



DANVILLE CITY COUNCIL WORK SESSION AGENDA

MUNICIPAL BUILDING

November 20, 2018

7:30 P.M.

MEETING CALLED TO ORDER

CLOSED MEETING

As Permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion concerning a prospective business or industry related to economic development; and

As Permitted by Subsection (A)(7) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for consultation with legal counsel.

- A. Motion to Convene in Closed Meeting
- B. Motion to Reconvene in Open Meeting
- C. Motion to Certify Closed Meeting

MINUTES

- A. Consideration of Approval of Minutes from Regular Work Session held on October 16, 2018.
Council Letter Number CL - 2028

APPOINTMENTS

- A. Consideration of Appointments to the following Boards and Commissions.
Council Letter Number CL - 2030
 - 1. Building Code Board of Appeals
 - 2. Employee Retirement System Board
 - 3. Fair Housing Board
 - 4. Planning Commission

WORK SESSION ITEMS

- A. Review of General Fund Financials through October 31, 2018.
Council Letter Number CL - 2015.
- B. Consideration of Approving and Authorizing the Execution of a Local Government Agreement with the Virginia Department of Health.
Council Letter Number CL - 2024.

PROGRAM UPDATE

COMMUNICATIONS FROM

- A. City Manager
- B. Deputy City Manager
- C. City Attorney
- D. City Clerk
- E. Roll Call

ADJOURNMENT

Council Letter

City of Danville, Virginia



CL-2028

Meeting Minutes Item #: A.

Work Session Meeting

Meeting Date: 11/20/2018

Subject: Approval of Meeting Minutes

From: Susan M. DeMasi, City Clerk

COUNCIL ACTION

Work Session Meeting: 11/20/2018

SUMMARY

Consideration of Approval of Minutes from Regular Work Session held on October 16, 2018.

Council Letter Number CL - 2028

Attachments

Meeting Minutes

October 16, 2018

A Regular Work Session of the Danville City Council convened on October 16, 2018 at 8:27 p.m. in the Conference Room located on the Fourth Floor of the Municipal Building. Council Members present were: James B. Buckner, L. G. "Larry" Campbell Jr., Mayor Alonzo L. Jones, Dr. Gary P. Miller, Sherman M. Saunders, Fred O. Shanks, III, Vice Mayor J. Lee Vogler, Jr., and Madison J.R. Whittle (8). Adam J. Tomer was absent (1).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

MINUTES

Upon **Motion** by Council Member Buckner and **second** by Vice Mayor Vogler, Minutes from the Regular Work Session held on September 18, 2018 were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

CONSIDERATION OF APPOINTMENTS TO THE FOLLOWING BOARDS AND COMMISSIONS

Vice Mayor Vogler noted the Committee on Appointments met earlier this evening, and make the following recommendations:

Industrial Development Authority	Reappoint: Richard Turner, John Laramore and Max Glass
Transportation Advisory Board	Appoint: Anna Kautzmann
Danville Utility Commission	Appoint: Paul Liepe

Council Agreed to Put the Appointments on an upcoming Business Agenda.

REVIEW OF GENERAL FUND FINANCIALS THROUGH SEPTEMBER 30, 2018

Director of Finance Michael Adkins reviewed the results of the General Fund through September 30th, which marks the first quarter for FY2019, and 25% of the year complete. Total Revenues compare very favorably to last year at this time. As of September 30th, there was a little over \$18.2M collected; that is \$1.2M higher than last year at this time. Property Taxes do not show a lot of activity, the tax bills for the first half of this fiscal year go out in about 2-3 weeks. They have been working on delinquent real estate collections, which is \$312,000 so far for the first quarter, 39% of budget, and ahead of budget. The City will hold its next public auction of delinquent parcels on Friday, November 9th. Local taxes are on target and performing better than budget; through the end of the first quarter the City collected \$5.5M, about \$367,000 over last year at this time. Sales tax was at \$2.3M, 26% of budget, and tracking a little ahead of budget at \$124,000 more than last year. Under Meals tax, the City now has two months at the new rate collected at \$2M, on target at 25% of budget and \$159,000 more than last year. Hotel/Motel did well for the summer in July and August at \$316,000 which is 33% of budget and \$50,000 more than last year. For other income items, some are higher than last year due to timing; the City has received Categorical Aid from the State a little earlier for the first quarter. Also, for the City's investment

income, interest rates have increased a several times over the last six months, most recently last month. As the City's CDs mature, the City reinvests and is getting higher rates with an increase in interest income.

Expenditures were \$31.4M for the first quarter, that is \$2.1M more than last year and most of that is the timing to the CIP fund. \$1.8M has already been transferred to the CIP, which is more than last year at this time. The rest of the increase is primarily General Government Operations and most of that is the enhancement to public safety's retirement benefits; staff budgeted for that and increased that contribution. Revenues are on track, Expenditures, where they have increased were either budgeted or just a timing difference, and everything looks appropriate for the first quarter. Mr. Adkins stated the City has received the proceeds from the bond issues, there will be a budget appropriation ordinance coming before Council at the meeting on November 20, and then for final adoption on December 4th. The Audit for the City is progressing with about four to five more weeks and no concerns have been raised. Mr. Yoder from Brown, Edwards will be at Council on December 4th at the work session to formally present the audit report.

PROGRAM UPDATES

Mr. Larking noted staff has emergency operations meetings periodically when things like Michael happen; staff has been having those meetings since Thursday night. At the meeting on Monday, staff was supposed to compile the amount of public infrastructure damage, the estimated cost for City related items, not counting the schools. At that time, the City was up to about \$2.2M in infrastructure costs just for the City. That does not count things like overtime, and does not believe it included Parks & Recreation which had about half a million more in damage. The City has more than met its threshold as a locality to trigger the kind of assistance it can get, but believes there is also a statewide trigger that has to happen and does not think that has been met yet. The City is going to submit all the information they can and hopefully they can get some assistance from State or Federal level. Mr. Larking stated he was very proud of his department heads and their staff, they are very professional and did a great job for the community.

Mr. Campbell asked what benefits come from a local State of Emergency and Mr. Larking explained one is perception. When a local state of emergency is declared, it alerts the public that there is danger and they should be careful. The State of Emergency is typically recommended by the Fire Chief to the City Manager, the City Manager calls for it and it is ratified by City Council. The State of Emergency allows the City to procure equipment and contracts more quickly than it normally would. Mr. Campbell thanked the City Manager for keeping Council informed during the Emergency. Dr. Miller questioned the utility workers that come help the City, what does the City pay for and Mr. Larking explained the City has a mutual aid agreement with several localities and when the City asks for help, they will send help. Mr. Saunders questioned the shelter at Bonner, how many people utilized it and Mr. Larking noted at one point they had sixty people in the shelter. Many of them left when the weather looked like it was a little better. Overnight, about fifteen people stayed.

City Attorney Clarke Whitfield noted several Council Members asked him to speak about the steps to file suit against drug manufacturers, particularly the opioid manufacturers; some Council Members saw the presentation at VML put on by Kaufman and Knowles. The first step would be for Council to pass an Ordinance or Resolution declaring the situation with regard to opioids a public nuisance. Once that has been done, the City could move forward to sue and potentially recover financial damages; simultaneously to doing that, the City would want to look at retaining a litigation team. The litigation team will come in and investigate the City's claims. If the City doesn't have enough money to recover and claims to file suit on, there is no need to do it. They

do a free investigation and will provide a report that states what the City has potentially to gain or that they shouldn't proceed with litigation. Their only requirement is if the City does proceed with litigation, most firms require that the City not take their information to another law firm. If the City decides to sue, the City signs a retainer agreement that says the City will pay their costs plus 25% of the recovery.

If the City were to win, it would receive the money less the costs and contingency. If the City were to be a part of the localities that are suing and were to lose, the City would pay a pro rata share of just the expenses, no attorney fees will be charged. Right now with Kaufman and Knowles, there are over thirty localities that have joined, and everyone has signed the same contract. It is not going to be something that will be quick, it will probably take several years, but they do a good job of keeping everybody up to date. Mr. Whitfield explained their approach is to file in state court rather than federal court; the theory behind that is the drug manufacturers are going to have a more difficult time defending it in every single jurisdiction. Their theory for the case is that manufacturers made false claims about how addictive opioids are and distributors who are required by federal and state law to control and report the unlawful drug diversions allegedly have ignored their responsibilities. There has been a lot made about the AG suing Perdue Pharma, they have, and they are also trying to fine them. With the AG's office, all the money they recover goes directly to the state, none of it is coming to the localities.

In response to Mr. Whittle, Mr. Whitfield explained the opioids are a public nuisance not only for causing the death of the users, but the cost the community has to bear in order to fight the addiction and all the other problems. It is an overall community problem and the firm will refer to certain cases and statistics. They will be talking to a lot of healthcare professionals, law enforcement, and social service organizations in order to do that report. Reverend Campbell questioned who is liable and Mr. Whitfield stated it is multi-level; manufacturers, distributors and probably pharmacies because a lot of them allegedly ignore what are their responsibilities. As the opioids are prescribed, it is supposed to be recorded how many the person is getting; a lot of that was not being done, but more of it is being done now. Dr. Miller noted there are some physicians that are in trouble for prescribing too many pills, now there are computer systems that keep track of that. The people that supplied the pills, the benefit managers, ignored that. They saw that the patient was getting pills from different sources, they were supposed to control that and they weren't doing that.

Dr. Miller noted Kaufman and Knowles are associated with a national firm and Mr. Whitfield stated they are associated with one in Texas and one in Nashville. Mr. Shanks questioned if there was a local firm and Mr. Whitfield explained the George Daniels group, does not think he practices in Virginia and Mr. Shanks stated his son does. Mr. Whitfield noted he believed they were doing a Federal court suit and Mr. Shanks asked Mr. Whitfield to find out. Mr. Shanks noted if there are any local firms that have that capability he would like Mr. Whitfield to look into that.

In response to Mr. Whittle, Mr. Whitfield explained the cost is determined once the firm determines what the City's damages would be. The way Kaufmann and Knowles has structured it, the City's pro rata share is not by population, it is by the number of violations and the amount of money it could recover. In a situation like this, Martinsville and Galax would end up paying a much larger pro rata share than Danville. There is something called the Morphine Milligram Equivalent Units. The national average is 640 mmes of opioids prescribed each year; in Danville that number is 1,444.9 mmes, and Martinsville and Henry County together is over 5,000. Mr. Whitfield stated he would look into a local firm that could represent the City, but anybody that the City's hires, they would want them to provide the City with an analysis first. If they can't provide the analysis first, he does not believe the City would want to deal them.

COMMUNICATIONS

Dr. Miller questioned if staff has had a chance to look into scooters, like Richmond and Mr. Whitfield noted there have been some reviews of that, and to the best of staff's knowledge, it is in bigger cities. Dr. Miller noted in Richmond they put scooters on street corners, they didn't go to the City and get a license, they weren't regulated and doesn't want it to happen here. Mr. Whitfield noted Mr. Reynolds has been looking at it along with Mr. Dodson to look into some regulations so they can't just be dumped on the streets.

Mr. Saunders asked if there was anything Council was going to do with regard to Dr. Polhamus. Mayor Jones noted his funeral is next Tuesday at St. Luke's. Dr. Miller asked if Council could do a resolution regarding his service to the City.

Mr. Shanks noted he has received complaints about gear braking by tractor trailer trucks. The complaint came from the Route 58 area; asked the City Attorney to look into it, maybe put some signage up, or put it in the Code that it is not legal to do.

Vice Mayor Vogler would like Council to consider a Resolution or Proclamation, thanking the linemen who were out working, including all the people that were working during Michael. Mayor Jones suggested a letter from all Council Members that can go to all employees. Vice Mayor Vogler noted something to show Council's appreciation for the work a number of people did. Council members noted they didn't want to leave anyone out, including volunteers. Mr. Shanks noted he was interested in those working double shifts which included Public Works and Utilities, but would also agree to citywide employees. Mr. Shanks noted he would like to see the DLSC people included if possible. Mr. Saunders requested the City Manager come back with recommendations.

MEETING ADJOURNED AT 9:20 P.M.

MAYOR

CITY CLERK

Council Letter

City of Danville, Virginia



CL-2030

Item #: A.

Work Session Meeting

Meeting Date: 11/20/2018

Subject: Appointments to Boards and Commissions

From: Susan M. DeMasi, City Clerk

COUNCIL ACTION

Work Session: 11/20/2018

SUMMARY

Consideration of Appointments to the following Boards and Commissions:

1. Building Code Board of Appeals
2. Employee Retirement System Board
3. Fair Housing Board
4. Planning Commission

Attachments

No file(s) attached.

Council Letter
City of Danville, Virginia



CL-2015

Work Session Item #: A.

Work Session Meeting

Meeting Date: 11/20/2018

Subject: General Fund Financial Report as of October 31, 2018

From: Michael Adkins, Director of Finance

COUNCIL ACTION

Work Session: 11/20/2018

SUMMARY

A brief report will be given on the General Fund financial results through October 31, 2018. Financial statements are included.

Attachments

Financial Statements



To: Ken F. Larking, City Manager

From: Michael L. Adkins, Director of Finance

Date: November 9, 2018

Subject: Summary of Preliminary General Fund Financial Results for October 31, 2018

After completing the first third of the new fiscal year, General Fund revenues compare favorably to the previous year. As of October 31, General Fund revenues were \$24,508,839. This represents 23.2% of our FY 2019 budget. Last year, at this time, we had collected \$23,230,643, or 22.7% of budget.

We continue to see steady performance in the collection of delinquent real estate taxes this year with \$479,000 realized in the first four months of this fiscal year. This accounts for nearly 60% of the current year budget. Tax bills for FY 2019 were mailed this past week, so we will begin to see collection activity in current real estate and personal property taxes in the next monthly report. Local taxes collected through October 31, were \$7,360,415, or 28% of budget. This also compares favorably to FY 2018, showing an increase of \$500,000 over last year. Sales tax collections in September amounted to \$3,048,299, or 34% of budget, an increase of \$160,431 over last year. Meals taxes collected for the first third of the fiscal year amounted to \$2,781,505, or 33.8% of budget, an increase of \$248,389 over last year, and indicative of the rate increase from 6% to 6.5%. Business Licenses realized at the end of October were \$494,317, an increase of \$14,348 from the prior year. Lodging taxes received as of October 31, were \$407,590, or 42.5% of budget, an increase of \$61,098 over the prior year. Increases over the prior year were also seen in interest revenues and recovered costs. All other revenue categories are performing according to budget at this point.

Expenditures at October 31 were \$41,070,665, or 36% of budget. This is a decrease of \$6.5 million compared to October 31, 2017, primarily resulting from a \$6 million timing difference of budgeted transfers to Schools, Capital Projects, and Economic Development. Economic Development funds are being transferred when needed this year, instead of transferring the budgeted amount at the beginning of the fiscal year. Departmental expenditures at the end of October show an increase of about \$340,000 over last year with most of this increase found in Public Safety. Public Safety expenditures increased \$359,000 due to the enhancement in retirement benefits. Non-departmental expenditures increased \$160,000 over last year due to additional debt service for the FY 2018 bond issuance.

Total General Fund expenditures exceeded revenues by \$16,561,826. This is typical for the first part of the fiscal year in the General Fund because the timing of the revenue recognition is not matched to expenditures. Next month, I will be able to share tax collection results for our first half billings. At this point, the General Fund results are tracking well with the FY 2019 budget.

CITY OF DANVILLE, VIRGINIA

GENERAL FUND REPORT

33% OF YEAR LAPSED AS OF OCTOBER 31, 2018

****PRE-CLOSING FIGURES - SUBJECT TO CHANGE - UNAUDITED****

	Budgets & Appropriations For Current Year	Actual Revenues & Expenditures For Year-to-Date	Percent Realized/Expended This Year	Encumbrances	Balance to be Realized/Expended	Actual Revenues & Expenditures At This Date Last Year
REVENUES:						
Property Taxes	\$ 31,867,700	\$ 2,103,569	6.60%		\$ 29,764,131	\$ 1,813,936
Other Local Taxes	26,601,000	7,360,415	27.67%		19,240,585	6,860,869
License Permits & Privilege Fees	252,950	69,043	27.30%		183,907	82,976
Fines & Forfeitures	393,550	122,982	31.25%		270,568	97,980
Revenue From Use Money & Property	1,188,150	615,101	51.77%		573,049	355,327
Charges For Services	3,742,950	1,370,383	36.61%		2,372,567	1,395,147
Miscellaneous Revenue	125,100	42,205	33.74%		82,895	37,380
Recovered Cost	5,967,800	1,944,242	32.58%		4,023,558	1,696,646
Non-Categorical Aid	5,976,720	1,726,798	28.89%		4,249,922	1,726,532
Shared Expenses (Categ. Aid State)	5,124,990	1,548,237	30.21%		3,576,753	1,535,180
Categorical Aid (State)	9,359,130	2,623,197	28.03%		6,735,933	2,622,335
Emergency Services (Federal)	5,833	-	0.00%		5,833	-
Categorical Aid (Federal)	27,020	-	0.00%		27,020	-
Transfers From Utilities	14,848,000	4,982,667	33.56%		9,865,333	5,006,333
Transfers From Other	-	-			-	-
TOTAL REVENUES	\$ 105,480,893	\$ 24,508,839	23.24%		\$ 80,972,054	\$ 23,230,643
EXPENDITURES:						
General Government Administration	\$ 8,787,253	\$ 3,333,859	37.94%	\$ 28,624	\$ 5,424,770	\$ 3,192,866
Judicial Administration	7,036,142	2,304,713	32.76%	12,799	4,718,630	2,271,526
Public Safety	29,936,333	9,724,371	32.48%	279,082	19,932,881	9,365,424
Public Works	4,399,192	1,331,412	30.26%	236,237	2,831,543	1,371,844
Health, Education, Welfare & Soc. Svc.	9,249,470	2,226,998	24.08%	39,615	6,982,857	2,434,071
Parks, Recreation & Cultural	5,189,642	1,519,274	29.28%	39,957	3,630,411	1,509,569
Community Development	2,170,463	1,103,491	50.84%	110,406	956,566	1,058,394
Non-Departmental	12,755,144	4,049,121	31.75%	5,371	8,700,652	3,887,778
Transfer to Schools - Operating	26,680,085	13,147,430	49.28%	2,255,825	11,276,830	14,688,565
Transfer to Capital Projects	3,775,380	1,858,828	49.24%	-	1,916,552	5,466,450
Transfer to Other Funds	4,099,240	471,168	11.49%	-	3,628,072	2,296,035
TOTAL EXPENDITURES	\$ 114,078,344	\$ 41,070,665	36.00%	\$ 3,007,915	\$ 69,999,764	\$ 47,542,522
Revenue over(under) Expenditures		\$ (16,561,826)				\$ (24,311,879)
FUND BALANCE:						
Beginning Fund Balance 07/01/2018		\$ 39,518,570				\$ 42,975,385
Revenue over(under) Expenditures		(16,561,826)				(24,311,879)
Ending Fund Balance 10/31/2018		\$ 22,956,744				\$ 18,663,506
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		\$ 11,726,732				\$ 10,709,728
Unassigned		11,230,012				7,953,778
TOTAL FUND BALANCE 10/31/2018		\$ 22,956,744				\$ 18,663,506

City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending October 31, 2018 (year to date)

Description	Current Budget	Revenue Realized	Percentage Realized	Prior Year Budget	Prior Year Realized	Percentage Prior Year
Sales Tax	\$ 8,850,000	\$ 3,048,299	34.44%	\$ 8,750,000	\$ 2,887,867	33.00%
Business Licenses	5,200,000	494,317	9.51%	5,100,000	479,969	9.41%
Meals Tax	8,240,000	2,781,505	33.76%	7,500,000	2,533,116	33.77%
Utility Taxes	963,000	311,344	32.33%	978,000	312,328	31.94%
Vehicle License Fees	1,000,000	146,690	14.67%	1,000,000	137,511	13.75%
Bank Stock Tax	800,000	-	0.00%	790,000	-	0.00%
Recordation Tax	200,000	53,713	26.86%	180,000	59,313	32.95%
Hotel Motel Tax	960,000	407,590	42.46%	990,000	346,491	35.00%
Daily Property Rental Tax	18,000	7,665	42.58%	17,000	10,680	62.82%
Motor Vehicle Tax	150,000	60,567	40.38%	135,000	53,479	39.61%
DMV Fees	220,000	48,726	22.15%	215,000	40,114	18.66%
TOTAL	\$ 26,601,000	\$ 7,360,415	27.67%	\$ 25,655,000	\$ 6,860,869	26.74%

**CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF OCTOBER 31, 2018**

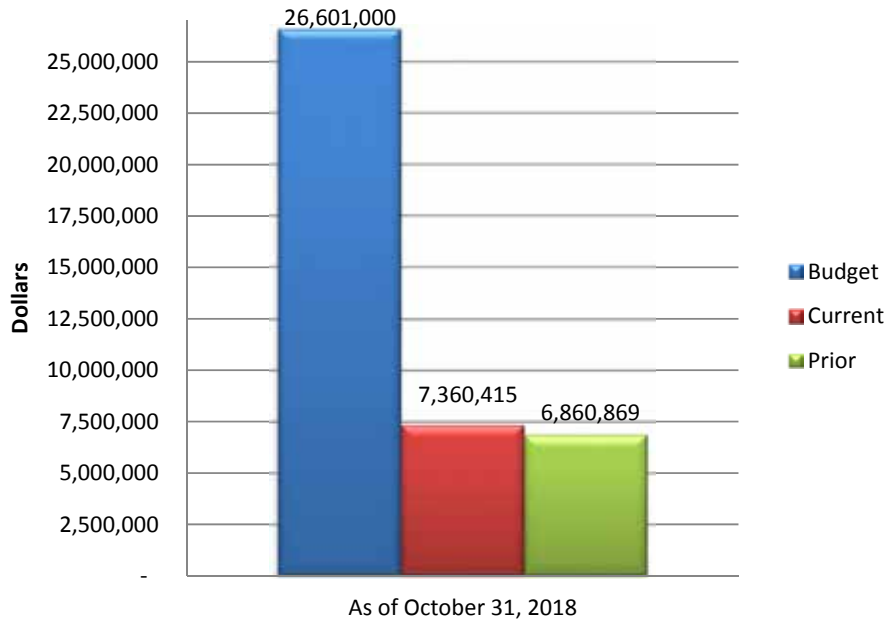
Beginning Total Fund Balance, July 1, 2018	\$ 39,518,569.81
Add: General Fund Revenues	24,508,839.15
Deduct: General Fund Expenditures	<u>(41,070,664.73)</u>
Ending Total Fund Balance, October 31, 2018	<u><u>\$ 22,956,744.23</u></u>

Composition of Fund Balance:

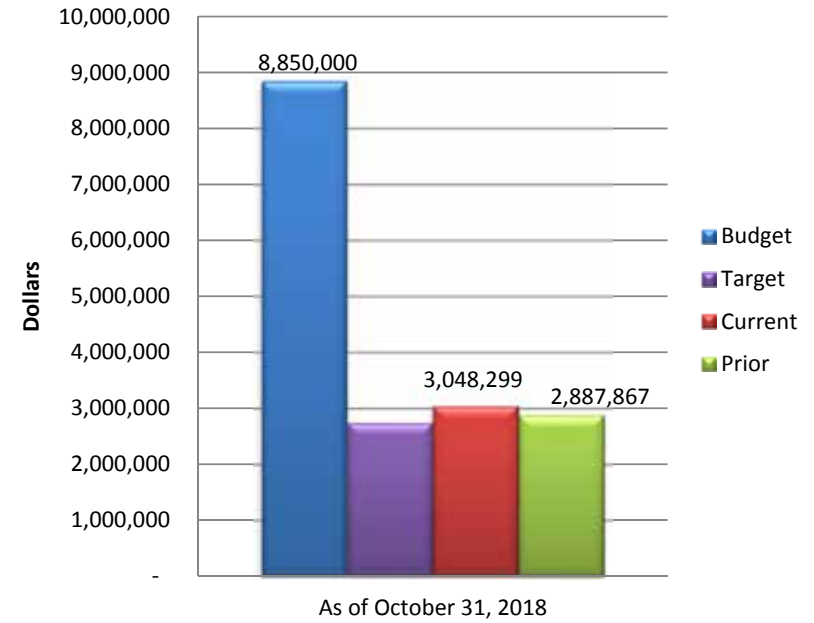
Restricted for Commonwealth Attorney	\$ 110,324.22
Restricted for Police Department	47,799.85
Restricted for Fire Department	89,770.99
Committed for Sheriff's Department	2,100.07
Committed to Schools	2,000,000.00
Committed to Budget Stabilization	3,000,000.00
Committed transfer of Fund Balance FY2019	3,145,900.00
Assigned to Sheriff's Department	16,223.13
Assigned to Community Development Dept.	4,898.93
Assigned for Encumbrances	3,007,915.48
Nonspendable (Inventory and Prepaids)	301,799.21
UNASSIGNED	<u>11,230,012.35</u>
Total Fund Balance, October 31, 2018	<u><u>\$ 22,956,744.23</u></u>

Unassigned fund balance from above	\$ 11,230,012.35
Unassigned Minimum per policy (20% of General Fund Operating Revenues) based on FY 2019 budget	<u>20,455,832.00</u>
Current surplus (deficit) over (under) minimum	\$ (9,225,819.65)

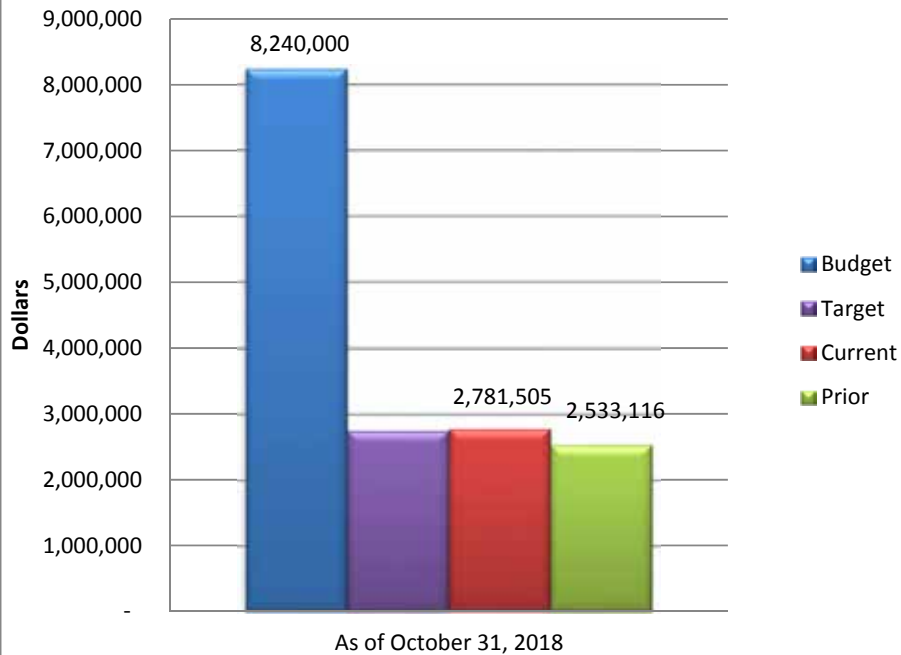
Local Taxes



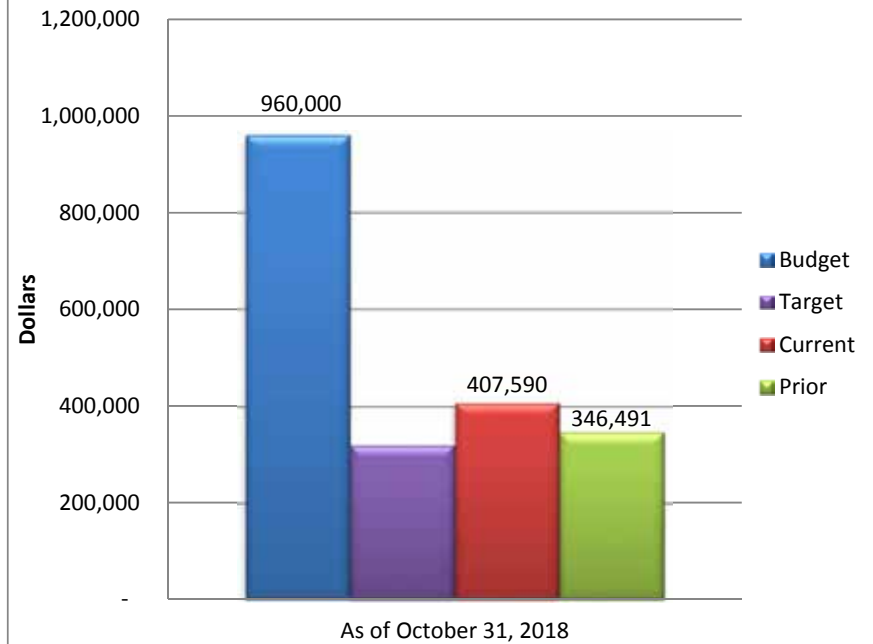
Sales Tax

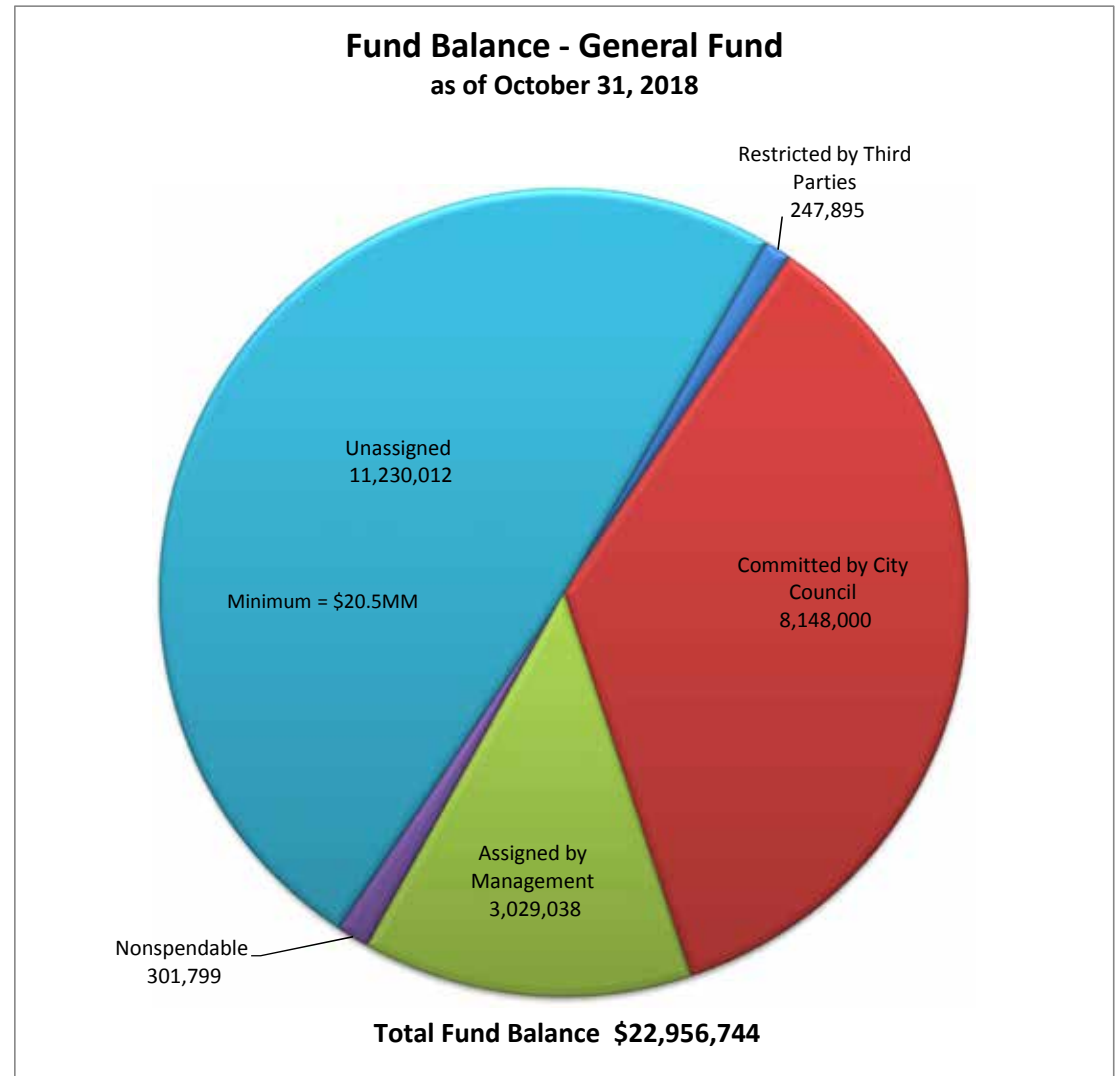
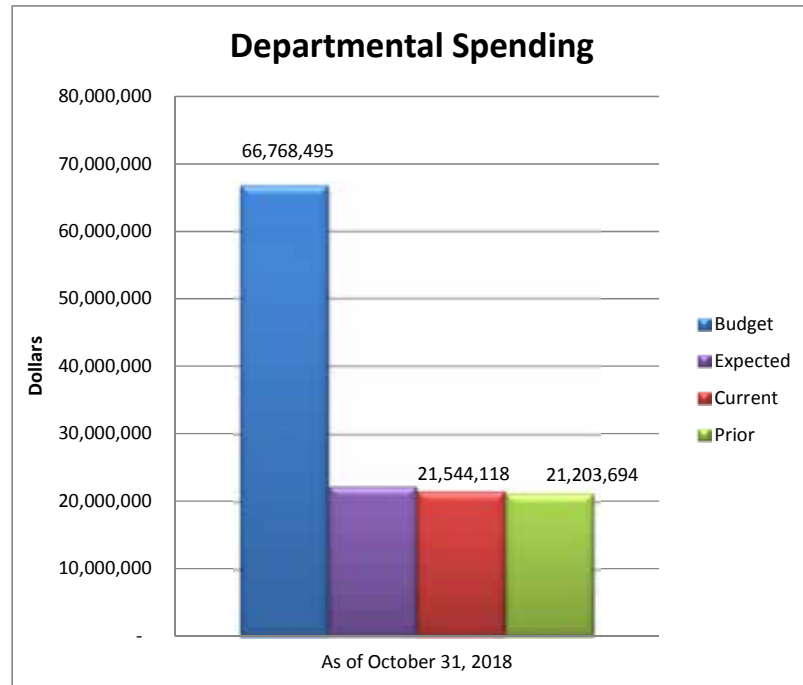
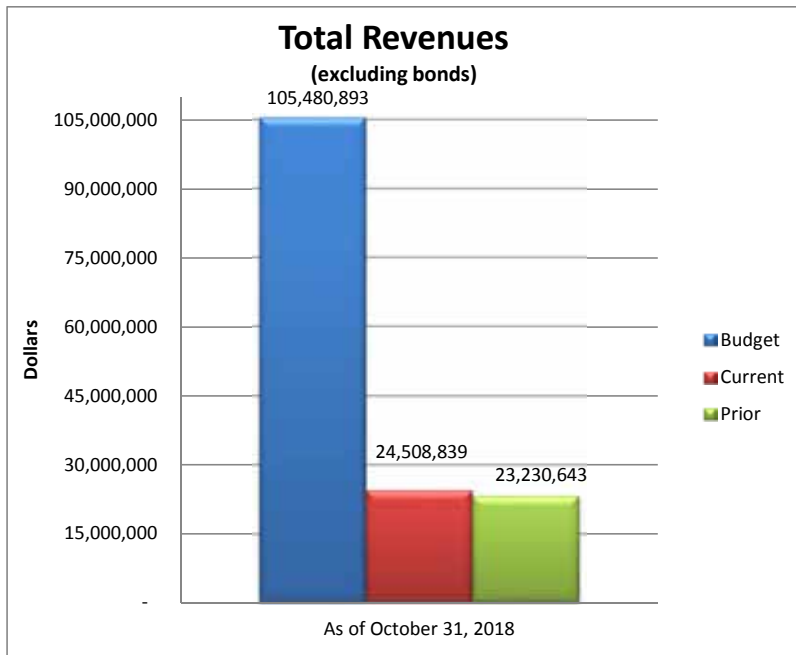


Meals Tax



Lodging Tax





Council Letter

City of Danville, Virginia



CL-2024

Work Session Item #: B.

Work Session Meeting

Meeting Date: 11/20/2018

Subject: Public Health Department Annual Local Government Agreement

From: W. Clarke Whitfield, Jr., City Attorney

COUNCIL ACTION

Work Session Meeting: 11/20/2018

SUMMARY

This letter requests and recommends that Council pass a resolution approving the 2018-2019 Local Government Agreement with the Virginia Department of Health, authorize the City Manager to sign the agreement, and authorize future City Managers to sign future Local Government Agreements with the Virginia Department of Health, provided no unappropriated money is promised.

BACKGROUND

Each year, the City must enter into a signed Local Government Agreement (LGA) with the Virginia Department of Health (VDH) clarifying those services that VDH will perform for the City. These services are mandated by State law, funding amounts are predetermined in a separate agreement, and signing the LGA is largely a formality. The LGA presented this year (2018-2019) is now worded slightly different than usual, written as existing between VDH and the City Council of Danville, rather than the City of Danville. A request to the State Attorney General's Office to have the language amended back to City of Danville, was denied on the grounds that the new LGA template is a standard form that allows no language modifications. As such, Danville City Council must authorize approval by a resolution prior to the City Manager signing it.

As the annual LGA does not increase or decrease any budget appropriation, signing the LGA is a largely administrative task. The resolution additionally grants the City Manager authority to sign future LGAs, provided the LGA does not modify predetermined budget amounts, to avoid potentially wasting City Council's time each year whenever annual renewal comes up.

RECOMMENDATION

Staff recommends that City Council approve the attached Resolution approving the 2018-2019 LGA, authorizing the City Manager to sign the agreement, and authorizing the City Manager to sign future agreements of the same manner and type.

Attachments

Resolution

2018-2019 VDH LGA

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2018-____.____

A RESOLUTION OF THE CITY COUNCIL OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE EXECUTION OF A LOCAL GOVERNMENT AGREEMENT WITH THE VIRGINIA DEPARTMENT OF HEALTH.

WHEREAS, the City and the Virginia Department of Health partner to promote and protect the health and well-being of the residents of Danville; and

WHEREAS, the City needs to annually approve an agreement with the Virginia Department of Health to ensure continuity of community health services.

NOW THEREFORE, BE IT RESOLVED by the City Council of Danville, Virginia, that it hereby approves and authorizes the execution of the attached Local Government Agreement between the City Council of Danville and the Virginia Department of Health; and

BE IT FURTHER RESOLVED, that City Manager, Kenneth F. Larking, be, and he is hereby, authorized and directed to sign and execute the attached Local Government Agreement for 2018-2019, on behalf of the City Council of Danville, Virginia; and

BE IT FINALLY RESOLVED that the City Manager of Danville be, and he is hereby, authorized to sign and execute on behalf of the City Council of Danville, such future Local Government Agreements for services from the Virginia Department of Health, provided no unappropriated monies are pledged in such agreement being executed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney

AGREEMENT BETWEEN THE VIRGINIA DEPARTMENT OF HEALTH AND THE DANVILLE CITY COUNCIL FOR FUNDING AND SERVICES OF THE DANVILLE HEALTH DEPARTMENT

This agreement ("Agreement") for the services to be provided by the Danville Health Department and the funding therefore is by and between the Virginia Department of Health ("VDH") and the Danville City Council (collectively "the Parties").

The Agreement is created in satisfaction of the requirements of § 32.1-31 of the Code of Virginia (1950), as amended, in order to operate the Danville Health Department under the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements in this Agreement, the sufficiency of which is acknowledged, the Parties agree as follows.

§ 1. VDH, over the course of one fiscal year, will pay an amount not to exceed \$966,452.00, from the state general fund to support the cooperative budget in accordance with, and dependent upon, appropriations by the General Assembly, and in like time frame, the City Council of Danville will provide by appropriation and in equal quarterly payments a sum of \$611,970.00 local matching funds and \$0.00 one-hundred percent local funds for a total of \$611,970.00 local funds for this fiscal year.

In addition, the City Council has approved the Danville Health Department to carry forward \$0.00 in local matching funds for a total of \$0.00 matching funds and an additional \$0.00 in one-hundred percent local funds from the prior fiscal year closing locality balance.

These joint funds will be distributed in timely installments, as services are rendered in the operation of the Danville Health Department, which shall perform public health services in Danville as indicated in Attachment A(1.), and will perform services required by local ordinances as indicated in Attachment A(2.). Payments from the local government are due on the third Monday of each fiscal quarter.

§ 2. The term of the agreement begins July 1, 2018. This Agreement will be automatically extended on a state fiscal year to year renewal basis under the existing terms and conditions of the Agreement unless timely written notice of termination is provided by either party. Such written notice shall be given at least 60 days prior to the beginning of the fiscal year in which the termination is to be effective.

§ 3. The Commonwealth of Virginia ("Commonwealth") and VDH shall be responsible for providing liability insurance coverage and will provide legal defense for state employees of the local health department for acts or occurrences arising from performance of activities conducted pursuant to state statutes and regulations.

- A. The responsibility of the Commonwealth and VDH to provide liability insurance coverage shall be limited to and governed by the Commonwealth of Virginia Public Liability Risk Management Plan, established under § 2.2-1837 of the Code of Virginia (1950), as amended. Such insurance coverage shall extend to the services specified in Attachments A(1.) and A(2.), unless the locality has opted to provide coverage for the employee under the Public Officials Liability Self-Insurance Plan, established under § 2.2-1839 of the Code of Virginia (1950), as amended, or under a policy procured by the locality.
- B. The Commonwealth and VDH will be responsible for providing legal defense for those acts or occurrences arising from the performance of those services listed in Attachment A(1.), conducted in the performance of this contract, as provided for under the Code of Virginia and as provided for under the terms and conditions of the Commonwealth of Virginia Public Liability Risk Management Plan.

- C. Services listed in Attachment A(2.), any services performed pursuant to a local ordinance, and any services authorized solely by Title 15.2 of the Code of Virginia (1950), as amended, when performed by a state employee, are herewith expressly exempted from any requirements of legal defense or representation by the Attorney General or the Commonwealth. For purposes of assuring the eligibility of a state employee performing such services for liability coverage under the Commonwealth of Virginia Public Liability Risk Management Plan, the Attorney General has approved, pursuant to § 2.2-507 of the Code of Virginia (1950), as amended, and the Commonwealth of Virginia Public Liability Risk Management Plan, the legal representation of said employee by the city or county attorney, and, the City Council of Danville hereby expressly agrees to provide the legal defense or representation at its sole expense in such cases by its local attorney.
- D. In no event shall the Commonwealth or VDH be responsible for providing legal defense or insurance coverage for local government employees.

§ 4. Title to equipment purchased with funds appropriated by the local government and transferred to the Commonwealth, either as match for state dollars or as a purchase under appropriated funds expressly allocated to support the activities of the local health department, will be retained by the Commonwealth and will be entered into the Virginia Fixed Asset Accounting and Control System. Local appropriations for equipment to be locally owned and controlled should not be remitted to the Commonwealth, and the local government's procurement procedures shall apply in the purchase. The locality assumes the responsibility to maintain the equipment and all records thereon.

§ 5. This Agreement may only be amended or otherwise modified by an instrument in writing signed by the Parties.

Robert W. Hicks
Deputy Commissioner for Community Health Services
Virginia Department of Health

Local authorizing officer signature

Date

Authorizing officer printed name

Dr. Scott Spillmann, MD, MPH
District Health Director
Pittsylvania/Danville Health District

Authorizing officer title

Date

Date

Approved as to form by the Office of the Attorney General on July 23, 2018

Attachments: Local Government Agreement, Attachment A(1.)
Local Government Agreement, Attachment A(2.)

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(1.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

BASIC PUBLIC HEALTH SERVICES TO BE **ASSURED** BY LOCAL HEALTH DEPARTMENTS
INCOME LEVEL A IS DEFINED BY THE BOARD OF HEALTH TO BE MEDICALLY INDIGENT ([32.1-11](#))

For Each Service Provided, Check Block for Highest Income Level Served			
COLLABORATIVE COMMUNITY HEALTH IMPROVEMENT PROCESS	Income A only	Defined by Federal Regulations	All (specify income level if not ALL)
Assure that ongoing collaborative community health assessment and strategic health improvement planning processes are established. To include public health, health care systems and community partners. As provided for in §32.1-122.03 Code Link- 32.1-122.03 ; State Health Plan Link Virginia Plan for Well-Being 2016-2020			X
COMMUNICABLE DISEASE SERVICES	Income A only	Defined by Federal Regulations	All (specify income level if not ALL)
Immunization of patients against certain diseases, including Childhood Immunizations As provided for in 32.1-46 Code Link- 32.1-46			X
Sexually transmitted disease screening, diagnosis, treatment, and surveillance 32.1-57, Districts may provide counseling Code Link- 32.1-57			X
Surveillance and investigation of disease 32.1-35 and 32.1-39 Code Links- 32.1-35 , 32.1-39 , 32.1-43			X
HIV/AIDS surveillance, investigation, and sero prevalence survey 32.1-36, 32.1-36.1, 32.1-39 Code Links- 32.1-36 , 32.1-36.1 , 32.1-39			X
Tuberculosis control screening, diagnosis, treatment, and surveillance 32.1-49, 32.1-50.1, and 32.1-54 Code Links- 32.1-49 , 32.1-50 , 32.1-50.1			X
FAMILY PLANING SERVICES	Income A only	Defined by Federal Regulations	All
Clinic services including drugs and Contraceptive supplies Family Planning Population Research Act of 1970, Title X Code Link- 32.1-77 , 42 U.S.C 300 et seq., and 42 CFR Part 59		X	
Pregnancy testing and counseling Family Planning Population Research Act of 1970, Title X Code Link- 32.1-77 , 42 U.S.C. 300 et seq., and 42 CFR Part 59		X	

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(1.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

BASIC PUBLIC HEALTH SERVICES TO BE **ASSURED** BY LOCAL HEALTH DEPARTMENTS
INCOME LEVEL A IS DEFINED BY THE BOARD OF HEALTH TO BE MEDICALLY INDIGENT ([32.1-11](#))

CHILD HEALTH SERVICES	Income A only	Defined by Federal Regulations	All
Children Specialty Services; diagnosis, treatment, follow-up, and parent teaching 32.1-77, 32.1-89 and 32.1-90 Code Links 32.1-77 , 32.1-89 , 32.1-90			
Screening for genetic traits and inborn errors of metabolism, and provision of dietary supplements Code Links 32.1-65 , 32.1-67 , 32.1-68			X
Well child care up to age _____ (enter age) Board of Health Code Link 32.1-77			
WIC : Federal grant requirement Public Law 108-265 as amended, Child Nutrition Act of 1966; Child Nutrition and WIC Reauthorization Act 2009 Code Link 42 U.S.C. § 1786; 7 C.F.R. Part 26		X	
EPSDT: DMAS MOA Social Security Act section 1905(r) (5) Code Link 32.1-11			
Blood lead level testing Code Link 32.1-46.1 , 32.1-46.2			X
Outreach, Patient and Community Health Education Code Link 32.1-11 , 32.1-11.3 ,			X
Community Education Code Link 32.1-11 , 32.1-23			X
Pre-school Physicals for school entry Code Link 22.1-270	X		
Services for Children with Special health care needs Title V, Social Security Act Code Link 32.1-77			X
Child restraints in motor vehicles Code Link 46.2-1095 , 46.2-1097			
Babycare, Child : DMAS MOA			X
MATERNAL HEALTH SERVICES	Income A only	Defined by Federal Regulations	All
Prenatal and post partum care for low risk and intermediate risk women, Title V, Social Security Act Code Link 32.1-77		X (Postpartum)	
Babycare, Maternal : DMAS MOA		X	
WIC: Federal grant requirement Public Law 108-265 as amended, Child Nutrition Act of 1966; Child Nutrition and WIC Reauthorization Act 2009 Code Link 42 U.S.C §1786 and 7CFR Part 26		X	

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(1.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

ENVIRONMENTAL HEALTH SERVICES

BASIC PUBLIC HEALTH SERVICES TO BE ASSURED BY LOCAL HEALTH DEPARTMENTS

The following services performed in accordance with the provisions of the Code of Virginia, the regulation of the Board of Health and/or VDH agreements with other state or federal agencies and VDH policies. Data regarding the below services shall be entered in, or exported to, the statewide environmental health database for all available data fields. Local health department staff shall be responsible for responding to all complaints, constituent responses, media inquiries, and Freedom of Information Act request related to the following services.	
Investigation of communicable diseases: Pursuant to §§ 32.1-35 and 32.1-39 of the Code of the Code of Virginia, the local health director and local staff are responsible for investigating any outbreak or unusual occurrence of a preventable disease that the Board of Health requires to be reported. Code Links-32.1-35, 32.1-39	X
Marinas: Pursuant to § 32.1-246 of the Code of Virginia, local health department staff are responsible for permitting marinas and other places where boats are moored and is responsible for inspecting them to ensure that their sanitary fixtures and sewage disposal facilities are in compliance with the Marina Regulations (12VAC5-570-10 et seq.) Code Link-32.1-246	X
Migrant labor camps: Pursuant to §§ 32.1-203-32.1-211 of the Code of Virginia, local health departments are responsible for issuing, denying, suspending and revoking permits to operate migrant labor camps. Local health departments also must inspect migrant labor camps and ensure that the construction, operation and maintenance of such camps are in compliance with the Rules and Regulations Governing Migrant Labor Camps (12VAC5-501-10 et seq.). Code Links-32.1 Chapter 6 Article 6	X
Milk: Pursuant to §§ 3.2-5206, 3.2-5208 of the Code of Virginia and the agency's MOA with VDACS, the local health department is responsible for issuing, denying, suspending and revoking permits for Grade "A" milk processing plants which offer milk and or milk products for sale in Virginia. Local health departments are also responsible for the inspection of Grade "A" milk plants for compliance with the Regulations Governing Grade "A" Milk (2VAC5-490-10). Code Links- 3.2-5206, 3.2-5208	X
Alternative discharging sewage systems: Pursuant to § 32.1-164(A) of the Code of Virginia, local health departments are responsible for issuing, denying and revoking construction and operation permits for alternative discharging systems serving individual family dwellings with flows less than or equal to 1,000 gallons per day on a monthly average. Local health departments are also required to conduct regular inspections of alternative discharging systems in order to ensure that their construction and operation are in compliance with the Alternative Discharging Sewage Treatment Regulations for Individual Family Dwellings (12VAC5-640-10 et seq.). Code Link-32.1-164	X
Onsite sewage systems: Pursuant to § 32.1-163 et seq. of the Code of Virginia, local health department staff is responsible for reviewing and processing site evaluations and designs of onsite sewage systems in accordance with applicable state regulations and may perform such evaluations and designs as allowed. Local health department staff is also responsible for issuing, denying and revoking construction and operation permits for conventional and alternative onsite sewage systems. Local health department staff are responsible for assuring that onsite sewage systems are inspected at time of construction for compliance with the Sewage Handling and Disposal Regulations (12VAC5-610-20 et seq.; "SHDR") and the Alternative Onsite Sewage System Regulations (12VAC5-613-10 et seq.; "AOSS Regulations"); local health department staff may perform such inspections as required. Local health department staff is also responsible for assuring the performance, operation, and maintenance of onsite sewage systems are in compliance with the SHDR and AOSS Regulations. Code Link-32.1-163	X
Rabies: Pursuant to § 3.2-6500 et seq. of the Code of Virginia, the local health department is responsible for investigating complaints and reports of suspected rabid animals exposing a person, companion animal, or livestock to rabies. Code Link- 3.2-6500	X

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(1.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

ENVIRONMENTAL HEALTH SERVICES

BASIC PUBLIC HEALTH SERVICES TO BE ASSURED BY LOCAL HEALTH DEPARTMENTS

Restaurants/eating establishments: Pursuant to § 35.1-14 of the Code of Virginia, local health departments are responsible for issuing, denying, renewing, revoking and suspending permits to operate food establishments. In addition, local health departments are required to conduct at least one annual inspection of each food establishment to ensure compliance with the requirements of the Food Regulations (12VAC5-421-10 et seq.). These regulations include requirements and standards for the safe preparation, handling, protection, and preservation of food; the sanitary maintenance and use of equipment and physical facilities; the safe and sanitary supply of water and disposal of waste and employee hygiene standards. Code Link- 35.1-14	X
Hotels/Motels: In accordance with § 35.1-13 of the Code of Virginia, local health department staff is responsible for issuing, denying, revoking and suspending permits to operate hotels. The local health department is responsible for conducting inspections of hotels to ensure compliance with the Hotel Regulations (12VAC5-431-10 et seq.). These regulations include requirements and standards for physical plant sanitation; safe and sanitary housekeeping and maintenance practices; safe and sanitary water supply and sewage disposal and vector and pest control. Code Link-35.1-13	X
Wells: Pursuant to § 32.1-176.4, and the resulting authority provided by the Board, local health departments are responsible for issuing, denying and revoking construction permits and inspection statements for private wells. Local health departments are also responsible for inspecting private wells to ensure that their construction and location are in compliance with the Private Well Regulations. (12VAC5-630-10 et seq.) Code Link-32.1-176.4	X
Homes for adults: The local health department, at the request of the Department of Social Services (DSS), will inspect DSS-permitted homes for adults to evaluate their food safety operations, wastewater disposal and general environmental health conditions. (22VAC40-80-160(B)(3))	X
Juvenile Justice Institutions: Pursuant to § 35.1-23 of the Code of Virginia and the agency's memorandum of understanding with the Department of Corrections, local health departments are responsible for conducting at least one annual unannounced inspection of juvenile justice institutions in order to evaluate their kitchen facilities, general sanitation and environmental health conditions. Code Link-35.1-23	X
Jail inspections: Pursuant to § 53.1-68 of the Code of Virginia and the agency's memorandum of understanding with the Department of Corrections, local health departments are responsible for conducting at least one annual unannounced inspection of correction facilities in order to evaluate their kitchen facilities, general sanitation and environmental health conditions. Code Link-53.1-68	X
Daycare centers: At the request of DSS will inspect DSS-permitted daycare centers to evaluate their food safety operations, wastewater disposal and general environmental health conditions. (22VAC40-80-160(B)(3))	X
Radon Pursuant to § 32.1-229, local health department may assist VDH Central Office with Radon testing and analysis. Code Link-32.1-229.	X
Summer camps/ Campgrounds: Pursuant to §§ 35.1-16 and 35.1-17 of the Code of Virginia and the corresponding regulations, local health departments are responsible for issuing, denying, and revoking permits to operate summer camps and campgrounds. The local health department is responsible for conducting inspections of summer camps and campgrounds not less than annually to ensure that their construction, operation and maintenance are in compliance with the Regulations for Summer Camps (12VAC5-440-10 et seq.) and the Rules and Regulations Governing Campgrounds (12VAC5-450-10 et seq.). Code Links-35.1-16, 35.1-17	X

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(1.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

OTHER PUBLIC HEALTH SERVICES
BASIC PUBLIC HEALTH SERVICES TO BE **ASSURED** BY LOCAL HEALTH DEPARTMENTS

The following services performed in accordance with the provisions of the Code of Virginia, the regulations of the Board of Health and/or the policies and procedures of the State Department of Health	
Pre-Admission Screenings (PAS) DMAS MOA Code Link- 32.1-330	X
Comprehensive Services Act Community Policy and Management Teams (CPMT) 2.2-5201-2.2-5211 Code Link- 2.2-5201 , 2.2-5211	X
Interagency Coordinating Council (Infants/Toddlers) Early Intervention Services Code Link- 2.2-5305 , 2.2-5306	X
Vital Records Code Link- 32.1-254 , 32.1-255 , 32.1-272	X
Immunizations for maternity and post-partum patients Code Link- 32.1-11 , 32.1-325 , 54.1-3408	X
AIDS Drug Assistance Program (ADAP) Code Link- 32.1-11	X
Emergency Preparedness and Response Code Link- 32.1-42 , 32.1-43 et seq., 32.1-229	X
HIV Counseling, Testing and Referral Code Link- 32.1-37.2	X

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(1.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

OPTIONAL PUBLIC HEALTH SERVICES

For Each Service Provided, Check Block for Highest Income Level Served			
COMMUNICABLE DISEASE SERVICES	Income A only	Defined by Federal Regulations	All
Foreign Travel Immunizations			X
Other:			
CHILD HEALTH SERVICES			
Disabled disability Waiver Screenings DMAS MOA Code Link- 32.1-330 Other:			X
Other			
MATERNAL HEALTH SERVICES	Income A only	Defined by Federal Regulations	All
Other:			
FAMILY PLANNING SERVICES	Income A only	Defined by Federal Regulations	All
Nutrition Education			
Preventive Health Services			
Pre-Conception Health Care			
Other:			
MEDICAL SERVICES - Please identify services	Income A only	Defined by Federal Regulations	All
Community Education			X
Pharmacy services-Alternate Drug Delivery Site			X
Hypertension screening, referral, and counseling			X

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

OPTIONAL PUBLIC HEALTH SERVICES

For Each Service Provided, Check Block for Highest Income Level Served
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SPECIALTY CLINIC SERVICES - Please identify services	Income A only	Defined by Federal Regulations	All
DENTAL HEALTH SERVICES - Please identify services	Income A only	Defined by Federal Regulations	All

PUBLIC HEALTH ENVIRONMENTAL SERVICES PROVIDED
UNDER LOCAL ORDINANCE OR CONTRACT

8 29 of 30

LOCAL GOVERNMENT AGREEMENT, ATTACHMENT A(2.)

VIRGINIA DEPARTMENT OF HEALTH
COMMUNITY HEALTH SERVICES

PUBLIC HEALTH SERVICES PROVIDED UNDER
LOCAL ORDINANCES OR CONTRACT WITH LOCAL GOVERNMENTS

OPTIONAL PUBLIC HEALTH MEDICAL SERVICES

For Each Service Provided, Check Block for Highest Income Level Served			
Neither the <i>Code of Virginia</i> nor Regulations of the Board of Health requires the following services to be provided by the local health department. (identify services below)	Income A only	Local ordinance code cite, or contract number	All