

REGULAR MEETING

DECEMBER 11, 2001

At a regular meeting of Council held this evening at 7:30 p.m., there were present: Mayor Carolyn W. Frank; City Manager Roger Baker; Assistant City Manager Kurt Hodgen; City Attorney Thomas H. Miller, Jr., Vice-Mayor Dorn W. Peterson; Council Member Larry M. Rogers, Hugh J. Lantz, Joseph Gus Fitzgerald; City Clerk Yvonne "Bonnie" Ryan, CMC/MMCA, and Chief of Police Donald Harper.

Boy Scout Troop #72 from the Grace Covenant Church including Will Sease, Jim Stevens, Joe Barnes, Dave Stevens, and Kent Graham delivered the invocation and led everyone in the Pledge of Allegiance.

Mayor Frank introduced four new employees: Hector Roman, Christopher Whitley, Christopher Wilmore, and Mike Morin, Public Works Department.

Vice-Mayor Peterson offered a motion that Council resolve to approve the consent agenda, including approval of the minutes and the second reading of a supplemental appropriation for the Police Department. The motion also included a rezoning request by Dunham Bush Holding, Inc., with representative AIG Baker Real Estate, L.L.C. and a request to amend the Comprehensive Plan by Dunham Bush Holdings, Inc., represented by AIG Baker Real Estate, L.L.C. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Rogers
Vice-Mayor Peterson
Council Member Fitzgerald
Council Member Lantz
Mayor Frank

Absent – None

School Superintendent Ford presented a request for a supplemental appropriation for the School Board. He explained that these bond proceeds and the projected interest were from the November 2001 VPSA bond issue. These funds will be used to construct the new high school. This supplemental appropriation involves principal of \$41,500,000, a premium of \$151,297.33 and a projected interest of \$1,245,000 to be earned on the Virginia SNAP (Virginia State Non-Arbitrage Program) bond funds for this new project.

Vice-Mayor Peterson questioned how much interest would the bonds be earning during the next several months. He said it was his understanding that one of the reasons for entering the fall bond sale was so the money could be used to help to pay for the interest payments because the City actually borrowed the money before it was needed. However, now I am hearing the interest that will be earned on the money is being put back into the capital projects fund rather

than being used to help pay for extra interest the City has to pay off. How much money in interest are we earning during the next four or five months on this money?

School Superintendent Ford said he didn't have a schedule of the interest that will be earned; however, he thought approximately \$20,000 per month would be earned. He also noted that any interest earned must be spent by the school division on building projects.

At 7:40 p.m., Mayor Frank closed the regular session temporarily and called the evening's first public hearing to order. The following notice appeared in the Daily News-Record on Monday, December 3, 2001.

NOTICE OF PUBLIC HEARING

A public hearing will be held by the Harrisonburg City Council on Tuesday, December 11, 2001 at 7:30 p.m., in the Harrisonburg Municipal Building, 345 South Main Street, Harrisonburg, Virginia. The purpose of the public hearing will be to get citizen input concerning a proposed increase in the City's 2001-2002 School Capital Projects Fund Budget in the amount of \$42,896,297.33. These funds are the City's proceeds from the Fall VPSA bond sale and the anticipated interest that will be earned on the bond proceeds. It is proposed that these funds be used to construct a new high school.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

**CITY OF HARRISONBURG
Roger D. Baker
City Manager**

Mayor Frank called on anyone desiring to speak for or against this supplemental appropriation. Douglass S. McDonald, a resident living at 681 North Main Street, questioned the bond rating of the City and if the City was occurring too much debt. There being no others desiring to be heard, the public hearing was declared closed at 7:45 p.m., and the regular session reconvened. Council Member Fitzgerald offered a motion that Council resolve to approve the supplemental appropriation requested by the School Board for a first reading, and that:

- \$42,896,297.33 chge. to: 1113-34110 Bond Proceeds – VPSA
- \$42,896,297.33 approp. to: 1113-910114-48693 New High School Construction

The recorded roll call vote was taken as follows:

- Vote: Yes - Council Member Rogers
- Vice-Mayor Peterson
- Council Member Fitzgerald
- Council Member Lantz
- Mayor Frank

Absent – None

Planning and Community Development Director Turner presented the 2002-2003 through 2006-2007 Capital Improvement Program. Mrs. Turner explained that the Capital Improvement Program is a budgetary tool that allows the City to plan for capital expenditures for a five-year period. These are projects that cost \$25,000 or greater. She reviewed only the new projects with a priority one or two ranking in the report. The Fire Department includes a proposed new fire station at Park View, which is scheduled to be constructed on the ground previously occupied by VDOT on Chicago Avenue and Waterman Drive. There are several new projects in the Community Development Department including updating the topographic map, renovations at the Simms Building, and hiring a consultant to assist in the creation of the comprehensive plan. She said that it is unclear if the intended carpet replacement for the City Municipal Building will take place now with the potential of the City offices moving to Harrison Plaza. A new project in the Economic Development Department includes the Hardesty-Higgins House renovations. The Public Works Department includes developing a satellite site and public utilities functions at the property on Chicago Avenue and Waterman Drive. Another program in the Public Works Department is traffic calming which will involve conducting studies to plan improvements in certain residential neighborhoods which are experiencing traffic problems. A bicycle plan has existed for several years and the City is always looking at the possibility of whether new bike lanes are needed when improvements are made to an existing roadway. A traffic light has been proposed for the intersection of Liberty Street and Acorn Drive, making improvements to North Main Street, and traffic analysis equipment. There are no new priority one or two projects in the Parks and Recreation Department. The School Board has previously reviewed their Capital Improvement Program projects. There were no new projects in the Water Fund summary. The only new project in the Sewer Fund summary was radiometers, which has increased in scope and size over the past few years. There were no new projects in the Transportation Department. There were no new projects ranked priority one or two in the Sanitation Division of the Public Works Department; however, the Resource Recovery Plant rebuild is scheduled for fiscal year 2002-2003. Mrs. Turner reminded everyone that all the Department Heads were present to answer any questions regarding the Capital Improvement Program and noted that the Planning Commission recommended approval of the plan.

At 8:05 p.m., Mayor Frank closed the regular session temporarily and called the evening's second public hearing to order. The following notice appeared in the Daily News-Record on Saturday, December 1, and Saturday, December 8, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold a Public Hearing on Tuesday, December 11, 2001, at 7:30 p.m. in the City Council Chambers, 345 South Main Street, Harrisonburg, Virginia to consider:

The proposed Capital Improvement Program, for fiscal years 2002-2003 through 2006-2007. The Capital Improvement Program is a multi-year projection and scheduling of capital projects of \$25,000 or greater. This plan is prepared annually in an effort to facilitate planning and setting priorities among capital improvement needs over a

subsequent five-year period. Copies of the Capital Improvement Program are available for review in the Department of Planning and Community Development, the City Manager's office and the Rockingham Public Library.

For any additional information, contact the City Manager's office, 345 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m.

All persons interested will have an opportunity to express their views at this public hearing.

Any person requiring auxiliary aids, including signers, in connection with the Public Hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG
Roger D. Baker
City Manager

Mayor Frank called on anyone desiring to speak for or against approving the Capital Improvement Program. There being no one desiring to be heard the public hearing was declared closed at 8:06 p.m., and the regular session reconvened. Vice-Mayor Peterson offered a motion that Council resolve to adopt the Capital Improvement Program. The recorded roll call vote was taken as follows:

- Vote: Yes - Council Member Rogers
- Vice-Mayor Peterson
- Council Member Fitzgerald
- Council Member Lantz
- Mayor Frank

Absent – None

Council Member Fitzgerald read the following resolution honoring the Harrisonburg High School Blue Streaks football team.

RESOLUTION

WHEREAS, The Harrisonburg High School Blue Streaks have won the 2001 Division 3 state championship in high school football; and

WHEREAS, The team has impressively exhibited the ideals of sportsmanship, team play, and athletic achievement; and

WHEREAS, Head Coach Tim Sarver has led the team with patience, perseverance, hard work and intelligence; and

WHEREAS, The team and Coach Sarver have brought positive statewide honor and pride to the City of Harrisonburg; and

WHEREAS, The championship was earned not just with athletic prowess, but with heart, mind, and grit,

NOW, THEREFORE BE IT RESOLVED, that the City of Harrisonburg expresses its pride, appreciation, gratitude and respect to the Harrisonburg High School Blue Streaks football team for the accomplishment and for the way the team earned it.

Given under our hand this eleventh day of December in the year two thousand one, A.D.

Carolyn W. Frank, Mayor

Dorn W. Peterson, Vice-Mayor

Joseph Gus Fitzgerald, Council Member

Larry M. Rogers, Council Member

Hugh J. Lantz, Council Member

Attest: Yvonne Ryan, City Clerk

Mayor Frank introduced Senior Captains Chris Eckstein, Todd Wisman and Bryan Saunders and Coach Tim Sarver. Coach Tim Sarver and the senior captains accepted the plaque from the City Council recognizing the team's achievement. Coach Sarver said, "It was a great honor and winning the 2001 Division 3 state championship was a great moment in the students lives and now is part of the school's history." He also thanked City Council for their support and the many people who stood in the rain to honor the team at a parade. Council Member Rogers said that winning the 2001 Division 3 state championship was great for the City and he suggested adding the phrase "2001 State Champions" onto the water tower, which already reads "City of Harrisonburg - Home of the Blue Streaks" and has a picture of a lighting bolt. He also suggested erecting signs on the highways coming into the entrances of the City to honor the team. Council Member Fitzgerald offered a motion that the Council resolve to adopt the resolution. The motion to adopt the resolution was approved with a unanimous vote of Council.

Ken Huffman, a representative from the firm of PBGH, presented the 2000-2001 Comprehensive Annual Financial Report. He said that his firm and the City have to comply with certain standards and guidelines set by the Governmental Accounting Standards Board (GASB) and the Commonwealth of Virginia auditor of Public Accounts. Mr. Huffman expressed his appreciation to the City's Finance Department for all of their assistance. He said that his firm did not find any serious problems and the only minor problems have already been addressed.

City Manager Baker presented the following resolution for Council's consideration of approval:

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF HARRISONBURG, VIRGINIA**

WHEREAS, Dale Forest Associates Limited Partnership, a Virginia limited partnership (the "Borrower"), has requested the Harrisonburg Redevelopment and Housing Authority (the "Issuer"), to undertake the refinancing of its Multi-Family Housing Revenue Bonds. Series 1984 (Dale Forest Apartments Project), issued on December 4, 1984, in the original aggregate principal amount of \$13,000,000 (the "Prior Bonds"), through the issuance of its revenue bonds in an amount not to exceed \$13,000,000 (the "Bonds"); and

WHEREAS, the Prior Bonds were issued for the purpose of making a loan to the Owner to finance the cost of acquiring, constructing and equipping a multi-family residential rental apartment project (the "Project") located in Prince William County, Virginia, and owned and operated by the Borrower, constituting a project for residential rental property meeting the requirements of Section 142 of the Internal Revenue Code of 1986, as amended, and of the Virginia Housing Authorities Law; and

WHEREAS, certain terms of the Prior Bonds were modified on December 18, 1992, and September 1, 1993; and

WHEREAS, the Issuer has held a public hearing on the issuance of the Bonds on December 10, 2001, in accordance with Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code"), and in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"); and

WHEREAS, the Issuer has requested the City Council of the City of Harrisonburg, Virginia (the "City Council"), to approve the issuance of the Bonds to comply with Section 15.2-4906 of the Virginia Code and Section 147(f) of the Internal Revenue Code; and

WHEREAS, a copy of the Issuer's December 10, 2001, resolution approving the issuance of the Bonds, a fiscal impact statement and a reasonably detailed summary of the comments made at the December 10, 2001, public hearing have been presented to the City Council;

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HARRISONBURG, VIRGINIA:

1. The City Council hereby approves the issuance of the Bonds by the Issuer for the benefit of the Borrower, to the extent required by Section 15.2-4906 of the Virginia Code and to the extent required under Section 147(f) of the Internal Revenue Code.
2. Approval of the issuance of the Bonds, as required by Section 15.2-4906 of the Act and Section 147 (f) of the Code, does not constitute an endorsement of the Bonds or the creditworthiness of the Borrower. Pursuant to the Act, the Bonds shall provide that neither the City of Harrisonburg, Virginia nor the Authority shall be obligated to pay the principal and the premium, if any, of the Bonds or the interest thereon or other costs incident thereto except from the revenues and moneys pledged therefore, and that neither the faith

or credit nor the taxing power of the Commonwealth of Virginia, the City of Harrisonburg, Virginia, or the Authority shall be pledged thereto.

- 3. This resolution shall take effect immediately upon its adoption.

CERTIFICATE

The undersigned Clerk of the City Council of the City of Harrisonburg, Virginia (the "City Council"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by the following vote of the members of the City Council present and voting at a meeting duly called and held on December 11, 2001, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect on the date hereof.

<u>MEMBER</u>	<u>VOTE</u>
Carolyn W. Frank	Aye
Dorn W. Peterson	Aye
Joseph Gus Fitzgerald	Aye
Hugh J. Lantz	Aye
Larry M. Rogers	Aye

WITNESS the following signature this 11th day of December, 2001.

Clerk, City Council of the City of Harrisonburg,
Virginia

(Seal)

Harrisonburg Redevelopment and Housing Authority Director Michael Wong explained that this financing would be through the Redevelopment and Housing Authority authorizing the sale of \$13 million in bonds for a project in Prince William County. The bonds will not be a debt or obligation of the City. Vice-Mayor Peterson offered a motion that Council resolve to approve this resolution issuing the revenue bonds for a project in Prince William County. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Rogers
Vice-Mayor Peterson
Council Member Fitzgerald
Council Member Lantz
Mayor Frank

Absent - None

City Manager Baker presented a request from Our Community Place to be exempt from local taxation. He noted that Our Community Place has responded to the nine questions that the state code requires to be answered as part of consideration for receiving tax exempt status;

however, a public hearing is required before Council can take any action. Vice-Mayor Peterson offered a motion that Council resolve to schedule a public hearing for January 8, 2002. The motion to resolve was approved with a unanimous vote of Council.

