

// A Special Meeting of the Council of the City of Lynchburg was held on the 16th day of April, 2019 at 4:00 P.M. in the Council Chamber, City Hall, Treney Tweedy, President, presiding. The following Members were present:

Present: MaryJane Dolan, J. Randy Nelson, E. J. Turner Perrow,

Sterling A. Wilder, Beau Wright, Treney Tweedy

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Absent: Jeff Helgeson

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// Councilmember Helgeson arrived to the meeting at 4:01PM.

// In the matter of Finance – Budget, Council Report #1 was considered regarding an update on results from the “Balancing Act” Citizen Engagement Tool. Chief Financial Officer (CFO) Donna Witt provided an overview of “Balancing Act” through her verbal update and PowerPoint presentation. To date the “Balancing Act” application has received 49 total submissions of budget suggestions, and 461 total page views from 203 residents of the City. Those visiting the site are spending an average of 11 minutes reviewing budget information. Mrs. Witt provided a sampling of citizen comments online, and informed Council on how the application has been promoted to the public. Councilmember Perrow stated that some suggestions from citizens seemed to be “almost completely divergent” while Vice Mayor Dolan noted that the sampling from 49 residents may not be enough information to discern anything meaningful. As a side note, Councilmember Perrow offered thanks to staff for having a working projector in the Chamber. [Chamber projector was out of service during the previous session] City Manager Svrcek acknowledged the efforts of Communications and Marketing to temporarily install one of their own projectors for use in Council Chamber.

// In the matter of Finance – Budget, Council Report #2 was considered to review answers to Council questions posed during the previous budget sessions. City Manager Bonnie Svrcek provided this update.

Questions and dialogue from Councilmembers on this report:

1. Provide five years of Schools budget to actual by line item. (Wright)

Three years (Actual FY 2016, FY 2017, and FY 2018) were provided by Lynchburg City Schools (LCS) Chief Financial Officer, Anthony Beckles for Council review. A fourth year is in the budget packet, per Ms. Svrcek. Councilmember Perrow asked how carryover balances are affected in the budgets. CFO Donna Witt advised that the City would show this in an amended budget; however she is uncertain how LCS handles this type of information.

2. Provide additional information on Creekside Trail flood damage. (Wright)

On August 2, 2018, a flash flood through the Blackwater Creek Watershed caused \$5.3 million dollars of damage to parks and trails in Lynchburg. Though several parks were damaged, the majority of the damage (\$4.8 million) happened to Creekside Trail located along the banks of Blackwater Creek. In total there were 324 downed trees, 44 sandbars, 53 stream bank collapses/severe erosion and 7 lost or damaged bridges of varying types. Two of the suspension/swinging bridges are essential to re-opening the trail system. One of the suspension bridges that survived is the U.S. Forest Service designed bridge which was built higher above the Creek water than the other bridges. Because of the longevity of the U.S. Forest Service Bridge, the City wants to use this design when the others are replaced; the cost is \$375,000 per bridge. The two bridges will assist in getting the last 3 miles of closed trail reopened within a year due to all of the volunteer efforts; trail reroutes, and work done by Public Works, Water Resources, and Parks and Recreation. Councilmember Wright questioned the inclusion of one bridge in the Capital Improvement Program (CIP), when there is a need to repair two bridges. Jennifer Jones, Director of Parks and Recreation explained that there was a request for funding of both bridges in the CIP, however budget constraints allow for only one possible repair at this time. Ms. Jones also noted that some bridges are only pedestrian bridges and without use of both bridges, they are unable to open that part of the trail. This 2.7 mile section of the trail would remain closed until 2023 when the CIP allocates funding. The City is working with property owners in consideration of a reroute, but this takes time. CFO Witt advised that the City is also awaiting a decision by the Virginia Department of Emergency Management (VDEM) in regard to reimbursements for the damage. Councilmember Perrow asked if a visual could be prepared through our Geographic Information System (GIS) that identified the trails and projects as well as the minimum [dollar amount and work] required to open our trail system. Councilmember Perrow asked if the structures were insured, CFO Witt commented that she believed they did not qualify for insurance due to being located in a flood zone. Ms. Jones replied that a map has been created by GIS and she would be happy to share this information with Council via a presentation.

3. Clarify whether the Hollins Mill Road Bridge Improvements project is a Transportation or Parks and Recreation project. (Perrow)

This project seeks to solve the issue of the low water crossing area at Hollins Mill. With regularity, the low water crossing is impassable due to heavy rainfall. This low water crossing

connects the Point of Honor Trail to the Blackwater Bikeway paved trail system. The project funds include architect and engineering services that will determine whether a higher low water crossing should be built or an elevated bridge attached to the current roadway bridge instead. This project could change to a Transportation project if the best solution deems that a structure should be attached to the current bridge to cross Blackwater Creek at Hollins Mill Dam. Councilmember Perrow stated that he thought funding would be best used to open the trails as opposed to improving existing conditions.

4. Provide additional information regarding Schools athletic field projects for turf replacement/refurbishment. (Perrow)

Lynchburg City Schools (LCS) Deputy Superintendent, Dr. Benjamin Copeland provided a written response [edited] that indicated the current plan is to replace the turf, due to the year round use of the fields by all sports at both high schools. The Baseball field at Heritage High School (HHS) is one that LCS will consider replacement in the high use areas only if some areas of the field are in good condition. The example for the situation would be only the infield.

	<u>Date Installed</u>	<u>Warranty</u>	<u>CIP Funding Requested</u>
HHS Baseball Field 1	2/03/2014	12/03/2022	FY 2022
E.C. Glass High School Football/Soccer	07/24/2015	07/24/2023	FY 2023
HHS Football/Soccer Field (Note 1)	11/22/2017	11/22/2025	FY 2024

Comment: All fields will be inspected and evaluated in the final year of the warranty to determine wear on the surface and possible extension of the CIP funding to the following year. All funding is currently matched to the warranty expiration.

Note 1: HHS Football/Soccer Field will be shifted to FY 2025 in the next CIP preparation cycle.

5. Please provide information in regards to the cost to update the City's website and the cost of a Social Media Manager position. (Wright)

The cost of adding this position ranges from \$64,000 to \$102,000 with salary and benefits and the estimated cost to update the City's website is about \$60,000. Councilmember Wright noted that while the City needs to update the website at some point, he is not in favor of funding these costs currently. Mayor Tweedy asked that the Communications and Marketing Department bring a plan of internship or collaboration with local colleges and universities to support social media and website development. City Manager Svrcek stated that managing an internship with the needs of Communications and Marketing may be more cumbersome to staff than value added.

Councilmember Wilder asked how these needs are fulfilled currently. Ms. Svrcek advised that departments are using existing staff to manage this as needed.

6. How was the code changed regarding funding for Standards of Quality (SOQ) positions in regard to the 5%? How much State funding will be lost for each % not given by the Schools? (Helgeson)

Lynchburg City Schools (LCS) Chief Financial Officer, Anthony Beckles provided a written response [edited] with an excerpt from the Summary of Budget Amendments Adopted by the 2019 General Assembly to the 2018-2020 Biennial Budget as Amended by Governor Northam (HB 1700/SB 1100) affecting the Direct Aid to Public Education and Department of Education Central Office Budgets. Final General Assembly Action – Returns to the original Compensation Supplement in Chapter 2, which includes a July 1, 2019, effective date for a 3.0 percent Compensation Supplement. The General Assembly also funds an additional 2.0 percent Compensation Supplement for SOQ funded instructional and support positions effective September 1, 2019. Only a maximum 3.0 percent salary increase provided by local school divisions in fiscal year 2019 will be credited towards eligibility to receive the 3.0 percent Compensation Supplement in fiscal year 2020. Additionally, only salary increases provided in fiscal year 2020 up to 2.0 percent by September 1, 2019, can be credited towards eligibility to receive the additional 2.0 percent Compensation Supplement effective September 1, 2019.

School divisions providing less than a 2.0 percent local salary increase by September 1, 2019, would be eligible for partial state funding from the 2.0 percent portion of the Compensation Supplement in fiscal year 2020. This action reduces state payments for the Compensation Supplement by \$14.4 million in fiscal year 2020. If LCS does not give the additional 2% increase in salary by September 1, 2019; they will lose \$524,129 or \$262,064 for each 1%. LCS plans to give the 3% salary increase to all employees effective July 1, 2019. The additional 2% salary increase is the \$1,035,425 requested from City Council. If LCS receives this request, they will be able to give all employees a 5% salary increase effective July 1, 2019. LCS will lose the additional 2% salary increase funding if they do not give a 5% salary increase by September 1, 2019. LCS will not lose additional 2% salary increase funding if City Council approves the request for the \$1,035,425 and LCS gives a 5% salary increase by September 1, 2019.

Councilmember Helgeson noted that Lynchburg's composite index is around 36%, which means the State of VA pays around 64% [of educational costs]. Councilmember Helgeson stated the

scenario presented is “completely flipped” as the State is paying \$524,000 for the 2% raise and the City is contributing “a million” in local money and this should be the opposite.

// In the matter of Finance – Budget, Council Report #3 was considered regarding an overview of the Updated FY 2020 Revenue Projections. Chief Financial Officer Donna Witt provided a brief overview of these five (5) revenue projections with staff adjustments to revenue totaling \$716,322 and total revised revenues projected to be \$194,274,699. Councilmember Perrow noted his discomfort with item number five (5) to use half of the funding above the 10% fund balance policy as this funding is customarily used as a last resort. Councilmember Helgeson voiced objection to using the half of the funding above the 10% fund balance as well. City Manager Svrcek responded that the City’s policy is to have a 10% fund balance, and the current fund balance is at 10.4%, therefore the suggested amount of \$394,128 is one half of the amount above the 10% fund balance. Councilmember Helgeson asked if this calculation would result in having a 10.2% fund balance as opposed to 10.4%, to which Ms. Svrcek replied “yes, that’s correct.” Councilmember Wilder requested clarification on this item and Ms. Svrcek restated that the result would be that of a 10.2% fund balance. Councilmember Wright asked Ms. Svrcek if she is proposing that Council support this proposal and stated that he would not be in favor of moving the item to “The List.” Councilmember Helgeson commented that one Councilmember has the ability to move items to the list. Councilmember Helgeson also stated that if the City went to the 10% fund balance, the funds could be used to lower tax rates and questioned the status of real estate property tax appeals. Ms. Svrcek relayed that City Assessor Jeff Bandy was comfortable with the numbers presented in the proposed revenue adjustments.

// In the matter of Finance – Budget, Council Report #4 was considered regarding proposed staff adjustments to expenditures. City Manager Bonnie Svrcek provided an overview of these five (5) proposed adjustments. Councilmember Helgeson questioned if the Census 2020 item (#2) was already in the proposed FY 2020 budget. Ms. Svrcek advised that funding is not currently in the budget for outreach associated with Census 2020. Councilmember Helgeson asked what the benefit of more people completing the Census would be. Mayor Tweedy responded that per the prior presentation to Council by US Census staff, varied funding is tied to Census counts including education, economic development, etc. Councilmember Helgeson mentioned that he assumed any funding received would be more than the \$10,000 proposed in the FY 2020 expenditure adjustments related to Census 2020. Councilmember Perrow voiced his favor toward

advertising for Census 2020 via the Greater Lynchburg Transit Company buses and suggested that funding be pushed to that type of outreach. Councilmember Nelson commented on item number five (5) on the proposed FY 2020 Expenditure Adjustments concerning Temporary Detention Orders (TDO) and Emergency Custody Orders (ECO) provided by the Lynchburg Sheriff's Office and asked how this item related to item #3 on "The List" for additional staff hours needed by the Sheriff's Office. Lynchburg Sheriff Don Sloan advised that these were two separate circumstances. Sheriff Sloan clarified that TDO and ECO transports are the primary responsibility of the Lynchburg Police Department (LPD). However, Sheriff Sloan explained, the Sheriff's Office provides transports as assistance to LPD after mandated work hours and on weekends. One hundred and four (104) such transports were completed last fiscal year. The cost of these transports are absorbed by the Sheriff's Office, therefore Sheriff Sloan feels there should be a reimbursement for expenses incurred. Sheriff Sloan also explained that item #3 on "The List" was related to part-time wage positions that cover courthouse security and the need to cover additional court time due to increased cases on the court dockets. Councilmember Perrow asked for clarification on the budget request and summarized the request [with input from Sheriff Sloan] that two positions were vacated due to retirement and funding these positions through the City is necessary as the State determined the Lynchburg Sheriff's Office is overstaffed by two positions. Councilmember Nelson provided background on the need for additional Sheriff Office staff in Lynchburg's court system located in three (3) different locations.

// In the matter of Finance – Budget, Council Report #5 was considered for Council discussion on "The List." Mayor Tweedy started conversation on these items beginning with #1 regarding the Deputy Clerk of Council position within the Council/Manager office (CMO).

Councilmember Helgeson suggested cutting this item since it will likely not be filled, but could be brought back into the budget later if needed. Vice Mayor Dolan stated that it was unknown whether or not this position would be filled. City Manager Svrcek proposed that the funding for this position be approved until the new Clerk of Council is stabilized. Ms. Svrcek also noted that administrative staff within the CMO and the Acting Clerk of Council are being compensated for performing additional duties while the Clerk and Deputy Clerk of Council positions have been vacant. Councilmember Wilder noted that there will be a learning curve and agrees with Ms. Svrcek's suggestion. Councilmember Helgeson asked about use of the City Manager's discretionary fund. Ms. Svrcek advised that operating expenses typically are not funded through

the discretionary fund. Councilmember Perrow asked if the adjustments to staff salaries have been accounted for in the CMO budget for FY 2020 and noted that if Council struck the item off of "The List," adjustments to the FY 2020 CMO budget would be necessary. Mayor Tweedy recognized that there was a consensus by Council to leave this item in the budget with the understanding that the City Manager would return to Council with recommendations to hire or not hire a Deputy Clerk of Council. Item #2 and item #3 on "The List," concerning positions in the Sheriff's Office were considered and Councilmember Wright spoke in favor of supporting this item. Councilmember Nelson noted the importance to have security staff in place within the City's courthouses and moved to approve the increases by consensus. Councilmember Wilder voiced his support of the Sheriff's Office as did Vice Mayor Dolan. Item #4 on "The List" was considered regarding the Lynchburg Police Department's need for additional sworn police officers. Councilmember Wright noted his support and asked if the Community Emergency Response Team (CERT) would be active this summer. Chief of Police, Ryan Zuidema stated that due to staffing shortages, it will be a challenge to operate this team over the summer. Councilmember Wright suggested that funds be located to assist with operation of the CERT and asked Chief Zuidema if a local departmental academy [cadet program] would be beneficial. Chief Zuidema mentioned that cadet programs are beneficial for recruitment and retention within local police departments. Councilmember Perrow paraphrased statements from Chief Zuidema given during previous presentations surrounding filling current open positions before hiring for completely new positions. Chief Zuidema agreed with this contention and advised that he has never seen the department at "full staffing" over his 22 year career with LPD due to regular turnover. Councilmember Perrow encouraged Chief Zuidema to advise Council when the need for additional positions arises. Vice Mayor Dolan indicated that she would like to see the cadet program reinstated and that she supports the work of the Community Action Team (CAT). Councilmember Helgeson noted that he would like to see funds used to support Lynchburg Fire Department (LFD) and LPD retention needs as opposed to an across the board pay raise for all employees. Both LPD Chief Zuidema and LFD Chief Greg Wormser commented on the need for a focus on retention of experienced employees. Councilmember Wilder asked if the recent salary study and Phase 1 pay adjustments addressed some pay issues within LFD and LPD. Ms. Svrcek responded that the Phase 1 implementation did increase pay for some LPD and LFD employees and that this would be a three-year implementation process. Councilmember Helgeson remarked

that his suggestion to use the funding for specific needs in LFD and LPD would be a better option. Councilmember Perrow would be potentially supportive of the .2% reduction in the fund balance to go to public safety possibly. Councilmember Nelson mentioned that he deemed it premature to strike such large items from “the proposed revised budget” at this time. Item #5 on “The List” was considered regarding reserving \$300,000 for the proposed two-way traffic project. Councilmember Helgeson commented that this item should be removed from the FY 2020 budget and the Capital Improvement Plan (CIP). Councilmember Helgeson stated that it would be wise to pull out the \$300,000 for this item due to the high cost, loss of parking spaces, and the opposition of downtown business owners. Councilmember Wilder asked if this item was related to the entire improvement project. Deputy City Manager Dr. Reid Wodicka replied that this item was related to Church Street only. Councilmember Wilder also asked about the Downtown 2040 plan approval, to which City Manager Svrcek responded that 2-way traffic was included as a recommendation within the Downtown 2040 plan. Dr. Wodicka mentioned that the loading zone conversation and two-way traffic are considered to be separate issues. Councilmember Helgeson stated that the loading zones would cause a loss of parking spaces, would incur a cost of \$1,000 signs and seems to lead into the support of two-way traffic. Dr. Wodicka clarified that the cost for signs was \$1,000 for all of the signs, not the cost per sign as inferred and the conversation about loading zones downtown must be held. Councilmember Wilder noted that the Physical Development Committee has been discussing loading zones and that the entire community is not against this discussion [2-way traffic and loading zones]. Councilmember Wright voiced his support of Councilmember Wilder’s comments and gave his opinion that two-way traffic is beneficial strategy in downtowns because it is good for business. Councilmember Nelson provided comment that Council is not ready to fund two-way traffic at this time because loading zone issues have not been resolved with one-way traffic. Mr. Nelson stated that this item (#5) was not a priority in his opinion. Councilmember Perrow asked where the \$300K was derived from, to which Dr. Wodicka advised the detail would be on page 50 in the CIP. Mayor Tweedy commented on item number 8 on “The List” concerning the Virginia Cooperative Extension Office. Mayor Tweedy advised that the local Extension Office Director would provide a presentation next week [April 23, 2019] related to this matter. Councilmember Helgeson reiterated that when Council did not allocate funds related to two-way traffic in FY 2018, this money was spent on a new Fire Truck. Fire Chief Greg Wormser rose to affirm

Councilmember Helgeson's statement. On item number 9, related to Elizabeth's Early Learning Center (EELC), Councilmember Perrow spoke to his opposition to providing funding to this external service provider and his opinion that the funding should be capped at \$15,000. Ms. Svrcek mentioned that the City's agreement with EELC called for payment to equal the assessed value of the property. Vice Mayor Dolan advised the City signed an agreement with EELC for three years, therefore it wouldn't be prudent to revoke this agreement. Ms. Dolan further commented on the ways EELC provided scholarships to program participants over the previous year. Councilmember Nelson observed that there was no reason to debate this issue as it would be addressed later. Item #9 was removed from "The List" with plans to discuss later in the budget balancing process. Item number 10 related to non-departmental poverty initiative funding. Councilmember Wright remarked that it would be a mistake to defund the poverty initiative this year as it has the potential to do much good in our community. Councilmember Wright professed his support for incentivizing innovation and stated that a conversation on the current approach to combating poverty should be held. Councilmember Wright further posited that eliminating this funding would suggest that City Council has lost interest in reducing poverty. Councilmember Wilder suggested that the City consider partnering with the Greater Lynchburg Community Foundation in terms of obtaining funding through this philanthropic organization's \$100,000 award. Councilmember Nelson stated that this [poverty initiative] should be a community-based initiative, with City support, but not a government program. Councilmember Nelson is in favor of Bridges to Progress, but not in favor of allocating the same amount of funding (\$50,000) in this fiscal year. He (Nelson) advised that he does not see the prudence in allocating an additional \$50,000 toward poverty reduction when there is funding remaining in the current line item; and furthermore does not equate pulling this funding from FY 2020 with stopping the momentum of the poverty initiative. Councilmember Perrow stated that he would not be in favor of putting any additional funding into this "kitty" until current funds are spent down. City Manager Svrcek mentioned that funding through the Temporary Assistance for Needy Families (TANF) Community Wealth Building (CWB) grant has been the main reason less local funds have been spent from this line item. Mayor Tweedy acknowledged the work of poverty reduction groups over the past two years and advocated for less than the \$50,000 and recommended \$25,000 as an appropriate amount in the FY 2020 budget. Councilmember Nelson stated that his vision was to not have this matter as a government program, but a community-

based initiative reliant upon financing from many entities within the community of Lynchburg to be sustainable. Councilmember Helgeson agreed with Councilmember Nelson's comments and stated that not allocating additional funding for FY 2020 does not mean that Council doesn't care about it [poverty reduction]. Councilmember Wilder mentioned that poverty is one of Council's initiatives and therefore support is crucial. On motion of Councilmember Wilder, seconded by Councilmember Wright, Council considered allocating \$25,000 to the poverty initiative in the FY 2020 budget. Discussion ensued as Councilmember Wright voiced his support for this motion and for the City making a concerted effort to be a coordinator and administrative body in the matter of poverty reduction with community involvement and leadership. Councilmember Perrow mentioned that there was still a large portion remaining and that Council's intent with granting funds (\$5K/group) for specific poverty reduction initiatives required a reoccurring allocation and Council did not want to over commit City funding on this matter. Councilmember Perrow also advised that the poverty initiative allocations had to be sustainable; therefore \$5,000 was a reasonable amount and suggested that \$25,000 be allocated toward another fund such as the Greater Lynchburg Transit Company (GLTC). Mayor Tweedy noted that the effort to reduce poverty is larger than City Council's allocation and spoke to the impact Council's actions have had in leveraging the TANF/CWB grants that are currently funding the TechHire and Getting Ahead programs with the City. Mayor Tweedy states that the efforts have raised awareness about the issue of poverty in Lynchburg and have contributed to a downward trend in the City's poverty rate. Councilmember Nelson stated that the type of leverage mentioned by Mayor Tweedy is exactly what the City needs to do in terms of obtaining available resources and spoke in favor of allocating \$25,000 toward this line item. Mayor Tweedy called for the vote. Councilmember Helgeson voiced his opposition to the motion and his disagreement with Councilmember Wilder. He (Helgeson) stated that giving more money does not mean that Council cares more. Council by the following recorded vote moved to leave \$25,000 in the non-departmental fund category for poverty reduction in the FY 2020 budget.

Ayes: Dolan, Nelson, Wilder, Wright, Tweedy 5

Noes: Helgeson, Perrow 2

// Mayor Tweedy mentioned Capital Improvement Plan (CIP) list item number one regarding the Florida Avenue Sidewalk project to advise Council that a petition from citizens in support of the

project was received. The original petition was circulated among Council for information and the original document will be filed for reference.

// City Manager Bonnie Svrcek reviewed items discussed in the work session and addressed from “The List” and Councilmember Wright asked to move Museum funding to “The List.”

Councilmember Helgeson asked to have funding for the Housing Study placed on “The List” and City Manager Svrcek noted that this item is not included in any appropriation in the FY 2020 budget.

// In the matter of Roll Call, Council Report #6 was considered. Councilmember Wilder gave accolades to the events related to beautifying our community over the previous weekend. He (Wilder) participated at Diamond Hill Recreation Center and thanks the Parks and Recreation staff for helping to make this event a success. Vice Mayor Dolan participated with the trash pick-up organized on Florida Avenue on April 11, 2019. Thanks to Secretary of Transportation, Shannon Valentine for being involved with this effort. Mayor Tweedy praised the Love Lynchburg events, Community Care Collaborative at Salvation Army partnership on Saturday, April 13, 2019. Also, the Hill City Pride event was a success with over 1600 people in attendance. Thanks to everyone in the City for working together in partnership with events over the weekend.

// The meeting was adjourned at 6:18 P.M.

Acting Clerk of Council