

August 16, 2022

The Second Regular August meeting of the Danville City Council was held on August 16, 2022, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: James B. Buckner, L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo L. Jones, Barry Mayo, Dr. Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr., and Madison J.R. Whittle (9).

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

Mayor Jones presided.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Saunders gave the Invocation the followed by the Pledge of Allegiance led by students from Tunstall High School.

COMMUNICATIONS FROM VISITORS

Tommy Bennett, President of the Danville branch of the NAACP, appeared before Council and noted the loss of Norma Brower, Vice President, one year ago, and the loss of their oldest member Mrs. Thorp, at the age of 114. Mr. Bennett introduced the new Vice President, Chasta White and also introduced Albert "Uncle Gus" Harris, who was 98-years-old. Mr. Bennett introduced members of the NAACP of Danville Board: Chasta White, Vice President, Sandra Hairston, Second Vice President, Donyell Mayo, Treasurer, Jacklyn Brown, Member, Pamela Mayo-Davis, Assistant to the Secretary, Barry Cochran, Vice President, and Darrius Johnson, Youth President.

CONSENT AGENDA

Council Member Buckner **moved** for adoption of the following Consent Agenda items:

Minutes from the Regular Council Meeting held on July 19, 2022. Draft copies of the Minutes had been distributed prior to the meeting.

Consideration of Amending the Fiscal Year 2023 Budget Appropriation Ordinance for Funds from the U.S. Department of Housing and Urban Development in the Amount of \$990,667.

Ordinance No. 2022-08.01, an Ordinance Amending the Fiscal Year 2023 Budget Appropriation Ordinance for Projects to be or being Undertaken to Improve the Danville Community Financed with HOME-ARP Funds from the U.S. Department of Housing and Urban Development, for a Total Appropriation of \$990,667.

The Motion was **seconded** by Council Member Mayo and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)
NAY: None

APPOINTMENTS

Vice Mayor Miller **moved** for adoption of the following Appointment Resolutions:

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Resolution 2022-08.02 – Reappointing Tyrell Payne to the Community Improvement Council.

Resolution 2022-08.03 – Reappointing Jackson Weller to the Commission of Architectural Review.

Resolution 2022-08.04 – Reappointing Sonja Ingram to the Commission of Architectural Review.

Resolution 2022-08.05 – Reappointing Robert Weir to the Commission of Architectural Review.

Resolution 2022-08.06 – Appointing Karl Almquist to the Commission of Architectural Review.

The Motion was **seconded** by Council Member Campbell and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)
NAY: None

NEW BUSINESS

REVIEW OF THE GENERAL FUND FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Director of Finance Michael Adkins gave the preliminary financial report, noting total revenues for Fiscal Year 2022 were just under \$122M; that was almost 100% of budget, at 99.7% of budgeted revenues. Property taxes did very well; Real Estate was just over 100%, Delinquent Real Estate collections exceeded expectations as did Personal Property tax collections. The big variance was local consumer driven taxes: Sales, Meals, Lodging, and Business Licenses; all four exceeded expectations. Local taxes were \$3M over budget; Sales Tax was \$736,000 over budget, Meals Tax was \$1.2M over budget, Lodging Tax was \$580,000 over budget, and Business Licenses were \$516,000 over budget. Some of that does have to do with inflationary trends seen over the last several months but a lot was economic growth as well. Three areas of revenue did fall short this year, one was Charges for Services which was primarily charges for detention services (jail, juvenile, and adult detention.) The census in these facilities was much lower, which resulted in lower cost; the public safety cost was about \$1M under budget as well. Categorical aide from the State, which was for Social Services, had a reduction in the amount of adoption subsidies and foster care budgeted this year, therefore there was less revenue coming in to reimburse those services; that was about \$1.3M. The other item the City was short on was a market adjustment to City investments. The City has a fund balance account which was like a savings account. The City does not save that cash and let it sit, it was invested in municipal bonds or federal agency notes that were backed by Freddie Mac or those types of programs. At the beginning of the year, interest rates were very low, and over the course of the year they have increased tenfold. The Federal Reserve rate was about 2.5% today and .25% a year ago. The City invested their fund balance in some short-term investments for about 12 months. A year ago, the City was happy to find investments that were paying 1% interest; those investments were not worth that much because today they were paying 2% or 2.5%. On June 30th, the City has to mark their investments down to what they were worth on that day; so those investments were not worth what the City paid for them at that point in time. However, they never sell their investments, they let them mature so whatever was invested, the City will get back with the interest; it was a timing difference. On the Expenditure side, departments spent between 93% and 95% of their budgets; most of those savings were through vacancies. Like most employers, the City was having a hard time finding

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people to fill necessary positions. The only significant overage was in Expenditures related to group health insurance. This was typical since some years they have claims come in as expected, sometimes lower, but this year claims came in higher than expected at about 14% which represents about \$1M more.

Mr. Adkins noted they were adding \$400,000 to fund balance. As invoices and other items come in to finish out Fiscal Year 2022, the budget was expected to zero out or be around \$200,000 to the good. Council Member Whittle asked if the bonds that were purchased at a low interest rate, were the rates expected to climb and Mr. Adkins noted they were. Council Member Campbell asked how much was in reserves and Mr. Adkins stated that last year ended just under \$34M, so this year should end around the same.

CONSIDERATION OF AUTHORIZING THE EXECUTION OF A PERMANENT UTILITY EASEMENT IN PITTSYLVANIA COUNTY

Council Member Buckner **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2022-08.07

A RESOLUTION OF THE CITY COUNCIL OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE EXECUTION OF A PERMANENT UTILITY EASEMENT ON PARCEL NUMBER 2308-72-3185 IN PITTSYLVANIA COUNTY, VIRGINIA, FOR A PRICE OF \$5,000 PLUS REASONABLE RECORDING COST.

The Motion was **seconded** by Council Member Mayo and carried the following vote.

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)
NAY: None

CONSIDERATION OF APPROVING THE PURCHASE AND ACQUISITION OF THE PAGE ROAD WATER PUMPING STATION FROM PITTSYLVANIA COUNTY

Council Member Vogler **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2022-08.08

A RESOLUTION OF THE CITY COUNCIL OF DANVILLE, VIRGINIA APPROVING THE PURCHASE AND ACQUISITION OF THE PAGE ROAD WATER PUMPING STATION PARCEL NUMBER 1388-51-3619, OWNED BY THE BOARD OF SUPERVISORS OF PITTSYLVANIA COUNTY, FOR A PURCHASE PRICE NOT TO EXCEED \$64,270 AND RECORDING COSTS

The Motion was **seconded** by Council Member Whittle and carried the following vote.

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)
NAY: None

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CONSIDERATION OF APPROVING AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A PURCHASE POWER AGREEMENT FOR TWENTY MEGAWATTS OF SOLAR ENERGY

Council Member Miller **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2022-08.09

A RESOLUTION OF THE CITY COUNCIL OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A PURCHASE POWER AGREEMENT FOR TWENTY MEGAWATTS OF SOLAR ENERGY, CAPACITY, AND RENEWABLE ENERGY CREDITS FROM THE 2022 AMERICAN MUNICIPAL POWER SOLAR PROJECT FOR A PURCHASE PRICE NOT TO EXCEED \$50 PER MEGAWATT HOUR

The Motion was **seconded** by Council Member Buckner.

Vice Mayor Miller stated this item came to the Utility Commission and was approved. Renewable energy supplies about 5% of the City's needs and this will increase their renewable energy footprint quite a bit. Council Member Whittle asked if Mr. Grey could explain this, and Mr. Grey stated this was a large 150 MW solar project through their Municipal Power membership. The City was taking 20 MWs to help provide for growing projects, and the City's electric needs.

Council Member Campbell stated with the battery storage program and all the projects, could Mr. Grey speak on the stability of the City's pricing and keeping it reasonable. Mr. Grey explained the battery storage would certainly help with demand, and lower transmission avoidance and risk. The solar project will have to be built and was two to three years out. There were some other projects he was working on, but they were all very much in the City's and customer's best interests. Reverend Campbell questioned if this would keep rates stable or lower and Mr. Grey noted, both. The City looked at ways to stabilize and lower rates, and anything they can do to improve the bottom line. Council Member Whittle questioned the thermostats project and Mr. Grey stated Utilities was looking at a project that provides incentives to customers who have smart thermostats that would allow a third party to control the thermostats during peak times to pre-cool the house and then turn it off during the peak time to help keep the demand and cost down.

Council Member Vogler stated that different rates for different plans were mentioned and asked this be explained, and Mr. Grey noted that the new Time of Use rates became effective July 1, 2022. The peak times during the summer were from 12pm to 9pm, and there was a higher rate for on peak and a much lower rate for off peak times. About 81% of the total hours of the year were off-peak and that includes all hours on the weekends and holidays. The City was going to ask people to think about doing things during those non-peak times to cut back on power usage. All of this information can be found on the Utilities' website, or they can call Customer Accounts.

The **Motion** was carried the following vote.

VOTE:	9-0
AYE:	Buckner, Campbell, Hood, Jones, Mayo, Miller, Saunders, Vogler and Whittle (9)
NAY:	None

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CONSIDERATION OF AUTHORIZING THE ISSUANCE OF BONDS OF THE CITY OF DANVILLE, VIRGINIA

Upon **Motion** by Council Member Buckner and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2022-08.02

AN ORDINANCE AUTHORIZING THE ISSUANCE OF BONDS OF THE CITY OF DANVILLE, VIRGINIA, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$16,000,000 TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF VARIOUS CAPITAL PROJECTS

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

CONSIDERATION OF AN APPLICATION TO THE VIRGINIA DEPARTMENT OF HOUSING AND DEVELOPMENT FOR AN INDUSTRIAL REVITALIZATION GRANT

Council Member Vogler **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2022-08.10

A RESOLUTION APPROVING AND AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION BY THE DANVILLE OFFICE OF ECONOMIC DEVELOPMENT, TO THE VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, INDUSTRIAL REVITALIZATION FUND AND FOR THE CITY TO FUND THE BALANCE OF THE "RIVER DISTRICT PROJECT" TO ELIMINATE BLIGHT.

The Motion was **seconded** by Council Member Buckner and carried the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)
NAY: None

COMMUNICATIONS

City Manager Ken Larking noted *The Star Tribune* and other publications ran an article on Firefighter Hillary Alderson who helped get oxygen masks for pets; this helps pets when rescued from a fire.

There were no Communications from the Deputy City Manager, City Attorney or City Clerk.

Council Member Vogler gave a shout out to Tyrell Payne for helping to get a child that just moved to Danville, enrolled in school, and wished all the teachers and students a great school year. Today was the 45th anniversary of Elvis Pressley passing away and he had a famous motto of "taking care of business,"; it was without a doubt that City Council was taking care of business.

Council Member Buckner thanked all the teachers for having Council there at the first day of school to welcome the children back.

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Council Member Campbell thanked Tommy Bennett for recognizing Uncle Joe, and wished everyone a successful school year. Another person lost their life today making it the seventh homicide in Danville. Reverend Campbell stated Danville has a good Police Chief and a good City, and they can do better.

Council Member Hood recognized Mr. Vincent Brown for his program presented at Bibleway.

Council Member Mayo stated to the citizens, they have to make a stand together, so if they love their community then protect it from those who want to make trouble. Council Members have been everywhere welcoming students back; it was great being at G.W. High School welcoming those students. The Caesar's groundbreaking was a phenomenal sight to see. Main Street Baptist Church was having a community health awareness day promoting cancer awareness on Saturday, September 10 from 10am to 3pm at the Camp Grove Recreation Center. DCC will be spearheading a job and resource fair in November 1, with more information to come.

Vice Mayor Miller stated that one of the most exciting days was the first day of school, noting he went to Grove Park and Galileo, the excitement was amazing; Danville has a great group of students and teachers. He and Council Member Buckner attended a tourism meeting recently and received input on what was needed to improve the image of the City and Pittsylvania County. Dr. Miller noted the groundbreaking at Caesar's was amazing and people have been asking when it was going to open, they were ready, and stated he only sees great things for the community.

Council Member Saunders stated that he attended three schools last week and was pleased to see the students excited and ready to go. Mr. Saunders questioned what can be done with regard to the community coming back to Almagro. That was an area rich in history and memories; whatever Council can do to help they should. Mr. Saunders thanked the students from Tunstall High School for attending, and noted he and his wife just celebrated 50 years of marriage.

Mayor Jones thanked all the visitors for attending tonight, and thanked Mr. Bennett, Uncle Gus and his wife for coming out this evening.

Meeting adjourned at 8:57pm.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK