

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Monday, March 17, 2014, AT 6:00 p.m. IN THE Second Floor Conference Room.

THE PROPOSED AGENDA IS AS FOLLOWS:

Closed session as provided by Section 2.2-3712 of the Virginia Code

BY ORDER OF THE MAYOR

BY Paige Rice

SECOND FLOOR CONFERENCE ROOM – March 17, 2014

Council met in special session on this date with the following members present: Mr. Huja, Ms. Smith, Ms. Galvin, Ms. Szakos, Mr. Fenwick.

On motion by Ms. Szakos, seconded by Ms. Smith, Council voted, (Ayes: Mr. Huja, Ms. Galvin, Mr. Fenwick, Ms. Smith; Noes: None; Absent at time of vote: Ms. Szakos), to meet in closed session for discussion and consideration of prospective candidates for (1) Discussion and consideration of prospective candidates for appointment to City boards and commissions, as authorized by Va. Code sec. 2.2-3711 (A) (1); and, (2) Discussion of the acquisition of real property located on 11th Street, N.W., for a public purpose, where discussion in an open meeting would adversely affect the City’s negotiating strategy, as authorized by Va. Code sec. 2.2-3711 (A) (3); and, (3) Discussion of the award of a public contract for recycling services that involves the expenditure of public funds, including a discussion of the terms and scope of such contract, where discussion in an open session would adversely affect the City’s negotiating strategy, as authorized by Va. Code sec. 2.2-3711 (A) (29).

On motion by Ms. Szakos, seconded by Ms. Smith, Council certified by the following vote (Ayes: Mr. Huja, Ms. Galvin, Mr. Fenwick, Ms. Smith, Ms. Szakos; Noes: None), that to the best of each Council Member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion convening the closed session were heard, discussed or considered in the closed session.

COUNCIL CHAMBERS - March 17, 2014

CALL TO ORDER

Council met in regular session on this date with the following members present: Mr. Huja, Mr. Fenwick, Ms. Szakos, Ms. Galvin, Ms. Smith.

AWARDS/RECOGNITIONS & ANNOUNCEMENTS

Ms. Galvin read a proclamation for Poison Prevention Month. Ms. Kristin Wenger, Education Coordinator for the Blue Ridge Poison Center, was present to accept. The number for the Poison Prevention hotline is 1-800-222-1222.

Ms. Smith read a proclamation in honor of Family Services Staff Appreciation Month. Ms. Szakos also read a proclamation for Benefit Program Staff Appreciation Month. Ms. Diane Kuknyo was present to accept both proclamations.

Mr. Fenwick announced the Fix-A-Leak 5k on March 22 at Pen Park. For more information on water conservation and fixing leaks visit their website at www.charlottesville.org/WaterConservation. He said the Utilities office has free water conservation packets available.

Mr. Fenwick also reminded property owners to remove snow from their sidewalks by 1:00 p.m. on March 18. Please be safe and healthy while removing snow and assist neighbors who may need help. Call 970-3333 if you need assistance removing snow.

Ms. Smith read a proclamation for WVPT Children's Book Festival event, which will take place on Saturday, March 22 at 9:30 a.m. at the Paramount Theatre. They are celebrating the 45th anniversary of Sesame Street; the event is free and open to the public.

Mr. Huja announced the Mayor's Water Conservation challenge. Go to their website at www.mywaterpledge.com starting April 1 to sign the pledge for water conservation and participate in the competition with other communities.

Ms. Szakos announce the Office of Human Rights has moved to the second level of the Market Street Parking Garage, next to City Space. There are several upcoming sessions, which will provide information about the Office of Human Rights and are open to the public. Go to www.charlottesville.org/humanrights for more information.

Ms. Smith announced the Historic Tree Preservation Symposium on Sunday April 6, from 1:00 p.m. – 5:00 p.m., at St. Anne's Belfield.

Mr. Huja said April is Child Abuse Prevention Month, and he will be participating in an event on April 1.

