

May 14, 2024

// A regular meeting of the Council of the City of Lynchburg was held on the 14th day of May, 2024, at 4:00 p.m. in Council Chamber, City Hall, Stephanie Reed, President, presiding. The following Members were present:

Present: Stephanie Reed, Martin Misjuns, Jeff Helgeson, Larry Taylor, MaryJane Dolan, Sterling A. Wilder, Chris Faraldi 7

Absent: 0

// In the matter of Schools, Agenda Item #1, Council received a request to amend the Lynchburg City Schools Major Classification Funding for FY 2024. LCS Superintendent Dr. Crystal Edwards and LCS Chief Financial Officer Sonia Jammes provided a summary of the item to Council. In a letter dated March 19, 2024, Lynchburg City Schools Superintendent reported, *"On March 12, 2024, the Lynchburg City School Board voted to request that the City Council transfer the remaining \$1,671,820 in the FY 2024 LCS Contingency Reserve to the Instruction category. This request is crucial for addressing several pressing financial challenges faced by our school division."*

If approved, the FY 2024 Adopted Schools Operating Budget would be amended by transferring \$1,671,820 from Contingency Reserves to Instruction. This request does not change the total operating revenues appropriated by City Council but rather moves \$1,671,820 from Contingency Reserves to Instruction.

Vice Mayor Faraldi asked how the hiring freeze on positions would impact the ability to keep schools open for the upcoming school year. Dr. Edwards answered that they had implemented a reduction in the workforce of the schools, which meant that according to their protocols, they must fill positions using their current employee force before advertising to fill open positions. This allowed them to avoid filling positions that may not exist if funding became unavailable for certain programs or schools.

Councilmember Helgeson asked Ms. Jammes where the Average Daily Membership (ADM) estimate on the spreadsheet came from. Ms. Jammes said that LCS sent their Student Record Count (SRC) to the Virginia Department of Education (VDOE), which VDOE then calculated, reducing the unallowable students out of that calculation, and provided their estimate for ADM back to LCS. Councilmember Helgeson asked if the LCS calculation for ADM was the amount paid by the state. Ms. Jammes replied that no; VDOE's calculation provided revenues according to their estimation but that was not what LCS actually had in their classrooms. Dr. Edwards clarified that in terms of ADM, there were multiple calculations. The internal ADM for LCS was the count of students in seats per month and was not used by the VDOE in their calculations for state funding. The count of students on March 31 submitted to VDOE was called the Student Record Count (SRC) and was calculated three times per year. VDOE used the SRC to calculate the ADM for the year and was the basis for the schools' final state revenue. She reiterated that the monthly ADM count provided by LCS was not used by VDOE to calculate state funding and she could not reproduce the calculations used by VDOE. Any calculations she provided regarding state funding were using predictions from the State for future funding or the VDOE's previously calculated amounts.

Mayor Reed clarified that the total amount of shortfalls, including the State's shortfall, health insurance, and utilities, was roughly \$4.3 million and the request from the schools was to move \$1.6 million that was allocated in last year's budget from contingency to instruction so it could be applied to the health insurance shortfall. The other cuts, such as the hiring freeze, would be applied to fix the balance mid-year so they would have a cleaner budget for 2024. Dr. Edwards said that was correct.

Deputy City Manager Greg Patrick said that in response to Councilmember Helgeson's questions regarding the student counts for 2024, he had requested the March 31 estimate for the ADM for LCS, if not the official actual. The answer was that as of March 31, the K-12 Average Daily Membership for LCS 2023 school year was 7414.86, not including the 361.05 pre-K students, which would bring the total to 8075.91. Councilmember Helgeson said that the ADM provided today was about 100 children less than what was provided at that time. Dr. Edwards said that at the time Councilmember Helgeson asked that question, she provided the internal monthly ADM which did not use the VDOE calculated formula. As of May, the March 31 SRC had been submitted to the state and returned the current estimate. VDOE would again provide an estimate with the end-of-year SRC, which may differ from the estimate they had at this time. Councilmember Helgeson expressed concern at the varying numbers provided regarding the actual number of students in the schools. Mr. Patrick said that without regard to the variance in ADM calculations, there was less funding available to schools in the special session budget from the State than there was in the governor's initial budget. He noted that the variance in ADM could result in different funding available as well. Councilmember Helgeson said that he did not see the ADM or the rising utilities prices as concerns regarding the reduction in funding; however, the health insurance claims were a legitimate issue they should address. He asked Ms. Witt if the health insurance funding for the schools was different than the City's health insurance funding. Ms. Witt answered that it was different. She further explained that the City has a separate reserve for health insurance claims and the schools had requested the City to keep some of their return fund balance in case of similar issues. They were requesting to use those funds for the 2025 budget because those costs were predicted to continue based on critically ill staff and dependents.

Mayor Reed asked if Dr. Edwards could explain why the VDOE calculations for ADM reduced some children from the total count of students in the schools. Dr. Edwards said that VDOE had very detailed calculations for SRC reductions, which she could provide to Council but could not accurately describe at this time. Mayor Reed said that she was interested in understanding why the VDOE consistently calculated reductions for the schools. Dr. Edwards said that it was the basis for their funding formula and not necessarily the calculation for necessary services.

Councilmember Misjuns asked what progress had been made regarding the issues with reconciliation and financial reporting as detailed in last year's Annual Comprehensive Financial Report (ACFR). Dr. Edwards answered that the schools' financial staff had been meeting regularly with the City's financial staff to ensure utilities were budgeted and reviewed appropriately. There was also restructuring of the financial department to have better checks and balances to remedy past concerns, as well as

citation of sources for all data provided from the schools to the City to ensure accuracy in reporting. Councilmember Misjuns said that he had previously asked about the locally-zoned students at T.C. Miller and could not find an answer to that question. Amy Pugh, Deputy Superintendent of Instruction, answered that as of today, for the current school year there are 195 students at T.C. Miller and 107 of those are invited while 80 of them are zoned. Last year, T.C. Miller applications were 91 and this year they are 48. Of the 91 last year, there were eligibility requirements and only about 50 of those 91 were eligible. This year, of the 48 applicants, 35 were eligible and so far, 20 had been accepted. She explained that it was difficult to predict the applications and enrollment for the upcoming school year due to a variety of factors, but each year principals provided data regarding the current enrollment, past trends in enrollment, and predictions for available seats for each grade level. She noted that there may be more applicants than there are available seats at the school. Councilmember Misjuns asked how the open staff positions at T.C. Miller would be addressed during the hiring freeze. Dr. Edwards said that some teachers who previously taught for the virtual academy had been placed in those open positions. After they could be certain they were not closing the school, they could more accurately predict how many open positions needed to be filled. Councilmember Misjuns asked if there was an estimate for how many positions would be hired for the upcoming school year. Dr. Edwards said that the most recent School Board agenda provided information regarding the retirements and resignations of staff, which gave insight into how many positions they would be hiring for this upcoming school year. Councilmember Misjuns expressed concerns regarding the funding allocations for staffing. He asked if the grant-funded positions were being kept on as permanent positions in the schools. Dr. Edwards said that some positions that had previously been grant-funded or temporary had been hired full-time through LCS Restore as well as through contracted services to address the ongoing critical behavioral health issues in the schools.

Councilmember Wilder asked when VDOE provided their estimate for ADM to the schools. Dr. Edwards answered that it was usually provided as a projected ADM in the governor's budget in December. The final number was provided in August regarding the previous year's total revenues. She said that she would follow up to ensure that she was providing the accurate dates for that information. Councilmember Wilder expressed his appreciation to the schools' staff for their hard work in educating and helping the City's children.

Councilmember Helgeson asked what the consequences would be if City Council did not help the schools with this request. Dr. Edwards said that the schools would have to make further cuts, which would likely be to staff.

// In the matter of Planning, Agenda Item #2, Council received a Comprehensive Plan Update. City Planner Rachel Frischeisen provided a summary of the item to Council. During City Council's December 1, 2023 retreat, representatives from The Berkley Group provided an overview of the community engagement process for updating Lynchburg's Comprehensive Plan. City staff will provide an overview of where we are currently with that process, highlights of the feedback we have received to date and next steps.

Councilmember Wilder expressed his appreciation to staff for their engagement with the community and ensuring the voices of the City's citizens are heard.

// In the matter of Community Development, Agenda Item #3, Council was briefed on a Siting Agreement for 3920 Harbor Street & 109 Old Trents Ferry Road. This item will appear for City Council vote on the May 28, 2024, Public Hearing agenda. Community Development Director Tom Martin provided a summary of the item to Council. James Energy Center, LLC is requesting that the City enter into a "Siting Agreement" for a proposed battery energy storage facility to be located at 3920 Harbor Street & 109 Trents Ferry Road. City Council approved a Conditional Use Permit (CUP) to allow for up to a twenty (20) megawatt facility on April 11, 2023. The Code of Virginia §15.2-2316.7 provides that the City and the applicant may enter into a Siting Agreement in order to mitigate impacts related to the facility and provide financial compensation to the City in order to address capital needs. Impacts related to these types of facilities include emergency response, and depending on the underlying zoning, loss of housing opportunities or job creation. James Energy Center, LLC is offering a total of \$55,000 payment to the City which would be disbursed based upon a Capital Payment Schedule as listed in Exhibit C of the Agreement:

- \$5,000 - within ninety (90) days of agreement.
- \$10,000 - commencement of construction.
- \$30,000 (for fire department equipment) - commencement of construction
- \$10,000 -within ninety (90) days of commercial operation.

In addition to the cash payment, James Energy Center, LLC will fund specialized training for the Lynchburg Fire Department that may be needed to respond to an emergency at the facility. These one-time payments are separate from and in addition to real estate taxes and proposed revenue sharing.

// In the matter of Community Development, Agenda Item #4, Council was briefed on a Siting Agreement for 2904 Carroll Avenue. This item will appear for City Council vote on the May 28, 2024, Public Hearing agenda. Community Development Director Tom Martin provided a summary of the item to Council. Quarry Energy Center, LLC is requesting that the City enter into a "Siting Agreement" for a proposed battery energy storage facility to be located at 2904 Carroll Avenue. The proposed facility would be permitted "by-right" on the industrial zoned property. The submitted siting agreement indicates the facility could be as much as twenty (20) megawatts. The Code of Virginia §15.2-2316.7 provides that the City and the applicant may enter into a Siting Agreement in order to mitigate impacts related to the facility and provide financial compensation to the City in order to address capital needs. Impacts related to these types of facilities include emergency response, and depending on the underlying zoning, loss of housing opportunities or job creation. Quarry Energy Center, LLC is offering a total of \$65,000 payment to the City which would be disbursed based upon a Capital Payment Schedule as listed in Exhibit C of the Agreement:

- \$5,000 - within ninety (90) days of agreement.

- \$20,000 - commencement of construction.
- \$40,000 -within ninety (90) days of commercial operation.

These one-time payments are separate from and in addition to real estate taxes and proposed revenue sharing.

Councilmember Helgeson asked how cash payments differed from cash proffers. Mr. Martin said that it was allowed by state code, and in his opinion, it was a way to encourage localities to improve these types of facilities. He clarified that it was not the same as cash proffers.

// In the matter of Museums, Agenda Item #5, Council was briefed on the VA 250 Local Committee. This item will appear for City Council vote on the May 28, 2024, General Business agenda. Museum Director Ted Delaney provided a summary of the item to Council. VA 250 local committees work with the State's VA 250 Commission to commemorate the 250th anniversary of Virginia's role in American independence (1776–1781). The state's commission will provide grant funding opportunities for commemorative events or projects and will make available programs to include traveling exhibitions and teacher resources to the local committee. Grants are offered through the Virginia Tourism Corporation and Virginia Humanities.

Local representatives have self-selected as Lynchburg's committee and listed themselves on the VA250 website; the committee contact is listed as Ashleigh Meyer, with the Old City Cemetery (Southern Memorial Association). The narrative from the website listing notes "Old City Cemetery will serve as the focal point for Lynchburg's 250th programming, and we are excited to work with the Lynchburg Museum, Jones Memorial Library, area historians, and the nearby counties of Bedford and Campbell to bring about a regional celebration of this important anniversary for our nation."

To have an officially recognized (or "certified") VA 250 committee, City Council must pass a support resolution. The attached resolution formally designates the local committee through December 31, 2026 and assigns the Southern Memorial Association as the fiscal agent for purposes of applying for receiving and managing state programs and grants on behalf of the committee.

Councilmember Wilder asked how people interested in joining the committee could contact staff. Mr. Delaney said that they were welcome to contact the museum, Old City Cemetery, Poplar Forest, or the local Daughters of the Revolution or Sons of the Revolution chapters. Anyone connected with those organizations could connect them.

// In the matter of Roll Call, Councilmember Wilder said that there was a Mental Health Summit on Saturday at the Jubilee Center from 10:00 a.m. to 2:00 p.m. He said that it was free and open to the public, and there would be some great door prizes. He said that with all the mental health challenges in their community, they needed to encourage people to attend this event. He said that there were a variety of agencies sponsoring the event and he was just the location holder. He said that they held the Police Memorial yesterday, which was a beautiful event where the Mayor gave a proclamation and several other Councilmembers were in attendance. He said that the scenery was beautiful and the speaker was great, and he was glad for the community and City staff working together. He said that he would continue to pray for their community, as there was another death of a young man from a shooting. He said that he

would pray for more love in their community. He said that this was why they needed to have more mental health awareness and see how they would bring healing to the community.

Councilmember Helgeson said that this past weekend, there was the 51st year in graduations at Liberty, which had record numbers. He said that there were 50,000 to 60,000 people who came into town. He said that in their minutes, they had approval of an item that said to look at the economic development for people coming downtown with the string of lights coming up at Christmastime. He said that they should look at the real economic development when 50,000 to 60,000 people come in and fill up their hotels and restaurants. He said that it was a great event and fantastic to be a part of it. He said that it was a great time and a great event. He said that it was sad to see the students who had done so well to leave, but a new group was coming. He said that also on Saturday, there was a great event where the Peacemakers had another rally. He said that their Congressman Bob Good came and they had a great event of folks who were trying to figure out what to do downtown in Ward II to make sure they had privately funded cameras up and other eyes in the street. He said that they were looking out for folks and looking out for making sure the community is safe. He said that they came together very nicely and it was a great event.

Councilmember Misjuns said that he was also at the Peacemakers' event and could not add anything else other than that it was a great event and was great to be down in that part of their City and seeing people come together with a common theme of wanting to take their streets back. He said that one of the things that was interesting when thinking about what had happened on Morrison Street, Wadsworth, Kemper Street, and Main Street, was that those four streets were all streets where someone had been murdered this year. He said that they were all in Ward II, so to see folks in their community being proactive about that and pushing for things like conflict resolution training and actual responses that the citizens could do. He said that putting doorbell cameras up and talking to citizens about sharing that when they see something, and things like that were very helpful and it was nice to see that proactive approach to keep each other safe in their community.

Councilmember Taylor said that he agreed with the comments about the violence in the City. He said that they needed to stop pacifying criminals. He said that if they had a law in their City that made the use of a firearm in a crime a ten-year sentence off the bat, it would help. He said that it would make people think about if they grabbed a firearm and went outside their house to shoot someone, they would be going to jail automatically for ten years before even going to court. He said that it was not that they could not have a firearm in the City, but they should make the penalty so harsh that they would think about what they were getting ready to do. He said that he would like to give the City Manager blessings for his father, and he thanked him for the example of strength he was showing as he was present with them. He said that they must figure out a way to help the people who would have benefited from the International Festival. He said that they could not let a group of people stop their citizens from earning income on an event. He said that they needed to bring it back this year and make it stronger than ever.

He said that people lost revenue and they needed to do something for them by bringing it back and letting them make some revenue. He said that the City would benefit from it if they could.

Vice Mayor Faraldi said that he wholeheartedly agreed with Councilmember Taylor's comments. He said that it was National Police Week and last night was a very moving ceremony. He said that it had become one of his favorites during his time on City Council as it highlighted those who were putting themselves in harm's way to protect their way of life. He said that it was a very good ceremony and he was thankful that they continued to have it. He said that one of the other weeks they had was National Nurse's Week last week. He said that his wife was a nurse and he had never imagined some of the things she had to see every day in the medical field. He said that he had come to an immense level of respect for those in medical professions and what they did as frontline workers protecting the community. He said that there had been a lot of athletic success at University of Lynchburg. He asked everyone to please review the championships and events that had recently been won by the Hornets. He said that he commended them on their success and wished them the best of luck as the baseball team was playing for the national championship. He thanked the City Manager and staff for working with him on Enterprise Drive. He said that the residents at The Summit continued to make that a priority and the surrounding neighborhood. He said that he looked forward to an update at their next meeting. He said that there was a request for that area to continue to be a priority. He said that they could not get into Wyndhurst without going through one of two counties, so they could not forget that it was a City asset, neighborhood, and community. He said that he wanted to stress that to the Council and to their neighbors.

Mayor Reed said that she agreed with her fellow Councilmembers' remarks. She said that the Police Memorial ceremony last night was beautiful and they appreciated all of their police officers who currently or previously served, as well as the sacrifices of their families. She said that she attended her first AARP event last week, where she had been asked to speak but also was one year short of qualifying as a member. She said that they had been sending her things for about ten years now so they seemed to be very excited about her joining the club. She said that however, it was called the Scam Jam and was a very educational event that she wanted their citizens to know about. She said that they could be scammed at any age and did not have to just be retired or a senior citizen to be scammed. She said that scammers were getting more and more clever each day, and the purpose of the Scam Jam was to educate citizens about the different fraud and scam efforts happening out there. She said that AARP had some great information on their website that educated the public on all the new scams occurring every day and how people were targeted. She said that people could report them if they learned about them and find ways to protect themselves and their loved ones from new scams and fraud targets. She said that she had learned a lot and when she was a proud member of AARP, she would bring them all with her. She said that also, as they discussed the unfortunate recent crimes in the area and looked at the ages of many of the perpetrators, many of them were young. She said that she had previously discussed a coalition founded and efforts to target their youth. She said that one of the things they were working on right now was a midnight basketball program they would pilot this June. She asked everyone to mark their

calendars for Friday, June 14, June 21, and June 28 at the City Armory, where from 10:00 p.m. to 12:00 a.m. they would be launching their first midnight basketball program for 16- to 22-year olds in the City. She said that it would hopefully get their youth off the streets to play pickup basketball games in teams of five. She said that it would be advertised by the City and was in partnership with different organizations. She said that the Parks and Recreation Department of the City of Lynchburg was the sponsor and they were very happy about that. She said that she was glad they were able to do this and she hoped it would be a great program they could build from the summer onwards. Mayor Reed highlighted the work and contributions of the Clerk of Council Office.

// The meeting recessed at 5:41 p.m.

// A regular meeting of the Council of the City of Lynchburg was held on the 14th day of May, 2024, at 7:00 p.m. in the Council Chamber, City Hall, Stephanie Reed, President, presiding. The following Members were present:

Present: Stephanie Reed, Chris Faraldi, MaryJane Dolan, Jeff Helgeson, Martin Misjuns, Larry Taylor, Sterling A. Wilder	7
Absent:	0

Councilmember Helgeson led the invocation, followed by the Pledge of Allegiance.

// In the matter of Recognitions, Agenda Item #1, Mayor Reed read the Proclamation recognizing Emergency Medical Services (EMS) Week. Fire Chief Greg Wormser accepted the proclamation.

// In the matter of the Consent Agenda, Agenda Item #2, a second reading was conducted and Council adopted Resolution #R-24-026 amending the FY 2024 City/Federal/State Aid fund budget and appropriating \$27,326 from the Library of Virginia to preserve several Circuit Court Records.

Councilmember Helgeson motioned, seconded by Councilmember Misjuns, to adopt the resolution.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Helgeson, Misjuns, Taylor, Wilder	6
Noes: Faraldi	1

// In the matter of the Consent Agenda, Agenda Item #3 - #8, Councilmember Misjuns requested to defer the minutes from the February 27, 2024, March 12, 2024, March 26, 2024, April 9, 2024, April 16, 2024, and April 23, 2024 City Council meetings because he had not had time to review the minutes. There was consensus from Council.

// In the matter of Planning, Agenda Item #9, Council held a public hearing in consideration of adopting Ordinance #O-24-029 changing a certain area located at 2731, 2735 & 2739 Wards Road from B-5, General Business District; B-5C, General Business District (Conditional); & I-2, Light Industrial District to B-5C, General Business District (Conditional). City Planner Rachel Frischeisen provided Council with a summary of the request. Wards Road Development, LLC, is petitioning to rezone approximately two and three tenths (2.3) acres 2731, 2735, & 2739 Wards Road from I-2, Light Industrial District, B-5, General Business District, and B-5C, General Business District (Conditional) to B-5C, General Business District

(Conditional). The purpose of the petition is to allow for a gas station with a convenience store and a light auto repair facility.

A left turn taper, right turn taper, and medians are proposed to be installed in Wards Road. These improvements have been proffered by the petitioner and are consistent with the initiatives outlined in the traffic study currently being prepared by the Virginia Department of Transportation (VDOT). The four existing entrances on Wards Road will be consolidated into one entrance.

The proposed rezoning should have limited impact on the area and would fit in with the zoning of the surrounding properties. The proposed uses are similar in nature to those that have been previously located on the site. The proffered improvements to Wards Road should mitigate traffic impacts and improve safety in the corridor.

Daniel Cyrus, Wards Road Development, LLC, representing the petitioner, provided a presentation to Council.

There was no one to speak in opposition, either by phone, email, or in-person, so the public hearing was closed and the matter rested with Council.

Vice Mayor Faraldi motioned, seconded by Councilmember Helgeson, to adopt the Ordinance.

Councilmember Helgeson asked if there would be an entrance on Glass Avenue. Mr. Cyrus replied that there would be a full access entrance on Glass Avenue, and access would be limited on Wards Road with right-in, left-in, and right-out. He said they intended to channelize the existing turn lanes with concrete medians.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

// In the matter of School Board Appointments, Agenda Item #10, Council held a public hearing to receive citizen input regarding appointments, or reappointments, to vacancies that will exist June 30, 2024, in School Board Districts I, II, III. Clerk of Council Alicia Finney provided a summary of the request. Section §22.1-50 of the Code of Virginia and Section §32-16 of the City Code provide that within thirty days preceding July 1st of each year, City Council shall appoint a successor for each school board member whose term expires on June 30th of that year. Section §22.1-29.1 of the Code of Virginia requires City Council to hold a public hearing on school board appointments at least seven days prior to making the appointments. It also provides that no nominee or applicant whose name has not been considered at a public hearing can be appointed to the school board.

Ms. Finney read into the record the names of the candidates who have applied.

District 1: Brandon Hill, Daryl Conner, Selina Morgan, Patrick Earl, Nettie Webb, Cynthia Deutsch, and Elizabeth Jenkins.

District 2: Joserah Schenck, Mark Tinsley, Timothy Smith, Margaret Deyerle, Jibri Poe, and Jordan Nesbit.

District 3: Aaron Borsay, Taormina Howard, Atul Gupta, Carlos Cifuentes, Beth-Anee Fretz, Alysha Brown, and Kimberly Thompson.

Mayor Reed opened the floor for candidates to speak on their qualifications.

Patrick Earl, candidate for District 1, addressed Council and outlined his qualifications for the School Board.

Nettie Webb, candidate for District 1, addressed Council and outlined her qualifications for the School Board.

Margaret "Peggy" Deyerle, candidate for District 2, addressed Council regarding her qualifications for the School Board.

Mark Tinsley, candidate for District 2, addressed Council regarding his qualifications for the School Board.

Selina Morgan, candidate for District 1, addressed Council regarding her qualifications for the School Board.

Atul Gupta, candidate for District 3, addressed Council regarding his qualifications for the School Board.

Jibri Poe, candidate for District 2, addressed Council regarding his qualifications for the School Board.

Mayor Reed opened the floor for citizens to comment upon any name that has been submitted, or offer additional names for consideration.

Beth White, District 2, endorsed Mark Tinsley for the School Board based on her past work experiences with Mr. Tinsley.

Olivia Raj endorsed Selina Morgan for the School Board based on Ms. Morgan's work in the foster care system.

Kimberly Dyke-Harsley endorsed Selina Morgan, Atul Gupta, and Jibri Poe for the School Board.

Jasmine Payne-Winchester endorsed Selina Morgan for the School Board based on Ms. Morgan's work in the community.

Aileen Lass endorsed Selina Morgan for the School Board.

Sam Citty, District 2, endorsed Selina Morgan for the School Board because Ms. Morgan understood the challenges faced by children and students.

Mayor Reed stated that the public hearing would be held open until the following meeting to receive citizen input and nominations. She noted that there was consensus from Council to keep the public hearing open.

// In the matter of Public Comment, Agenda Item #11, Citizen Timothy Santiago was not present.

// In the matter of Public Comment, Agenda Item #12, Citizen Martin Day addressed Council regarding the qualifications of a school board member.

// In the matter of Public Comment, Agenda Item #13, Citizen Vicente Gonzalez, representing Latino Community Center of Lynchburg, addressed Council regarding the International Festival. He said that the

City should make amends with the festival organizers and vendors and provide full transparency regarding the alleged safety threats justifying the cancellation of the festival. He requested Council pass a resolution calling for a ceasefire in Gaza.

// In the matter of Public Comment, Agenda Item #14, Citizen Dan Harrison, representing Church of the Covenant, addressed Council regarding creating a safe inclusive city for all, and one that includes inclusion of the LGBTQIA+ community. He requested Council pass a resolution calling for a release of the hostages taken on October 7 by Hamas and a permanent ceasefire in Gaza.

// In the matter of Public Comment, Agenda Item #15, Citizen Samantha Citty, representing Period Access Distribution Center, addressed Council regarding Period Poverty Awareness Week. She requested that Council consider School Board appointees who would prioritize equitable access to period products in schools and consider supplying free period products in government buildings.

// In the matter of Public Comment, Agenda Item #16, Citizen Ricardo Muñoz-Morales-Torrez addressed Council regarding Gaza and the City's role in the conflict. He expressed concerns about a locally based company, BWXT, which manufactured nuclear cores for aircraft carriers and submarines, and which contributed to the genocide ongoing in Gaza. He requested Council to pass a resolution calling for an immediate and permanent ceasefire in Gaza.

// In the matter of Budget, Agenda Item #17, Council conducted a first reading on the adoption of the FY 2025 Budget. City Manager Wynter Benda provided a presentation to Council. Following the April 16, 2024 Public Hearing and further discussions during City Council Work Sessions, including staff adjustments, the Proposed FY 2025 General Fund Budget was reconciled as follows:

	FY 2025 Proposed Budget	Adjustments	FY 2025 Adopted Budget
Revenues and Use of Fund Balance			
Revenues	\$227,597,864		\$227,597,864
Transfers From Other Funds	0	1,600,000	1,600,000
Use of (Additions to) Committed/Assigned Fund	5,015,643		5,015,643
Balance Reserves			
Use of Fund Balance	1,433,500		1,433,500
Total Revenues and Use of Fund Balance	\$234,047,007	\$1,600,000	\$235,647,007
Expenditures, Reserves, and Transfers			
Operations	\$157,543,565		\$157,543,565
Debt Service	19,679,065		19,679,065
Schools Operations	39,360,355		39,360,355
Schools - Operations - Use of Health Insurance	1,000,000		1,000,000
Reserve			

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Greater Lynchburg Transit Company (GLTC) -	1,879,308		1,879,308
City Operating			
Transfers to Other Funds	1,503,944		1,503,944
External Service Providers	9,953,067		9,953,067
Addition to Reserve: General Fund Reserve for	1,200,000		1,200,000
Contingencies			
Addition to Reserve: Law Library Reserve	3,999		3,999
Addition to Reserve: Public Safety Building	59,449		59,449
Reserve			
Addition to Reserve: Recreation Programs	53,295		53,295
Addition to Reserve: Community Corrections	8,000		8,000
and Pretrial Services Reserve			
Addition to Reserve: Schools Non-Closure	0	1,600,000	1,600,000
Capital Improvements	1,802,960		1,802,960
Total Expenditures, Reserves, and Transfers	\$234,047,007	\$1,600,000	\$235,647,007

Fund Balance

With the adjustments noted above, the Unassigned General Fund Balance as of June 30, 2025 is projected to be \$27,385,939 or 12.0% of revenues. City Council's target for Unassigned General Fund Balance is a minimum of 10% of General Fund revenues with a goal of 15% as the City strives to grow incrementally each year subject to revenues available.

// In the matter of Budget, Agenda Item #17A, Council considered adopting Ordinance #O-24-030 increasing the Water, Sewer, and Stormwater Rates.

Councilmember Wilder motioned, seconded by Councilmember Taylor, to adopt Ordinance #O-24-030 increasing the Water, Sewer, and Stormwater Rates.

Councilmember Helgeson said that he believed some of the budget items before Council should be tabled until further information was received regarding state funding. He said that he would be voting against this item because he did not believe they had done due diligence to avoid passing on increases to the citizens.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Taylor, Wilder 4

Noes: Faraldi, Helgeson, Misjuns 3

// In the matter of Budget, Agenda Item #17B, Council considered introducing Resolution #R-24-031 appropriating the FY 2025 General Fund Operating Budget (excluding Discretionary External Service Providers and Schools Operating Budget).

Councilmember Wilder motioned, seconded by Councilmember Taylor, to approve the resolution.

Councilmember Misjuns made a substitute motion, seconded by Councilmember Helgeson to table this item and the rest of general business items until the Council's next meeting in order to gather

more information. Councilmember Helgeson said that while not all items needed to be tabled at this time, there were numbers that required clarification prior to Council taking a vote on the budget. He made a friendly amendment to table items #17C and #17F for the reason that there was uncertainty regarding the funding available from the state for allocation to the schools. Councilmember Misjuns said that he accepted the friendly amendment. He withdrew his motion.

Mayor Reed called the vote to introduce Resolution #R-24-031 appropriating the FY 2025 General Fund Operating Budget (excluding Discretionary External Service Providers and Schools Operating Budget).

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Misjuns, Dolan, Taylor, Wilder, Faraldi, Helgeson 7

Noes: 0

// In the matter of Budget, Agenda Item #17C, Council considered adopting Resolution #R-24-032 regarding the FY 2025 Schools Non-Closure Reserve.

Councilmember Misjuns motioned, seconded by Councilmember Helgeson, to table this item. Councilmember Misjuns expressed his concern over the potential variance in funding from the state for allocation to the schools. Councilmember Helgeson said that it was prudent to table this item in order to determine if there were strings attached to the funding from the state and if the City must amend their budget accordingly.

Councilmember Wilder asked how the state funding affected the Resolution before Council. Deputy City Manager Mr. Greg Patrick said that the Resolution's purpose was to put \$1.6 million of City funds into a reserve held in case state funding did not cover the cost of keeping the two elementary schools open during the 2024-2025 year. The funds were not being appropriated but were being set aside in reserves. It was likely the state would provide adequate funding for the schools, and if that is the case, they would not necessarily need to set aside that funding. Mr. Benda said that the reserve was also meant to ensure the schools had enough resources to allow the schools to remain open if necessary. He reiterated that it was not an appropriation; it was a reserve. Councilmember Wilder clarified that if the reserve was not needed, it would not be used.

Councilmember Taylor clarified that this funding would be a safety net for the schools. Mr. Benda said that as previously discussed, the consensus was to ensure there were resources enough to keep these schools open and so people could keep their children enrolled and prepared to attend school there next year. Councilmember Taylor made a substitute motion, seconded by Councilmember Wilder, to approve Item #17C. Councilmember Taylor emphasized that it was important to keep children and parents in stable positions. If the funds were not needed, they would be returned to the treasury. Councilmember Wilder said that the City should not give any more mixed signals to the public about whether or not the schools would be kept open, so it was important to take this action.

Councilmember Helgeson clarified that the original motion was not to deny the funding but to table the item so they could vote on it with no issues in two weeks.

Councilmember Misjuns said that he would not be supporting the substitute motion, but he would be ready to support the reserve if necessary. The reserve may not be necessary due to state funding, and it would be prudent to take the time to review the matter and revisit it when they had a more definite answer as to whether it was truly necessary.

Mayor Reed called the vote on the substitute motion to vote on Item #17C.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Taylor, Wilder, Faraldi 5

Noes: Helgeson, Misjuns 2

The substitute motion then became the main motion and Mayor Reed called for the vote to adopt Resolution #R-24-032 regarding the FY 2025 Schools Non-Closure Reserve.

Councilmember Helgeson said that he would be voting against this motion because it would be more prudent to wait until they knew for certain what the state funding would cover.

Councilmember Misjuns disclosed that his wife was a schoolteacher in Lynchburg City Schools, and that he could vote on this matter impartially and objectively. He said that he would vote against this motion because it was irresponsible to create this reserve until it was known that the funding was necessary.

Vice Mayor Faraldi emphasized that this motion would not result in appropriation of funds; rather, it was safeguarding the funding from being used for any other purpose. Mr. Benda said that was correct.

Councilmember Dolan said that it was unknown whether there would be restrictions on the money received from the state. The funds in the reserve would not be appropriated, and it would give some comfort level to the parents and children of the community to know that Council would do what they said they would do.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Taylor, Wilder, Faraldi 5

Noes: Helgeson, Misjuns 2

// In the matter of Budget, Agenda Item #17D, Council considered adopting Resolutions #R-24-033a, #R-24-033b, #R-24-033c, #R-24-033d, and #R-24-033e appropriating the FY 2025 Discretionary External Service Providers Budget.

Councilmember Wilder motioned, seconded by Vice Mayor Faraldi, to adopt the Resolution #R-24-033a appropriating the FY 2025 Discretionary External Service Providers Budget for Amazement Square.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

Councilmember Wilder motioned, seconded by Councilmember Taylor, to adopt the Resolution #R-24-033b appropriating the FY 2025 Discretionary External Service Providers Budget for Central Virginia Alliance for Community Living.

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With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

Councilmember Wilder motioned, seconded by Councilmember Taylor, to adopt the Resolution #R-24-033c appropriating the FY 2025 Discretionary External Service Providers Budget for Central Virginia Community College Board.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

Councilmember Misjuns motioned, seconded by Vice Mayor Faraldi, to adopt the Resolution #R-24-033d appropriating the FY 2025 Discretionary External Service Providers Budget for Impact Living Services.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

Councilmember Wilder motioned, seconded by Councilmember Taylor, to adopt the Resolution #R-24-033e appropriating the FY 2025 Discretionary External Service Providers Budget for Legal Aid Society.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Taylor, Wilder 5

Noes: Helgeson, Misjuns 2

// In the matter of Budget, Agenda Item #17E, Council considered introducing Resolution #R-24-034 appropriating the FY 2025 Operating Fund Budgets for all other funds.

Councilmember Wilder motioned, seconded by Councilmember Dolan, to approve Resolution #R-24-034 appropriating the FY 2025 Operating Fund Budgets for all other funds.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Helgeson, Misjuns, Taylor, Wilder 6

Noes: Faraldi 1

// In the matter of Budget, Agenda Item #17F, Council considered introducing a resolution appropriating the FY 2025 Schools Operating Budget by major classification.

Councilmember Helgeson motioned, seconded by Councilmember Misjuns, to table this item for two weeks. Councilmember Helgeson said that it would be prudent to wait until they had more accurate numbers regarding state funding and their requirements prior to Council taking a vote on this item.

Councilmember Misjuns disclosed that his wife is a schoolteacher in Lynchburg City Schools and he is able to consider this item objectively and impartially. He said that it would be prudent to wait until they received more information regarding the state funding and its implications before Council takes a vote on this item.

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With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

Mr. Benda said that he would recommend Council take up this matter during their regularly scheduled meeting on May 28, 2024.

// In the matter of Budget, Agenda Item #17G, Council considered introducing Resolution #R-24-035 adopting the FY 2025-2029 Capital Improvement Program and appropriating the FY 2025 Capital Budget.

Councilmember Wilder motioned, seconded by Councilmember Dolan, to approve Resolution #R-24-035 adopting the FY 2025-2029 Capital Improvement Program and appropriating the FY 2025 Capital Budget.

Councilmember Helgeson said that he would be voting against the motion because he believed some of the plan included projects that could be postponed.

Councilmember Misjuns said that he would be voting against the motion because there were some projects that he did not think were necessary to be included.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Taylor, Wilder 4

Noes: Faraldi, Helgeson, Misjuns 3

// In the matter of Budget, Agenda Item #17H, Council considered introducing Resolution #R-24-036 appropriating \$50,000 of the FY 2025 Reserve for Contingencies for use by the City Manager.

Councilmember Helgeson motioned, seconded by Councilmember Wilder, to approve Resolution #R-24-036 appropriating \$50,000 of the FY 2025 Reserve for Contingencies for use by the City Manager.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

// In the matter of Budget, Agenda Item #17I, Council considered adopting Resolution #R-24-037 setting the Personal Property Tax Relief Rate at 32.73% for January 1, 2024 through December 31, 2024.

Vice Mayor Faraldi motioned, seconded by Councilmember Taylor, to adopt Resolution #R-24-037 setting the Personal Property Tax Relief Rate at 32.73% for January 1, 2024 through December 31, 2024. Chief Financial Officer Ms. Donna Witt explained that this was a calculation performed by the Commissioner of the Revenue based on state funding of just over \$5.5 million for the Personal Property Tax Relief Act that had been in place since Governor Gilmore. It was a calculation based on the number of vehicles registered in the City against the \$5.5 million.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Helgeson, Misjuns, Taylor, Wilder 7

Noes: 0

// In the matter of Schools, Agenda Item #18, Council considered introducing Resolution #R-24-038 amending Lynchburg City Schools Major Classification Funding for FY 2024 and transferring \$1,671,820

from Contingency Reserves to Instruction. Chief Financial Officer Ms. Donna Witt provided a summary of the request to Council. In a letter dated March 19, 2024 Lynchburg City Schools Superintendent reported, "On March 12, 2024, the Lynchburg City School Board voted to request that the City Council transfer the remaining \$1,671,820 in the FY 2024 LCS Contingency Reserve to the Instruction category. This request is crucial for addressing several pressing financial challenges faced by our school division."

If approved, the FY 2024 Adopted Schools Operating Budget would be amended by transferring \$1,671,820 from Contingency Reserves to Instruction. This request does not change the total operating revenues appropriated by City Council but rather moves \$1,671,820 from Contingency Reserves to Instruction.

Councilmember Wilder motioned, seconded by Councilmember Dolan, to approve Resolution #R-24-038 amending Lynchburg City Schools Major Classification Funding for FY 2024 and transferring \$1,671,820 from Contingency Reserves to Instruction.

Councilmember Helgeson said that he would not support this motion due to the discrepancy in numbers provided and he did not find convincing rationale for the schools to have this funding for the reasons stated.

Councilmember Misjuns said that he would not support this motion because he did not think the schools were utilizing their allocated funds appropriately and he was not confident in their operations. He disclosed that his wife was a schoolteacher and he was able to vote on this item impartially and objectively.

Mayor Reed clarified that these funds were requested by the schools to be transferred from the Contingency Fund to Instruction in order to cover the shortfall resulting from increased health insurance claims. The funding was meant to be requested by the schools, and the Superintendent had expressed earlier today that the schools needed the funding and therefore were requesting it for budgetary purposes.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Faraldi, Dolan, Wilder 4

Noes: Helgeson, Misjuns, Taylor 3

// In the matter of Community Development, Agenda Item #19, Council considered adopting Ordinance #O-24-039 adding a new section to City Code specific to authorizing revenue sharing of solar and energy storage facilities. This item was previously briefed to Council during the April 23, 2024 Business Item Briefings. The City currently has two (2) battery energy storage facilities in the review process for development - one at 3920 Harbor Street / 109 Old Trents Ferry Road and the other at 2904 Carroll Avenue. The Code of Virginia § 58.1-3660 provides that energy storage facilities shall be assessed at eighty (80) percent of the assessed value in the first five (5) years of service, seventy (70) percent of the assessed value in the second five (5) years in service and sixty (60) percent of the assessed value for all remaining years of service. The reduction in assessed value would apply to the City's Machinery & Tools Tax or, if applicable, the State Corporation Commission (SCC) Assessment.

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In lieu of the reduced Machinery & Tools Tax, Code of Virginia § 58.1-2636 provides that a locality may, by ordinance, assess a revenue share of up to fourteen hundred dollars (\$1400) per megawatt of the energy storage facility. This assessment would increase on July 1, 2026, and every five years thereafter by ten (10) percent. This revenue share agreement would remain in place for the life of the facility regardless of ownership.

If the City adopts the proposed Revenue Sharing Ordinance, the City's Machinery & Tools Tax would no longer be applicable to Solar or Energy Storage Facilities.

Councilmember Helgeson motioned, seconded by Councilmember Taylor, to adopt Ordinance #O-24-039 adding a new section to City Code specific to authorizing revenue sharing of solar and energy storage facilities.

With no further discussion from the Council, the following vote was recorded:

Ayes: Reed, Dolan, Helgeson, Misjuns, Taylor, Wilder	6
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Noes: Faraldi	1
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// The meeting adjourned at 9:28 p.m.

Clerk of Council