

April 11, 2017

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., April 11, 2017.

Members present: Mayor Robert T Wandrei; Vice Mayor Tim Black; Councilman Stacey L. Hailey; Councilman Bruce M. Johannessen; Councilman Steve C. Rush; Councilman Bryan Schley; and Councilman James A. Vest

Members absent: None

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 an adjourned Council meeting held on March 6, 2017, (5:30 p.m.) were approved as distributed.

Town Manager Kolakowski reported on the following:

- Assistant Town Manager Warner will be requesting a Property Committee meeting to discuss the concession stand at Liberty Lake Park and how the stand is going to operate during this summer season.
- A request was received on April 10 from Bedford Habitat for Humanity for waiving of fees for dumpsters. Mr. Kolakowski said that Habitat is moving away from the building of homes and is basically doing rehabs and repair work on homes – Council may want to consider giving them a donation out of the redevelopment fund or the housing redevelopment money for the work they are going to be doing.

On motion by Councilman Hailey, seconded by Vice Mayor Black, voted upon and carried by a roll call vote, Council approved making a donation of \$300 to Bedford Habitat for Humanity. Roll call vote follows:

Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Mayor Wandrei	aye

The Town Manager's report continued:

April 11, 2017

- He spoke with Habitat for Humanity at their meeting and suggested that they consider partnering with the Housing and Redevelopment Authority on some different projects.
- reviewed status of current projects with Housing and Redevelopment
- upcoming events: Victim and Witnesses Program – open house on April 21; the Farmer’s Market will open on May 2
- He distributed a note on the Middle School redevelopment proposal – there needs to be discussion on the parameters of a Request for Proposals. Councilman Rush recommended that Councilman Schley be consulted. Discussion ensued.

Councilman Schley said he prefers to receive all information by internet and not to have the Council packet delivered to him. Councilman Hailey stated that he also prefers to receive all information by internet.

Councilman Schley reported that there will be a concert series held at the Farmer’s Market.

Councilman Rush reported that a meeting of the Town and County Committee was held at the County Administration Building and the following topics were discussed: the Middle School, fire and rescue, fireworks, and the Liberty Lake ball field.

The Mayor added the following item to the Consent Agenda: Request from the National D-Day Memorial Foundation to close Tiger Trail from 7:45 a.m. to 10:00 a.m. on Saturday, May 20, 2017, for a 5K race.

The Town Manager said the Bower Center for the Arts is having its 8th annual Crawfish Festival on Saturday, May 27, 2017, from 5:00 p.m. to 9:00 p.m. The Bower Center is requesting that the Festival be held on North Bridge Street between Lee Street and Bedford Avenue. Council was requested to approve the request.

On motion by Councilman Hailey, seconded by Vice Mayor Black, voted upon and carried by the following roll call vote, Council approved the request by the Bower Center to close North Bridge Street between Lee Street and Bedford Avenue for the Crawfish Festival on Saturday, May 27, 2017, from 5:00 p.m. to 9:00 p.m.

Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Mayor Wandrei	aye

Assistant Town Manager Warner reported that the National D-Day Memorial Foundation is requesting to close Tiger Trail from 7:45 a.m. to 10:00 a.m. on Saturday, May 20, 2017, for a 5K race.

April 11, 2017

On motion by Councilman Vest, seconded by Councilman Hailey, voted upon and carried by a roll call vote, Council approved the request of the National D-Day Memorial Foundation to close Tiger Trail from 7:45 a.m. to 10:00 a.m. on Saturday, May 20, 2017, for a 5K race. Roll call vote follows:

Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Vice Mayor Black	aye
Mayor Wandrei	aye

Town Manager Kolakowski stated that the Fiscal Year 2017-2018 budget is a document that has resulted from a very structured and formal development process. He said that Council conducted work sessions to further refine it on February 21 and March 6. Mr. Kolakowski said a public hearing on the budget was conducted on March 28 and interested parties were given an opportunity to publicly voice their opinion of its contents. The Town Manager said that having gone through this process, staff feels that the Fiscal Year 2017-2018 budget in its current form is a policy document that is adequate to serve as the Town's work plan for the coming year. Council was requested to adopt the budget for Fiscal Year 2017-2018.

Mayor Wandrei indicated that there was a request to consider three items.

The Mayor said the first item was about the adjustment to the Bedford Main Street portion of the budget.

Vice Mayor Black moved that Council approve the FY 2017-2018 budget. The motion was seconded by Councilman Hailey.

Councilman Rush moved that Council amend the budget to reduce the contribution to Main Street from \$30,250 to \$30,000 as their street festival will not be held. The motion was seconded by Councilman Schley, voted upon and carried by the following roll call vote:

Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Mayor Wandrei	aye

April 11, 2017

Vice Mayor Black moved that Council leave the \$70,000 in the budget which was appropriated for a new position at the Snowden Hydro Plan until Council can revisit the need for that position. The motion was seconded by Councilman Hailey. After a brief discussion, the motion was voted upon and carried by the following roll call vote:

Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	nay
Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Mayor Wandrei	aye

Councilman Hailey spoke about funding a fire responding truck.

Councilman Hailey moved that Council reconsider appropriating funds for a fire responding truck as set forth on page 60 of the proposed budget. The motion was seconded by Vice Mayor Black.

Discussion ensued regarding the following: the Town's responsibility for supplying trucks to the fire department; looking at the Fire Department's finances and contributions received; funding a structure; the need for a pumper.

Upon a roll call vote, the motion did not pass. Roll call vote follows:

Councilman Schley	nay
Councilman Vest	aye
Vice Mayor Black	nay
Councilman Hailey	aye
Councilman Johannessen	nay
Councilman Rush	nay
Mayor Wandrei	nay

On motion by Councilman Rush, seconded by Councilman Hailey, voted upon and carried by a roll call vote, Council adopted the Fiscal Year 2017-2018 budget, as amended. Roll call vote follows:

Councilman Vest	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Mayor Wandrei	aye

April 11, 2017

Town Manager Kolakowski stated that Section 58.1-3005 of the Code of Virginia of 1950, as amended, requires that Council annually levy a tax on all real estate located within the Town. The proposed ordinance establishes a tax rate for Fiscal Year 2017-2018 of \$0.32 per one hundred dollars of assessed valuation. Mr. Kolakowski said the ordinance had been posted in accordance with Section 2-54 of the Town Code. Town Council was requested to adopt the proposed ordinance.

On motion by Councilman Rush, seconded by Councilman Hailey, voted upon and carried unanimously by a roll call vote, Council adopted the ordinance establishing the real estate tax rate for Fiscal Year 2017-2018 at \$0.32 per one hundred dollars of assessed valuation. Roll call vote follows:

Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Mayor Wandrei	aye

The Ordinance follows as adopted:

ORDINANCE NO.17-2

**AN ORDINANCE LEVYING TAX UPON REAL ESTATE AND
CERTAIN TANGIBLE PERSONAL PROPERTY OF
PUBLIC SERVICE CORPORATIONS AND ESTABLISHING THE TAX RATE
THEREON FOR THE FISCAL YEAR BEGINNING JULY 1, 2017**

BE IT ORDAINED by the Town Council of the Town of Bedford, Virginia, that there be, and is hereby levied for the Fiscal Year 2017-2018, a tax rate of \$0.32 per one hundred dollars of assessed valuation on all taxable real estate located in the Town, the respective levy hereby ordered being also applicable to the real estate and tangible personal property of public service corporations within the limitations specified by Section 58.1-2606 of the Code of Virginia of 1950, as amended, based upon the assessment thereof fixed by the State Corporation Commission and duly certified.

April 11, 2017

The Town Manager read aloud the following: Section 58.1-3005 of the Code of Virginia of 1950, as amended, requires that Council shall annually levy a tax on tangible personal property located within the Town. The proposed ordinance establishes a tax rate for calendar year 2017 of \$1.06 per one hundred dollars of one hundred per centum (100%) of assessed value on all taxable tangible personal property, with the exception of household goods and personal effects as classified in §58.1-3504 and horses, mules and other kindred animals, hogs, poultry, grains and other feeds used for the nurture of farm animals, grain and tobacco; cattle, sheep and goats, farm machinery and farm implements as such items are classified in Section 58.1-3505. All tangible personal property employed in a trade or business other than that described in subdivisions 1 through 16 of §58.1-3503 is taxed at a levy of \$0.000001 per one hundred dollars of one hundred per centum (100%) of the assessed valuation. One vehicle owned by disabled veterans are taxed at a rate of \$0.000001 per one hundred dollars of one hundred per centum (100%) of assessed value on taxable tangible personal property, separately classified in Section 58.1-3506 (a) (19). The ordinance also establishes a tax rate of \$0.000001 per one hundred dollars of one hundred per centum (100%) of assessed valuation on machinery and tools as classified in §58.1-3507, motor carriers as separately classified in §58.1-3506, and motor vehicles with a seating capacity of not less than 30 persons, including the driver as classified in §58.1-3506(a)(39). The ordinance has been posted in accordance with §2-54 of the Town Code. Town Council is requested to adopt the ordinance establishing the personal property tax rate for Calendar Year 2017.

On motion by Councilman Hailey, seconded by Councilman Rush, voted upon and carried unanimously by a roll call vote, Council adopted the ordinance establishing the personal property tax rate for Calendar Year 2017. Roll call vote follows:

Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Vice Mayor Black	aye
Mayor Wandrei	aye

The ordinance follows as adopted:

ORDINANCE NO. 17-3

**AN ORDINANCE LEVYING TAX UPON TANGIBLE
PERSONAL PROPERTY AND ESTABLISHING
THE TAX RATES THEREON
FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2017**

April 11, 2017

BE IT ORDAINED by the Town Council of the Town of Bedford, Virginia, that there be, and is hereby levied, for the calendar year 2017, a tax rate of \$1.06 per one hundred dollars of one hundred per centum (100%) of assessed value on all taxable tangible personal property, including property separately classified in Section 58.1-3503 of the Code of Virginia, 1950, as amended, unless exempted from taxation or subject to a different rate under this ordinance. All tangible personal property employed in a trade or business other than that described in subdivision 1 through 18 of Section 58.1-3503 is taxed at a levy of \$0.000001 per one hundred dollars of one hundred per centum (100%) of the assessed valuation. Household goods and personal effects as classified in Section 58.1-3504 and horses, mules and other kindred animals, hogs, poultry, grains and other feeds used for the nurture of farm animals, grain and tobacco; cattle, sheep and goats, farm machinery and farm implements as such items are classified in Section 58.1-3505 are exempted in whole from tangible personal property taxation. The following items are taxed at a rate of \$0.000001 per one hundred dollars of one hundred per centum (100%) of the assessed valuation: (a) machinery and tools separately classified in Section 58.1-3507; and (b) motor carriers as separately classified in Section 58.1-3506; (c) one vehicle owned by disabled veterans, of the Code of Virginia, 1950, as amended, as separately classified in Section 58.1-3506(a)(19); and (d) motor vehicles with a seating capacity of not less than 30 persons, including the driver, as separately classified in Section 58.1-3506 (a) (39).

Town Manager Kolakowski read aloud the following: the Virginia General Assembly in 1998 passed the Personal Property Tax Relief Act with the philosophy that relief would be gradually implemented to eliminate personal property tax on personal use motor vehicles. By 2004, the Virginia General Assembly had revised its philosophy and capped the contribution from the Commonwealth to localities for reimbursement for personal property taxes. As a result, the City Council, on November 22, 2005, in accordance with state statutes, adopted an ordinance which provided that the funds to be reimbursed to the City of Bedford by the Commonwealth would be allocated in such a manner as to eliminate personal property taxation on each qualifying vehicle with an assessed value of \$1,000 or less and that the Council would set, annually by resolution, a percentage of relief in respect to assessed values of more than \$1,000 as applied to the first \$20,000 in value of each such qualifying vehicle so as to exhaust fully the PPTRA funds provided to the City by the Commonwealth. The Finance Director has been advised that the State has allocated \$280,647 toward personal property tax relief in the Town of Bedford for fiscal year 2017-2018. Based upon projected personal property tax valuations, staff recommends that Council resolve to provide that the state relief funds be allocated in the following ways for fiscal year 2017-2018: (a) personal property taxation upon qualifying vehicles with an assessed value no more than \$20,000 will have 100% of the applicable tax relieved, and (b) the applicable tax rate shall apply to all assessed values over \$20,000 and to all non-qualifying vehicles. Town Council is requested to adopt the resolution as recommended by staff.

April 11, 2017

On motion by Councilman Schley, seconded by Councilman Johannessen, voted upon and carried unanimously by a roll call vote, Council adopted the resolution setting percentage tax relief to exhaust PPTRA Relief Funds. Roll call vote follows:

Councilman Johannessen	aye
Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Mayor Wandrei	aye

The resolution follows as adopted:

**A RESOLUTION ESTABLISHING A PERCENTAGE
TAX RELIEF RATE PURSUANT TO THE VIRGINIA
PERSONAL PROPERTY TAX RELIEF ACT**

WHEREAS, the Virginia General Assembly in 1998 passed the Personal Property Relief Act based upon a philosophy that in passing the Act the personal property tax on personal motor vehicles would be eliminated; and

WEHREAS, in 2001, the Virginia General Assembly set the reimbursement rate to localities for personal property taxes for personal vehicles at seventy percent (70%) of the personal property tax amount; and

WHEREAS, in 2004, the Virginia General Assembly enacted statutes which drastically changed the philosophy of the Act and capped the contribution of the Commonwealth to localities for reimbursement for personal property taxes; and

WHEREAS, on November 22, 2005, the City Council of the City of Bedford passed an ordinance (Ordinance No. 05-24) which provided, among other things, that the allocation of personal property tax relief be allocated in such a manner as to eliminate personal property taxation on each qualifying vehicle with an assessed value of \$1,000 or less and that with respect to qualifying vehicles with assessed values of more than \$1,000 the City Council, by resolution, would set annually a percentage to be applied to the first \$20,000 in value of each such qualifying vehicle that based upon estimates of assessments would use up all remaining available state personal property tax relief; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF BEDFORD AS FOLLOWS:

Section 1. In accordance with the requirements set forth in Section 58.1-3524(C) (2) and Section 58.1-3912(E) of the Code of Virginia, as amended by Chapter 1 of the Acts

April 11, 2017

of Assembly (2004 Special Session 1) and as set forth in item 503.E (Personal Property Tax Relief Program) of Chapter 951 of the 2005 Acts of Assembly any qualifying vehicle having a situs within the Town commencing January 1, 2017, shall receive personal property tax relief in the following manner:

- Personal use vehicles valued up to \$20,000 will be eligible for 100% tax relief;
- Personal use vehicles valued at \$20,001 or more shall only receive 100% tax relief on the first \$20,000 of value with the applicable tax rate applied to the value over \$20,000; and
- All other vehicles which do not meet the definition of “qualifying” (business use vehicles, farm use vehicles, motor home, etc.) will not be eligible for any form of tax relief under this program.

Section 2. Any amount of Personal Property Tax Relief Act relief not used within and the Town’s fiscal year shall be carried forward and used to increase the funds available for personal property tax relief in the following fiscal year.

Section 3. This Resolution shall take effect on July 1, 2017.

The Town Manager said that Section 58.1-3005 of the Code of Virginia of 1950, as amended, requires that Council shall, on a regular basis, make an appropriation of funds for expenditure by the Town. The proposed ordinance directs that the funds as set out in the budget for Fiscal Year 2017-2018 be appropriated and set aside to the appropriate funds, and authorizes the Town Manager to expend the funds in accordance with said budget and in accordance with prior appropriations. The ordinance denoting the original appropriations has been posted in accordance with §2-54 of the Town Code. Town Council was requested to adopt the ordinance appropriating funds as set out in the budget for Fiscal Year 2017-2018 and authorize the Town Manager to expend the funds in accordance with said budget.

On motion by Councilman Schley, seconded by Vice Mayor Black, voted upon and carried unanimously by a roll call vote, Council adopted the ordinance appropriating funds as set out in the budget for Fiscal Year 2017-2018 and authorized the Town Manager to expend the funds in accordance with said budget. Roll call vote follows:

Councilman Rush	aye
Councilman Schley	aye
Councilman Vest	aye
Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Mayor Wandrei	aye

April 11, 2017

The Ordinance follows as adopted:

ORDINANCE NO.17-4

**AN ORDINANCE DIRECTING THE APPROPRIATION OF FUNDS
FOR THE FISCAL YEAR BEGINNING JULY 1, 2017**

BE IT ORDAINED that the Town Council of the Town of Bedford, Virginia, hereby directs that the funds as set out in the budget for Fiscal Year 2017-2018 for the Town of Bedford are appropriated and set aside to the General Fund, to the Solid Waste Fund, to the Electric Fund, to the General Capital Projects Fund, to the Solid Waste Capital Projects Fund, and to the Electric Capital Projects Fund, as shown in said budget, and that the Town Manager is authorized to expend the funds in the General Fund, Solid Waste Fund, Electric Fund, General Capital Projects Fund, Solid Waste Capital Projects Fund, and Electric Capital Projects Fund in accordance with said budget and in accordance with prior appropriations.

Town Manager Kolakowski reported that the Virginia Department of Highways and Transportation has determined that UPC 76401 – Route 122 (Burks Hill Road) improvements project located at Burks Hill Road, Tiger Trail, and Roberts Lane will require an additional \$9,279 to design and construct. In order for this project to proceed, the Town desires to designate the above project as a Revenue Sharing Project and requests that Revenue Sharing funds in the total amount of \$9,279 (including State and Local Match) be transferred from completed project UPC 91579, Ole Turnpike Drive to UPC 76401, Route 122 improvements. Mr. Kolakowski stated that the Town Engineering Department has prepared a resolution to be passed by the Town Council authorizing the formal approval of designating the above project as a Revenue Sharing Project and the transfer of VDOT Revenue Sharing Funds from UPC 91579 to UPC 76401. The Town Manager recommended that Council pass the resolution approving the designation of the above project as a Revenue Sharing Project and the transfer of VDOT Revenue Sharing Funds from UPC 91579 to UPC 76401.

On motion by Councilman Hailey, seconded by Councilman Rush, voted upon and carried unanimously by a roll call vote, Council adopted the resolution approving the designation of the above project as a Revenue Sharing Project and the transfer of VDOT Revenue Sharing Funds from UPC 91579 to UPC 76401. Roll call vote follows:

Councilman Schley	aye
Councilman Vest	aye

April 11, 2017

Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Rush	aye
Mayor Wandrei	aye

Mayor Wandrei adjourned the meeting until April 17, 2017, at 5:30 p.m. in the Council Hall.