

May 27, 2014

A regular meeting of the Council of the Town of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:00 p.m., May 27, 2014.

Members present: Mayor Robert T Wandrei; Councilman Robert D. Carson; Councilman Stacey L. Hailey; Councilman Steve C. Rush; Councilman C. G. Stanley, Jr.; Councilman W. D. Tharp

Members absent: Vice Mayor James A. Vest

Staff present: Town Manager Charles P. Kolakowski; Town 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 13, 2014, were approved as distributed.

Town Manager Kolakowski reported on the following:

- The sidewalk repair program has commenced starting on Peaks Street.

Councilman Rush stated the Finance Committee met on May 20 and discussed the AMP Ohio contract and made the determination to pay the \$5,000 a month or \$60,000 a year until it is met or Council does something better later. Mr. Rush said the Committee also discussed the PJM report.

Councilman Tharp said there is a piece of sidewalk that needs to be leveled across the street from the Municipal Building's upper entrance.

Mayor Wandrei said that Councilman Hailey had suggested that members of Council have polo shirts to wear to events. The Mayor asked the Town Manager to check into this.

Mayor Wandrei opened the public hearing at 7:04 p.m.

Town Manager Kolakowski reviewed part of the Public Hearing Notice.

The Public Hearing Notice follows:

**NOTICE OF PUBLIC HEARING ON  
SUPPLEMENTAL AMENDMENT OF THE  
VOLUNTARY SETTLEMENT AGREEMENT**

Notice is hereby given that the Board of Supervisors of Bedford County, Virginia, and the Town Council of the Town of Bedford, Virginia, will each hold a public hearing

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on a proposed "Supplemental Amendment" to the "Voluntary Settlement Agreement of Transition to Town Status and Other Related Issues between the City of Bedford and the County of Bedford" (the "VSA"), dated August 2012. Following the public hearing held by each locality, the County Board of Supervisors and the Town Council intend to adopt resolutions approving the supplemental amendment. The Board of Supervisors public hearing will be held in the Bedford County Administration Building Board Room, 122 E. Main Street, Bedford, Virginia, on Tuesday, May 27, 2014 at 7:30 P.M. The Town Council public hearing will be held in the Council Chambers of the Town Municipal Building, 215 E. Main Street, Bedford, Virginia, on Tuesday, May 27, 2014 at 7:00 P.M.

The Supplement Amendment is authorized by Virginia Code Section 15.2-3400 and by Section 13A of the VSA.

The Supplemental Amendment provides for the Town to pay to the County one-fourth of all collections of tangible personal property taxes received by the City and Town of Bedford prior to June 30, 2014 in respect to the City 2013 tangible personal property taxes, except that the Town shall retain the total amount of any payments received by the Town or City from the Commonwealth of Virginia under the Personal Property Relief Act in respect to such payments. The Town shall make an initial payment on June 20, 2014 based upon receipts as of June 15, 2014 and a final payment on July 15, 2014 based upon the balance of receipts made by June 30, 2014. The parties agree that the payment represents an equitable adjustment of calendar year tangible property tax based on the mid-year reversion of the City to Town status.

A copy of the complete Supplement Amendment is on file and available for inspection in the office of the County Administrator located in the County Administration Building at 122 E. Main Street, Bedford, Virginia and in the office of the Town Manager at 215 E. Main Street, Bedford, Virginia. Any person interested in the Supplement Amendment may appear at the public hearing and present his or her views.

By the Town Council of the Town of Bedford  
And the Board of Supervisors of Bedford County

Mayor Wandrei opened the public hearing at 7:04 p.m.

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

The Town Manager explained that the Public Hearing was about the inclusion of three parcels that were inadvertently left out of the original Voluntary Settlement Agreement between the City and County, which resulted in the reversion of the City to Town status.

The Public Hearing Notice follows:

**NOTICE OF PUBLIC HEARING ON  
BOUNDARY LINE ADJUSTMENT AGREEMENT**

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Notice is hereby given that the Board of Supervisors of Bedford County, Virginia, and the Town Council of the Town of Bedford, Virginia, will each hold a public hearing on a proposed "Boundary Line Adjustment Agreement" between the County of Bedford and the Town of Bedford (the "Agreement"). Following the public hearing held by each locality, the County Board of Supervisors and the Town Council intend to adopt resolutions approving the supplemental amendment. The Board of Supervisors public hearing will be held in the Bedford County Administration Building Board Room, 122 E. Main Street, Bedford, Virginia, on Tuesday, May 27, 2014 at 7:30 P.M. The Town Council public hearing will be held in the Council Chambers of the Town Municipal Building, 215 E. Main Street, Bedford, Virginia, on Tuesday, May 27, 2014 at 7:00 P.M.

