

May 28, 2013

A regular meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:00 p.m., May 28, 2013.

Members present: Mayor Robert T Wandrei; Councilwoman Mary L. Flood; Councilman Stacey L. Hailey; Councilman Steve C. Rush; Councilman C. G. Stanley, Jr.; Councilman W. D. Tharp; and Vice Mayor James A. Vest

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

Mayor Wandrei declared that the minutes of a regular Council meeting held on May 14, 2013, were approved as distributed.

City Manager Kolakowski reported on the following:

- A Job Fair was held on May 15 – 35 different businesses were there – over 300 residents of the area attended – the businesses gave very positive feedback on the quality and number of people looking for jobs
- Requested that Council adjourn this meeting until May 31 for a work session on the proposed Town budget in order to finalize the budget, which will be on the agenda of the June 11 meeting

Mr. Warner, Assistant City Manager, reported that a second informational meeting about the proposed changes to the recreational structure was held. Mr. Warner said the legal advisors are working on making necessary filings to create the organization. Once that is done, another meeting will be held to explain again how the organizational structure will work.

Vice Mayor Vest, Chairman of the Finance Committee, reported the Committee met earlier regarding the financial reports.

Mayor Wandrei said a resolution will be added to the agenda in honor of the late Ruth Crouch.

The Mayor said that Peggy Bias will be leaving the Library at the end of June.

Mayor Wandrei opened the public hearing regarding the proposed budget for Fiscal Year 2013-2014 at 7:05 p.m.

The notice of the Public Hearing follows:

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NOTICE
Synopsis of Budget for
Fiscal Year July 1, 2013 to June 30, 2014
Town of Bedford, Virginia

Notice is hereby given that a public hearing will be held by the City Council May 28, 2013 at 7:00 p.m. in the Council Hall of the City Municipal Building in relation to the budget for the Town of Bedford for Fiscal Year 2013-14, 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.

As there were no comments, the Mayor closed the public hearing at 7:05 p.m.

City Manager Kolakowski read aloud the following Public Hearing Notice:

PUBLIC HEARING NOTICE

The City Council of Bedford, Virginia, on Tuesday, May 28, 2013, at 7:00 p.m. in the City Council Chambers, Municipal Building, 215 East Main Street, Bedford, Virginia 24523, will hold a public hearing pursuant to Virginia Code Section 15.2-1800 concerning the conveyance by the City of Bedford of its water and wastewater systems to the Bedford Regional Water Authority pursuant to the Consolidation Agreement among City of Bedford, Virginia; Bedford County, Virginia; and Bedford County Public Services Authority dated October 31, 2012. The following properties shall be conveyed or assigned: (a) water treatment plant on Turkey Mountain Road; (b) Stony Creek Reservoir and other property on east side of Wheats Valley Road; (c) water storage tanks on Helm Street, less parcels to be retained near cellular tower; (d) deep well lot on Big Otter River; (e) wastewater treatment plant on Orange Street less northeast corner to be retained for access to City landfill; and (f) all pump station lots, pipelines and easements, and equipment, personal property and fixtures.

Mayor Wandrei opened the public hearing at 7:07 p.m.

As there were no comments, the Mayor closed the public hearing at 7:07 p.m.

The City Manager said the Virginia General Assembly passed legislation changing the manner in which funding is provided for the employee pension program administered by the Virginia Retirement System (VRS). In summary, participating localities are required to transfer five percent of the pension funding that they were previously providing over to the employees with the caveat that employees are to be held harmless for the financial

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impact of doing so. All localities are required to implement this five percent change over the course of five years.

City Manager Kolakowski said the City of Bedford has opted to phase in the transfer by one percent over a five year period. As such, the City is required to give an annual report to VRS of its progress by means of adopting a resolution. The resolution is in the format provided by VRS and reflects that for the 2013-2014 fiscal years, the City will continue to contribute three percent of the funding required by the General Assembly while employees will pick up two percent. Mr. Kolakowski said that Council was requested to approve the proposed resolution concerning the City's contributions to the Virginia Retirement System.

On motion by Councilman Rush, seconded by Councilman Hailey, voted upon and carried unanimously by a roll call vote, Council adopted the resolution. Roll call vote follows:

Councilwoman Flood	aye
Councilman Hailey	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Tharp	aye
Vice Mayor Vest	aye
Mayor Wandrei	aye

The resolution follows as adopted:

**RESOLUTION OF THE
CITY COUNCIL OF THE CITY OF BEDFORD
CONCERNING MEMBER CONTRIBUTIONS BY SALARY REDUCTION
TO THE VIRGINIA RETIREMENT SYSTEM**

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

WHEREAS, the City of Bedford (Employer Code 55364) employees who are Virginia Retirement System (VRS) members who commence or recommence employment on or after July 1, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the City of Bedford employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

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WHEREAS, the City of Bedford may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2013, to each such employee in service on June 30, 2013, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the percentage increase of the member contribution paid by such pursuant to this resolution (For example, if the member contribution paid by the employee increases from two to three percent pursuant to this resolution, the employee must receive a one percent increase in creditable compensation.)