MATTERS BY THE PUBLIC

Ms. Wendy Brown, 1505 Dairy Rd., said the Charlottesville Community Investment Collaborative (CIC) has had three 17-week sessions to assist entrepreneurs. She said they have had a successful year, which has benefitted many Charlottesville residents. She invited Councilors to attend any of their classes on Tuesday evenings at 6:00 p.m. at CitySpace.

Ms. Rebecca Quinn, 104 4th Street, said simply holding a public hearing without telling the public the impact of a decision does not qualify as being transparent. She said some Councilors may not want the public to know the truth. She said the decision on a cost share agreement would be rushed if made tonight.

Ms. Lena Seville, 808 Altavista Ave., said she is now the Vice President of the Belmont-Carlton Neighborhood Association and asked for a neighborhood representative on the Belmont Bridge Steering Committee. She said she has met resistance on this request. There are important details that have been left off the plans because they are not informed by people who actually use the bridge.

Mr. Louis Shultz, 1809 E. Market Street, said this is the twelfth time he has come to Council about staff violating the City code regarding Steephill Street and asked Council to open an investigation.

Ms. Edith Goode, 305 2nd Street, member of the PHAR Advisory Council, asked for consideration for PHAR in the City Budget.

COUNCIL RESPONSE

Mr. Fenwick thanked Ms. Brown for her terrific program and said he would help if needed. He told Ms. Quinn he also has serious concerns about the Rivanna negotiations. He said he had not had enough time to get up to speed on the matter, and he was not sure which version of the agreement he was being asked to vote on tonight. He said he supports Ms. Seville's membership on the Belmont Bridge Steering Committee. He said PHAR does good work and thanked Ms. Goode for bringing forward their statistics.

Ms. Smith thanked CIC for providing statistics on how many City residents are served. She said she agreed with Ms. Quinn and believes that the issue has not been before the public for long enough.

Ms. Szakos said the agreement has been out for two weeks. She agreed that we have had too many closed sessions on this matter, which was because the Councilors could not reach agreement. She supported a member of the Belmont neighborhood being appointed to the Belmont Bridge Steering Committee.

Ms. Galvin thanked Ms. Brown for her data on the CIC. She asked staff to clarify for the public how mediated negotiations function during the report. She was ready for this to come out for discussion in January. She said the PLACE Design Task Force appointed subcommittees, and Council appointed PLACE, so members cannot be added without being appointed by Council.

Mr. Huja thanked Ms. Brown for her report and said Council is continually supportive of the CIC. He sympathized with Ms. Quinn's comments and said Council will not take a vote on the cost share agreement until the next meeting.

On motion by Ms. Smith, seconded by Ms. Szakos, the following appointments were made to Boards and Commissions: to CEDA, Tony Lucadamo; to JABA Advisory Council, Joe Szakos and Amy Leider; to JABA Board of Directors, Sue Lewis and Elayne Phillips; to the Regional Disability Services Board, Jim Herndon; to the RWSA Citizen Advisory Committee: Leo Mallek; to the Tree Commission: Mike Henrietta, Dot Smith, Maynard Sipes, Elizabeth Waters, Lena Seville; to the Youth Council: Quamia Dennis. (Ayes: Mr. Huja, Ms. Galvin, Mr. Fenwick, Ms. Smith, Ms. Szakos; Noes: None)

CONSENT AGENDA

a. Minutes for March 5

b. APPROPRIATION: Special Events Sponsorships - \$10,869 (carried)

Special Events Sponsorships - \$10,869

c. APPROPRIATION: Appropriation of Escrowed bond funds from the Landmark Hotel - \$111,006.39 and Transfer of \$102,506.39 (carried)

Appropriation of Escrowed bond funds from the Landmark Hotel - \$111,006.39 and Transfer of \$102,506.39

d. RESOLUTION: Reallocation of Virginia Department of Rail and Public Transportation FY2014 Mid-Year Funding - \$565,105

