LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011** AGENDA ITEM NO.: 1

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Appropriation of Fund Balance from FY 2010 Unexpended School Operating Fund**

RECOMMENDATION:
Adopt a resolution to amend the FY 2011 General Fund Budget and appropriate $1,467,931 for transfer to the School Operating Fund with resources from unexpended FY 2010 School Operating appropriations to fund designated expenditures as identified in the attached letter from the Schools Superintendent.

SUMMARY:
This action is requested in accordance with an agreement signed by the Lynchburg City Council and the Lynchburg City School Board dated December 14, 1993. This agreement provides for the creation and maintenance of a school operating fund balance for "the purpose of underwriting any occasional shortfalls from the various budgetary categories of direct State funding support as well as other applications, all based upon the required expenditure approval of the School Board."

The details of this request can be found in the attached letter from the Superintendent of the Lynchburg City Schools. The total fund balance is $2,498,449. An amount of $1,574,054 is included in the FY 2012 Proposed Budget to be used to fund an earlier request from the Schools for their FY 2012 Capital Improvement Program (CIP) projects. The attached letter from the Superintendent requests that only $1,030,518 of the fund balance be used for FY 2012 CIP projects due to the deferral of roof maintenance at Sheffield Elementary School ($350,000) and electrical service maintenance at Heritage Elementary School ($193,536). A list of these projects, as included in the FY 2012 Proposed CIP, is attached.

PRIOR ACTION(S):
February 22, 2011 Finance Committee

FISCAL IMPACT:
Transfer of available fund balance to the School Operating Fund

CONTACT(S):
Dr. Paul McKendrick, Ed.D. 522-3700 ext 101

ATTACHMENT(S):
Letter from Dr. McKendrick with attachments
FY 2012 Schools CIP
History of the Lynchburg City Schools Return of Fund Balance – Uses
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED That the FY 2011 General Fund budget is amended and $1,467,931 is appropriated for transfer to the School Operating Fund with resources from unexpended FY 2010 School Operating appropriations to fund designated expenditures as identified in the attached letter from the Schools Superintendent.

Adopted:

Certified: _____

Clerk of Council

051L

SCHOOL ADMINISTRATION BUILDING

915 Court Street
Post Office Box 2497
Lynchburg, Virginia 24505-2497

March 16, 2011

Mr. L. Kimball Payne, III
City Manager
City of Lynchburg
900 Church Street
Lynchburg, Virginia 24504

Dear Mr. Payne:

This letter is to convey the school board's intent regarding the use and status of funds that are in various reserves and to indicate the school board's wishes relative to the school board's $2,498,449 fund balance.

According to the most recent audit, the school board has funds in various reserves. These funds include $1.5 million in a medical/health insurance reserve and $1 million in a textbook reserve. At this point the school board would like for those reserves to remain intact until such time that the school board sees a need for their use

Relative to the fund balance, the school board agreed to the idea conveyed during my meeting with you on March 3, 2011, in that the school division would assess its various capital projects to determine if any could be deferred. If the school board deferred projects, then the funds currently allocated for the projects could be reallocated to the school division's fund balance. Thus the school board has agreed to defer the Sheffield Elementary School roofing project as well as the Heritage Elementary School electrical service project. With those projects being deferred, then the school division's fund balance would be $1,467,931.

With those funds the school board has agreed to several projects. That list includes some projects/expenditures that are not capital projects. In deciding this approach, it does vary from the use of the funds over the last two to three years, for fund balance funds were used for capital projects. However, the present list of projects is very similar to earlier projects. To support the view that LCS has

used the fund balance for non-capital projects, I am forwarding copies of the 2005 and 2007 city council agenda item summaries that pertain to similar requests.

The school board therefore has approved the use of the fund balance for the following projects. Please note that the costs are estimates but are close to the final costs as staff could determine.

Project	Estimated Cost
Digital Radios for Buses • The Federal Communication Commission (FCC) has mandated that school bus radios use a narrower band by 2014. LCS will meet this requirement by purchasing digital radios.	$ 111,431
Fiber Optic Equipment • LCS is contributing its share of the cost for the fiber optic equipment, costs that it is sharing with the city's technology department. Without this update, internet access for both organizations could be compromised, if not rendered useless.	$ 163,000
Energy Costs • In light of the escalating costs for fuel, including electricity costs, the school division will probably need to amend its allocation for energy for this year.	$ 300,000
Advanced Placement Exam Payments • The Commonwealth's attorney general recently ruled that if school divisions require that students in Advanced Placement courses take the AP exams then the school divisions must pay for the exams. LCS' students are projected to take more than 1,200 exams this year.	$ 85,000
Health Insurance Accounts Payable • Presently, the school division has an allocation of $750,000 for this purpose. However, current health claims by LCS employees exceed that amount, and this is made more urgent because the school division cannot anticipate future claims. Further, at the end of the year, LCS is required to estimate and cover future claim payments for current year expenses.	$ 800,000

Eperitus Consulting

• Eperitus Consulting, from Richmond, curre ntly is assessing the school division's attendance zones to determine if capacity could be better used, especially in smaller schools, especially as related to state funding of various positions.	$	8,500
TOTAL	**$**	**1,467,931**

Thank you for your assistance and cooperation on this matter. Should you have questions or should need further clarification on any of the aforementioned points, please contact me at your convenience at 434-522-3700, extension 101.

Regards,

Paul McKendrick, Ed. D.
Superintendent

PM/wls

enclosures

cc: Members, Lynchburg City Council
Members, Lynchburg City School Board

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **January 23, 2007** AGENDA ITEM NO.: 4

CONSENT: REGULAR: **X** CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Appropriation of Fund Balance from FY 2006 Unexpended School Operating Fund**

RECOMMENDATION:

Conduct a public hearing to amend the FY 2007 General, City Capital Project, Schools Operating and School Capital Project Funds to adopt a resolution to appropriate the FY 2006 unexpended School Operating Fund Balance in the amount of $6,573,417 for various purposes.

SUMMARY: This matter will be discussed during Council's work session for action during its regular meeting later in the day.

The Lynchburg City Schools have requested that unexpended funds from FY 2006 be appropriated as follows:

$2,350,000 be appropriated to the FY 2007 General Fund for designated reserves for textbooks ($1,500,000); health care ($750,000); and future expenditure needs ($100,000)

$160,000 be appropriated to the FY 2007 City Capital Project Fund for the Schools share of renovations to the new Information Technology building on Young Place

$3,140,906 be appropriated to the FY 2007 School Capital Project Fund for various projects as noted on the attachment

$922,511 be appropriated to the FY 2007 Schools Operating Fund for various items as noted on the attachment

This action is requested in accordance with an agreement signed by the Lynchburg City Council and the Lynchburg City School Board dated December 14, 1993 (copy attached). This agreement provides for the creation and maintenance of a school operating fund balance for "the purpose of underwriting any occasional shortfalls from the various budgetary categories of direct State funding support as well as other applications, all based upon the required expenditure approval of the School Board."

The details of this request can be found in the attached letter from the Superintendent of the Lynchburg Public Schools.

FISCAL IMPACT: Increase appropriations to various funds as noted above.

CONTACT(S):
Dr. Paul McKendrick, Ed.D. 522-3700 ext 101
Ms. Linda Tuck, 522-3700 ext 104

ATTACHMENT(S): 1993 Letter of Agreement between the Lynchburg Council and the Lynchburg School Board Resolution
Summary of City Schools Use of Fund Balance
Letter from the Superintendent of Lynchburg City Schools

REVIEWED BY: lkp

Resolution:

BE IT RESOLVED THAT the FY 2007 General Fund Budget is amended by $2,350,000 and the following Fund Balance Designations are hereby authorized for (a) $1,500,000 for school textbooks, (b) $750,000 for health insurance claims, and (c) $100,000 for future capital outlay.

BE IT FURTHER RESOLVED THAT the FY 2007 City Capital Project Fund Budget is amended and $160,000 appropriated with resources of $160,000 from the General Fund for renovations to the new Information Technology building on Young Place.

BE IT FURTHER RESOLVED THAT the FY 2007 School Capital Projects Fund Budget is amended and $3,140,906 appropriated with resources of $3,140,906 from the General Fund to assist in the funding of various projects,

BE IT FURTHER RESOLVED THAT the FY 2007 School Operating Fund Budget is amended and $922,511 is appropriated with resources of $922,511 from the General Fund to assist in the funding of certain expenditures.

Introduced: Adopted:

Certified: _____
Clerk of Council

013L

LETTER OF AGREEMENT

BETWEEN LYNCHBURG CITY COUNCIL

AND LYNCHBURG BOARD OF SCHOOL TRUSTEES

In accordance with the attached, duly-adopted Resolution, the Lynchburg City Council and the Lynchburg Board of School Trustees hereby agree that the creation and maintenance of a School Operating Fund Balance is desirable to the long-range financial interests of both entities and, even more importantly, to the citizens and the community which both bodies represent. Accordingly, the City Council supports such approach by indicating its willingness to reappropriate to such Fund Balance any duly-budgeted, non-debt service local funding which the Schools manage to avoid spending by the close of each fiscal year. Similarly, the School Board expresses its intention of continuing to exercise cautiousness in the expenditure of all budgeted, appropriated local funding to the Schools, and further understands that any such unexpended, non-debt service monies would become part of a Schools Operating Fund Balance.

The separate, above-mentioned Fund Balance would be maintained in the accounting records of the Lynchburg City Schools for the purpose of underwriting any occasional shortfalls from any of the various budgetary categories of direct State funding support as well as other applications, all based upon the required expenditure approval of the School Board. For informational purposes, the Lynchburg City School Board would advise City Council annually as to amount of funding in such School Operating Fund Balance as of July 1 of each fiscal year; and such information would be reflected in the overall financial information of the City of Lynchburg along with other customary fiscal data for the Lynchburg City Schools.

Based upon this understanding, the creation of the above-referenced Fund Balance would occur promptly and would include any unexpended, duly-budgeted, non-debt service local funding at the close of the current 1992-1993 fiscal year. It is understood that such practice would remain active in the years thereafter.

Lynchburg City Council

By: _____
Julian R. Adams
Mayor

Date: 12/14/93

Lynchburg City School Board

By: _____
Julius A. Sigler, Jr.
Chairman

Date: December 20, 1993

LYNCHBURG CITY SCHOOLS USE OF FUND BALANCE

GENERAL FUND DESIGNATIONS:

Textbooks	$	1,500,000
Health Care		750,000
Future Expenditure Needs		100,000
Total:	$	2,350,000

CITY CAPITAL PROJECT FUND

Information Technology Site:		
Renovations	$	160,000

SCHOOL CAPITAL PROJECT FUND

Roof Replacement & Repairs:		528,540
Perrymont Elem.		
Bedford Hills Elem.		
Heritage High		
Paving:		120,000
Various Locations		
Athletic Field:		10,000
E. C. Glass Lacross		
School Athletic Fields		924,866
Electrical & Lighting Upgrade:		450,000
Dearington School for Inovation		
Hutcherson Early Learning Center		
HVAC Upgrade & Controls:		775,000
Dunbar Middle School		
Bass Elem.		
R. S. Payne Elem.		
T. C. Miller School for Inovation		
Perrymont Elem.		
Security System:		300,000
10 Schools (Phase I)		
Culinary Arts Classroom:		25,000
Sidewalk Improvements:		7,500
Sheffield Elem.		
Total:	$	3,140,906

SCHOOL OPERATING FUND

(Projects Started in 05-06, but not completed)

Salary Survey/Study	$	11,900
Consultant for Alternative Ed Program		50,000
Finance/Human Resource Software		50,000
Transportation Software		30,000
Athletic Field Studies		9,880
Instrument Storage PLDMS		53,865
Total:	$	205,645

06-07 OPERATING BUDET ITEMS:

Library-Media Furniture/DESI	$	55,000
High Schools Field Equipment		11,000
Dunbar Dust Collection System		5,500
Contingency for Utility Increases		130,000
Software Support		10,000
Digital Imaging Equipment		25,000
Folding/Stuffing Machine		3,000
Inventory Control System		25,000
Automated Calling System		25,000
ID Badge System		5,000
Band/String Instruments		72,000
Band Uniforms		45,000
Unallocated Funds for unforeseen capital imprv.		305,366
Total:	$	716,866

TOTAL	$	922,511

p.6 2005-06 Fund Balance Return to LCS in 2006-07 $6,573,417

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **December 13, 2005** AGENDA ITEM NO.: 4

CONSENT: REGULAR: **X** CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Budget Amendment and Appropriation of $5,188,366 from Appropriated but Unexpended FY 2005 School Operating Fund Funds**

RECOMMENDATION:

Conduct a public hearing to amend the FY 2006 General Fund, School Operating Fund and School Capital Projects Fund budgets and adopt a resolution (a) appropriating $5,188,366 to the General Fund for transfer to the School Operating Fund, (b) appropriating $5,188,366 to the School Operating fund with resources of $5,188,366 from the General Fund, (c) appropriating $296,500 to the School Capital Projects Fund with resources of $296,500 from the School Operating Fund, and (d) establishing certain designations of fund balance in the School Operating Fund.

SUMMARY:

This action is requested in accordance with an agreement signed by the Lynchburg City Council and the Lynchburg City School Board dated December 14, 1993 (copy attached). This agreement provides for the creation and maintenance of a school operating fund balance for "the purpose of underwriting any occasional shortfalls from the various budgetary categories of direct State funding support as well as other applications, all based upon the required expenditure approval of the School Board."

The details of this request can be found in the attached letter from the Superintendent of the Lynchburg Public Schools.

PRIOR ACTION(S): December 6, 2005 Finance Committee

FISCAL IMPACT: N/A

CONTACT(S): Dr. Paul McKendrick, Ed.D. 522-3700 ext 101
Ms. Cynthia F. Page 522-3700 ext 104

ATTACHMENT(S): Letter from Dr. McKendrick
1993 Letter of Agreement Between the Lynchburg Council and the Lynchburg School Board
Resolution

REVIEWED BY: lkp

Resolution:

BE IT RESOLVED THAT the FY 2006 General Fund Budget is amended and $5,188,366 is appropriated for transfer to the School Operating Fund with resources of $5,188,366 from unexpended FY 2005 School Operating appropriations to assist in the funding of certain designated expenditures,

BE IT FURTHER RESOLOVED THAT the FY 2006 School Operating Fund Budget is amended and $5,188,366 is appropriated with resources of $5,188,366 from the General Fund to assist in the funding of certain designated expenditures,

BE IT FURTHER RESOLOVED THAT of the funds appropriated to the School Operating Fund, Fund Balance Designations are hereby authorized for: (a) $1,500,000 for school textbooks, (b) $500,000 for health insurance, (c) $100,000 for increased fuel costs, and (d) $924,866 for athletic fields; and,

BE IT FURTHER RESOLOVED THAT the FY 2006 School Capital Projects Fund Budget is amended and $296,500 appropriated with resources of $296,500 from the School Operating Fund to assist in the funding of certain designated expenditures.

Introduced: Adopted:

Certified: _____
Clerk of Council

167L

SCHOOL ADMINISTRATION BUILDING

915 Court Street
Post Office Box 1599
Lynchburg, Virginia 24505-1599

November 22, 2005

The Honorable Carl Hutcherson
Lynchburg City Hall
900 Church Street
Lynchburg, VA 24504

Dear Mayor Hutcherson:

The Lynchburg School Board directed me to request that the Lynchburg City Council re-appropriate to the school division its operating budget fund balance. As you may remember, I presented this item via a letter to the city manager on October 4, 2005, and during the joint city council-school board meeting on October 11, 2005. The request for the funds, in accordance with the 1993 agreement between the school board and the city council, is for $5,432,633, the amount on record as of June 30, 2005. Please note that of that amount the school board had designated $244,267 for lease purchase. Thus the undesignated fund balance amount is $5,188,366.

During its November 14, 2005, meeting, the school board discussed the potential uses of the funds. See the attachment included in this letter. Please note that all of the expenditures listed are non-recurring and that the projected costs are estimates.

It is my understanding that this request needs be submitted as an agenda item for the upcoming financial development committee meeting and for a city council work session and/or meeting in December. I respectfully request that you place the item on the appropriate agendas. As you prepare for these meetings or if I may clarify any concerns, please do not hesitate to contact me. Further, Cynthia F. Page, the school division's chief financial officer, members of the school board's leadership, and I will be present at your meetings to answer questions about this request.

Thank you for your attention to this matter.

Sincerely,

Paul McKendrick

Paul McKendrick Ed.D.
Superintendent

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NOV 22 2005
Council / Manager Offices

PM/cfp

Projected Uses of the Operating Budget Fund Balance

Items Authorized at the Creation of the 2005-06 Budget	
Salary study	$ 50,000
Textbook software for tracking school textbooks	$ 20,000
Textbook purchases	$1,000,000
Start up expenses for automated timekeeping system (Kronos)	$ 10,000
Signing bonus (pilot program)	$ 100,000
Establish Escrow Funds	
Establish textbook escrow account[1]	$1,500,000
Establish health insurance escrow account [2]	$ 500,000
Capital Items	
Provide air conditioning for the Bedford Hills Elementary School cafetorium[3]	$ 103,000
Provide air conditioning for the Linkhorne Elementary School cafetorium[3]	$ 47,500
Provide a covered walkway from the kindergarten wing to the cafetorium at Linkhorne Elementary [4]	$ 42,000
Provide instrument storage at Paul Laurence Dunbar Middle School for Innovation for band[5]	$ 50,000
Provide instrument storage at Paul Laurence Dunbar Middle School for Innovation for orchestra[5]	$ 15,000
Purchase a backhoe	$ 7,000
Athletic Fields	
Engage a firm to conduct a master plan for athletic areas at E.C. Glass High School and Paul Laurence Middle School for Innovation [6]	$ 30,000
Purchase and install sod for new practice fields under construction at Heritage High School [7]	$ 38,000
Purchase and install an irrigation system for the football fields at the three middle schools [8]	$ 36,000
Infill and grade the swale between fields at Linkhorne Middle School [9]	$ 30,000
Establish a reserve for future athletic facility needs[10]	$ 924,866
Software Purchases	
Purchase software for the departments for finance and personnel	$ 100,000
Purchase bus routing software	$ 85,000
Other Items	
Establish fuel reserve to be used for fuel overages in 2005-06	$ 100,000
Engage a firm to conduct a needs assessment study of the alternative education programs	$ 50,000
Total Uses of Fund Balance	**$ 4,838,366**
Remaining undesignated balance [11]	$ 350,000

[1] Textbook escrow account. Textbook adoptions for the next four years are estimated to cost $3,150,000. Establishing a textbook escrow account will allow the school division to level the school operating budget's share of textbooks for the next four years. The textbook budget will be approximately $300,000 in 2006-07 and $450,000 for the following three years. The balance of textbook costs will come from the escrow account, which should be depleted by the end of the four year period.

[2] Health insurance escrow account. The school division, like the city, has a self funded health care plan. The escrow account may be utilized to cover costs if claims exceed budgeted funds in a particular year. Or, if projected claims for a new year are excessively high, the escrow account may be utilized to reduce employer and employee "premium" contributions. The school board will direct the usage of this fund.

[3] Bedford Hills Elementary School and Linkhorne Elementary School are the only two schools that do not have air-conditioned cafetoriums. Student attention at assemblies as well as comfort during meal periods will be greatly enhanced. By air-conditioning these facilities, there is the potential to expand summer programs.

[4] Linkhorne Elementary School has a block of 4 classrooms which is detached from the building. There is a covered walkway from one classroom to the cafetorium. However, the other three classrooms have no covering over the doorways which means that students exiting their classrooms to go the cafetorium, the library, or resources classrooms are subject to weather conditions. The school administration wishes to construct a covering so that these students would be protected from rain when they leave the classrooms. Students housed in this wing are kindergarten and pre-kindergarten students.

[5] Instrument storage was to be provided at Paul Laurence Dunbar Middle School for Innovation when the building was renovated. However, the project ran over budget and the instrument storage was cut from the project. The school has been coping with lost instruments and students delays due to the lack of appropriate storage.

[6] The school division hired a consultant to provide potential layout of athletic fields at E. C. Glass High School. The study did not provide a thorough review of all factors involved. The school division wishes to engage a firm that specializes in athletic facilities design and wishes for that firm to report on needs and possible solutions at E. C. Glass High School and Paul Laurence Dunbar Middle School for Innovation. The study should provide additional information for the joint city-school task force which is gathering data and recommendation regarding athletic fields.

[7] The bids that were received for the building of new practice fields at Heritage High School exceeded the allotted budget. To meet the budget, sodding of the fields was cut from the project. However, the fields will be in use one year earlier if the sod is installed.

[8] As noted in the athletic facilities report presented to the joint meeting of city council and school board, the middle school fields are in poor condition. Installing irrigation systems for these fields is the first step toward improving the quality of the playing surface.

[9] Linkhorne Middle School has a swale between its fields. Dirt from the Heritage High School field project can be brought to the school to fill the swale. The area will also need to be graded and seeded. The filled in area could be used to provide additional practice space.

[10] The school board proposes setting aside funds in the amount of $924,866 to help address future athletic facility needs as identified by the task force and agreed upon by city council and the school division. The school board believes it is premature to identify specific uses of these funds until the task force has completed its report.

[11] The school board believes is it prudent to leave an amount of the fund balance as undesignated to help cover any unforeseen costs in the school operating budget or to complete the projects listed above should the cost estimates be too low. When the school board is ready to use these funds, a formal request will be made to the Lynchburg City Council for an appropriation.