BE IT THEREFORE RESOLVED, that the City of Bedford does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2013:

PLAN 1	Percent
Employer Paid Member Contribution	3%
Employee Paid Member Contribution	2%
Total	5%

PLAN 2	Percent
Employer Paid Member Contribution	3%
Employee Paid Member Contribution	2%
Total	5%

AND BE IT FURTHER RESOLVED that such contributions, although designated as member contributions, are to be made by the City of Bedford in lieu of member contributions; and

BE IT FURTHER RESOLVED that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED that members contributions made by the City of Bedford under the pick up arrangement shall be treated for all purposes other than income taxation, but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the City of Bedford directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the City of Bedford shall be reduced by the amount of member contributions picked up by the City of Bedford on behalf of such employee pursuant to the foregoing resolutions; and

BE IT FURTHER RESOLVED that in accordance with the Appropriate Act, no salary increases that were provided solely to offset the cost of required member

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contributions to the Virginia Retirement System under §51.1144 of the Code of Virginia will be used to certify that the salary increases required by the Appropriations Act have been provided.

NOW, THEREFORE, the officers are hereby authorized and directed in the name of the City of Bedford to carry out the provisions of this resolution, and said officers are authorized to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the City of Bedford for this purpose.

The Clerk of Council read aloud the following proposed Proclamation:

PROCLAMATION

WHEREAS, Ruth Foutz Crouch was born August 29, 1937, in Pulaski County, and was the daughter of Oakey L. Foutz and Rachael Watson Foutz; and

WHEREAS, Ruth Crouch came to Bedford when she was in the third grade and while in high school she worked after school at Updike & Stevens, a grocery store and later worked locally for the Chesapeake and Potomac Telephone Company as a telephone operator; and

WHEREAS, Ruth spent her entire working life in Bedford's Centertown. In the early 1960's Ruth went to work at D. Reynolds and stayed there until it closed, near 50 years later; and

WHEREAS, along with managing D. Reynolds, Ruth did sewing. She did all of D. Reynolds's alterations and did custom sewing on her own. One of her many clients was the Bedford Police Department and one of her last projects for them was sewing new patches on their uniforms in preparation for reversion, identifying their jurisdiction as just "Bedford"; and

WHEREAS, Ruth also donated her sewing services to the Bedford Volunteer Fire Department; and

WHEREAS, Ruth was locally famous for baking pies, with her nickname "The Pie Lady". She baked more than 200 pies to order every year. Like her sewing skills, Ruth put her baking skills to work by donating many of her homemade pies to various charity fundraisers; and

WHEREAS, Ruth was a member of the Women of the Moose #1005 and the Main Street United Methodist Church;

NOW, THEREFORE, BE IT PROCLAIMED, that the Mayor of the City of Bedford states his deep respect and appreciation to Ruth Foutz Crouch; and

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BE IT FURTHER PROCLAIMED, that the Mayor of the City of Bedford calls on friends and residents to thank Ruth Foutz Crouch for her continuous contributions to the quality of life in the City of Bedford.

On motion by Councilman Rush, seconded by Councilman Tharp, voted upon and carried unanimously, the Proclamation was adopted.

City Manager Kolakowski stated the City has been working with Bedford County, the developer, and the Virginia Department of Transportation (VDOT) on the Harmony Project and the Route 460 improvements that have been going on trying to coordinate what is basically four different projects and trying to bring it under one umbrella. The City Manager said that no additional cost will be incurred other than what the City has already committed to prior to this. He said this is moving forward with the Revenue Sharing Project on Old Turnpike Road.

On motion by Councilman Stanley, seconded by Councilman Hailey, voted upon and carried unanimously by a roll call vote, Council adopted the resolution regarding VDOT funding. Roll call vote follows:

Councilman Hailey	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Tharp	aye
Vice Mayor Vest	aye
Councilwoman Flood	aye
Mayor Wandrei	aye

The resolution follows as adopted:

**RESOLUTION OF THE
CITY COUNCIL OF THE CITY OF BEDFORD
TRANSFERRING VDOT FUNDING ALLOCATIONS**

WHEREAS, in accordance with Virginia Department of Transportation construction allocation procedures, it is necessary that a request by Council resolution be made in order that the Department program an urban highway project in the City of Bedford; now

THEREFORE BE IT RESOLVED, that the Council of the City of Bedford, Virginia, commits to the funding for UPC 91579 City {Ole Turnpike Road} and further requests the Virginia Department of Transportation to transfer revenue sharing funds from City Project UPC 91579 to the primary road project, State Project UPC 67529 for the improvement of U.S. 460 from 0.38 miles West of Old Turnpike Road to

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0.09 miles East of Old Turnpike Road, a distance of approximately 0.49 miles.

BE IT FURTHER RESOLVED, that the Council of the City of Bedford hereby agrees to pay its share of the total cost of the revenue sharing allocated portion for preliminary engineering, right of way and construction of portions of project UPC 91579 incorporated within UPC 67529 and that, if the City of Bedford subsequently elects to cancel project UPC 91579, the City of Bedford hereby agrees to reimburse the Virginia Department of Transportation for the total amount of the costs of the urban system allocated portion expended by the Department through the date the Department is notified of such cancellation.

Mayor Wandrei adjourned the meeting at 7:15 p.m. until May 31, 2013, at 5:30 p.m. for a budget work session in the Council Hall.