



**Town Council
Regular Council Meeting Minutes
May 10, 2022**

The Town Council of Bedford, Virginia, held a regularly scheduled meeting on Tuesday, May 10, 2022, at 7:00 p.m. in the Council Chambers of the Town Municipal Building at 215 East Main Street, Bedford, Virginia.

Town Council members present:

Mayor Tim Black, Vice Mayor C. G. Stanley, Councilman Bob Carson, Councilman Stacey Hailey, Councilman Bruce Hartwick, Councilman Bruce Johannessen, Councilman Darren Shoen

Town Staff present:

Town Manager Bart Warner, Town Attorney Michael Lockaby, Electric Department Director John Wagner, Clerk of Council Debra B. Anderson, and Recording Secretary Julia Peters

Mayor Black called the meeting to order and led all those present in reciting the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES

Mayor Black declared that the minutes of the regularly scheduled Council meeting of April 26, 2022, were approved as presented.

REPORT OF TOWN MANAGER

Town Manager Bart Warner reported:

- The new Police Chief Ronnie Lewis will be in Council Chambers on Monday, May 16, 2022 where he will be sworn-in at 9:00 a.m.
- The Town's Finance Director, Anne Cantrell, will be returning from maternity leave on May 16 as well.

- On May 24, 2022, prior to the regularly scheduled Council meeting, there will be a public reception to introduce both Chief Lewis and Mrs. Cantrell to the community. The reception will be in Council Chambers at 5:00 p.m.

APPEARANCES BEFORE COUNCIL

None.

COUNCIL COMMENTS

Councilman Hailey thanked Councilman Johannessen for working diligently Sunday morning to put flower baskets up and around Town, making the Town beautiful.

Councilman Stanley thanked Councilman Johannessen for keeping up the good work.

Councilman Johannessen said it was his privilege to attend the Bedford Area Educational Foundation Breakfast on the past Monday and to accept on behalf of the Town of Bedford an Educational Leader Award. The Bedford Educational Foundation awards grants to teachers to help fund some neat projects. Last year, with so many children being taught online, the Foundation provided 84 families with internet hot-spots and/or hook-ups so the children could complete their school work. This was a very worthwhile project serving the needs of the students in the community.

Councilman Hartwick thanked Councilman Johannessen for the work he did with the flower baskets throughout the Town. They looked beautiful and his grandma loved to see the flowers when she rode around Town. He appreciated all the attendees at the night's meeting and he liked seeing a full room. He also thanked Bedford's police officers for everything they do for the citizens.

Mayor Black reminded attendees of the event coming up in a couple weeks, which was the Parade for the high school Seniors. So that everyone was aware, it would be more of a rolling parade with no road closures and will be held in Town on Sunday, May 22, 2022, beginning at 3:00 p.m.

REPORT OF COUNCIL COMMITTEES

None.

REVISIONS TO AGENDA

None.

PUBLIC HEARINGS

Mr. Warner read the following public hearing notice.

PUBLIC HEARING NOTICE

Notice is hereby given of a public hearing to be held by Town Council at 7:00 p.m. on Tuesday, May 10, 2022, at the Town Municipal Building, Council Hall, 215 East Main Street, Bedford, VA in relation to the budget for the Town of Bedford for Fiscal Year 2022-23 at which time any citizen of the Town shall have the right to attend and state his or her views. Detailed copies of the proposed budget are available for inspection during normal office hours in the Office of the Town Manager and the Office of the Clerk of Council.

By the Authority of Town Council

Mayor Black opened the public hearing at 7:05 p.m.

Tim Brooke, 840 Randolph Street, Bedford, VA

Police Officer Brooke said he was not sure how much money was included in the budget for community policing, but he would like to double the \$4,000 normally used for the National Night Out event this year. They would like to acquire a DJ, a dunking booth, and T-shirts for the night. He would be able to provide Council with an itemized expenditure list, but for an additional \$3,000 he could also feed everyone who attends and provide a fireworks display at the end of the event. He asked that Council consider his request.

There being no one else to come forward to speak, Mayor Black closed the public hearing at 7:07 p.m.

He noted that approval of the budget would take place at the next Town Council meeting on May 24, 2022.

