



City of Harrisonburg

409 S. Main Street
Harrisonburg, VA 22801

Meeting Minutes - Draft City Council

Mayor Deanna R. Reed
Vice-Mayor Richard A. Baugh
Council Member Ted Byrd
Council Member George Hirschmann
Council Member Christopher B. Jones

Tuesday, March 13, 2018

7:00 PM

Council Chambers

1. Roll Call

Present: 5 - Mayor Deanna R. Reed, Vice-Mayor Richard Baugh, Council Member Ted Byrd, Council Member Christopher B. Jones and Council Member George Hirschmann

Also Present: 3 - City Manager Eric Campbell, City Attorney Chris Brown and City Clerk Ande Banks.

2. Invocation

Council Member Hirschmann offered the invocation

3. Pledge of Allegiance

Mayor Reed led the Pledge of Allegiance

4. Special Recognition

4.a. Proclamation recognizing March 2018 as the 16th Annual March for Meals Month

Mayor Deanna Reed welcomed Beth Bland, director of Senior Services of the Valley Program for Aging Services, and presented her with a proclamation recognizing March as the 16th Annual March for Meals Month. Mayor Reed stated this program has served the community for more than 40 years and provides seniors meals throughout the city.

5. Consent Agenda (any item placed on the consent agenda shall be removed and taken up as a separate matter, if so requested by any member of Council, otherwise all items will be voted on with one (1) motion)

A motion was made by Vice Mayor Baugh seconded by Council Member Byrd to approve the consent agenda as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

- 5.a. Minutes from City Council Meeting on February 27, 2018

These minutes were approved on the Consent Agenda.

- 5.b. Consider a supplemental appropriation for the Harrisonburg City School division in the amount of \$450,921.05

This Supplemental Appropriation was approved on second reading

6. Public Hearings

- 6.a. Consider real estate tax exemption and personal property tax exemption status for The Community Foundation of Harrisonburg and Rockingham, personal property tax exemption status for Journey Counseling Center and personal property tax exemption status for Anicira Veterinary Center

Karen Rose, Commissioner of the Revenue, presented a request for exemption of real estate tax and personal property tax for three entities. She reviewed the history of council's authority for tax exemptions and explained the process through which a non-profit organization goes to apply for exemption. She stated there are thirteen 501 (c)(3) organizations that are exempt from personal property tax equaling \$77,449.98 and nine 501(c)(3) organizations that are exempt from real estate taxes equaling \$73,225.63 for FY18. She reviewed the three applicants for 2018: The Community Foundation of Harrisonburg and Rockingham County, Journey Counseling Ministries, Inc. and Anicira Veterinary Center. She reviewed the properties, the organizations' missions, and their estimated tax amounts to be levied.

Mrs. Rose stated Anicira Veterinary Clinic has already been granted real estate and personal property tax exemption in 2008 but in 2016 they purchased two vehicles for which they are seeking tax exemption and reviewed the amounts to be levied.

Mrs. Rose stated the committee recommended all groups be exempted from the respective taxes for which they have applied.

Melissa Mayhew, director of Accounting from The Community Foundation, thanked City Council for all they do and Andrew Witmer, chairman of the Journey Counseling Board thanked Council as well.

At 7:14 p.m., Mayor Reed closed the regular session and called the first public hearing to order. A notice appeared in the Daily News-Record on Wednesday, March 7, 2018.

There being no one desiring to be heard, Mayor Reed closed the public hearing at 7:15 p.m., and the regular session reconvened.

A motion was made by Vice Mayor Baugh seconded by Council Member Byrd to approve the tax exemption request from Anicira as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

A motion was made by Council Member Byrd, seconded by Council Member Hirschmann to approve the tax exemption request from Journey Counseling Ministries as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

A motion was made by Vice Mayor Baugh seconded by Council Member Byrd to approve the tax exemption request from the Community Foundation as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

7. Regular Items

7.a. Discussion of second high school construction and costs

Larry Propst, director of Finance, stated there have been requests for additional information on the construction of the second high school. He stated the figures presented are based on estimates, projections and assumptions in regard to what could or possibly will happen going forward. He reviewed the 10-year Debt Service Payments reflecting debt increasing or decreasing over time and noted the largest amounts don't come off the debt service until 2026 (Middle River Regional Jail) and 2028 (current high school). He reviewed the Financial Management Debt Policies. He stated he was asked what the school's projected costs going forward between now and when the new high school opens. He presented FY2018-2019 Projected Costs but notes the figures are not costs related to increasing enrollment, they are strictly costs related to the school boards management of the overcrowding. He stated the figures presented include the nine current trailers plus an additional five they are requesting.

Council Member Jones stated approximately 60% of the costs shown are paid by the city as they receive state funding for approximately 40%. He stated with the costs projected for FY18-19 as presented the city would be paying approximately

\$486,000.

Mr. Propst reviewed projections over the next five fiscal years of the FY18-19 projected cost until the fall of 2023 opening of the new high school and notes these projections reflect the following: three additional trailers in 2020, four additional trailers in 2021, four additional in 2022 and two additional in 2023, and the removal fee of these units in 2023; additional staffing in FY2020; and the cost of the parking lot in 2021. He then overlaid the Debt Service, Debt Roll Off and Debt Capacity over those 5 years. He stated the Debt Service projections include the land cost as well.

Council Member Byrd asked if these figures included any other projects within the city. Mr. Propst stated these figures are specific to the school, these numbers do not include any other needs or debt the city will have.

Mr. Propst provided the same projections for a fall of 2022 opening and a Summary Data slide reflecting three opening dates, annual debt service and tax rate equivalent.

Council Member Jones stated it doesn't look like there is much flex in the debt service payment. Mr. Propst states those figures are all based on assumptions, inflation etc. Council Member Jones stated he has heard if we wait a couple of years the debt capacity increases but it looks like the amount of debt that we will be facing will naturally go up, more debt overall, and wouldn't have any more flexibility based off of what we would be looking at our credit rating. Mr. Propst stated it pushes it out a little bit. Council Member Jones stated but then we are paying more for it. Mr. Propst stated at the current assumptions the answer is yes. Council Member Jones asked the city manager as far as any potential projects coming up and other things that could happen in the city, and then based off of looking at capacity and the relationship with service, the payment is amortized to be about \$4.2M to \$5M dollars based on whatever assumptions we use, could we do any more or less between 2021 and 2023 based on the numbers provided. Mr. Campbell asked if doing more or less, meant as far as the capacity. Council Member Jones replied with should something arise. Mr. Campbell stated there is not a lot of difference between the two numbers, so if something were to arise we still would have to cover and it would be a challenge, but there would not be a significant difference between those two years. Council Member Jones stated he appreciates the presentation and the work that went into it, but he feels we can all assume that even if inflation stayed flat or went up astronomically the payments would only get worse over time. He stated it looks like, no matter what, it would be cheaper to open it up earlier, granted we would have two years in the end where the \$1.3M drops off in 2026 and \$4M drops off in 2028, we would probably gain more in the beginning than we would in the end. Mr. Campbell stated the calculations presented are based on Mr. Propst's assumptions, but there is a set of variables and assumptions that could be recalculated and those would be right as well because we just don't know. He stated this is our best guess at what the inflation rate would be, where the city would be from a financial standpoint and based on these figures, the price would go up the further you go out, but that is a given.

Council Member Jones asked what do we ultimately gain by waiting until 2023.

Vice Mayor Baugh stated it is in black and white, it's over \$9M dollars that don't need to be spent for two more years. He stated spending \$9M today and \$9M in two years are not the same thing.

Further discussion took place regarding debt capacity. Council Member Byrd asked what can be cut now to start saving cash for this project. Council Member Jones stated we could cut the golf course. Council Member Byrd stated we can start that discussion. Vice Mayor Baugh stated the debt would have to be paid off on the golf course first. Mayor Reed asked if the tax rate will increase. Mr. Propst stated it will increase in any scenario. Further discussion took place regarding the reasoning behind tax increases. Mr. Campbell stated it is important to know that this presentation is a snapshot and in isolation of just one project, there are other variables, other things that could happen that could affect the tax rate as well.

Council Member Jones stated with these unknowns, this project could be pushed even further out or less be done. Mr. Campbell stated these figures are all based on assumptions and no one knows what will happen in the future.

Council Member Jones asked where is the fiscal cliff. Vice Mayor Baugh stated it is shown in the debt capacity, we have never been that close to our debt capacity. Further discussion took place regarding the debt capacity.

Mayor Reed stated this is a very important issue because it is dealing with the children and the reason why Council Member Jones brought it back up is because it is our responsibility to be transparent. She thanked Mr. Propst for his presentation.

7.b. Consider approving a refund request for 2017 business personal property tax

Chris Brown, city attorney, presented a refund request for business personal property taxes, and stated the vehicle was taxed in 2017 however proof was provided that the vehicle was sold in 2016.

A motion was made by Council Member Byrd, seconded by Vice Mayor Baugh to approve the business personal property tax refund request as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

7.c. Consider a refund request of real estate taxes for RMCO, LLC

Chris Brown, city attorney, presented a refund request for real estate taxes for properties that was leased to two churches, which according to state law is tax exempt.

A motion was made by Council Member Byrd, seconded by Council Member Hirschmann to approve the real estate tax refund request as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

7.d. Consider a refund request of real estate taxes for Mick or Mack, LC

Chris Brown, city attorney, presented a refund request for real estate taxes for property that was leased to several churches over the years, which according to state law is tax exempt.

A motion was made by Council Member Byrd, seconded by Vice Mayor Baugh to approve the real estate tax refund request as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

7.e. Consider creating a new North Liberty Street Residential Permit Parking zone

Ande Banks, deputy city manager, stated this request is a culmination of citizen effort to have the city designate a new residential parking permit zone. He stated this process began in late summer of 2017 with residents on North Liberty Street requesting the consideration through a formal petition, and following the city's code and ordinances, Harrisonburg Police Department did a survey of the parked vehicles along North Liberty Street making sure that there were more than 25% non-residential vehicles parked. He stated it ended up reflecting approximately 80% of non-residential vehicles which reflects a significant growth over a recent period of time. He stated city staff sent the survey to the Transportation Safety Advisory Board (TSAC) for consideration and in February of 2018 approval was obtained from TSAC to seek council's consideration and recommendation to approve this request.

Mayor Reed asked if the non-resident vehicles have other places to park in that area. Mr. Banks confirmed.

A motion was made by Council Member Byrd, seconded by Vice Mayor Baugh to approve the request as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

7.f. Receive Board of Zoning Appeals Annual Summary

Adam Fletcher, director of Planning and Community Development presented the Board of Zoning Appeals (BZA) annual summary required by zoning ordinance to be presented to council per Section 10-3-134 of the Harrisonburg City Code. He stated the BZA had only six meetings which reflects how well the staff is doing. He stated there was only one work session and one appeal that went to the Circuit Court but was ultimately dismissed.

Mr. Fletcher reviewed the six cases brought to the BZA and the outcome of each of those cases.

This Report was received and filed.

7.g. Receive Planning Commission's 2017 Annual Report

Adam Fletcher, director of Planning and Community Development, presented the Planning Commission's (PC) Annual Report, and noted this Commission is one of the more active ones in the city. He stated there were 11 regular meetings, one joint meeting with council, one work session and a total of nine comprehensive plan subcommittee meetings and four comprehensive plan public workshops.

Mr. Fletcher stated there were 34 applications reviewed by PC and provided the breakdown of those applications.

This Report was received and filed.

7.h. Consider a request to amend the City Code Section 16-6-58 Weeds, etc., on lots

Adam Fletcher, director of Planning and Community Development, presented proposed amendments to Title 15 Chapter 6 Section 58 commonly referred to as the tall grass and weeds ordinance. He stated shortly after the 2017 enforcement period of tall grass and weeds, staff met to discuss several issues that they were hoping to rectify and to update, which led to the bigger discussion of completely rewriting the ordinance as presented. He noted this is in hopes to better understand and interpret this code.

He stated the ordinance was adopted in 1938, modified in 1986 to reflect a height threshold of 15 inches and was enforceable between May 1st and September 1st. He stated in 2012 the height threshold was reduced to 12 inches; the enforcement period was changed to April 1st to November 1st and property owners would be given five days to rectify. He stated in the proposed amendments the enforcement period, the height restrictions and the time to rectify would remain the same. He noted that one notice per growing season will be considered reasonable notice to take corrective actions or to issue penalties for future violations, non-conforming farm land exemptions, and the city will maintain the ability to mow properties and bill the

owner if the rectification was not done by the property owner.

He reviewed changes to the code as follows: a statement to clarify the interpretation of grass/weeds/foreign growth; changes to allow exemptions for more public alleys and streets; exemptions for Stormwater best management practice areas; exemptions for areas with a steep land slope of greater than 15%; and exemptions from some undeveloped properties;

He reviewed one item that will be removed from the current ordinance as it is covered under Section 6-2-6 Accumulation of junk, rubbish or garbage on premises in open view and reviewed the changes in the posting notices on the property regulations. He noted one other change would be to decriminalize the violation but would allow for civil penalties to be issued.

Mr. Fletcher stated this portion of the code does not require public input but should council wish to have public input we can run a public hearing and/or receive public comments and noted staff recommends approval.

Council Member Byrd asked if this would count as the first reading even if a public hearing was held. Mr. Brown confirmed.

Council's desire is to hold a public hearing at the March 27, 2018 city council meeting.

This PH-Ordinance was tabled.

- 7.i.** Consider approving a contract change order in excess of \$50,000 to A. Morton Thomas and Associates

City Attorney Chris Brown stated on April 6, 2016, the City entered into a contract with A. Morton Thomas and Associates (AMT) for engineering work related to the Reservoir Street Road Improvement Project. He stated due to increase construction in the city and increase work load on the Department of Public Works (PW), AMT was retained longer than anticipated for their inspection services. He stated there were two contract change orders totaling \$51,671.85, and under Virginia Law, if there was a contract amendment that exceeds \$50,000 the governing body must approve. Mr. Brown noted the extra work was incurred and has been approved by PW.

A motion was made by Vice Mayor Baugh, seconded by Council Member Hirschmann to approve the request as presented. The motion carried with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

- 7.j.** Harrisonburg Department of Public Transportation Transit Development Plan FY2018

- FY2027

Reggie Smith, director of Harrisonburg Department of Public Transportation (HDPT), presented the 10-Year Transit Development Plan (TDP), which is required by the Federal Transit Administration and Virginia Department of Rail and Public Transportation. He stated this is a document that is not binding but HDPT staff takes the guidance received.

Elizabeth Rood, consultant with KHF, introduced what the TDP consists of, when the TDP process was initiated and noted public opinion was considered and was sought through rider surveys and public surveys.

She stated the final report includes six chapters of data and backup documents, as well as a service and capital improvement plan, implementation plan and financial plan. She reviewed the service plan and further details of schedule improvements, specific route improvements, additional routes, and marketing and planning projects.

She reviewed the Capital Improvement Plan improvements, which include addressing the issues with the Merchants Roses shopping center (shown on report erroneously as Cloverleaf Shopping Center) and a park and ride facility.

She reviewed the Financial Plan's Notes and Assumptions, noting that nothing ties the city to this plan or the expenses, it is simply to help the city adopt the spirit of the plan. She reviewed the projected expenses of this plan from FY18 through FY2027. She noted the state has developed a tiered system for capital spending, and reviewed those tiers and the proposed costs over the next ten years including anticipated funding sources.

Council Member Byrd asked if our systems are considerably larger than other cities our size. Ms. Rood stated yes and noted this city has great transit performance, which is why the city receives additional federal funding. Council Member Byrd asked in looking out 6-8 years will federal funding still be granted. Ms. Rood stated she estimated 3% of federal funding as it is unknown how much the federal government will contribute.

Ms. Rood stated the survey results were good, the public likes what they have and want more.

Mayor Reed stated she feels the number one issue is the need for longer hours and weekend transit, and she is encouraged with the results.

Vice Mayor Baugh stated all systems have the criticism of getting people to the outside, and we struggle with that but others do too (i.e. DC Metro).

A motion was made by Council Member Byrd, seconded by Council Member Hirschmann to adopt the HDPT Public Transit Development Plan FY18-27 as presented. The motion carried

with a recorded roll call vote taken as follows:

Yes: 5 - Mayor Reed, Vice-Mayor Baugh, Council Member Byrd, Council Member Jones and Council Member Hirschmann

No: 0

8. Other Matters

8.a. Comments from the public, limited to five minutes, on matters not on the regular agenda.
(Name and address are required)

James "Bucky" Berry, 30 West Washington Street, stated Brent and he put 85 hours in at Red Front for the food drive. He thanked the officers of the Harrisonburg Police Department, Harrisonburg Fire Department, and Rockingham County Sheriff's Department for their help in unloading the bus. He would like to recognize the James Madison University Police Department and University for the donations that are being made for the next three weeks. He stated Jim Baker, director of Public Works, had a traffic sign out along the road and noted 39 city buses were advertising for the food drive. He stated what he is really concerned about is the 60% poverty in the city, he feels something needs to be done with affordable housing, more food kitchens, more services etc..

Pamayotis "Poti" Giannakaouros stated he wanted to briefly remind council of a significant anniversary coming up, April 4th is the 50th anniversary of the loss of Dr. Martin Luther King, Jr. He stated it has been 150 years since we gained the vision of W. E. B. Du Bois, co-founder of the NAACP. He stated it is the 5th year since we renamed the street after Dr. Martin Luther King, Jr., which he feels heralded significant changes in the city's government and community involvement. He stated an obvious focal point for commemorations is Liberty Park, where people often gather or stop to have lunch. He suggested on April 4, 2018 that council members stop by that park, which was once an oasis for green space. He stated since Dr. King's death we are now seeing major social changes and economic changes, we are now better able to achieve his dreams and all of these things we can reflect from global to local.

Becky Deloney, 33 Laurel St., stated she was looking at the budget for FY18 and the golf course requested \$691,290 in funding for grounds management and the city approved \$696,617, the proposed clubhouse management budget was \$457,857 and the city approved \$460,380. She asked why is council giving more money to the golf course when our students need more resources. She stated the School Board pairs things down, like needed positions, and schools need more. She stated the overcrowding is at a critical point, giving more than requested to the golf course while on the edge of a fiscal cliff when school projects are voted upon doesn't make sense to her. She stated council can't be approving more funds for golf course maintenance while delaying critically needed projects for the schools. She asked if we were on a fiscal cliff or not, because she thinks we should be off the greenway and into the rough, it is time to start paring down other projects in order to adequately fund our

schools.

