

March 1, 2016

A Council Work Session convened on March 1, 2016 at 8:15 p.m. in the Fourth Floor Conference Room of the Municipal Building. Council Members present were: James B. Buckner, L. G. "Larry" Campbell Jr., John B. Gilstrap, Alonzo L. Jones, Vice Mayor Gary P. Miller, Mayor Sherman M. Saunders and J. Lee Vogler (7). Albert K. "Buddy" Rawley, Jr., and Fred O. Shanks, III were absent (2).

Staff Members present were: Interim City Manager Ken Larking, City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Mayor Saunders presided.

WORK SESSION ITEMS

MINUTES

Upon **Motion** by Council Member Campbell and **second** by Council Member Buckner, Minutes of the Regular Work Session held on February 2, 2016, were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

CONSIDERATION – RESOLUTION FOR MUTUAL AID AGREEMENT BETWEEN DANVILLE PUBLIC SCHOOLS AND THE CITY OF DANVILLE

Assistant Fire Chief Steve Dishman noted this agreement puts in writing the agreement they have had verbally for many years. The City of Danville will be able to use certain school facilities as evacuation centers in the event the City needed to open a center for citizens that may be displaced during a crisis. Mr. Gilstrap questioned if the City would use any other facilities besides schools and Assistant Chief Dishman explained the schools are the primary facilities if there is going to be prolonged, overnight stays. The City has an agreement with Parks & Rec for short term use of recreation centers. Part of this agreement states the City would primarily use two facilities Bonner Middle School and Langston Focus School because the gymnasiums are detached from the schools. That would allow DPS to continue using the schools, not interrupt any services, as well as maintaining a shelter.

Council agreed to put this matter on a business Agenda.

CONSIDERATION – RESOLUTION TO AUTHORIZE THE 2015 TRANSIT DEVELOPMENT PLAN FOR DANVILLE TRANSIT SYSTEM

Director of Transportation Marc Adelman reviewed his power point presentation *Transit Development Plan Update - Danville Transit System*, a copy of which is retained in Laserfiche in the City Clerk's folder *Presentations to Council*.

Mr. Adelman noted he would like to brief Council on the transit study that was recently completed and adopted by the Transportation Advisory Committee in January; the State is now requiring City Council to adopt the document. Since 2005, the Virginia Department of Rail and Public Transportation has required that all transit systems complete a short range planning study that covers a six year time frame. The study provides the state with background information as a planning tool for approving and planning for funding for future projects. A consultant firm was selected by the state to complete the study, which was done in October 2015, and fully funded by the state. The Transit Development Plan Update includes a detailed analysis of the transit system, a comparison review of other transit

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systems of comparable size and scopes, survey results from passengers and stakeholders and a variety of service alternatives for future consideration. These strategies were based on data collected through December 2014. Some strategies that were identified, such as modifying fixed route service schedule, acquiring alternative fuel vehicles and extended fixed route to Cane Creek and Airside Industrial Parks, have already been implemented.

Mr. Adelman discussed the City's fixed route operation, which operates on looped routes, that both the 2009 and 2015 studies recommended modifying routes so they would travel along the same path. Making that transition would be extremely expensive requiring additional buses, drivers and mechanics. The City's service module is focused primarily on providing fixed route service in densely populated, low income areas of Danville. If someone needs to travel to areas that are not served by the fixed route operation, then the Handivan Service, Reserve A Ride and Senior Transportation are all available Monday through Saturday. Mr. Gilstrap questioned if any of the routes go into the parking lots of any shopping centers and Mr. Adelman noted only for Wal Mart, the bus stops at the side entrance. To go to Target, they have to get off at Dick's on Holt Garrison Parkway.

Mr. Adelman reviewed the Reservation Based Service, the Senior Transportation Program, Reserve A Ride, and increased ridership activity. Reserve A Ride increased 14%, Senior trips increased 35% but Handivan decreased 3%. The consultant recommended certain strategies for managing this growth, because it does serve to increase the operating costs significantly. However, with reduced fuel prices this fiscal year, they have seen their reservation based service hours level off. The study also included survey results from passengers and stakeholders with what was most liked about Danville Transit: availability, courteous friendly drivers, affordable, convenient and easy to use. Riders did not like that buses ran late, not frequent enough, rough ride, limited service hours, and no night service on fixed route. Mr. Adelman noted the survey was done in December of 2014 and in August of 2015, the service schedule was modified and they are also addressing the rough ride issue that was identified by acquiring buses with better suspension.

The consultant met with the stakeholders, and the study highlights information provided by the different groups. Some of the challenges identified by the stakeholders have already been addressed, such as the tight schedules and transfers missed when they adjusted the service schedule in August. They are also hoping to improve vehicle maintenance issues that drivers identify by placing propane buses in the fleet this year. For the reservation based challenges that were identified, staff has implemented the use of automated scheduling software to better accommodate increased service demand; drivers also began using tablets this past fall to reduce their trip reporting requirements. Mr. Adelman reviewed the different service alternatives and objectives that were identified by the consultant that the Transit System should be looking at over the next six years. This includes improving on time performance which will require them to look very carefully at the City's service and their ability to maintain the schedule especially when the new Wal Mart opens at Nor-Dan. For the reservation based service, they will have to look at different strategies to manage the growth and increased demand.

Council agreed to put this matter on a business Agenda.

INTRODUCTION OF THE WORKING DRAFT OF THE PROPOSED FY2017 BUDGET

Interim City Manager Ken Larking noted for the next several Tuesdays, City Council will have the opportunity to go through each departmental budget and make changes; staff will

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be available to answer questions. In April, the public will be presented with a budget for their review, which will be later adopted after public hearings. Mr. Larking noted basic services are continued at adequate levels and revenue projections are estimated at conservative levels. Expenditures were projected and department heads were told to justify every request down to the line item. The City's financial system is in excellent shape. This proposed budget includes no change to the real estate tax rate. Funding is included to continue the City's pay for performance program for employees. If approved, they will be eligible for a 2% increase on average. This budget includes no change in the total number of full time equivalent positions; there are some changes to the actual positions themselves throughout the budget. Staff is requesting two additional employees at Adult Detention and a position in Social Services. The no net change in the city's FTEs is able to be accomplished by the reduction of three solid waste collectors; the city will lose those positions through attrition, not through reduction in force.

The retirement rates and the contribution for health insurance are both down slightly this year. The total budget is almost \$272,000,000 which is an increase from last year's budget of almost \$262,000,000. The increase is mainly attributed to the cost of power which is nearly \$10M additional for next year. For the General Fund, staff does project a less than 1% increase in property tax revenue; the City's reassessment is about 47% complete and with the latest information, it suggests a 1.3% increase. Staff does anticipate that number to change, but at this point, as it is over 1%, the City will need to advertise an effective tax rate increase per state law. The only rate adjustment in the General Fund is a reduction in the Annual Curbside Recycling Fee to \$90 per year.

The operational funding for Danville Public Schools is flat at about \$17.4M and this is year four of the repayment of \$2.1M advance that occurred in FY2013 for the schools. There is \$2.2M for a variety of capital projects the Schools requested related to maintenance of existing buildings and a \$1.6M request to fund the Precision Machining Program at George Washington High School. The Chamber of Commerce is working on a regional tourism plan and they have requested \$25,000 to be included in the budget; staff anticipates that Pittsylvania County will also contribute \$25,000. With regard to the Utility Funds, the budget does include a 1.5% average increase in electric rates as was recommended at a 2015 biennial rate study and approved last month by the Utility Commission. For the average residential customer, their bill would increase by \$2.43 per month from \$130.59 to \$133.02. There was also a recommendation in the biennial rate study for a 3% increase in water rates, but staff did further analysis and decided that it wasn't necessary this year. It was presented to the Utility Commission and they agreed.

Budget Director Cynthia Thomasson reviewed the three budget documents: the Operating Budget, the Capital and Special Projects Plan and the new Tax and Fee Schedule. The Budget document includes a schedule of the work sessions and the departments that will be reviewed on each of those nights. Each department this year did highlights for each operation, what is up and what is down. There is also a list of the things that are changing throughout each operation through the entire budget. In the Capital and Special Projects plan, there is an introductory section that reviews the revenues, general description of the projects that are in each department and includes summaries and details.

ECONOMIC DEVELOPMENT UPDATE

Director of Economic Development Telly Tucker explained their office needs to do a better job of educating not only City Council, but also the community about the strategy of the

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Economic Development office and why they do what they. Tonight's focus will be on River District Development and Assistant Director of Economic Development Corrie Teague will provide a brief presentation. Ms. Teague reviewed her Powerpoint presentation *Danville River District Reimagine That*, a copy of which has been retained in the City Clerk's folder *Presentations to Council*. Ms. Teague noted buildings in the downtown had been left vacant and blighted, and out of town property owners dominated quite a few properties in the River District. City Council participated in a trip sponsored by the DRF to Greenville, South Carolina to capture their knowledge on what downtown redevelopment should be, what they have been able to implement over the years, and what the City should do and shouldn't do. Ms. Teague reviewed the various Phases of the River District redevelopment and noted staff is in the process of updating their downtown market analysis which was last updated in 2008. Many of the buildings which were once blighted are now redeveloped with active businesses that are giving back to the community, generating tax revenues, adding to the life of the community and making Danville more attractive to industry, visitors and residents.

Ms. Teague noted PACE on Main is nearing completion and they are planning an open house on March 14th; an invitation will be sent to Council to attend.

PROGRAM UPDATES

Mr. Larking noted on March 9th at 5:30 p.m., in the large conference room at Averett's Riverview Campus downtown, there will be an update from State officials on Danville's Main Street program; Mr. Larking noted everyone is invited to attend and Council will be receiving an email with the details.

CLOSED MEETING

At 9:14 p.m., Vice Mayor Miller **moved** that this meeting of the City Council of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the following purposes: discussion or consideration of the acquisition and/or disposition of real property for a public purpose where discussion in an open meeting would adversely impact the bargaining position of the City as permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended; and an Economic Development discussion and update concerning prospective business or industry where no previous announcement has been made and/or the expansion of an existing business or industry where no previous announcement has been made as permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950 as amended.

The Motion was **seconded** by Council Member Jones and carried by the following vote:

VOTE:	7-0-2
AYE:	Buckner, Campbell, Gilstrap, Jones, Miller, Saunders and Vogler (7)
NAY:	None
ABSENT:	Rawley, Shanks (2)

9:15 p.m. – Mayor Saunders called for break

9:21 p.m. – Council reconvened in closed session

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Upon unanimous vote at 10:04 p.m., Council reconvened in open session and Vice Mayor Miller **moved** adoption of the following Resolution:

CERTIFICATE OF CLOSED MEETING

WHEREAS, the Council convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.1-344.1 of the Code of Virginia, 1950, as amended, requires a Certification by the Council that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements of Virginia Law under Section 2.2-3711 were heard, discussed or considered, and (ii) only such public business matters as were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered by the Committee.

The Motion was **seconded** by Council Member Buckner and carried by the following vote:

VOTE: 7-0-2
AYE: Buckner, Campbell, Gilstrap, Jones, Miller,
Saunders and Vogler (7)
NAY: None
ABSENT: Rawley, Shanks (2)

COMMUNICATIONS

Mr. Tucker briefly discussed a proposed joint economic development website with Pittsylvania County.

Mr. Buckner requested staff look into the nepotism policy in the City. Mr. Jones asked staff to look at Adult Detention being able to do work around schools in the City.

MEETING ADJOURNED AT 10:20 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK