

// A regular meeting of the Council of the City of Lynchburg was held on the 12th day of April, 2016, at 4:00 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. The following Members were present:

Present: Foster, Helgeson, Nelson, Perrow, Gillette 5

Absent: Johnson, Tweedy 2

// Vice Mayor Johnson arrived at 4:13 p.m.

// Mayor Gillette asked that the following announcement be read into the record:

"Pursuant to Section 2.2-3712(B) of the Code of Virginia, the Lynchburg City Council will be holding closed meetings at undisclosed locations within the following fifteen days for the purpose of interviewing candidates for the position of City Manager."

// Mayor Gillette presented to the Procurement Department an Award they received for Excellence in Achievement 2015 from the Universal Public Procurement Certification Council.

// City Manager Kimball Payne provided information for balancing the FY 2017 Budget. Mr. Payne stated that during the Budget public hearing on April 5, 2016, there were questions about the City's tax rate compared to tax rates in other First Cities. Lynchburg's revenue rates were the highest out of all the First Cities. Lynchburg falls into the lower half and below the average in real property tax rates. In addition, the personal property tax is above average. The State uses these rates to determine the fiscal stress index, which is composed of three parts:

- Median household income
- Revenue capacity
- Revenue effort

The first item on the "List" is Business License Tax restructuring. During Council discussion there were several options that were considered and voted on:

Motion made by Council Member Perrow, seconded by Council Member Nelson that no Business License would be issued for \$10,000 or less. This motion passed by a voice vote.

Motion made by Council Member Foster, seconded by Council Member Helgeson that the Business License fee structure for \$100,001 to \$150,000 would be charged a flat fee of \$160.00.

This motion passed by the following recorded vote:

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

Noes: 0

Absent: Tweedy 1

Motion made by Council Member Helgeson, seconded by Council Member Perrow, to add another tier to the Business License structure to raise the Business License fee for \$150,001 to \$200,001, this motion failed by a tie vote:

Ayes: Helgeson, Nelson, Perrow 3

Noes: Foster, Johnson, Gillette 3

Absent: Tweedy 1

Mr. Payne stated that the next steps would be to change the Code. The Code change would both eliminate the business license for \$10,000 or less and establish a new tier for \$160.00 for gross receipts up to \$150,000.

The next item of discussion was the Community Handbook which Council agreed to retain in the Budget. This item comes off the "List" both as a revenue and expenditure.

The other items of Revenues were:

- Police – Reduce Concealed Weapon Permits – to reduce fee from \$50.00 to \$15.00. The \$15.00 fee is what the State charges therefore, the City would receive no revenue from this fee. Council Member Perrow made the motion, seconded by Council Member Helgeson to reduce the concealed weapon permit fee from \$50.00 to \$30.00. This motion failed by the following recorded vote:

Ayes: Helgeson, Perrow	2
Noes: Foster, Johnson, Nelson, Gillette	4
Absent: Tweedy	1

The Assistant City Manager position was discussed, which was in the City Manager's Proposed Budget to fund this position. Council Member Helgeson made a motion, seconded by Council Member Foster to eliminate the Assistant City Manager position from the budget with cost savings of \$118,000. Several Council Members were in favor not to eliminate this position. The motion is to eliminate the Assistant City Manager position from the Budget. This motion failed by the following recorded vote:

Ayes: Helgeson	1
Noes: Foster, Johnson, Nelson, Perrow, Gillette	5
Absent: Tweedy	1

Council Member Foster stated that she voted for the motion but pushed the incorrect button. Mayor Gillette stated, "let the record show that Council Member Helgeson and Council Member Foster voted in favor of the motion". This motion still failed.

The remaining items on the "List" will be discussed at the April 19, 2016 work session.

// During roll call Council Member Helgeson expressed a concern about stormwater regulations and business owners trying to maintain the cleanliness of their properties and, the city stormwater inspector warned of a \$1,000 city fine if he pressure washes his business again.

// Vice Mayor Johnson mentioned a contingency fund to be readdressed during the next meeting for bonuses.

// City Council recessed the meeting at 6:06 p.m.

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

The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Gillette	6
Absent: Tweedy	1

Vice Mayor Johnson gave the Invocation, followed by the Pledge of Allegiance.

// Mayor Gillette presented a Proclamation of Recognition to the Lynchburg Public Library in recognition of its 50th Anniversary.

// Mayor Gillette recognized Vice Mayor Ceasor Johnson on receiving the Diamond Award in Leadership from the National League of Cities.

// Copies of the minutes of the March 22, 2016 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Johnson, seconded by Council Member Foster, Council by the following recorded vote approved the minutes as amended:

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

// Copies of the minutes of the March 29, 2016 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Johnson, seconded by Council Member Foster, Council by the following recorded vote approved the minutes as presented:

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

// Copies of the minutes of the April 5, 2016 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Johnson, seconded by Council Member Foster, Council by the following recorded vote approved the minutes as presented:

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

// In the matter of Fire – General, City Council Report #6 was considered. On motion of Council Member 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-16-029 as presented, to amend the FY 2016 City/Federal/State Aid Fund budget and appropriate \$75,000 with resources from the 2015 State Homeland Security Program grant from the U.S. Department of Homeland Security to fund replacement of aged equipment for Technical Rescue Teams:

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

// Council Member Tweedy arrived at 7:42 p.m.

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #7 regarding the petition of Spring Hill Cemetery Association to vacate a portion of Rives Street, which is approximately forty (40) feet wide and extends approximately five-hundred forty (540) feet, between Gordon and James Streets. The portion proposed for vacation is approximately four-hundred ninety-six thousandths (.496) of an acre. Rachel Frischeisen, Planner I, provided a summary of the request to vacate a portion of Rives Street, between Gordon and James Streets. Mr. Eames Powers, representing

Spring Hill Cemetery Association spoke outlining the request and asking Council for approval. Two individuals spoke in support of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC), stated that this item came before PDC, which recommended approval. This motion does not require a second. Council by the following recorded vote adopted Ordinance #O-16-030, as presented, approving the petition of Spring Hill Cemetery Association to vacate a portion of Rives Street, which is between Gordon and James Streets:

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

7

Noes:

0

// In the matter of City Code/Water - #31 and Sewer, a public hearing was held regarding City Council Report #8 regarding the adoption of an Ordinance to amend the City Code relating to Water and Sewer Rates. Director of Water Resources Tim Mitchell gave an overview of the changes relating to the Water and Sewer Rates. Mr. Mitchell stated that the recommended rate changes include a 4.9% increase in the water volume rate from \$2.43 to \$2.55 per hcf, 3.3% increase in the sewer volume rate from \$5.83 to \$6.02 per hcf and sewer only rate is recommended to increase from \$47.18 to \$48.51. Mr. Mitchell went on to say that these rate changes will go into effect July 1, 2016. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Helgeson stated he was concerned that citizens will be burdened again with an increase in the water and sewer rates. On motion of Council Member Perrow, seconded by Council Member Johnson, Council by the following recorded vote adopted Ordinance #O-16-031, as presented, to amend the City Code relating to Water and Sewer Rates:

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

6

Noes: Helgeson

1

// In the matter of Budget, a public hearing was held regarding City Council Report #9 regarding amending the FY 2016 Third Quarter Adopted Budget and appropriating funds to implement revenue, expenditure, and transfer adjustments. Director of Financial Services Donna Witt provided an overview of the FY 2016 Third Quarter Budget adjustments. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Johnson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-16-032, as presented, amending the FY 2016 Third Quarter Adopted Budget and appropriating funds to implement revenue, expenditure, and transfer adjustments:

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

7

Noes:

0

// In the matter of Bonds, a public hearing was held regarding City Council Report #10 regarding authorizing the issuance of and not to exceed \$30,250,000 New General Obligation Public Improvement Bonds for City, Water, and Sewer Capital Projects; and the issuance of and not to exceed \$24,250,000 General Obligation Public Improvement Refunding Bonds, Series 2014, and amending the FY 2016

General, Water, and Sewer Funds' Operating Budgets to provide appropriations totaling \$400,000 with resources from the General Obligation Public Improvement Bonds, Series 2016 for costs associated with the issuance. City Manager Kimball Payne gave an overview of the proposed bond issuance to fund a number of capital projects in the General, Water and Sewer funds. There was no one else present who wished to speak to this item, and the public hearing was closed. After Council discussion, a motion was made by Council Member Johnson, seconded by Council Member Tweedy, to approve the \$30,250,000 New General Obligation Improvement Bond. Council Member Helgeson offered a substitute motion, seconded by Council Member Perrow to remove \$5.6 million from the list of capital projects that would be funded by the Bond issuance. Mayor Gillette called for a vote on the substitute motion to remove \$5.6 million from the \$30,250,000 Bond issuance. This motion failed by the following recording vote:

Ayes: Helgeson, Perrow 2

Noes: Foster, Johnson, Nelson, Tweedy, Gillette 5

Since the substitute motion failed, Mayor Gillette called for a vote on the original motion made by Council Member Johnson and seconded by Council Member Tweedy to approve the \$30,250,000 New General Obligation Improvement Bond. Council by the following recorded vote adopted Resolution #R-16-033, as presented, authorizing the issuance of and not to exceed \$30,250,000 New General Obligation Public Improvement Bonds for City, Water, and Sewer Capital Projects; and the issuance of and not to exceed \$24,250,000 General Obligation Public Improvement Refunding Bonds, Series 2014:

Ayes: Foster, Johnson, Nelson, Tweedy, Gillette 5

Noes: Helgeson, Perrow 2

On motion of Council Member 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-16-034, as presented, amending the FY 2016 General, Water, and Sewer Funds' Operating Budgets to provide appropriations totaling \$400,000 with resources from the General Obligation Public Improvement Bonds, Series 2016 for costs associated with the issuance.

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

Noes: 0

// Council Member Tweedy left the meeting at 8:41 p.m.

// In the matter of City Code, City Council Report #11 was considered. On motion of Council Member Nelson, seconded by Council Member Helgeson, Council by the following recorded vote adopted Ordinance #0-16-035, as presented, to amend and reenact the Code of the City of Lynchburg, 1981, by adding new sections Numbered 25-200 through 25-200.8, relating to the operation of Golf Carts and Utility Vehicles on the Public Street:

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

Noes: 0

Absent: Tweedy 1

// In the matter of Economic Development – General, City Council Report #12 was considered. Council Member Perrow, Chair of the Physical Development Committee, (PDC) stated that this item came before

PDC, which recommended approval. This motion does not require a second. Council by the following recorded vote adopted Resolution #R-16-036, as presented, authorizing the City Manager to submit an application to the United States Department of Transportation (USDOT) for the Transportation Investment Generating Economic Recovery (TIGER) Grant:

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

// In the matter of Economic Development – General, City Council Report #13 was considered. City Manager Kimball Payne provided a summary of the request to approve an Agreement with the Academy Center of the Arts. Several Council Members had concerns with the City approving this Agreement. On motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-16-037, as presented, approving an Agreement between the City, the Economic Development Authority and the Academy Center of the Arts:

Ayes: Foster, Johnson, Nelson, Gillette	4
Noes: Helgeson, Perrow	2
Absent: Tweedy	1

// In the matter of Public Works – General, City Council Report #14 was considered. On motion of Council Member Johnson, seconded by Council Member Nelson, Council by the following recorded vote adopted Resolution #R-16-038, as presented, requesting Virginia Department of Transportation (VDOT) to increase the official City Street lane mileage for reimbursement of highway maintenance funds:

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

// The meeting was adjourned at 9:06 P.M.

Clerk of Council