

Agenda Item #1

April 28, 2015

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// A regular meeting of the Council of the City of Lynchburg was held on the 28th day of April, 2015, at 7:30 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. Council Member Tweedy gave the Invocation, followed by the Pledge of Allegiance. The following Members were present:

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

Absent: Johnson 1

// Mayor Gillette announced that the City of Lynchburg is conducting its biennial survey during the month of May. One thousand four hundred citizens throughout the City will be asked to complete the survey and give their opinion about city services, the Lynchburg community and other issues. Your opinion is important to us so please complete and return the survey.

// Mayor Gillette presented a Proclamation for Denim Day. YWCA Executive Director Caroline Hudson gave remarks on the purpose of Denim Day, stating that April is Sexual Assault Awareness Month and Child Abuse Prevention Month.

// Vice Mayor Johnson arrived at the meeting at 7:35 p.m.

// Mayor Gillette asked Council to add an item to this meeting under General Business regarding the Virginian Hotel. Council agreed to make adjustments to the agenda. This item will be the first item under General Business.

// Copies of the minutes of the April 14, 2015 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Foster, seconded by Council Member Nelson, Council by the following recorded vote approved the minutes as presented:

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

Noes: 0

// In the matter of Budget, City Council Report #2 was considered. Resolution #R-15-025 amending the FY 2015 Third Quarter Adopted Budget and appropriating or rescinding funds to adjust revenue, expenditure, and transfer adjustments, laid over from the April 14, 2015 meeting, was again presented and read, and on motion of Council Member Foster, seconded by Council Member Nelson, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Parks and Recreation – General, Resolution #R-15-026 amending the FY 2015 City Capital Fund budget and appropriating \$284,960 with resources from the Virginia Department of Historic Resources, State Rehabilitation Tax Credit Program, for improvements to the Miller Center, laid over from the April 14, 2015 meeting, was again presented and read, and on motion of Council Member Foster, seconded by Council Member Nelson, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Community Development – CDBG, a public hearing was held regarding City Council Report #4 on the FY 2016 Allocation of Community Development Block Grant (CDBG) and HOME

Program Funds. Grants Manager Melva Walker provided a summary of the Community Development Advisory Committee (CDAC) recommendations on the projects and allocations. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Helgeson, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Resolution #R-15-027, as presented, approving the Community Development Block Grant (CDBG) and HOME Program FY 2016 funding allocations for incorporation into the FY 2016 General Fund Operating Budget and Program Year 2015 Annual Action Plan:

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

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Noes:

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// Item Not On Agenda: Discussion of possible conflict of interest in connection with the Virginian Hotel.

City Manager Kimball Payne stated that he was not aware of a concern with the Virginian Hotel and was not aware that the Economic Development Director's spouse worked for the developers of the Virginian Hotel project. Mr. Payne went on to say that as soon as he was made aware of this situation, he consulted with the City Attorney on this matter. Mr. Payne did state that the Director of Economic Development did not participate in the process, only Council, the City Manager and Economic Development Authority. During Council discussion there were concerns raised as to whether a conflict of interest arose that was not disclosed on this project, since the Economic Development Director's spouse was an employee of the developers of the Virginian Hotel project. In response City Attorney Walter Erwin stated that there are three parts to the Conflict of Interest Act. 1) Basically do not do bad things; 2) A public employee cannot contract with their own government agency and; 3) Public officials and employees cannot have a personal interest in a project. Mr. Erwin went on say that this Act is very confusing and he could not find a conflict of interest with this project. In conclusion, no action was taken by Council regarding the Virginian Hotel.