Adrienne Hooker, 1106 Ridgewood Road, stated she wants to remind council of a funding trend she has noticed, our local funding of public education has decreased from \$6872 in 2001 per pupil to \$5,037 per pupil in 2017, which reflects a 20% reduction. She stated we need to fund our public schools as our state and federal agencies do. She stated decreasing the funds for our students will only hurt our city's future. She reviewed a quote on Council Member Byrd's campaign website when he was Mayor regarding school support, and stated we must continue to invest in our schools, and asks council to please be responsible stewards of the city's revenue and prioritize funding the schools.

8.b. City Council and Staff

Council Member Jones stated he has received complaints about the noise ordinance about how it was being instituted and spoke with the City Attorney and hopefully everyone is making sure it is being enforced and understood properly.

Vice Mayor Baugh stated the Planning Commission meets on March 14, 2018 and there will be a special use permit request on Old South High Street, an ordinance amendment to increase flexibility to allow warehousing uses in B-2 and a request for a special use permit for a warehouse on East Kaylor Park Drive.

Council Member Byrd stated he had the pleasure and honor to introduce the City Manager to the Rockingham County Board of Supervisors.

Council Member Hirschmann stated a "shout-out" should go to Mr. Berry for his success at the recent food drive.

City Manager Campbell provided an update on the municipal solid waste and recycling program, and noted on February 23, 2018 Vanderlin Recycling notified the city that their municipal solid waste sorting company had been sold, and they were no longer accepting or sorting solid waste to recover the recyclables and that all municipal solid waste would be sent to the landfill. He stated at that time the city ceased shipping of solid waste to Troy, Virginia and started depositing all solid waste into the Rockingham County Landfill. He stated the Public Works staff has been considering several options for establishing a recycling program, the first step was to set up a drop off site convenience center for residents, which is located at Beery Road adjacent to the Valley Wellness Center and will be open from 8:00 am to 4:30 pm Monday through Friday beginning March 19, 2018. He stated starting Saturday, April 7, 2018 the convenience center will be open on Saturdays. He stated other processes are under consideration and the staff is reviewing a proposal to process curb-side all in one municipal waste collection. He stated regardless of any other programs the drop off convenience sites will remain.

Council Member Jones asked what percentage of recyclables were we at before the company pulled out. Jim Baker, director of Public Works, stated we were getting 23% of the residential and with the commercial recycling included we were up to 44%.

Council Member Jones asked since there was a lack of recycling from February 23rd to March 19th, what is staff's plan to advertise and how will this be done and is there anything staff can look at to offset the amount of landfill deposits. He stated he would like to see some program or special event and awareness be done. Mr. Baker stated additional information will be provided by next council meeting and in the coming weeks.

Council Member Byrd asked Mr. Baker if the market has collapsed on the recyclables. Mr. Baker stated the market for recyclables throughout the country has collapsed as the foreign countries who were receiving the materials no longer want them.

Further discussion took place about recyclables.

Mayor Reed stated the annual Easter egg hunt will be held on March 31, 2018; Prom dresses have been collected by members in the community and the giveaway portion will take place on Saturday, April 7 from 12-3pm at the Lucy Simms Center; Blacks Run and Downtown Clean-Up Day will be held on Saturday, April 14 and volunteers can sign up by visiting cleanstream.org.; parent representatives are needed to volunteer on the Family Assessment and Planning Team and the Community Policy and Management Teams. Anyone interested should contact Ande Banks in the City Manager's Office.

9. Boards and Commissions

9.a. Board of Zoning Appeals

A motion was made by Vice Mayor Baugh, seconded by Council Member Byrd to reappoint Mr. Phillipi to the position on the Board of Zoning Appeals as presented. The motion carried with a unanimous voice vote.

9.b. Tree Advisory Board

A motion was made by Vice Mayor Baugh, seconded by Council Member Byrd to appoint Carol Nash, Christopher Mortenson and Benjamin Bear to the Tree Advisory Board as presented. The motion carried with a unanimous voice vote.

10. Adjournment

At 9:09 p.m., there being no further business and on motion adopted, the meeting was adjourned.

CITY CLERK

MAYOR