

March 17, 2009

The second regular March Meeting of City Council convened on March 17, 2009 at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: Ruby B. Archie, L. G. "Larry" Campbell, Jr., T. David Luther, Gary P. Miller, Vice-Mayor T. Wayne Oakes, Albert K. "Buddy" Rawley, Jr., Mayor Sherman Saunders, Fred O. Shanks, III, and Adam J. Tomer (9).

Staff Members present were: City Manager M. Lyle Lacy, III, Assistant City Manager for Utilities Joseph C. King, City Attorney W. Clarke Whitfield, Jr. and City Clerk Annette Y. Crane, CMC.

Other Staff Members present were Police Chief Philip Broadfoot, Finance Director Barbara Dameron, Fire Chief David Eagle, Community Development Director Jerry Fischer, Housing and Development Director Dianne Morris, and Economic Development Director Jeremy Stratton.

Also in attendance were Hunton & Williams Attorney Christopher Kulp and Davenport and Associates Consultant David Rose.

Mayor Saunders presided.

#### **INVOCATION AND PLEDGE OF ALLEGIANCE**

Vice-Mayor Wayne Oakes offered the Invocation. The Pledge of Allegiance to the Flag followed.

#### **ANNOUNCEMENTS AND SPECIAL RECOGNITION**

Council Member Rawley recognized Josh Kenton and Evan Stewart, Members of Boys Scout Troop 372. They were present to observe a Council Meeting toward earning a scout badge. Mayor Saunders and Mr. Rawley welcomed the scouts to the Meeting and extended best wishes in earning their respective badgers.

#### **COMMUNICATIONS FROM VISITORS**

Mayor Saunders recognized Hawthorne Drive resident Nancy Jiranek. Mrs. Jiranek appeared to report the YWCA is set to re-open on April 15. Mrs. Jiranek, President of the YWCA Board, had spearheaded a drive to re-open the facility that had closed in 2007 due to financial hardships. She recognized another Board Member Harriett Hardy, who was also in attendance. She advised there would be classes for unemployed and under-employed women and would offer assistance in finding jobs. Classes for combating obesity, common medical conditions, pain abatement and diabetes, among others will also take place. The Newcomers Club will be reactivated, a single parents' club will be formed to assist with parenting, a south-of-the-border club will be formed, and respite care for caregivers will also be provided. Mrs. Jiranek invited everyone to be present for the April 15 opening. God's Pit Crew will be providing clean-up assistance prior to the grand opening.

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Mr. Rawley commended Ms. Jiranek, stating the re-opening would never have occurred without her efforts.

**MINUTES**

Upon Motion by Council Member Archie and second by Council Member Campbell, Special Called Meeting held on February 27, 2009 and Minutes of the Regular March 3, 2009 Council Meeting were approved as presented. Draft copies had been distributed to Council Members prior to the Meeting.

**BUDGET ADOPTION-FY 2009 - VOEMS, FEMA & HOMELAND SECURITY GRANTS**

Upon Motion by Council Member Rawley and second by Vice-Mayor Oakes, Ordinance No. 2009-03.03 presented by its First Reading on March 3, 2009 amending the Fiscal Year 2009 Budget Appropriation Ordinance to provide for grants from the Virginia Office of Emergency Medical Services' Rescue Squad Assistance Fund in the amount of \$28,000, Federal Emergency Management Agency and the Department of Homeland Security in the amount of \$91,637 and local share in the amount of \$38,000 for a total of \$167,637 and appropriating same was adopted by the following vote:

VOTE: 9-0  
AYE: Archie, Campbell, Luther, Miller, Oakes, Rawley,  
Saunders, Shanks and Tomer (9)  
NAY: None (0).

**BUDGET AMENDMENT-FY 2009-HOMELAND SECURITY & TERRORISM PREVENTION**

Upon Motion by Council Member Miller and second by Council Member Rawley, an Ordinance entitled:

ORDINANCE NO. 2009-03.04

AN ORDINANCE AMENDING THE FISCAL YEAR 2009 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES TO ANTICIPATE THE RECEIPT OF FUNDS FROM THE UNITED STATES DEPARTMENT OF HOMELAND SECURITY THROUGH THE VIRGINIA DEPARTMENT OF EMERGENCY MANAGEMENT LAW ENFORCEMENT TERRORISM PREVENTION PROGRAM IN THE AMOUNT OF \$129,815 AND APPROPRIATING SAME

was presented by its First Reading, as required by City Charter to lie over before final adoption.

**REIMBURSEMENT AGREEMENTS FOR REGIONAL INDUSTRIAL FACILITY AUTHORITY PROJECTS**

Council Member Campbell moved adoption of a Resolution entitled:

RESOLUTION NO. 2009-03.03

A RESOLUTION APPROVING AND AUTHORIZING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF DANVILLE, VIRGINIA AND THE COUNTY OF

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PITTSYLVANIA, VIRGINIA FOR THE REIMBURSEMENT OF ONE-HALF OF THE COUNTY FUNDS REQUIRED TO REPAY THE VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION FOR GRANT FUNDS.

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

VOTE: 9-0  
AYE: Archie, Campbell, Luther, Miller, Oakes, Rawley,  
Saunders, Shanks and Tomer (9)  
NAY: None (0).

Council Member Archie moved adoption of a Resolution entitled:

RESOLUTION NO. 2009-03.04

A RESOLUTION APPROVING AND AUTHORIZING A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF DANVILLE, VIRGINIA AND THE COUNTY OF PITTSYLVANIA, VIRGINIA FOR THE REIMBURSEMENT OF CITY FUNDS ADVANCED FOR THE ACQUISITION OF REAL PROPERTY FOR THE MEGA PARK.

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

VOTE: 9-0  
AYE: Archie, Campbell, Luther, Miller, Oakes, Rawley,  
Saunders, Shanks and Tomer (9)  
NAY: None (0).

**ISSUANCE & SALE OF GENERAL OBLIGATION REFUNDING BONDS-\$32,250,000**

Council Member Shanks moved adoption of a Resolution entitled:

RESOLUTION NO. 2009-03.05

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$32,250,000 OF THE CITY OF DANVILLE, VIRGINIA, PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF AND PROVIDING FOR THE REFUNDING OF CERTAIN GENERAL OBLIGATION BONDS OF THE CITY.

Council Member Campbell seconded the Motion.

At the request of Council Member Luther, City Manager Lacy explained that in consideration of preparing for Council action on the 2010 budget and in anticipation of preparation of the 2011 budget in what would be described of a majority of judges the most stressed economic times since the great depression, in recognition of a number of revenue receipts and in recognition of a need particularly in these times to attempt to maintain service delivery, in recognition that our citizens have been stressed with both increased utility costs and a need to avoid any general tax increases particularly on personal property and real estate,

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the budget team is building a budget. In order to make the budget balance and to meet the seven objectives just described, and because Danville is in a very favorable financial condition as far as the health of its finances, the administration is recommending a restructuring of its annual debt maintenance. Essentially the debt service requirements are being lowered in 2010 and 2011 in the General Fund and in 2010, 2011, and 2012 in the Utility Funds in moving the debt obligations out to future years when they will be combined with lowered debt obligations at that time. Mr. Lacy stated that when this is done and benchmarks are applied to the City regarding its pace of pay-off, the City is still in a superior position compared to most other jurisdictions in Virginia.

Mr. Luther reiterated that this is being done in order to avoid raising utility rates, personal and real property taxes and to maintain present services the City provides.

Mr. Tomer said basically the action would help to give flexibility in the City's cash flow over the next two or three years.

Mr. Lacy stated that if the City had been in the economic climate of last year with a revenue stream from the normal commerce activity, this would not have been necessary. In the context of the present economic environment, this appears to be the best route to accomplish all of those objectives.

Mayor Saunders said he felt this was a win-win situation for the City and the taxpayers and thanked the City staff for bringing this to Council's attention.

The Resolution was adopted by the following vote:

VOTE: 9-0  
AYE: Archie, Campbell, Luther, Miller, Oakes, Rawley,  
Saunders, Shanks and Tomer (9)  
NAY: None (0).

#### **COMMUNICATIONS**

There were no communications from the City Manager, City Attorney and City Clerk.

#### **ROLL CALL**

Council Member Archie commended the Human Services Director Gwendolyn Edwards and her division directors for the excellent presentation relating to departmental activities during the Special Work Session held prior to the regular Council meeting.

Council Member Campbell informed citizens the opening of the Longwood Small Business Development Center took place last week in Downtown Danville. He encouraged citizens to use the branch office for the facilitation of bringing new businesses to the

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downtown area. Rev. Campbell announced the Virginia Extension Program and the Chamber of Commerce were sponsoring a job seekers program every Monday at 8:30 through the month of May. He advised next Monday's program would feature a program about Swedwood.

Council Members Shanks and Tomer, along with Mayor Saunders, commended Mr. Lacy, Finance Director Barbara Dameron, Bond Attorey Hunton and Williams and Davenport and Associates for the creative concept of refinancing the City's debt in order to avoid tax increases in these very difficult times.

Mr. Shanks advised that Virginia Tech Alumnus and Distinguished Professor of History Dr. James I. "Buddy" Robertson would be speaking at Averett University's Pritchett Auditorium on Saturday, March 31 as part of the Civil War ceremonies that would be occurring over the next six years.

Mayor Saunders recognized Danville Police Officer Joshua Nash. Officer Nash has just completed the Academy and is officially ready to begin serving as one of Danville's finest.

City Manager Lacy introduced the City's Bond Attorney Christopher Kulp with Hunton and Williams in Richmond and Davenport and Associates Consultant David Rose who were present to answer any questions relating to the refunding bond process.

The Meeting adjourned at 7:30 P.M.

APPROVED:

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MAYOR

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CITY CLERK