The Agreement is authorized by Section 15.2-3106 et seq. of the Code of Virginia 91950), as amended, and provides that the boundary line between the County and Town will be relocated by incorporating into the Town of Bedford (the "Town" or "Bedford") certain territory which is presently located within the unincorporated portions of the county and by returning a small parcel from Town status to unincorporated county status. A survey plat attached to the Agreement depicts the new boundary line between the Town and the County in the area where the boundary line would be changed by the Agreement.

There are two separate boundary line adjustments that are the subject of the Boundary Line Adjustment Agreement. Both are intended to correct inadvertent mistakes made in the maps approved by the Three Judge Court and recorded in the deed book in the Clerk's office with the Voluntary Settlement Agreement.

(1) Two county parcels in the "Harmony Development Area" (which were omitted from Sheet No. 1C of the VSA maps) are to become part of the Town, namely County Tax Map Parcel 128-A-31 owned by the United States of America and County Tax Map parcel 128-8-32 owned by BA Investors, LLC. The two parcels are bounded on the west by Pony Acres Road, on the south by Lisa Persinger, and on the north and east by the present Town limits.

(2) Part of one Town parcel, in the "Old Landfill Area", which was incorporated into Town in Sheet 3G of the VSA maps will be returned to a status of unincorporated county property in order to correct the present status where two unincorporated parcels owned by Jack E. Burton constitute an island of unincorporated lots surrounded by incorporated Town property. The land which is to be returned to unincorporated status by the Boundary Line Adjustment Agreement is owned by the Town of Bedford and is bounded on the west by Count Tax Map 130-2-2A and 130-2-2B (both owned by Jack E. Burton), on the east by County Tax Map 130-A-32 owned by the Town of Bedford, and on the north by Draper Road.

The proposed Agreement provides that the parties, after approving the Agreement, shall promptly petition the Circuit Court of Bedford County to relocate and establish the boundary lines as agreed upon, and that the new boundary lines shall become effective at midnight on June 30, 2014, unless otherwise agreed to by the parties. In the event a final court order has not been entered by that date, the new boundary line

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shall become effective at midnight on July 31, 2014 or at midnight on December 31, 2014 following entry of the final court order, whichever date occurs first. The Agreement provides further that the Town and County shall share all costs of this newspaper publication.

A copy of the complete Boundary Line Adjustment Agreement is on file and available for inspection in the office of the County Administrator located in the County Administration Building at 122 E. Main Street, Bedford, Virginia and in the office of the Town Manager at 215 E. Main Street, Bedford, Virginia. Any person interested in the Boundary Line Adjustment Agreement may appear at the public hearing and present his or her views.

By the Town Council of the Town of Bedford  
By the Board of Supervisors of Bedford County

As there were no comments, the Mayor closed the public hearing at 7:06 p.m.

Town Manager Kolakowski reported that a Supplemental Amendment to the Voluntary Settlement Agreement has been drafted which provides for the Town to pay one-fourth of all collections of tangible personal property taxes received by the City and Town prior to June 30, 2014 in respect to the City's 2013 tangible personal property taxes, except that the Town shall retain the total amount of all payments received from the Commonwealth of Virginia under the Personal Property Tax Relief Act in respect to such payments. One-fourth of the taxes represents an equal sharing by the Town with the County of six months worth of the calendar year taxes.

On motion by Councilman Tharp, seconded by Councilman Stanley, voted upon and carried by a roll call vote, Council adopted the proposed ordinance approving the Supplemental Amendment of the Voluntary Settlement Agreement pertaining to payment by the Town to the County of one-fourth of the 2013 tangible personal property tax collections. Roll call vote follows:

Councilman Carson	aye
Councilman Hailey	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Tharp	aye
Vice Mayor Vest	absent
Mayor Wandrei	aye

The Ordinance follows as adopted:

**ORDINANCE NO. 14-8**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF BEDFORD  
PROVIDING FOR A SUPPLEMENTAL AMENDMENT OF THE VOLUNTARY**

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**SETTLEMENT AGREEMENT (VSA) BETWEEN THE CITY OF BEDFORD  
AND BEDFORD COUNTY, DATED AUGUST 2012, PROVIDING FOR  
PAYMENT FROM THE TOWN OF BEDFORD TO THE COUNTY OF ONE-  
FOURTH OF THE 2013 TANGIBLE PERSONAL PROPERTY TAX  
COLLECTED BY THE TOWN (EXCEPT FOR PERSONAL PROPERTY TAX  
RELIEF ACT PAYMENTS  
RECEIVED BY THE TOWN)**

**WHEREAS**, a special court appointed pursuant to Chapter 30 of Title 15.2 of the Code of Virginia, 1950, as amended, and sitting in the Circuit Court of Bedford County, entered an order on December 18, 2012 which affirmed and validated a “Voluntary Settlement of Transition to Town Status and Other Related Issues Between the City of Bedford and the County of Bedford,” dated August 2012 (the “VSA”); and

**WHEREAS**, Section 13.8 of the VSA provided that the VSA could be amended, modified or supplemented, by mutual consent of the Town and county, a written document of equal formality and dignity, duly executed by the authorized representatives of the Town and the County, without requiring further review by the Commission of Local Government or court approval; and

**WHEREAS**, the Commissioner of the Revenue of Bedford County and the Board of Supervisors of Bedford County and the Town Council of the Town of Bedford have agreed that the County tangible personal property tax levied upon residents of Bedford County on January 1, 2013 for that calendar year could not be levied upon the former residents of the City of Bedford since they were not residents of Bedford County on the tax date of January 1, 2013; and

**WHEREAS**, the parties have agreed that there should be an equitable adjustment made between the parties as a result of the inability of the County to levy such tangible personal property taxes on the former residents of the City of Bedford for any part of the 2013 calendar year; and

**WHEREAS**, pursuant to Chapter 384 of the 2013 Virginia Acts of Assembly, the City of Bedford levied personal property taxes on January 1, 2013 for that calendar tax year, and the parties have further agreed that a portion of such tangible personal property taxes as hereinafter set forth would be remitted by the Treasurer of the Town to the Treasurer of Bedford County; and

**WHEREAS**, the Town Council and the Board of Supervisors have committed such agreements to writing in a document entitled “Supplemental Amendment to the Voluntary Settlement Agreement Transition to Town Status and Other Related Issues between the City of Bedford and the County of Bedford,” (the “Supplemental Amendment”); and

**WHEREAS**, the Town Council has advertised its intention to hold a public hearing and to approve such Supplemental Amendment by publication once a week for

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two successive weeks in the May 7, 2014 and May 14, 2014 editions of the Bedford Bulletin, a newspaper having general circulation in the Town of Bedford, which newspaper publication included a descriptive summary of the Supplemental Amendment and a statement that a copy of the Amendment was available in the Clerk's office of the Town and County;

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL, OF THE TOWN OF BEDFORD, VIRGINIA** as follows:

Section 1. Pursuant to Section 13.8 of the Voluntary Settlement Agreement to Town Status and Related Issues between the City of Bedford and the County of Bedford, the Town Council approves the Supplemental Amendment providing for a payment by the Town to the County of one-fourth of all collections by the Town of tangible personal property tax in respect to the City of Bedford's 2013 tangible personal property taxes, except that the Town may retain any payments made to the Town from the Commonwealth of Virginia under the Personal Property Tax Relief Act.

Section 2. The Town Council directs and authorizes the Mayor and the Clerk, on behalf of the Town, to execute the Supplemental Amendment dated May 27, 2014 and to affix and attest to the seal of the Town.

Section 3. This Ordinance shall go into effect only upon approval of an ordinance by the Board of Supervisors of Bedford County approving the Supplemental Amendment.

