// A regular meeting of the Council of the City of Lynchburg was held on the 27th day of March, 2018, at 4:00 P.M. in the Council Chamber, City Hall, Joan Foster, President, presiding. The following Members were present:

Present: MaryJane Dolan, Jeff S. Helgeson, J. Randy Nelson, E. J. Turner Perrow, Treney Tweedy, Sterling A. Wilder, Joan F. Foster 7

Absent: 0

// City Manager Bonnie Svrcek continued reviewing the Proposed FY 2019 Operating Budget.

// The City Manager stated two items have been added to "The List":

- **Funding for the Liaison position in the City Manager's Office for $30,000**
- **Funding for the In-Car Camera System in the Police Department for $80,000**

Council Member Perrow asked to put on the list to remove the $2 million (1.1%) in Reserve and add on the list on the balance side the $2 million Reserve for State Funding gaps.

Mayor Foster asked to put several items on "The List" which include to provide clarification on impact of reduction in School funding and provide the number of veteran teachers that have not received a pay increase in the last two or three years.

The City Manager continued reviewing the FY 2019 Proposed Operating Budget and began this work session with Public Works.

- **Public Works – The Department Submitted FY 2019 Public Works budget of $18,290,782 represents a 0.5% decrease of $89,407 compared to the Adopted FY 2018 budget of $18,380,189. The Manager's Proposed budget includes the following change from the Department submission: $200,000 increase in Contractual Services to restore funding for the seven recycling drop off sites and $40,000 decrease in the Payment to Region 2000 Services Authority to eliminate additional tipping fees for trash disposal due to restoring drop off recycling.**

- **Human Services – The Department Submitted FY 2019 Human Services - Juvenile Services budget of $4,103,924 represents a 2.6% decrease of $110,962 from the Adopted FY 2018 budget of $4,214,886.**

- **Human Services – The Department Submitted FY 2019 Human Services - Social Services budget of $17,035,786 represents a 0.6% increase of $95,572 from the Adopted FY 2018 budget of $16,940,214.**

- **Public Library – The Department Submitted FY 2019 Public Library budget of $1,434,597 represents a 2.8% decrease of $40,928 compared to the Adopted FY 2018 budget of $1,475,525.**

- **Parks and Recreation, Recreation Services and Community Market Budget – The Department Submitted FY 2019 Parks and Recreation budget of $3,745,200 represents a 2.0% decrease of $76,228 compared to the Adopted FY 2018 budget of $3,821,428.**

// Council Member Helgeson left the meeting (5:10 p.m.).

- **Community Development – The Department Submitted FY 2019 Community Development budget of $1,779,861 represents a 1.2% decrease of $21,190 compared to the Adopted FY 2018 budget of $1,801,051.**

- **Office of Economic Development and Tourism – The Department Submitted FY 2019 Office of Economic Development and Tourism budget of $1,636,401 represents a 2.8% decrease of $47,873 compared to the Adopted FY 2018 budget of $1,684,274. The Manager's Proposed budget includes the following change from the Department submission: $2,071 decrease in Other Charges reflecting funding the Lynchburg Regional Business Alliance at the same amount as in the FY 2018 Adopted Budget.**

- **Museums Budget – The Department Submitted FY 2019 Museums budget of $473,673 represents a 0.1% increase of $702 compared to the Adopted FY 2018 budget of $472,971.**

- **Parking Management Budget – The Department Submitted FY 2019 Parking Management budget of $532,774 represents a 6.0% increase of $30,314 compared to the Adopted FY 2018 budget of $502,460.**

- **Communications and Marketing Budget – The Department Submitted FY 2019 Communications and Marketing budget of $789,838 represent a 3.0% decrease of $24,752 compared to the Adopted FY 2018 budget of $814,590.**

// Council Member Helgeson returned to the meeting (5:35 p.m.).

Director of Financial Services Donna Witt provided an overview of the External Service Providers. Ms. Witt stated the City provides funding to external organizations that provide various mandated, contractual, or discretionary services to the community. After the review of the External Services Providers several items were put on "The List"; Elizabeth's Early Learning Center and Virginia Legal Aid Society.

- **Fleet Services Budget – The Department Submitted FY 2019 Fleet Services budget of $6,699,157 represents a 7.9% decrease of $577,770 compared to the Adopted FY 2018 budget of $7,276,927.**

- **Airport Fund Budget – The Department Submitted FY 2019 Airport Fund budget of $2,566,168 represents a 3.5% increase of $87,101 as compared with the Adopted FY 2018 budget of $2,479,067.**

// Water Resources Director Tim Mitchell provided the FY 2019 Water Resources Budget Overview. The Highlights of the overview include the following for the Water Fund, Sewer Fund and Stormwater Fund:

Water Fund

- **Water Resources is a 24/7 Operation**

- **We provide one of, if not the most essential service in the City of Lynchburg. Our services are essential for life, economic vitality, fire protection, and environmental protection**

