

May 26, 2015

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 26, 2015.

Members present: Mayor Robert T Wandrei; Councilman Tim Black; Councilman Stacey L. Hailey; Vice Mayor Steve C. Rush; Councilman Beckham A. Stanley; and Councilman James A. Vest

Members absent: Councilman Robert D. Carson

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 12, 2015, were approved as distributed.

Town Manager Kolakowski reported on the following:

- There will be a basketball tournament on June 13 at 1:00 p.m. at Edmund Street Park
- One hundred fifty kids have registered for Cop Camp and there is a waiting list.

Councilman Vest, Chairman of the Finance Committee, reported that the committee met earlier in the evening and the Town is possibly on schedule to meet the budget as it was projected.

Mayor Wandrei presented Mr. Randolph Fletcher with a gift upon his retirement from Town service.

Town Manager Kolakowski asked that the Presentation – Superintendent of Bedford County Schools be heard at this point in the meeting. He also asked that a presentation on having an Amtrack passenger train stop in Bedford be heard after the School Superintendent's presentation.

Dr. Doug Schuch, Superintendent of Schools, said that all schools are showing improvements in test scores. Dr. Schuch spoke about the following: a major investment into the technology infrastructure is being made in all of the schools through a Federal Government program that the County schools qualify for – the program provides a seventy per cent reimbursement; there will be a major redistricting next school year as Thaxton Elementary and Body Camp Elementary will be closed; did complete the most successful budget he has ever been associated with and explained the reasons; in February of this year the School Board adopted a resolution formally requesting the borrowing for the new Middle School on the new property and it included a competition gym for Liberty High School – as far as Dr. Schuch knew the Bedford Board of Supervisors has never discussed that resolution.

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Mr. Gary Hostutler, Chairman of the Bedford County School Board, spoke about trying to get the new Middle School matter on the Board of Supervisors agenda. Mr. Hostutler also said the delay in construction could cost taxpayers millions of dollars.

Councilman Vest spoke about 50 or 60 students congregating at the Library after the Middle School lets out in the afternoon. Dr. Schuch said this situation is already being worked on.

Mr. Hostutler reviewed the timeline for construction of the new Middle School.

The Town Manager read aloud the Notice of Public Hearing.

PUBLIC HEARING NOTICE

Notice is hereby given of a public hearing to be held by the Town Planning Commission at 5:30 p.m. on Thursday, May 7, 2015 and Town Council at 7:00 p.m. on Tuesday, May 26, 2015 at the Town Municipal Building, Council Hall, 215 East Main Street for the following purpose:

- Consideration of amending the Land Development Regulations to create a Healthcare Establishment District (HE) which would allow clinics and doctor offices, homes for adults, hospitals, nursing or convalescent homes and recreational facilities as a permitted use.
- Consideration of rezoning 1613 Oakwood Street, Tax Map #135 A 2 T; 1704 Whitfield Drive, Tax Map #134 3 8 T; and 1621 Whitfield Drive, Tax Map #154 A 2 T, from Single Family Residential (R-1) to Healthcare Establishment District (HE).

Information regarding this amendment and rezoning is on file in the office of Planning & Community Development.

Anyone who is in favor of or opposed to these requests will have an opportunity to express their views at this hearing.

By the Authority of the Planning Commission and Town Council of the
Town of Bedford

Mayor Wandrei opened the Public Hearing at 7:50 p.m.

The following individuals spoke:

- Sandra Boyes, 1574 Newton Circle, spoke in opposition to the proposed rezoning. Ms. Boyes gave Council members a handout. She also presented a petition from Newton Circle and North Hampton residents.
- Johnson Scott, 1553 Oakwood Drive, spoke in favor of the HE District.

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As there were no further comments, Mayor Wandrei closed the public hearing at 8:04 p.m.

Under the “Citizen Comments” section of the agenda, the following individual spoke:

- Travis Overstreet spoke about the tattered condition of the American Flags in the downtown area. Mr. Overstreet said that out of 124 flags, 49 flags are in deplorable condition. He said that the flags should be replaced in a timely matter.

The Town Manager reported that the request to amend the Land Development Regulations to create a Healthcare Establishment District (HE) originates from staff with the concurrence of the Planning Commission. Based on its historic location, the property on which Bedford Memorial Hospital is located has been included in the R-1, Single Family Residential zoning district. As a result, hospital uses are permitted by right and doctors’ offices and clinics are allowed as conditional uses throughout all residential areas within Town. The practical consequences of this situation came to light in March 2001 when a physician applied for a conditional use permit to construct medical offices on several parcels of Whitfield Drive west of the hospital property. That request was denied by Council on March 10, 2001.

Town Manager Kolakowski said that in response, staff discussed the need to abate the situation related to medical uses within the residential districts with the Planning Commission and approached Carilion (which then served as the operating entity of the hospital) about making changes to the zoning ordinance. Carilion did not respond to requests to discuss the issue at that time. A change in the corporate management of the hospital occurred in 2014. At that time staff approached the leadership of Centra Health (the current operator of the hospital) about the issue and found them to be receptive to the idea. After several discussions with Centra leaders at the local and corporate level, staff drafted language that would remove the uses associated with the hospital and doctors’ offices from the residential zoning districts and create a separate zoning classification for the hospital (using the Planned Memorial Park District provisions as a model). This information was discussed by the Planning Commission at regular meetings on January 8, 2015, and March 26, 2015.

The Town Manager reported that at its regular meeting on May 7, 2015, the Planning Commission met and those present unanimously recommended approval of the proposed amendment. Three individuals (Mrs. Sandra Boyes, Mrs. Patti Jurkus, and Mrs. Twila Ross) spoke during the public hearing associated with this agenda item. Mr. Kolakowski said that Council was requested to adopt the proposed ordinance enacting Sections 601.13 and 619.01, and amending Sections 602.01 and 602.02 of the Land Development Regulations. The net effect of such actions would be that hospitals, clinics, and doctors’ offices would no longer be permitted within the residential zoning districts but a new district would be established to allow for their present and future use.

Vice Mayor Rush moved that the ordinance be adopted. The motion was seconded by Councilman Black.

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Councilman Vest moved that the ordinance be amended with the deletion of the following phrase: under Section 619.01 Permitted Uses - delete, ***but not limited to***.

- a. All activities associated with the operation of Bedford Memorial Hospital, and the level of care it deems appropriate to provide within the proposed zone and to the community, including, *but not limited to*, the following:

The motion was seconded by Councilman Hailey. A brief discussion ensued.

The Mayor said that Council was voting on the amended motion to strike the phrase *but not limited to*.

The motion was then voted upon and carried by the following roll call vote:

Councilman Black	aye
Councilman Carson	absent
Councilman Hailey	aye
Vice Mayor Rush	aye
Councilman Stanley	nay
Councilman Vest	aye
Mayor Wandrei	aye

The Ordinance follows as adopted:

ORDINANCE NO. 15-14

AN ORDINANCE AMENDING THE TOWN OF BEDFORD LAND DEVELOPMENT REGULATIONS

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BEDFORD, VIRGINIA:

Section 1. Section 601.13 of the Land Development Regulations is enacted as follows:

Section 601.13 Intent of the Healthcare Establishment District (HE). The Healthcare Establishment District, HE has been designed to promote and preserve the delivery of comprehensive primary healthcare services within the community. Provision is made for the conduct of activity typically related to the provision of hospital services to which the public requires direct and frequent access. In particular, the district recognizes the historical and ongoing presence of Bedford Memorial Hospital at the intersection of Whitfield Drive and Oakwood Street and finds that its continued operation will promote the interests of general health, welfare, and property values within the community.

Section 2. Section 619 of the Land Development Regulations is enacted as follows:

619 Healthcare Establishment District HE

619.01 Permitted Uses. Within the Healthcare Establishment District HE the following uses are permitted:

- a. All activities associated with the operation of Bedford Memorial Hospital, and the level of care it deems appropriate to provide within the proposed zone and to the community, including the following:
 1. Health clinics and doctor's offices.
 2. Adult care homes.
 3. Hospitals
 4. Nursing or convalescent homes.
 5. Recreational facilities related to wellness and/or rehabilitation services.
 6. Hospice care.
 7. Central plants, parking decks, helipads, and other support facilities.

Section 3. Section 602.01 of the Land Development Regulations of the Town of Bedford, Virginia, which lists permitted uses in the R-1, Single Family Residential district, is amended by deleting the following language:

- f. Hospitals, provided that the requirements of Section 705 are met.

Section 4. Section 602.02 of the Land Development Regulations of the Town of Bedford, Virginia, which lists conditional uses in the R-1, Single Family Residential district, is amended by deleting the following language:

- b. Clinics and doctors' offices provided that the requirements of Section 705 are met.

Section 5. This ordinance is effective upon enactment.

Town Manager Kolakowski said that this request is directly related to the proposed amendment of the Land Development Regulations to create a Healthcare Establishment District (HE) and is contingent upon prior approval of such. Assuming that the Land Development Regulations are amended to remove hospitals, doctors' offices, and clinics from the residential zoning districts and the Healthcare Establishment District is enacted, the HE provisions would need to be applied to Bedford Memorial Hospital to allow them to operate as a conforming land use.

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Bedford Memorial Hospital currently owns three tax parcels:

- 135-A-2 T, listed as 1613 Oakwood Street. This is a large parcel (over 45 acres) which is the site of the main “campus” of the hospital.
- 134-3-8 T, listed as 1704 Whitfield Drive. This parcel was owned by a church and was recently acquired by the hospital.
- 154-A-2 T, listed 1621 Whitfield Drive. This parcel is the site of a medical office building that has been in existence on site for over 50 years. It was recently acquired by the hospital and is presently used for administrative offices related to hospice care.

The Manager said the Planning Commission met on May 7, 2015 and conducted a public hearing. Three individuals (Mrs. Sandra Boyes, Mrs. Patti Jurkus, and Mrs. Twila Ross) spoke during the public hearing associated with this agenda item. A motion was made and seconded to recommend rezoning of all three aforementioned parcels from R-1 to HE. An amendment to the motion was offered which would have removed parcel 154-A-2 T (1621 Whitfield Drive) from the rezoning approval. That amendment failed on a 3-3 tie vote. After failure of the proposed amendment, those present unanimously recommended approval of the rezoning of all three parcels. Council was requested to adopt the proposed ordinance rezoning tax parcels 135-A-2 T, 134-3-8 T, and 154-A-2 T from R-1, Single Family Residential to HE, Healthcare Establishment.

Councilman Beck moved that the agenda item be tabled for further information.

Roll call vote follows:

Councilman Carson	absent
Councilman Hailey	nay
Vice Mayor Rush	nay
Councilman Stanley	aye
Councilman Vest	nay
Councilman Black	nay
Mayor Wandrei	nay

Mayor Wandrei stated that the motion to table was defeated.

Vice Mayor Rush moved that the Ordinance be adopted. The motion was seconded by Councilman Hailey.

Councilman Black made a motion to amend Vice Mayor Rush’s motion as follows: to apply the HE District to Tax Map Parcel 135-A-2 T (1613 Oakwood Street) and 134-3-8 T (1704 Whitfield Drive) and leave Tax Map Parcel 154-A 2 T (1621 Whitfield Drive) as R-1 with a grandfathered non-conforming use as a medical office building. The motion was seconded by Councilman Hailey.

Discussion ensued. The Mayor said the motion to amend removes Tax Map Parcel 154-A 2 T (1621 Whitfield Drive) from the proposed ordinance.

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Councilman Stanley said he felt this was being rushed through

Vice Mayor Rush said this has been studied to make sure this is right in the discussion tonight. The Vice Mayor said he had met with Mr. Warner and some of the citizens also, and this was not rushed.

Further discussion ensued.

Councilman Stanley said he would like to have more time to consider this matter.

The motion to amend was then voted upon and carried by the following roll call vote:

Councilman Hailey	aye
Vice Mayor Rush	aye
Councilman Stanley	nay
Councilman Vest	aye
Councilman Black	aye
Councilman Carson	absent
Mayor Wandrei	aye

The ordinance follows as adopted:

ORDINANCE NO. 15-15

AN ORDINANCE CHANGING THE ZONING MAPS FOR THE TOWN OF BEDFORD BY REZONING FROM R-1 TO HE CERTAIN PARCELS ON EDMUND STREET

WHEREAS, the Planning Commission of the Town of Bedford held a public hearing on May 7, 2015; and

WHEREAS, the Town Council held a public hearing after notice was given in the *Bedford Bulletin* once a week for two successive weeks as required by Virginia Code 15.2-2204; and

WHEREAS, it is found that the public necessity, convenience, general welfare, and good zoning practice are best served by changing the zoning district boundaries;

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

Section 1. The Zoning Map of the Town of Bedford is amended by rezoning from Single Family Residential (R-1) to Healthcare Establishment (HE) the following tax parcels:

135-A-2 T, 134-3-8 T

Section 2. This ordinance is effective upon enactment.

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

The Town Manager said the Town of Bedford has opted to phase in the transfer by one percent over a five year period. As such, the Town is required to give an annual report to VRS of its progress by means of adopting a resolution. The proposed resolution is in the format provided by VRS and reflects that for the 2015-2016 fiscal year, the Town will continue to contribute one percent of the funding required by the General Assembly while employees will pick up four percent. Council was requested to approve the proposed resolution concerning the Town's contributions to the Virginia Retirement System.

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

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

The resolution follows as adopted:

**RESOLUTION OF THE
TOWN COUNCIL OF THE TOWN 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 Town 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

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WHEREAS, the Town 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

WHEREAS, the Town 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, 2015, to each such employee in service on June 30, 2015, 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 Town 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, 2015:

PLAN 1	Percent
Employer Paid Member Contribution	1%
Employee Paid Member Contribution	4%
Total	5%

PLAN 2	Percent
Employer Paid Member Contribution	1%
Employee Paid Member Contribution	4%
Total	5%

AND BE IT FURTHER RESOLVED that such contributions, although designated as member contributions, are to be made by the Town 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 Town of Bedford under the pick up arrangement shall be treated for all purposes other than

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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 Town 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 Town of Bedford shall be reduced by the amount of member contributions picked up by the Town 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 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 Town 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 Town of Bedford for this purpose.

Mayor Wandrei adjourned the meeting at 8:30 p.m.