The Supplemental Amendment of the Voluntary Settlement Agreement pertaining to payment by the Town to the County of one-fourth of the 2013 tangible personal property tax collections follows as adopted:

**SUPPLEMENTAL AMENDMENT TO THE VOLUNTARY SETTLEMENT AGREEMENT BETWEEN THE CITY OF BEDFORD (NOW TOWN OF BEDFORD) AND THE COUNTY OF BEDFORD**  
(2013 Tangible Personal Property Tax)

**THIS SUPPLEMENTAL AMENDMENT** is made and entered into this 27th day of May 2014, by and between the Town of Bedford, Virginia, a municipal corporation of the Commonwealth of Virginia (the "Town"), and the County of Bedford, Virginia, a political subdivision of the Commonwealth of Virginia (the "County") (together "the parties").

**WHEREAS**, a Special Court appointed pursuant to Chapter 30 of Title 15.2 of the Code of Virginia, 1950, as amended, and sitting in the Circuit Court of Bedford County, entered an order on December 18, 2012 (the "Order"), which affirmed and validated a "Voluntary Settlement of Transition to Town Status and Other Related Issues Between the City of Bedford and the County of Bedford" (the "VSA"), dated August 2012; and

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**WHEREAS**, Section 13.8 of the VSA provided that the VSA could be amended, modified or supplemented, by mutual consent of the Town and the County, by a written document of equal formality and dignity, duly executed by the authorized representatives of the Town and the County, without requiring further review of the commission of Local Government or court approval; and

**WHEREAS**, pursuant to the VSA and the Order of the Special Court, on July 1, 2013, the former City of Bedford changed its governmental status to that of a Town within the jurisdiction boundaries of Bedford County; and

**WHEREAS**, the Commissioner of the Revenue of Bedford County and the Board of Supervisors of Bedford County and the Town Council of the Town of Bedford have agreed that the County tangible personal property tax levied upon residents of Bedford County on January 1, 2013 for that calendar year could not be levied upon the former residents of the City of Bedford since they were not residents of Bedford County on the tax date of January 1, 2013; and

**WHEREAS**, the parties have agreed that there should be an equitable adjustment made between the parties as a result of the inability of the County to levy such tangible personal property taxes on the former residents of the City of Bedford for any part of 2013 calendar year; and

**WHEREAS**, pursuant to Chapter 384 of the 2013 Virginia Acts of Assembly, the City of Bedford levied personal property taxes on January 1, 2013 for that calendar tax year, and the parties have further agreed that a portion of such tangible personal property taxes as hereinafter set forth should be remitted by the Treasurer of the Town to the Treasurer of Bedford County.

**WHEREAS**, the Town Council and the Board of Supervisors have advertised their intentions to hold a public hearing on May 27, 2014 and to approve such Supplemental Amendment by joint publication once a week for two successive weeks in the May 7, 2014 and May 14, 2014 editions of the Bedford Bulletin, a newspaper having general circulation in the Town of Bedford, which newspaper publication included a descriptive summary of the Supplemental Amendment and a statement that a copy of the Amendment was available in the Clerk's office of the Town and County.

**WHEREAS**, the Board of Supervisors of Bedford County, Virginia, the governing body of the County, has caused this Amendment to be signed in the name of Bedford County by the Chairman of the Board of Supervisors pursuant to an ordinance duly adopted by the Board of Supervisors at its meeting on May 27, 2014; and

**WHEREAS**, The Town Council of the Town of Bedford, Virginia the governing body of the Town, has caused this Amendment to be signed in the name of the Town of Bedford pursuant to an ordinance duly adopted by the Town Council at its meeting on May 27, 2014;

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**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the parties agree to amend and supplement the VSA as follows:

A. A new Section 6:14 is added as follows:

The Town agrees to pay to the County one-fourth of all collections of tangible personal property taxes, received by the City and the Town prior to June 30, 2014 in respect to the City's 2013 tangible personal property taxes, except that the Town shall retain the total amount of any payments received from the Commonwealth of Virginia under the Personal Property Tax Relief Act in respect to such payments. The Town shall make a first payment on June 15, 2014 based upon receipts as of June 1, 2014 and a final payment on July 15, 2014 based upon the balance of receipts received by July 1, 2014.

B. This Agreement shall go into effect immediately upon approval by the governing bodies of the Town and County.

The Town Manager reported that public notice has been given as required by the statute dealing with boundary line agreements between jurisdictions, giving notice of the intention of the Board of Supervisors and of the Town Council to execute a boundary line adjustment agreement. The Resolutions authorize the execution of the Agreement and direct the attorneys to institute appropriate proceedings before the Circuit Court in order to obtain an appropriate order establishing the new boundary lines.

