

**MINUTES OF THE COMMON COUNCIL
WORK SESSION
March 6, 2012
City Council Chambers – Rouss City Hall**

PRESENT: President Jeff Buettner; Councilor Evan Clark, John Hill, John Tagnesi and Les Veach; Vice-Mayor Milt McInturff; Mayor Elizabeth Minor; Vice-President John Willingham (8)

ABSENT: None (0)

President Buettner called the meeting to order at 7:42 p.m.

Items for Discussion:

R-2012-12: Resolution authorizing the City Manager to sign the Transportation Opportunity Grant Fund Agreement

Director of Economic Development Jim Deskins stated the City has received approximately \$5 million dollars from VDOT for extending Battaile Drive to Pleasant Valley. This is in support of the Rubbermaid expansion but will be beneficial to others in the Winchester Industrial Park.

Vice-President Willingham moved to forward R-2012-12 to Council. *The motion was seconded by Councilor Veach then unanimously approved by voice-vote.*

R-2012-13: 2011 State Homeland Security Hazmat Training and Equipment Grant

Finance Director Mary Blowe presented the resolution to accept grant funding for the Fire and Rescue department in the amount of \$22,000 with no match from the general fund. The funds will be used to purchase equipment and provide training.

Vice-President Willingham moved to forward R-2012-13 to Council. *The motion was seconded by Mayor Minor then unanimously approved by voice-vote.*

FY13 Budget Discussion:

Interim City Manager Craig Gerhart stated staff is not asking Council to approve a budget tonight or make a decision about positions, reclassifications, or community funding items. He plans to deliver the budget for Council's review at the March 27th Work Session. He is asking Council for some revenue guidance and to begin the tax rate process for advertisement recognizing Council can lower the tax rate from the amount advertised but not raise it. Revenue will need to go up 10 cents to begin the process for rebuilding John Kerr Elementary School as discussed at the Ad Hoc Committee meeting and to star within Council's debt policies.

Ms. Blowe reviewed the Real Estate Tax Special Assessments for Downtown and the items paid for out of the funds.

Assistant Finance Director Celeste Broadstreet presented a comparison between the City's health insurance rates and the School's health insurance rates. Ms. Broadstreet also gave a summary on how the City decides its rates compared to Anthem's rates. She stated that if the City goes with an Anthem rate, we would need to do away with the flex dollar plan.

Ms. Blowe presented the outside agency requests included in the packet. She stated the only thing different this year is the requests were sent to the Community Development Committee for their review on the community needs perspective.

Mr. Gerhart stated he met with the Commonwealth Attorney Alex Iden regarding the reclassification requests and exchanged information. Once everything is reviewed and if it is agreeable to Mr. Iden, Mr. Gerhart will bring a revised recommendation to Council. If it is not agreeable, Mr. Iden may bring it forward for consideration.

Ms. Blowe distributed information on what tax increases were needed to complete the Handley/DMMS projects (21 cents) and the 2008 police raises (2 cents) and what increases were approved (13 cents). The information showed a 10 cent increase would still be needed to cover those items.

President Buettner stated Council made these decisions based on the assumption that we would do a tax rate increase. He asked if Council stays to the 2015-2016 schedule for John Kerr, would there be enough debt service cycling off to cover the \$20 million project. Ms. Blowe stated there will be about \$1.3 million cycling off between 2015 and 2016. The debt service would be \$1.5 million.

President Buettner stated knowing where the City is and what needs to be done he would like Council to seriously consider doing the 9 cent increase and put more toward schools and less into our operations to do the needed IT upgrades, equipment replacements, and payroll adjustments with the caveat that we strongly ask the schools to put a portion (about \$400,000) of it in the CTE program. He also proposed striking the discussion of the meals tax increase. Although he sees the benefit of it, he can't stand behind a real estate increase which he thinks is very necessary and putting a meals tax on top of that for a certain segment of the population.

Vice-President Willingham stated the schools are going to an HSA program and asked if there was time to explore that for the City. Ms. Broadstreet stated it was looked at last year but the cost of funding it and the rates for our group did not make sense. Mr. Gerhart offered to send out what information has been gathered to Council to review.

Vice-President Willingham presented a proposal for the CIP projects in regards to the Pedestrian Mall. He asked that the funds from the assessments fund the improvements on the Pedestrian Mall over the same period of time as the utility project and give the OTDB the opportunity to decide what improvements they want to make.

City Attorney Anthony Williams stated there are a number of ways to attempt to do that but you will need to overcome the ability of this Council to bind future Councils. He asked Council for a motion to direct staff to explore it further and come back to you with proposals on how to effectuate Vice-President Willingham's proposal.

Vice-President Willingham moved to direct staff as requested. *The motion was seconded by Councilor Veach then unanimously approved by voice-vote.*

Councilor Veach stated he would like to look at mirroring what the schools are doing with their health benefits as a proposal. They are self insured but they are also chipping in a little bit to each employee's HSA account and reassuring 115% of their claims. He also stated he does not know about a 9 cent increase but Council does need to get behind the schools.

Vice-Mayor McInturff stated he agrees with not doing a meals tax and a real estate tax increase. One of the benefits of the meals tax was that it would take advantage of people outside of the community to help support our schools. He stated he feels Council will be publicly beat up either way with a 9 cent or a 5 cent increase. It is just that fact that people are not going to be happy with an increase at all. He doesn't like to see a 9 cent increase but it may be what has to be done. He asked when the assessments being done now will take effect. Ms. Broadstreet stated the 2013 tax rate is effective January 1st.

Vice-Mayor McInturff moved to forward the advertisement of a 9 cent increase. The motion was seconded by Councilor Veach

Vice-President Willingham asked if there was an expectation on what would be needed next year. Mr. Gerhart stated some of it will be how well staff can use what Council gives now on one time things and not spend it all on things that will keep costing year after year. His feel for where the assessments are going to come out is not sufficient enough to allow him to give an accurate answer on that.

The motion to forward the advertisement of 9 cents was unanimously approved 8/0.

Discussion: Update on minor league baseball stadium issues

Jim Deskins, Director of Economic Development, and Brad Veach, Director of Parks and Recreation, presented an updated summary on the Minor League Baseball Stadium proposal for Jim Barnett Park.

Councilor Clark asked how many striped parking spaces are at Daniel Morgan Middle School. Mr. Deskins guessed 150-200 spaces. Councilor Clark stated the PTA has mentioned raising funds by charging for parking. Mr. Deskins stated there would be situations where there are competing events at DMMS but it could be used for that.

Councilor Clark asked if there have been discussions between the owner and Shenandoah University to synchronize game schedules. Mr. Deskins stated the owner has begun discussions with SU President Tracy Fitzsimmons. It would take a few seasons to synchronize but there is some flexibility with the minor league.

Councilor Tagnesi asked if the road improvements are included in the cost. Mr. Deskins stated they are not but he would suggest adding it to the CIP even if the proposal does not go through.

ENTERTAIN A MOTION TO ADD A CLOSED SESSION TO TONIGHT'S AGENDA FOR CONSULTATION WITH LEGAL COUNSEL AND A PERSONNEL MATTER

President Buettner asked for a motion to add an executive motion for legal consultation and a personnel matter to the agenda.

Councilor Veach moved to add the executive session language. *The motion was seconded by Councilor Clark then unanimously approved by voice-vote.*

MOTION TO CONVENE IN EXECUTIVE SESSION PURSUANT TO §2.2-3711(A)(1) AND A(7) OF THE CODE OF VIRGINIA FOR THE PURPOSE OF DISCUSSION AND CONSIDERATION OF INFORMATION REGARDING THE SUBJECT OF THE EMPLOYMENT, ASSIGNMENT, APPOINTMENT, AND PERFORMANCE OF SPECIFIC PUBLIC OFFICERS APPOINTEES, AND EMPLOYEES OF THE CITY OF WINCHESTER AND FOR THE PURPOSE OF RECEIVING LEGAL ADVICE AND STATUS UPDATE FROM THE CITY ATTORNEY AND LEGAL CONSULTATION REGARDING SPECIFIC LEGAL MATTERS REQUIRING THE PROVISION OF LEGAL ADVICE BY THE CITY ATTORNEY AND MATTERS OF ACTUAL OR PROBABLE LITIGATION.

Councilor Hill moved to convene into executive session at 8:38 p.m. *The motion was seconded by Councilor Clark then unanimously approved by voice-vote.*

Vice-President Willingham moved to reconvene in open session at 9:04 p.m. *The motion was seconded by Councilor Clark then unanimously approved by voice-vote.*

Upon returning, each member certified that only public business matters lawfully exempted from open meeting requirements of the Virginia Freedom of Information Act were discussed during the closed meeting, and that only those public business matters identified in the motion which convened the closed meeting were heard, discussed, or considered during the closed meeting.

A roll call vote was taken, the ayes and nays being recorded as shown below:

<u>MEMBER</u>	<u>VOTE</u>
President Buettner	Aye
Councilor Clark	Aye
Councilor Hill	Aye
Vice-Mayor McInturff	Aye
Mayor Minor	Aye
Councilor Tagnesi	Absent

Councilor Veach	Aye
Vice-President Willingham	Aye

Councilor Willingham moved to put a motion on the next agenda to appoint a new councilor. *The motion was seconded by Vice-Mayor McInturff then unanimously approved by voice-vote.*

Adjourn

Councilor Clark moved to adjourn the meeting at 9:05 p.m. *The motion was seconded by Vice-President Willingham then unanimously approved by voice-vote.*