

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, May 11, 2015 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

7:00 P.M.**Regular Meeting**

Call To Order · · · · · MAYOR RAYSTINE D. JOHNSON-ASHBURN

PLEASE TURN OFF CELL PHONES · · · · · MAYOR RAYSTINE D. JOHNSON-ASHBURN

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

1. CONSENT AGENDA

- A. Minutes: April 27, 2015 Regular Meeting
- B. Proclamation: National Hospital Week, May 10 – 16, 2015
- C. Proclamation: Reverend Henry Blunt

2. OLD/NEW BUSINESS

- A. Madison St. CDBG Adoption of 504 Grievance Procedure
- B. FY 2015 – 2016 Proposed Budget Presentation
- C. City Manager's Report

3. COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

4. Work Session: Retreat follow up – Vision Statement Update - Rescheduled from 3/9/15 & 4/27/15

5. CLOSED SESSION

Closed Session - I move that the Franklin City Council meet in Closed Session to discuss and consider appointments to boards and commissions pursuant to Virginia Code Section 2.2 – 3711 (A)(1).

Motion Upon Returning to Open Session- I move that the only matters discussed during the session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened.

6. ADJOURNMENT

UPCOMING ITEMS TO BE SCHEDULED

The items below are intended to be reflective, and not inclusive of all subjects staff is working on to bring forward to City Council in the next two months. Both the time lines and subject matter are subject to change and should not be considered final.

SUBJECT**TENTATIVE TIME LINE****Retreat Follow-up – Vision Statement Work Session****May 11, 2015****Hayden Project Open House****Sunday, May 17, 2015 @ 2 – 4 p.m.****Called Meeting for School Interviews****May 19, 2015 @ 6:00 p.m.****Budget Work Session****June 1, 2015 @ 6:00 p.m.****FY 2015 – 2016 Budget Public Hearings****June 1, 2015 @ 7:00 p.m.****Comprehensive Plan Update Work Session****TBA****Personnel Policy Work Session****TBA**

CONSENT AGENDA

- A. Minutes: April 27, 2015 Regular Meeting
- B. Proclamation: National Hospital Week, May 10 – 16, 2015
- C. Proclamation: Reverend Henry Blunt

The Franklin City Council held its regular meeting on Monday, April 27, 2015 at 7:00 p.m. in the Council Chambers at City Hall.

Council Members in Attendance: Raystine D. Johnson-Ashburn, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess, Mona Murphy, Mary Hilliard, and Frank Rabil (Councilman McLemore absent).

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Carolyn Joyner, Human Resources Manager; Mark Bly, Director of Power and Light; Donald Goodwin, Community Development Director; Jennifer Maynard, Voter Registrar; Chief Vince Holt, Director of Emergency Services; Dinah Babb, Treasurer; Russ Pace, Director of Public Works; Brenda Rickman, Commissioner of the Revenue; Alan Hogge, Director of Social Services; Melissa Rollins, Director of Finance; and Chief Phil Hardison, Police Department.

Others in Attendance: Officer Kevin Niles, Franklin Police Department; Dan Howe, Executive Director, Downtown Franklin Association, Inc.; and Teresa Rose-McQuay; Administrative Assistant and Acting Secretary, Recording Minutes.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZENS' TIME

No one signed up to speak at Citizens' Time.

Retired Employee Recognition

Mayor Johnson-Ashburn recognized the City's recent retiree's Mr. Curtis Currie and Mrs. Susan Lassiter. They were not in attendance at this time. Councilwoman Murphy read the Resolution of Appreciation for Mr. Currie and Vice-Mayor Cheatham read the Resolution of Appreciation for Mrs. Lassiter. Mayor Johnson-Ashburn commented positively on their service and wished them well. Vice-Mayor Cheatham made the motion to adopt the resolutions and Councilwoman Hilliard seconded the motion. Mayor Johnson-Ashburn asked if there were any questions or comments on the motion; hearing none she called for a vote.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

AMENDMENTS TO AGENDA

Vice-Mayor Cheatham made the motion that the Franklin City Council amend its agenda to add as additional topics for discussion in closed session “to discuss and consider appointments to boards and commissions and consult with the City Attorney regarding legal matters pertaining to actual or probable litigation requiring the provision of legal advice as permitted by Virginia Code Section 2.2 – 3711 (A) (1) & (7)” and Councilman Rabil seconded the motion.

The motion to amend the agenda was approved by a 6 – 0 vote (Councilman McLemore absent).

Consent Agenda

Minutes of the April 13, 2015

Mayor Johnson-Ashburn asked if there were any corrections or changes to the minutes. Hearing none she asked for a motion. Councilwoman Hilliard made the motion to adopt the minutes of the April 13, 2015 work session and Regular meeting as presented and Councilwoman Murphy seconded the motion. Mayor Johnson-Ashburn asked if there were any questions or comments on the motion: hearing none she called for a vote.

The motion was approved with the vote as follows:

Mayor Johnson-Ashburn, AYE; Vice-Mayor Cheatham, AYE; Councilman Burgess, ABSTAIN; Councilwoman Hilliard, AYE; Councilman Rabil, AYE; and Councilwoman Murphy, AYE (Councilman McLemore absent).

Departmental Reports

There were no questions or comments concerning the March, 2015 Departmental Reports which were sent in a separate file.

Building Safety Month Proclamation: May, 2015

Mayor Johnson-Ashburn asked Councilman Burgess to read the Building Safety Month May, 2015 Proclamation. There was a correction needed to the proclamation which was the initial in Mayor Johnson-Ashburn's name; the H. was replaced with the D. Mayor Johnson-Ashburn asked for a motion to adopt the proclamation with said change. Councilwoman Murphy made the motion to adopt the Building Safety Month May, 2015 Proclamation with the said change and Councilman Rabil seconded the motion. Mayor Johnson-Ashburn asked if there were any questions or comments on the motion: hearing none she called for a vote.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

At this point, Mayor Johnson-Ashburn stopped the meeting with the consent of Council to present the Resolution of Appreciation to Mr. Currie who had now arrived at the meeting. Mayor Johnson-Ashburn shared with Mr. Currie that Council had approved the Resolution of Appreciation and she thanked him for his years of service with the City of Franklin. Mayor Johnson-Ashburn presented him with the Resolution of Appreciation Plaque. All the members of Council present shook Mr. Currie's hand. Everyone in attendance applauded.

Public Hearing

Mayor Johnson-Ashburn recognized City Attorney Williams to present background information on the School Board terms and appointments to fill upcoming vacancies.

Attorney Williams explained that pursuant to Virginia Code Section 22.1 – 29.1 and City Code Section 2.71, a Public Hearing has been scheduled for the Council meeting for the purpose of receiving

nominations and hearing citizen views regarding candidates to serve on the Franklin City School Board for Ward Seats 4, 6 and the At Large Seats. Notice of this Public Hearing was advertised in the Tidewater News as required by the State Code and City Code. Council can consider only those persons whose names are placed in nomination during the Public Hearing.

The Ward 4 seat is currently served by Sherita Ricks-Parker and she is eligible to serve another 3 year term on the School Board.

The Ward 6 seat is currently served by Dawna Walton and she is eligible to serve another 3 year term on the School Board.

The At Large seat is currently served by Edna King and she is eligible to serve another 3 year term on the School Board.

The requirements for appointment to the school board are controlled by state statute, our City Charter and City ordinances. City Charter Section 12.02 provides that the members must be qualified voters of the city, cannot be members of the city council and shall be residents of the ward he or she is selected to represent or a resident of the city if selected to represent the city at large seat. Virginia Code 22.1 – 30 provides the following persons may not serve on the school board: no city officer or any deputy of a city officer; no member of city council; no employee of a school board.

Attorney Williams explained school board terms are for three years.

Mayor Johnson-Ashburn opened the public hearing to receive nominations for the school board seats Wards 4, 6 and At Large beginning July 1, 2015. She instructed the public wishing to nominate individuals to come to the podium, state their name, address and qualifications of citizens they desire to nominate.

Mrs. Deborah Faulk of 701 Gardner Street nominated Mrs. Edna R. King for the At Large position. She spoke of her experiences regarding education; reciting the fact that she is a retired teacher and coordinator of the Isle of Wight County Schools. She is currently serving on the Franklin City School Board in the At Large seat which she has held for the past three years and she had served on the board prior to her current term. Mrs. Faulk stated that she would like to see Mrs. King continue in the At Large seat and she submitted a resume' to Attorney Williams for distribution to Council. She thanked Council for their time.

Mrs. Gwendolyn Blue of 201 Fairview Drive nominated Ms. Verta Jackson for the Ward 4 seat. She stated that she was a graduate of St. Paul's College in Lawrenceville, Va. Ms. Jackson was a previous member of the Franklin City School Board but due to redistricting she was ineligible to be reappointed to the Ward seat she previously held when her term ended. She is now a resident of Ward 4 and is eligible for that seat. Mrs. Blue stated that she believed that Ms. Jackson would work in the best interest of the students as well as the City of Franklin. She handed Ms. Jackson's resume' to Attorney Williams and thanked Council.

Mr. Tom Jones of 208 Meadow Ridge Lane nominated Mr. Chuck Lilley for the At Large seat. Mr. Lilley is a graduate of Franklin High School as well as a longtime resident. He is an advocate for the public school system and has corporate organizational experience. He helped revamp the tutoring and volunteer programs for all the Franklin City schools. His children are graduates of Franklin City Public Schools. He

and his family represent what Franklin City Public schools are capable of. He is currently retired and his commitment to education would be invaluable. He thanked Council for their time.

Mrs. Faith Atkinson of 908 Clay Street nominated Mr. Robert Holt for the Ward 6 seat. Mr. Holt is a graduate of Virginia Tech. He has worked in Administration at Tech; came back to Franklin and worked at Union Camp, and has worked in education. He is a former member of the Franklin City school board. Mrs. Atkinson feels that Mr. Holt would be a benefit to the school board and she thanked Council for taking the time to listen to her.

Mayor Johnson-Ashburn asked if there was anyone else wishing to nominate and hearing none she asked Council to pick a date to conduct interviews which is the next step in the process. Council decided to schedule a called meeting to conduct interviews on Tuesday, May 19, 2015 beginning at 6 p.m. for approximately forty minute intervals.

The public hearing was closed by the Mayor.

Finance

Monthly Financial Report: March, 2015

Mayor Johnson-Ashburn recognized Director Rollins to present the monthly Financial Report. Mrs. Rollins then reviewed highlights of the Financial Report for the 3rd Quarter ending March 31, 2015. The report contains provisions for most revenue and expenditure accruals and reflects 9 months of revenue & expenditures in most cases.

General Fund

In the Revenue Financial report summary the collection of general property tax revenues have improved over the prior year period. Other local tax revenue including economic indicators have improved over the prior year period showing slight signs of economic growth. Year to date revenue is in sync with budgeted projections and comparable to the prior year period. The year-end projected revenue is expected to meet budgeted projections and/or exceed budget in a number of sources.

Overall General Property Taxes are \$4.36 million which is 61.0% of the budget and is a 2.5% increase over FY14 collections of \$4.26 million which was 61.0% of the budget.

- Current Real Estate taxes are \$2.54 million, 48.1% of budget and 1.5% higher than FY14 collections of \$2.50 million.
- Delinquent Real Estate taxes are slightly less than the prior year but collections have exceeded 100% of the budget.
- Personal Property taxes of \$1.348 million have reached 98% of budget, an increase of 9.0% from the same period last year (collection tools resulted in increased collections).
- Delinquent Personal Property taxes at \$51,000 is on target with budgeted projections at 78.5% collected through March 2015 and exceed the prior year period.

■ Other general property taxes: Penalty and Interest revenue has exceeded 86% of the budget, public service corporate tax revenue has exceeded budgeted projections and machinery and tools taxes will be under budget by nearly \$47,000.

General Property Taxes are tracking closely to budget and showing an increase of 2.51%.

Local Tax Revenue is 82% of budget realized. Lodging taxes are a little below at 70.2% but are expected to reach \$150,000 by the end of the fiscal year.

Other Significant Revenue Events for FY 14 – 15 are as follows:

- Fees from Inspections and Planning Services Increased as Anticipated.
- Recovered Costs for Shared Services are reflected in FY 14 – 15 Budget.
- Increased revenue from late fee assessment on utility accounts per policy.
- Increased share of administrative transfer from Enterprise Funds.
- Boost in revenue sharing from Isle of Wight County.
- Fees for Parks & Recreation services reflect a decrease.

Other Significant Revenue Events – Grant Awards FY 14 – 15 are as follows:

- E-911 Wireless Grant - \$150,000
- Rescue Squad Assistance Grant - \$134,892
- Fire Programs Fund Assistance Grant - \$25,921
- Storm water Management Grant - \$25,921
- Litter Control Grant- \$6,357
- Safer Grant - \$270,787 (reimbursed to date)

Total State Grant Awards - \$611,154

General Fund Expenditures

Various categories of general fund expenditures reflect increases and decreases in the current fiscal year at March 31 as reported throughout the fiscal year. Expenditures of \$10.35 million are 3.4% less than the prior year expenditures of \$11.27 million. Decreases are primarily the result of capital outlay expenditures completed in FY 13 – 14, particularly streets and building improvement projects and Parks & Recreation vacancy savings. The increases are primarily the result of increased personnel costs, jail administration costs and grant funded fire & rescue equipment. The expenditures at Year End are projected to be under budget overall.

Airport Fund

- Fuel Sale Revenue is below prior year collections at \$55,738; projections will be less than budgeted; on the expenditure side, fuel purchases will be under budget.
- \$247,000 in grant revenue has been received to date to cover the state/federal share of grant funded projects.
- the estimated general fund contribution for FY 14 – 15 is \$100,000.

Water & Sewer Fund

Revenue from the sale of water is slightly less than prior period collections of \$946,324. Revenue from sewer charges reached \$1.24 million comparable to prior year revenue of \$1.23 million.

Operating expenditures of \$1.86 million exceeded prior year expenditures of \$.23 million as anticipated due to sewer system improvements in the current fiscal year. The Cash balance of \$1.75 million at March 31, 2015 versus balance of \$2.09 million at March 31, 2014 reflects planned use of cash to fund capital improvements.

Solid Waste Fund

- Revenue from waste collection & disposal reached \$1.02 million which is 74% of budget; this is consistent with prior year collections.
- Capital expenditures of \$188,935 increased over the prior year period due to equipment acquisition.
- Operating expenditures (noncapital) are consistent with the prior year period at \$559,000 and reflect 63% of the total budget.
- Cost for waste disposal is comparable to the prior year period.

The Cash balance at March 31, 2015 is \$498,207.

Electric Fund

Overall, revenue reached \$12.19 million or 73% of the total budget; an increase of \$567,294 or 4.9% from the prior year period, primarily attributable to a corresponding increase in the fuel adjustment charge last year.

