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March 24, 2015

// A regular meeting of the Council of the City of Lynchburg was held on the 24th day of March, 2015, at 4:00 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. The following Members were present:

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

Absent: Johnson 1

// Vice Mayor Johnson arrived at 4:09 p.m. during the presentation of the Schools Budget.

// Schools Superintendent Scott Brabrand presented the Proposed 2015-2016 School's Budget. Dr. Brabrand stated that education remains the key priority for a successful economy. In the proposed budget request he asked for \$1.1 million in local funding. He also stated that if this proposal is approved, the increase would cover a 2% raise for school employees and put schools' operational spending at \$90.3 million, which is 2.5% more than the current year. The Budget shows enrollment in the Lynchburg City Schools is on the rise. Dr. Brabrand addressed the following challenges:

- Early Childhood
- Personnel and Professional Development
- Mental Health and Poverty

What's New This Year?

- Requested city increase to school budget is 2.7%
- Total request of \$1.19 million is devoted primarily to salary increase for employees
- No cuts to K-12 education
- Development of multi-year budget

Dr. Brabrand went on to say that he is requesting in the proposed budget, support for an instructional assistant for every kindergarten classroom, and additional physical education teachers, which will add a much needed second day of physical education classes during the week for all elementary schools. He also stated in the area of personnel and professional development, the budget proposes adding a science instructional coach and a middle school reading coach. He explained the Revenues update/Expenses update for the proposed budget. A request for \$950,000 is proposed for school bus replacements. He mentioned several components of the budget process including Community Input, Parent Input, Employee Input and School Board Engagement. Additional needs in this year's budget include:

- Continuing Lynchburg City Schools – One implementation
- ELL Teacher and Newcomers Program
- Middle School Athletic Trainer services
- Bookkeeper support for elementary schools to strengthen financial operations
- Hourly secretarial support in summer

In conclusion, Dr. Brabrand stated that the budget process ties directly to the implementation of the division's Comprehensive Plan.

- Vision – A Tradition of Excellence for All
- Mission – Every Child, By Name and By Need, to Graduation

- Goal – Excellence in Achievement, Behavior, Culture, Operations and Personnel

// Water Resources Director Tim Mitchell provided an overview of the FY 2016 Rate Study and Annual Report which includes information on the following:

- Drinking Water, Wastewater and Stormwater Overview
- Financial Overview including: revenues and expenditures by fund and division, rate analysis and comparison
- Projected letter from PJ Sun, LLC
- Water, Sewer, and Stormwater Projections
- Statistical Data

Mr. Mitchell stated that the utility rate study strategy developed for this year continues with the guiding principles of:

- Minimize the impact of rate adjustments on residential and other small customers.
- Ensure necessary funding is provided for increases in operating and debt service costs.
- Ensure compliance with the Special Order for Combined Sewer Overflow (CSO).
- Ensure compliance with adopted Fund Balance and Debt Management Financial Policies.
- Provide an equitable distribution of costs based on actual services provided.

The proposed increases include increasing the sewer volume charge by 3.2% from \$5.65 per hcf to \$5.83 per hcf. This will result in an increase to a typical residential utility bill by \$1.26 per month or an overall increase in the water, sewer, and stormwater bill of approximately 1.8%. He stated the actual percent increase will vary depending upon actual consumption. In addition to the sewer volume rate the only other proposed increase is for the sewer only rate from \$45.92 per month to \$47.18 per month (2.7%). Mr. Mitchell further stated the City of Lynchburg customers' water and sewer bills are approximately 10% below the statewide average. Last year the state average water and sewer bill increased by over 6%. In conclusion, Mr. Mitchell stated that no increase is proposed as of July 1, 2015 for the water volume rate, stormwater charge or account charge. There is a proposed increase of 3.2% in the sewer rates.

// During roll call Council Member Helgeson mentioned a concern with the construction work that is ongoing on Kemper Street; it is hard for citizens to access those businesses. He asked if something could be done to help alleviate the situation.

// Vice Mayor Johnson received a complaint from a citizen regarding loud music from an ice cream truck that parks at Riverside Park for several hours at a time.

// Mayor Gillette announced the Budget Public hearing will be held on March 31, 2015 at 7:00 p.m. in Council Chamber.

// City Council recessed the meeting at 5:57 p.m.

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

The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette

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Absent:

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Vice Mayor Johnson gave the Invocation, followed by the Pledge of Allegiance.

// Copies of the minutes of the March 10, 2015 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Nelson, seconded by Vice Mayor Johnson, Council by the following recorded vote approved the minutes as presented:

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

Noes: 0

// In the matter of Public Works/Water Resources – Water, Resolution #R-15-015 to amend the FY 2015 Water Capital Projects Fund budget and appropriate \$5,000 with resources from a Virginia Department of Conservation and Recreation grant to reimburse costs associated with bringing Pedlar Dam into compliance with minimum standards for dam safety, laid over from the March 10, 2015 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Public Works/Water Resources – Water, Resolution #R-15-016 to amend the FY 2015 City Capital Projects Fund budget and appropriate \$10,000 with resources from a Virginia Department of Conservation and Recreation grant to reimburse costs for College Lake Dam associated with compliance for dam safety, laid over from the March 10, 2015 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Community Development - Zoning Amendments, a public hearing was held regarding City Council Report # 7 outlining the petition of David Moore to rezone approximately one and ninety-one hundredths (1.91) acres located at 1001 and 1005 Creekside Lane from B-5C, General Business District (Conditional) to B-5C, General Business District (Conditional) to amend previously approved proffers to allow a right-in, right-out connection to Graves Mill Road. City Planner Tom Martin gave a summary of the rezoning request and stated that the Planning Commission recommended approval of the rezoning petition. Moore's Country Store representative Mr. David Moore asked Council for approval of the rezoning petition. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Perrow, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Ordinance #0-15-019, as presented, granting the petition of David Moore to rezone approximately one and ninety-one hundredths (1.91) acres located at 1001 and 1005 Creekside Lane from B-5C, General Business District (Conditional) to B-5C, General Business District (Conditional) to amend previously approved proffers to allow a right-in, right-out connection to Graves Mill Road:

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

Noes: 0

// In the matter of Economic Development – General, a public hearing was held regarding City Council Report #8 regarding the City's proposed participation in the project to rehabilitate, renovate and redevelop the property known as the former Virginian Hotel located at 712 Church Street. City Manager Kimball Payne gave an overview of the request to approve a performance agreement between the City of Lynchburg, the Lynchburg Economic Development Authority (LEDA) and Virginian Hotel, LLC to support the rehabilitation, renovation and redevelopment of the property known as the former Virginian Hotel located at 712 Church Street.

Nine individuals spoke in favor of the proposed project stating that the new project will attract more people and grow the City's economy. The project has the potential to increase jobs, make downtown more vibrant, and provide a boost to the downtown revitalization efforts.

Sixteen individuals spoke in opposition of the City's ability to participate in this project for many reasons. For instance, it would provide direct tax aid to a private development, the Virginian project would cut into existing hotel owners' profits, and concern that the City government should not take the role of a bank. In addition, the City should not use taxpayers money to invest in a business deal with a private company, if the project fails who would be responsible for the loan, and since the City is not a bank, the property owners should seek assistance from a commercial bank, and not the City. There was no one else present who wished to speak to this item, and the public hearing was closed.

Vice Mayor Johnson made a motion seconded by Council Member Foster, to approve the project to rehabilitate, renovate and redevelop the property known as the former Virginian Hotel located at 712 Church Street. A discussion followed the motion. Council Member Helgeson voiced his concern about this project. He felt that private business owners should fund 100% of the project with no loan from the City. The majority of Council was in favor of the project for several reasons. The project will stimulate job growth and complement downtown businesses; the project will increase economic vitality, add jobs, and boost the local tax base; the Economic Development Authority (EDA) helps businesses who ask for assistance and public funds have been used in the past to support private developments. This project will provide needed conference space for the City and will not divert tax dollars from any existing streams.

After the discussion, Council Member Helgeson made a substitute motion to take this item to a work session for further discussion. The motion failed for a lack of a second. Mayor Gillette called for a vote on the original motion. Council Member Foster made a motion seconded by Vice Mayor Johnson to vote on the original motion. Council by the following recorded vote agreed to vote on the original motion:

Ayes: Foster, Johnson, Nelson, Perrow, Tweedy, Gillette 6

Noes: Helgeson 1

On motion of Vice Mayor Johnson, seconded by Council Member Foster, Council by the following recorded vote adopted Ordinance #R-15-020, as presented, regarding the City's proposed participation in the project to rehabilitate, renovate and redevelop the property known as the former Virginian Hotel located at 712 Church Street:

Ayes: Foster, Johnson, Nelson, Perrow, Tweedy, Gillette 6

Noes: Helgeson 1

// In the matter of Parks and Recreation – General, City Council Report #9 was considered. On motion of Vice Mayor Johnson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-15-021, as presented, authorizing the City Attorney to submit the necessary documents, to petition the Circuit Court of the City of Lynchburg to appoint a special commissioner to execute the necessary deed to convey the tax delinquent real estate at 1201 Hollins Street to the City in lieu of its sale at public auction:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette

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Noes:

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// The meeting was adjourned at 10:14 P.M.

Clerk of Council