// A regular meeting of the Council of the City of Lynchburg was held on the 22nd day of October, 2019 at 4:00 p.m. in the Council Chamber, City Hall, Treney Tweedy, President, presiding. The following members were present:

Present:	Mary Jane Dolan, J. Randy Nelson, E. J. Turner Perrow, Sterling A. Wilder, Beau Wright, Treney Tweedy	6
Absent:	Jeff Helgeson	1

// In the matter of Parking, Downtown Loading Zones, Mr. Dave Malewitz was present to give Council a report on the pilot program that was started in June 2019. The goals were to get vehicles into downtown safely and create a safer environment for the pedestrians and traffic downtown. Mr. Malewitz refreshed their memory of the pilot area with a map that was also included in the communication outreach. However, they pretty much hit the 800 block of Main Street from Bowen Jewelry to the 1300 block where the former grocery store was located. They did another all-day loading zone on Commerce Street to help facilitate some of the anticipated deliveries that occur in the 900 block of Main Street, primarily due to the heavy restaurant presence.

The definition of success for this program would be to ensure the effective designation, use and enforcement of loading zones for deliveries to occur outside of travel lands, to create a safer and more effective traffic flow, to improve public safety and to respond to concerns from businesses and delivery companies.

The program's successes were that deliveries still occurred and businesses received product. It created parking spaces for large delivery trucks. Delivery trucks used loading zones appropriately and made deliveries efficiently. Delivery trucks parking in traffic lanes was dramatically reduced.

Flyers helped educate drivers on loading zones. There were also citation notices place inside the envelope when it was necessary to issue a citation explaining the pilot program. Those notices were handed to anyone that wanted them as well. Businesses also got involved by placing notices in their windows or around their notices adivisng customers and delivery drivers of the pilot program. Businesses and delivery companies were communicative on issues as they arose. Very few issues occurred outside of the 900 block of Main Street. Deliveries occurred during the downtown Midtown Parking Deck construction project. There is a clear line of sight in traffic lanes due to no semi-trucks obstructing view.

Mr. Malewitz remarked that there were some adjustments made during the pilot program in the 1000 block of Main Street. The all-day thirty minute loading zone was expanded to fit a semi-truck. This change was done after businesses expressed that the space provided originally was not big enough. They also made an adjustment in 1200 block of Main Street. They extended the loading zone in front of McCraw Furniture and the White Hart and put it at the corner in front of Hip Tulip. They also removed a loading from 13th Street because it was not being utilized and it now accommodates three two-hour parking spaces.

Some delivery trucks still parked in lane of traffic if loading zone unavailable but this was mainly due to people parking in the loading zones for their own purposes. The 7:00 a.m. – 11:00 a.m. signs were confusing to the public. The signs have a lot of text, which leads people to not read all of the signs thoroughly. The majority of delivery trucks arrived after 10:00 a.m. The 900 block required the most attention to prevent illegal parking in the loading zone.

Approximately 40 surveys were emailed to Main Street businesses and delivery companies. Two surveys were conducted, one midway through the pilot and one at the end. There were nine respondents for the first survey and eight respondents. Overall, the results were 50/50 pro and con. The businesses and delivery companies are now more aware of the loading zones and where the alternate locations are located as well.

City staff responded to issues and made necessary adjustments. The delivery drivers appreciated new, larger loading zones. Enforcement helped educate public on the rules and use of loading zones. The overall assessment is that the program is working. Deliveries are occurring in designated loading zones. Traffic and pedestrian travel is safer. All day loading zones work better than morning 7:00 a.m. – 11:00 a.m. The signs need to be easier for the public to read quickly. Staff's recommendation is that the ordinance amendments instituted for the loading zone pilot program remain as written in order to continue to maintain a safer and more efficient flow of vehicular traffic.

Councilmember Wilder asked if the loading zone on Commerce Street is clearly marked and if the pathway is lit. Mr. Malewitz said it is lit as well as the lighting is in the parking deck and there is reflective striping as well. Councilmember Wilder asked how the construction affects all the loading zones. The loading zones for Ninth Street and Tenth Street were moved and that was communicated to the delivery drivers by the Main Street Renewal team.

Councilmember Nelson appreciated all the communication efforts of his team and the businesses. The community needs to know what the possibilities and challenges are and not be sticking to our old practices and habits. Councilmember Nelson's observations were that throughout the pilot program there was some construction going on at some portion of either Church, Commerce or Main Streets. Mr. Malewitz has positively and optimistically concluded that the construction did not really affect the pilot program. He would politely challenge that inasmuch as since there are two one-way streets downtown any obstruction or activity on one street causes the traffic to move to another street. To have a good scientific, empirical test of how much one affects the other, he does not think it can be done as long as there is construction downtown because of the overflow and redirection.

He thinks it is good we have learned a great deal from the pilot program. It is commendable that they have learned from what obstacles they have encountered and have listened to the business owners and made adjustments. Councilmember Nelson asked Mr. Malewitz if it is his recommendation not to proceed with any thoughts regarding two-way traffic until after construction is finished but just to continue the pilot program during construction. Mr. Malewitz said the whole focus when the pilot program was started was to deal with issues they knew they had with the loading zones. Two-way traffic happened to become part of the discussion later on during the presentations. Mr. Malewitz noted that regardless of what happens with two-way traffic, the changes they have made and the ordinance changes passed by Council have dramatically helped them manage the loading zones. He noted the loading zone on Commerce Street had two-way traffic. They know they need to expand it into the rest of downtown and keep consistent practices and that old and new businesses have the opportunity to get products successfully and keep our traffic and pedestrians safer.

Councilmember Nelson would make it clear to the public so there is no confusion as to where they are today, we are not talking about two-way traffic. We are trying to perfect one-way traffic and get the loading zones right. Mr. Malewitz said that is correct in either one-way or two-way traffic because there were both types in the pilot program. 13th , Main and Commerce Streets were all part of the pilot program and they have two-way traffic. They need to be better with enforcement and regulation of loading zones whether traffic is one-way or two-way. Councilmember Nelson thanked him and noted Mr. Malewitz and his staff and all the other departments had done good work. Dr. Reid Wodicka pointed out that the Midtown Parking deck was closed during part of the program, which put more cars out on the streets. Councilmember Nelson expressed appreciation that all the departments had worked together to get it done in an environment that had so many challenges.

Councilmember Wright asked if Mr. Malewitz's recommendation is to leave the ordinances as they are and staff will expand the loading zones further into the Central Business District and that they will work with business owners regarding it. Mr. Malewitz said that is correct. The changes were made at the May 14, 2019 meeting. Dr. Wodicka asked that they get Council's affirmation that they would like them to continue to move forward in this direction.

Councilmember Wright asked if they made an appropriation for two-way traffic on Church Street in the budget. Dr. Wodicka said they did in the CIP and Main Street in the downtown projects. Councilmember Wright asked for clarification that funding for Main Street was included in the Main Street renewal project. Dr. Wodicka agreed with Mr. Malewitz that they would not like this conversation to be connected with two-way traffic and they have some time with respect to two-way traffic on Main Street before that final decision needs to be made. The decision might need to be made sooner than a long period of time after construction because they need to make sure it is designed correctly. To Councilmember Nelson's point, we wanted to identify that the loading zones would actually work before we implemented two-way.

Councilmember Perrow asked for clarification as to what is meant by expanding further into the Central Business District. Mr. Malewitz gave the example of Jefferson Street where they know they have issues. They were waiting for the pilot program to wrap up to see what they learned from it so it could be applied to other areas. Councilmember Perrow certainly thinks it is advisable to learn from the pilot program. He has a concern with the on-street parking count and wants them to be sure that is still a good viable number. The report may say that are plus one parking space but with expanding the loading zones past 11:00 a.m. they are losing three additional parking spots in two loading zones. He is highly concerned about the number of spaces that remain available for use. He appreciates and thinks it is important that they have demonstrated flexibility and have adapted to needs. He is hoping they can do that even further on some of the all-day loading zones. He likes that people are using them for drop-in/drop-off type of stuff. We just need to be careful about that window. The larger loading zones for trucks seem to be working out. He is wondering if there are no trucks coming before 10:00 a.m., maybe the window could be shorter or one of them is shut down for the holidays. He understands that amounts to a bunch of signs potentially. With regard to the picture he showed them of the confusing signage, he would suggest they put opposite arrows together and then the alternative separately. That would make a lot more sense to him. Mr. Malewitz said they have a lot of information from the pilot program and now have more time to think about the best signage. Mr. Malewitz's concern with shortening the window or making it 9:00 a.m. to 2:00 p.m., for example, would be how to communicate that effectively so that a person can make a decision quickly as to whether or not the space is available for public parking.

Councilmember Perrow asked how much use the Commerce Street space is actually getting. Mr. Malewitz said it was getting quite a bit during the pilot program, especially once Ninth Street closed. He thinks it is successful and a good alternative when Ninth Street is full and it has access to the elevator as well. He said most use Seventh Street to get to Commerce Street. Councilmember Perrow noted that as construction continues, you will see it get harder and harder to make those turning movements. Councilmember Perrow noted that everyone seems to be doing a good job with enforcement and communication and he thanked Mr. Malewitz.

Councilmember Wilder noted that he had seen a commercial advertising that downtown is still open and spotlighting some of the businesses in the construction zone. He thought that was really helpful. Mr. Malewitz said that was done by the Downtown Lynchburg Association and acknowledged the amazing job they have done and how they have helped parking management as well.

Mayor Tweedy thanked Mr. Malewitz and all the departments involved. She received general approval from the six Councilmembers present that he has their approval to move forward.

// In the matter of Budget, Council heard a presentation from David Rose with Davenport & Company, LLC (Davenport), regarding the Finance Plan for Capital Improvement Plan. Davenport, in its capacity as financial advisor to the City of Lynchburg (City) has been monitoring the credit markets for interest rate trends and has been working with City staff to develop a recommended plan of finance for the City's ongoing capital needs. The City's Capital Improvement Plan contemplates approximately $125.8 million of General Fund and School related bond financing from Fiscal Years 2020-2025. Additionally, the City is considering funding the $26 million Lakeside Drive Bridge at College Lake project in FY 2020. The timing and rationale and recommended approach for obtaining this financing were described in the presentation. Working with City staff, Davenport and the City instituted a "Just-in-Time" funding approach for its capital needs. This contemplates a two-year renewing Line of Credit. The rationale for this approach is 1) allows the City to borrow for funds exactly when they are needed., which minimizes interest costs; 2) reduces the pressure on key debt ratios and 3) less budgetary pressure on the General Fund.

He had a slide to show them how the interest rates have dropped and have hit a 50-year low and that is why they would like the City to take advantage of these interest rates. In June 2018, the City entered into a roughly two-year line of credit with Bank of America. This initial line of credit will expire in June 2020. Given the success of this funding strategy, Davenport recommends that the City plan to enter into a new line of credit in Spring 2020 for future General Fund and School capital needs in anticipation of July 2020. Current draws on the 2018 line of credit total approximately $2 million. In addition to its General Fund and School capital needs, Davenport is recommending the City secure financing for the Lakeside Drive Bridge at College Lake project at this time. This is anticipated to cost approximately $26 million. The rationale for the above is because interest rates are at near historic lows. Taking into account the relative certainty of the costs, as well as the current interest rate environment, Davenport recommends that the City permanently finance the Lakeside Drive Bridge at College Lake project immediately concurrently with a takeout of its line of credit and certain other identified 2020 capital needs. Initially, Davenport had estimated a 4.50% interest rate for the City's new money borrowings. Based upon current market conditions, the City could expect results closer to 2.50%.

Davenport recommends that the City's plan of finance consider a 2019 borrowing to includes amounts of $18 million to permanently finance the remaining amount of FY 2020 General Fund/Schools CIP projects and $26 million to permanently finance the Lakeside Drive Bridge at College Lake project. Detailed cost estimates for the projects financed as part of both the 2019 financing as well as the future lines of credit were provided to Council. Mr. Rose also outlined the impact of both the 2019 financing as well as the City's other expected financings over the next five years on the City's key debt ratios and cash flows.

They might have the question of whether or not they could do the same if rates continue to look so good after 2021 or 2022 and the answer is yes. In its estimates for the next borrowings, however, they were conservative and used 4.50%. They did not want to assume that the interest rate stays at 2.50%. Because they are recommending that they speed up the College Lake project, they are going to recommend that this project be financed over 22 years versus the normal 20 years. They have run sensitivity analysis on what that costs or saves and it turns out that it is a break even. That is because they will use the State Arbitrage Program to reinvest the money at almost the same interest rate as the City's borrowing rate. Mr. Rose told them that if rates start to go up quickly, there is no requirement that they move forward. They have to have the amount that is drawn down done by June 2020 and then the $26 million can always go back to the old way of doing it.

Mr. Rose remarked that under the old strategy of pursuing upfront permanent financing for all projects, the City would need to come up with several additional millions of dollars for its debt service budget. Under the line of credit approach, the City is estimated to need approximately $1.2 million over the next several years and will be able to do approximately $125 million in capital projects. That is because the next phases of borrowing are assuming 4.50% as opposed to 2.50%. Obviously, if the interest rates go higher than 4.50% that number will have to be tweaked.

Mr. Rose commented that the City's policy is that its debt service to assessed value will not go over 4.5%. He had a graph to show them that they are and will be for several years well below that number. The City still has a very solid cushion even with the $125 million added. The City's policy on debt services to expenditures ratio is to be below 10%. He had a graph to show them that they are and will be for several years well below that percentage. It is one of the reasons the rating agencies highly rate the City and one of the reasons they look kindly on the City. Davenport does not want the City to do anything to jeopardize that good standing and this plan keeps them in that mode. Lastly, Mr. Rose presented them with the proposed timeline to get this all done. In conclusion, he thinks this is an intelligent time to think about taking advantage of low interest rates.

Councilmember Perrow asked what the City's current interest rate is on its line of credit. That was not readily available but Ms. Donna Witt said she would look that up and get back to him. Mr. Rose did say the line of credit rate is solid and it is in the 2.00% range. Councilmember Perrow is struggling to understand how they will be saving money when their permanent financing rate will be at the same or higher rate and they are increasing the amount of borrowing and accelerating it. Mr. Rose said that the current line of credit ends in June. No matter what they have to take out permanently the $18 million. Councilmember Perrow noted they are suggesting they roll in the $26 million with the $18 million that has to be done anyway. The sensitivity analysis showed that if they took out the $26 million now at 2.50% versus the 4.50% that was projected, they will be much better off.

Commissioner Perrow asked if historically interest rates go down in a presidential election year. Mr. Rose said the interest rate and the stock market typically are at their best in the third year of a presidency right before the election year. He is not an economist and the economists had thought the interest rates would go up last November and that did not happen. The actual election year can be a “grab bag.” Councilmember Perrow noted Mr. Rose can predict the patterns better than he can and he asked if he thinks this is the right time. Mr. Rose said he does but also wanted to note that as their advisor, they never try to predict. What they are trying to do is say they had a goal or an objective when they started all this a few years ago, which was to minimize debt service, not exacerbate the City’s ratios and to help the overall cash flows. They could be wrong and if so, they can always refinance. They think it is wise to lock in something around 2.50 to 2.70% rather than interest rates that are historically north of 4.50%.

