// A regular meeting of the Council of the City of Lynchburg was held on the 28th day of September, 2010, at 5:00 P.M. in the Council Chamber, City Hall, Joan F. Foster, President, presiding. The following Members were present:

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

// Executive Director of the Virginia's Region 2000 Economic Development Council Bryan David gave a brief update on the activities of the Region 2000 Partnership. Mr. David stated that the job mix has shifted and that traditional manufacturing jobs have decreased and professional, technical and science service related jobs have increased. Mr. David further stated that the Center for Advanced Engineering & Research (CAER) is set to open in May 2011. Mr. David noted that the organization had received honorable mention by the International Economic Development Council for Excellence in Economic Development.

Executive Director of the Virginia's Region 2000 Local Government Council Gary Christie spoke to City Council about the Planning District Commission and its roles of working towards increased multi-jurisdictional cooperation, providing leadership on regional issues, and providing consultant services to local government members. The three areas Mr. Christie highlighted were, (1) developing a regional economic development plan, (2) a long-range transportation plan and (3) continually seek new and innovative ways of regional cooperation.

// CSO Program Manager Jeff Scarano and Utilities Director Tim Mitchell gave an update on the work of the Stormwater Advisory Committee (SWAC). Mr. Scarano highlighted the following items:

- Estimated Annual Program Cost
- Level of Service (LOS) Defined for Stormwater
- How the City can improve its level of service for stormwater management
- Future level of service cost summary
- Update on Chesapeake Bay TMDL
- Potential Cost Impact of Chesapeake Bay TMDL
- Existing Stormwater Funding
- Potential Program Funding Options
    - Increase Tax Rate
    - Stormwater User Fee
- Dedicated Stormwater Funding Programs in Virginia
- SWAC Process and Schedule

// Deputy City Manager and Acting Director of Community Development Bonnie Svrcek gave a brief background report on changes to the Community Development Block Grant (CDBG) and HOME Program Approach. Ms. Svrcek stated that on February 24, 2009, Council received a report regarding restructuring of the CDBG/HOME programs and the following principles were identified to guide the discussion:

- The funds are resources from the Federal Government;
- Funds must be utilized in strict compliance with HUD regulations;
- Funds for salaries and other administrative operating expenses should be minimized; and
- The use of sub-recipients should be kept to a minimum.

Ms. Svrcek stated the three options for restructuring CDBG presented at Council's retreat:

1. Retain 85% of CDBG funds for City administration, CIP projects and Housing Authority; and 15% for public service initiatives that support Consolidated and Annual Action Plan Goals;
2. Continue current practice of allocating 85% to eligible applicants including City administration and 15% dedicated to public service agencies that support Consolidated and Annual Action Plan Goals; and
3. Retain 100% of CDBG funds for CIP projects that support Consolidated and Annual Action Plan Goals and to support LRHA spot blight and rental rehabilitation programs.

Ms. Svrcek further stated that at the September 10, 2010 Council Retreat, Council reached consensus on the following:

1. FY 2012: Dedicate 90% of CDBG funds to City CIP projects, City and Housing Authority administration and Housing Authority spot blight and rental rehabilitation, and dedicate 10% to public service programs; and
2. FY 2013 and thereafter dedicate 100% of CDBG funds to city projects, City and Housing Authority administration (no more than 20%) and Housing Authority spot blight and rental rehabilitation programs.

Ms. Svrcek went on to say that no structural changes to the HOME program are recommended.

During Council discussion, Council Member Nelson stated that there is no question Community Development Advisory Committee (CDAC) and the process for determining appropriate distribution of funds for public services is flawed and needs to be corrected. Council Member Nelson further stated that there are pervasive needs in our community.

Vice Mayor Johnson proposed that Council continue to provide some money for nonprofits as long as CDBG funds were used to pay off the Bluffwalk loan.

Council Member Gillette said that nobody can say they're taken by surprise because the discussion has been going on for years.

Council Member Perrow stated that the CDAC process is a cumbersome one and is something that needs to be completely overhauled. Council Member Perrow moved that the plans as presented be implemented by City Staff, seconded by Council Member Cary. During further discussion, Council Member Helgeson stated that after he had served on CDAC for six (6) years and that there has been a lot of things that have been fairly troublesome and believes that this will make some things a lot more streamlined, with a clear, defineable mission. Council Member Helgeson further stated that he would support the motion. Council Member Cary stated that the CDBG grants are basically "Council pork" to support what Council feels are worthy programs that benefit the social fabric of our community. Council Member Cary also stated that he believes there is a much better way to fund those programs and it should not come from CDBG funds. Mayor Foster stated that she was going to vote in favor of this motion. Mayor Foster also stated that she believed some very worthy organizations had received CDBG funds in the past but believes that the City did a disservice to the community because there were no measurable outcomes in place. Mayor Foster further stated that all of the nonprofits should work together. Vice Mayor Johnson stated that he does not believe this Council has the will to dip into the General Fund to support social programs.

After discussion ended, Council by the following recorded vote approved the motion:

Ayes: Cary, Gillette, Helgeson, Perrow, Foster 5

Noes: Johnson, Nelson 2

// City Manager Kimball Payne stated that the City is recommending that the Carry Forwards for the Schools be removed from this agenda item. The City Administration advised Council that it wanted to wait until the School audit was complete and had received additional information explaining the amount being requested.

Director of Financial Services Donna Witt gave an overview to Council explaining the Carry Forward requests stating that they are the act of carrying 2010 funds to be spent in 2011 for various reasons. The Carry Forwards also include extensive grant cleanups and appropriates those unspent grant funds into the next fiscal year.

Council Member Helgeson stated that each of the Carry Forward items were for a specific purpose with the exception of the School's Carry Forward request.

// During roll call Council Member Helgeson stated that LCA and Amherst played football at Amherst and he heard nothing but glowing, positive comments from individuals, the stadium was packed, five thousand people, paying $5 a person, and the concessions were sold out. The City has a local team and hopes that the School Administration and leadership will start thinking about scheduling local teams and possibly building a rivalry. Council Member Gillette wanted to know the completion schedule for the D Street Bridge and City Manager Kimball Payne stated that he had not heard that it was not on schedule and that December was the contract finish date. Council Member Cary stated he had 2 items, (1) At the Dearing Street Neighborhood Watch meeting, attended by approximately 20 people, people had nothing but positive things to say about the CSO crew working in the Dearing Street area and (2) wanted to issue a challenge to City Council and City employees to participate in next year's Ten-miler event (walk or run) and to have more participants than Centra. Council Member Nelson stated that Kaleidoscope has been a remarkable demonstration of the many good things about Lynchburg and Central Virginia and that it could only have happened because of the outstanding volunteers. Mayor Foster asked Council about the School Board interview schedule and asked Council to look at October 12 and 19 for School Board interviews.

// City Council recessed the meeting at 7:12 p.m.

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

The following Members were present:

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

Absent: 0

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

// The Artwork presentation to the City was postponed.

// Mayor Foster asked that Item # 12 be pulled from the Consent Agenda and voted on separately because she works at the Family Alliance and wanted Council to vote on Items 6 - 11. Council Member Helgeson made a motion to approve Items 6 – 11 and 13 – 15.

// Copies of the minutes of the September 10, 2010 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote approved the minutes as presented:

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

Noes: 0

// Copies of the minutes of the September 14, 2010 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote approved the minutes as presented:

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

Noes: 0

// In the matter of Police – General, Resolution #R-10-095 amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $1,000, fully reimbursable, to purchase children’s bicycle helmets and bicycle rodeo equipment, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Police – General, Resolution #R-10-096 amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $1,520, fully reimbursable, to purchase equipment for Animal control to humanely capture animals, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Police – General, Resolution #R-10-097 amending the FY 2011 General Fund budget and appropriating $24,000 with resources from fees paid by various Virginia jurisdictions to maintain the Police Department firing range facility, landscaping, waste collection and target replacement, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Fire – General, Resolution #R-10-098 amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $15,000, fully reimbursable, to provide training and equipment for the Fire Department's Hazardous Materials (Haz Mat) team, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// Mayor Foster asked Vice Mayor Johnson to preside over Item #12 since she needed to abstain from this vote due to the fact that she works for the Family Alliance which is benefited by this Grant.

// In the matter of Human Services – Juvenile Services, Resolution #R-10-099 amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $10,500, with resources of $7,000 from the Department of Criminal Justice Services, $1,500 from Lynchburg City Schools and $1,000 from the Family Alliance to provide a specialized summer program for select school students, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Gillette, seconded by Council Member Cary, Council by the following recorded vote adopted the Resolution:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow 6

Noes: 0

Abstention: Foster 1

// In the matter of Commonwealth Attorney, Resolution #R-10-100 amending the FY 2011 City/Federal/State Aid Fund budget and appropriating $62,476, with resources of $59,352 from the Byrne Justice Assistance Grant Program and $3,124 from the Boys and Girls Club to implement an after school gang prevention and intervention initiative, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Finance – Bonds, Resolution #R-10-105 to amend the FY 2011 General, Water and Sewer Funds' Adopted Budgets and appropriating $102,510, $42,210 and $56,280, respectively, to fund issuance costs related to the General Obligation Public Improvement Refunding Bonds, Series 2010, laid over from the September 14, 2010 meeting, was again presented and read, and on motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of City Council, City Council Report # 15 was considered. On motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote approved, as presented, the Physical Development Committee (PDC) Guidelines:

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

Noes: 0

// Vice Mayor Johnson left the Council meeting after the Consent Agenda at 7:34 p.m.

// In the matter of Community Development – General, a public hearing was held regarding City Council Report #16 regarding the adopting of a Resolution to approve a lease agreement between the City of Lynchburg and Ron Banks located at 3813 Old Forest Road. City Manager Kimball Payne asked that this item be pulled because Mr. Banks had changed his mind about leasing the property at 3813 Old Forest Road.

// In the matter of Public Works – Sewer, a public hearing was held regarding City Council Report #17 authorizing the condemnation of an easement on property owned by Stephen E. & Kathy B. Morris at 2301 Rivermont Avenue, for construction of Combine Sewer Overflow (CSO) separation.

Real Estate/Property Manager Steve Lawson gave a brief summary of the request stating that the City has been unable to finalize the settlement with the property owner. There were 2 individuals who spoke in favor of the request asking that this work not be delayed. Also one of the property owners, Ms. Kathy Morris, stated that they are working with the City on this item and would prefer the sewer to go down the street instead of on the land. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Helgeson, seconded by Council Member Perrow, Council by the following recorded vote adopted Resolution #R-10-108, as presented:

Ayes:	Cary, Gillette, Helgeson, Nelson, Perrow, Foster	6
Noes:		0
Absent:	Johnson	1

// In the matter of Community Development – CDBG, a public hearing was held regarding City Council Report #18 regarding approving the 2009 Consolidated Annual Performance and Evaluation Report (CAPER) for the Community Development Block Grant (CDBG) and HOME Program. Grants Manager Melva Walker gave a brief summary of the request stating that this report is due on an annual basis and the CAPER report before Council is for the period of July 1, 2009 through June 30, 2010. Ms. Walker further stated that tonight will be the final comments for citizens before submittal to HUD and that City staff has not received any comments before this public hearing. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Gillette, seconded by Council Member Helgeson, Council by the following recorded vote adopted Resolution #R-10-109, as presented:

Ayes:	Cary, Gillette, Helgeson, Nelson, Perrow, Foster	6
Noes:		0
Absent:	Johnson	1

// In the matter of Finance – General, a public hearing was held regarding City Council Report #19 regarding amending the FY 2011 Operating Budget and appropriating funds to reflect the carry forward of unexpended funds in FY 2010. Financial Services Director Donna Witt gave a brief summary of the request stating that this request is to carry forward funds from the FY 2010 budget to the FY 2011 for specific items listed in Attachment A. Ms. Witt further stated that staff wished to correct one item in the General Fund which is the decrease of $100,000 in funding a group home facility reserve making that a

$175,000 instead of $275,000 and also to pull the Schools Operating Fund item from the Resolution. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting, Resolution #R-10-110, as amended, amending the FY 2011 Operating Budget and appropriating funds to reflect the carry forward of unexpended funds in FY 2010:

Ayes: Cary, Gillette, Helgeson, Nelson, Perrow, Foster	6
Noes:	0
Absent: Johnson	1

// In the matter of Public Works – Utility, City Council Report # 20 was considered. Utilities Engineer Scott Parkins gave a brief summary of the request to approve a change order exceeding the current contract value of $180,378 to new total cost of $327,798; approve the allocation of $147,420 from the FY 2011 Capital Budget for Change Order #2, costs related to increasing the size of the casing pipe from 24" to 36". Council Member Perrow, Physical Development Committee (PDC) Chair, stated that this item came before the PDC. This motion required no second, and Council by the following recorded vote approved the Change Order #2 request:

Ayes: Cary, Gillette, Helgeson, Nelson, Perrow, Foster	6
Noes:	0
Absent: Johnson	1

// On motion of Council Member Cary, seconded by Council Member Gillette, Council by the following recorded vote elected to hold a closed meeting for consultation with legal counsel and briefings by staff members concerning the case Mary Beard Peterson v. Michael Eagle, and others, pursuant to Section 2.2-3711(A.)(7) of the Code of Virginia, 1950, as amended as permitted by Section 2.2-3711(A)(_), respectively, Code of Virginia (1950), as amended:

Ayes: Cary, Gillette, Helgeson, Nelson, Perrow, Foster	6
Noes:	0
Absent: Johnson	1

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

// Council Member Helgeson 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 Council Member Gillette, and Council by the following recorded vote adopted the motion:

Ayes:	Cary, Gillette, Helgeson, Nelson, Perrow, Foster	6
Noes:		0
Absent:	Johnson	1

// The meeting was adjourned at 8:46 P.M.

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Interim Clerk of Council