Joan Strickler, Executive Director of First Night, presented a brief overview of the First Night activities. She explained that this year will be the 10th anniversary of First Night and the series of artistic performances will include local and national acts and a special peek at the Hardesty-Higgins House. She also said that Lee Bosworth will be handling the fireworks display as he has been doing this for several years. Mr. Bosworth explained that this year he would be using smaller shells to decrease the noise and help with the falling debris. Vice-Mayor Peterson offered a motion that the Council resolve to approve the fireworks display contingent upon the Fire Department approval. The motion was approved with a unanimous vote of Council.

Assistant Parks and Recreation Director David Wigginton presented an overview of the soft opening of the golf course. Mr. Wigginton reviewed a report of the golf course from the opening of September 29th until December 2nd. The golf course made \$64,968.98 in revenue during it first nine weekends. Golf Professional David Johns said there is a direct correlation with the number of rounds and the weather. The cooling and damp weather impacted the number of golfers on the greens during October and November. Play was limited to the weekends to minimize damage to the new sod. It was also noted that the driving range and pro shop will remain open throughout the winter. Season passes and golf lessons are available throughout the winter.

Golf Professional David Johns presented a brief report on the First Tee Conference, which was held in November in Florida. Mr. Johns, Council Member Rogers and David Wigginton attended the conference and had an opportunity to meet with other people throughout the United States involved in the First Tee Program. He also said that they had an opportunity to discuss, share ideas and receive information on the curriculum of the program in conjunction with other programs. The First Tee Program has provided a \$100,000 grant and 50 sets of junior golf clubs.

Economic Development Director Shull said that Congressman Bob Goodlatte's office had announced that the Shenandoah Valley Workforce Investment Board has been awarded a grant from the United States Department of Labor. This grant will provide \$2,404,732 under the H-1B Technical Skills Training program. The grant was awarded to provide high-level training to employed and unemployed workers for jobs in occupations where skill shortages exist. The goal of the training grants is to prepare Americans for these same high skill jobs, reducing the dependence on foreign labor.

At 8:40 p.m., Vice-Mayor Peterson offered a motion that the Council resolve to enter a closed session for the purpose of discussing and considering prospective candidates for appointment to the following boards and commissions: the Community Services (Chapter 10) Board, the Building Code Board of Appeals, the Parks and Recreation Commission, and the Harrisonburg Electric Commission. A closed session is permissible for this purpose pursuant to Section 2.2-3711.A.1 of the Code of Virginia (1950), as amended (the Code). IN ADDITION, the purpose of the closed session is for the discussion of certain personnel matters. A closed

session is permissible for this purpose also pursuant to Section 2.2-3711.A.1 of the Code of Virginia (1950), as amended (the Code). IN ADDITION, the purpose of the closed session is for the discussion of the possible acquisition of real property. A closed session is permissible for this purpose pursuant to Section 2.2-3711.A.3 of the Code. IN ADDITION, the purpose of the closed session is for the discussion of probable litigation. A closed session is permissible for this purpose pursuant to Section 2.2-3711-A-7 of the Code.

At 10:35 p.m., the closed session ended and the regular session reconvened. City Clerk Ryan read the following statement which was agreed to with a unanimous recorded vote of Council: I certify to the best of the my knowledge and belief that (1) only public matters lawfully exempt from open meeting requirements pursuant to Chapter 21 of Title 2.1 of the Code of Virginia, 1950, as amended, and (2) only such matters as were identified in the motion by which the closed meeting was convened, were heard, discussed or considered in the closed session by the City Council.

Vice-Mayor Peterson offered a motion that the Council resolve that Alex Banks, 25 East Fairview Avenue, be appointed to the Parks and Recreation Commission to expire on December 31, 2005. The motion to resolve was approved with a unanimous vote of Council.

At 10:36 p.m., Vice-Mayor Peterson offered a motion that the Council resolve to enter a closed session for the purpose of discussing certain personnel matters. A closed session is permissible for this purpose also pursuant to Section 2.2-3711.A.1 of the Code of Virginia (1950), as amended (the Code).

At 11:00 p.m., the closed session ended and the regular session reconvened. The following statement was agreed to with a unanimous recorded vote of Council: I certify to the best of the my knowledge and belief that (1) only public matters lawfully exempt from open meeting requirements pursuant to Chapter 21 of Title 2.1 of the Code of Virginia, 1950, as amended, and (2) only such matters as were identified in the motion by which the closed meeting was convened, were heard, discussed or considered in the closed session by the City Council.

At 11:01 p.m., there being no further business and on motion adopted the meeting was adjourned.


CITY CLERK


MAYOR