Councilmember Perrow said 2.50% is great even for tax free annuity, which he is assuming. Mr. Rose said it is and Councilmember Perrow said that is quite nice. What he does not like is five years of interest only payments. He assumes that is because we are trying to hold our debt service to be flat at that time and Ms. Witt indicated that is correct. Mr. Rose said that is why they did the sensitivity analysis and he hopes that after Councilmember Perrow reads it, he will feel better seeing that it is a break even situation.

Councilmember Perrow noted the debt service really stays constant until around 2031 when it starts trending down. What that tells him is that without increasing revenues, there can be no more debt service added until 2031 or so. Mr. Rose said that is correct. Councilmember Perrow said that means between 2026 and 2031 they will not be able to have anything in their capital plan. Mr. Rose reminded them that just like with Heritage High School, they knew they had to start putting extra dollars away and had a plan. So the City’s next five or six years are spoken for and around 2026 there will be extra dollars they are going to have to start putting forward. The just-in-time approach allows them to have to add fewer dollars to it. This also presupposes that there are no refundings that could happen between now and then. If there are refundings, interest rates will go down and those higher lines on the graph could actually go down because he has made higher interest rate assumptions on the back end of that debt. He has also made the assumption that all the borrowings happen in the five to six years. The City has never really been that way in the last twenty years.

When he came before them previously, they were talking about having to add in the short run $2 to $3 million and they are now saying they do not need that much. They are now talking about adding approximately $1.1 million over seven or eight years. Previously, they were thinking it would be $3 million in the first year or two. Councilmember Perrow noted that is a big improvement. Councilmember Perrow noted for the fellow councilmembers that the CIP dollars are already set. Future Councils will not be able to add projects without taking something out or increasing revenues. He would like councilmembers to see that and be aware of it.

Councilmember Perrow asked if there is an opportunity to refinance any of their older debt to a lower rate. Ms. Witt said they look at that often but the IRS and the General Assembly took away our ability to advance refund any of the debt, which means take it out before it is callable. They watch is closely and Mr. Rose said there are some exceptions to that and he would love to come back and say something has opened up. That could happen. What they have done historically is not to extend the maturity date of debt when they refinance. He noted that sometimes things get refunded with taxable bonds. It is not typical but it’s been happening so they may come back to Council. Councilmember Perrow asked Ms. Witt to provide Council with its gross or aggregate interest rate at a later time. Mr. Rose said there are a couple of ways to look at that and they will do so.

Ms. Witt said they do need to know if Council is okay with them moving forward because there is a whole lot that has to happen before they can go to the bond market. Council will have to make a definite decision when they hold the public hearing. No councilmembers objected to them moving forward with the process

Councilmember Nelson noted there was some fairly positive information shared with the Finance Committee today about projected revenues and unassigned fund balances. It looks like there is about $11 million more in the unassigned fund balance than was projected. Ms. Witt said that is correct but not all of it will be available for "pay go." There are some pretty specific calculations involved but they are seeing more than they thought would be available for "pay go." Councilmember Nelson asked how that positive information weighs in to dealing with the next couple of years when they may have to come up with the $1 million plus. He wondered if they could save the money in anticipation of those times. Mr. Witt said they will be reviewing the 2021 through 2026 CIP to see what our "pay go" needs are and if they can figure out how to prioritize that, it may be worth setting some of that aside or we might be able to free up some other money by using our "pay go" differently for other projects so that we do not borrow as much or put as much on the next line of credit. Councilmember Nelson asked if those numbers will play into these calculations and Ms. Witt said absolutely.

Dr. Wodicka noted that when the CIP was restructured last year, one of the things they knew and talked about was that they were going to have to put aside additional money in those upcoming years. They will have to put the debt numbers into those calculations, so it will be slightly different when they actually get to the budget. But if Council remembers, they planned to be putting away extra money each year to be able to fund the CIP. Councilmember Nelson noted for the audience that may be listening or watching, "pay go" is short for "pay as you go" cash, which can only be used by our rules and policies and procedures for one time projects. Mr. Rose and Ms. Witt said that is correct.

Councilmember Wilder thanked them for the presentation and for presenting it in an understandable manner.

Mayor Tweedy acknowledged that Mr. Rose is not an economist but she wondered if he knew how the rating agencies will look on the fact that they are changing and then the economy goes south. Mr. Rose said that is a good reason and not really an economics question so he can answer it. It is a good segue to his presentation, which is about fund balance.

Councilmember Perrow thanked them for the sensitivity analysis. Based on his look at it just now, it looks like a good recommendation.

// In the matter of Budget, Council heard a presentation from Mr. Rose with Davenport regarding the City's fund balance. Mr. Davenport noted their existing policy is a solid one and has kept them in good stead. For a City the size and complexity of Lynchburg, they have credit ratings from all three of the national credit rating agencies. The national credit rating agencies view a local government's unassigned fund balance as perhaps the single most important criteria in assigning a credit. Mr. Rose noted that the credit rating agencies are very highly reviewed when it comes to local government. What they deem to be the City's credit rating has a direct impact on what an investor will demand as an interest rate. The City has ratings with all three credit rating agencies at what is considered to be "investment grade." They are only one step away from a AAA bond rating with two of the agencies and two steps away with one of the credit rating agencies. It is Davenport's recommendation that they move to having a policy of having a fund balance of 15%. He noted that for the last several years they have been above the 10% fund balance and he thinks they should memorialize that.