Overall, year to date expenditures are 72% of the total budget; the fund remains in a better overall financial position.

Cash in the Electric Fund shows favorable gains at March 31, 2015 from the prior month period as reported at February 28, 2015.

There being no questions, Mayor Johnson-Ashburn closed the discussion and thanked Mrs. Rollins for the report.

Budget Amendment/Transfer Request #2015 – 19

Mayor Johnson—Ashburn asked Director Rollins to present the Budget Amendment/Transfer Request # 2015 – 19. City Departments are requesting the following amendments to the FY 2014 – 2015 General Fund Budget:

- The **Franklin Fire & Rescue** Department received a donation in the amount of \$1,000 and is requesting that the budget be amended to support volunteer activities of the department. The department also received a grant from the State Department of Health-Office of Emergency Medical Services under “Four-For-Life” program and is requesting that these funds be utilized for medical and lab supplies.
- **Police** – The City received an equipment acquisition grant from USDA in the amount of \$50,000 and these funds require amendment to the FY 14 – 15 police department budget and appropriation for expenditure in the current fiscal year. These funds were used to purchase a replacement police vehicle and the required equipment.

The City is requesting the following General Fund budgetary transfers:

- **City Attorney** - the request is to transfer \$30,000 from funds available within the General Fund Budget (juvenile detention) to the City Attorney’s FY 14 – 15 budget to cover the cost of unanticipated professional legal services previously authorized by City Council. These funds were not available in the FY 14 – 15 City Attorney Adopted budget.
- **Finance** – the request is to transfer funds from Full Time wages (\$30,000) to part-time wages to cover personnel cost for part time employees. These funds were originally included in the budget under full time salaries pending hiring of full time personnel.
- **E911 Communications** – the request is to transfer \$36,000 from salaries and wages full time to part-time to cover personnel cost for part time personnel which resulted from staffing shortages and a delay in filling the budgeted part time position in the current fiscal year.
- **E911 Communications** – the request is to transfer \$78,000 from Full Time Salaries to part-time wages to cover personnel cost of part time positions. These funds were inadvertently budgeted in the full time salary line item but should have been budgeted in part-time (This will be corrected in the FY 15 – 16 Budget).
- **Parks & Recreation** – the request is to transfer funds from Full Time wages (\$60,000) to part-time wages (\$30,000 parks and recreation budget and \$30,000 senior service budget) to cover personnel cost for part-time positions. These funds were included in the budget under full time salaries pending hiring of full-time personnel.

The required action from City Council is to adopt Budget Amendment/Transfer #2015 – 19 to:

1. Authorize the amendment of the donation in the amount of \$1,000 to the FY 14 – 15 Fire & Rescue Budget and to appropriate the funds for expenditure.
2. Authorize the amendment of \$50,000 in USDA grant funds to the FY 14 – 15 Police Department Budget and appropriate the funds for expenditure.

3. Authorize the line item transfers exceeding \$10,000 as requested in the FY 14 – 15 Parks & Recreation, Finance, City Attorney and E911 Communication budgets as outlined.

Councilwoman Hilliard made the motion to adopt Budget Amendment/Transfer #2015 – 19 and Councilwoman Murphy seconded the motion.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

OLD/NEW BUSINESS

Hayden Project Update

Mayor Johnson-Ashburn recognized Mr. John Skirven, Chief Executive Officer of Senior Services of Southeastern Virginia (SSSEVA) to give an update on the Hayden Project. Mayor Johnson-Ashburn stated that there is a lot of excitement about the project beginning and everyone in attendance gave a round of applause.

Mr. Skirven gave an update on the project and introduced the Contractor, Mr. Jim Collins of Edgewater Construction and Mr. Al Harley who is the Construction Manager. Mr. William Wade also with SSSEVA then showed a PowerPoint presentation of the progress that has been made to date on the project. April 27th was the 10th day on the project.

Mr. Skirven shared a few of the highlights concerning the building; a mural that was painted years ago will be preserved and the original gymnasium floor will be saved. He shared that even though the building lay vacant for years, the foundation is good. There will be a groundbreaking or open house type activity planned in the near future. The project is progressing nicely and everyone is excited to see the finished product.

Mayor Johnson-Ashburn and all those in attendance gave another round of applause.

School System FY 2014 – 2015 Carryover Funding Request: Willie J. Bell, Jr. Ed. D.

The City Manager provided Council with the following background information: Superintendent Bell made a presentation on the School's FY 2015 – 2016 Budget Request at a joint work session held on March 23, 2015. Included in the presentation was 5 Year Trend Data through the current FY 2014 – 2015 school year on student enrollment. Included with this meeting's agenda was a copy of that particular portion of the presentation including the projected Average Daily Membership (ADM) of 1,092 students on which the FY 2015 – 2016 budget request is based. This of course is the primary factor in determining state funding. Since the work session, Dr. Bell and the City Manager have met to further discuss the enrollment data. Dr. Bell advised that the official ADM or enrollment number was finalized as of March 31st. The official enrollment number is 1,109 students. This is 41 students below the 1,150 students on which the FY 2014 – 2015 budget was based and 15 students below the estimated 1,124 number included in the March 23rd work session material.

As referenced in the work session and again in the Manager's meeting with the Superintendent earlier this month, Superintendent Bell advised the City Manager of his need to attend the meeting on April 27th to update Council on the implications of the ADM data for the FY 2014 –

2015 school year funding and to formally request Council appropriate the balance of the FY 2013 – 2014 carryover monies in the current fiscal year budget.

As to the carryover fund status, the agenda includes a spreadsheet distributed at the March 23rd work session with historical budget information and which also details the current status of carryover funds. The audited carryover for FY 2013 – 2014 was \$462,645.

Based upon the City's budget practice for the last several years, these funds would be appropriated to the schools in the subsequent year's budget after the audit was completed which in this year's example would be the FY 2015 – 2016 budget currently being developed. However, at the request of the school's, Council earlier this fiscal year allocated a \$119,100 portion of the \$462,645 to meet current year (FY 2014 – 2015) needs. Based upon staff conversations, the Superintendent's request is for the balance of \$343,545.

Mayor Johnson-Ashburn recognized Dr. Bell to present his request to the Council. Dr. Bell requested all of the carryover funds in the amount of \$343,545. Due to the decrease in student enrollment of 41 students; the state has cut funding to the school system. The Superintendent provided a breakdown of the proposed uses for the carryover funds including \$156,406 to cover the state ADM shortfall. The Superintendent then listed the other initiatives to be funded with the balance of the funds requested.

Councilman Rabil asked if a cost assessment had been done on the initiatives that have been presented for the balance of the carryover funds.

Dr. Bell offered the following breakdowns: the Summer School Initiative - \$140,000, a mobile IT cart -\$30,000, the remaining parent resource centers - \$8,500 and \$8,500 for science labs.

Councilwoman Murphy inquired about the Parent Resource Initiative, asking are there parents already involved.

Dr. Bell said that they have seen an increase in parent involvement since the initiative began in all of the schools.

Vice-Mayor Cheatham wanted to know what the recurring expenses were.

Dr. Bell stated that the summer school initiative was a recurring expense.

The Mayor then asked if Council was prepared to act on the request.

The motion was made by Councilwoman Hilliard and seconded by Councilwoman Murphy to approve the Superintendent's request to fund all the remaining carryover in the FY 2014 – 2015 budget.

The motion failed by a vote of 2 – 4 with the vote as follows:

Mayor Johnson-Ashburn, NAY; Vice-Mayor Cheatham, NAY; Councilman Burgess, NAY; Councilwoman Hilliard, AYE; Councilwoman Murphy, AYE and Councilman Rabil, NAY (Councilman McLemore absent).

Mayor Johnson-Ashburn made a motion to give the Franklin City Schools \$156,406 in order to fund the shortfall in state ADM funding based upon the reduced number of students the schools had this year and Councilman Burgess seconded it.

The motion failed to get a majority by a vote of 3 – 3 with the vote as follows:

Mayor Johnson-Ashburn, AYE; Councilman Burgess, AYE; Councilwoman Hilliard, NAY; Councilman Rabil, NAY; Vice-Mayor Cheatham, AYE; and Councilwoman Murphy, NAY (Councilman McLemore absent).

Members of Council made comments during discussion on the actions taken and concerning the funding request, but no further action was considered.

Draft SPSA Use & Support Agreement Post 2018 Presentation

Mayor Johnson-Ashburn recognized City Attorney Williams to review highlights of the SPSA Proposed Use and Support Agreement, Post 2018.

After years of wrangling and hours of meetings between the eight member communities of SPSA, trying to create a Use and Support Agreement for Post 2018, a committee of four board members and three staff persons met over three months and put together what is hoped to be an agreement that is fair to all the communities. The proposal was first presented to the SPSA Board on March 25, 2015. The eight member communities have time to review the proposed document. If the proposed document is approved by a member majority then SPSA can move forward in its preparation for a new era following the expiration of the current agreement on January 24, 2018. City Attorney Williams then gave a review of the summary presentation to help Council become familiar with all the problem areas from the past that are addressed in the proposed future use and support agreement.

The SPSA Board held its regular monthly meeting on April 22, before this Council meeting. The SPSA Board adopted its budget for the upcoming Fiscal Year 2016. The tipping fee is scheduled to remain at the same level it has been at for the last several years, \$125 per ton. Not that this is low but it has allowed SPSA to achieve current financial stability and will allow the organization to head into Post 2018 debt free with presumably a much cheaper tipping fee. SPSA is engaged at the present with three separate businesses that are bidding on disposal of SPSA waste collected by the eight member communities. Each of the three proposals is different. One of the proposals is from the current contractor that presently disposes of the waste through a waste-to-energy process, creating steam that is sold to the Navy shipyard and electricity that is sold to the grid. At present, very little waste is going into the landfill compared to a decade ago. In addition to the three proposals for handling the waste stream of the eight communities SPSA could decide to go back to straight landfill. Also, each member community will have the opportunity to look at its own options for waste disposal and could decide to “go it alone” with a private contractor for

waste disposal.