Reallocation of Virginia Department of Rail and Public Transportation FY2014 Mid-Year Funding - \$565,105

WHEREAS, the Virginia Department of Rail and Public Transportation has approved an allocation to the City of Charlottesville in the amount of \$565,105 for use during F.Y. 2014;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$565,105 is hereby transferred in the following manner and is not deemed to expire unless further altered by Council:

Transfer Expenditures:

From:

Fund: 245 I/O: 2200005 (CC: 2801004000) G/L: 541011 \$565,105

To:

Fund: 245 I/O: 2600020 (CC: 2804001000) G/L: 541011 \$565,105

Transfer Revenues:

From:

Fund: 245 CC: 2801003000 G/L: 498010 \$565,105

To:

Fund: 245 I/O: 2600020 (CC: 280400100) G/L: 498010 \$565,105

From:

Fund: 245 I/O: 2200005 (CC: 2801004000) G/L: 430110 \$565,105

To:

Fund: 245 CC: 2801003000 G/L: 430110 \$565,105

e. ORDINANCE: Minimum Attendance Requirements for CRHA (carried)Minimum Attendance Requirements for CRHA

Ms. Smith said she is concerned that letter e is only about the Charlottesville Redevelopment and Housing Authority (CRHA) and said it should be broadened to all boards and commissions. She asked if there was enough public input. Ms. Szakos said the CRHA requested this item, and they did a public hearing on it at their meeting.

On motion by Ms. Szakos, seconded by Ms. Galvin, the consent agenda passed unanimously. (Ayes: Mr. Huja, Ms. Galvin, Mr. Fenwick, Ms. Smith, Ms. Szakos; Noes: None)

PUBLIC HEARING: FY 2015 TAX RATEFY 2015 Tax Rate

Mr. Jones presented an overview of the proposed Fiscal Year 2015 budget. He noted that no change is being recommended for the tax rate. He reviewed FY 2015 revenue projections, funding for schools, compensation and benefits for City employees, budget balancing and future planning. More information may be found at www.charlottesville.org/budget.

Ms. Szakos clarified for the public that the false alarm fee does not apply to children accidentally dialing 9-1-1, for example.

Mr. Fenwick asked how the School Budget has trended over the last five years. Mr. Jones said there was a large increase about seven years ago to address some important issues they were facing, but it has stayed much the same over the past five years.

On motion, the public hearing on the FY 2015 Tax Rate was opened.

Mr. Scott Bandy, 1639 Cherry Ave., said the sunshine concept applies to the tax rate as well. He asked if there have been any cuts in spending.

Having no further speakers, the hearing was closed.

Ms. Galvin asked if revenue would increase by the same exponent if the cigarette tax were increased another 10 cents. Mr. Jones said we would have to factor in the possibility that sales may decrease.

Ms. Szakos said Council dropped the tax rate when the real estate boom occurred and has not raised the rate again despite the end of the boom. She said it is important for people to know we have cut things, and this cost savings comes at a price.

PUBLIC HEARING: CITY MANAGER'S PROPOSED FY 2015 BUDGET

On motion, the public hearing on the FY 2015 City Manager's budget was opened.

Ms. Marta Kane, 2040 Earlysville Rd., CEO of the JABA Board, thanked Council for their support for seniors and their families. She said they are projecting a 14% increase in the number of people they will serve in FY 2015, and they are looking for ways to live within their means. She sent Mr. Dick Gibson's regards.

Ms. Rebecca Quinn, 104 4th Street, said she sees \$5 million in revenue related to utilities, called Payment in Lieu of Taxes (PILOT). This is still a tax. With water and sewer rates about to increase, the PILOT will also increase. She asked why it is 6% and asked if this could be changed. Rather than add PILOT into the general budget, this money should be used to offset future rate increases. She asked if housing money is conveyed with a condition that it be used for City residents.

Mr. Brandon Collins, 318 Fairway Ave., said he is speaking on behalf of PHAR. He asked Council to consider PHAR's internship program, which was not recommended for funding, when they consider outside agencies at their work session on March 27.

Ms. Barbara Miller, 3105 District Ave., Executive Director of MACAA, said CARES is a program that assists people with their rent and utilities in emergency situations and asked for Council to consider supporting the program.

Having no further speakers, the public hearing was closed.

Mr. Fenwick asked Ms. Miller to consider renting out their terraced gardens as a source of revenue.

Ms. Smith said she is concerned about cuts to our public transit, which were in response to extra monies the City received. However, she does not believe the extra money was meant to offset general funding, and using the funding in this way jeopardizes future funding.

PUBLIC HEARING: COST ALLOCATION AGREEMENT FOR RIVANNA WATER AND SEWER AUTHORITY WASTEWATER PROJECTS

Cost Allocation Agreement for Rivanna Water and Sewer Authority Wastewater Projects

Ms. Hildebrand presented to Council. She reviewed the cost allocation discussions for the new Rivanna pump station.

Ms. Smith asked when the data was collected for the Greeley and Hanson study. Ms. Hildebrand said it was collected in 2006. Ms. Smith asked how much was spent on upgrading sewer pipes. Ms. Hildebrand said \$22 million total. Ms. Smith asked what that debt service is being paid from. Ms. Hildebrand said this comes from the City's utility budget, and it is factored into rates.

Ms. Smith asked City Attorney Craig Brown what would happen if Council does not accept this agreement. Mr. Brown said Rivanna would continue to operate under the agreement we have been under for the past fifteen years. Ms. Smith asked if the pump station is contingent on the cost share agreement going forward. Mr. Brown said it is his understanding that it is not. Ms. Smith asked if the ACSA can insist that the City pay for the tunnel. Mr. Brown said they cannot, but their attorney may give a different answer. Ms. Smith confirmed that the Four Party Agreement is considered a legally binding agreement.

Ms. Smith asked if the fact that Crozet is in the wastewater system a recent change. Mr. Frederick said it is not.

Ms. Smith asked if the money this will cost the City was calculated in the same way it will be calculated in the future. Mr. Frederick said it was calculated the way the contract states.

Mr. Huja said there were negotiation meetings with a mediator present. At Ms. Galvin's request, Mr. Brown provided an explanation of the confidentiality requirements of a mediation agreement and how this varies from a closed session.

On motion, the public hearing was opened.

Ms. Martha Levering, 712 Grove Ave., said she supports the proposed agreement between the City and County for the Rivanna Pump Station.

Ms. Rebecca Quinn, 104 4th Street, said the increased cost for residents has still not been made public. She asked Council to postpone the decision until this information has been released. She asked if UVA has been informed of the rates. She said our water usage has decreased historically.

Ms. Lena Seville, 808 Altavista Ave., asked Council to wait on this decision because information was not available to the public in a timely manner. The Council agenda does not show that a vote was planned for tonight.

Mr. James Nix, 2402 Kerry Lane, said he supports the agreement, which shares the cost for current and future projects. This agreement is fair and equitable because it depends on actual flows and will be updated at regular intervals. He said Council should vote on this tonight so the County can vote on it at their upcoming meeting.

Mr. Chris Hayes, 1900 Chesapeake St., said they have a vested interest in the pump station because of their proximity to it. He said he supports the mediated agreement because it is fair and will make a huge difference to the Woolen Mills neighborhood.

Ms. Joanna Salidis, 129 Goodman St., said the real cost of stormwater treatment should be incentivized in the rates. However, she believes the agreement would be unfair because the City will owe the County. This will be fair only if the County accounts for the money the City has spent on subsidizing growth in the County. This focuses only on the pipes that are in disrepair, not on other projects that benefit the County and are paid for by the City.

Ms. Peggy Van Yahres, 1700 Chesapeake St., said she is thankful that the pump station is moving out of the Woolen Mills neighborhood. She said she supports the agreement because there was give and take, and it seems fair. This is a good model for City/County relations going forward.

Having no further speakers, the public hearing was closed.

Mr. Huja asked Mr. Jones to state the impact on the average single family household. Mr. Jones said it would equate to a \$0.46 per month increase for this year. Ms. Smith asked if this reflects future costs. Mr. Jones said it does not.

Mr. Wray said the 46 cents per month is the additional cost to the City for using the proposed method versus the flow method. It goes up to 72 cents per month in FY19.

Ms. Szakos asked for an explanation of the rate equalization policy. Mr. Wray said profit from the end of the year is placed into a rate stabilization fund and used over a five year time period to prevent significant swings in rates.

Ms. Galvin asked why we are not metering as soon as possible, because we need to start getting measurements sooner rather than later. Mr. Jones asked Mr. Frederick how quickly we can have this metered. Mr. Frederick says the draft agreement calls for updating the flow projections based on metered data every five years, starting in 2015. In response to an inquiry from Ms. Szakos, he said the best time to get data tends to be December through March for usable data to forecast a two year wet weather event.

Ms. Smith asked what the definition of a two year storm is. Mr. Frederick said this is a storm event that has a reoccurrence interval of about two years. Ms. Hildebrand said it equals 3.68 inches of rain over a 24 period for our region. Mr. Frederick said you have to size pipes for peak load, or you will have sewage in the street during heavy rains. He said the cost of metering must be weighed against the price of accuracy.

Ms. Smith said we are asking our citizens to pay every day for a peak storm. Ms. Szakos said we are required to have a system that is built for peak flow. Ms. Smith said this is a disincentive for pipe rehabilitation. Ms. Szakos said this is not true.

Ms. Smith asked Mr. Frederick how much the five year metering will cost. Mr. Frederick said in the range of \$130,000 every five years.

Mr. Fenwick said he is disappointed that the conversation was not delayed so that he could be brought up to speed. He said the document does not have plain language. He said several documents have been given to him, and he was not sure what he would see tonight coming into the meeting. He said he does not believe Council or the Albemarle County Board would allow this to go to court. He said he has grave reservations about this negotiation.

Ms. Galvin said we should not use an outdated formula but instead should use updated methodology to calculate rates. This compels both parties to reduce stormwater seepage into the system. We need to settle this amicably so that we do not set back our relationship with the County.

Ms. Szakos said this is complicated, but not impossible to understand. Mr. Fenwick has been here for six meetings' worth of discussion. We are negotiating with the ACSA, not the County. This gives us a process for planning for projects rather than never knowing what the price of any given project will be.

Ms. Smith said she is shocked and embarrassed that this conversation has been based on fear mongering. This has nothing to do with the Rivanna Pump Station project moving forward. This proposal does not pay by flow; the vast majority of the cost is determined by one day out of every two years. We are not obligated to the County just because they are arguing with us about building a tunnel. She said ratepayers get nothing for giving up their lower rates.

Mr. Huja said this is a good agreement that resulted from professional mediation. We are obligated to protect the best interests of our citizens, and the proposal before Council does just that. This also provides a rational method for sharing costs for future projects and meets industry standards for best practices. He said he is ready to move forward on this, but he will wait for the next meeting to give citizens more time to review this.

Ms. Smith moved to table a vote. Ms. Szakos said she does not want Council to have this same conversation again in two weeks. Ms. Galvin said there should be some ground rules for the next discussion. Mr. Fenwick seconded the motion to table a vote until the next meeting. Mr. Huja said he supports voting at the next meeting. Ms. Smith requested that UVA be brought up to speed on the proposed agreement.

REPORT: RIVANNA QUARTERLY UPDATE

Rivanna Quarterly Update

Mr. Frederick updated Council on the major issues facing the Rivanna authorities aside from the cost share agreement, including the water treatment plant Granular Activated Carbon (GAC) improvements, the approved Capital Improvement Plan, the Ragged Mountain Dam, and the Ivy Materials Utilization Center.

Ms. Szakos asked when the GAC is to be completed. Mr. Frederick said they are targeting June 2017. Ms. Szakos asked about dam mitigation. Mr. Frederick said the mitigation has been completed and will not be impacted.

Ms. Smith asked if the powdered GAC is being used as a back-up measure. Mr. Frederick said Rivanna is monitoring and revising formulas to be sure they are meeting EPA requirements on a consistent basis. Ms. Smith asked how much the interim powdered process costs. Mr. Fenwick said it costs about \$800,000 per year, but that could go up or down depending on water quality; we may not need to use it month to month.

Ms. Smith asked if water metering is included in the rate. Mr. Frederick said wholesale water metering is in the capital budget and is included in the rate. Ms. Smith confirmed that GAC can be regenerated.

APPROPRIATION: DEPARTMENT OF SOCIAL SERVICES FOR SALARY ALIGNMENT AND OFFICE SPACE FURNISHINGS - \$211,490 (carried)

Department of Social Services Appropriation for Salary Alignment and Office Space Furnishings - \$211,490

Ms. Diane Kuknyo presented to Council and requested approval for an appropriation to receive new federal funding. She reported an 11% discrepancy in salary compared to local competitors. Increasing the baseline salary for employees would result in raises for 40 employees. Money will also be used to provide office furnishings for the department's new office spaces, which are desperately needed.

Ms. Szakos clarified that this is not one-time money. Ms. Kuknyo confirmed that it is ongoing. Ms. Smith asked if this would improve the competition. Ms. Kuknyo said it would certainly be a big step towards helping.

On motion by Ms. Szakos, seconded by Ms. Smith, the motion carried for a second reading.

RESOLUTION: VIRGINIA PRODUCED - PLANNING GRANT SUPPORT

Virginia Produced - Planning Grant Support

Mr. Engel presented to Council. The proposed planning grant project consists of a phase two business planning process for a flash freezing and light food processing hub, building on a feasibility study completed under the auspices of the Jefferson Area Board for Aging (JABA). The match would be shared with the County. If the planning grant is approved, the local match will be triggered in the amount of \$17,500.

Mr. Fenwick asked about the status of funding approval in the county. Mr. Engel said it is scheduled for their next meeting. Ms. Smith said funding is recommended.

Ms. Galvin thanked everyone involved for their efforts. On motion by Ms. Galvin, seconded by Ms. Szakos, the resolution passed unanimously. (Ayes: Mr. Huja, Ms. Galvin, Mr. Fenwick, Ms. Smith, Ms. Szakos; Noes: None)

Ms. Smith asked how far JABA got in their process. Mr. Chris Murray clarified that JABA is not a partner, but will give the grant project their intellectual property.

OTHER BUSINESS: Belmont Bridge Citizen Steering Committee

Ms. Galvin said this is the first project PLACE is reviewing as a piece of public infrastructure. She said the committee could be a citizen's steering committee with PLACE members included for expertise. Mr. Huja said he supports a committee, as long as it is not too large. Mr. Jones recommended involving other neighborhoods that are near the bridge. Staff will draft a plan and return to Council.

Mr. Fenwick asked if this would be a separate, additional committee. Mr. Jones said it would replace the existing committee.

OTHER BUSINESS: Crossings Repair

Mr. Fenwick asked how the repair of the crossover is going. Mr. Jones said staff will get back to Council with an update.

MATTERS BY THE PUBLIC

Ms. Rebecca Quinn, 104 4th Street, said if something is too good to be true, it probably is. She said the cost quote does not cover the cost of the additional debt service. She asked what happened with the proposed Landmark agreement. She said the temporary fence does not look good.

Mr. Jones said there is still more work to be done on the Landmark, and he will provide an update to Council.

Meeting adjourned.