// In the matter of Community Development - General, City Council Report #5 was considered. Council Member Helgeson, Chair of the Finance Committee (FC) stated this matter came before the FC, which recommended approval. This motion does not require a second, and Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-028, as presented, amending the FY 2015 City/Federal/State Aid Fund budget and appropriating \$98,618 from the U.S. Department of Housing and Urban Development (HUD) to provide at least 10 units of tenant-based rental assistance and associated case management services:

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

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Noes:

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// In the matter of Budget/Community Development – General, City Council Report #6 was considered. Several Council Members stated they would not support this item because they were philosophically opposed to the original terms the guarantor (City) made in 2002. Council Member Helgeson mentioned concerns that the savings will be passed on to the Bluffwalk Center. He further stated it would be nice to renegotiate the terms to pay off the loan faster. Council Member Perrow is also opposed to the City guaranteeing the loan (assuming responsibility if the debtor does not pay the loan). He further stated if the

City could have negotiated more he would be in favor of supporting this item. City Manager Kimball Payne stated that Department of Housing and Urban Development (HUD) has this role, not the Bluffwalk Center.

The proposition does not require the City to assume any new debt, it does not change the terms of the loan, and it does not remove any legal responsibilities the City has as a guarantor of the loan. Mr. Payne further stated what the proposition does is to lower the interest rate of the loan.

On motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-15-029, as presented, authorizing the City to contract a debt in the principal amount not to exceed \$1,580,000 in connection with the refunding of the Outstanding Principal amount of a Promissory Note issued by the City to the U.S. Department of Housing and Urban Development to finance costs related to the Bluffwalk Center Riverfront Development Project in the City:

Ayes: Foster, Johnson, Nelson, Tweedy, Gillette

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Noes: Helgeson, Perrow

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On motion of Vice Mayor Johnson, seconded by Council Member Tweedy, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-030, as presented, amending the FY 2015 Community Development Block Grant budget and appropriating \$7,900 with resources from the Community Development Block Grant Restricted Fund Balance funds to the refunding of the Series 2004-A Note:

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

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Noes: Perrow

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// In the matter of FY2016 Budget/CIP, City Council Report #7 adopting the FY 2016 General Fund Operating Budget (excluding External Service Providers and Component Units expenditures) and appropriating \$202,340,575 for this budget was considered. Council Members decided to vote on each Budget resolution separately. Council Member Helgeson stated he would not support the FY 2016 General Fund Operating Budget because the budget continues to grow each year and he would like to have a discussion on lowering the City's taxes. On motion of Council Member Foster, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-031, as presented, adopting the FY 2016 General Fund Operating Budget (excluding External Service Providers and Component Units expenditures) and appropriating \$202,340,575 for this budget:

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

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Noes: Helgeson

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// On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-032, as presented, adopting the FY 2016 Mandated and Contractual External Service Providers Budget and appropriating \$8,086,819 for this budget:

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

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Noes:

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// On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-033, as presented, adopting the FY 2016 Central Virginia Alliance for Community Living (formerly Central Virginia Area Agency) Budget and appropriating \$15,000 for this budget:

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

Noes: 0

// On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-034, as presented, adopting the FY 2016 Central Virginia Community College Board and Related Operations Budget and appropriating \$1,900 for this budget:

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

Noes: 0

// On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-035, as presented, adopting the FY 2016 Robert E. Lee Soil & Water Conservation District Budget and appropriating \$10,000 for this budget:

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

Noes: 0

// On motion of Vice Mayor Johnson, seconded by Council Member Foster, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-036, as presented, adopting the FY 2016 Virginia Legal Aid Society Budget and appropriating \$10,816 for this budget:

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

Noes: 0

// On motion of Council Member Foster, seconded by Council Member Tweedy, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-037, as presented, adopting the FY 2016 Amazement Square Real Estate Tax Refund Budget and appropriating \$5,604 for this budget:

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

Noes: 0

// Mayor Gillette read the motion regarding the FY 2016 Region 2000 Local Government Council Budget and appropriating \$44,491 for this budget. Council Member Perrow stated he recently entered into a contract with the Region 2000 Local Government Council to provide engineering services, so he has a personal interest on the Region 2000 Local Government Council and under the Virginia Conflict of Interest Act, he must abstain from discussion and voting on this item. On motion of Council Member Foster, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-038, as presented, adopting the FY 2016 Region 2000

Local Government Council Budget and appropriating \$44,491 for this budget:

Ayes: Foster, Helgeson, Johnson, Nelson, Tweedy, Gillette	6
Noes:	0
Abstention: Perrow	1

// Mayor Gillette read the motion regarding the FY 2016 School Operating Budget and appropriating \$100,569,860 for this budget. Council Member Nelson stated that his wife is a School Division employee but that fact would not impair his unbiased judgment in consideration of this item. Vice Mayor Johnson stated he is a part time employee of the School Division but he does not have a conflict of interest and his statement is filed with the Clerk of Council. Council Member Helgeson stated he would not support the school budget because it fails to reduce the increase given to the Schools. He further stated that each year more money is allocated to the Schools and this year they are adding 60 new positions, which means more burden on our taxpayers. For these reasons he will be voting against this item. On motion of Council Member Foster, seconded by Vice Mayor Johnson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-039, as presented, adopting the FY 2016 School Operating Budget and appropriating \$100,569,860 for this budget:

Ayes: Foster, Johnson, Nelson, Perrow, Tweedy, Gillette	6
Noes: Helgeson	1

// On motion of Vice Mayor Johnson, seconded by Council Member Tweedy, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-040 as presented, adopting the FY 2016 Greater Lynchburg Transit Company Budget and appropriating \$7,747,809 for this budget:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette	7
Noes:	0

// On motion of Vice Mayor Johnson, seconded by Council Member Tweedy, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-041, as presented, adopting the FY 2016 Operating Fund Budgets for other funds and appropriating the sums of each fund:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette	7
Noes:	0

// On motion of Vice Mayor Johnson, seconded by Council Member Perrow, Council by the following recorded vote adopted Resolution #R-15-042, as presented, amending the FY 2016 – 2020 Capital Improvement Program Budget:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette	7
Noes:	0

// On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-043, as presented, adopting the FY 2016 Capital Budget and appropriating \$20,229,637 for the City Capital

Projects Fund; \$1,400,000 for the Airport Capital Projects Fund; \$3,950,000 for the Water Capital Projects Fund, \$2,320,000 for the Sewer Capital Projects Fund, and \$2,855,275 for the Stormwater Capital Projects Fund:

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

Noes: 0

// On motion of Vice Mayor Johnson, seconded by Council Member Tweedy, Council by the following recorded vote adopted Resolution #R-15-044, as presented, approving the payment of monetary incentives, awards, and bonuses not to exceed \$5,000 per employee. The total amount paid shall not exceed \$60,000 annually:

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

Noes: 0

// On motion of Council Member Nelson, seconded by Council Member Tweedy, Council by the following recorded vote adopted Resolution #R-15-045, as presented, stating the FY 2016 General Fund Non-Departmental Poverty Initiative funds of \$50,000 may only be spent upon approval by a majority vote of City Council:

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

Noes: 0

// On motion of Vice Mayor Johnson, seconded by Council Member Perrow, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-046, as presented, appropriating \$50,000 of the FY 2016 Reserve for Contingencies funding for use by the City Manager for the fiscal year beginning July 1, 2015 through June 30, 2016:

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

Noes: 0

// On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote adopted Resolution #R-15-047, as presented, to set the personal property tax relief rate for the fiscal year beginning July 1, 2015 through June 30, 2016 at 48.51%:

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

Noes: 0

// On motion of Council Member Nelson, seconded by Council Member Perrow, Council by the following recorded vote elected to hold a closed meeting for consultation with legal counsel and briefings by staff concerning a specific legal matter requiring the provision of legal advice, specifically the discussion of the terms and conditions of a contract between the City and the Bedford Public Service Authority for the sale of water, because discussion in an open meeting would compromise the bargaining position and negotiating strategy of the City, pursuant to Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended:

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

Noes: 0

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

// Council Member Helgeson made the following motion:

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

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

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

The Motion was seconded by Vice Mayor Johnson, and Council by the following recorded vote adopted the motion:

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

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Noes:

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// The meeting was adjourned at 9:52 P.M.

Clerk of Council