History of the Lynchburg City Schools Return of Fund Balance - Uses

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Reserve for School Textbooks	$1,500,000	$1,500,000				
Reserve for School Health Insurance	500,000	750,000				
Reserve for School Fuel Costs/Future Expenditure Needs	100,000	100,000				
Reserve for School Athletic Fields	924,866	924,866				
Salary Study	50,000	11,900				
Textbook software for tracking school textbooks	20,000					
Textbook purchases	1,000,000					
Start up expenses for automated timekeeping system (Kronos)	10,000					
Signing bonus (pilot program)	100,000					
Air conditioning for Bedford Hills Elem. School	103,000					
Air conditioning for Linkhorne Elem. School	47,500					
Covered walkway from kindgarten wing to cafetorium at Linkhorne Elem.	42,000					
Instrument storage at Dunbar Middle School for Innovation for band & orchestra	65,000	53,865				
Purchase a backhoe	7,000					
Master plan for athletic areas at EC Glass HS and Dunbar Middle for Innovation	30,000	9,880				
Sod for new practice fields under construction at Heritage HS	38,000					
Irrigation system for football fields at three middle schools	36,000					
Infill and grade the swale between fields at Linkhorne Middle School	30,000					
Finance/Human Resource Software	100,000	50,000	$41,489			
Bus routing software	85,000	30,000	4,172			
Consultant for Alternative Ed Program	50,000	50,000	40,400			
Fund Balance designated for future expenditure needs	350,000					
Return of School Fund Balance FY 2005	**$5,188,366**					
Information Technology Site - Renovations		160,000				
Roof replacement and repairs: Perrymont Elem.,Bedford Hills Elem., Heritage HS		528,540				
Paving - various locations		120,000				
Athletic field - E.C. Glass Lacrosse		10,000				
Electrical and Lighting upgrade: Dearington School and Hutcherson Early Learning Center		450,000				
HVAC upgrade & controls: Dunbar Middle, Bass Elem., R.S. Payne Elem., T.C.Miller, Perrymont Elem.		775,000				
Security system - 10 schools		300,000				
Culinary Arts Classroom		25,000				
Sidewalk improvements - Sheffield Elem.		7,500				
Library-Media Furniture/DESI		55,000	50,000			
High Schools Field equipment		11,000				
Dunbar dust collection system		5,500				
Contingency for Utility increase		130,000	130,000			
Software support		10,000	10,000			
Digital Imaging Equipment		25,000				
Folding/Stuffing Machine		3,000				
Inventory Control System		25,000	1,970			
Automated Calling System		25,000				
ID Badge System		5,000				
Band/String Instruments		72,000	9,390			
Band Uniforms		45,000				
Unallocated Funds for unforseen capital improvements		305,366				
Return of School Fund Balance FY 2006		**$6,573,417**				
Increase to Reserve for Health Insurance			250,000			
Grounds and Paving Improvements			120,000			
Athletic Track Improvements: Dunbar Middle, Linkhorne Middle, E.C. Glass HS			258,000			
Electrical and Mechanical System Upgrades - HVAC at Laurel (Kizer Elem)			545,000			
Roof Replacement/Repair - Bedford Hills Elem.			365,000			
Sandusky Middle School - new construction (transfer of mobile classrooms)			70,000			
Site-Based Equipment Replacement			215,000			
Contingency Reserve for Capital Projects - (School Capital Projects Fund on City's books)			502,320			
Return of School Fund Balance FY 2007			**$2,612,741**			
Roofing, Paving, School Administration HVAC and ADA projects				$137,918		
Return of School Fund Balance FY 2008				**$137,918**		
School Capital Projects					$291,733	
Return of School Fund Balance FY 2009					**$291,733**	
FY 2012 Proposed Budget Building Maintence and Roof Repairs						$1,574,054
To Be Determined by the School Board						
Return of School Fund Balance FY 2010						**$2,498,449**

Notes: Capital projects are recorded in the School Capital Projects Fund on the City's books.
If returned funds are not spent in the fiscal year in which they were appropriated, they carry forward to be re-appropriated in the following year as requested by Lynchburg City Schools per the December1993 Letter of Agreement.
The balance of reserves for textbooks, health insurance and future needs is currently recorded in the City's General Fund

Major Building Repair and Improvements

Fiscal Year	Building Name	Sub-Project	Consultant Engineering	Construction	Annual Total
2012	Aviary	Repair siding and paint	$0	$53,183	$53,183
2012	Aviary	Waterproof foundation	0	33,239	33,239
2012	Business Development Center	Replace HVAC	6,937	46,246	53,183
2012	City Hall	Modernize center elevator	24,633	164,220	188,853
2012	City Hall	Replace motor control center	6,086	40,569	46,655
2012	City Wide	Emergency and unscheduled building repairs	39,541	263,605	303,146
2012	City Wide	Evaluate HVAC controls for energy efficiency	107,455	0	107,455
2012	Fire Station #1	Replace ceiling tile on ground floor	0	35,332	35,332
2012	Fire Station #3	Bathroom renovations, kitchen tile, windows and ceiling tile	11,281	75,202	86,483
2012	Fire Station #5	Replace rollup doors and tracks	0	38,157	38,157
2012	Fire Station #6	Repair/renovate for energy efficiency	12,187	81,246	93,433
2012	IT Building	Replace emergency generators	33,842	225,609	259,451
2012	Langhorne Road Railroad Bridge	Stabilize bridge	8,672	57,808	66,480
2012	Lynchburg Public Library	Replace motor control center	0	59,943	59,943
2012	Mid Downtown Parking Deck	Paint interior stairway	7,805	52,027	59,832
2012	Mid Downtown Parking Deck	Repair and seal spandrel beams	11,278	75,184	86,462
2012	Miller Park	Upgrade lighting at horseshoe pits	6,937	46,246	53,183
2012	Peaksview Park Office and Storage Building	Replace chain link fencing around maintenance shop (630')	0	72,549	72,549
2012	Public Safety Building	Replace two commercial/domestic water heaters	0	25,927	25,927
2012	Heritage Elementary School	Replace main switch gear (electrical)	19,354	174,182	193,536
2012	Hutcherson Early Learning Center	Replace HVAC controls	10,600	95,400	106,000
2012	Hutcherson Early Learning Center	Replace/repair curtain walls	55,120	496,080	551,200
2012	Various Schools	Painting	0	100,000	100,000
2012	Various Schools	Contingency	0	100,000	100,000
2012	Various Schools	Paving	0	173,318	173,318
2012	**Sub-totals**		**$361,728**	**$2,585,272**	**$2,947,000**

Roof Replacement

Fiscal Year	Building Name	Sub-Project	Consultant Engineering	Construction	Annual Total
2012	City Wide	Emergency roof repairs	$7,012	$46,744	$53,756
2012	Fire Station #1	Replace sections of roof	20,798	138,652	159,450
2012	Fire Station #8	Replace roof over apparatus floor	10,418	69,448	79,866
2012	Main Street Parking Deck	Replace roof	3,005	20,033	23,038
2012	West Building	Repair roof	37,062	247,080	284,142
2012	Sheffield Elementary School	Replace roof sections	35,000	315,000	350,000
2012	**Sub-totals**		**$113,295**	**$836,957**	**$950,252**

SERVICE AREA
School

DEPARTMENT
Schools

LOCATION
3020 Wards Ferry Road

PROJECT TITLE/PROJECT NUMBER
HERITAGE HIGH SCHOOL RENOVATION

PROJECT TYPE
New

DEPARTMENT PRIORITY

Project supports essential services

PROJECT DESCRIPTION

Renovation and major additions to Heritage High School. The approach to the project is currently being studied by the Heritage High School Task Force.

RELATIONSHIP TO COMPREHENSIVE PLAN

Chapter 11, Page 11.12, Goal 6: Support efforts to improve the quality of Lynchburg Public Schools.

PROJECT MANAGER(S)

Edward Witt, Jr, Assistant Superintendent for Operations

PROJECT START DATE 07/2013

PROJECT COMPLETION DATE 06/2018

COMPLETION SCHEDULE

Activity	**Complete - Quarter**
Architectural Services (Contractual)	Q1 FY 2014 - Q3 FY 2014
Construction	Q4 FY 2014 - Q4 FY 2018

OPERATING BUDGET IMPACT (OVERALL OPERATING EXPENSES & PROJECTED STAFFING REQUIREMENTS):

More efficient building will result in lower operating and maintenance costs.

FIVE YEAR PROPOSED PROJECT**APPROPRIATIONS** BY SUB-PROJECT

Sub-Projects	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**Program Period Estimate**
Architectural Services (Contractual)	0	0	2,000,000	3,000,000	0	**$5,000,000**
Construction	0	0	0	0	20,000,000	**$20,000,000**
TOTAL	**$0**	**$0**	**$2,000,000**	**$3,000,000**	**$20,000,000**	**$25,000,000**

TOTAL PROJECT COST

TOTAL PRIOR APPROPRIATIONS THROUGH 7/1/10	**FY 2012-2016 APPROPRIATIONS**	**BEYOND FY 2016 APPROPRIATIONS**	**TOTAL PROJECT APPROPRIATIONS**
$0	$25,000,000	$0	**$25,000,000**

FIVE YEAR PROPOSED PROJECT**EXPENDITURE CASH FLOW PROJECTIONS** BY SOURCE OF FUNDING

Funding Source	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**Program Period Total**
Local: G.O. Bond	0	0	2,000,000	3,000,000	20,000,000	**$25,000,000**
TOTAL	**$0**	**$0**	**$2,000,000**	**$3,000,000**	**$20,000,000**	**$25,000,000**

SOURCES OF PROJECT FUNDING FY 2012 - 2016 (%): LOCAL = 100% STATE = 0% FEDERAL = 0% OTHER = 0%

Note: $139,562 is segregated in a reserve for this project.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011** AGENDA ITEM NO.: 2

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Recycling Program and Landfill Update**

RECOMMENDATION: No Action necessary – staff update

SUMMARY:

Recycling Program:
The Public Works Department continually reviews its recycling program and provides City Council a report every two to three years regarding the programs history, trends and performance for that time period. The recycling report for the past three years is attached.

The City's current recycling program was approved by City Council during the early 1990's. In 2004 and in 2008, a comprehensive recycling report was reviewed and discussed by City Council. The philosophy and guidelines to direct the program were approved along with the elimination of glass recycling and the addition of corrugated (cardboard) recycling.

Since then, City Staff has conducted research and explored various options as to whether the recycling program should be continued as is, eliminated, reduced in size (commodities and/or number of sites), changed to enhance the program or implement a curbside recycling program. Staff also performed a cost analysis of the different material types included in the program and has prepared a report and also summarized the options and recommendations for Council's consideration.

Landfill Operations:
In 2005, it was determined that operating the region's landfills jointly was the best and most cost effective option and should be explored in more detail. R. W. Beck was then contracted to conduct a more detailed analysis to determine the steps and costs of forming a regional entity to manage solid waste disposal. They conducted a thorough review of current operations and developed a detailed operations plan with associated costs. They also coordinated a meeting between staff at the Virginia Department of Environmental Quality (DEQ) and local representatives to discuss the regulatory requirements for this type of operation. The report concluded that meaningful cost saving opportunities for all the localities involved could result from such a cooperative effort.

Consolidating solid waste operations regionally has been beneficial for a number of reasons. The most obvious one is the cost savings. Regional cooperation and protection of health and the environment are also important benefits. Operating a small landfill continues to become more costly as regulations are tightened. A regional operation takes advantage of economies of scale to control costs and provides a better focus on long range planning for our next generation of waste disposal.

City Staff will provide Council an update regarding the regional landfill operations and the current planning steps to open Campbell County's landfill and close the City's landfill.

PRIOR ACTION(S): As noted above.

FISCAL IMPACT: The average annual cost for the recycling program for the past three years was $274,750. During this period, the City received revenues averaging $51,715 annually from the sale of the recyclables. Residential recycling potentially saved the equivalent of $182,818 annually in landfill space, which can be considered available for future use.

Considerable long term savings for City of Lynchburg and participating members regarding solid waste disposal activities. The City currently pays $25 a ton for disposal compared to prices nearly twice as high in other jurisdictions.

CONTACT(S): Dave Owen, Director of Public Works, 455-4469

ATTACHMENT(S):
- Recycling Report (including Philosophy / Evaluation Guidelines)
- Landfill Information

REVIEWED BY: lkp

047L

Recycling Program Report

March 22, 2011

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SUMMARY REPORT
Recycling Program

This report is in response to City Council's request for staff to provide information for City Council's consideration regarding the recycling program.

The report is arranged into three sections:
1) Performance Trends covering the last three fiscal years
2) A section structured to support Determining Next Steps
3) Other Supporting Information relating more broadly to the overall Solid Waste Management operation, including a history of the recycling program and other matters that may be of interest to the reader.

The City's program extends back to 1981 and was initiated partly on behalf of a request from concerned citizens. The ongoing goal for the program has been to collect materials that possibly can be reused, thereby saving landfill space and reducing the need for use of virgin and natural raw materials.

The value of recycling can be assessed on three points:
1) "Hard" dollar revenue from the collection and sale of materials.
2) "Soft" dollars equating the future value of space "saved" in the landfill because materials recycled are diverted from the landfill.
3) The willingness of citizens to subsidize recycling from the perspective of reducing the need for use of virgin and natural raw materials.

Listed below is a summary of the last three fiscal years regarding yearly averages and trends:
1) The processing of 2,414 tons of recycling material at a cost of $274,750 the hard dollar revenue amounted to $51,715 for a net loss of $223,035.
2) Residential recycling potentially "saved" the equivalent of $182,818 in landfill space, which can be considered available for future use.
3) The net cost of the City's recycling program is $40,217.
4) In addition, City Schools recycled 22.94 tons of material in FY2010 (21.87 tons of paper and 1.07 tons of aluminum and steel cans).
5) The recycling of these materials potentially reduces the use of virgin and natural new materials.

SECTION A: PERFORMANCE TRENDS

A.1: PERFORMANCE MEASURES

A.1.1: Net Hard Dollar Profit or Loss

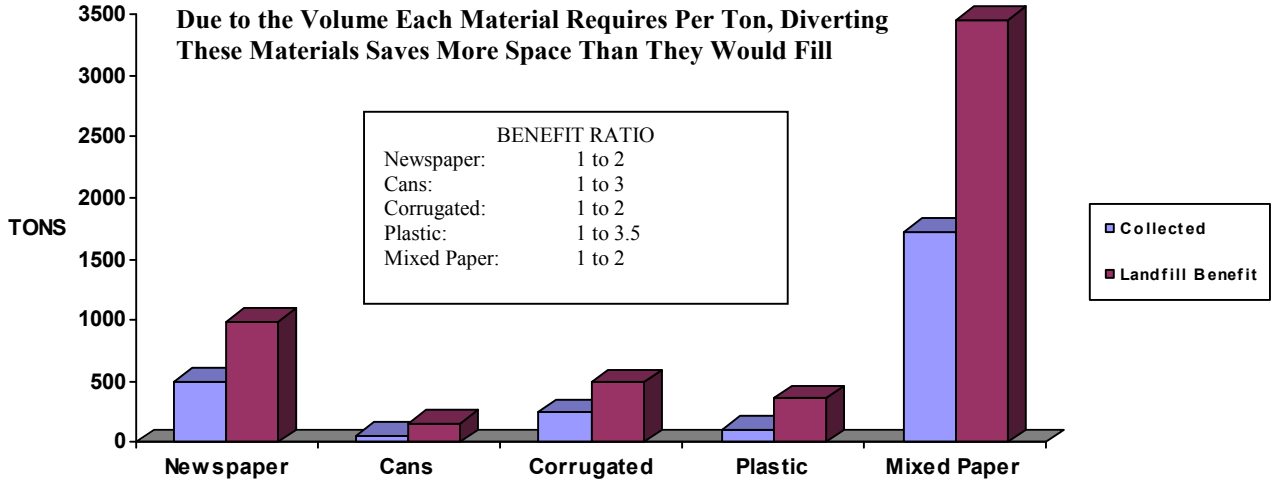
Ideally, a net revenue gain in the short term, plus long-term sustainability, is desirable business operations outcomes. However, the City provides many services for which hard dollar payback is not achievable. Residential recycling does provide a net gain in regard to the collection and processing of corrugated, newspapers, aluminum and steel cans, but not for the other materials in the program. Commodity prices are market driven and while certain materials, such as mixed paper, have occasionally returned hard dollar

revenue, however, this has not been the case for the past several years. Future trends are difficult to predict, but from available information, the probability of achieving revenue for materials other than corrugated, newspapers, aluminum and steel cans during the next few years is low.

A.1.2: Landfill Benefit

The most significant justification for the City to operate the Residential Recycling Program is to reduce the volume of materials reaching the Regional Services Landfill. This reduction "saves" or defers a measurable capacity for future use. Developing an estimated monetary benefit is achieved by:
a. Capturing all expenses incurred to collect and to deliver recyclable materials to the recycler, less any revenue received from the material sales;
b. Weighing the recycled materials diverted from the landfill as a result of the recycling;
c. Converting that weight into the equivalent tonnage in terms of saved landfill capacity;
d. Then converting the capacity into an equivalent dollar value for comparison with item

Table A-1 LANDFILL BENEFIT



A.1.3: Reducing the Need for Use of Virgin and Natural Raw Materials

The willingness of citizens to subsidize recycling in order to reduce the need for the use of virgin and natural raw materials is a more difficult value to quantify. Citizens of Lynchburg support the program as indicated by the volume of materials they deliver to the ten recycling drop-off centers.

A.2: THREE YEAR SUMMARY

Materials collected at each site over the last three years include: aluminum and steel cans, newspapers and inserts, mixed paper, #1 through #7 plastic containers and corrugated. These materials are typically transported to Sunoco - Paper Stock Dealers in Madison Heights.

The practices followed in managing the recycling program for the last several years continue in that Public Works employees provide maintenance (clean-up and monitoring) twice a day (Monday - Saturday) at each of the ten recycling locations as well as coordinate pulls (emptying of full containers) as necessary.

There are two tables that follow: the first (A-2) provides a summary of the materials collected during the past three years and the second table (A-3 in Appendix) summarizes the following: tons collected, tons land filled, revenue received from the sale of the recyclables, and landfill savings of each commodity.

Table A-2

Recycling Tonnages					
	Fiscal Year				Yearly
Type of Material	**2010**	**2009**	**2008**	**TOTALS**	**Average**
Plastic	181	197	95	473	158
Mixed Paper	1191	1245	1810	4246	1415
Newspaper	437	486	471	1394	465
Alum. / Steel Cans	59	58	53	170	57
Corrugated	303	304	351	958	319
TOTALS	**2171**	**2290**	**2780**	**7241**	**2414**
Revenues Received	**$ 44,492**	**$ 32,792**	**$ 77,860**	**$155,144**	**$ 51,715**

SECTION B: DETERMINING NEXT STEPS

As with any program, the recycling program should be reviewed periodically to identify appropriate revisions.

B.1: CURRENT CHALLENGES

The City's recycling program continues to be faced with several challenges:

B.1.1: Weak Market Conditions

The market for certain recycled materials has been weak and a turn around, in the short term, is not foreseeable. The laws of supply and demand are active in this regard. Except for newspaper, corrugated, aluminum cans and metal cans, the market remains

unfavorable. The volume of recyclable mixed paper has outpaced demand. Plastic, by the very nature that makes it an attractive packaging material for liquids, also results in it being difficult to compress to transport economically or to landfill economically.

B.1.2: Limited Number of Local Buyers

There are only three local recyclers in the Lynchburg area: Sunoco - Paper Stock Dealers, Cycle Systems and Rock-Tenn Company. The City's recycling materials are currently being taken to only one (Sunoco – Paper Stock) for processing as Cycle Systems has instructed the City that they prefer not to receive loose materials and will only accept a limited number of the materials and Rock-Tenn Company only will take mixed paper and cardboard but that is restricted as well.

Sunoco pays the market rate for each recycling material; however, during the past several years that has included aluminum cans, newspapers, corrugated and occasionally mixed paper. The yellow sheet is an industry listing of the value that processors are willing to pay for each commodity. This sheet is updated monthly as industry conditions change. The plastic materials are typically accepted free or a fee of $5 to $10 per ton is incurred by the City.

B.1.3: No local Materials Recovery Facility (MRF)

Each of the local recyclers requires the recyclables to be sorted upon delivery to its location. This eliminates the possibility of single stream recycling which makes most curbside recycling programs practical. One of the local companies is considering this option but at this time has not made the required capital investment.

B.1.4: Contamination of Materials

There continues to be a small contamination problem (4.81%) primarily resulting from trash being thrown into the recycling bins. Our assumption is that some citizens are discarding their garbage in the recycling centers to avoid paying the disposal cost (decals or tags) for curb service. We continue to stress via signs at each drop-off location the criticality of complying with the recycling specifications. New signs have been placed at the sites instructing the proper method of recycling specific materials.

B.2: CONSIDERATIONS

B.2.1: Recycling Trends

Several years ago, due to the declining markets for recycled materials, many localities and some major cities in the United States reduced their recycling programs. These include Campbell County and New York, Chicago and Washington, DC. These reductions were directly related to the shortage of markets for the recyclables and an over supply of recycled materials in the markets. As the demand for more recycled products increases, markets might improve, and more processing plants might go on line to produce the goods. The City also modified its program eliminating glass recycling but added corrugated due to the market.

During the past several years, there has been a greater public awareness of “going green” both on the national, the state and local levels. New companies have been formed to recycle additional materials. Locally the City has recently partnered with several companies to allow the recycling of electronics, computers, televisions, CDs and DVDs. This has allowed Lynchburg to capture and recycle many of these items and not have them disposed of in the landfill. A new private venture (Recycle Easy) started collecting curbside recycling materials approximately two years.

B.2.2: Current Drop-Off Recycling Program

The yearly cost of running and servicing these drop-off recycling sites is approximately $274,750 (direct cost of $185,000 and indirect / depreciation cost of $89,750) for 21,500 households, this equates to $1.06 per household per month. This includes a staff of three who monitor, clean-up, haul and empty the bins six days a week (Monday thru Saturday). It also includes the cost to operate, maintain and repair two hook lift trucks and one small pickup truck. Also included are replacement signs (as needed) and maintenance and repairs to the recycling bins and the sites. This includes the depreciation or replacement cost of the recycling bins and the depreciation or replacement cost of the trucks. There are 55 recycling bins (each now costs approximately $6,500). When originally purchased these bins cost $2,500 to $3,000. The annual depreciation at $6,500 for ten years would be $35,750.

The hook hoist trucks cost approximately $125,000 each and the pickup truck cost approximately $20,000. These trucks remain in service between 5 and 7 years. The annual depreciation would be $54,000 assuming they are kept for five years.

B.2.3: City Schools Recycling Program

The City’s Public Works Department and City Schools Administration have partnered the past few years to recycle as much office and student paper as possible. This past fiscal year a total of 21.87 tons of paper were recycled from six City schools (these include E. C. Glass and Heritage High Schools; Sandusky Middle and Elementary; and Perrymont, Bedford Hills and R. S. Payne Elementary Schools). In addition, Perrymont and Bedford Hills Elementary Schools recycle aluminum and steel cans (a total of 1.07 tons were recycled this past fiscal year). The City placed one large recycling bin at each school and empties the bin when full or requested by school staff.

B.2.4: Curbside Recycling

In 1995, the City sought proposals for curbside recycling collection service. Waste Management Incorporated and BFI / Allied Systems both submitted proposals to provide these services. Waste Management's proposal was contingent on them being awarded the refuse collection contract along with a curbside recycling contract. It also stipulated that at least 1,000 homes per Ward must participate - their quote for every other week recycling collection was $2.50 per month per household.

BFI / Allied System’s proposal was contingent that the program be mandatory for all households and the tag / decal program be eliminated and move to a monthly fee system. Their cost was $1.73 per month for all 21,500 households guaranteed by the City to BFI. The City would be required to provide recycling bins to each household.

City Council, at that time, chose not to accept either proposal and to continue with the City operating the existing drop-off recycling program.

In 2008, staff from the City and the Regional Services Authority met with Professor Tom Scott, Lynchburg College, who conducted a survey of 300 households (located in the following zip codes - 03, 04 and 05) regarding curbside recycling collection and he was estimating the cost for a voluntary recycling collection program at approximately $11.00 a month. Mr. Scott and several partners formed a company called Recycle Easy and began operations approximately 1 ½ years ago. They started out on a subscription basis charging $14.95 per month per household. We now understand that the monthly fee charged for this service has increased to approximately $20.00.

Staff estimates a city-wide curbside recycling program could be provided for $4.50 to $6.00 / household / month. This is in line with our current trash collection cost. This cost is projected at $1,000,000 - approximately three and a half times to four times more costly than the current drop-off recycling program ($274,750). This increase in cost would be slightly offset with higher revenues realized from the sale of additional recyclable materials. To make it feasible and economical, curbside recycling would probably need to be mandatory and offered to every household in the City. If the curbside recycling program was voluntary - the cost to the citizens would be higher per month than the $4.50 to $6.00 amount and closer to the charges of Recycle Easy.

It is estimated that recycling tonnages would double (2,414 tons to 4,828 tons) if curbside recycling is instituted. This would result in a reduction of residential trash collected which effects the Refuse Collection operation. It may be possible to reduce one truck and crew (staff of two) from the collections work force if the amount of trash and the number of trash setouts do actually decrease significantly. Each crew currently collects materials from 1,050 households per day. By eliminating one crew, the other crews would be required to collect over 1,200 households per day (this will significantly increase the workload of each crew if each household continues to set out their weekly trash – even with less waste).

City staff does not recommend the move to curbside collection due to the increased costs and the current market conditions. City staff does encourage residents who desire curbside recycling collection to contact Recycle Easy and discuss their service.

B.3: AVAILABLE OPTIONS

B.3.1: Continue As Is

Advantages:

- No change in system.
- Citizens are accustomed to system – does not require a change in behavior.
- Saves landfill space by recycling materials.
- Reuses materials and reduces the need for the use of virgin and raw materials.
- A small amount of revenue is realized from sale of materials.

Disadvantages:

- Costs more than land filling materials.

- The market for plastics is limited and the City may have to pay a small fee to recycle.

Recommendation: Continue recycling program.

B.3.2: Eliminate all Recycling Sites

Advantages:

- Could reduce budget expenses as a result of lower fuel, equipment and labor costs (projected to save $125,000 in expenses based on the assumption that trash collection cost would increase by $75,000-$100,000).
- One time revenues from the sale of trucks (2) and recycling bins (trucks = $100,000 each, 55 recycling bins = $1,000 each for a total of $55,000)

Disadvantages:

- Will require citizens who recycle to pay more because they possibly will have to buy additional tags, or use a larger or additional cart.
- Could increase cost of City's trash collection service ($75,000-$100,000).
- Landfill space may be used more quickly thereby slightly decreasing the life of the current landfill
- Viewed as unfriendly to the environment
- Could lead to an increase in illegal dumping

Recommendation: Continue recycling program.

B.3.3. Eliminate recycling sites and have a staffed site at the Regional Services Landfill for citizens wishing to recycle materials

Citizens could bring their recyclables to a designated recycling area at the landfill. The site could be manned to assist the citizens and to ensure clean recyclables are received for processing. The recycling drop-off sites located throughout the City would be eliminated in this option.

Advantages:

- Could reduce budget expenses as a result of lower fuel, equipment and labor costs (projected to save $75,000 in expenses based on the assumption that the amount of recyclables would decrease by 75% if all sites were closed.

Disadvantages:

- Will require citizens who recycle these materials to pay more because they possibly will have to buy additional tags, use a larger or additional cart, unless they decide to bring those materials to the landfill.
- Could increase cost of City's trash collection service ($75,000-$100,000).
- Landfill space may be used more quickly thereby slightly decreasing the life of the current landfill
- Viewed as unfriendly to the environment
- Could lead to an increase in illegal dumping

Recommendation: Continue with existing drop-off locations to meet the citizen needs and to provide convenient locations to recycle.

B.3.4: Reduce Number of Recycling Sites Due to Low Usage
Eliminate those recycling sites that continue to have low usage and / or high contamination problems. There are currently several sites that have relatively low usage by the citizens of Lynchburg.

Advantages:
- Could reduce budget expenses as a result of lower fuel, equipment and labor costs (savings depends on number of sites closed).

Disadvantages:
- Will require citizens who recycle at the closed sites to pay more because they possibly will have to buy additional tags, use a larger or additional cart unless they decide to bring materials to the landfill or one of the remaining sites.
- Could increase cost of City's trash collection service ($25,000-$50,000).
- Landfill space may be used more quickly thereby slightly decreasing the life of the current landfill
- Viewed as unfriendly to the environment
- Could lead to an increase in illegal dumping

Recommendation: Continue to evaluate the existing drop-off locations to meet the citizen needs and to provide convenient locations to recycle.

B.3.5: Partner with Neighboring Localities

There have been several regional meetings involving City and County officials regarding various solid waste issues including regional recycling. The discussions have been very preliminary with various ideas being considered.

Advantages:
- Larger quantities of materials and possibly more marketable products. Take all recyclables versus being denied or charged for contaminated bins of materials
- Saves landfill space by recycling materials
- A larger amount of revenue may be realized from sale of materials.

Disadvantages:
- Increased cost to transport materials
- Continues to be a limited market for glass and plastics and will probably have to pay a small fee to recycle.

Recommendation: Continue to explore opportunities for decreased cost and enhanced revenue by partnering with neighboring localities.

B.3.6: Implement Curbside Recycling – Eliminate Drop-Off Sites

There have been several regional meetings involving City and County officials regarding various solid waste issues including regional curbside recycling collection services. The discussions have been preliminary with various ideas being considered. The Regional

Services Authority is concentrating on landfill operations and the move to the Campbell County landfill in approximately one (1) year.

Advantages:

- More customer friendly and convenient
- Viewed as friendly to the environment
- Saves landfill space with a significant increase in materials recycled
- Reuses materials and reduces the need for the use of virgin and raw materials
- Citizens could possibly reduce their weekly trash disposal costs
- Could possibly reduce trash collection costs if able to eliminate trucks and staff
- Larger quantity of materials and possibly more marketable products. Take all recyclables versus being denied or charged for contaminated bins of materials
- Additional revenue could be realized from the sale of more recyclables – estimated to be between $50,000 and $75,000 annually
- One time revenues from the sale of recycling trucks (2) and recycling bins (trucks = $50,000 each, 55 recycling bins = $1,000 each for a total of $55,000)

Disadvantages:

- Significant cost increase – difficult decision of how to pay for program enhancement (costs projected between $900,000 - $1,000,000 annually – increase of approximately $650,000)
- Mandatory versus voluntary participation
- No local materials recovery facility around Lynchburg – requires hauler to deliver materials sorted

Recommendation: Continue to explore opportunities for curbside collection but do not implement a curbside recycling program at this time due to additional costs.

SECTION C: MANDATED REQUIREMENTS/HISTORY

C.1: MANDATED RECYCLING REQUIREMENTS

Virginia mandates that 25% of all solid waste created by residential, commercial and industrial operations within a jurisdiction be “recycled”.

C.1.1: Residential Recycling Vs Industrial & Commercial Recycling

Although this report focuses on the residential aspect of recycling, the reader should be aware of the following as background information. The City, local businesses and industries recycle approximately thirty two (32) percent of the waste materials produced within City limits. The various commercial and industrial operations recycle within their manufacturing stream as part of their business processes and that action is acceptable as part of the Commonwealth’s mandated requirement for a 25 % recycling goal. The City’s residential trash comprises only 9% of the total City trash disposed of at the regional landfill.

C.2: RESIDENTIAL RECYCLING PROGRAM HISTORY

C.2.1: The Lynchburg Garden Club

The City's Residential Recycling Program was founded by the Lynchburg Garden Club in 1981. The program began with one location being manned by volunteers and quickly expanded to four locations during the next few years. The demand to handle and process the recyclables grew larger than the Garden Club volunteers could manage and they asked the City to provide more assistance.

C.2.2: The Virginia General Assembly

In 1988, the Virginia General Assembly passed legislation requiring all localities to recycle at least 25% of their total waste stream from residential, commercial and industrial entities by 1995. Some smaller localities recycling percentages have been reduced to 15%.

C.2.3: Early 1990s Program Expansion

In the early 1990s, City Council discussed and approved an expanded recycling program including hiring a paid coordinator and providing additional funds to pay for the hauling cost charged by the private haulers (BFI and Waste Management of Blue Ridge).

C.2.4: Mid-1990s Additional Program Expansion

In the mid-1990s, City Council bid out the recycling hauling services. The bids indicated the preferred alternative was for the City to obtain recycling containers, place them at nine recycling sites located throughout the City and to manage collection and sales. The City continued under contract until 2003.

C.2.5: 2004 Program Changes

In 2004, City Council reviewed the recycling program and decided to eliminate glass recycling and add corrugated (cardboard) recycling. These changes reflected the market conditions and cost of services for those commodities.

C.2.6: 2008 Program Review

In 2008, City Council reviewed the drop-off recycling program and decided to leave the program the same. The City decided to pay the Regional Services Authority for a part-time Recycling Program Manager – began July 1, 2008.

LYNCHBURG
Recycling Program

Philosophy

1. Encourage recycling in Lynchburg as much as practical
   - Recycling saves valuable landfill space
   - Reduces the need for natural and virgin materials necessary to make products
   - The process for producing new materials from like-kind recycled materials often requires a lower usage of our energy reserves

2. Develop partnerships with neighboring localities to encourage recycling and possibly combine efforts to better market recyclables use existing resources
   - This approach can only enhance the regions commitment to recycling
   - This approach may create new opportunities for recycling of materials
   - This approach helps the localities work together to solve problems

3. Partner with City Schools, Non-Profit Groups and Volunteers to assist in the City's recycling efforts
   - This approach can only enhance the City's commitment to recycling
   - This approach may create new opportunities for recycling of materials with increased revenues from the sale of those materials
   - This approach gets the children involved at an early age and helps them understand the importance of reducing, reusing and recycling materials

Evaluation Guidelines

1. The City should evaluate annually which materials it will include in its recycling program. Any material which has not shown a net cost benefit in the past three years, and for which there are no realistic prospects for a positive change in the market in the near future, should be considered to be dropped from the program

2. The City should not change its decision regarding recycling of a specific material any more frequently than once every three years

3. Implement any changes to the recycling program on October 1st
   - This allows time to reallocate resources as necessary
   - This allows time to prepare Public Information about the changes and to let the citizens of Lynchburg prepare for the upcoming changes

Landfill Update
March 22, 2011

- After several years of study and analysis, the City partnered with four (4) other localities (Bedford City, Campbell, Nelson and Appomattox Counties) in 2008 to create the Region 2000 Services Authority (RSA) to manage and oversee landfill operations.

- Campbell County and the City of Lynchburg both agreed to sell their landfill related assets (landfill permit, landfill capacity and land, site improvements, buildings, equipment and rolling stock) to the RSA.

- A field survey was conducted to determine amount of landfill air space used (prior to July 1, 2008) and amount of airspace available to be used by the RSA beginning July 2008.

- The results of the survey were used to determine the true-up amounts (the amount of monies the RSA would pay to the City and to Campbell County for various landfill assets). The City received payments in FY09 for those assets.

- Lynchburg's landfill (Concord Turnpike) was chosen to operate as the initial regional landfill facility because of existing infrastructure in place (roads, scales, scale house and operations and maintenance facility).

- A field and an aerial survey were conducted in the fall of 2010 by Draper Aden Associates to determine how much airspace had been filled and how much remained. Both surveys indicated there was less available airspace than previously anticipated.

- Draper Aden Associates helped the RSA and the City to analyze the data and information and it was determined the survey conducted in 2008 needed adjustments and a recalculation of the value of assets was necessary. This recalculation is ongoing and depends on several factors: closure cost of Lynchburg's landfill, airspace capacity of Campbell County's landfill, etc…

- This determination necessitated moving forward with planning and construction of the temporarily closed Campbell County landfill. Construction bids were received for this construction on March 16, 2011. This construction is anticipated to take up to six months.

- The closure of the Concord Turnpike (Lynchburg) landfill will take place in phases. It is anticipated that approximately 21 acres will be closed during the next twelve months leaving 5 acres open receiving waste. These 5 acres will be filled primarily using waste from the City's residential collection program and from the residential bins at the landfill. All commercial, industrial and partnering counties will begin using the Campbell County landfill when it is open in the late fall / winter.

- A final true-up will be completed during the next twelve (12) months with it anticipated that the City will have to pay additional amounts due to higher closure

costs and less available airspace available when the RSA began operations in 2008.

- The residential drop-off area at the Concord Turnpike landfill will remain open to city residents for approximately the next 2-3 years. The City will reimburse the RSA for costs related to keeping the scale house open and the landfill. It is anticipated these costs will be less than hauling costs of the residential bins down to Campbell County's landfill.

- It is anticipated that City trash collection crews will have to begin delivering trash to Campbell County's landfill in the spring of 2012. They will continue to unload residential trash at the RSA Concord Turnpike's landfill until operationally impossible. This will require an additional trash collection crew and truck.

- It is anticipated that the Campbell County landfill will be in operations for at least the next 13-15 years.

// A regular meeting of the Council of the City of Lynchburg was held on the 8th day of March, 2011, at 4:00 P.M. in the Council Chamber, City Hall, Joan F. Foster, President, presiding. The following Members were present:

Present: Cary, Gillette, Helgeson, Nelson, Perrow, Foster 6

Absent: Johnson 1

// Vice Mayor Johnson arrived at 4:03 p.m.

// City Manager Kimball Payne presented an overview regarding the Proposed FY 2012 Budget, stating this year's overall budget totaled $311 million. Mr. Payne stated this year's budget preparation was prepared to provide a setting in which City departments can continue to adjust to the changes implemented for the current year which results in a "maintenance budget". Mr. Payne further stated that the good news is that revenues are no longer declining, but revenues are not growing either, and there is no expectation of growth in the near term. Mr. Payne explained that the State funding cuts, unfunded mandates, an aging infrastructure, high demands for services and increasing costs for employee benefits, energy, and materials remain challenges facing the City. The Proposed FY 2012 Budget does not recommend any tax increases. Mr. Payne stated the challenges are Heritage High School, State Funding and State Mandates. Mr. Payne went on to say that an additional factor that Council focused on was possible changes to local employee funding responsibilities under the Virginia Retirement System.

Mr. Payne stated that General Fund expenditures in the proposed budget increased less than one percent and noted the following significant changes from the current year:

• Additional costs for the Blue Ridge Regional Jail.

• Funding of $816,793 is included to offset requiring employees to pay five percent (5%) of their salaries into the Virginia Retirement System.

• Additional funding for the Lynchburg Convention and Visitors Bureau.

• An increase in the General Fund subsidy to the Lynchburg Regional Airport.

• Funding to cover costs associated with the Line of Duty Act benefits that are mandated for public safety employees.

Mr. Payne stated that there is an alternative budget that addresses Heritage High School and compensation which are significant challenges and would require difficult decisions. Mr. Payne concluded by saying that the Proposed FY 2012 Budget is offered for City Council consideration, deliberation, amendment, and adoption, and that over the next several weeks, Council will have the opportunity to hear from and question the representatives of the various departments and agencies seeking funding in FY 2012.

// Human Resources Director Margaret Schmitt provided an overview regarding the City's Workforce of Personnel/Benefits for FY 2012 Budget. Ms. Schmitt stated that ongoing challenges were retention of employees, potential benefits consolidation and new mandates at State and Federal levels.

// Human Resources Director Margaret Schmitt gave a brief overview of the City/School Benefits Consolidation. Ms. Schmitt stated that plans are in progress for consolidation with City/School Health Program.

// Financial Director Donna Witt gave an overview of the Proposed FY 2012 Revenues.

// City Manager Kimball Payne gave a brief summary of the Wards Road Pedestrian Improvement. Mr. Payne stated there will be a written agreement setting forth the terms and expectations both of the City and Liberty University. Mr. Payne stated that the City and Liberty University have been meeting and have come up with a conceptual agreement to address pedestrian improvements in the Wards Road Corridor.

// Mayor Foster and Council Member Gillette presented certificates to 15 Virginia Junior Miss Contestants from all over the State.

// During Roll Call Council Member Helgeson expressed his concerns regarding the leaks at Heritage High School, and other routine maintenance functions that have not been done. Council Member Helgeson also requested a report on the amount of funds that have been spent on preparing the leaks. Council Member Cary had two items, first the birth of his granddaughter. Council Member Cary stated that during a Rivermont Neighborhood Watch meeting a citizen from the School of the Arts needed a handicap access to the sidewalk on Columbia Avenue. Within three weeks the City had made the repairs, and he wanted to thank the City staff for their quick response.

// 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: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster	7
Absent:	0

Council Member Gillette gave the Invocation, followed by the Pledge of Allegiance given by Cub Scout Pack 180 – DEN #5.

// Mayor Foster and Vice Mayor Johnson presented a Proclamation for Multiple Sclerosis Awareness Week 2011.

// Copies of the minutes of the February 22, 2011 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote approved the minutes as presented:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster	7
Noes:	0

// In the matter of Fire - General, City Council Report #9 was considered. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-11-016, as presented, amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $67,385, with resources of $50,996 from the Virginia Office of Emergency Medical Services – Rescue Squad Assistance Fund Grant and $16,389 from the FY 2011 General Fund Fire Department budget to purchase a Physio LifePak 15 cardiac monitor/defibrillator and two Lucas 2 CPR Assist devices for the Fire Department:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster	7
Noes:	0

// In the matter of Fire - General, City Council Report #10 was considered. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-11-017, as presented, amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $218,113, with resources of $166,718 from the Virginia Office of Emergency Medical Services – Rescue Squad Assistance Fund Grant and $51,395 from the FY 2011 Fleet fund budget, to purchase a 2010 PL Custom Titan International ambulance:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Fire - General, City Council Report #11 was considered. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-11-018, as presented, amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $112,509, with resources of $82,695 from the Financial Assistance for Emergency Medical Services Grant Program and $29,814 from the Reserve for Contingencies to establish an Emergency Medical Dispatch (EMD) program:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Community Development - General, a public hearing was held regarding City Council Report #12 to receive comments and to adopt a resolution regarding the adoption of the Amended Citizen Participation Plan for the Community Development Block Grant (CDBG) and HOME Program. Deputy City Manager Bonnie Svrcek gave a brief summary of the request.There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted Resolution #R-11-019, as presented, approving the Amended Citizen Participation Plan for the Community Development Block Grant (CDBG) and HOME Program:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #13 regarding the consideration of a request to grant a License Agreement to Pyramid Motors, LLC, to allow the installation of an underground private storm pipe in the Fourth Street right-of-way from Pyramid Motor's existing facility located at 407 Federal Street to Pyramid Motor's parking facility located at 317 Federal Street. City Engineer Lee Newland gave a brief summary of the request. One individual representing Pyramid Motors outlined the request and asked for Council approval. There was no one else present who wished to speak to this item, and the public hearing was closed.

Council Member Perrow, Physical Development Committee (PDC) Chair stated this item came before PDC which recommended approval. Council Member Perrow made a motion to approve the request which required no second, Council by the following recorded vote adopted Resolution #R-11-020, as presented, approving a License Agreement to Pyramid Motors, LLC, to allow the installation of an

underground private storm pipe in the Fourth Street right-of-way from Pyramid Motor's existing facility located at 407 Federal Street to Pyramid Motor's parking facility located at 317 Federal Street:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #14 regarding the consideration of a request to grant a License Agreement to Liberty University, Inc., to place fiber optic cable in City owned right-of-way to serve a building at 3700 Candlers Mountain Road. City Engineer Lee Newland gave a brief summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed.

Council Member Perrow, Physical Development Committee (PDC) Chair stated this item came before PDC which recommended approval. Council Member Perrow made a motion to approve the request which required no second, Council by the following recorded vote adopted Resolution #R-11-021, as presented, approving a License Agreement to Liberty University, Inc., to place fiber optic cable in City owned right-of-way to serve a building at 3700 Candlers Mountain Road:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Community Planning - Zoning Amendments, a public hearing was held regarding City Council Report #15 outlining the petition of Chief Investment, LLC to rezone approximately 4.03 acres at 101 Breezewood Drive from B-3, Community Business District to B-5, General Business District to allow the use of the property for automobile sales and service. City Planner Tom Martin gave a brief summary of the request and stated that the Planning Commission recommended approval of the rezoning request. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Helgeson, seconded by Council Member Perrow, Council by the following recorded vote adopted Ordinance #0-11-022, as presented, approving the petition of Chief Investment, LLC to rezone approximately 4.03 acres at 101 Breezewood Drive from B-3, Community Business District to B-5, General Business District to allow the use of the property for automobile sales and service:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Community Development – Zoning, City Council Report #16 was considered. On motion of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote adopted Resolution #R-11-023, as presented, to approve a request for a third and final extension of the Conditional Use Permit (CUP) for Holly Hills Townhomes at 1700 Graves Mill Road:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of City Code, City Council Report #17 was considered. City Attorney Walter Erwin gave a brief overview of the request stating that Ordinance A did not need to be discussed because Council adopted an ordinance in 1992 to take care of probate taxes and that Ordinance B dealing with

Administrative fees for the Circuit Court Clerk's Office was the only ordinance that needed to be considered by Council. Council Member Helgeson stated that he was not prepared to vote for increasing a fee and does not believe the City should at this time. Council Member Helgeson made a motion to deny this request, seconded by Council Member Perrow. Council Member Perrow asked Mr. Eugene Wingfield, Clerk of the Circuit Court, to speak to this matter. Mr. Wingfield gave a brief overview of his request to Council stating that the fees received helped to support office expenses. After further discussion, the motion failed by the following recorded vote:

Ayes: Cary, Helgeson, Perrow 3

Noes: Gillette, Johnson, Nelson, Foster 4

Council Member Gillette made a motion to adopt Ordinance B, seconded by Council Member Nelson. City Attorney Erwin stated that before the vote is cast there are two amendments to the ordinance, (1) change the ordinance number to 36-189.2 so it will fall behind the probate tax section in the City Code which is 36-189.1 and (2) since the fee has been collected since last year, make this ordinance effective July 1, 2010 to cover the fees that have already been collected. Council Member Gillette accepted those two amendments as friendly amendments, and Council by the following recorded vote adopted Ordinance #O-11-024, as amended, approving the $25.00 for administrative fees:

Ayes: Gillette, Johnson, Nelson, Foster 4

Noes: Cary, Helgeson, Perrow 3

// In the matter of City Code, City Council Report #18 was considered. On motion of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote adopted Ordinance #0-11-025, as amended, amending Section 26-55 of the City Code relating to the City's Noise Ordinance:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Community Development – General, City Council Report #19 was considered. Council Member Helgeson, Finance Committee (FC) Chair stated that this request came before FC which recommended approval. Council Member Helgeson made a motion to approve the request which required no second, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-11-026, as presented, amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $6,500, with resources of $5,000 from Housing Virginia and $1,500 in local match from the staff in the Department of Community Development, to develop an affordable housing strategy to increase awareness and action on housing needs and resources in the City:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// The meeting was adjourned at 8:39 P.M.

_____

Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011** AGENDA ITEM NO.: 12

CONSENT: REGULAR: **X** CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **FY 2012 Water and Sewer Rates**

RECOMMENDATION: Pending comments at the public hearing approve the adoption of the attached ordinance enacting changes in the City Code related to water and sewer rates effective July 1, 2011.

SUMMARY: During the February 22, 2011 Work Session, the Utilities staff presented the FY 2012 Rate Study and Annual Report to City Council. Staff's recommendations and justifications for increases in the water and sewer volume rates were included in that presentation. The following guiding principles and goals were adhered to in the development of the recommended rates and fees:

- Equitable sharing of water and sewer costs based on actual services provided.
- Ensure rates promote sustainable water and sewer operations and infrastructure.
- Minimize future rate spikes.
- Meet the financial obligations related to the CSO Consent Order.
- Meet Council's financial policies.

The recommended rate changes include a 3% increase in the water volume rate from $2.22 to $2.29 per hcf and a 2% increase in the sewer volume rate from $5.54 to $5.65 per hcf. Additionally, the sewer only rate is recommended to increase from $42.47 to $43.24 per hcf since it is derived from the sewer volume rate.

The 3% increase in the water volume rate is driven primarily by the need to invest in the replacement of the aging water infrastructure.

The 2% increase in the sewer volume rate is needed to maintain compliance with the CSO Consent Order.

PRIOR ACTION(S): February 22, 2011: City Council Work Session, FY 2012 Rate Study and Annual Report presentation by Department of Utilities staff.

FISCAL IMPACT: The rate changes will result in increases in annual revenues to the Water and Sewer Funds of approximately $213,000 and $288,000 respectively.

CONTACT(S): Tim Mitchell, Director of Utilities 455-4252
Greg Poff, Assistant Director of Utilities 455-4249

ATTACHMENT(S): Ordinance enacting the FY 2012 water and sewer rates

REVIEWED BY: lkp

AN ORDINANCE TO AMEND AND REENACT SECTIONS 34-12.1 and 39-54.1 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, AS AMENDED, THESE SECTIONS RELATING TO WATER AND SEWER RATES.

BE IT ORDAINED BT THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Sections 34-12.1 and 39-54.1 of the Code of the City of Lynchburg, 1981, are hereby amended and reenacted as follows:

Sec. 34-12.1. Schedule of sewer rates.

(a) The monthly sewer rates for all consumers within the city shall be ~~$5.54~~ $5.65 per h.c.f. of water used provided, however, that the rate of any party discharging industrial waste or processed water into the city system pursuant to an individual contract shall be as provided in such contract.

(b) The monthly sewer rate for customer accounts deemed “sewer only” (customers within the city without a water service connection) shall be ~~$42.47~~ $43.24. This rate is derived as follows: (monthly volume charge of ~~$5.54~~ $5.65 per h.c.f. x 7 h.c.f. + account charge of $3.69).

(c) In addition to the sewer rates provided in this section, a high strength waste surcharge is established for all customers with discharges in excess of twenty-five thousand (25,000) gallons per day and having biological oxygen demand and/or suspended solids concentrations in excess of normal wastewater.

The surcharge shall be as follows:

(1) For BOD concentrations in excess of three hundred (300) milligrams per liter (MG/l), twenty dollars and thirty-one cents ($20.31) per one hundred (100) pounds.

(2) For suspended solids concentrations in excess of four hundred (400) milligrams per liter (MG/l), twenty two dollars and ninety-seven cents ($22.97) per one hundred (100) pounds.

(3) Truck hauled wastes disposal charges for residential and restaurant wastes as defined in Section 34-13 will be assessed at the following rates: one hundred eighty-five dollars and eighty-five cents ($185.85) up to a limit of two thousand five hundred (2,500) gallons of capacity and thirty-one dollars and fifty cents ($31.50) for each five hundred (500) gallons of capacity over two thousand five hundred (2,500) gallons. Truck hauled wastes for special contract holders shall be charged in accordance to the terms of the contracting agreement.

(d) Annually, the director of financial services shall compute the average of each residential customer's level of monthly water consumption in hundred cubic feet (h.c.f.) for the most recent period beginning with the first billing in November and ending with the second billing in April. By multiplying this monthly average by 1.25, a seasonal consumption limit for sewer billing shall be derived for each residential account. This limit will apply during the period for the first billing in May through the second billing in October. This adjustment shall apply only to residential bills and shall not apply to any customers using water for the purpose of manufacturing or for commercial or multifamily dwellings.

Sec. 39-54.1. Schedule of water rates.

The monthly water rates for all consumers within the city shall be two dollars and ~~twenty-two~~ twenty-nine cents ~~($2.22)~~ ($2.29) per h.c.f. of water used.

There shall be, in addition to any other charge, a monthly account (meter) charge of three dollars and sixty nine cents ($3.69) per meter.

2. That this ordinance shall become effective July 1, 2011.

Adopted:

Certified: _____
Clerk of Council

045L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011**			AGENDA ITEM NO.: 13
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Use of Community Park Investment Funds- Ivy Creek Park**

RECOMMENDATION: Approve the proposed funding as the City's share of the cost of materials for an Eagle Scout project in Ivy Creek Park.

SUMMARY: Parks and Recreation is requesting that a portion of the Community Park Investment Fund, Capital Improvement Program for FY 2011 be allocated to support an Eagle Scout project to build and install a kiosk in Ivy Creek Park. The Community Park Investment Fund is intended to support community efforts to improve the parks, trails and community centers. All specific projects require Council approval.

Parks and Recreation has approved and is working with Mr. Gerry Harter Jr. on his Eagle Scout project. Mr. Harter has chosen to build and install a kiosk for Ivy Creek Park. The park is under construction and will open in early June. Mr. Harter will make structural improvements to the current kiosk design. The kiosk will be placed at the main trailhead entrance adjacent the parking area, and will provide information on park programs, rules and general information to the visiting public.

The project cost for materials is $1,400. Mr. Harter is committed to raising $700.00 of the necessary funding and is requesting $700.00 of the Community Investment Funds for the project. With Council's approval of this project, Parks and Recreation will directly purchase $700.00 in building materials.

This kiosk is shown in the park construction drawings, but was removed from the base-bid because of a lack of funding. Kiosk's typically cost the City about $5,000 for a contractor to build and install. Therefore, Mr. Harter's project will not only improve the structural design of the kiosk, but save the City approximately $4,300.

A total of $75,000 of Community Park Investment Funds was appropriated in the Capital Program budget for FY 2011. Council approved use of $70,000 for the Aubrey Barbour Park, leaving a balance of $5,000. This request does not require an appropriation, but does require Council's approval of use of funds for this project.

Mr. Harter will attend City Council's meeting to give a brief overview of his project and address any questions Council may have.

PRIOR ACTION(S): None

FISCAL IMPACT: $700.00, Community Park Investment Funds, Capital Improvement Program, FY 2011

CONTACT(S): Kay Frazier, 455-5868; Andrew Reeder, 455-5876

ATTACHMENT(S): Community Park Investment Fund, CIP, FY 2011-2015, page 65
Resolution

REVIEWED BY: lkp

Resolution

BE IT RESOLVED that City Council approves utilizing $700.00 of the Community Park Investment Fund, Capital Improvement Program, FY 2011 to support an Eagle Scout project to benefit Ivy Creek Park.

Adopted:

Certified: _____
Clerk of Council

046L

SERVICE AREA	DEPARTMENT	LOCATION
Parks and Recreation	**Parks and Recreation**	**Various**

PROJECT TITLE/PROJECT NUMBER
COMMUNITY PARK INVESTMENT FUND

PROJECT TYPE
New

DEPARTMENT PRIORITY
Project required to support important but not essential services
Project contributes to generation of new revenue

Project Photograph Unavailable

PROJECT DESCRIPTION
Funding to be used in combination with community funds to improve parks, centers, and trails throughout the City.

RELATIONSHIP TO COMPREHENSIVE PLAN
Chapter 13, Page 7, Goal 4, Objective 4.B: Explore alternative funding methods for Parks and Recreation.

PROJECT MANAGER(S)
Kay Frazier, Director of Parks and Recreation

PROJECT START DATE Continuing
PROJECT COMPLETION DATE Continuing

COMPLETION SCHEDULE

Activity	Complete - Quarter
Consultant Engineering	Continuing
Construction	Continuing

OPERATING BUDGET IMPACT (OVERALL OPERATING EXPENSES & PROJECTED STAFFING REQUIREMENTS):
Unknown at this time.

FIVE YEAR PROPOSED PROJECT **APPROPRIATIONS** BY SUB-PROJECT

Sub-Projects	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Program Period Estimate
Consultant Engineering	5,000	5,000	5,000	5,000	5,000	**$25,000**
Construction	70,000	70,000	70,000	70,000	70,000	**$350,000**
TOTAL	**$75,000**	**$75,000**	**$75,000**	**$75,000**	**$75,000**	**$375,000**

TOTAL PROJECT COST

TOTAL PRIOR APPROPRIATIONS THROUGH 7/1/09	FY 2011-2015 APPROPRIATIONS	BEYOND FY 2015 APPROPRIATIONS	TOTAL PROJECT APPROPRIATIONS
Continuing	$375,000	Continuing	**Continuing**

FIVE YEAR PROPOSED PROJECT **EXPENDITURE CASH FLOW PROJECTIONS** BY SOURCE OF FUNDING

Funding Source	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Program Period Total
Local: Pay-As-You-Go	75,000	75,000	75,000	75,000	75,000	**$375,000**
TOTAL	**$75,000**	**$75,000**	**$75,000**	**$75,000**	**$75,000**	**$375,000**

SOURCES OF PROJECT FUNDING FY 2011 - 2015 (%): LOCAL = 100% STATE = 0% FEDERAL = 0% OTHER = 0%

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011** AGENDA ITEM NO.: 14

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION**: X** INFORMATION:

ITEM TITLE: **Shelter Plus Care Renewal Grant**

RECOMMENDATION: Adopt a resolution to amend the FY 2011 City/Federal/State Aid Fund budget and appropriate $81,168 with resources from the U.S. Department of Housing and Urban Development (HUD) to provide 10 units of tenant-based rental assistance and associated supportive services.

SUMMARY: The City has received a Shelter Plus Care renewal grant award in the amount of $81,168 from the U.S. Department of Housing and Urban Development (HUD). The purpose of the grant is to provide housing to individuals that have been homeless; a new agreement will be drafted for such services to continue under this award.

Over the past year, the City working in partnership with LNDF has been able to continue assisting the 10 clients currently enrolled in the Shelter Plus Care Program to make a total of 10 households in the City of Lynchburg who are ready for permanent housing. One client was able to purchase a home and leave the Program during this past year. In compliance with the grant requirements, the participants have received the necessary and relevant supportive services to meet the needs created by their disabilities and the circumstances leading to homelessness.

PRIOR ACTION(S): November 23, 2010: Finance Committee

FISCAL IMPACT: None

CONTACT(S): Bonnie Svrcek, Deputy City Manager, 455-3987
Melva Walker, Grants Manager, 455-3916

ATTACHMENT(S): Resolution
Shelter Plus Care Grant Award Letter

REVIEWED BY: bms

RESOLUTION:

BE IT RESOLVED that the FY 2011 City/Federal/State Aid Fund budget is amended and $81,168 is appropriated with resources from the U.S. Department of Housing and Urban Development (HUD) to provide 10 units of tenant-based rental assistance and associated supportive services.

Introduced: Adopted:

Certified: _____
Clerk of Council

048L

U. S. Department of Housing & Urban Development
Community Planning & Development Division
Richmond Field Office
600 E. Broad Street, 3rd Floor
Richmond, VA 23219-1800
1-800-842-2610

FEB 2 8 2011

Mr. L. Kimball Payne
City Manager
City of Lynchburg
900 Church Street
Lynchburg, VA 24504

Dear Mr. Payne:

SUBJECT: Processing Your Shelter Plus Care Grant
Shelter Plus Care (S+C) Program
Grant Number: VA0139C3F081002

Congratulations on the final selection of Lynchburg Shelter Plus Care for renewal funding under the FY 2010 Shelter Plus Care Program. All conditions attached to your award for this project have been met. This one year award will continue to support your program previously funded by HUD in FY 2009, further contributing to our national effort to end homelessness.

The original grant number was VA36C108001 and was awarded in FY 2001. The effective date of the Renewal Grant is March 1, 2011. Upon execution of the Renewal Grant Agreement by you and HUD, HUD will obligate the total funds for this project in the amount of $81,168.

Enclosed are three copies of the Grant Agreement that constitute the agreement between the City of Lynchburg and HUD. Please sign all three, and return them to this office within two weeks of receipt of this letter. When they are received, HUD will sign and execute them, and one will be returned to you. Your new Voice Response Number for your renewal grant will be generated and sent to you under separate cover.

You are advised that your grant cannot begin and no funds can be disbursed to you for this project until the Grant Agreement is fully executed.

RECEIVED
MAR - 1 2011
Council/Manager
Offices

If you have any questions, please call me at (804) 822-4831. Staff requiring technical assistance should contact Mr. Jay C. Grant at (804) 822-4830. We look forward to working with you toward the successful continuation of your Shelter Plus Care project.

Sincerely,

Ronnie J. Legette
Director

Enclosures

Cc: Ms. Bonnie Svrcek,
Deputy City Manager/Acting Director of Community Development

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011**			AGENDA ITEM NO.: 15
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Amendment to Section 11-2 of the City Code, Building Code Enforcement**

RECOMMENDATION:

Amend Section 11-2 of the City Code to enforce the latest edition of the Virginia Uniform Statewide Building Code.

SUMMARY:

On March 1, 2011, the Virginia Department of Housing and Community Development amended the Virginia Uniform Statewide Building Code, by adopting the 2009 editions of the International Building Code containing Part I, the Virginia Construction Code; Part II, the Virginia Rehabilitation Code; and, Part III, the Virginia Maintenance Code. Localities are required to enforce the 2009 editions of the Virginia Construction Code and the Virginia Rehabilitation Code. Localities that wish to have a property maintenance code must enforce the 2009 edition of the Virginia Maintenance Code. It is necessary to amend Section 11-2 of the City Code to remove the references to the 2006 editions of the Uniform Statewide Building Code and replace them with references to the 2009 editions of the Uniform Statewide Building Code.

PRIOR ACTION(S):

On July 8, 2008, City Council amended the City Code to enforce the 2006 edition of the Virginia Uniform Statewide Building Code.

FISCAL IMPACT:

None

CONTACT(S):

Douglas R. Saunders, Interim Building Commissioner, 455-3899 or Walter C. Erwin, 455-3973.

ATTACHMENT(S):

An ordinance amending Section 11-2 of the City Code.

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE TO AMEND AND REENACT SECTION 11-2 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION RELATING TO THE ENFORCEMENT OF THE 2006 EDITION OF THE UNIFORM STATEWIDE BUILDING CODE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 11-2 of the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted as follows:

Sec. 11-2. Construction, rehabilitation and maintenance of ~~existing~~ structures regulations adopted.

For the purpose of ensuring public safety, health and welfare, insofar as they are affected by building construction, to ensure public safety, health and welfare through proper building maintenance, repair, use and continued compliance with minimum standards of building construction, energy conservation, water conservation, and physically handicapped and aged accessibility, that certain regulations known as the Virginia Uniform Statewide Building Code, 200~~6~~9 edition, Part I, the Virginia Construction Code; Part II, the Virginia Rehabilitation Code; Part III, the Virginia Maintenance Code; Chapter 34, Existing Structures, of the 200~~6~~9 edition of the International Building Code; and, the 200~~6~~9 edition of the International Property Maintenance Code, and all of the codes and standards referenced therein, copies of which are on file in the inspections division of the department of community development, are hereby adopted and incorporated as fully as if set out at length herein, and shall be controlling within the corporate limits of the city. Pursuant to the provisions of Section 1-220 of the Code of Virginia, future amendments to the sections of the Virginia Uniform Statewide Building Code, the International Building Code, The International Property Maintenance Code and the codes and standards referenced therein are also incorporated by reference herein. All future editions of the Virginia Uniform Statewide Building Code and all amendments thereto are hereby automatically adopted and incorporated into the city code.

2. That this ordinance shall become effective upon its adoption.

Adopted:

Certified: _____
Clerk of Council

049L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 22, 2011**			AGENDA ITEM NO.: 16
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Amendment to Section 19-42 of the City Code, Fire Code Enforcement**

RECOMMENDATION:

Amend Section 19-42 of the City Code to enforce the latest edition of the Virginia Statewide Fire Code.

SUMMARY:

On March 1, 2011, the Virginia Department of Housing and Community Development adopted the 2009 edition of the International Fire Code as the Statewide Fire Prevention Code for Virginia. Localities that wish to enforce the fire prevention code must enforce the 2009 edition of the International Fire Prevention Code. It is necessary to amend Section 19-42 of the City Code to remove the references to the 2006 edition of the Statewide Fire Prevention Code and replace them with references to the 2009 edition of the Virginia Statewide Fire Prevention Code.

PRIOR ACTION(S):

On June 24, 2008, City Council amended the City Code to enforce the 2006 edition of the Virginia Statewide Fire Prevention Code.

FISCAL IMPACT:

None

CONTACT(S):

Greg Wormser, Fire Marshal, 455-6345 or Walter C. Erwin, 455-3973.

ATTACHMENT(S):

An ordinance amending Section 19-42 of the City Code.

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE TO AMEND AND REENACT SECTION 19-42 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION RELATING TO THE ENFORCEMENT OF THE VIRGINIA STATEWIDE FIRE PREVENTION CODE WITHIN THE CITY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 19-42 of the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted as follows:

Sec. 19-42. Adoption of code.

For the purposes of establishing rules and regulations to safeguard life, and property and public welfare from the hazards of substances, materials or devices and from conditions hazardous to life, property or public welfare in the use of or occupancy of buildings, structures, sheds, tents, lots or premises, that certain fire prevention code known as the Virginia Statewide Fire Prevention Code 200~~6~~9 edition, and the whole thereof, save and except such portions as are hereinafter deleted, modified, amended, added or changed is hereby adopted and incorporated, subject to the aforesaid deletions, modifications, amendments, additions and changes as fully as if set out at length herein, including all appendices and all of the codes and standards referenced therein, as provided by Section 1-220 of the Code of Virginia. As provided by Section 27-97 of the Code of Virginia, the following Appendices as written by the International Code Council and included as part of the 200~~6~~9 edition of the International Fire Code, to-wit: Appendix B – Fire Flow Requirements For Buildings, Appendix C – Fire Hydrant Locations and Distribution, and Appendix D – Fire Apparatus Access Roads, are also adopted and incorporated as part of the city's fire prevention code. Further, all future editions of the Virginia Uniform Statewide Fire Prevention Code and all amendments thereto and all future editions of Appendices B, C and D of the International Fire Code and all amendments thereto are hereby automatically adopted and incorporated into the city code. Copies of said code are on file in the office of the chief of the fire department of the City of Lynchburg, Virginia, at 800 Madison Street in the city, where they may be viewed Mondays through Fridays from 8:00 a.m. to 5:00 p.m. except legal holidays.

Said Virginia Statewide Fire Prevention Code 200~~6~~9 edition, as so amended, is hereby adopted and incorporated as fully as if set out at length herein, and on and after the date on which this section shall take effect, the provisions thereof shall be controlling within the corporate limits of the City of Lynchburg, Virginia.

2. That this ordinance shall become effective upon its adoption.

Adopted:

Certified: _____
Clerk of Council

050L