Vice-Mayor Cheatham stated that just because you don't sign the Use & Support Agreement does not mean you are no longer a part of SPSA.

Councilman Burgess wanted to know if there is a specific definition of Solid Waste.

Attorney Williams stated that there are very specific definitions concerning each facet including MSW or Municipal Solid Waste.

Councilman Burgess wanted to know if anyone would get preferential treatment in the new use and support agreement.

Attorney Williams stated that not everyone will be treated equal in the new agreement.

Councilman Burgess asked Manager Martin to send the New Use & Support Agreement to Council as a separate attachment for printing.

Manager Martin stated that he would.

Mayor Johnson-Ashburn thanked Attorney Williams for the information and presentation on this item.

Opportunity, Inc. Charter Agreement Amendment

The Manager presented a proposed fifth amendment to the Opportunity, Inc. of Hampton Roads Charter Agreement between the listed Hampton Roads communities of which Franklin is included. The City has been a charter member of the organization since July 1, 1974. The agenda information includes a letter from Virginia Beach City Manager Jim Spore which further explains the necessity for the requested amendment resulting from recent federal action referred to as the Workforce Innovation and Opportunity Act of 2014 (WIOA).

In a recent visit to Franklin, Opportunity, Inc. President and CEO Shawn Avery advised the Mayor and Manager of the need for this action. To date, five communities have approved with Southampton scheduled to also act on April 27th. Only Suffolk will remain to take action after tonight's meeting. The City Attorney has reviewed the changes and staff has included a copy of the fourth amended version last approved in 2001 for comparison to the enclosed highlighted version of the changes. Manager Martin then recommended the Council approve and authorize the Mayor to execute the requested documents.

Councilman Burgess made the motion to approve the charter amendment and authorize the Mayor to execute all the documents related to the proposed amendment and Vice-Mayor Cheatham seconded it.

The motion was approved by a vote of 6 – 0 (Councilman McLemore absent).

City Manager's Report

Mayor Johnson-Ashburn recognized City Manager Martin to give his report.

Health Insurance Program Proposed Changes FY 2015 – 2016

In April, it is necessary for Council to authorize the Annual Employee Health Insurance Plan Renewal. This allows this critical benefit to continue to be offered uninterrupted to city Employee's in the next fiscal year. Manager Martin provided some background of the City's health insurance as well as the current status of the insurance rates and options.

Manager Martin said that given the significant budget pressures faced by the city and in consideration of the consistent concerns heard from city employees about health care costs and the negative effect it has had on the bottom line "take home pay" over the years, the staff and management have been actively surveying peers and researching options to improve the city and employee circumstances. Rather than defer the decision until FY 2016 – 2017 when Anthem will eliminate the Expanded Plan in response to the ACA requirements, it is recommended the city transition its plan offerings effective July, 2015 to the Key Advantage 250 Plan and the Key Advantage 1000 Plan options. These plans essentially increase deductibles and out of pocket maximums while closely maintaining other plan features and significantly lowering overall costs. It is difficult to project actual savings cumulatively because we do not yet know which alternatives employees will choose, but the best estimates based upon current choices is the city could reduce its annual cost share by approximately \$46,060.80 and the employees cost cumulatively could decrease by a comparable amount depending upon plan option choices as stated. The employee reduction will affect employee paychecks based upon the choices made and thereby have the potential for a positive impact on "bottom line" pay. Management will also propose in the budget that the city savings be returned to the employees in the form of a pay increase for all employees to make the budgetary impact of the insurance changes as budget neutral to the city as possible to further benefit employee "bottom line" compensation.

Looking ahead to FY 2016 – 2017 and beyond, Management plans to further evaluate and refine options's and specifically consider an additional option such as an HSA or HMO as have many municipal peers based upon survey information received. In any event, Council needs to authorize renewal of the Employee Health Insurance Program with the current provider for FY 2015 – 2016 to continue uninterrupted coverage when the current year ends on June 30th. Once this decision is made, our focus will be on ensuring employees get the information and resources needed to make informed decisions on enrollment choices and that they strongly consider all available benefit options to address the changing dynamics in plan offerings including the pre-tax flex plan and optional supplemental coverage which can address higher deductible and out-of-pocket maximum concerns.

Vice-Mayor Cheatham made the motion to approve the City Manager recommended changes to the options offered for insurance coverage and renew the Local Choice as the City's health insurance coverage for FY 2015 -2016 and Councilman Rabil seconded it.

The motion was approved by a vote of 6 – 0 (Councilman McLemore absent).

Electric Utility Fuel Adjustment Report

Manager Martin was pleased to report that Dominion Virginia Power has finalized the seasonal Fuel Adjustment

Charge component of the Virginia Municipal Electric Association (VMEA) wholesale power cost. This is the charge that the city automatically passes through to electric utility customers on monthly bills. Effective with bills for April usage, the 2015 fuel adjustment reflects a 42% reduction per KWH from the 2014 rate of \$0.01604 to \$0.00927. This rate change equates to a monthly savings to the customers of \$6.77 for 1000 KWH as detailed in an email from Power & Light Director Mark Bly included in the agenda. The email also shows the wide range of changes in historical fuel charges since 2006 and is detailed as follows:

NOTICE
FUEL FACTOR CHANGE
VIRGINIA MUNICIPAL ELECTRIC ASSOCIATION NO. 1

In accordance with Article 4 of the Amended and Restated Agreement for the Purchase of Electricity for Resale between Virginia Electric and Power Company and Virginia Municipal Electric Association No. 1, a new fuel adjustment factor of \$0.00927 per kilowatt hour became effective with the billing month of April 2015 and has been used to calculate the enclosed bill. The fuel factor replaces the previous factor of \$0.01604 and will remain in effect, subject to semi-annual review through March 2016.

**DOMINION VIRGINIA POWER
HISTORICAL FUEL CHARGES
YEAR PER kWh CHANGE**

2006	\$0.01330	
2007	\$0.01216	-9%
2008	\$0.02279	87%
2009 April	\$0.01096	-52%
2009 November	\$0.00556	-49%
2010	\$0.01241	123%
2011	\$0.01723	39%
2012	\$0.00931	-46%
2013	\$0.01177	26%
2014	\$0.01604	36%
2015	\$0.00927	-42%

FY 2015 – 2016 Proposed Budget Update

Manager Martin provided council with a status report on staff's efforts thus far to develop the proposed City budget for FY 2015 – 2016. All city operating funds were reviewed including highlights of potential changes and requests from various departments and agencies for funding. Specifically the primary budget drivers were detailed showing the cumulative effect on city taxes and fees based upon the requested needs to operate the city government and provide services. In the General Fund, the beginning deficit was \$3.5 million in requests in excess of projected revenues. A substantial increase in revenues even after cuts may be necessary to balance the budget. School funding, regional jail operations, debt service increases, reduced grant funding and depleted debt reserve funds were identified as the primary factors impacting the general fund budget.

In the Water & Sewer Fund, capital needs warrant an increase in rates be considered. The solid waste fund budget dynamic will allow for consideration of a rate reduction this year. Electric fund rates are expected to increase due to a wholesale power rate increase from Dominion Virginia Power, but overall costs to customers will decline due to the lowered fuel adjustment factor. Other funds will not change dramatically. Further updates will be given in the days ahead as detailed on the budget calendar culminating with a public hearing on the recommended budget and budget adoption by Council in June. The Manager reviewed next steps and Council members asked various questions and commented on aspects of the budget update provided. The next step will be Council work sessions to further review recommendations including sessions with department heads on their budget requests.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Council and Staff reports on Boards & Commissions were deferred to the next Council meeting due to time constraints.

Closed Session

Vice-Mayor Cheatham made the motion that the Franklin City Council meet in Closed Session to discuss and consider appointments to boards and commissions and to consult with the City Attorney regarding legal matters pertaining to actual or probable litigation requiring the provision of legal advice as permitted by Virginia Code Section 2.2 – 3711 (A) (1) & (7) and Councilman Rabil seconded the motion.

The motion was approved by a vote of 6 – 0 (Councilman McLemore absent).

The Council entered into closed session at 9:50 p.m.

Mayor Johnson-Ashburn reconvened the open session at 10:02 p.m. and asked for a motion certifying the closed session.

Councilman Rabil made a motion certifying that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened. The motion was seconded by Councilwoman Hilliard.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

Action #1

Vice-Mayor Cheatham made a motion to appoint Ms. Wanda Ricks as a city representative to the Western Tidewater Community Services Board for a term of 3 years. Councilwoman Hilliard seconded.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

Adjournment

Councilwoman Hilliard made a motion to adjourn the meeting which was seconded by Councilman Rabil.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

Mayor Johnson-Ashburn declared the meeting adjourned at 10:05 p.m.

These Minutes for April 27, 2015 City Council Meeting were adopted on the 11th day of May, 2015.

Mayor

Clerk to City Council



*Proclamation
National Hospital Week
May 10 – 16, 2015*



Whereas, National Hospital Week is May 10 – 16, 2015, and the official theme is “Where Miracles Happen Every Day, and

Whereas, individuals all across the country will be celebrating this time-honored event; and

Whereas, the hard working people that compose our hospitals deserve universal regard and appreciation for keeping our community healthy;

Be it known that on the 12th day of May, I, Raystine D. Johnson-Ashburn, of Franklin, VA, do hereby declare May 10 – 16, 2015, to be Hospital Week in the City of Franklin, VA, and urge the residents to express their appreciation for the people, facilities and technologies that make trustworthy, reliable health care possible in our community.

Proclaimed this 12th Day of May, 2015

Raystine D. Johnson-Ashburn, Mayor



Proclamation Honoring Reverend Henry Blunt

WHEREAS, Reverend Henry Blunt is a native of Pointe Coupee Parish in Louisiana where he matriculated in the Louisiana public school systems; and

WHEREAS, Reverend Henry Blunt served this country honorably in the United States Navy where he retired after twenty-three years of service; and,

WHEREAS, Reverend Blunt received a Bachelor of Arts Degree in Political Science from Southern University in Baton Rouge, Louisiana and later received a license to preach and ordination from Shiloh Missionary Baptist Church of Baton Rouge, Louisiana; and,

WHEREAS, Reverend Henry Blunt received a Masters of Divinity Degree from Virginia Union University of Richmond, Virginia; and

WHEREAS, Reverend Henry Blunt proceeded to pastor Pleasant Plain Baptist Church in Drewryville, Virginia, and Jerusalem Baptist Church in Sparta, Virginia before being called to First Baptist Church of Franklin, Virginia where he faithfully served for twenty-three before retiring; and,

WHEREAS, since arriving in Franklin, Reverend Henry Blunt served the entire community in various civic roles including most notably service on the Franklin City School Board and the Franklin City Council; and,

WHEREAS, Reverend Henry Blunt has honored the community, the region, the Commonwealth and nation with his dedication and commitment to helping others.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Mayor Raystine Johnson-Ashburn of the City of Franklin Virginia, do hereby acknowledge the service to the Franklin community of Reverend Henry Blunt and encourage all citizens to show their appreciation to Reverend Blunt for the many accomplishments and contributions he has made to the Franklin community

Proclaimed this 31st day of May, 2015

Mayor Raystine D. Johnson-Ashburn

OLD/NEW BUSINESS

- A. Madison St. CDBG Adoption of 504 Grievance Procedure**
- B. FY 2015 – 2016 Proposed Budget Presentation**
- C. City Manager’s Report**



**DEPARTMENT OF COMMUNITY DEVELOPMENT
PLANNING - BUILDING INSPECTIONS – ZONING**

To: R. Randy Martin, ~~City Manager~~
From: Donald E. Goodwin, CEO, CFM, Director of Community Development
Date: 5/6/2015
CC: City Council Members
Re: **Madison Street Neighborhood Revitalization Project**

The Community Improvement Grant (CIG) that has been awarded to the City from Virginia Department of Housing and Community Development for the referenced project requires that the City perform certain pre-contract activities. Some of these include the adoption of various policies and plans and publishing of certain advertisements. On June 9, 2014 Council adopted the following assurances.

- A. Local Business and Employment Plan
- B. Nondiscrimination policy
- C. Residential Anti-Displacement and Relocation Assistance Policy
- D. Certification to further Fair Housing

Section 504 Grievance Procedure was inadvertently left out of the package. The adoption of this procedure is a mandatory pre-contract activity for the grant; therefore I am requesting that this item be placed on the Council agenda for their consideration and adoption.

STAFF RECOMMENDATION: Adopt the Section 504 Grievance Procedure as written.

Section 504 Grievance Procedure

The City of Franklin has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the Department of Housing and Urban Development's (HUD) (24 CFR 8.53(b) implementing Section 504 of the Rehabilitation Act of 1973, as amended (29 USC 794). Section 504 states, in part, that "no otherwise qualified handicapped individual . . . shall solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. . . ." Complaints should be addressed to: Mr. Donald E. Goodwin, Director of the Department of Community Development, PO Box 179, 207 West Second Avenue, Franklin VA 23851, 757-562-8681 who has been designated to coordinate Section 504 compliance efforts.

1. A complaint should be filed in writing or verbally contain the name and address of the person filing it, and briefly describe the alleged violation of the regulations.
2. A complaint should be filed within 30 days after the complainant becomes aware of the alleged violation. (Processing of allegations of discrimination occurring before this grievance procedure was in place will be considered on a case-by-case basis.)
3. An investigation, as may be appropriate, shall follow a filing of a complaint. The investigation will be conducted by Mr. Donald E. Goodwin. These rules contemplate informal but thorough investigations, affording all interested persons and their representatives, if any, an opportunity to submit evidence relevant to a complaint. Under 24 CFR 8.53(b), the City of Franklin need not process complaints from applicants for employment or from applicants for admission to housing.
4. A written determination as to the validity of the complaint and description of resolution, if any, shall be issued by Mr. Donald E. Goodwin and a copy forwarded to the complainant no later than 30 days after its filing.
5. The Section 504 coordinator shall maintain the files and records of the City of Franklin relating to the complaints filed.
6. The complainant can request a reconsideration of the case in instances where he or she is dissatisfied with the resolution. The request for reconsideration should be made within 30 days to Mr. Donald E. Goodwin.
7. The right of a person to a prompt and equitable resolution of the complaint filed hereunder shall not be impaired by the person's pursuit of other remedies such as the filing of a Section 504 complaint with the Department of Housing and Urban Development. Utilization of this grievance procedure is not a prerequisite to the pursuit of other remedies.
8. These rules shall be construed to protect the substantive rights of interested persons, to meet appropriate due process standards and to assure that the City of Franklin complies with Section 504 and the HUD regulations.

R. Randy Martin, City Manager

ATTEST:

DATE:

H. Taylor Williams, IV, City Attorney

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS