FINANCE COMMITTEE AGENDA

Tuesday, June 27, 2017
11:30 a.m. – Bidder's Room

GENERAL BUSINESS

11:30 a.m.

1. Approval of the Draft Finance Committee Meeting Notes from May 23, 2017.

   Contact: Donna Witt, Director of Financial Services 455-3968

11:35 a.m.

2. Report on the General Fund Reserve for Contingencies.

   Contact: Donna Witt, Director of Financial Services 455-3968

11:40 a.m.

3. Consider a request to adopt a resolution to amend the FY 2017 Water Capital Projects Fund budget and appropriate $241,043 with resources from Liberty University for reimbursement of construction costs associated with Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2.

   Contact: Tim Mitchell, Director of Water Resources 455-4252

11:45 a.m.

4. Approve the submittal of a loan application to State Water Control Board (SWCB) for approval of financing through the Virginia Clean Water Revolving Loan Fund (VCWRLF) to fund upgrades for Lynchburg Regional Wastewater Treatment Plant CSO Improvements. All project costs in this loan include construction, construction administration and inspection.

   Contact: Tim Mitchell, Director of Water Resources 455-4252

11:50 a.m.

5. Approve the Police Department's application for the 2017 COPS Hiring Program thirty-six (36) month Grant funding for eight (8) police officer positions in the amount of $1,328,419 to enhance the newly created Community Action Team (CAT) program. The $1,328,419 total includes a 25% local match of $332,105 over the course of the thirty-six (36) month grant period.

   Contact: Major K. Todd Swisher, Police Department 455-6154

11:55 a.m.

6. Approve submittal of a grant proposal for U.S. Environmental Protection Agency Clean Diesel Assistance funding. The deadline for application submission is July 5, 2017.

   Contact: Charles B. Cramer Jr., Fleet Services Director 455-4429

12:00 p.m.

7. Review collections received from five of the City's largest revenue sources.

   Contact: Donna Witt, Director of Financial Services 455-3968

12:05 p.m.

8. Roll Call

The next Finance Committee meeting is Tuesday, July 11, 2017, at 11:30 a.m.

AGENDA ITEM: 1

FINANCE COMMITTEE NOTES-- DRAFT
Tuesday, May 23, 2017

GENERAL BUSINESS

Meeting commenced at 11:30 a.m.

ATTENDEES
Committee Members: *Council Member Jeff S. Helgeson, Chair; Council Member Randy Nelson; Council Member Mary Jane Dolan; Mayor Joan Foster, Ex-Officio*
Others: *Bonnie Svrcek, City Manager; Charles Hartgrove, Deputy City Manager; John Hughes, Assistant City Manager; Reid Lanham, Accounting Operations Manager; Starlette Early, Budget Analyst*

1. Approval of the Draft Finance Committee Meeting Notes from February 28, 2017.

   The draft Finance Committee meeting notes from February 28, 2017 were approved as submitted.

2. Report on the General Fund Reserve for Contingencies

   Reid Lanham reported on the two items from Third Quarter Adjustments for the Electoral Board / Registrar for a total of $42,451, combined with the proposed carryforward of $600,000 to the FY 2018 Reserve for Contingencies in the proposed budget, the balance of the FY 2017 General Fund Reserve for Contingencies is $492,804. This amount includes the $50,000 in the City Manager's Discretionary Funding. Bonnie Svrcek reminded the Committee she proposed to carryforward this $50,000 to use as partial funding for the proposed City-wide Compensation Study.

3. Consider a request to adopt a resolution to amend the FY 2017 General Fund Budget and appropriate $1,300,000 from the Schools Health Insurance Reserve to be transferred to the Schools Operating Fund.

   The Committee will defer a recommendation on this item. Staff will provide responses to questions posed during the Finance Committee meeting at the City Council meeting later this evening, May 23, 2017. Resolution revised to include specific fund for transfer.

4. Review highlights of attached quarterly financial reports for the Greater Lynchburg Transit Company (GLTC) as well as the Regional Airport, Lynchburg Regional Juvenile Detention Center, Children's Services Act, Water Operating, Sewer Operating, Stormwater Operating, and General Funds for the quarter ending March 31, 2017.

   GLTC: Brian Booth submitted a written report to the Finance Committee. Reid Lanham provided highlights from the report, noting GLTC is in good financial position. Bonnie Svrcek indicated a grand opening of the new facility is scheduled for June 28th.

   Airport: Mark Courtney reported the Airport Fund is tracking consistent with budget. The airport is projecting a FY 2017 surplus of more than $150,000. Expenses are exceeding adopted budget by $225,000, but are largely reimbursed by state aviation entitlement funds.

Lynchburg Regional Juvenile Detention Center: Robin Mamola reported the Juvenile Detention Center was on track with budget. Revenues and expenses for third quarter are both at approximately 68%. The third quarter continues to reflect the upward trend in the juvenile population at the Lynchburg Regional Detention Center, primarily as a result of the Community Placement Program. This program keeps detainees in their home community for easier transition back into the community and has different rules and regulations than regular juvenile detention.

Children's Services Act (CSA): Robin Mamola reported revenues are at 60% of budget and expenses are tracking at almost 64%. She noted there are 159 in foster care compared to 166 last year at this time. Expenses in Mandated Special Education are at 77% of the budget, with ability to rise with increased enrollments at private day placements such as Rivermont School, Bridges and New Vistas School, in addition to students attending for longer periods of time.

Water: Tim Mitchell reported trends were similar to the last quarterly report, with revenues up by $290,000 mainly due to water connections. Expenses are projected to be approximately $289,000 less than budgeted due to replacing fewer water meters than planned and less than anticipated supplies and materials used for waterline repairs. The debt and fund balance ratios are higher than policy target to absorb the anticipated reduction in contracted water usage from Bedford County.

Sewer: Tim Mitchell reported revenues overall were up by $817,600 primarily due to treating leachate. Overall expenses are also up by $100,000 due to unanticipated equipment replacements. Overall financial ratios continue to be within the target range for this fund.

Stormwater: Tim Mitchell reported overall revenues are up by $14,000 primarily due to billings associated with new impervious areas. Expenses are anticipated to be just over $93,000 less than budget due to savings in maintenance and repair services. The fund balance ratio is 34% compared to the target balance of 15% - 20%.

General Fund: Reid Lanham reported Real Estate tax was at 79.2% with next installment due in May, Personal Property is on track at 50.9% collected, Consumer Utility Tax- Electric is slightly ahead of budget projection by $7,445, Local Sales Tax is behind projection by $97,000, Meals and Lodging taxes are both ahead of projections for 8 months collection. He also noted Fines and Forfeitures and Charges for Services were both behind their respective budget projections. Expenditures are at 72% and are on target with budget projections.

5. Review collections received from five of the City's largest revenue sources.

   Reviewed in report of General Fund for quarter ending March 31, 2017.

6. Roll Call

   There were no items for roll call.

Meeting adjourned at 12:43 p.m.

AGENDA ITEM NO.: 2

FY 2017 GENERAL FUND RESERVE FOR CONTINGENCIES

	Reserve for Contingencies	City Manager's Discretionary Funding
BEGINNING BALANCE, JULY 1, 2016	$1,150,000	$50,000
Carryforward to FY 2017 Reserve for Contingencies - 05/24/16 Council Meeting	0	
BALANCE	**$1,150,000**	**$50,000**
APPROPRIATIONS (Second Reading)		
Case Management Software System- Office of Commonwealth's Attorney - 08/09/16 Council Meeting	($52,545)	
Electoral Board/Registrar - Senate of Virginia Special Election - 01/10/17 Council Meeting	(12,200)	
Electoral Board/Registrar - June 13, 2017 Dual Primary Election - 04/25/17 Council Meeting	(38,951)	
Electoral Board/Registrar - Notification of Voting Relocation in Ward IV, Precinct 3 - 04/25/17 Council Meeting	(3,500)	
Anticipated carryforward to FY 2018 Reserve For Contingencies - Proposed FY 2018 Budget	(600,000)	
TOTAL APPROPRIATIONS	**($707,196)**	**$0**
REMAINING BALANCE	**$442,804**	**$50,000**
ITEMS INTRODUCED		
TOTAL INTRODUCED ITEMS	**$0**	**$0**
REMAINING BALANCE	**$442,804**	**$50,000**
PENDING ITEMS		
City Manager's Discretionary Fund - Request in First Quarter Adjustments for City-wide Compensation Study		(50,000)
TOTAL PENDING ITEMS	**$0**	**($50,000)**
PROJECTED BALANCE, JUNE 30, 2017	**$442,804**	**$0**

June 2017

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **3**

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

ITEM TITLE: Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2 Funding

Strategic Pillar(s) Impacted:

___Arts & Culture	___Citizen Engagement & Social Capital	___Economic Development	___Healthy & Active Living
_X_Infrastructure	___Land Use	___Lifelong Learning	___Natural Resources
___Neighborhoods	___Safe Community	___Social Equity	___Transportation
			___Administrative

RECOMMENDATION: Adopt a resolution to amend the FY 2017 Water Capital Projects Fund budget and appropriate $241,043 with resources from Liberty University for reimbursement of construction costs associated with Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2.

SUMMARY: Liberty University Indoor Track and Aquatic Complex Waterline - Phase 2 construction connects the waterline to Phase 1 construction to supply water to new Indoor Track and Aquatic Complex. Liberty University has reimbursed City for all associated costs with Phase 2 construction. Waterlines constructed under Phase 1 and Phase 2 is owned by the City.

PRIOR ACTION(S):
Liberty University Intramural Field Road Waterline – Phase 1 reimbursement appropriated January 12, 2016.

FISCAL IMPACT:
None

CONTACT(S):
Tim Mitchell, Director of Water Resources, 455-4252
Gregory Poff, Assistant Director of Water Resources, 455-4249

ATTACHMENT(S):
None

REVIEWED BY:

RESOLUTION:

BE IT RESOLVED that the FY 2017 Water Capital Projects Fund budget is amended and $241,043 is appropriated with resources from Liberty University to reimburse construction costs associated with Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2.

Introduced: Adopted:

Certified: ____________________________
Clerk of Council

FINANCE COMMITTEE
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **4**

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

ITEM TITLE: Virginia Clean Water Revolving Loan Fund (VCWRLF) Loan Application for Lynchburg Regional Wastewater Treatment Plant CSO Improvements

Strategic Pillar(s) Impacted:

___Arts & Culture	___Citizen Engagement & Social Capital	___Economic Development	___Healthy & Active Living
_X_Infrastructure	___Land Use	___Lifelong Learning	___Natural Resources
___Neighborhoods	___Safe Community	___Social Equity	___Transportation
			___Administrative

RECOMMENDATION:
Proceed with the submittal of a loan application to State Water Control Board (SWCB) for approval of financing through the Virginia Clean Water Revolving Loan Fund (VCWRLF) to fund upgrades for Lynchburg Regional Wastewater Treatment Plant CSO Improvements. All project costs in this loan include construction, construction administration and inspection.

SUMMARY: On July 31, 2015 Virginia Department of Environmental Quality (VDEQ) issued a revised Consent Special Order which significantly changed the Combined Sewer Overflow (CSO) Long – Term Control Plan. The revised plan contains a specific list of projects that includes upgrades to the Lynchburg Regional Wastewater Treatment Plant which will significantly reduce the overall volume of the combined sewer overflows. Current estimated costs for these upgrades are $39.5 million.

The loan proceeds (from VCWRLF) combined with remaining funds from $30,000,000 Virginia CSO Grant issued in 2014 to fund CSO projects under the Consent Special Order will provide necessary funding for upgrades to the Wastewater Treatment Plant headworks, construction of new disinfection facility, new storage tanks, and other associated upgrades.

Adoption of the FY 2018-2022 Capital Improvement Program included an appropriation of $19,161,581 loan from VCWRLF that was based on latest available construction estimates. Revised construction costs are expected to be received prior to the loan application deadline of July 14, 2017. In the event construction estimates increase over current estimates the loan application will need to exceed the appropriation amount of $19,161,581. Should this occur, financial impacts and request for additional appropriation will be provided at the next available Finance Committee Meeting and Council Meeting.

PRIOR ACTION(S): Adoption of the FY 2018 – FY 2022 Capital Improvement Program

FISCAL IMPACT: Issuance of loan proceeds with repayment terms of 20 years at 0% interest.

CONTACT(S): Tim Mitchell, Director of Water Resources, 455-4252
John Rosser, Financial Professional IV, 455-4445

ATTACHMENT(S): None

REVIEWED BY: bms

LYNCHBURG CITY COUNCIL
Agenda Item Summary
Finance Committee

MEETING DATE: **June 27, 2017**			AGENDA ITEM #: **5**
CONSENT: ACTION: **X**	REGULAR: **X** INFORMATION:	WORK SESSION:	CLOSED SESSION: (Confidential)

ITEM TITLE: 2017 COPS Hiring Program Grant Application

Strategic Pillar(s) Impacted:

___Arts & Culture	___Citizen Engagement & Social Capital	___Economic Development	___Healthy & Active Living
___Infrastructure	___Land Use	___Lifelong Learning	___Natural Resources
___Neighborhoods	_X_Safe Community	___Social Equity	___Transportation
			___Administrative

RECOMMENDATION: Approve the Police Department's application for the 2017 COPS Hiring Program thirty-six (36) month Grant funding for eight (8) police officer positions in the amount of $1,328,419 to enhance the newly created Community Action Team (CAT) program. The $1,328,419 total includes a 25% local match of $332,105 over the course of the thirty-six (36) month grant period.

SUMMARY: The Lynchburg Police Department is eligible to apply for $1,328,419 with the US Department of Justice COPS Hiring Program 36 month Grant. This grant award will require a 25% local match in the amount of $332,105. Funding will be utilized to enhance the recently created Community Action Team (CAT) by hiring four (4) additional officers which will allow the LPD to move four (4) senior officers into the unit. Funding will also be utilized to assist with the creation of the Special Investigation Response Team (SIRT) by hiring four (4) additional officers which will allow the LPD to move four (4) senior officers into the unit for a grand total of eight (8) additional police officer positions.

This grant is a thirty-six (36) month grant opportunity. The grant requires that the officers hired using these grant funds employment continue for a minimum of twelve (12) months after the grant period ends.

The additional positions will require the LPD to increase the size of its fleet by eight (8) vehicles over the course of the thirty-six (36) month grant period.

The LPD's goal is to increase overall staffing of officers from 174 (as proposed in the FY 2018 budget) to 182 with the addition of these eight (8) positions. Due to the large demand for community policing, the Lynchburg Police Department has begun a CAT program that has pulled officers from patrol functions and placed them on an assigned unit solely dedicated to addressing community policing concerns within the City of Lynchburg. The LPD also wants to shift focus towards an Intelligence Led Policing effort. The SIRT team will be responsible for seeking, gathering and reproducing data related to crime trends and sprees within the City. They will conduct surveillance and proactive investigations on: prolific offenders, crime hot spots, hot targets, hot products, crime series or crime sprees, and any other area of high crime activity of concern.

