them. The City Manager said this person would go to businesses proactively to discuss what the City can do for energy efficiency and their operations. Mr. Kolakowski said the City has almost 1000 commercial electric accounts.

There was discussion about the staffing when the City reverts to town status. The City Manager said the Commissioner of the Revenue office will be eliminated; certain functions will have to be absorbed by the Finance Department; the town Treasurer's office will continue to collect taxes, utilities, and license fees, but the Treasurer will not be a constitutional officer.

Chief of Police Day explained that the responsibility for primary law enforcement will still lie with the Police Department. The Chief said the Sheriff's Department currently serves civil papers and takes care of the court system and will continue to do so. The Chief said the Sheriff does not have to pick up any law enforcement services. The Attorney General has said that the Police Department has to start transporting emergency mental patients, which is something the Sheriff's Department was doing. The Chief said the town's call load will increase by 40% - 50%, primarily in the Walmart/Lowes area as the State Police will not be answering wreck calls in those areas any more because it does that for counties, but not for towns. Chief Day said there are over 2,000 calls per year in the Lowes/Walmart/Applebees/trailer parks area which will also create more traveling miles. Council will need to make a decision on whether to eliminate the Animal Control Officer.

Discussion continued regarding staffing for the departments for the future town. Members of the staff reviewed the number of staffing positions that will be eliminated.

Mayor Tharp declared a recess for lunch at 12:20 p.m.

The Mayor reconvened the meeting at 1:00 p.m.

Mayor Tharp reported that Councilwoman Flood is still at home recovering from knee replacement surgery.

The City Manager stated one goal is to develop a plan for a positive, productive reuse of the current Middle School – reach out to different groups in the educational area, cultural area, and tourism area.

Corey Crompton, IT Manager, spoke about the City's bandwidth capability, which would be a draw for educational/businesses using the Middle School building. Mr. Crompton said the City needs to make its bandwidth known.

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The City Manager said another area of discussion was economic development activity and focus on businesses to handle it in a more focused fashion; to incorporate tourism, more small business emphasis as much as big business also; to develop a way to handle that particular issue in a difference fashion than the way it is being done now.

A discussion ensued regarding the Bedford Memorial Hospital and the huge asset it is to the City both economically and having a hospital here in the City.

Councilman Murray, who is on the Hospital Board, said the Bedford Hospital is in good shape and has been ranked as highest in customer satisfaction over the hospitals in Roanoke and Lynchburg.

Councilman Vest suggested the City Manager will meet with Patti Jurkus, President and CEO of Bedford Memorial Hospital regarding any support the City can give to the hospital.

A discussion ensued regarding recreation, Liberty Lake Park, and ideas for use of the main building at the park.

The Mayor asked about the status of the Building Department when the City reverts to a town.

The City Manager said the agreement says that the County can provide building inspections unless the town decides otherwise. Mr. Kolakowski stated it was very important for the town to maintain its own zoning and property maintenance standards.

Councilman Vest asked when the City will find out when it will be a town.

City Attorney Berry said that it will be no sooner than six months after the Court approves it; should be able to get it approved by the end of 2012, and July 1, 2013, is a really good date for the reversion to occur.

Discussion ensued regarding having all changes completed by the date of reversion.

Other items mentioned included: the Armory; need for customer friendly service in the Building Department; the jail system.

The Chief of Police said it is a State decision to move a State qualified prisoner from the Blue Ridge Regional Jail to its facility. He said the State would rather sell their vacant beds to another state as it makes more money.

Councilman Vest asked Chief Day to prepare information to give to the Mayor so he can talk to Delegate Lacey Putney about the jail situation.

Staffing for the Finance Department was discussed.

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The City Manager stated the City has been operating without a payroll person for a couple of years. Mr. Kolakowski said that duties for that position will be revised. The duties for the payroll position have been split among several employees.

Director of Finance Jordan said it is in the best interest of the City to have an employee devoted to doing the payroll, learning the HR laws, learning the labor laws, the wage and hour laws, to manage the benefits. Ms. Jordan said the workload in the Finance/Treasurer's office will not drop: the department will process the same or more real estate tickets, utility bills. Ms. Jordan said the department will pick up workload: business licenses (the reports, the mailings, the follow up, and collections), meals tax and lodging tax on a monthly basis.

A brief discussion ensued regarding the capital improvement budget.

Mr. Crompton, IT Department, reported the City should be proactive in updating and upgrading equipment and maintaining software.

Ms. Jordan said that all excess equipment is sold on EBay.

Councilman Rush asked about a vehicle use policy.

The City Manager said the staff is working on developing such a policy.

Mayor Tharp adjourned the meeting at 2:26 p.m.