On motion by Councilman Hailey, seconded by Councilman Carson, voted upon and carried by a roll call vote, Council adopted the resolution approving the proposed Boundary Line Adjustment Agreement with Bedford County and which provides for the adjustment of the boundary lines in order to correct the errors in the existing Phase I boundary plats. Roll call vote follows:

Councilman Hailey	aye
Councilman Rush	aye
Councilman Stanley	aye
Councilman Tharp	aye
Vice Mayor Vest	absent
Councilman Carson	aye
Mayor Wandrei	aye

The resolution follows as adopted:

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF BEDFORD, VIRGINIA, APPROVING A BOUNDARY LINE ADJUSTMENT AGREEMENT BETWEEN THE TOWN OF BEDFORD AND BEDFORD COUNTY BY PROVIDING FOR ADDITIONS TO THE PHASE I ADJUSTMENT AREAS OF TWO PARCELS INADVERTANTLY NOT INCLUDED IN THE PHASE 1 BOUNDARY AREAS THAT ARE PART OF THE HARMONY DEVELOPMENT, AND REMOVING A SMALL PARCEL NEAR THE OLD TOWN LANDFILL**

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**FROM THE PHASE I BOUNDARY AREA AND RETURNING IT TO A STATUS OF UNINCORPORATED COUNTY PROPERTY**

**WHEREAS**, a special court appointed pursuant to Chapter 30 of Title 15.2 of the Code of Virginia, 1950, as amended, and sitting in the Circuit Court of Bedford County, entered an order on December 18, 2012 which affirmed and validated a “Voluntary Settlement of Transition to Town Status and Other Related Issues Between the City of Bedford and the County of Bedford,” dated August 2012 (the “VSA”); and

**WHEREAS**, the VSA provided that certain parcels of land within the County and adjacent to the former City, designated as the “Phase I Boundary Adjustment Areas,” would become part of the Town upon the effective date of transition of the City to Town status; and

**WHEREAS**, after approval of the VSA by the Special Court, the parties discovered that two parcels of land in the County, which were part of the Harmony Development Area and which they intended to incorporate within the Town, were inadvertently omitted from the Phase I Boundary Adjustment areas as identified in the survey plats and descriptions which were attached to the Order of the Special Court; and

**WHEREAS**, the parties also discovered that three parcels of land located in the unincorporated portion of the County in the vicinity of the old landfill site are entirely surrounded by parcels that were brought into the Town, and the parties agree that these three parcels should remain contiguous to other parcels in the unincorporated portions of the county by excluding a small area from the Town that is owned by the Town; and

**WHEREAS**, the Town and County have agreed to adopt an agreement pursuant to Virginia Code Section 15.2-3106 et seq to relocate or change the boundary between the jurisdictions in order to make such adjustments in their boundaries; and

**WHEREAS**, the Town Council and the Board of Supervisors have advertised their intention to approve such an agreement after a public hearing on May 27, 2014 by a joint publication in the Bedford Bulletin, a newspaper having general circulation in each of the localities, once a week in the May 7, 2014 and May 14, 2014 editions which included a statement that a copy of the proposed agreement was on file in the office of the Clerk of each governing body; and

**WHEREAS**, after the public hearing on May 27, 2014, the Town Council has determined that the adoption of the Boundary Line Adjustment Agreement is in the best interests of the Town;

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL of THE TOWN OF BEDFORD, VIRGINIA** as follows:

1. The Town Council approves the proposed Boundary Line Adjustment Agreement as aforesaid, and authorizes and directs the Mayor and the Clerk, on behalf of the Town, to execute the Boundary Line Adjustment Agreement dated May 27, 2014 in substantially the form proposed and to affix and attest to the Seal of the Town.

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2. Upon approval of the proposed Boundary Line Adjustment Agreement by the Board of Supervisors, the Town Attorney and the Town Manager are directed to institute appropriate proceedings before the Circuit Court of Bedford County pursuant to Code of Virginia Section 15.2-3108 in order to obtain an appropriate order establishing the new boundary.

3. This Resolution shall go into effect only upon the approval of a similar resolution by the Board of Supervisors of Bedford County approving the Boundary Line Adjustment Agreement.

Mayor Wandrei adjourned the meeting at 7:10 p.m.