For FY 2018 the local match of $83,026, the cost of two patrol vehicles of $96,600 and outfitting the eight new officers $84,240 for a total of $263,866 will be requested from the Reserve for Contingency. In the following years, the local match and required vehicles will be requested in the Police Department annual budget submission.

PRIOR ACTION(S): None

FISCAL IMPACT:

FY 2018 25% local match of the overall 25% match of $332,105 = $83,026; two patrol vehicles $96,600; vehicle rental for two vehicles $24,000 and outfitting the new officers $84,240 for a total of $287,866

FY 2019 33% local match of the overall 25% match of $332,105 = $109,595; two patrol vehicles $96,600; vehicle rental for two vehicles $24,000 is $230,195

FT 2020 42% local match of the overall 25% match of $332,105 = $139,484 two patrol vehicles $96,600; vehicle rental for two vehicles $24,000 is $260,084

FY 2021 fully fund 8 officer positions of approximately $459,744 and for every year thereafter.

<u>There is no recommended "exit strategy" as these positions are required to meet the goals and objectives of the Police Chief regarding community policing.</u>

<u>CONTACT(S):</u>
Major K. Todd Swisher, 455-6154
Audrey Gallahan, 455-6134

<u>ATTACHMENT(S):</u> None

<u>REVIEWED BY:</u>

LYNCHBURG CITY COUNCIL
Agenda Item Summary
Finance Committee

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **6**

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

ITEM TITLE: EPA Clean Diesel Assistance Funding--Clean Fleet

Strategic Pillar(s) Impacted:
___Arts & Culture ___Citizen Engagement & Social Capital ___Economic Development _X_Healthy & Active Living
___Infrastructure ___Land Use ___Lifelong Learning ___Natural Resources
___Neighborhoods ___Safe Community ___Social Equity _X_Transportation
___Administrative

RECOMMENDATION: Approve Grant proposal for U.S. Environmental Protection Agency Clean Diesel Assistance funding. The deadline for application submission is July 5, 2017.

SUMMARY: The Clean Diesel Program is providing $34 million in competitive grant funding support for projects that protect human health and improve air quality by reducing harmful emissions from diesel engines, particularly from fleets. This program includes grants and rebates funded under the Diesel Emissions Reduction Act (DERA).

This request targets two on-highway heavy duty class-7 diesel utility vehicles, and two pieces of off-road equipment for replacement with advanced technology clean-burning diesel vehicles and equipment. This project also targets idle reduction technologies to be incorporated with replacement vehicles. The proposed replacement of older diesel powered vehicles will provide dramatic reductions in diesel emissions and a reduction in fuel consumption, while reducing the exposure of harmful diesel particulate emissions within the city and nearby communities with poor air quality.

Based on criteria, City requirements and potential award, this grant would cover up to 25% of vehicle replacement funds, and up to 100% of idle reduction system acquisition and installation. The City of Lynchburg would be responsible for the remaining 75% of replacement costs. These funds would be requested in the FY 2019 Fleet replacement budget.

Total Project Cost: $465,000 **Funding Requested**: $115,000 (25%) **Mandatory Match**: $350,000 (75%)

Timeline for execution:

Deliverable	Time Frame
Project draft and review	July - October 2017
Project edit and approval	October - December 2017
Draft and finalize vehicle specifications	January -- February 2018
Initiate Invitation for Bid and select vendor(s) for procurement	March -- May 2018
Procure two Water Plant vehicles	July -- October 2018
Procure two pieces of off-road equipment	November 2018 – February 2019

Proposal packages must be submitted electronically to EPA through Grants.gov not later than Tuesday, June 5, 2017, at 11:59 p.m. (ET) in order to be considered for funding. The estimated project period for awards is expected to begin on January 1, 2018, with an expected project completion date of December 30, 2019.

PRIOR ACTION(S): N/A FISCAL IMPACT: Subject to $350,000.00 funds match

CONTACT(S): Charles B. Cramer Jr., Fleet Services Director, 455-4429

ATTACHMENT(S):
1. Lynchburg Clean Diesel Proposal
2. Cost Share Letter – Lynchburg

REVIEWED BY: bms

City of Lynchburg, Fleet Services Clean Fleet Initiative

Fleet Services, City of Lynchburg
1650 Memorial Drive
Lynchburg, VA 24501
Phone: (434) 455-4429
Fax: (434) 847-1810
Charles Cramer, Director
Charles.Cramer@lynchburgva.gov

Applicant Eligibility: Fleet Services, City of Lynchburg (CoL Fleet) is a local government entity with a desire to promote healthful air through the reduction of petroleum consumption in the transportation sector by periodic vehicle replacements, advancing the use of idle reduction policies, establishing hybrid and electric vehicle acquisitions, Low Speed Vehicle alternatives, fuel blends, and fuel economy.

Regional Office Applying to: EPA Region 3

Total Project Cost: $465,000

Funding Requested: $115,000 (25%) **Mandatory Match**: $350,000 (75%) **Voluntary Cost: Share**: $0 (0%)

Target Fleet and Technology: The project targets two on-highway heavy-duty class-7 diesel utility vehicles, and two pieces of off-road equipment for replacement with advanced technology clean-burning diesel engine vehicles and equipment. This project also targets idle reduction technologies to be incorporated with replacements.

Total number of vehicles potentially affected by the project: This project targets four assets including; heavy diesel utility vehicles, and off-road equipment for replacement.

Multiple Proposals: There are no additional proposals submitted by CoL Fleet under this RFP.

Environmental Justice Area: This project outline provides exceptional environmental impact as all fleet locations are in close proximity to the designated EPA priority area, Roanoke.

Project Description: Fleet Services, City of Lynchburg is seeking funding to catapult their efforts to reduce toxic diesel emissions in close proximity to EPA priority areas by replacing their heavy duty diesel vehicles and equipment with cleaner burning diesel vehicles while incorporating the installation of EPA-certified advanced idle-reduction technologies.

Work Plan

The Virginia Municipal League awarded the City of Lynchburg a Green Government label in October, 2015 and in October, 2016 they awarded the city its Green Government Silver certification for its hand in promoting healthy living, and for the reduction of its carbon footprint. The Fleet Services department was formed in 2001 and twice ranked in the Top 100 Fleets in North America; 2010 & 2015. The efforts of Fleet Services have been refocused numerous times, and now with my arrival, they are geared towards becoming a certified Green Fleet. Our goal is to acquire and maintain environmentally friendly vehicles and equipment to align with EPA priorities. Our efforts over the next 3-5 years will include; upgrading to the use of E-85, returning to the use of higher rated Bio-diesel (currently using B-5), expanding our hybrid vehicle fleet, and building a sustainable infrastructure for implementing the use of all-electric vehicles. Recently we rewrote and implemented an Idle Reduction policy for the City, and we are now in the process of “turning on” existing idle controls on vehicles so equipped.

Project Summary and Overall Approach

Vehicles and Technologies
The City of Lynchburg is seeking funding to formalize and implement an emissions reduction program through the replacement of four Fleet assets equipped with idle reduction technologies.

The goal of this project is to significantly improve the environmental performance of our local government fleet through diesel cleanup and other strategies. To do this we will:

1) Work with Virginia Clean Cities and local and national vendors to evaluate, procure, and implement clean technologies.
2) Work with area vendors to ensure EPA certified technologies are realized and available.
3) Impart diesel emissions reduction policy goals through outreach and education of our City employees.
4) Promote public knowledge through marketing of vehicle emissions reductions and recognition of program success.

The number, types and typical use, and ownership of vehicles, engines and/or equipment
The Clean Fleet project targets city-owned diesel class 7 on-road vehicles and off-road equipment operating in the city of Lynchburg, Virginia. Fleet Services will address diesel emissions through the replacement of vehicles with those that include idle reduction technology, through initiating research of infrastructure for EV charging stations, and the extended purchasing of hybrid vehicles.

					ENGINE							
Fleet	**Year**	**Description**	**VIN**	**Class**	**HP**	**Old**	**EPA Cert'd**	**Miles/Hrs**	**MPG**	**Age**	**Replace Dt**	**Cost Est.**
CoL Fleet	2006	Waterline Utility	1GDM7C1C06F416526	7		7.2l	HCEXH0408BBA	38,515	4.3	10	12/4/2020	$ 165,000.00
CoL Fleet	2008	Sewer Utility	2FZAASDJ08AZ78002	7		7.2l	HCEXH0408BBA	32,859	4.1	9.1	4/4/2021	$ 165,000.00
CoL Fleet	2008	Ride Mower	LV3520H450737	N/A	37	3TNV84T	JJDXL02.9318	1,239	N/A	9.1	8/4/2020	$ 45,000.00
CoL Fleet	2006	Mini Excavator	WG002284	N/A	43	5SZXL02.2DNA	HCPXN78.1MT2	2,341	N/A	10	2/4/2020	$ 85,000.00
												$ 460,000.00

These assets were chosen based on age, usage, GVWR, and overall complexity. Lynchburg's Water Resources and Street maintenance vehicles operate the most within the City and consume the greatest amount of fuel outside the Police department. Controlling the idle time and overall fuel consumption of these assets will provide the largest gains in terms of reducing diesel emissions.

Although we are in the infancy stage, it is important to note that the City of Lynchburg, Fleet Services currently uses B5 Bio-Diesel and has plans to integrate the use of E85, and higher percentage Bio-diesel fuel, increase the number of hybrid vehicles, and gradually build a sustainable infrastructure to support the use of electric vehicles and LSVs.

Ownership of project, vehicles and equipment
Fleet Services will own all of the project management duties, while guiding internal customers on the use of their vehicles and equipment through education and outreach. All vehicles and/or equipment will operate within the City of Lynchburg until the end of their useful life or at least 5 years as stipulated in eligibility requirements.

Fleet vehicle attrition schedule All fleet vehicles are scheduled to be retired from the fleet within the 2020-2021 calendar years, and we are opting to switch to new, cleaner burning diesel engines to realize reductions in vehicle emissions and fuel consumption, as well as economic benefits. Replacements of vehicles will include documents that prove the engine or equipment was properly scrapped.

Detailed timeline for the project including milestones for specific tasks
The following represents a preliminary timeline of milestones for the overall project. The timeline below is based on an award notification in October 2017.

Milestone	Deliverable	Time Frame
I	Project draft and review	July - October 2017
II	Project edit and approval	October - December 2017
III	Draft and finalize vehicle specifications	January -- February 2018
IV	Initiate/distribute Invitation for Bid and select vendor(s) for procurement	March -- May 2018
V	Procure two Water Plant vehicles	July -- October 2018
VI	Procure two pieces of off-road equipment	November 2018 – February 2019

Project Location:
All projects seeking funding under this proposal operate in Lynchburg, VA, which is located in EPA Region 3. City diesel utility trucks, off-road tractors and equipment, service and repair public infrastructure and thus operate throughout the city. Some Water Resource and maintenance vehicles may travel outside the city limits to the Campbell County Landfill.

Project Sector*:*
This project serves local government heavy-duty Water Resources utility and Grounds maintenance vehicles, in Lynchburg. These vehicles are currently using older diesel engines and polluting populated areas. By replacing older diesel vehicles with newer technology, cleaner burning diesel engines, this project will eliminate a significant source of local air pollution.

Benefits to the Community
All projects seeking funding under this proposal operate throughout the City of Lynchburg. The proposed replacement of older diesel powered vehicles will provide dramatic reductions in diesel emissions, while reducing the exposure of harmful diesel emissions to nearby communities with poor air quality, including Roanoke.

1) This project recognizes and quantifies major savings in petroleum use and reduction in vehicle emissions through driver and fleet improvements. These vehicles will have extended lives and will be expected to perform for many years with the clean fuel.
2) Idle technology found in the new excavator boasts a 24% reduction in fuel consumption and emissions as compared to our current model. The decrease in fuel consumption from will greatly contribute to improved air quality for the children, elderly, and the under-privileged in historically poor and under-served areas of Lynchburg.
3) Outreach and educational activities conducted by Fleet Services with cooperation of the communications and marketing department, will further reduce diesel emissions beyond the scope of the project by increasing understanding of the environmental and economic benefits of the implemented technologies. Through education and increased public awareness of the project, greater support of alternative fuels and advanced technologies will lead to broader adoption and additional clean diesel actions.

Community Engagement and Partnerships
CoL Fleet will work closely with Virginia Clean Cities for guidance and assistance whenever practical. The City of Lynchburg is working to provide a nearly transparent view of the City to its citizens; therefore we will draft and adopt measures for inclusion to ensure widespread knowledge and understanding of the environmental impacts. CoL Fleet will be working an internal campaign that includes; education on behavior and modification concerning driving habits, enforcement of vehicle idling policies and procedures, and the overall impact City employees can have on fuel conservation and pollution reduction.

Project Sustainability
Information on the sustainability, including a discussion of who will retain ownership.
As the project manager, Fleet Services will ensure project sustainability and successful implementation of the diesel emissions reduction technologies planned in this proposal. Fleet Services will own all of the project management duties, procurement, and utilization of the replacement vehicles.

Outputs, Outcomes and Performance Measures
This project will conserve diesel fuel and reduce emissions through the replacement of diesel-powered vehicles with clean engine technology vehicles. From April, 2006 thru May, 2017 the designated vehicles in Lynchburg used 19,437

gallons of diesel fuel. By replacing and converting all of these vehicles, the immediate annual reduction in diesel fuel is 1,000 gallons and the reduction in diesel fuel over the lifetimes of the vehicles will be 15,000 gallons.

Fleet	Year	Dept.	Description	VIN	Class	Miles/Hrs	Ann. Miles	Tot. Fuel	Ann. Fuel	MPG	Age
CoL Fleet	2006	Water Mx	Waterline Utility	1GDM7C1C06F416526	7	38,515	3852	3,852	895	4.3	10
CoL Fleet	2008	Sewer Mx	Sewer Utility	2FZAASDJ08AZ78002	7	32,859	3611	7,973	876	4.1	9.1
CoL Fleet	2008	Grounds	Ride Mower	LV3520H450737	N/A	1,239	136	1,012	111	N/A	9.1
CoL Fleet	2006	Streets	Mini Excavator	WG002284	N/A	2,341	234	1,501	150	N/A	10

Effectively Reduces Diesel Emissions; Effectiveness and cost of the control strategy

The below table shows the combined estimated annual emissions reductions for the City of Lynchburg;

Emission Results						
Here are the combined results for all groups and upgrades entered for your project. 1						
Annual Results (short tons) 2	NOx	PM2.5	HC	CO	CO2	Fuel3
Baseline for Upgraded Vehicles	0.707	0.064	0.057	0.327	110.3	9,933
Amount Reduced After Upgrades	0.678	0.064	0.055	0.325	18.5	1,667
Percent Reduced After Upgrades	96.00%	99.80%	96.00%	99.50%	16.80%	16.80%
Lifetime Results (short tons) 2						
Baseline for Upgraded Vehicles	2.439	0.209	0.199	1.095	363.2	32,725
Amount Reduced After Upgrades	2.343	0.208	0.192	1.089	55.5	5,001
Percent Reduced After Upgrades	96.10%	99.80%	96.40%	99.40%	15.30%	15.30%
Lifetime Cost Effectiveness ($/short ton reduced)						
Capital Cost Effectiveness 4 (unit & labor costs only)	$140,811	$1,585,664	$1,717,919	$303,138	$5,944	
Total Cost Effectiveness 4 (includes all project costs)	$196,283	$2,210,320	$2,394,675	$422,556	$8,286	
1 Emissions from the electrical grid are not included in the results.						
2 1 short ton = 2000 lbs.						
3 In gallons; fuels other than ULSD have been converted to ULSD-equivalent gallons.						
4 Cost effectiveness estimates include only the costs which you have entered.						

Based upon information provided by the Fleet Descriptions and the EPA's Diesel Emissions Quantifier (DEQ), the project is estimated to result in a; 95.9% reduction in NOx emissions, a 99.70% reduction in PM2.5 emissions, a 97.3% reduction in HC emissions, 98.9% reduction in CO emissions. Additional data concerning emissions reduction from switching to B-5 diesel was acquired using the Biodiesel calculator located at the following link; http://biodiesel.org/using-biodiesel/handling-use/emissions-calculator. The end outcomes of these reductions are a decline in various cardiac and respiratory diseases that are worsened by diesel pollution. Community members in Lynchburg will be exposed to improved air quality by the deployment of newer, cleaner fuel vehicles and technologies. The project will also net a reduction in the cost of health benefits from the annual emission reductions in Lynchburg and the surrounding areas.

Health Benefits Results			
County and State	**Annual Diesel PM2.5 Reduction (short tons)**	**Annual Benefits**	**Annualized Unit & Labor Costs**
Lynchburg*, Virginia	0.054	$69,000	-
Campbell, Virginia	0.010	$2,300	-
Total	0.064	$71,000	$89,000

*The Benefits Module may be underestimating benefits for emissions reduction projects in this county because it has a relatively high density of emissions compared to surrounding areas. As a result, this county is likely to be a net exporter of diesel emissions, and some of the benefits of reducing these emissions are likely to take place in downwind counties. Please take this increased uncertainty into account when interpreting your results.

This project focuses on obtaining desired results that are in-line with EPA goals. It reflects the objectives of a new direction for the CoL Fleet which focuses on fiscal and environmental benefits to the City of Lynchburg and its citizens, as well as paving the road ahead for becoming a Clean City, and eventually earning a Green Fleet certification.

Anticipated Activities, Outputs, Outcomes, and Performance Measures

Performance Measures
CoL Fleet will oversee the idle reduction campaign and stringent compliance requirements for procurement and reporting. CoL Fleet will also work closely with Virginia Clean Cities for vehicle scrappage, and project progress. This will ensure EPA funding is only disbursed when all required supporting documentation, financial receipts, and cost share levels have been reached. In conjunction with Virginia Clean Cities, CoL Fleet will oversee all EPA reporting activities and will produce quarterly and final reports that provide updated progress towards outcomes using the outlined performance measures. Reports will include informational updates on deliverable completion, timeline and milestone updates, environmental impacts, outreach and educational efforts, and fiscal and budgetary activities.

To ensure effective measures, CoL Fleet will reach out to authorities such as Virginia Clean Cities for guidance with tracking and reporting on activities that adhere to the work plan. After the project period, CoL Fleet plans to seek further opportunities to reduce emissions and achieve the EPA's Strategic Plan goals.

Idle Reduction Campaign
CoL Fleet will conduct an idle reduction campaign to include a presentation, and collection of pledge forms from City employees. These outputs will lead to additional gallons of fuel saved and vehicle emissions reduced, whose successes will be measured by the number of idle reduction pledge forms signed and number of idle hours reduced. CoL Fleet will also collect data from the entire vehicle fleet for use in current reporting and future projects. The awareness campaign will increase the probability of the City's success, and bolster greater support for future alternative fuels and electric vehicle program implementations.

Staff and Resources: Also see attached resumes
- Charles Cramer
- Robin Meritt
- Joann Martin
- Trisha Roth
- Luann Hunt

Budget Narrative and Detail
Expenditure of Awarded Funds
CoL Fleet, with the assistance of Virginia Clean Cities, would ensure that equipment costs are substantiated. Virginia Clean Cities will audit the equipment and ensure proper scrappage procedures are followed. These checks and balances will ensure appropriate use of funding in a timely manner.

Budget Narrative
The total proposed project budget is $465,000, with $115,000 requested in EPA funding.

Supplies - $5,000 is budgeted for educational supplies and professional printing for use in outreach and education.

Other Direct Costs–
Water Resources: $82,500 in EPA funding is requested to cover 25% of the cost of replacing two heavy duty diesel Utility trucks with new technology assets. CoL Fleet will provide 75% match totaling $247,500. Grounds Maintenance: $32,500 is requested in EPA funding to cover 25% of the cost of procuring replacing one mini excavator and one Compact Utility Tractor. CoL Fleet will provide 75% match totaling $97,500.

Indirect Costs- Not Applicable

Cooperative Agreement Number 96341801	**EPA Funding**	**Cost-Share**
Personnel		
TOTAL PERSONAL	**$ -**	**$ -**
Fringe Benefits		
TOTAL FRINGE BENEFITS	**$ -**	**$ -**
Travel		
TOTAL TRAVEL	**$ -**	**$ -**
Supplies		
Educational Supplies and printing	$ -	$ 5,000
TOTAL SUPPLIES	**$ -**	**$ 5,000**
Other		
1 Sub-award to Lynchburg Fleet Services (4 Vehicle Replacements @ $115,000 per unit)	**$ 115,000**	**$ 350,000**
TOTAL OTHER	**$ 115,000**	**$ 350,000**
TOTAL FUNDING	**$ 115,000**	**$ 350,000**
TOTAL PROJECT COST		**$ 465,000**

<u>Applicant Fleet Description</u>
See Attachment 1

Attachments
1. **Lynchburg FY17-AFD**
2. **Cost Share Letter-Lynchburg**
3. **Staff Resumes-Lynchburg**
4. **SF-424_2_1-V2.1-Lynchburg**
5. **SF-424A-Lynchburg**

CHARLES B. CRAMER JR.
850–376–0776
CharlesBCramerJr@gmail.com

PROFESSIONAL SUMMARY

Fleet Manager offering 11 years of demonstrated leadership in Fleet maintenance, operations and logistics; accomplishes measurable results while leading personnel and managing high-value resources in dynamic, fast-paced environments. Possess a comprehensive background in operations management, project management and quality management, derived from conducting domestic and global operations. Career supported by a Bachelor of Science in Business Quality Management, Professional Manager's certification, and an Associates of Arts.

PROFESSIONAL EXPERIENCE

Director of Fleet Services - City of Lynchburg, VA **June 2016-present**
Manages and directly supervises administrative staff and a subordinate supervisor who supervises a total of ten employees in Maintenance and Repair Services.

- Develops department's mission, goals, objectives, strategic plans, policies and procedures;
- Directs the operation of the Internal Service Fund;
- Oversees a replacement fund for the City's fleet assets; prepares vehicle technical specifications; executes procurement
- Cradle to Grave administration of all Fleet assets; develop specifications/procure/maintain/manage FMIS/dispose
- Contract management, parts requisition, labor provisions, building maintenance, budget administration; central fueling facility and automated dispensing system;
- Directs special event support (i.e., snow removal) employee work and overtime; fleet management, personnel evaluations, budgets, requisitions, bid specifications, billing, collecting; assists in long range planning for garage facilities;
- Oversees the preparation of the annual budget; controls the use of all resources such as personnel, funds, and materials;

Fleet/Transportation Manager – Tampa, Florida **December 1991 – June 2016**
Managed 44 personnel; 515 vehicles worth $42 Million dollars. Requirements included; GSA oversight, support for USCENTCOM, USSOCOM, HQ ACC, 6th AMW & 36 mission partners.

Vehicle Management Flight Chief - Kandahar, Afghanistan **2013 – 2014**
Managed 29 military & 14 contractors; 736 vehicles worth $183 Million dollars; Contract Officer Representative--AFCAP-III

Vehicle Management Superintendent – Osan Air Base, Korea **2012 – 2013**
Managed 89 military and 34 Korean Nationals; PACAF's 2nd largest vehicle fleet; GPC Approving Official

Vehicle Fleet Manager – Elgin Air Force Base, FL **2002 – 2012**
Supervised and oversaw the welfare of 113 employees across 12 diverse work centers; planned, developed and executed a $1.4M annual budget, 1,923 vehicles valued at $140M.

Sample Accomplishments

- Directed Accident & Abuse program; processed 125 case files--realized $46K reimbursement
- Scrutinized GSA lease accounts; realigned allocations/MORDs--recouped $60,000 in erroneous charges
- Directed Kandahar Vehicle Retrograde; reallocated 288 assets across 11 bases--slashed fleet by 48%, saved $40M
- Managed 5 Fleet Maintenance AORs; 97.1 % Mission Capable rate; yielded 98% aircraft Departure Reliability Rate
- Interfaced with OSI TF-Black, EOD & AFCENT to execute effective and efficient combat performance objectives
- Managed $1.7M budget; 2,500 GPC transactions; Managed War Reserve Materiel with $140K budget ($200K cut)
- Squadron earned 2010, Thomas P. Gerrity / Daedalian / Commander-in-Chief's Installation Excellence Awards
- Earned "Excellent" ratings on Annual Safety, HAZMAT, and Environmental Compliance inspections

Robin N. Meritt, CAFM

RNMeritt@gmail.com ▪ (434) 237-8964

Professional Experience

September 2011 to Present | City of Lynchburg | Lynchburg, VA

Assistant Fleet Director

- Serve as division accountant; manage Internal Service fund, budget development, payroll, A/R, A/P, reporting, asset management, general ledger, reconciliations
- Assist in supervision of employees, perform performance evaluations
- Assist in preparation of specifications, Request for Proposals, procurement of assets
- Assist in vendor contract management and negotiations
- Serve as City's Liaison with Division of Motor Vehicles
- Manage Police Undercover/Confidential vehicle program
- Serve as system administrator of fleet management information system
- Assist with customer needs by scheduling repairs and maintenance
- Manage disposal of all equipment and vehicles
- Serve as Fleet's Pagemaster for the City's website
- Manage fleet operation during emergencies such as inclement weather
- Assist in development of policies, procedures, goals, objectives, projects, plans

April 1997 to September 2011 | Professional Geological Services, LLC | Lynchburg, VA

Member/Owner

- Managed every aspect of the business; completed all personnel, payroll, financial, accounting, banking, insurance, and tax responsibilities
- Assisted in preparation of government-mandated reports

March 1987 to August 1997 | J. Crew, Inc. | Lynchburg, VA

Sales Audit and General Accounting Manager

- Managed all General Accounting Personnel; hiring, supervision, development and training, performance reviews, promotions, and terminations
- Directed all General Ledger Activities: journal entries, reconciliations, reporting
- Directed all Accounts Payable and Accounts Receivable activities
- Directed all Banking activities and Sales Reconciliations and Reporting
- Audited all functions of the organization; managed annual audits
- Managed and supervised all aspects of physical inventory
- Directed all system upgrades
- Directed all aspects of warehouse sales

August 1984 to March 1987 | Airco Welding Products, Inc. | Virginia Beach, VA

Accounts Payable Accountant and Human Resource Specialist

- Managed Purchase Orders, Accounts Payable, and financial reporting
- Managed all new hire activities
- Managed employee healthcare claims
- Implemented OSHA regulations

Education

September 1980 to June 1984 | Virginia Tech | Blacksburg, VA

Bachelor of Science, Business Management

- Minor in Professional Writing and Language

JoAnn Martin - Director of Communications and Marketing has over 35 years of service with the City of Lynchburg, including over 20 years as the Director of Communications and Marketing.

A description of her duties and experience are as follows: Performs responsible professional and technical work assisting departments in developing communications strategies to support the organization's overall goals, objectives, image and identity, by performing the following duties.

EXAMPLES OF DUTIES:

ESSENTIAL DUTIES AND RESPONSIBILITIES Other duties to provide direct or indirect service to the citizens may be assigned.

• Plans, coordinates, and counsels city departments on short- and long-term communications strategies to support the organization's overall goals, objectives, image and identity;
• Works with staff on various technical subjects, including housing, transportation, governmental relations, etc;
• Develops, implements, coordinates, and operates a comprehensive communications program;
• Designs and create communications materials, such as brochures, posters, manuals, newsletters, etc., for internal and/or external audiences, using current technology;
• Creatively designs and illustrates materials and logos;
• Assists in the management of media relations, including writing and issuing releases, media advisories, and public service announcements;
• Coordinates television and video production and related activities;
• Manages the Citizen's First Customer Information Center;
• Analyzes data generated by the Customer Service Center and communicates findings to appropriate persons;
• May be required to be on-call and to work non-standard hours including occasional weekends; may be required to provide own transportation.

ADDITIONAL DUTIES

• Other duties to provide directly or indirectly services to citizens as may be assigned.
• When unusual situations occur and/or the City Manager declares a State of Emergency, all City employees may be required to accept special assignments and perform as needed to ensure appropriate service delivery.

SUPERVISORY RESPONSIBILITIES

Directly supervises four full time and five part-time employees in the Communications and Marketing, including the Customer Service Center.
Carries out supervisory responsibilities in accordance with the organization's policies and applicable laws.
Responsibilities include interviewing, hiring, and training employees; planning, assigning, and directing work; appraising performance; rewarding and disciplining employees; addressing complaints and resolving problems.
MINIMUM EDUCATION AND EXPERIENCE REQUIRED:
QUALIFICATIONS To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION AND EXPERIENCE

Bachelor's degree (B. A.) from four-year college or university, with work in marketing, public administration, journalism, public relations, communications or related field, and extensive job related experience, including a track record of producing communications materials and progressive responsibility.

Trisha U Roth
1152 Shade Tree Drive
Forest, VA 24551
trish.roth@icloud.com
434.386.4362

WORK HISTORY

City of Lynchburg, Lynchburg, VA
May 2016-Present *Graphic Designer*
Work closely with City employees in a wide range of departments to develop marketing materials. Projects include: museum exhibits, logos, annual reports, brochures, posters, fundraising pieces, banners, programs and more. Assist in event planning for departments, meet with departments to develop communication plans.

Gazehound Design, Lynchburg, VA
June 2008-Present *Owner/Graphic Artist*
Owner of a freelance graphic design company. Design logos, marketing materials, ads, catalogs, publications, web graphics; work closely with clients to ensure complete satisfaction

West Willow Publishing Group, Lynchburg, VA
January 2011-May 2016 *Art Director*
Designed and produced 17 magazines annually; created shot lists and directed photographers; consulted with sales staff and advised on design for effective advertising; proofread magazines; prepared digital files for printers; created web graphics & updated company websites using Wordpress

West Willow Publishing Group, Lynchburg, VA
September 2008-January 2011 *Graphic Designer*
Designed print and web advertising for businesses; worked directly with client to produce effective marketing materials

High Peak Sportswear, Lynchburg, VA
September 1998-June 2008 *Graphic Artist*
Designed, created, and produced artwork for screen printing and embroidery. Coordinated ink colors to complement and enhance artwork and garments; designed company flyers; communicated with Sales Associates and customers throughout the design process to ensure customer satisfaction; proofread all projects of design team prior to production

Advertising Design, Inc., Lynchburg, VA
March 1998-September 1998 *Graphic Designer*
Designed catalogs, sell sheets, logos, invitations, labels, and promotional materials. Chose coordinating backgrounds for products; worked directly with photographer in photo styling and setups; proofread catalogs to ensure accuracy of photographs and overall appearance

Edina Printing, Inc., Apple Valley, MN
January 1996-February 1998 *Graphic Artist/Client Services*
Assisted clients with all aspects of their printing needs including conceptualization, layout, and choosing appropriate paper and ink selections

EDUCATION

Brown College, Minneapolis, MN
Graduate January 1996 GPA 3.93
Associate of Applied Science Degree in Advertising Design

North Dakota State University, Fargo, ND
September 1992-December 1993
Three semesters towards an Architecture Degree

June 22, 2017

Faye Swift
DERA Grants and Policy Team Leader
USEPA, Office of Transportation and Air Quality
1200 Pennsylvania Ave, NW (6406A)
Washington, D.C. 20460

Reference: Letter of Commitment from City of Lynchburg

Dear Ms. Swift:

The City of Lynchburg is available to support the Fleet Services Clean Fleet Initiative application for funding for the Environmental Protection Agency's Clean Diesel Funding Assistance Project for FY 2017. The efforts of Lynchburg are based on the enclosed company-approved project narrative and budget. I'm pleased to offer the support of the City to this project and pledge a 75% in-kind matching contribution in the amount of $345,000 for the purchase of two class-7 trucks, one mini-excavator, and one mower-tractor. The appropriate Lynchburg officials have administratively approved this pledge.

For additional assistance or questions regarding Lynchburg's intent to participate in this activity, please contact me at the following address:

Charles Cramer
City of Lynchburg
Fleet Services
1650 Memorial Drive
Lynchburg, VA 24501
Charles.cramer@lynchburg.gov
(434) 455-4429

We look forward to collaborating with EPA and anticipate a successful project.

Signature below indicates Lynchburg's approval for commitment of resources.

Sincerely,

Bonnie Svrcek
City Manager

FINANCE COMMITTEE
Agenda Item Summary

MEETING DATE: **June 27, 2017**			AGENDA ITEM NO.: **7**
CONSENT:	REGULAR:	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION:		INFORMATION: **X**	
ITEM TITLE: **Revenue Update**			

RECOMMENDATION: Review the collections received from five of the City's largest revenue sources.

SUMMARY: Five of the City's major revenue sources are taxes collected on a monthly basis: Local Sales and Use Tax, Consumer Utility Tax – Electric, Communications Sales and Use Tax, Meals Tax, and Lodging Tax. Since the last Finance Committee meeting, revenue information through April 2017 has been posted for these five revenue streams.

PRIOR ACTION(S):
This information is provided monthly to the Finance Committee.

FISCAL IMPACT:
None

CONTACT(S):
Donna Witt, Director of Financial Services, 455-3968

ATTACHMENT(S):
Comparison of Collections Budget to Actual FY 2016 – FY 2017

REVIEWED BY:

Comparison of Collections
Budget to Actual FY 2016 - FY 2017

SALES & USE TAX
ADOPTED FY 2017 BUDGET - $15,465,000

	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Adopted FY 2017	Actual FY 2017	Actual FY 2017 to Adopted FY 2017	Actual FY 2017 to Actual FY 2016
JULY	$996,646	$1,075,816	$1,131,485	$1,207,589	$1,245,485	$1,152,527	($92,958)	($55,062)
AUGUST[1]	1,145,592	1,098,342	1,299,763	1,198,772	1,236,391	1,267,330	30,939	68,558
SEPTEMBER	1,117,209	1,083,199	1,204,336	1,269,930	1,309,782	1,275,989	(33,793)	6,059
OCTOBER	1,033,859	1,161,965	1,185,608	1,231,666	1,270,318	1,253,143	(17,175)	21,477
NOVEMBER	1,187,008	1,155,729	1,241,898	1,227,636	1,266,161	1,254,548	(11,613)	26,912
DECEMBER	1,466,715	1,316,419	1,669,810	1,600,507	1,650,733	1,695,100	44,367	94,593
JANUARY	1,085,312	1,103,175	1,073,237	1,055,364	1,088,483	1,070,830	(17,653)	15,466
FEBRUARY	1,074,819	1,172,252	1,131,392	1,161,810	1,198,269	1,148,155	(50,114)	(13,655)
MARCH	1,138,611	1,217,930	1,282,807	1,323,375	1,364,905	1,409,096	44,191	85,721
APRIL	1,129,443	1,183,748	1,311,297	1,202,186	1,239,912	1,236,313	(3,599)	34,127
TOTAL	**$11,375,214**	**$11,568,575**	**$12,531,633**	**$12,478,835**	**$12,870,439**	**$12,763,031**	**($107,408)**	**$284,196**

CONSUMER UTILITY TAX - ELECTRIC
ADOPTED FY 2017 BUDGET - $3,790,000

	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Adopted FY 2017	Actual FY 2017	Actual FY 2017 to Adopted FY 2017	Actual FY 2017 to Actual FY 2016
JULY	$323,141	$325,815	$321,596	$332,876	$337,220	$328,501	($8,719)	($4,375)
AUGUST	345,163	318,738	305,012	333,953	338,312	355,434	17,122	21,481
SEPTEMBER	318,915	317,324	317,947	328,411	332,697	351,627	18,930	23,216
OCTOBER	279,145	273,646	273,264	281,514	285,188	294,038	8,850	12,524
NOVEMBER	282,035	280,945	273,353	270,434	273,964	274,145	181	3,711
DECEMBER	330,714	348,750	346,565	321,380	325,574	337,930	12,356	16,550
JANUARY	346,399	374,541	365,859	346,212	350,731	358,976	8,245	12,764
FEBRUARY	342,839	372,254	381,844	361,670	366,390	316,871	(49,519)	(44,799)
MARCH	326,828	334,289	339,965	312,928	317,012	304,309	(12,703)	(8,619)
APRIL	320,253	306,485	288,704	282,659	286,348	279,887	(6,461)	(2,772)
TOTAL	**$3,215,432**	**$3,252,787**	**$3,214,109**	**$3,172,037**	**$3,213,436**	**$3,201,718**	**($11,718)**	**$29,681**

COMMUNICATIONS SALES & USE TAX
ADOPTED FY 2017 BUDGET - $3,220,000

	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Adopted FY 2017	Actual FY 2017	Actual FY 2017 to Adopted FY 2017	Actual FY 2017 to Actual FY 2016
JULY	$293,358	$286,999	$283,594	$276,750	$268,333	$265,192	($3,141)	($11,558)
AUGUST	291,560	284,691	281,957	270,038	268,334	269,212	878	(826)
SEPTEMBER	263,295	284,249	283,441	273,974	268,333	266,593	(1,740)	(7,381)
OCTOBER	319,011	288,830	287,702	277,686	268,334	274,702	6,368	(2,984)
NOVEMBER	300,665	284,176	279,441	271,470	268,333	270,909	2,576	(561)
DECEMBER	297,855	289,726	282,491	276,524	268,334	268,968	634	(7,556)
JANUARY	282,620	264,960	275,361	271,160	268,333	265,710	(2,623)	(5,450)
FEBRUARY	287,759	280,480	291,186	275,887	268,334	260,551	(7,783)	(15,336)
MARCH	299,333	288,500	285,971	282,470	268,333	271,925	3,592	(10,545)
APRIL	287,442	285,052	276,473	270,594	268,333	261,889	(6,444)	(8,705)
TOTAL	**$2,922,898**	**$2,837,663**	**$2,827,617**	**$2,746,553**	**$2,683,334**	**$2,675,651**	**($7,683)**	**($70,902)**

Comparison of Collections
Budget to Actual FY 2016 - FY 2017

MEALS TAX

ADOPTED FY 2017 BUDGET - $14,392,718

	Actual Assessed FY 2014	Actual Collected FY 2014 [3]	Actual Assessed FY 2015	Actual Collected FY 2015 [3]	Actual Assessed FY 2016	Actual Collected FY 2016 [3]	Adopted FY 2017	Actual Assessed FY 2017	Actual Assessed FY 2017 to Adopted FY 2017	Actual Collected FY 2017 [3]	Actual Collected FY 2017 to Adopted FY 2017	Actual Collected FY 2017 to Assessed FY 2017
JULY [2]	$944,920	$1,159,786	$1,009,124	$970,597	$1,094,079	$1,046,770	$1,122,617	$1,124,341	$1,724	$1,153,882	$31,265	$29,541
AUGUST	1,056,821	1,024,718	1,152,551	1,119,585	1,178,267	1,213,559	1,207,908	1,131,844	(76,064)	1,098,748	(109,160)	(33,096)
SEPTEMBER	1,030,134	1,052,079	1,107,413	1,159,391	1,187,734	1,167,356	1,222,863	1,201,919	(20,944)	1,243,540	20,677	41,621
OCTOBER	1,046,550	958,359	1,149,721	1,119,430	1,181,133	1,152,017	1,216,067	1,262,703	46,636	996,549	(219,518)	(266,154)
NOVEMBER	1,019,305	1,064,385	1,079,590	1,099,028	1,104,321	1,156,651	1,136,983	1,140,542	3,559	1,382,308	245,325	241,766
DECEMBER	1,061,859	1,035,379	1,138,978	1,117,510	1,225,475	1,224,108	1,261,720	1,255,834	(5,886)	1,238,056	(23,664)	(17,778)
JANUARY	968,124	971,677	1,089,143	963,288	1,007,562	908,712	1,037,362	1,063,691	26,329	1,112,427	75,065	48,736
FEBRUARY	987,205	957,979	1,032,923	1,198,810	1,143,880	1,154,457	1,177,712	1,149,097	(28,615)	1,165,660	(12,052)	16,563
MARCH	1,144,197	1,142,746	1,222,307	1,177,822	1,258,241	1,393,915	1,295,456	1,309,513	14,057	1,303,383	7,927	(6,130)
APRIL	1,098,389	1,034,811	1,206,781	978,156	1,241,103	1,244,722	1,277,810	1,272,235	(5,575)	1,254,823	(22,987)	(17,412)
TOTAL	**$10,357,504**	**$10,401,919**	**$11,188,531**	**$10,903,617**	**$11,621,795**	**$11,662,267**	**$11,956,498**	**$11,911,719**	**($44,779)**	**$11,949,376**	**($7,122)**	**$37,657**

LODGING TAX

ADOPTED FY 2017 BUDGET - $2,150,000

	Actual Assessed FY 2014	Actual Collected FY 2014 [3]	Actual Assessed FY 2015	Actual Collected FY 2015 [3]	Actual Assessed FY 2016	Actual Collected FY 2016 [3]	Adopted FY 2017	Actual Assessed FY 2017	Actual Assessed FY 2017 to Adopted FY 2017	Actual Collected FY 2017 [3]	Actual Collected FY 2017 to Adopted FY 2017	Actual Collected FY 2017 to Assessed FY 2017
JULY [2]	$174,759	$223,419	$189,065	$180,395	$180,471	$180,808	$182,129	$187,603	$5,474	$201,599	$19,470	$13,996
AUGUST	185,662	185,340	185,946	185,402	209,766	202,217	208,184	195,630	(12,554)	167,929	(40,255)	(27,701)
SEPTEMBER	181,706	204,758	173,904	173,875	204,267	206,009	206,011	184,092	(21,919)	215,545	9,534	31,453
OCTOBER	184,462	185,014	209,859	209,788	196,681	160,131	198,360	281,236	82,876	214,418	16,058	(66,818)
NOVEMBER	153,745	148,082	141,855	144,988	140,923	177,048	142,126	171,161	29,035	222,988	80,862	51,827
DECEMBER	141,137	126,077	115,033	119,891	130,478	130,150	131,592	131,625	33	150,743	19,151	19,118
JANUARY	133,071	125,716	117,665	108,523	120,072	109,217	121,097	134,064	12,967	116,370	(4,727)	(17,694)
FEBRUARY	136,497	139,851	130,777	133,217	150,144	140,716	151,426	145,073	(6,353)	154,651	3,225	9,578
MARCH	176,151	172,029	184,242	178,963	204,178	222,261	205,921	183,077	(22,844)	192,388	(13,533)	9,311
APRIL	170,639	171,590	181,003	162,085	177,191	175,590	178,704	173,869	(4,835)	173,405	(5,299)	(464)
TOTAL	**$1,637,829**	**$1,681,876**	**$1,629,349**	**$1,597,127**	**$1,714,171**	**$1,704,147**	**$1,725,550**	**$1,787,430**	**$61,880**	**$1,810,036**	**$84,486**	**$22,606**

[1] The August FY 2015 Sales & Use Tax Actual amount includes a one-time, $145,000 payment in taxes, which was redistributed to the City from another locality.

[2] Due to year end accounting activities, a portion of Meals and Lodging Tax revenues associated with May and June were posted in June and July.

[3] Meals and Lodging Tax data includes columns titled "Actual Collected ." The amounts in these columns include all revenue received per month regardless of whether the payment is current or delinquent.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **1**

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

ITEM TITLE: Lynchburg Police Officer Retention Plan

Strategic Pillar(s) Impacted:

___Arts & Culture	___Citizen Engagement & Social Capital	___Economic Development	___Healthy & Active Living
___Infrastructure	___Land Use	___Lifelong Learning	___Natural Resources
___Neighborhoods	_X_Safe Community	___Social Equity	___Transportation
			___Administrative

RECOMMENDATION: Approve the Lynchburg Police Department's recommendation to adjust salaries for the ranks of Police Officer II, Police Officer III, Sergeant and Lieutenant.

SUMMARY: The Lynchburg Police Department has created a PowerPoint presentation (attached) to explain a pay proposal approach to assist with retaining sworn personnel.

PRIOR ACTION(S): None

FISCAL IMPACT: Total cost of the plan would be approximately $319,091 with funding from FY 2017 carryforward and FY 2018 managed vacancy savings. No fiscal impact would occur for FY 2018.

CONTACT(S): Chief Raul Diaz, 455-6104
Major K. Todd Swisher, 455-6154

ATTACHMENT(S): Lynchburg Police Officer Retention Plan PowerPoint presentation.

REVIEWED BY: bms

089V

RETENTION IS A PRIORITY

Officer Retention Plan
Lynchburg Police
Department

TURNOVER

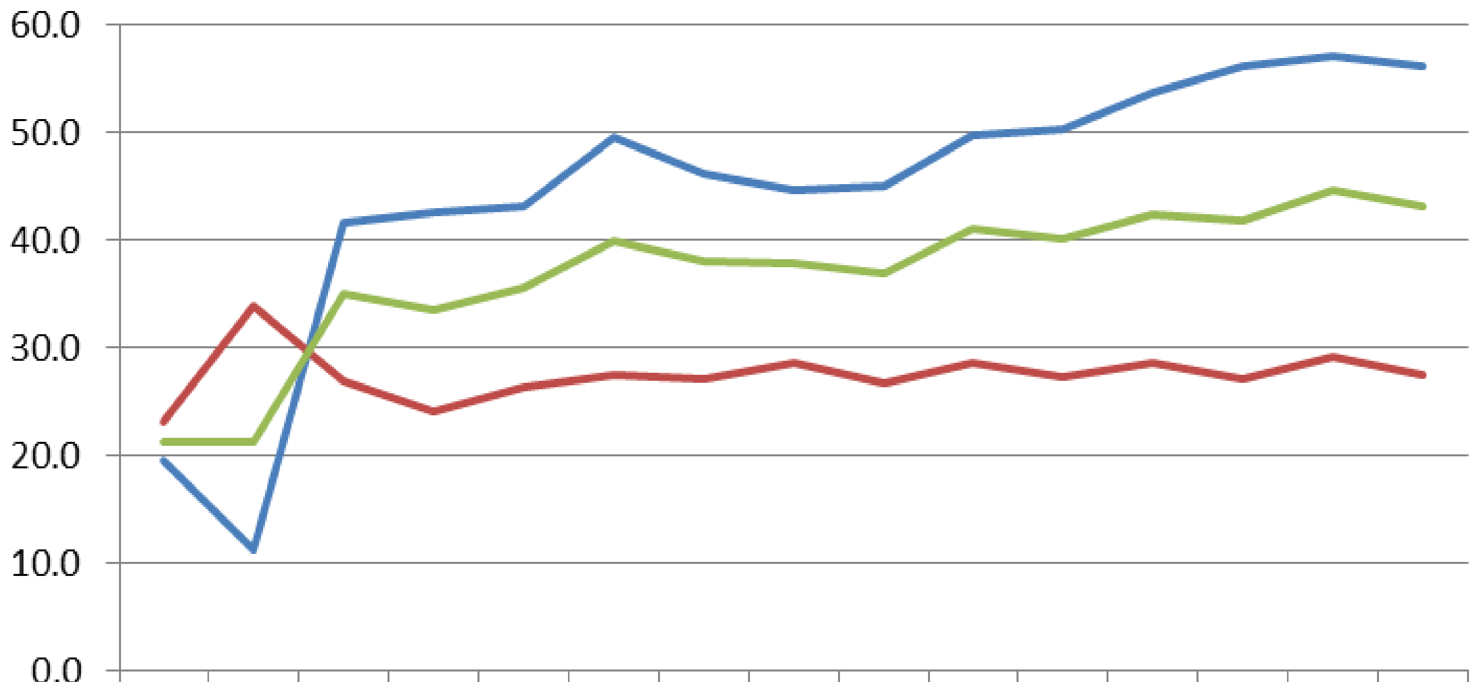
- LPD has lost 271 officers since 2002
- 167 voluntary resignations
- Equates to losing 17.5 officers per year for 15.5 years (10.8 voluntary resignations per year)
- LPD has lost 53 officers since January 1, 2015 – 30.4% of workforce
- The Department of Justice's Bureau of Justice Statistics indicates a 7.0% yearly turnover rate for similar-sized law enforcement agencies based on most recent 2012 study
- From a financial perspective and an experience perspective, the cost of this turnover is staggering!

TURNOVER

- Staffing levels remain far below authorized 174
- Relative inexperience at all ranks
- Always in "training mode"
- Lose valuable relationships within the community whenever we lose an officer

AVERAGE TIME ON CALLS

Average Staff Time on Calls - Time in Minutes



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Citizen Initiated	19.5	11.4	41.6	42.5	43.1	49.5	46.1	44.6	45.0	49.7	50.3	53.6	56.2	57.0	56.2
Officer Initiated	23.2	33.9	27.0	24.1	26.4	27.4	27.2	28.6	26.8	28.7	27.3	28.7	27.2	29.1	27.4
Total Average	21.3	21.3	35.1	33.6	35.5	39.9	38.0	37.8	37.0	41.0	40.1	42.4	41.8	44.6	43.2

CHALLENGES

- Department facilities do not create an atmosphere conducive for work (very poor conditions)
- Officers, and other city employees, living below poverty line (receiving WIC, FAMIS, Virginia Medicaid)
- Lost 69 officers to other regional departments since 2002 due to regional agencies offering competitive salary/benefit packages
- Young people entering work force are quick to move around – we must give them a reason to stay
- Essentially training officers for other agencies

ACTIONS TAKEN TO ADDRESS

- New LPD building has been approved (3-5 year project)
- LPD has implemented employment contracts for new hires starting in July 2017 (3 yrs - $10,000)
- Department has secured a modest clothing allowance for detectives and a boot allowance for patrol officers in the FY'18 budget

Proposed Interim Retention Strategy

Targeted pay adjustment to address pay issues/compression at the PO II, PO III, Sgt, and Lt. levels

- Pay Adjustment Plan

Lieutenant	$200/year of service	$68,329.16
Sergeant	$225/ year of service	$56,753.66
PO 3	$225/year of service	$50,715.56
PO 2	$225/ year of service	$43,561.32

- Total Cost - $319,091.01

FUNDING SOURCE

- The LPD can make these pay adjustments utilizing FY 2017 carryforward funding and FY 2018 managed vacancy funding
  - $398,900 in total possible funding sources - LPD
  - No additional costs to the City for FY 2018
- This helps to address stagnated pay levels and compression now

ADJUSTMENTS

- City Council has approved a three-year phased plan to address market disparities in the following City departments:

  -Public Works

  -Human Services

  -Parks and Recreation

ADJUSTMENTS

- LPD is requesting that City Council approve carryforward funding to address retention issues

Other Potential Recruitment and Retention Actions

- The assignment of take-home vehicles for personnel living within the City limits
- Pay off a maximum of $5,000 in student loan debt for any officer who stays an additional 5 years with the LPD.
- Consider increasing VRS multiplier from 1.70 to 1.85 – currently 80 jurisdictions have adopted the 1.85 multiplier, including 16 in our region.

CONCLUSION

For the betterment of the City and its Officers

Questions?

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **2**

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

ITEM TITLE: Proposed Revision to City Code Section 36-177 Regarding the Real Estate Rehabilitation Program

Strategic Pillar(s) Impacted:

___Arts & Culture	___Citizen Engagement & Social Capital	X__Economic Development	___Healthy & Active Living
___Infrastructure	_X_Land Use	___Lifelong Learning	___Natural Resources
X__Neighborhoods	___Safe Community	___Social Equity	___Transportation
			_X_Administrative

RECOMMENDATION: Staff recommends revising the Real Estate Rehabilitation Program (Sec. 36-177 and Sec. 36-177.1) per the specifications noted below.

SUMMARY:

During City Council FY 2018 budget deliberations, staff was asked to revisit the Real Estate Rehabilitation Program. Over the course of several meetings with a team consisting of representatives from the City Assessor's Office, Economic Development, Community Development and the City Manager's Office, the following changes are recommended.

Staff recommends that the Residential Rehabilitation period should be changed from 15 years to 10 years. The program had been successful with a ten year exemption previously, and City Council has expressed desire to shorten the exemption period to 10 years.

Multi-family (5+ units) properties should be reclassified from residential to commercial. City Council has expressed concern regarding multi-family properties having a 15 year exemption under the current rehabilitation code. The consensus from the team was that multi-family (5 + units) is a commercial use.

Commercial, Multi-Family, Industrial exemption period(s) should be changed from 5 years to 10 years. The City Assessor made the case for there being significantly more risk for commercial properties due to the typically larger scale of work/repairs and capital needed along with the uncertainty of market demand for the product.

Building additions for all uses should be limited to 15% of existing area. The current Rehabilitation Program allows additions to count towards the change in base values. It is the team's opinion that new construction of additions should not count towards changes in base values, since the Code was designed to renovate existing building stock, not support new construction.

Staff recommends establishing a graduated phase-out of exemptions of (25%) per year for the last (3) years. This feature has two functions: 1) the City will receive funds sooner and 2) the phase-in prepares owners to budget for when the exemption ends.

Staff recommends establishing a Revitalization Zone (Map located in PowerPoint slides) that allows replacement of existing functionally obsolete buildings. The team felt that the area delineated by the Map requires additional incentives over and above the typical rehabilitation project due to the obsolete designs of older buildings and derelict conditions of some structures rendering them to provide little contributing value if renovated. Replacement structures are allowed in these areas for the reasons noted above.

PRIOR ACTION(S): The City Real Estate Rehabilitation Code was adopted in January 1983 with the most recent changes made in May 2008. Changes have been made to the Code as City Council has deemed necessary to address prevailing economic climate changes over time.

FISCAL IMPACT: No impact on current real estate rehabilitation exemption applicants or participants. These applicants/participants are proposed to be grandfathered based on Real Estate Rehabilitation Exemption Code at time of final application. Long term, real estate taxes for new applicants to the program will be received sooner that current program. This is due to proposed years of exemption changes and graduated phase-in for the final three (3) years of the program. The attached PowerPoint slides illustrate fiscal changes in real estate exemption based on current applicants

CONTACT(S): Jeff Bandy, City Assessor, 455-3830
Marjette Upshur, Director of Economic Development, 455-4490
Charles Hartgrove, Deputy City Manager, 455-3990

ATTACHMENT(S): Power Point Slides and Proposed changes to Sec 36-177, and Sec 36-177.1

REVIEWED BY: bms

090V

City Council Work Session

Jeff Bandy

City Assessor

June 27, 2017

City's First Rehab at 507 13TH ST
[1984]

PROPOSED CITY REAL ESTATE REHABILITATION & RENOVATION PROGRAM CHANGES

Real Estate Rehabilitation Program History

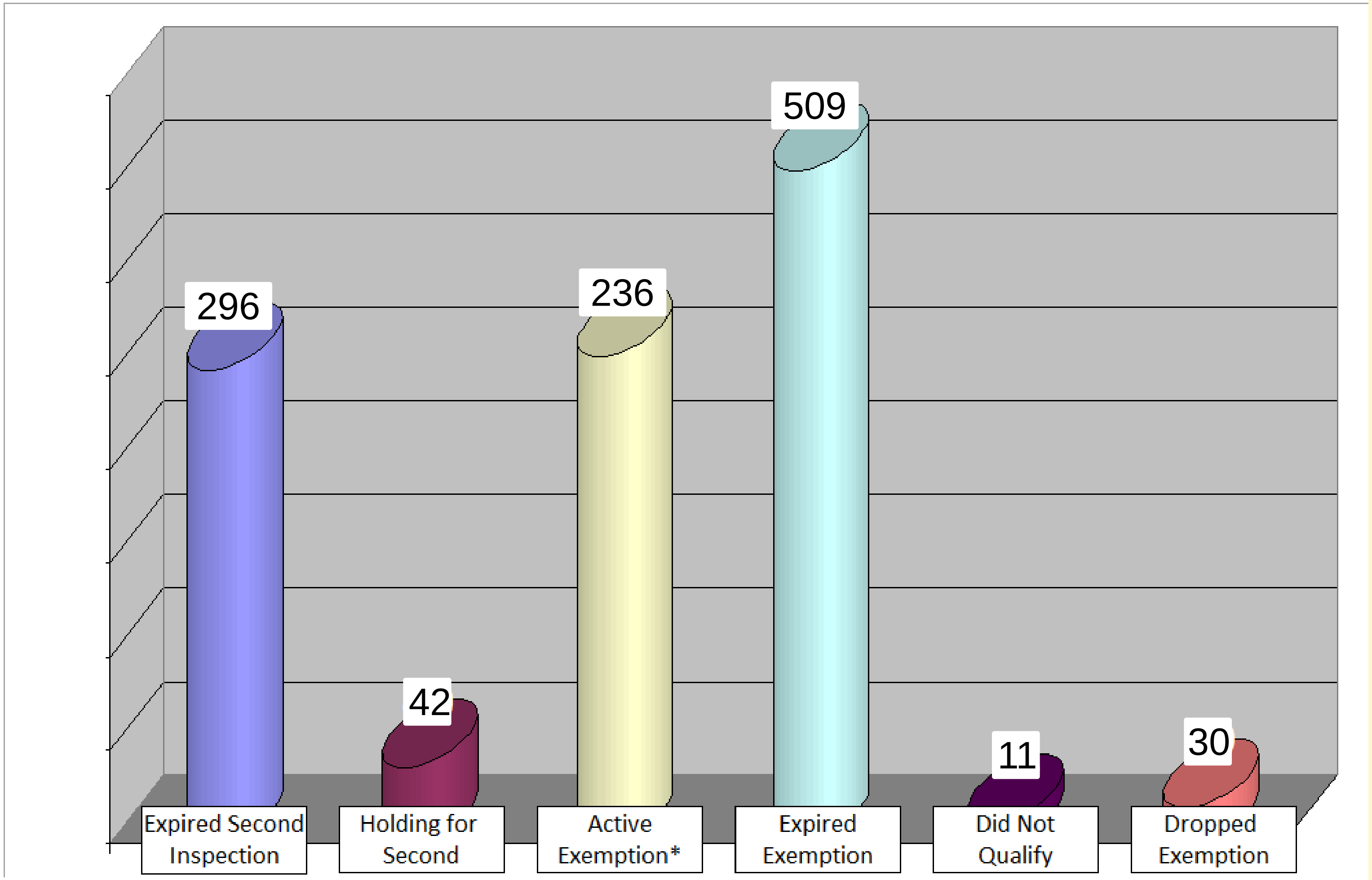
City's First Rehab at 507 13TH ST [1984]

- The City's Real Estate Rehabilitation & Renovation Program began on January 1, 1983 and the first approved exemption was in 1984.
- Program is designed to encourage renovation of older structures, and help revitalize older neighborhoods in the City.
- A total of 1,124 applications have been submitted.
  - 775 applications met the conditions to receive an exemption.
  - $151,803,391 in total improvements to tax base.
  - 23 properties receiving exemptions have been dropped for non-payment of taxes.
  - 7 properties receiving exemptions have been dropped for other reasons.
  - 42 applications are currently in the two-year construction period.
  - 31 properties have successfully participated in the program twice.

BRIEF HISTORY

STATUS OF ALL APPLICATIONS

City's First Rehab at 507 13TH ST [1984]

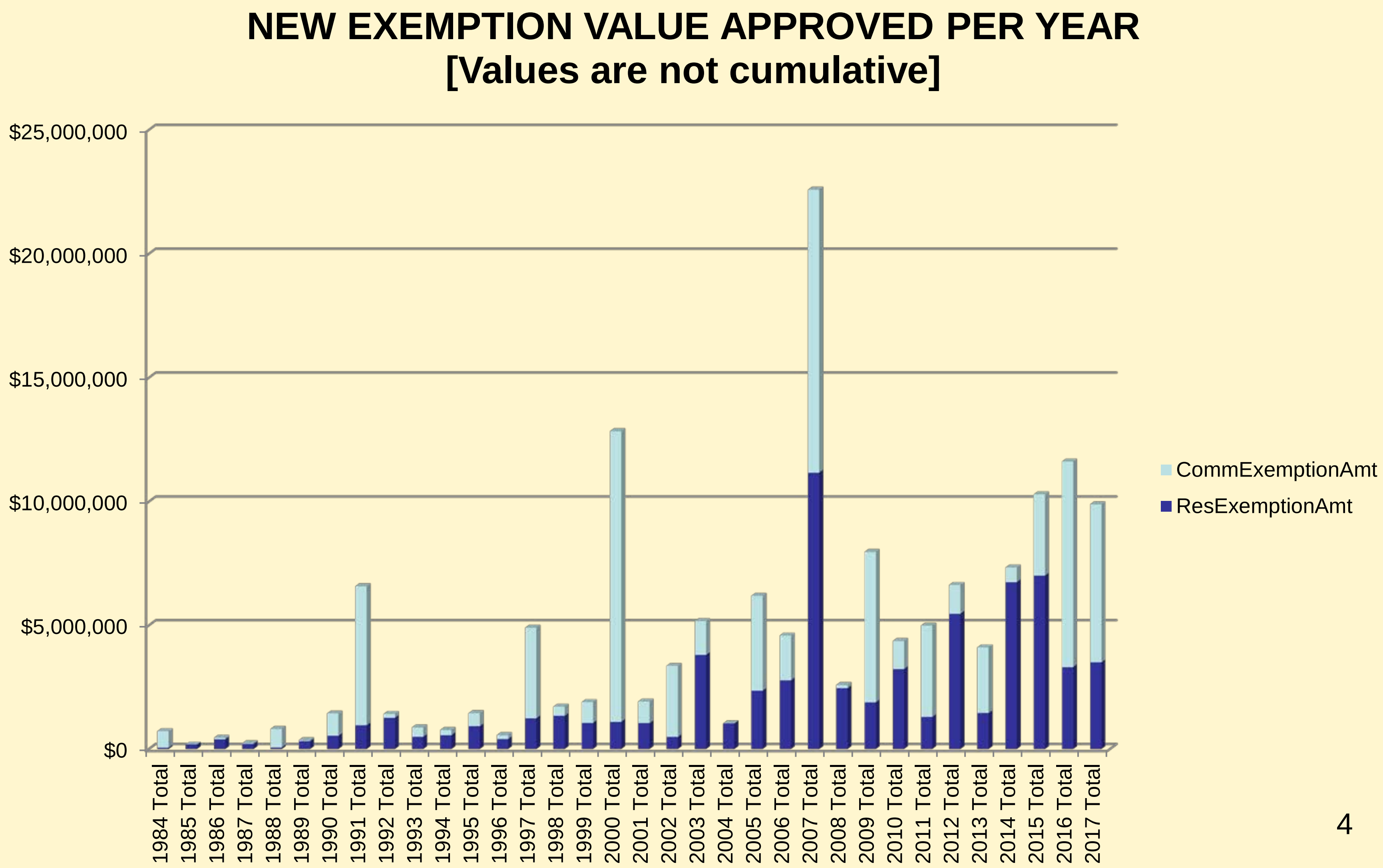


* Counting approved applications awaiting July 1.

BRIEF HISTORY

REAL ESTATE EXEMPTIONS APPROVED BY YEAR

City's First Rehab at 507 13TH ST [1984]



REASON FOR PROPOSED CHANGES TO THE CITY'S REAL ESTATE REHABILITATION PROGRAM

City's First Rehab at 507 13TH ST [1984]

- Provide a more efficient balance between real estate rehabilitation incentives
- Increase tax base sooner
- Acknowledge the greater risk inherent in commercial development.
- Less need to incentivize developers for multi-family projects given increasing vibrancy of development for this property type.

PROPOSED CHANGES TO LENGTH OF EXEMPTION

City's First Rehab at 507 13TH ST [1984]

- Residential exemptions would be reduced from 15 years to 10 years as originally established in 1983.
- Commercial exemptions would be increased from 5 years to 10 years to acknowledge the inherent risk in developing products with no established track record of success.

PROPOSED CHANGE TO MUILTI-FAMILY CLASSIFICATION

City's First Rehab at 507 13TH ST [1984]

- Reclassify apartments of 5 units or more from residential to non-residential use.
  - Apartments are noted as a commercial use by developers and investors.
  - Reduces the length of exemption from 15 years to 10 years as currently in effect.

BUILDING ADDITIONS

City's First Rehab at 507 13TH ST [1984]

- Residential: Additions to structures may not exceed 15% of the original above-grade living area at the time of application.
- Commercial: Additions to structures must be for improvements to the existing building area not to exceed 15% of the original gross leasable square footage at the time of the application.
- Rehabilitation program is designed to incentivize to renovate existing building stock, not to build new structures.

GRADUATED STEP-DOWN OF REAL ESTATE EXEMPTION

City's First Rehab at 507 13TH ST [1984]

- Process:
  - For each of the final three years, the real estate exemption is proposed to be reduced by 25%.
  - This facilitates increasing the tax base, and prepares property owners for the full tax liability once real estate exemption expires, and avoids a drastic change in their real estate tax payments in one year.
  - For example: A $100,000, 10-year exemption would be reduced to
    - $75,000 in year 8
    - $50,000 in year 9
    - $25,000 in year 10

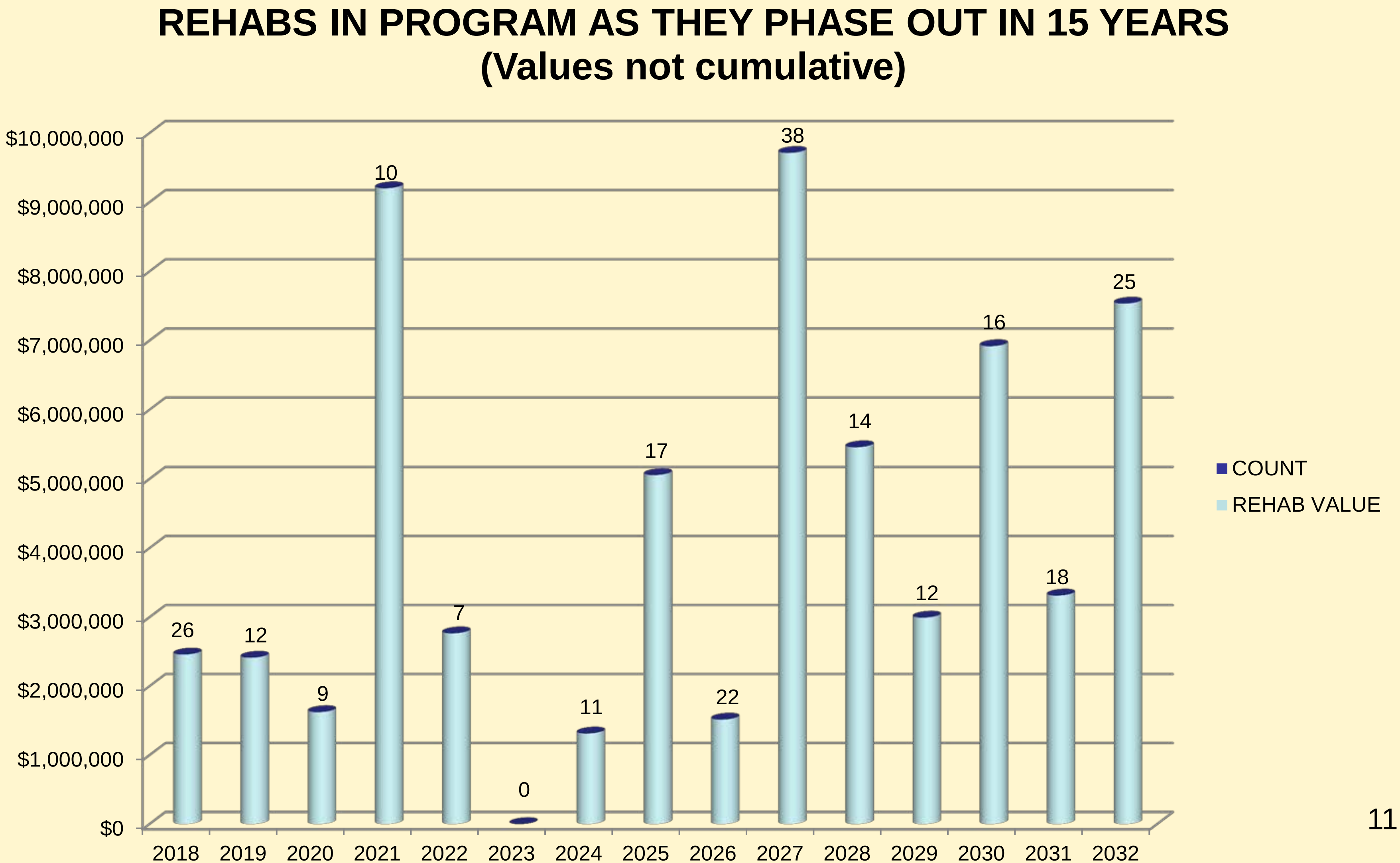
REVENUE ANALYSIS BASED ON CHANGES

City's First Rehab at 507 13TH ST [1984]

- Analysis considers the proposed combined changes of:
  - designating multi-family a commercial property,
  - changing all exemption lengths to 10 years, and
  - applying a three-year step-down process that will result in a significant increase to the tax base.
- Future real estate rehabilitation participation is difficult to measure. To demonstrate the affect on revenue, the following calculations are based on the 236 applications known to be effective as of 7/1/2017.

PARTIAL REVENUE ANALYSIS

City's First Rehab at 507 13TH ST [1984]



PARTIAL REVENUE ANALYSIS

City's First Rehab at 507 13TH ST [1984]

- Extrapolating the current approved exemptions achieves the following over the life of the exemption from 7/1/2017:

	EXEMPTION VALUE	REVENUE VALUE
• CURRENT EXEMPTION		
– RESIDENTIAL:	$378,406,300.00	$4,200,309.93
– COMMERCIAL:	$190,104,200.00	$2,110,156.62
– TOTAL :	$568,510,500.00	$6,310,466.55
• PROPOSED EXEMPTION		
– RESIDENTIAL:	$ 50,690,000.00	$ 562,659.10
– COMMERCIAL:	$281,639,200.00	$3,126,195.12
– TOTAL :	$332,329,200.00	$3,688,854.22

CHANGES TO CITY CODE §36-177.1

Exemption of real estate taxes for new structures for the renovation or replacement of damaged or destroyed structures

City's First Rehab at 507 13TH ST [1984]

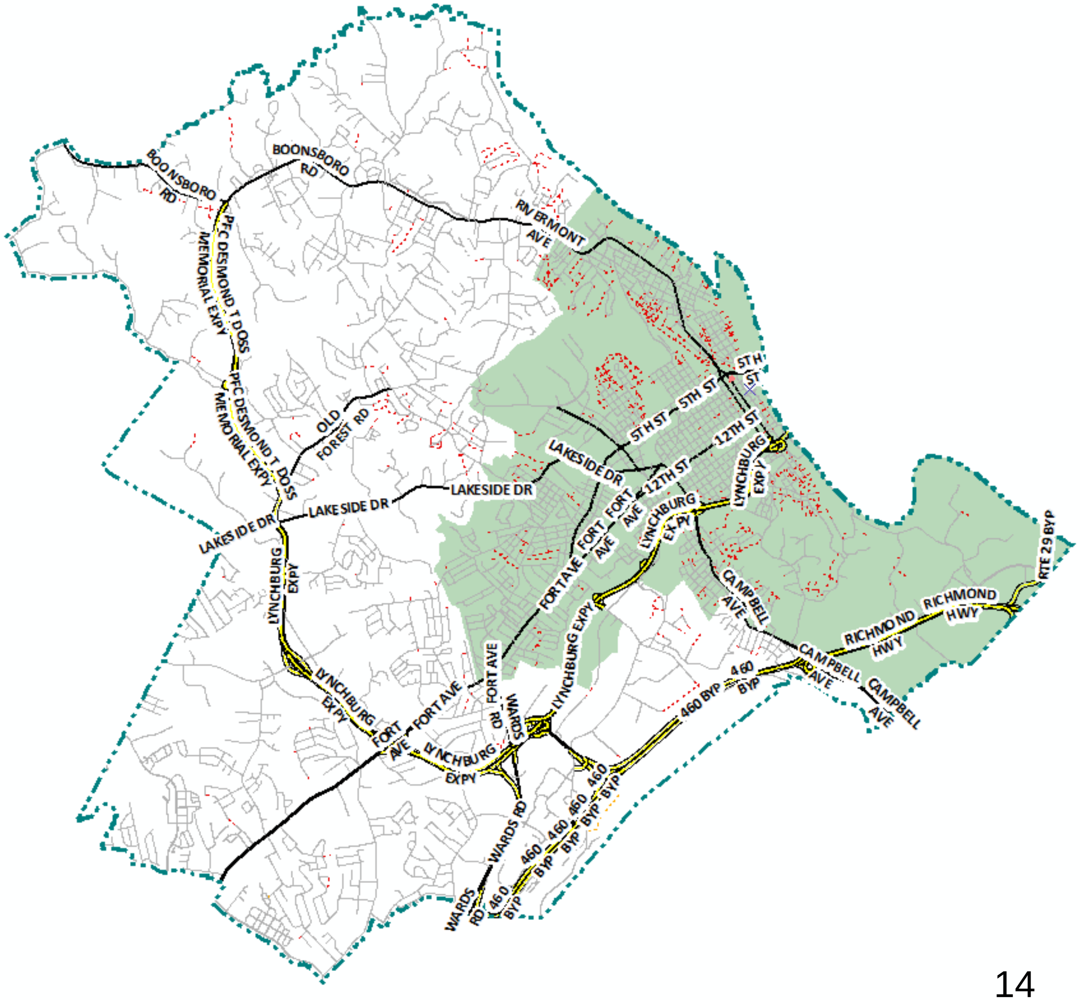
- This section is revised to address only the rehabilitation and renovation of damaged or destroyed properties.
  - Allows a 50% exemption for 10 years to an existing structure or portion of a structure which is destroyed through no fault or negligence of the property owner or tenant.
  - Structures can be residential, multi-family, commercial, or industrial.
  - Conforms to all other requirements and restrictions laid out in City Code §36-177.
  - Requires a Certificate of Occupancy from the City Inspections Division before exemption approved.
- Creates a Revitalization Zone:
  - Allows for the demolition of structures that were not damaged but provide minimal contributing value as determined by the City Assessor.
  - Mapped and defined by City Ordinance.

PROPOSED CHANGES TO CITY CODE §36-177.1

CITY REVITALIZATION ZONE

City's First Rehab at 507 13TH ST [1984]

- Proposed City Revitalization Zone allows replacement of functionally obsolete structures that are not economically feasible to renovate. Replacement structures not allow in other parts of City.
- Map Area Defined by City Ordinance.



Questions?

Jeff Bandy – City Assessor

§36-177. - Exemption of real estate taxes for certain rehabilitated or renovated residential and commercial and industrial real estate.

(a) *Definitions.* For the purpose of this section, the following words and phrases shall have the meaning respectively ascribed to them by this subsection unless another meaning shall clearly appear from the text:

(1) *Substantially rehabilitated or renovated residential~~/multifamily (six units or more)~~ real estate:* Real estate upon which there is an existing residential ~~or multifamily~~ structure, which is no less than 50 years of age, and which has been so improved as to increase the assessed value of the structure by no less than 40 percent. An addition to an existing residential~~ or multifamily~~ structure shall not qualify as substantial rehabilitation or replacement unless there is also simultaneous rehabilitation or renovation of the existing structure. In order for an addition to an existing structure to qualify as substantial rehabilitation or renovation, the addition must be for improvements to the living areas of the structure, such as bathrooms, kitchens, bedrooms and similar facilities not to exceed 15 percent of the original above-grade living area at the time of application. Additions for such things as garages, swimming pools, patios and similar facilities that are not used as living areas for the structure shall not be eligible for a tax exemption.

(2) *Substantially rehabilitated or renovated multifamily (~~six~~ five units or more), commercial, or industrial real estate:* Any real estate upon which there is an existing multifamily, commercial, or industrial structure which is no less than 25 years of age, and which has been so improved as to increase the assessed value of the structure by no less than 60 percent. An addition to an existing multi-family, commercial, or industrial structure shall not qualify as substantial rehabilitation or replacement unless there is also simultaneous rehabilitation or renovation of the existing structure. In order for an addition to an existing structure to qualify as substantial rehabilitation or renovation, the addition must be for improvements to the existing areas of the structure not to exceed 15 percent of the original gross leasable square footage at the time of application.

(3) *Base value:* The assessed value of any structure covered by this section prior to the commencement of rehabilitation or renovation work, as determined by the City Assessor upon receipt of an eligible application for rehabilitated or renovated real estate tax exemption and after a physical inspection of the property by an appraiser from the City Assessor's Office.

(4) *Rehabilitated or renovated real estate tax exemption:* An amount equal to the increase in assessed value resulting from the substantial rehabilitation or renovation of a structure as determined by the City Assessor and this amount only should be applicable to subsequent tax exemption.

(5) *Taxable year:* For the purpose of this section, the fiscal year from July 1 through June 30 for which such real estate tax is imposed for the exemption claimed.

(6) *Taxes*: Real estate taxes must not be delinquent in order for the exemption to go into and remain in effect.

(~~6~~ 7) *Owner:* The person or entity in whose name the structure is titled or a leasee who is legally obligated to pay real estate taxes assessed against the structure.

(b) *Rehabilitated or renovated real estate tax exemptions.* It is hereby declared to be the purpose of this section to authorize a rehabilitated or renovated real estate tax exemption for substantially rehabilitated or renovated residential, multifamily, commercial, or industrial real estate located anywhere within the City of Lynchburg.

(1) For each residential ~~and multifamily~~ property that qualifies, the rehabilitated or renovated real estate tax exemption shall be effective for a period of ~~15~~ ten years commencing on July 1 for any completed ~~work~~ approved rehabilitation/renovation during the preceding fiscal year.

(2) For each commercial, multifamily, or industrial property that qualifies, the rehabilitated or renovated real estate tax exemption shall be effective for a period of ~~five~~ ten years commencing on July 1 for any work completed during the preceding fiscal year.

(c) *Graduated real estate tax exemptions*. The rehabilitated or renovated real estate tax exemption for the last three years for residential, multifamily, commercial, or industrial structures will be reduced by twenty-five (25) percent each year commencing on July 1 so that the final year of the exemption is only twenty-five (25) percent of the initial exemption.

(~~c~~ d) *Usual and customary methods of assessing.* In determining the base value and the increased value resulting from substantial rehabilitation or renovation of residential, multifamily, commercial, or industrial real estate, the City Assessor shall employ usual and customary methods of assessing real estate.

(~~d~~ e) *Eligibility requirements:*

(1) An application to qualify a structure as a substantially rehabilitated or renovated residential, multifamily, commercial, or industrial structure must be filed with the City Assessor's Office before work is started. Applications may be obtained from the City Assessor's Office.

(2) Upon receipt of an application for rehabilitated or renovated real estate tax exemption, an appraiser from the City Assessor's Office shall make a physical inspection of the structure and determine the assessed base value of the structure. If work has been started prior to the first inspection; the base value will include any work started and will reflect the market value of the structure as of the date of the first inspection.

(3) The application to qualify shall be effective for a period of two years from the date of filing. No extensions of this time period will be granted.

(4) Upon completion of the rehabilitation or renovation, the owner of the property shall notify the City Assessor ~~in writing~~, and an appraiser from the City Assessor's Office shall physically inspect the property and perform an after rehabilitation or renovation appraisal to determine if it then qualifies for the rehabilitated or renovated real estate tax exemption.

(5) Upon determination that the property has been substantially rehabilitated or renovated pursuant to the terms of this section, the rehabilitated or renovated real estate tax exemption shall become effective for a period as provided in paragraph (b) hereof.

(6) Prior to a determination that the property has been substantially rehabilitated or renovated the owner of the property shall continue to be subject to taxation upon the full value of the property, as otherwise authorized by this Code.

(7) No improvements made upon vacant land nor total replacement of residential, multifamily, commercial or industrial structures shall be eligible for rehabilitated or renovated real estate tax exemption as provided by this section. Tax exemptions for improvements to vacant land and for the replacement or repair of damaged or destroyed structures within the City's redevelopment or conservation areas or rehabilitation districts or for designated multifamily, commercial, or industrial new construction are regulated by section 36-177.1 of the City Code.

(8) No property shall be eligible for such exemption unless the appropriate building permits have been acquired and the City Assessor has verified that the rehabilitation or renovation indicated on the application has been completed.

(9) Multifamily commercial ~~residential~~ structures after rehabilitation or renovation is completed shall remain as such or may be used as single-family, condominium residences for the remainder of the exemption period.

(10) There shall be a non-refundable fee of $125.00 for processing each residential application and $250.00 for processing each multi-family, commercial, or industrial application under this section.

(11) The property must at all times be in compliance with all Lynchburg City Codes including, without limitation, the building code, the rental housing code, the zoning ordinance and all other codes that relate to real estate within the City of Lynchburg. Failure to correct the violation within the required time, as provided by the building inspector, will void the remainder of the exemption. If a structure is damaged or destroyed and found to be uninhabitable, the exemption will be terminated.

(12) No exemption shall be granted if access to the entire property is denied to the City Assessor's Office or the Inspections Division.

(13) All taxes must be paid and current to be eligible for an exemption. If the City Assessor is notified by the Billing and Collections Department that the property is more than 30 days delinquent on taxes, then the remainder of the exemption will be void.

(14) Only one rehabilitation or renovation exemption may be active for a parcel at any given time.

(15) Nothing in this section shall supersede any other City, State, or Federal code.

(~~e~~ f) *Exemption to run with the land.* The rehabilitated or renovated real estate tax exemption shall run with the land, and the owner of such property during the two-year construction period and/or each of the years of exemption shall be entitled to the amount of partial exemption.

(Ord. No. O-82-252, § 1, 12-14-82; Ord. No. O-84-274, § 1, 11-27-84, eff. 7-1-84; Ord. No. O-88-277, § 1, 10-11-88; Ord. No. O-93-331, 12-14-93; Ord. No. O-03-040, 2-25-03, eff. 4-1-03; Ord. No. O-08-075, 5-27-08)

Sec. 36-177.1. - Exemption of real estate taxes for ~~new structures and~~ the renovation or replacement of damaged or destroyed structures ~~in redevelopment or conservation areas or rehabilitation districts~~.

(a) Damaged Properties: It is hereby declared to be the purpose of this section to authorize ~~a partial~~ an exemption from real property taxes of ~~vacant~~ real property ~~upon which new single-family structures are constructed within the city's designated redevelopment or conservation areas or rehabilitation districts and~~ for the replacement or renovation of residential, multi-family, ~~or~~ commercial, or industrial structures that are damaged by a natural disaster, an act of God, or by other ~~accidental~~ means in which the property owner or tenant is not found to have caused the damage through negligence ~~within the city's designated redevelopment or conservation areas or rehabilitation districts~~.

(1) For each residential, multi-family, ~~or~~ commercial, or industrial property that qualifies, the amount of the exemption from real property taxation shall be 50 percent of the assessed value of the replaced portion and the real estate tax exemption shall be effective for a period of ~~seven~~ ten years commencing on July 1 for any work completed during the preceding fiscal year. Further, the exemption shall be graduated twenty-five (25) percent for each of the final three years as outlined in Sec. 36-177(c).

(2) For renovated or replacement residential, multi-family, ~~or~~ commercial, or industrial structure, the assessed fair market value of the renovated or replacement structure must be equal to at least 100 percent of the assessed fair market value of the structure prior to the damage or destruction ~~that was damaged or destroyed~~.

(3) ~~Replacement of structures must be designed and constructed in such a manner that it is architecturally compatible with the existing structures located within the neighborhood.~~

(b) Revitalization Zone Exception: Existing residential, multifamily, commercial, or industrial requiring demolition due to functional obsolescence and/or providing minimal contributing value as renovated to be determined by the City Assessor is allowed within the City's Revitalization Zone as specified by City Council by ordinance.

(~~b~~ c) The exemption ~~provided in this section~~ shall not apply when an existing structure is demolished or razed by a property owner or as a result of the property owner's neglect and a replacement structure is constructed, unless the assessed value of the existing structure that is demolished or razed is less than $10,000.00 or as provided for by §36-177.1(b). The exemption shall not apply when the structure to be demolished or razed is a Virginia Registered Landmark, or is determined by the City's historic preservation commission to contribute to the significance of a registered historic district.

(d) Application fees will be in accordance with Sec. 36-177(e)(9).

(e) A Certificate of Occupancy on the completed structure must be issued by the City Inspections Division before any exemption will be authorized.

(f) Application fees and other requirements will be in accordance with Sec. 36-177(e)(8) through (15).

(g) The rehabilitated or renovated real estate tax exemption shall run with the land, and the owner of such property during the two-year construction period and/or each of the years of exemption shall be entitled to the amount of partial exemption.

(Ord. of 5-27-08, Ord. No. O-08-075)

// A regular meeting of the Council of the City of Lynchburg was held on the 18th day of April, 2017, at 4:00 P.M. in the Council Chamber, City Hall, Joan Foster, President, presiding. The following Members were present:

Present: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 7

Absent: 0

// Deputy City Manager Charles Hartgrove provided information on the Real Property Tax Rate. Mr. Hartgrove stated City Council asked for clarification about the causes of the relatively flat real property assessments that were recently completed. The City staff surveyed the Real Property Tax Rate from the Virginia First Cities and asked for the following information:

- Total taxable real property
- Total assessment increase
- Current real property tax rate
- City Manager FY2018 proposed tax rate

The comparison from the Virginia First Cities are as follows:

- Most Virginia First Cities have similar real estate growth rates to Lynchburg.
- Outside of one outlier, Charlottesville at 15.14%, the assessment rates range from 1.39% to 3.4%.
- No response from Staunton and Winchester.

Mr. Hartgrove went on to say that Lynchburg's proposed total assessment increase is 0.66% for FY 2018. This increase is in the middle or median of the other First Cities. Mr. Hartgrove explained the drivers that are causing our relatively flat real property reassessment.

// City Manager Bonnie Svrcek stated that responses from questions raised at previous Council work sessions have been provided and also the analysis contributions from the Lynchburg City Schools. Ms. Svrcek began with the FY 2018 Proposed Balanced General Fund Budget. There were several adjustments to Revenues and Expenditures that were explained as follows:

Preliminary Proposed FY 2018 Revenues: Staff Adjustments to Revenues:

- Reduce Personal Property Tax Revenue from ($18,281,000 to $18,100,000)
- Adjust Personal Property Tax Uncollectible (-$548,430 to -$543,000)
- Increase Lodging Tax Revenue from ($2,910,000 to $3,100,000)
- Reduce Meal Tax Revenue from ($15,769,447 to $15,500,000)
- Increase Region 2000 Service Authority Payment ($300,000 to $400,000)

A subtotal Staff Adjustment to Revenues is ($155,017)

Preliminary Proposed FY 2018 Expenditures: Staff Adjustments to Expenditures:

- Delete request for Economic Development Coordinator position – ($52,405)
- Restore full funding for Lynchburg Regional Business Alliance - $25,000
- Non-department – Additional funding for Line of Duty - $140,000

Subtotal Staff Adjustments to Expenditures - $112,595 with a Preliminary GAP of ($267,612) at the present time. Next discussed were the balancing of the items on the “List”, which follows:

- Meals Tax Increase
- City Assessor’s Office
- City Attorney’s Office
- Human Resources – Occupational Health
- Non-Departmental
- Lynchburg City Schools
- Public Works – Refuse
- Public Works – Parks and Grounds Maintenance
- Parks and Recreation
- Community Development
- Economic Development – Tourism
- Communications and Marketing
- Non-Departmental – Lean/Six Sigma
- Non-Departmental – Poverty Initiative
- Greater Lynchburg Transit Company (GLTC)
- Lynchburg City Schools – School Buses
- Lynchburg City Schools – School Maintenance Projects

// City Manager Bonnie Svrcek began discussing the balancing of the FY 2018 Capital Improvement Program. Ms. Svrcek explained the projects that would be funded under the FY2018 City Capital Projects Funds and the projects that would be under Pay-As-You-Go Projects. City Manager Bonnie Svrcek stated that there were three items that need to be addressed at the next meeting on April 25, 2017.

- City Wide Compensation Study
- Reserves for the City Wide Compensation Implementation Study
- Contractual Services for a Department Strategic Plan

// During roll call Council Member Wilder mentioned a wonderful event downtown, the International Festival.

// Council Member Dolan thanked the Water Resources Department for providing outstanding service due to a water situation.

// Council Member Perrow mentioned that students visited the Water Plant and the Wastewater Treatment Plant and wanted to thank the Water Resources staff for taking the time to talk to the students.

// Vice Mayor Tweedy mentioned a great event she attended at the Point of Honor and wanted to thank Parks and Recreation and Public Works for putting on a wonderful event. She also got a chance to read to the children.

// Mayor Foster stated that on April 25, 2017 the work session would start at 3:00 p.m. and there will be no 7:30 p.m. meeting and she wished Valeria P. Chambers, Clerk of Council, a Happy Birthday.

// The meeting was adjourned at 6:10 P.M.

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Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #:

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

ITEM TITLE: Cancellation of Second Monthly City Council Meetings of July, August and December

Strategic Pillar(s) Impacted:

___Arts & Culture	___Citizen Engagement & Social Capital	___Economic Development	___Healthy & Active Living
___Infrastructure	___Land Use	___Lifelong Learning	___Natural Resources
___Neighborhoods	___Safe Community	___Social Equity	___Transportation
			__X Administrative

RECOMMENDATION: Cancel the City Council meetings and work sessions on July 25, August 22 and December 26.

SUMMARY City Council's practice has been to cancel the second meeting and work session in July and August to take a Summer break. In addition, Council has traditionally done the same for the second meeting and work session in December.

PRIOR ACTION(S): None

FISCAL IMPACT: None

CONTACT(S): Valeria P. Chambers – 455-3983

ATTACHMENT(S):

None

REVIEWED BY: bms

088V

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **7**

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

ITEM TITLE: Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2 Funding

Strategic Pillar(s) Impacted:
___Arts & Culture ___Citizen Engagement & Social Capital ___Economic Development ___Healthy & Active Living
_X_Infrastructure ___Land Use ___Lifelong Learning ___Natural Resources
___Neighborhoods ___Safe Community ___Social Equity ___Transportation
___Administrative

RECOMMENDATION: Adopt a resolution to amend the FY 2017 Water Capital Projects Fund budget and appropriate $241,043 with resources from Liberty University for reimbursement of construction costs associated with Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2.

SUMMARY: Liberty University Indoor Track and Aquatic Complex Waterline - Phase 2 construction connects the waterline to Phase 1 construction to supply water to the new Indoor Track and Aquatic Complex. Liberty University has reimbursed the City for all associated costs with Phase 2 construction. Waterlines constructed under Phase 1 and Phase 2 are owned by the City.

PRIOR ACTION(S): Liberty University Intramural Field Road Waterline – Phase 1 reimbursement appropriated January 12, 2016.

FISCAL IMPACT: None

CONTACT(S):
Tim Mitchell, Director of Water Resources, 455-4252
Gregory Poff, Assistant Director of Water Resources, 455-4249

ATTACHMENT(S): Resolution

REVIEWED BY: bms

RESOLUTION:

BE IT RESOLVED that the FY 2017 Water Capital Projects Fund budget is amended and $241,043 is appropriated with resources from Liberty University to reimburse construction costs associated with Liberty University Indoor Track and Aquatic Complex Waterline – Phase 2.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

091V

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 27, 2017** AGENDA ITEM #: **8**

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

ITEM TITLE: Ordinance Regulating Small Cell Facilities in Rights-Of-Way and on City-Owned Property

Strategic Pillar(s) Impacted:

__ Arts & Culture	___Citizen Engagement & Social Capital	___Economic Development	___Healthy & Active Living
_X_Infrastructure	___Land Use	___Lifelong Learning	___Natural Resources
____Neighborhoods	___Safe Community	___Social Equity	___Transportation
			___Administrative

RECOMMENDATION: Approval of the ordinance.

SUMMARY: Earlier this year, the Virginia General Assembly adopted Senate Bill 1282 which amended various sections of the state code dealing with the co-location of micro-wireless facilities and small cell facilities on existing structures. Small cell facilities include equipment and antennas for wireless communication services with a cumulative size (volume) of no more than twenty-eight (28) cubic feet; often these facilities are placed on or adjacent to other utilities. The bill gives localities the authority to adopt a procedure for the approval of small cell facilities that will be co-located on existing structures within the public rights-of-way and on publicly owned property. The bill also gives localities the right to charge a fee for processing a permit to co-locate a small cell facility.

If the city does not adopt a procedure to approve the co-location of small cell facilities, effective July 1, 2017, telecommunications companies will be able to co-locate small cell facilities on existing structures in the public rights-of-way as a matter of right. Staff is concerned that the maximum allowable size of the equipment could impact vehicle sight distances, pedestrian facilities and aesthetics. The proposed ordinance would provide an administrative review process and one hundred fifty dollar ($150) review fee similar to what is required to install this equipment on private property in accordance with the City's Zoning Ordinance.

PRIOR ACTION(S):
June 13, 2017: The Physical Development Committee recommended forwarding to City Council for action.

FISCAL IMPACT: N/A

CONTACT(S): Walter Erwin, City Attorney – 455-3980
Gaynelle Hart, Director of Public Works – 455-4450
Kent White, Director of Community Development – 455-3900

ATTACHMENT: Ordinance

REVIEWED BY: bms

AN ORDINANCE TO AMEND AND REENACT THE CODE OF THE CITY OF LYNCHBURG, 1981, BY ADDING THERETO A NEW SECTIONS NUMBERED 35-28, 35-28.1, 35-28.2, 35-28.3, 35-28.4, 35-28., AND 35-28.6, RELATING TO THE LOCATION OF MICRO-WIRELESS FACILITIES AND SMALL CELL FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OR ON CITY OWNED PROPERTY.

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

1. That the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted by adding thereto Sections 35-28, 35-28.1, 35-28.2, 35-28.3, 35-28.4, 35-28.5, and 35-28.6 as follows:

Sec. 35-28. Unlawful to install micro-wireless and small cell facilities in the public rights-of-way or on city-owned property without a permit.

The Council of the City of Lynchburg has determined that it is in the best interests of the city and its citizens to regulate the installation of micro-wireless and small cell facilities within the public streets, alleys, public grounds or other public rights-of-way or upon city-owned property.

Therefore, no corporation, association, person, partnership, or any other entity, whether public or private, profit or not for profit, shall install micro-wireless and small cell facilities within the public streets, alleys, public grounds or other public rights-of-way within the city or upon city-owned property without first obtaining a permit from the City. The requirement of a permit also applies to the co-location of micro-wireless and small cell facilities on existing structures that are located within the public streets, alleys, public grounds or other public rights-of-way or upon city-owned property.

Any violation of this section shall be punishable as a class 1 misdemeanor and each day such violation continues shall be punishable as a separate offense. In addition to the other penalties provided herein, the city shall have the right to petition the judges of the circuit court for a court order enjoining any violation of this section.

Sec. 35-28.1. Definitions.

As used in this ordinance, unless the context requires a different meaning, the following definitions shall apply:
"Co-locate" means to install, mount, maintain, modify, operate, or replace a wireless facility on, under, within, or adjacent to a base station, building, existing structure, utility pole, or wireless support structure. "Co-location" has a corresponding meaning.
"Existing structure" means any structure that is installed or approved for installation at the time a wireless services provider or wireless infrastructure provider provides notice to a locality of an agreement with the owner of the structure to co-locate equipment on that structure. "Existing structure" includes any structure that is currently supporting, designed to support, or capable of supporting the attachment of wireless facilities, including towers, buildings, utility poles, light poles, flag poles, signs, and water towers.
"Micro-wireless facility" means a small cell facility that is not larger in dimension than 24 inches in length, 15 inches in width, and 12 inches in height and that has an exterior antenna, if any, not longer than 11 inches.
"Small cell facility" means a wireless facility that meets both of the following qualifications: (i) each antenna is located inside an enclosure of no more than six cubic feet in volume, or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements could fit within an imaginary enclosure of no more than six cubic feet and (ii) all other wireless equipment associated with the facility has a cumulative volume of no more than 28 cubic feet, or such higher limit as is established by the Federal Communications

Commission. The following types of associated equipment are not included in the calculation of equipment volume: electric meter, concealment, telecommunications demarcation boxes, ground-based enclosures, back-up power systems, grounding equipment, power transfer switches, cut-off switches, and vertical cable runs for the connection of power and other services.
"Utility pole" means a structure owned, operated, or owned and operated by a public utility, the city, or the Commonwealth that is designed specifically for and used to carry lines, cables, or wires for communications, cable television, or electricity.
For the definition of other terms that are used in this ordinance, see Sections 15.2-2316.3 and 56-484.26 of the Code of Virginia, 1950, as amended.

Sec. 35-28.2. Application and fees.

Any corporation, association, person, partnership, or any other entity desiring to install or co-locate micro-wireless or small cell facilities within the public streets, alleys, public grounds or other public rights-of-way or upon city-owned property shall make written application therefor with the city's Engineering Division on forms supplied by the Division. The applicant shall pay a fee not to exceed $150 for processing a permit application.

In addition to the $150 processing fee, the applicant shall also pay zoning, subdivision, site plan, and comprehensive plan fees of general application, if any, on a wireless services provider or wireless infrastructure provider to attach or co-locate micro-wireless or small cell facilities on an existing structure in the right-of-way.

The Engineering Division may require a single use permit fee, as determined by the Engineering Division, if the installation, placement, maintenance, or replacement of micro-wireless facilities or small cell facilities (i) involves working within the highway travel lane or require closure of a highway travel lane; (ii) disturbs the pavement, shoulder, roadway, or ditch line; (iii) includes placement on limited access rights-of-way; or (iv) requires any specific precautions to ensure the safety of the traveling public or the protection of public infrastructure or the operation thereof, and either were not authorized in or will be conducted in a time, place, or manner that is inconsistent with terms of the existing permit for that facility or the structure upon which it is attached. All work conducted within the public right-of-way shall be restored as outlined in the city's procedures manual for asphalt/concrete (street) repairs. A copy of the procedures manual for asphalt/concrete (street) repairs shall be kept in the office of the Department of Public Works and shall be available for review upon request. It shall be the responsibility of any applicant for a permit to review the manual and become familiar with its requirements before beginning any excavation work within the public rights-of-way.

Sec. 35-28.3. Processing of application.

Upon receipt of an application, and after review of the application by the City's Technical Review Committee, the Engineering Division may issue a permit allowing the installation and operation of micro-wireless or small cell facilities on existing structures in the public rights-of-way, provided that the applicant (i) has permission from the owner of the structure to co-locate equipment on that structure and (ii) provides notice of the agreement and co-location to the Engineering Division. The Engineering Division shall approve or disapprove any such requested permit within 60 days of receipt of the complete application. Within 10 days after receipt of an application and a valid electronic mail address for the applicant, the Engineering Division shall notify the applicant by electronic mail whether the application is incomplete and specify any missing information; otherwise, the application shall be deemed complete. Any disapproval of the application shall be in writing and accompanied by an explanation for the disapproval. The 60-day period may be extended by the Engineering Division in writing for a period not to exceed an additional 30 days.

Sec. 35-28.4. Issuance of permit and indemnification.

If the Engineering Division approves the installation of micro-wireless or small cell facilities as stated in the application for a permit, it shall issue the permit. The acceptance of a permit shall require the recipient thereof and its successors in interest to indemnify, hold harmless, and defend the city, its employees and officials, from all claims, expenses and costs, including reasonable attorney's fees, for damages or injuries to any person or property of any nature whatsoever, arising out of the installation and operation of micro-wireless or small cell facilities for which the permit was granted.

Sec. 35-28.5. Denial of application.

The Engineering Division may disapprove a proposed location or installation of micro-wireless or a small cell facility for the following reasons:
a. Material potential interference with other pre-existing communications facilities or with future communications facilities that have already been designed and planned for a specific location or that have been reserved for future public safety communications facilities;
b. The public safety or other critical public service needs;
c. Only in the case of an installation on or in publicly owned or publicly controlled property, excluding privately owned structures where the applicant has an agreement for attachment to the structure, aesthetic impact or the absence of all required approvals from all departments, authorities, and agencies with jurisdiction over such property; or
d. Conflict with the applicable provisions of the city's zoning ordinance regulating historic sites and structures.
An applicant may voluntarily submit conditions to address potential visual or aesthetic effects resulting from the placement of micro-wireless and small cell facilities.

Sec. 35-28.6. Attachment on city-owned structures.

a. If the city agrees to permit a wireless services provider or a wireless infrastructure provider to attach micro-wireless or small cell facilities to city-owned structures, the city and the wireless services or wireless infrastructure provider shall negotiate in good faith to arrive at a mutually agreeable contract terms and conditions.
b. The rates, terms, and conditions for such agreement shall be just and reasonable, cost-based, nondiscriminatory, and competitively neutral, and shall comply with all applicable state and federal laws. However, rates for attachments to city-owned buildings may be based on fair market value.
c. For utility poles owned by the city or the Commonwealth that support aerial cables used for video, communications, or electric service, the parties shall comply with the process for make-ready work under 47 U.S.C. § 224 and implementing regulations. The good faith estimate of the government entity owning or controlling the utility pole for any make-ready work necessary to enable the utility pole to support the requested co-location shall include pole replacement if necessary.
d. For utility poles owned by the city or the Commonwealth that do not support aerial cables used for video, communications, or electric service, the government entity owning or controlling the utility pole shall provide a good faith estimate for any make-ready work necessary to enable the utility pole to support the requested co-location, including pole replacement, if necessary, within 60 days after receipt of a complete application. Make-

ready work, including any pole replacement, shall be completed within 60 days of written acceptance of the good faith estimate by the wireless services provider or a wireless infrastructure provider.

e. The government entity owning or controlling the utility pole shall not require more make-ready work than required to meet applicable codes or industry standards. Charges for make-ready work, including any pole replacement, shall not exceed actual costs or the amount charged to other wireless services providers, providers of telecommunications services, and nonpublic providers of cable television and electric services for similar work and shall not include consultants' fees or expenses.

f. The annual recurring rate to co-locate a micro-wireless or a small cell facility on a government-owned utility pole shall not exceed the actual, direct, and reasonable costs related to the wireless services provider's or wireless infrastructure provider's use of space on the utility pole. In any controversy concerning the appropriateness of the rate, the government entity owning or controlling the utility pole shall have the burden of proving that the rates are reasonably related to the actual, direct, and reasonable costs incurred for use of space on the utility pole for such period.

Sec. 35-28.7. Relocation of facilities.

Whenever the city shall determine it is necessary in connection with the repair, relocation, or improvement of the public rights-of-way or any public project, the city may require by written notification that any corporation, association, person, partnership, or any other entity, which has installed micro-wireless or small cell facilities in the city's streets, alleys, or other public rights-of-way or on public grounds or on city-owned property to remove or relocate any facilities located in the public rights or way or on public grounds or on city-owned property. Within sixty (60) days after receipt of notification, unless the city extends such period for good cause shown, such corporation, association, person, partnership, or other entity shall remove or relocate its facilities to such place and under such terms and conditions as specified by the city. Such corporation, association, person, partnership, or other entity shall bear all expenses associated with the removal and relocation of its facilities except that the city will issue, without charge whatever local permits are required for the relocation of such facilities. If such corporation, association, person, partnership, or any other entity does not complete its removal or relocation within sixty (60) days or such other period as authorized by the city, the city may take such actions as necessary to effect such removal or relocation at such corporation’s, association’s, person’s, partnership’s, or other entities’ expense. If the city or its representatives remove or relocate any facilities that are located in the city's streets, alleys, or other public rights-of-way or on public grounds or on city-owned property because the owner of the facilities fails to do so in a timely manner, neither the city or its representatives shall be liable for any damages the facilities may suffer as a result of such removal or relocation. Further, any corporation, association, person, partnership, or any other entity that fails to remove its facilities in a timely manner will be responsible for any additional costs and expenses incurred by the city as a result of such corporation’s, association’s, person’s, partnership’s, or other entities’ failure to remove or relocate its facilities as instructed by the city.

2. That this ordinance shall become effective July 1, 2017.

Adopted:

Certified: ______________________________
Clerk of Council

092V