CONSENT AGENDA

None.

OLD BUSINESS

None.

NEW BUSINESS

Bedford Area Chamber of Commerce Presentation

President/CEO Wende Henley said that on behalf of the Bedford Area Chamber of Commerce, their Board and staff, she would be recognizing the Town of Bedford Police Officers of the Year. The Chamber had partnered with the Police Department to honor the police officers. The idea came from former Chief of Police Todd Foreman and Ms. Henley thanked him for his involvement. The officers' dedication and outstanding service was appreciated by the Chamber and they wanted to recognize some of the best officers and their acts of service.

Former Police Chief Foreman noted that he began this project before he retired and he was excited to see it come to fruition, and he thanked his staff for their input. The first award was for the Traffic Enforcement Officer of the Year, Austin Brugh. He had gone above and beyond the call of duty in traffic enforcement. He was innovative and took initiative in creating new traffic safety education and enforcement programs. He made an outstanding effort in working traffic enforcement in areas of Town where traffic safety complaints have been received.

Officer Odair Castaneda was awarded the Officer of the Year. Mr. Foreman said the criteria for this award included one or more heroic acts, high personal standards, and service above and beyond the call of duty. He showed a technical excellence in law enforcement, was innovative, and showed initiative in creating a new law enforcement program. He gave outstanding effort in criminal investigations and exhibited outstanding work in narcotics investigations.

Officer Tim Brooke and Officer Urshulla Meade were the tied winners for the Community Office of the Year award. Mr. Foreman said the criteria for this award included using community policing philosophy through community engagement, promoting crime prevention programs, and building trust in community relationships.

Meeting attendees applauded the winning officers.

Resolution – Business Appreciation Month 2022

The month of May 2022 has been designated as Business Appreciation Month in Virginia in recognition of the many benefits to Virginia communities derived from their businesses. In appreciation of industries, small businesses and entrepreneurs, Council is asked to adopt a resolution declaring May to be Business Appreciation Month in the Town.

ACTION REQUESTED:

Town Council is requested to adopt a resolution in support of Business Appreciation Month.

Mr. Johannessen moved, seconded by Mr. Hailey to adopt a resolution in support of Business Appreciation Month.

Voted upon and carried by the following roll call vote.

Councilman Carson	aye
Councilman Hailey	aye
Councilman Hartwick	aye
Councilman Johannessen	aye
Councilman Shoen	aye
Councilman Stanley	aye
Mayor Black	aye

The motion carried with seven members voting aye.

The resolution follows.

BUSINESS APPRECIATION MONTH 2022

WHEREAS, the month of May 2022 is recognized as **BUSINESS APPRECIATION MONTH** in the **COMMONWEALTH OF VIRGINIA**; and,

WHEREAS, the Town of Bedford supports its businesses and their spirit of entrepreneurship to create a vibrant and sustaining community, recognizing the struggles and resilience of the business owners, especially recovering from the devastating pandemic; and

WHEREAS, the citizens of the Town of Bedford benefit from the positive business climate, economic growth, and job opportunities that result from the contributions of businesses; and

WHEREAS, Bedford has joined the Commonwealth in creating long-term economic revitalization by embracing diversity in its business community, fully integrating technology into business practices, and providing opportunities that support the economic well-being and ensuring safety for its citizens; and

WHEREAS, businesses in the Town of Bedford are integral in moving Bedford forward by contributing their presence and energy to our robust economy; and

WHEREAS, Business Appreciation Month increases public awareness of the valuable contributions that businesses make in our community.

NOW, THEREFORE, the Town Council of the Town of Bedford does hereby recognize the month of May 2022, as **BUSINESS APPRECIATION MONTH** in the Town of Bedford, and call this observance to the attention of all our citizens.

Ordinance - Readopting and Reenacting Code Provisions Dealing with Traffic Laws

Attached is an ordinance which readopts and reenacts §34-2 of the Town Code, incorporating by reference current provisions of the Code of Virginia dealing with traffic laws and motor vehicle operation. Failure to adopt this ordinance would mean that offenders would have to be charged under the State law rather than the Town law. Any fines collected would then be payable to the State rather than to the Town. The ordinance has been posted in three locations in the Town, in accordance with §2-54 of the Town Code.

ACTION REQUESTED:

Town Council is requested to adopt the ordinance readopting and reenacting code provisions dealing with traffic laws.

Mr. Hartwick moved, seconded by Mr. Hailey to adopt the pertaining ordinance.

Voted upon and carried by the following roll call vote.

Councilman Hailey	aye
Councilman Hartwick	aye
Councilman Johannessen	aye
Councilman Shoen	aye
Councilman Stanley	aye
Councilman Carson	aye
Mayor Black	aye

The motion carried with seven members voting aye.

The ordinance follows.

ORDINANCE NO. 22-3

AN ORDINANCE TO READOPT AND REENACT SECTION 34-2 OF THE TOWN CODE INCORPORATING BY REFERENCE CURRENT PROVISIONS OF THE CODE OF VIRGINIA DEALING WITH TRAFFIC LAWS AND MOTOR VEHICLE OPERATION

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

Section 1. Sec. 34-2 of the Town Code is hereby readopted and re-enacted as follows:

Pursuant to the authority of Section 46.2-1313 of the Code of Virginia, the provisions and requirements of the laws of the Commonwealth of Virginia contained in Title 46.2 in Article 9 (Sec. 16.1-278 et seq) of Chapter 11 of Title 16.1, and in Article 2 (Sec. 18.2-266 et seq) of

Chapter 7 of Title 18.2, of the Code of Virginia, except those provisions and requirements the violation of which constitute a felony, and except those provisions and requirements which by their very nature can have no application to or within the Town, are hereby adopted and incorporated herein by reference and made applicable within the Town. References to "Highways of the State" contained in such provisions and requirements hereby adopted, shall be deemed to refer to streets, highways and other public ways within the Town. Such provisions and requirements are hereby adopted, mutatis mutandis, and made a part of this Chapter as fully as those set forth at length herein, and it shall be unlawful for any person, within the Town, to violate or fail, neglect or refuse to comply with any provision of Title 46.2 or of Article 9 of Chapter 11 of Title 16.1 or of Article 2 of Chapter 7 of Title 18.2 of the Code of Virginia, which are adopted by this Section; provided, that in no event shall the penalty imposed for the violation of any provision or requirement hereby adopted exceed the penalty imposed for a similar offense under such titles of the Code of Virginia.

Section 2. This Ordinance shall become effective on July 1, 2022, upon publication one time, immediately following its passage, in some newspaper published in the Town or upon posting at three or more public places in the Town for one week, as required by Section 19 of the Town Charter.

New Police Department Facility

At its regular meeting on April 26, 2022, Council discussed pursuing construction of a new Police Department facility through a design/bid/build process involving the following administrative steps:

1. Design of a new police building. Wiley/Wilson is currently engaged under an existing contract to provide this service and have agreed to serve as the architectural and engineering firm of record for the project.
2. Determination of cost and sources of funding. Final budgeted costs will be determined as part of the design process. In the meantime, staff are working to identify sources of revenue. Our current thoughts are that revenue can be obtained from some combination of debt service, existing fund balance, and the possible use of funds from the American Rescue Plan Act of 2021 (ARPA).
3. Obtain the services of a Municipal Financial Adviser (MFA). Two firms providing this service have expressed interest in assisting the Town. Staff's current thought is to issue a Request for Proposals (RFP) from qualified providers.
4. Obtain the services of bond counsel to assist with matters of certifying the validity of any debt that may be forthcoming. Christopher G. Kulp, who has assisted the Town in matters related to several previous issues, has agreed to serve in this role for this project as well.
5. Obtain appropriate financing for the project. This can be accomplished in several ways. Examples include issuance of an RFP for bank financing; a public offering through an underwriter; or participation in pools offered by the Virginia Resources Authority or Virginia Municipal League.

6. Prepare and advertise bid package for construction of the new facility. This would presumably occur concurrently with a bond issue and is anticipated to occur within the FY22-23 budget cycle.

The consensus of Council was to give this some thought and revisit the issue at the regular meeting on May 10, 2022.