- **Every person and every business depends on our services every single day**

- **Failure to deliver these services continuously in a safe, affordable manner is not an option**

- **FY 2019 Total Revenues for the Water Fund, Sewer Fund and Stormwater Fund will total $40,920,764**

- **FY 2019 Total Expenses for the Water Fund, Sewer Fund and Stormwater Fund will total $44,304,325**

- **FY 2019 Water Fund Revenues - expecting only minimal changes and not proposing any rate increases in the three funds. (Highlights are: Water sales are flat; $147,000 increase from industrial contracts; and $68,000 decrease from counties)**

- **Water Fund Revenues for FY 2018 Adopted Budget - $14,899,338; FY 2019 Proposed Budget - $14,978,258; a difference of $78,920 with a change of 0.5%**
- **Water Fund Expenses for FY 2018 Adopted Budget - $15,849,176; FY 2019 Proposed Budget - $17,137,410; a difference of $1,288,234 with a change of 8.1%**

Sewer Fund Revenues

- **Sewer Fund Revenues for FY 2018 Adopted Budget total $22,367,190; FY 2019 Proposed Budget total $22,451,706; a difference of $84,516 with a change of 0.4%. The highlights of the Sewer Fund Revenues include:**
  - **Sewer projected to be flat**
  - **$118,750 increase from industrial contracts**
  - **$7,128 decrease from counties**
- **Sewer Fund Expenses for FY 2018 Adopted Budget - $22,469,725; FY 2019 Proposed Budget - $23,465,802; a difference of $996,077 with a change of 4.4%**

Stormwater Fund

- **Stormwater Fund Revenues for FY 2018 Adopted Budget - $3,476,120; FY 2019 Proposed Budget - $3,490,800; a difference of $14,680 with a change of 0.4%.**
- **Stormwater Fund Expenses for FY 2018 Adopted Budget - $3,670,581; FY 2019 Proposed Budget - $,701,113; a difference of $30,532 with a change of 0.8%**

Mr. Mitchell stated he is proposing six (6) new positions in the Water Resources Department.

- **Two new Utility Line Locators (one in the Water Fund and one in the Sewer Fund)**
- **Three new Utility Line Technicians (one in each of the three funds)**
- **One new Wastewater Plant Mechanic (Sewer Fund)**

Pay Challenges

- **Included an equivalent of a 2% pay increase in our budgets for compensation adjustments pending the outcome of the salary study**
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- **Have a number of very unique positions that are hard to fill and require years of training to achieve the proper certification**
- **Neighboring Utilities in Amherst, Bedford, and Campbell Counties are including a 3% pay increase in their proposed budgets**
- **Our Wastewater Operators are already significantly lower than those working for the Bedford Regional Water Authority (BRWA) at a far less complex treatment plant**
- **One Industrial Monitoring Coordinator recently accepted an offer from BRWA with a 25% pay increase**
- **Water Resources was not included in recent pay adjustments in other departments even with similar positions**
- **Over the last 2 years the Field, Water Plant and Wastewater Plant Operations has experienced 23%, 12.5%, and 13% turnover respectively**

In conclusion, Mr. Mitchell included the following summary items in the Water Resources Department:

- **Water, Sewer and Stormwater Budgets developed with no rate increases**
- **Workload, failing infrastructure, employee pay and retention are our most significant challenges**
- **Budgets primarily increase due to capital transfers – needed to bring fund balances within Council's Financial Policies**
- **All financial targets met except Debt Coverage ratio in the Sewer Fund at 1.18 but ratio 1.28 the following year**
- **Six new positions proposed,**
  - **Two will result in a $100,000 savings the first year and $200,000 each year thereafter**
  - **Three will pay for themselves within three years**
  - **One is needed because of new facilities**

The six (6) positions would be funded through on-going revenues.

// Due to time constraints, Council will continue review of the FY 2019 Proposed Budget on April 10, 2018 beginning with Other Funds .

// During roll call Mayor Foster made the following announcement: A Unity in our Community Gathering will be held on Tuesday, April 3, 2018 at 6:00 P.M. at E. C. Glass High School Auditorium.

// City Council recessed the meeting at 6:55 p.m.

// City Council reconvened the meeting at 7:30 p.m.

The following Members were present:

Present:	**Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster**	**7**
Absent:		**0**

Council Member Dolan gave the Invocation, followed by the Pledge of Allegiance.

// Mayor Foster presented a Proclamation recognizing the American Red Cross Virginia Region Month. Michelle McCormick, Executive Director of the American Red Cross in Lynchburg accepted the Proclamation.

// Mayor Foster presented a plaque recognizing the Lynchburg Police Department Hero Award from the American Red Cross. Chief Diaz accepted the plaque on behalf of the Lynchburg Police Department.

// In the matter of Public Works, a public hearing was held regarding City Council Report #4 to adopt an Ordinance to amend and reenact Section 25-183.3 of the City Code relating to the operation of Golf Carts and Utility Vehicles on the Public Streets.

Transportation Engineer Don DeBerry provided an overview of the proposed utility vehicle code changes requested by Liberty University.

Richard Hinkley, Chief of Police at Liberty University spoke in favor of the operation of Golf Carts and Utility Vehicles on the Public Streets. There was no one else present who wished to speak to this item, and the public hearing was closed.

Council Member Perrow, Chair of the Physical Development Committee (PDC) stated this matter came before the PDC which recommended approval. This motion does not require a second. Council by the following recorded vote adopted Ordinance #O-18-017, as amended, to amend and

reenact Section 25-183.3 of the City Code relating to the operation of Golf Carts and Utility Vehicles on the Public Streets:

Ayes:	**Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster**	**7**
Noes:		**0**

// In the matter of Public Works, a public hearing was held regarding City Council Report #5 to grant a License Agreement to Level 3 Communications, LLC to install new fiber optic cable and conduit in City-owned rights-of-way along Atherholt Road and Langhorne Road and maintain and operate existing lines under License Agreements previously approved by City Council.

City Engineer Lee Newland provided an overview of the request regarding the Updated License Agreement.

There was no one else present who wished to speak to this item, and the public hearing was closed.

Council Member Perrow, Chair of the Physical Development Committee (PDC) stated this matter came before the PDC which recommended approval. This motion does not require a second. Council by the following recorded vote adopted Resolution #R-18-018, as presented, granting a License Agreement to Level 3 Communications, LLC to install new fiber optic cable and conduit in City-owned rights-of-way along Atherholt Road and Langhorne Road and maintain and operate existing lines under License Agreements previously approved by City Council:

Ayes:	**Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster**	**7**
Noes:		**0**

// In the matter of Economic Development, City Council Report #6 was considered. Director of Economic Development Marjette Upshur provided an overview of the request for approving the issuance of up to $47,000,000 in bonds for Lynchburg College Financing through the Economic Development Authority of the City of Roanoke, Virginia. Ms. Upshur went on to say the bonds will be issued through the Economic Development Authority of the City of Roanoke, Virginia, and regulations require that Lynchburg City Council adopt a resolution supporting the transaction. Mr. Steve Bright, with Lynchburg College explained the details of these Bonds which was very complicated and involved two banks to get these Bonds approved.

Council Member Nelson made a disclosure statement, “I have represented Lynchburg College in the past on real estate matters. That relationship does not rise to the level to activate

the Virginia Conflict of Interest Act but it could appear to create an appearance of impropriety or conflict. To that instance, I confirm that I can discuss and vote on this without bias or any other prejudice." On motion of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote adopted Resolution #R-18-019, as presented, approving the issuance of up to $47,000,000 in bonds for Lynchburg College through the Economic Development Authority of the City of Roanoke, Virginia:

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	**7**
Noes:	**0**

// In the matter of Parks and Recreation, City Council Report #7 was considered. Community Market Manager Jennifer Kennedy provided an overview of the request. The Lynchburg Community Market (LCM), Virginia Department of Health/Central Virginia Health District (VDH/CVHD), and Virginia Cooperative Extension (VCE) continue to share the common goal of contributing to a healthy and educated community through providing more access to fresh and locally grown food and wellness programming. Ms. Kennedy went on to say with resources from the Virginia Department of Health to fund the second year of the "We Got the Beet" campaign at the Lynchburg Community Market. Council Member Helgeson, Chair of the Finance Committee (FC) stated this matter came before the FC which recommended approval. This motion does not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-18-020, as presented, to amend the FY 2018 General Fund Budget and appropriate $40,000 to the Parks and Recreation Fees budget with resources from the Virginia Department of Health to fund the second year of the "We Got the Beet" campaign at the Lynchburg Community Market:

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	**7**
Noes:	**0**

// In the matter of Finance and Budget, City Council Report #8 was considered. Director of Financial Services Donna Witt provided an overview of the request that City Council reaffirm the City's Financial Management Policies. Council Member Helgeson, Chair of the Finance Committee (FC) stated this matter came before the FC which recommended approval. This motion does not require a second. Council by the following recorded vote adopted Resolution #R-18-021, as presented, to reaffirm the City's Financial Management Policies:

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	**7**
Noes:	**0**

// In the matter of City Code and City Assessor, City Council Report #9 was considered. City Attorney Walter Erwin provided an overview of the Real Estate Tax Refund for News and Advance property located at 101 Wyndale Drive. Council Member Helgeson, Chair of the Finance Committee (FC) stated this matter came before the FC which recommended approval. This motion does not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-18-022 as presented, to amend the FY 2018 General Fund budget and appropriate $171,871 with resources from the General Fund Reserve for Contingencies to refund an overpayment of real estate taxes by the News and Advance for the property at 101 Wyndale Drive for the tax years 2014, 2015, and 2016:

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	**7**
Noes:	**0**

// The meeting was adjourned at 8:15 P.M.