In answer to Mayor Tweedy's question, he noted that the agencies also look at the local economy and your structurally balanced budget. They would recommend that the City create excess cash flow in the form of this new policy so they are prepared as much as possible for a recession or a significant loss of tax revenue.

Mr. Rose presented them with a slide of what other localities look like in terms of their unassigned general fund balance as a percentage of revenue and noted they are eclipsed by most of the other localities. Councilmember Wright noted that the slide does not present it as they compare in terms of those other localities fund balance policies. Mr. Rose noted that if they move to 15%, they will be right in the thick of all of these other highly rated Virginia localities. Lynchburg is a top city and Davenport thinks that is how they should look with their ratios.

Davenport recommends that the City consider amending its unassigned fund balance policy to a minimum of 15% over a roughly five-year period. To do so, the City should strive to grow its unassigned fund balance by 0.5% to 1.0% annually. Recognizing the potential for a recession or economic downturn, the enhanced policy should be flexible enough that growth annually is a target rather than a rigid annual requirement. At this rate and approach, the City would be adding roughly $1 to $2 million per year to its unassigned fund balance.

This will not be the single thing that gets the City to a AAA rating but Moody's report does say that increased reserve levels and a reduction to debt burden could lead to a rate increase. Factors that could lead to a downgrade would be sizable decline in the tax base or a reduction in reserves.

Ms. Witt commented that she knows there has been a lot of discussion by Council about increasing the fund balance. She does not want to box them in because for each half of a percent they will need to set aside about $1 million. That is not an easy task and it would have to become Council priority as they balance the budget. They typically look at the Government Finance Officers Association's best practices. Its best practice is that you should have at least two months of expenses set aside and that would be 16 percent for Lynchburg. Ms. Witt commented Council will have to look at revenues and in years that are not good in terms of revenues, it might not be a year to try to grow the fund balance by a half or a percent.

They do not expect an answer from Council tonight but at the December 10th public hearing, they would like to have something a little more concrete to show the rating agencies that the City has changed its fund balance policy and made it stronger.

Vice Mayor Dolan asked how reasonable or attainable this is given all the needs of the City or could it be done over a longer period of time. Mr. Rose said there are no absolutes but they do a five-year CIP and one sort of dovetails with the other. Five years is considered to be the outer limits in terms of a time frame to be honest. Ms. Witt said she will write the policy in such a way that if they do not reach the goal in five years, they are not necessarily out of line with its policy. Vice Mayor Dolan asked if it will be held against them if they do not reach the goal in five years. Mr. Rose said he thinks the agencies will see a trend and what the City has done. He would bet given the staff the City has that if they put it in policy, staff will get them there in five years. Of course, if something happens, the rating agencies will have been told that it is aspirational. Ms. Witt noted that they do usually end the year at 15% because they budget conservatively. Vice Mayor Dolan commented it makes sense not just from a rating standpoint but from a financial security standpoint. Mr. Rose and Ms. Witt agreed with her.

Councilmember Nelson noted that a rating agency looks at a city, it does not just look at its fund balance. It looks at the other amenities and provisions that a city uses to address the needs of its citizens. He asked Mr. Rose if he can shed any light of those intangible factors. Mr. Rose said if a rating agency looks just purely at numbers, they could tell them to do this and do this because it is formulaic. It is not formulaic. They look at what a locality is doing to improve the quality of life and to shrink the poverty level and make this a place where people want to come because the City is taking steps to sustain things and they look at if a city is investing in the community. Zero debt does not get a locality a AAA rating because it means it is not investing in the community or doing generational projects. Mr. Rose said they typically look at demographics, finances, debt and fund balance (not necessarily in that order). Councilmember Nelson thanked him and jokingly said he means they have to focus on everything.

Councilmember Wright asked him to explain for the public the benefits of a AAA bond rating. Mr. Rose commented that AA (where the City is now) and AAA are really the gold standard for local governments. He noted that Charlottesville and Williamsburg have AAA ratings because its universities have been there for generations. Having a AA or a AAA rating sends a message that not only are investors going to pay up. If they want to own your bonds, they know your likelihood of default is essentially none. It is also really helpful for economic development. It says you are structurally balanced and well managed and able to handle things and investing in the community.

Councilmember Perrow said he did not know that about economic development and the AAA bond rating. Councilmember Perrow noted that they having a growing university that may help them in the future. Mr. Rose said absolutely. Councilmember Perrow was very pleased with the presentation. It affirmed what some of the councilmembers had been saying, certainly Councilmember Helgeson about needing to put more money aside. He thinks 16 percent would be great and 20 percent would be the aspirational goal. He agrees with Ms. Witt that Council needs to make this a priority.

Councilmember Perrow asked if the rating agencies are looking at our policy or what we actually have in reserve, which has been around 15% for the last several years. Mr. Rose said that they will look at the policy because it means the City is much less likely to strip out the difference between ten percent and 15 percent. Mr. Rose feels this will move the City in the right direction and will give the agencies more comfort knowing the City is moving toward having 15% in its fund balance. Councilmember Perrow would like to see Ms. Witt to draft some language to present to Council for consideration. He likes the idea of having some flexibility built into the policy.

Councilmember Wilder thanked them and said he does understand the importance of increasing the fund balance. He likes the idea of doing it over time because the community does have a lot of needs.

Mayor Tweedy acknowledged she is not opposed to raising the fund balance but she is concerned about what we will have to lose or decrease. She asked if Mr. Rose has seen a city that made an investment that made a difference in the factors he mentioned. How do we get there and still meet our current and projected needs? Ms. Witt said that is why it is important to look at our revenue growth as well so it does not have to necessarily be a cut. Councilmember Perrow noted we have to figure out ways to grow our revenues. He thinks a way to do that is to strategically have targeted investments in those areas that are adjacent to areas that are experiencing a high rate of growth. He thinks they should be looking at Madison Street and lower Rivermont Avenue, for example, and hopefully, the downriver side of Main Street. They should do the same thing around Wards Road and other areas with high growth. If we do grow to a population of 92,000, the value of real estate has to increase. He thinks they need to invest in a way that supports and hopefully accelerates that increase.

Ms. Witt noted that the City has had a one tick upgrade since she became the Finance Director and that is because we have all worked to make that happen.

// In the matter of Roll Call, Councilmembers Nelson, Perrow, Wright, Wilder and Vice Mayor Dolan had no items. Mayor Tweedy had the following announcements: Starr Hill Brewery is opening at 1300 Main Street (formerly Grassroots). The media preview is Thursday, October 24th at 12:00 p.m. There are also two other exciting events happening with an existing business and a new business. Those details and developments will be forthcoming later this week.

She polled the councilmembers regarding canceling the November 26, 2019 meeting. Everyone was in consensus to cancel the meeting as staff has no pressing items and it the Tuesday before Thanksgiving.

// The meeting was recessed at 6:21 p.m.

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

// The following members were present:

Present:	Mary Jane Dolan, Jeff Helgeson, J. Randy Nelson, E. J. Turner Perrow, Sterling Wilder, Beau Wright, Treney Tweedy	7
Absent:		0

// Councilmember Wright gave the Invocation, followed by the Pledge of Allegiance.

// In the matter of Recognitions, Mayor Tweedy recognized the Water Dog restaurant and its owners, Dave and Chris Henderson for receiving the Ordinary Award for Restaurant of the Year from the Virginia Restaurant, Lodging and Travel Association. Mr. Dave Henderson was present to receive the recognition and thanked Ashley Kershner with the Downtown Lynchburg Association and Marjette Upshur and Anna Bentson with Economic Development. He said it would not have been possible for them to win this award without their help.

// In the matter of Recognitions, Mayor Tweedy recognized the members of the Exchange Club for its 60th Annual Pancake Jamboree with a resolution declaring November 1, 2019, Lynchburg Exchange Club and Pancake Jamboree Day. Mr. Mike Spencer thanked the community for 60 years of support.

// In the matter of Recognitions, the office of Economic Development & Tourism was recognized for the Excellence in Economic Development Gold Award from the International Economic Development Council for the 2018 "Year in Review" annual report. Ms. Marjette Upshur thanked her team and 434 Marketing, the firm that assisted with the production of the report. She mentioned that the population that Lynchburg is considered with for this competition is over 25,000 but up to 200,000.

// Copies of the minutes of the October 8, 2019 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Councilmember Helgeson, seconded by Councilmember Wilder, by the following recorded vote approved the minutes as presented.

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Wright 7

Noes: 0

// In the matter of Budget, Resolution #R-19-070, laid over from the September 24, 2019 meeting, was again presented and read, on motion of Councilmember Helgeson and seconded by Councilmember Wilder, the FY 2020 Budget was amended to reflect the carry forward of appropriations for ongoing activities not expended in FY 2019, and appropriated supplemental funds and rescinded appropriations for both the Capital and Operating Budgets for the twelve month period beginning July 1, 2019 and ending June 30, 2020.

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Wright 7

Noes: 0

// In the matter of Budget, Resolution #R-19-080, laid over from the October 8, 2019 meeting, was again presented and read, on motion of Councilmember Helgeson and seconded by Councilmember Wilder, the FY 2020 City/Federal/State Aid Fund budget was amended and $49,210 was appropriated with resources from the Commonwealth of Virginia, Department of Criminal Justice Services to purchase law enforcement equipment for the Lynchburg Police Department.

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Wright 7

Noes: 0

// In the matter of Public Hearings – Engineering, a public hearing was conducted to receive comments on the Virginia Department of Transportation (VDOT) and the Federal Highway Administration (FHWA) Environmental Assessment (EA) for the US 501 (Lynchburg Expressway) and US 221 (Lakeside Drive) Intersection Improvements Project. Mr. Lee Newland explained this assessment was released on Friday, September 20, 2019. Prior to the public hearing, there was a viewing session from 6:00 to 7:00 p.m. in the lobby of City Hall. Mr. Newland noted there is a court reporter present tonight to record public comments. All comments are due by November 6, 2019. Mr. Newland commented that Mr. Lucien Tender of T-Y-Lin, the engineer that prepared the study is present tonight. Mr. Tender explained that he is the project manager for the U.S. 501 and U.S. 221 National Environmental Policy Act Environmental Assessment. It was conducted in coordination with the FHWA and VDOT. It looked at the potential environmental impacts for a number of alternative concepts that are meant to address queuing lengths, safety and to increase capacity along the project corridor. It compares those impacts to the no build alternative. He explained that public comment can also be made through the project website or in person at the City's Engineering department, the Lynchburg Public Library or the local VDOT office. They will listen to comments tonight but will not be responding. Responses to comments will made a part of the public record and will be posted on the project website. At this point, Mr. Tender read specific remarks that needed to be a part of the record. These were recorded by the court reporter.

Mr. Gil Cobbs came forward to speak. He is very happy to see that the project is moving forward, as the intersection is badly in need of improvements. He is wondering if they have made ample use of roundabouts, which he really loves, and wants to make sure that the option of roundabouts has been explored. He is also wondering if they have made the fullest use of a straight line with four lanes going one way and four lanes going the other way. For lack of a better term, he calls them "over and unders" and said they can help alleviate congestion. He would like to see his suggestions explored a little more but acknowledged that whatever is done will be better than what is there now.

Mr. Andre Miller came forward to speak. He feels the study is narrow in scope and only looks at the intersection area and does not look at other solutions simply because of cost. He thinks the ultimate solution is the completion of expressways and linking them together as one. He feels the proposal is only a short-term solution and does not take a step in the right direction. It promotes more of the same development surrounding the area, which will lead to more traffic. It shifts traffic around to create more capacity but wait times will still be the same or longer. He feels the study does not look at other road or new roads that could reduce traffic at the intersection. McConville Road, Breezewood Drive, Jefferson Ridge Parkway, Wiggington Road and Forest Brook Road should have all been included in the study because improvements to those roads would dramatically reduce traffic at the intersection because it would allow traffic to bypass the area. He would propose that the City start with a two two-way split road system linking the expressways together, upgrading Old Forest Road and Lakeside Drive and adding connecting roads between them. The City should also restrict development from occurring in the right-of-way of the future expressway. Over time, the City can improve roads in the area and eventually build the expressway as originally intended. Improvements to Whitehall Road and Chapel Lane would also help reduce traffic.

There were no other persons who wished to speak. She deferred to Councilmember Perrow as chair of the Physical Development Committee. He said he did not have any comments at this time. VDOT and the City are following the process and this is a necessary step to make sure that we get the federal funds. He very much appreciates the comments made tonight and thought they were insightful and good. There is no action required from Council tonight.

// In the matter of Central Virginia Metropolitan Planning (CVMPO) consideration was given to approving a resolution for a name change from the Central Virginia Metropolitan Planning Organization (CVMPO) to the Central Virginia Transportation Planning Organization (CVTPO). Mr. Scott Smith, the Transportation Planning Director for the Central Virginia Planning District Commission was present to give a summary. The CVMPO voted in July to change its bylaws, which among other things changed its name to the CVTPO. Since it only engages in transportation related activities, they think the name will be more descriptive and help avoid occasional confusion with other organizations and agencies in the area. Richmond, Roanoke and Hampton Roads have already made this change. Before submitting the name change to the Secretary of Transportation, it is asking the member localities to adopt the resolution before Council tonight. Amherst and Campbell counties adopted this resolution earlier this month. Bedford County has it on its agenda for next week.

Councilmember Perrow noted he is the chair of the CVMPO and was a part of the committee that reassessed the bylaws. They made the recommendation to the change the name for exactly the reasons Mr. Smith stated. It is a federal requirement that a metropolitan planning organization review the funding applications for the entire area. They have public comment periods at most meetings and this will allow citizens to better understand what the organization is about so they can take part in the public process. Councilmember Perrow made a motion to pass the resolution, which was seconded by Councilmember Helgeson. Councilmember Helgeson thinks the name is definitely a little more reflective. He noted that a lot of other areas call themselves Central Virginia and he asked if there was any discussion regarding that fact. Mr. Smith said that in 1969 the State assigned Lynchburg to be called Central Virginia and it is obviously a shared designation. The MPO has maintained the Central Virginia designation since it was formed in the early 1970s. For the sake of consistency, they would recommend keeping it. Councilmember Helgeson noted that "metropolitan" never sounded like Lynchburg and he glad to support the change.

Councilmember Perrow noted that if the area grows in population a little, it will receive some funding for transportation. Mr. Smith explained that if the urbanized area, which is Lynchburg City and parts of the surrounding counties, grow to over 200,000, we become something called a TMA and receive some construction funds. They do not anticipate that happening until after 2040. The motion passed by the following vote:

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

// In the matter of Budget, Council considered introducing a resolution to amend the FY 2020 City/Federal/State Aid Fund Budget and appropriate $65,000 for the Lynchburg Adult Drug Treatment Court award with resources from the Supreme Court of Virginia Drug Treatment Court Docket Grant. This grant is administered by the Supreme Court of Virginia. Mr. Eugene Wingfield, the Clerk of Circuit Court explained this is a completely refundable grant and it will be used to fund a position for a Drug Coordinator. It will allow them to expand the program to accommodate to up to 24 people and allow them to take first offenders into the program. They hope the program will be even more successful and they can apply for the grant again next year.

Councilmember Helgeson noted Mr. Wingfield has put precautions in place in case they do not receive more grant funds. Many councilmembers attended the recent drug court graduation and appreciate the efforts of the program. On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

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

// In the matter of Budget, Council considered introducing a resolution to amend the FY 2020 General Fund budget and appropriate $9,429 with resources from the State Compensation Board, Technology Trust Fund fees to support information technology needs in the Office of the Circuit Court. Mr. Wingfield explained that the technology trust fund is awarded each year through the monies they collect from recordings. Normally, $25,000 a year is enough but this year they need to replace. The money will be reimbursed to the City from the State.

On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

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

// In the matter of Budget, Council considered introducing a resolution to amend the FY 2020 City/Federal/State Aid Fund budget and appropriate $34,930 with resources from the 2019 Edward Byrne Memorial Justice Assistance Grant (JAG) to purchase law enforcement equipment for the Lynchburg Police Department, Lynchburg Sheriff's

Office and the Office of the Commonwealth's Attorney. Chief Ryan Zuidema explained this grant will be used to purchase various items for the three different offices. There are no matching funds required.

On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

// In the matter of Budget, Council considered introducing a resolution to amend the FY2020 City/Federal State Aid Fund budget and appropriate $24,517 with resources from the 2019 State Homeland Security Program (SHSP) Grant through the Virginia Department of Emergency Management (VDEM) to purchase law enforcement equipment for the Lynchburg Police Department. Chief Zuidema said this grant will be used to purchase two long-range acoustic devices used to communicate with individuals in crisis and during natural disasters.

On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

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

// In the matter of Budget, Council considered introducing a resolution to amend the FY 2020 City/Federal/State Aid Fund budget and appropriate $42,612 with resources of $21,306 from the Bulletproof Vest Partnership 2019 Grant Program and $21,306 transferred from the FY 2020 General Fund Police Department ($18,506) and Sheriff's Office ($2,800) budgets to purchase replacement bulletproof vests for law enforcement officers. Chief Zuidema explained that this is an annual grant that the department receives for both offices. The match funds have already been allocated in both departments' budgets.

On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

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

// In the matter of Budget, Council considered introducing Adopt a resolution to amend the FY 2020 City/Federal/State Aid Fund budget and appropriate $91,750 with resources from the 2019 State Homeland Security Program (SHSP) grant from U.S. Department of Homeland Security (DHS) to fund equipment and training for the Fire Department Technical Rescue Team. Chief Greg Wormser explained that this grant will provide its state technical rescue team with heavy lifting equipment. It will also provide staff training for large animal rescue.

On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

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

// Adopt a resolution to amend the FY 2020 City/Federal/State Aid Fund budget and appropriate $76,000 with resources from the 2019 State Homeland Security Program (SHSP) grant from U.S. Department of Homeland Security (DHS) to fund water rescue equipment and training for the Fire Department Technical Rescue Team. Chief Wormser explained that this grant will be used to replace some aging equipment and to provide some necessary boat operator courses and other swift water training.

On behalf of the Finance Committee, Councilmember Helgeson made a motion to approve the resolution. The motion passed by the following vote:

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

// In the matter of Council, Council considered adopting the Final 2020 Legislative Agenda. Mr. Walter Erwin explained that the version brought to them tonight includes the changes that were previously discussed with Council. There are two new additions. The first one authorizes the City to ask that the 2000 legislation concerning the creation of an airport authority be amended so the City can proceed with the authority on its own if none of the surrounding counties want to partner with the City. The second addition is to ask the state to address the issues arising out of the provision of emergency transports for emergency custody orders and temporary detention orders. It is asking the State to look at an overhaul of the system and to provide more reimbursement money to localities for incurring the cost of those transports and also to look at providing more local beds for mental health patients.

Councilmember Perrow made a motion, which was seconded by Vice Mayor Dolan to adopt the Final 2020 Legislative Agenda. Councilmember Perrow thanked the City for taking the other considerations into mind. He thinks this could be a good year for us because the legislative agenda is compact enough. There are no big "asks." It is mainly administrative things and if we can get the detention orders worked out, get a little bit of money for redevelopment for housing around landfills, and get the language regarding the airport authority, he thinks it would be a big win for us. The motion passed by the following vote:

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

// On motion of Councilmember Wilder, seconded by Councilmember Perrow, Council by the following recorded vote elected to hold a closed meeting to discuss appointments to the Parking Authority and the Transit Company Board of Directors:

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

On nomination of Councilmember Perrow, seconded by Councilmember Wright, Council by the following recorded vote reappointed Mary Jane Dolan and appointed David Marple to the Parking Authority for terms ending October 30, 2024:

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

On nomination of Councilmember Perrow, seconded by Councilmember Wright, Council by the following recorded vote appointed Benjamin Blanks, Dan Deter, Curtis Baker and Cameron Howe to serve on the Transit Company Board of Directors for terms to expire October 30, 2022:

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

// The meeting was re-opened to the public.

Vice Mayor Dolan made the following motion:

WHEREAS, the Council of the City of Lynchburg has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by City Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Lynchburg certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by Council.

The motion was seconded by Councilmember Helgeson, and Council by the following recorded vote adopted the motion:

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

// The meeting was adjourned at 9:00 P.M.

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Clerk of Council