ACTION REQUESTED:

Town Council is requested to approve construction of a new Police Department facility under the process outlined above, to authorize Wiley/Wilson to commence with the design of the proposed new building, and to appoint Christopher G. Kulp to serve as bond counsel in conjunction with the project.

Mr. Hailey moved, seconded by Mr. Stanley, to approve construction of a new Police Department facility under the process outlined above, to authorize Wiley/Wilson to commence with the design of the proposed new building, and to appoint Christopher G. Kulp to serve as bond counsel in conjunction with the project.

Discussion followed. In response to a question regarding whether a new contract would be needed with Wiley/Wilson for the design of the building, Mr. Warner said that with the conceptual design already completed, about 60% of the total design costs have been used under the existing contract. Wiley/Wilson will do the remaining design work and Mr. Lockaby stated that the work is within the general scope of the existing contract but a minor amendment to the scope of work will be needed. Mr. Warner said that because more than one entity was interested in serving as the MFA, an RFP will be issued for those services. He also noted that it is within the Town's procurement policy to obtain the services of Christopher G. Kulp as bond counsel.

Mayor Black moved to amend the motion, seconded by Mr. Hailey, as agreed to by Mr. Stanley, to approve construction of a new Police Department facility under the process outlined above, to authorize Wiley/Wilson to commence with the design of the proposed new building contingent upon an amendment to the existing contract's scope of work (drafted by Mr. Lockaby), and to appoint Christopher G. Kulp to serve as bond counsel in conjunction with the project.

Voted upon and carried by the following roll call vote.

Councilman Hartwick	aye
Councilman Johannessen	aye
Councilman Shoen	aye
Councilman Stanley	aye
Councilman Carson	aye
Councilman Hailey	aye
Mayor Black	aye

The motion carried with seven members voting aye.

Amending the Price Cost Adjustment (PCA)

The Price Cost Adjustment (PCA) applied to all electric utility bills was scheduled to be amended automatically effective May 1, 2022. One of the variables involved in the calculation corresponds to the Town's recovery of purchase power costs. The Electric Committee and Finance Committee met jointly on April 26, 2022, to discuss this matter. Out of concern over the impacts upon customers, the Committees recommended that the variable within the PCA capturing this cost be amended to reflect 50% of the associated under recovery with the remaining costs to be borne by fund balance. The adjusted PCA which would take effect immediately upon approval by Council would be .02815.

ACTION REQUESTED:

Town Council is requested to approve the recommendation of the Electric and Finance committees to amend the applicable Price Cost Adjustment (PCA) to a rate of .02815 with an effective date of May 10, 2022.

Mr. Wagner stated that the PCA was a mechanism designed to simply recover power costs. There is no margin or markup, it is a mechanism to pass purchase power costs onto the customers. It is reset every May 1 and November 1. They look back at the history to see how they did with the current PCA and then adjust it as necessary to reflect what is expected in the future. Declining power costs had been enjoyed for about the past two and a half years, but the energy market started to climb in September 2021 and in December, it took a sharp upturn. Last year at this same time, a megawatt hour of energy could be bought for \$29. Today, the price is \$93. For the last six months, the Electric Department has been under-recovering the power costs, totaling approximately \$1.2 million. They have already paid the bills for this power but they cannot continue to under-recover at this rate. They propose to adjust the PCA to recover the costs going forward plus 50% of the under-recovery of the past six months which would equal about \$600,000. In the future, they will have to look at where the Department stands and in November, see how they can shore things up. The impact on residential customers will be about a 15% increase in their bills. For larger users, the increase would be more, with some customers paying about 25% more. To try to recover 100% of these costs would be too much for customers to bear at this time but an increase must be done to retain the financial integrity of the Electric Department. Possibilities of phasing the increase into bills was discussed, such as a 25% recovery, and then look at the structure of the PCA and amend it so it could be changed quarterly rather than twice per year.

Discussion followed regarding the rising costs of electricity for the Town, local utility companies, and throughout the country. Council members agreed that it would be a shock and hardship to many customers but the issue must be addressed. It was suggested that a phase-in process be used and amending the ordinance in the meantime, so the PCA could be changed quarterly and the costs could be recovered quickly.

Mr. Johannessen moved, seconded by Mr. Shoen to amend the PCA to recover all the increased costs going forward, recover 25% of the increased costs from the past six months, and revisit the issue in three months.

Voted upon and carried by the following roll call vote.

Councilman Johannessen	aye
Councilman Shoen	aye
Councilman Stanley	aye
Councilman Carson	aye
Councilman Hailey	aye
Councilman Hartwick	aye
Mayor Black	aye

The motion carried with seven members voting aye.

Chamber of Commerce Building Lease

The Bedford Chamber of Commerce has occupied the building on property owned by the Town located at 305 East Main Street for several years. The use of the building has been governed by a series of leases during the time period. The most recent lease expired June 30, 2019, and the Chamber has occupied that building since that time on a “month-to-month” basis.

Since that time, the Town has attempted to negotiate a new lease agreement with the Chamber of Commerce. On April 28, 2022, the Town Attorney received a lease proposal from the attorney representing the Chamber, which is before the Town Council members for consideration.

ACTION REQUESTED:

Town Council is requested to consider approval of the lease proposal from the Bedford Area Chamber of Commerce.

Mayor Black noted that this issue has been worked upon quite a bit for the last couple years, trying to work out a lease agreement with the Chamber. Council made a proposal back in October 2021 and a proposal was received from the Chamber in April 2022.

Discussion followed.

Councilman Carson said Council has tried to work this out with the Chamber but there was no communication from them. Now the Chamber comes up with a proposal at the last minute. Their handling of the subject has been disrespectful and unbusinesslike.

Councilman Shoen agreed with Councilman Carson, saying Council has tried to get this done for months and two or three days before their “get-out” date they provide this proposal. The Council

and the Chamber cannot even agree who owns the property. The Chamber wants a \$25,000 buy-out to let them go and Council cannot give taxpayer money away like that. He cannot in any way agree with the lease the way it is currently written but can keep an open mind if Council can come up with a proposal.

Councilman Hailey said this situation has been going on almost three years and the Town Manager has tried to contact Chamber staff with no response from them. He cannot in any way agree with the lease proposal they have presented.

Councilman Stanley noted that no one wants to see the Chamber leave Bedford, and he hopes there is an agreement they could come to. However, a real estate owner may have a property manager who would make the agreement and set the lease, not the tenant making the lease and setting the rent. Since the Town owns the building, he does not see why the Chamber would present such a proposal to Council since they are the tenant. As the tenant, they are supposed to tell the owner when something needs to be fixed, especially if it is a safety issue. He feels Council has been overly generous and gracious and he thought \$250 rent per month was a very low figure. He was willing to pursue options but he could not agree with the current proposal.

Councilman Johannessen concurred with Councilman Stanley. He stated Council has a fiduciary responsibility and has continually asked the Chamber about a lease agreement with no response from them prior to this. He was not in favor of the presented lease.

Councilman Hartwick stated that he is currently the Chair of the Property Committee and has reviewed the lease. The Chamber waited until the last minute to provide the lease and he thought it was the worst lease he had ever seen. A lot of changes would be needed to this lease before he could even consider approving the lease.

Mayor Black said he did not want to see the Chamber leave Bedford, they have been in Bedford since the 1970's and he would like to work out some type of agreement. He acknowledged Council's frustration where there has not been a lease for almost three years and they have reached out to the Chamber numerous times. He does not agree with the presented lease and he asked for suggestions from Council members regarding how to move forward.

After further discussion, Council rejected acceptance of the Chamber of Commerce lease proposal. Council noted the Chamber must acknowledge that the Town owned the building, not the Chamber, and the buy-out clause must be removed from any lease agreement. Maintenance issues must also be addressed as well as a reasonable rent.

Council agreed to hold a work session on Tuesday, May 17, 2022 at 6:00 p.m. Any particulars Council members wanted to see included in a lease will be sent to Mr. Lockaby no later than Monday, May 16, 2022. Mr. Lockaby will draft a lease proposal to present at the work session for Council members to discuss.

ADJOURNMENT

Mayor Black adjourned the meeting at 8:20 p.m. until Tuesday, May 17, 2022, at 6:00 p.m.

Tim Black, Mayor

Debra Anderson, Clerk of the Council