

REGULAR MEETING

September 22, 2009

At a regular meeting held this evening at 7:00 p.m., there were present: Mayor Kai Degner; City Manager Kurt Hodgen; Assistant City Manager Evan Vass; City Attorney Earl Q. Thumma, Jr.; Vice-Mayor Richard A. Baugh; Council Members David Wiens, Carolyn W. Frank and Ted Byrd; City Clerk Yvonne “Bonnie” Ryan, MMC; and Chief of Police Donald Harper.

Vice-Mayor Baugh gave the invocation, and Mayor Degner led everyone in the Pledge of Allegiance.

David Koffa appeared before Council to once again request that the City install more bus shelters, improve bus route map information, and provide public bus transportation to other cities.

Mayor Degner thanked Mr. Koffa for offering some practical ideas regarding buses and transportation. He also mentioned that the City will be installing 12 new bus shelters in the future and exploring ways to put route map schedules into the bus shelters.

Council Member Byrd offered a motion to approve the consent agenda, including approval of the minutes and the second reading of a General Capital projects appropriation and repealing Section 16-10-6 (Noise) of the Harrisonburg City Code. The motion was seconded by Council Member Frank and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

The next item of business was to consider issuing a General Obligation Bond not to exceed \$2,272,000. City Manager Hodgen said this funding source is associated with the ARRA “stimulus” funding. One half of the amount will be provided under a funding agreement with the Virginia Department of Health as a grant (principal forgiveness grant). Funding for the remaining half of the bond issuance will be financed through an agreement with the Virginia Resources Authority (VRA) for a 0% interest rate loan for up to 30 years. The funds will be used toward constructing a new 8 million gallon water tank on Tower Street.

At 7:14 p.m., Mayor Degner closed the regular session temporarily and called the evening’s public hearing to order. The following notice appeared in the Daily News-Record on Tuesday, September 8, and Tuesday, September 15, 2009.

NOTICE OF PUBLIC HEARING
BY CITY COUNCIL OF CITY OF
HARRISONBURG, VIRGINIA

Notice is hereby given that the City Council of the City of Harrisonburg, Virginia (the "**Council**") will hold a public hearing to receive public comments and to consider the adoption of a proposed Resolution authorizing, among other things, the issuance by the City of Harrisonburg, Virginia (the "**City**"), of a not to exceed \$2,272,000 water bond (the "**Bond**") to be sold to Virginia Resources Authority ("**VRA**"), as Administrator of Virginia Drinking Water Supply Revolving Fund (the "**DWSRF**"). The City desires funds to pay capital costs to acquire, construct, and equip the Tower Street water tank, identified as CIP #404-07-08 Tower Street Reservoir Replacement (Tank Construction), including facilities relating thereto (the "**Project**"), in order for the City to improve, upgrade, expand and modernize its water system facilities (the "**Water System**").

Pursuant to the American Recovery and Reinvestment Act of 2009 ("**ARRA**"), the Environment Protection Agency shall award and administer a State Revolving Fund Capitalization Grant to the Commonwealth of Virginia in the DWSRF program. In a letter to the City, dated June 29, 2009, from Virginia Department of Health ("**VDH**"), among other correspondences, the City has been advised that the Project is eligible for financial assistance and inclusion in VDH's ARRA intended use plan. The total \$2,272,000 financial assistance awarded to the City shall include two components, with a position of such funds being provided under a Funding Agreement for principal forgiveness, and the other portion being provided under a Financing Agreement for a 0% interest rate loan from VRA, as Administrator of the DWSRF, for a term up to 30 years.

The Bond shall be sold to VRA, as Administrator of the DWSRF, and shall be secured by the revenues and receipts received by the City in connection with the Water System, subject to the City's right to use such monies for the payment of operating and maintenance expenses, or alternatively, by the City's pledge of its full faith and credit, or both, as may be necessary or convenient. The public hearing, which may be continued or adjourned, will be held before the Council at or around 7:00 p.m. on Tuesday, September 22, 2009, in the Council Chambers next to Community Development, located at 409 South Main Street in the City. Any person interested in the Project, the issuance of the Bonds by the City, or any other matters in connection with such funding assistance award as described above may appear at the hearing and present his or her views. The Council may set time limits on speakers and other rules and procedures for the conduct of this public hearing.

Copies of the City's application materials to VDH and information regarding ARRA and DWSRF Program requirements in connection with the Project, among other documents relating to the Project, are on file and available for public review in the City's Public Utilities Office, located at 2155 Berry Road, in the City. Written comments may be forwarded to the Council prior to the public hearing in care of the City Manager in the City Municipal Building at 345 South Main Street, in the City, or to the Council during the public hearing.

CITY OF HARRISONBURG, VIRGINIA

Mayor Degner called on anyone desiring to speak for or against issuing the General Obligation Bonds. There being no one desiring to be heard, the public hearing was declared closed at 7:15 p.m., and the regular session reconvened. It is not necessary for Council to take any action at this meeting.

The next item of business was a request to transfer bond proceeds for Water Projects. City Manager Hodgen said that the bond proceeds from the City's June 2009 General Obligation Bond will be transferred from the Tower Street Water Tank project to the Eastern Water Source Development project. Council Member Byrd offered a motion to approve transferring these funds, and that:

\$1,410,000.00 chge. to: 1321-910161-48657 Tower Street Water Tank

\$1,410,000.00 approp. to: 1321-910161-48654 Eastern Source development

The motion was seconded by Vice-Mayor Baugh and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

The next item of business was to consider an extension of an annual grant application for Public Transportation Operating & Capital Funds for FY 2010. City Manager Hodgen said this is an extension of a resolution and application adopted February 10, 2009 for the City to receive \$1,648,580 in operating assistance funds. No local match is required for the City to receive the funds. Council Member Byrd offered a motion to approve this resolution as presented. The motion was seconded by Council Member Wiens and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

Mayor Degner presented the following resolution for Council's consideration of approval:

RESOLUTION

WHEREAS, the Council of the CITY OF HARRISONBURG desires to submit an application for an allocation of funds of up to \$1,000,000 through the Virginia Department of Transportation Fiscal Year 2009-2010, Revenue Sharing Program; and,

WHEREAS, \$1,000,000 of these funds are requested to fund construction costs for Stone Spring Road/Erickson Avenue East-West Connector which includes:

UPC 92959: \$600,000 (western terminus: South Main Street to eastern terminus: Beery Road); and

UPC 92961: \$400,000 (western terminus: relocated Ramblewood Road to eastern terminus: east city limits)

NOW, THEREFORE BE IT RESOLVED THAT: the Council of Harrisonburg hereby support this application for an allocation of \$1,000,000 through the Virginia Department of Transportation Revenue Sharing Program

Adopted this 22nd day of September, 2009.

Kai Degner, Mayor

ATTEST: Yvonne Ryan, MMC, City Clerk

City Manager Hodgen said that the Virginia Department of Transportation (VDOT) has a "Revenue Sharing Program", which will match up to \$1 million in revenue sharing funds each year for qualifying road construction projects. The City is applying for funds for both City projects that comprise Stone Spring Road/Erickson Avenue East-West Connector. Vice-Mayor Baugh offered a motion to approve the resolution as presented. The motion was seconded by Council Member Wiens and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

City Manager Hodgen presented a transfer request for the Public Utilities Department. These funds will be transferred from the Western Raw Water Line and the Eastern Source Development projects into the Western Potable Water System to allow construction of a potable

water line and the installation of the 30” eastern raw water line in the Erickson Avenue area. Council Member Byrd offered a motion to approve transferring these funds, and that:

\$75,000.00 chge. to: 1321-910161-48621 Western Raw Water Line
75,000.00 chge. to: 1321-910161-48654 Eastern Source Development

\$150,000.00 approp. to: 1321-910161-48670 Western Potable Water System

The motion was seconded by Council Member Frank and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

Police Chief Harper presented a request for a supplemental appropriation for the Police Department. These funds were received through a Division of Motor Vehicles grant and will be used to reimburse the department for overtime. Council Member Byrd offered a motion to approve this request for a first reading, and that:

\$12,207.52 chge. to: 1000-33524 Police DMV Grant

\$6,388.89 approp. to: 1000-310631-41020 Salaries/wages OT
5,818.63 approp. to: 1000-310231-41029 Salaries/wages OT

The motion was seconded by Council Member Frank and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

Mayor Degner introduced Ralph Grove, representative of the Sierra Club and Rail Solutions. Mr. Grove presented a brief overview of a “Steel Interstate” resolution to begin a grant funded study to include modernizing, straightening, and electrifying an existing rail right-of-way into an open multi-mobile rail system that can transport existing freight, passengers and trucks through the Shenandoah Valley from Pennsylvania to Tennessee. Mr. Grove asked Council to support the resolution encouraging Federal representatives to begin the process of

studying this idea of building a pilot project for the “Steel Interstate” system through the Shenandoah Valley.

Resolution petitioning Virginia’s Federal representatives to sponsor a grant for building a model 21st Century rail Steel Interstate service in the I-81 corridor to demonstrate fast rail freight and passenger service to the nation

WHEREAS; "Steel Interstate" rail service concepts offer opportunities to reduce risk from petroleum depletion, cost increases, supply interruptions, and global economic competition; and

WHEREAS; Steel Interstate rail provides reduced dependence on imported fuel, builds modal redundancy, enhances national security, and – when electrified – offers the U.S. opportunity to employ domestic energy sources and efficiency to drive transportation; and

WHEREAS; Steel Interstate rail demonstrates vastly greater transportation throughout productivity over equivalent investment in costly interstate highway expansion; and

WHEREAS; Steel Interstate technology offers positive advantages for communities, the Commonwealth, other I-81 states and localities, including Harrisonburg and the Shenandoah Valley, and the United States relating to cost, safety, economic growth, tourism development, decreased fuel consumption and greenhouse gas emissions, improved air quality and public health, varied freight and passenger service options, reduced financing and carbon cap and trade risk exposure; and

WHEREAS; forty-nine Virginia and four Tennessee governing bodies have previously voted to support for improved rail service over the massive widening of I-81; and

WHEREAS; no passenger rail and limited public bus service exists in this corridor south of Staunton/Clifton Forge, west of Lynchburg/Danville, or north of Atlanta/Birmingham, despite efforts by dozens of local governing bodies and private groups in the Commonwealth to restore passenger rail service through the Trans Dominion Express; and

WHEREAS; Congress is considering investments in transportation, energy efficiency, fuel conservation, renewable energy, greenhouse gas abatement, and infrastructure as a fiscal stimulus for the nation and the Steel Interstate offers outstanding opportunity in all these areas; and

WHEREAS; the City of Harrisonburg recognizes that this demonstration grant will not take away funding from other necessary and targeted improvement along I-81 and other arterial roadways, especially for safety concerns, including projects in and near the City of Harrisonburg;

NOW, THEREFORE, BE IT RESOLVED THAT we, the city council of the City of Harrisonburg, Virginia, urgently petition our congressional delegation to work in concert with representatives of other I-81 corridor states to sponsor and secure passage of a

Federal transportation demonstration grant to assemble in the I-81 corridor between Knoxville, Tennessee and Harrisburg, Pennsylvania, the pilot segment of 21st Century rail, the North American Steel Interstate.

Signed this 22nd day of September, 2009.

Kai Degner, Mayor

ATTEST:

Yvonne H. Ryan, MMC, City Clerk

Council Member Byrd pointed out that the resolution states that the City of Harrisonburg recognizes this demonstration grant will not take away funding from other necessary and targeted improvements along I-81 and other arterial roadways, especially for safety concerns, including projects in and near the City of Harrisonburg. Council Member Wiens offered a motion to approve a resolution petitioning Virginia's Federal representatives to sponsor a grant for building a model 21st Century rail "Steel Interstate" service in the I-81 corridor to demonstrate a fast rail freight and passenger service to the nation. The motion was seconded by Vice-Mayor Baugh and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

City Manager Hodgen presented an application from Jack Brown's Beer and Burger Joint for proposed outdoor awnings and heaters. City Attorney Thumma said that an "Outdoor Dining Facility License" was issued to this facility on June 9, 2009. The applicant is requesting to install retractable awnings and radiant heaters over the outdoor dining area. After being reviewed by the appropriate departments, it is recommended that the following be included as stipulations provided by the license if the license is approved: a) The awnings can extend no more than 8-feet measured horizontally and at a right angle to the building wall. b) The radiant heaters are to be supplied by natural gas. Council Member Frank offered a motion to approve the awnings and heaters. The motion was seconded by Vice-Mayor Baugh and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

City Manager Hodgen said that controlled timber harvesting was included as part of an adopted Forest Management Plan in the Dry River/Switzer Dam area. The proceeds of the timber harvesting will be used to mark boundary lines and make access control improvements. Mr. Hodgen said that the timber sale has been advertised and five companies submitted written offers for the timber harvesting. The highest bid received was \$126,003.01. It is recommended by the consultant and staff that the contract be awarded to the highest successful bidder. Council Member Byrd offered a motion to accept staff recommendation to award the winning bidder for the timber harvest. The motion was seconded by Council Member Wiens and approved with a recorded roll call vote taken as follows:

Vote: Yes - Council Member Wiens
Vice-Mayor Baugh
Council Member Byrd
Council Member Frank
Mayor Degner

Absent – None

City Manager Hodgen said that the family of Shirley Anderson, who was tragically killed on South Main Street, has requested placing a memorial sign at the site of the accident. Mr. Hodgen said that the City follows and complies with VDOT uniform traffic control and signage polices. The sign can be placed at the site for two years. The expense and installation of the sign will be paid for by the requesting party. Staff supports the request.

Fire Chief Shifflett presented an overview of the history of the Tower I fire truck, which includes major mechanical malfunctions, major repair costs, and an enormous out of service time for the truck. Mr. Shifflett questioned whether the City should continue with these repairs or consider replacing the truck. Following further discussion and comments, Council directed the City Manager to refer this matter to the Finance Committee for a recommendation. Vice-Mayor Baugh and Council Member Byrd serve on the Finance Committee as Council representatives.

At 7:55 p.m., there being no further business and on motion adopted, the meeting was adjourned.

CITY CLERK

MAYOR