



# City of Harrisonburg

409 S. Main Street  
Harrisonburg, VA 22801

## Meeting Minutes - Draft City Council

*Mayor Christopher B. Jones*  
*Vice-Mayor Richard Baugh*  
*Council Member Ted Byrd*  
*Council Member Kai Degner*  
*Council Member Abe Shearer*

---

Saturday, February 7, 2015

9:00 AM

Council Chambers

---

### Council Planning Work Session

Present: Mayor Christopher Jones, Vice Mayor Richard Baugh, Council Members Ted Byrd, Kai Degner, and Abe Shearer; City Manager Kurt Hodgen and Assistant City Manager Anne Lewis

The work session began at 9:02 a.m.

#### 1. Issues and Need from City Departments

##### 1.a. Commissioner of the Revenue

Commissioner Karen Rose presented introductory information on the Commissioner of the Revenue's office. The needs and issues she listed included a replacement car; part time employee; obtain access to VCIN to search license plates that are not in compliance with local taxation; and the implementation of the new revenue package is still underway.

##### 1.b. Treasurer

Treasurer Jeff Shafer presented introductory information on the Treasurer's office. The needs and issues he listed included a new vault; using a 3rd party collection attorney to help collect some of the older personal property taxes; collection of 240 hours of leave time that can be rolled over from year-to-year for constitutional officers; and an issue with parking zone guest passes. Council Member Byrd asked the Treasurer's opinion on the collection of stormwater fee and if it should supersede the collection of property taxes. Mr. Shafer does not believe it should.

##### 1.c. Community Development

Director Stacy Turner presented introductory information on the Community Development Department. The needs and issues she listed included new permit and inspections software; comprehensive plan review; update of development ordinances; additional plan review staff member as well as facility maintenance positions; and planning for upcoming eligible retirements within the next five years. Council Member Degner asked if the department lost positions during the recession. Ms. Turner said no. Council Member Byrd asked what the cost is for outsourcing plan permit review.

Ms. Turner said she is unsure but she could research. She is not aware of any locality who outsources this completely but perhaps only for large special projects.

1.d. Economic Development

Director Brian Shull presented introductory information on the Economic Development Department, which includes Tourism. He noted that we are at the lowest unemployment rate in the last 10 years and our population is on an upward trend. The needs and issues he listed included product development; retail competition from the county; strong workforce development network; incentives; and staffing. Council Member Byrd asked if we ever had lost an opportunity for incentives because it was not budgeted. Mr. Shull replied no; he has always been assured by Mr. Hodgen to come to council for consideration. Tourism Director Brenda Black listed needs and issues including space; branding; and, marketing and travel funding. Mayor Jones stated he believes there should be a cohesive single message. Council Member Degner asked if there was opportunity for co-promotion with the conference center. Ms. Black said there were some initial conversations and will continue to do so.

1.e. ECC

1.f. Fire

Deputy Chief Ian Bennett presented introductory information on the Fire Department. The needs and issues he listed included providing the best health care package at the lowest cost possible; remodeling of Station 1; replacement of breathing apparatus; replacement of Engine 26; and an additional fire inspector and logistics officer.

1.g. Break

1.h. Human Resources

Director Jennifer Whistleman presented introductory information on the Human Resources Department. The needs and issues she listed included needing one, if not two, additional staff persons; consultant assistance in working on the impact of the Affordable Care Act; research on a health care center for city employees and subgroups; and, automated tools and software systems for open enrollment, tracking of training, and performance evaluations. Council Member Byrd asked if schools would be included in the health care center. Ms. Whistleman said yes, all subgroups. Council Member Degner asked if we could partner with other centers. Ms. Whistleman said it could be explored.

1.i. Information Technology

Director Paul Malabad presented introductory information on the Information Technology Department. The needs and issues he listed included infrastructure upgrades; mobility; aging application inventory; internal services; and citizen web services. Council Member Degner asked whether the priorities listed fall in line with the IT Strategic Plan. Mr. Malabad said yes. Council Member Byrd asked if IT was a cost center. Mr. Hodgen said no. Ms. Lewis said that specific software that is needed by non-general fund departments is paid for by those departments and not the general

fund. Mr. Degner asked if the commercial cards would be available online. Mr. Malabad said that would be part of the CAMA package with the COR office. Council Member Shearer inquired about cloud based solutions. Mr. Malabad replied that we are exploring this now and some cloud based storage solutions are being requested in the next budget; other cloud based solutions have to be balanced with cost.

1.j. Public Transportation

Program Support Specialist Senior Cheryl Spain presented, on behalf of Director Reggie Smith, the introductory information on the Public Transportation Department. The needs and issues she listed included land for a downtown transfer center; eight additional transit buses; and adding to and replacing the school bus fleet. Council Member Byrd inquired about the increase in ridership. Ms. Spain provided the increase percentages including increase in JMU ridership and a possible additional intercampus route. Total ridership is \$2.8M. Council Member Shearer asked if the Fleet Manager and Facility Manager are utilized city-wide. Ms. Spain replied yes.

1.k. Special Projects/Grant Mgt/Parking Services

Director Ande Banks presented introductory information on the Parking Services, CDBG, and special projects including the construction of City Hall and a service learning project with a government class at Harrisonburg High School. The specific need and issue listed was the exploration of a new parking deck in the vicinity of the existing Water Street deck.

1.l. Parks & Recreation

Director Lee Foerster presented introductory information on the Parks and Recreation Department. The needs and issues he listed included funding and subsequent build-out of parks' master plans; full time security for parks; acquisition of additional park property; additional lighting and security features; and improvements and additions of handicap access and playground features. Mayor Jones asked if the list of build-out parks was prioritized. Mr. Foerster replied no. The costs are all derived from the parks' master plans. Council Member Degner asked if the security concerns were a trend or isolated incidents. Mr. Foerster replied that he believes it is a trend due to increased usage at the parks. The department hires a firm for weekend patrols and to unlock/lock of parks year round. Mayor Jones asked if security would cover festivals. Mr. Foerster replied no but that police do provide assistance. Mr. Foerster noted that some poles are rented from HEC on a monthly basis through a program they offer for lights that are located close to the road. Mr. Degner asked if increased bike traffic and lights would help deter people who are up to no good. Mr. Foerster replied yes.

1.m. Police

Chief Steve Monticelli presented introductory information on the Police Department. The needs and issues he listed included a records management system; personnel needs, building facilities; technology; and command and supervisory training. Council Member Degner asked if the data set needed at the jail is the same data set he needs at HPD. Chief Monticelli said it is key to have a system that communicates with

neighboring agencies and have shared data. Chief Monticelli said there is no central regional database. Mr. Degner noted the importance of extending that region to Staunton, Augusta, Waynesboro with the new agreement for a regional jail. Council Member Byrd noted the study of a system in which CCJB is planning some site visits/conversations with other localities in terms of what kind of systems they use and the capabilities of those systems. Mr. Degner would like to have a choice point on restorative justice program that HPD is using. Chief Monticelli said the group is ready to start taking cases/incidents and will be soon sending a media release about the success of a trial case. He cautioned that it will not be a catch all for the jail population. Mayor Jones asked about less lethal weapons options. Chief Monticelli said most all officers have tasers and they are exploring and testing other tools as options. Mayor Jones commented that body cameras are a no brainer but also expensive. Chief Monticelli noted that the storage is expensive. Furthermore, it is not a catch all either. Chief Monticelli said that the department is trying to incrementally increase the ratio of officers-to-population and the time they devote to the activities they perform.

1.n. Public Utilities

Director Mike Collins presented introductory information on the Public Utilities Department. The needs and issues he listed included Park View tank replacement; raw water implementation plan; integration of CIP funding with the department's asset management initiative; support of the department's energy management initiative; technology investments including asset management and billing software; and optimization of organization structure and employee staffing and skills. Mr. Collins stated there will be a proposed water rate increase in the budget but not for sewer. Mr. Collins noted we have a declining block rate structure and there is recommended methodology for shifting who is paying for water which we will continue to study. It does impact our market strategy. Council Member Byrd asked if we are anticipating increases in water sales. Mr. Collins replied yes; we are trending flat but he projects us to rise; however, he does not plan for it in budget projections. Council Member Degner asked if the low rate is the only thing that is attractive or is it the cleanliness of the water just as attractive.

1.o. Break

1.p. Public Works

Director Jim Baker presented introductory information on the Public Works Department. He noted that the revenue sharing program with the state has been successful for Harrisonburg and believes the upcoming changes will be workable. The needs and issues he listed included stormwater compliance with MS4 permit regulations; maintenance and construction of streets; issues related to traffic control systems and infrastructure; new refuse and recycling operations with the closure of the RRF; and, a future expanded/new public works facility. Council Member Degner asked what the timeline is for the single source collection and recycling. Mr. Baker reported the reduction will be in steam plant costs. He added that the total program implementation will be in approximately 60 days.

## 1.q. Finance

Director Larry Propst presented introductory information on the Finance Department. The needs and issues he listed included health care reform implementation including the issuance of a 1095 (similar to a 1099) and Cadillac tax provisions; staying on top of ever changing financial reporting standards including new pension standards, forecasting, OPEB, potential lease standard changes, and, tax abatement; potential new positions - the department has not increased in size in 20 years but the city has grown, standards have increased and we continue to do our own financial statements; compiling a financial procedures manual to help our internal controls particularly since our finance function is segregated to departments; and potential financial software review and moving towards more electronic document storage and processing of receipts/payments. The latest VRS report shows the city at 82% funded which is an increase over the last report. Council Member Byrd asked if private plans are closer to 100%. Mr. Propst said he was unsure. City school liability in 2012 was \$62M unfunded which will be reported on their financials. Separate financial statements will be prepared for HEC and ECC. New two-year VRS rate is 12.76% and it is projected to come down. Mr. Propst noted that we can pay more but we cannot pay less than the two-year rate. Council Member Shearer inquired about our brainstorming to cover the health care insurance fund. Mr. Propst indicated high cost claims continue to drive up the costs and that we are looking into a wellness program. Mr. Shearer asked if we are exploring policy changes. Mr. Propst said that we can study this to include changing the percentage contribution (i.e. 90% employee only coverage, etc.).

**2. Budget Discussion**

Assistant City Manager Anne Lewis provided an overview on the preliminary results of the budget survey from BeHeard Harrisonburg. The survey is open through February 9th and the final results will be posted to BHH next week.

City Manager Kurt Hodgen reviewed the outside agency requests, listing of major capital items and total estimated costs. Generally speaking, we are projecting natural revenue growth of little over \$1M per year through 2020. Council Member Degner asked what the main drivers were for the overage from last year; are we being too conservative on revenue growth? Mr. Propst described his conservative approach and agreed to provide the specifics to the overage from last year.

Council Member Degner asked if our bond counsel weighed in on what impact borrowing for energy efficiency has against our bond rating. Mr. Propst described the different types of debt and noted that general obligation (GO) bonds are backed by the full faith and credit of the city. GO bonds are recorded against our debt capacity. A capital lease is subject to appropriation by the city (a moral obligation) because you are not committing future councils. An example was the lease of the fire truck; the equipment could be taken by the lender. Generally, the GO route is cheaper.

Council Member Byrd asked about the schedule to have budget in front of the council. Mr. Hodgen generally described and agreed to email the exact schedule to council.

### 3. Pending Major Projects/Major Issues

Council Member Degner reported that the Eastham House update is at a point where they can set a meeting with the city manager before it goes to council.

Council Member Degner asked that programming for alternatives to incarceration be an expense to be included in the budget. Mr. Hodgen noted that the CSB will probably increase their request for funding to continue the trial program that is currently running. In addition, the cost for Middle River includes funding for alternative programs. Participation with Gemeinschaft Home is also under discussion.

Mr. Hodgen also noted the presence for the elementary school for FY 16-17. The set aside for furniture, fixtures, and equipment (FFE) will be in the next budget. The last time Harrisonburg opened a school, the school board assumed the FFE and paid with their fund balance.

Council Member Baugh inquired if we need a consultant to assist the Community Criminal Justice Board (CCJB) to get a better handle on the issues for that group to be more active and to have the type of discussions that would influence change. For example, is sentencing is too harsh, etc. Does that group currently have or developed enough sense of how to go forward? Would that group benefit from a consultant to study things we could do looking forward but also how do we implement. If the group is not functional, a consultant could show them how to be functional. Council Member Degner suggested the consultant may have similar background to one of the three respondents to the jail study who could look at relationships, understand the systems, etc.

Council Member Degner inquired about the status of the conversations with the SPCA. City Manager Hodgen reported the city and county have met with the SPCA and their attorney and asked them to identify section by section if they are doing any of the proposed items and what has been recommended. The reply is due within the month of their meeting (end of February).

Council Member Degner asked about sustainability initiatives and goal setting. He stated that we need to do a better job of communicating what the city is doing. City Manager Hodgen said that we could have the presentation that was given to Shearer and Degner presented at a future city council meeting. Council Member Degner said that we need to get the word out that our traffic light optimization is saving fuel. He would like to see a draft of goals and performance standards and how to budget for them. Council Member Byrd stated that council should set the goals. Discussion ensued about the potential for a sustainability coordinator position.

There was general consensus from council that they liked the work session format with the department directors.

There being no other business to discuss, the meeting adjourned at 2:45 p.m.

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor