



MINUTES

BEDFORD COUNTY BOARD OF SUPERVISORS

BEDFORD COUNTY ADMINISTRATION BUILDING

APRIL 7, 2014

5:00 P.M. WORK SESSION

1. Presentation Concerning Board of Supervisors Concurrence with Bedford Regional Water Authority Mandatory Connection Policy - *Brian Key, Presenter*
2. Continued Discussion of Employee Health Insurance Contribution Options for FY2014-15 - *Frank Rogers & Susan Crawford, Presenters*

6:45 P.M. Dinner

7:30 P.M. PUBLIC HEARING – Bedford Science and Technology Center

- a. Call to Order
- b. Moment of Silence
- c. Pledge of Allegiance

(1) APPROVAL OF AGENDA

(2) INTRODUCTORY REMARKS BY CHAIRMAN SHARP

(3) PUBLIC HEARINGS

- a. Tax Rate Ordinance - Tax Year 2014
- b. Proposed Bedford County Budget FY 2014-2015

(4) ADJOURNMENT

5:00 P.M. – WORK SESSION

Board of Supervisors: John Sharp, Chairman – District 4; Tammy Parker, Vice-Chairman, District 7; Bill Thomasson, District 1; Curry Martin, District 2; Steve Wilkerson, District 3; and Annie Pollard, District 6

Absent: Steve Arrington, District 5

Staff Present: Mark K. Reeter, Frank J. Rogers, Susan Crawford, Ricky Gardner, Barbara Gunter and Brigitte Petersen

Chairman Sharp called the Board of Supervisors to order and turned the meeting over to Brian Key, Director of the Bedford Regional Water Authority (BRWA) for a presentation of the Mandatory Connection Policy.

Mr. Key stated that the request he was presenting from the BRWA is simply for concurrence from the Board with the mandatory connection policy that the BRWA approved in March 2014. He noted that the Town of Bedford has already approved a resolution concurring with the policy as required by State code. He stated that, per the code, in order to enforce the policy all affected localities need to endorse it.

Mr. Key stated that while there must be a policy and it must be enforced according to the BRWA covenants, there is a lot of room to customize it as needed for the County. He noted that there needs to be enough revenue coming in to pay for the debt service the BRWA has, as well as anticipated future debts. He briefly explained how connection exemptions are obtained, and asked the Board if they had any questions.

Supervisor Martin asked if citizens would be forced to hook up to the water line if the BRWA needed to increase their revenue to cover their debt service. Mr. Key responded that the policy clearly states that if a resident has an existing source of water they can continue to use that source and will not be required to hook up to the water line; there is no 'non-user' fee. The rate and engineering studies that have been performed on the Smith Mountain Lake project do not propose any new connections on the line, and they are not necessary to afford the project or to pay the debt off. The BRWA is not looking to have the Board or non-users that are adjacent to the line to help fund the project. However, connection fees are included in the budget every year, which go into the operating revenue and are a part of the analysis for generating revenue to help pay for the project.

Supervisor Martin voiced his concern that some of the funding for the BRWA debt service is coming from the County's CIP, which is already a stressed funding source. He said he needed assurance that the Board would not have to raise taxes to cover the BRWA's debt service, and that people in his district are not going to be required to pay a fee whether or not they hook up to the line.

Chairman Sharp stated that citizens will not have to pay if they are not using the line; there will not be a non-user fee. He clarified that only citizens who have their water supply fail (if the well goes dry, etc.), and who live within 500 feet of the line, would be required to connect. An existing home using an established water supply can stay on that supply as long as it's available; new construction along the water line would be required to hook up to the line.

In response to a question from Chairman Sharp, Mr. Key and Attorney Boggess confirmed that if the BRWA decided to alter their policy to include a non-user fee, they would need to come back before the Board for their consensus. Mr. Key noted that while a non-user fee is allowed by State code, the BRWA is not considering adding it to the policy at this time.

Supervisor Thomasson asked if the Western Virginia Water Authority (WVWA) will be able to make changes to the policy, since they will be a partner in the Smith Mountain Lake construction project. Mr. Key replied that the decision is up to the locality; the only part the WVWA will have a stake in is the facilities that produce the water; they are not involved with distribution and will not be selling to customers in Bedford County. The WVWA will buy water from the facility for distribution to their own customers; they will not have a service in Bedford and will not have the ability to charge water, user or non-user fees in Bedford County.

There followed a question and answer session on the connection policy between Mr. Key and members of the Board. Mr. Key clarified for Supervisor Thomasson that agricultural uses are exempted from mandatory connection even if they are within 500 feet of the line (the residence of the farm, if within 500 feet of the line, would be required to connect if the well fails). He clarified that the mandatory connection doesn't apply if the well stops working due to a failed pump; it's only applied in those cases where there is no water being available to the residence. Mr. Key noted that he has never had anyone with a failed well complain about having to hook up to the line, as they are happy to have a reliable water source.

Mr. Reeter stated that there would be a resolution for final approval from the Board on this issue at their next meeting on April 14th. Supervisor Thomasson asked Mr. Key to call the Bedford County Agricultural Economic Development Board Chairman to discuss these issues with him.

Chairman Sharp then turned the meeting over to Deputy County Administrator Frank Rogers and Fiscal Management Director Susan Crawford for a discussion on the employee health insurance contribution options for FY2014-15.

Mr. Rogers briefly reviewed the options before the Board, noting the premium amounts proposed for both employees and the County. After a discussion on the various aspects of the options and their financial impacts, the Board gave it's consensus to implement Option 1. However, per the Board's recommendation, Option 1 will be modified so that contributions for 'employee only' in both the 'complete' and 'preferred' plans will be slightly increased.

Attorney Boggess asked for Board consensus for a joint public hearing with the Planning Commission regarding 'intensive agricultural'; the Board agreed to add it to the first meeting in June.

County Administrator Mark Reeter stated that there will be a VDOT public hearing on the Six-Year Plan on April 10th, and asked if the Board wanted to add a budget work session that night. The Board decided to add the work session to their April 14th regular meeting.

There being no further discussion, the Board recessed for dinner.

7:30 P.M. – PUBLIC HEARING – Bedford Science and Technology Center

Board of Supervisors: John Sharp, Chairman – District 4; Tammy Parker, Vice-Chairman, District 7; Bill Thomasson, District 1; Curry Martin, District 2; Steve Wilkerson, District 3; Steve Arrington, District 5 (*arrived at 7:53 p.m.*); and Annie Pollard, District 6

Staff Present: Mark K. Reeter, Frank J. Rogers, Carl Boggess, Susan Crawford and Brigitte Petersen

Chairman Sharp called the meeting to order and welcomed those in attendance; a moment of silence was held and the Pledge of Allegiance was said.

(1) APPROVAL OF AGENDA

Supervisor Thomasson made a motion to approve the agenda as presented; motion passed by acclamation.

(2) INTRODUCTORY REMARKS BY CHAIRMAN SHARP

Chairman Sharp outlined the procedure that will be followed for the public hearing, noting that speakers signed up to speak on the tax rate may also use their time to address their concerns regarding the budget. Each speaker was allotted 3 minutes.

Chairman Sharp stated that the tax rate for FY2014-15 had been advertised at 53¢, which is 3¢ higher than the current tax rate. He stated that the proposed tax rate would be used to address the closure of the existing landfill cell and the opening of a new cell; to procure apparatus for the volunteer fire and rescue squads; and to build a new middle school as stipulated in the Reversion Agreement with the Town of Bedford.

Chairman Sharp noted that this is the time for the public to have its say regarding the tax rate and the budget, and clarified that the Board would not be answering questions or debating issues this evening. He encouraged those in attendance to direct specific questions they may have to County staff or to speak with their district Supervisor following the meeting.

(3) PUBLIC HEARINGS

(3a) Tax Rate Ordinance – Tax Year 2014

The public hearing was opened; the following people spoke against increasing the tax rate: Tony Claytor; Ann Briscoe; Jim McKelvey; Ricky Wilkerson; Charles Stebbins; Janet Robey; Albert Robey; Jean Gray; Craig Newman; Wade Mays; Carol Major; Gregory Modzelewski; Earl Hackworth; Tommy

Scott; Roger Braudt; Bob Davis; Diego Freitas; John Briscoe; Jody Lyons; Ray Lyons; Josiah Tillett; Neil Vacchiano; Nate Boyer; Richard Ruff; George Aznavorian; and Bruce Hartwick.

The reasons noted for not supporting an increase in the tax rate included the need to do more to cut the budget before increasing taxes; incomes are too low and the economy is too weak to support a tax increase; the budget is balanced without increasing the tax rate; School Administration needs to better manage their funding, especially the Reversion funding; people on fixed incomes can't afford a tax increase; many people are still out of work; small businesses in the County are already struggling to pay the current taxes as well as increasing insurance rates; the County population is growing, which will result in more revenue without a tax increase; a lower real estate tax makes Bedford more attractive than surrounding localities to people looking to settle their businesses and families in the area, which will result in more tax revenue; instead of increasing taxes, it would be a better strategy to attract new businesses to Bedford to bring in additional revenue; concern that this will open the door to the tax rate being increased every year; the County already has a 'rainy day' fund that could be used to add revenue to the budget.

The following people spoke in favor of a tax increase: Robert Ashwell; Don Barlow; J. B. Bays; Mary Jo Boone; Cheryl Sprouse; Julie Polk; Becky Griffith; Fred Glover; and Jeff Steele.

The reasons noted for supporting an increase in the tax rate included increased funding for schools to support better education for students and improving teacher salaries; strong schools are needed to attract businesses to the area; expanding the landfill; funding for the fire departments; taxes have not been raised in over ten years when the cost of everything else has increased; the need to plan for future financial needs; concern that the current tax rate will not sustain emergency and landfill services; concern that County programs have been underfunded for too long.

Nancy Cottingham, Chief Executive Officer of Horizon Behavioral Health, also addressed the Board early in the meeting to thank them for their financial support in the past, and outlined some of the services Horizon provides to the community. Ms. Cottingham noted that she will be retiring at the end of June and introduced Ms. Felicia Prescott as the Interim Chief Executive Officer.

There being no one else desiring to speak, the public hearing was closed.

(3b) Proposed Bedford County Budget FY 2014-2015

The public hearing was opened; there being no citizens desiring to speak, the public hearing was closed.

(4) Supervisor Pollard made a motion to adjourn at 9:20 p.m.; motion passed by acclamation.