

August 15, 2023

The Second August meeting of the Danville City Council was held on August 15, 2023, 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, Vice Mayor Gary P. Miller, J. Lee Vogler, Jr., and Madison J.R. Whittle (8). Sherman M. Saunders was absent (1). *Mr. Vogler entered the meeting at 7:04 p.m.*

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.

INVOCATION

Council Member James Buckner gave the Invocation, followed by the Pledge of Allegiance.

CONSENT AGENDA

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

Approval of Minutes from Regular Council Meeting held on July 18, 2023. Draft copies of the minutes had been distributed prior to the meeting.

Amending the Fiscal Year 2024 Budget Appropriation Ordinance for Utility Revenue Bonds

An Ordinance entitled, Ordinance No. 2023-08.10, an Ordinance Amending the Fiscal Year 2024 Budget Appropriation Ordinance to Provide for the Proceeds from the Sale of Utility Revenue Bonds and Appropriating Same.

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

VOTE: 7-0-2
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, and Whittle (7)
NAY: None
ABSENT: Saunders, Vogler (2)

APPOINTMENTS

Vice Mayor Miller made the following recommendations for appointments to City Boards and Commissions, to be voted on at the September 5, 2023 Council meeting:

Commission on Architectural Review:	Reappoint:	Kathryn Waters
	Appoint:	Paul Liepe
Community Improvement Council:	Reappoint:	Janet Gwynn and Kacey Cunningham
Fair Housing Board:	Appoint:	Michelle Vaden, Jasmine Lipscomb Takessa Walker Pierre Jones

August 15, 2023

NEW BUSINESS

GENERAL FUND FINANCIAL REPORT AS OF JUNE 30, 2023

Chief Financial Officer Michael Adkins noted this was a preliminary report on the Fiscal Year 2023 results; staff was still making adjustments, but at this point, he felt that all material adjustments have been made, and does not expect any substantial changes to what he was presenting. Mr. Adkins noted the City was adding an additional \$2.8M to the Unassigned Fund Balance for the General Fund. That will increase the Unassigned Fund Balance from \$34.2M to \$37M. The policy for the minimum fund balance was 20% of budgeted revenues or expenses, and the current budget was \$140M; the 20% threshold would require the City to maintain at least \$28M, so the City was about \$9M over that minimum. Mr. Adkins noted the increase in the fund balance was mostly local, consumer driven taxes. Sales tax was \$418,000 over budget, and business licenses were \$942,000 over budget with 543 additional business licenses compared to the prior year. Inflation also contributed to that; business licenses were based on a percentage of gross sales, as the cost of goods went up, so did the cost of the business license. Meals tax was \$385,000 over budget, and interest rates have increased dramatically over the past year and a half resulting in about \$1M more in interest and investment earnings than was budgeted. Real Estate collections were \$300,000 over budget, or 1.6% over the budgeted amount; that was a mixture of property value increases plus added construction. Personal property was \$650,000 over budget; the bulk of that was the collection of delinquent personal property taxes in the amount of \$450,000. There were also about 1,000 new vehicles or motorcycles on the roll this year compared to last year. The only offset was group health insurance which ran over budget this year at about \$1M; it was a mix of inflationary costs and increased utilization; all this together added to the additional \$2.8M in the Unassigned Fund Balance. Casino revenues were not included in the Unassigned Fund Balance; the casino revenues generated a total of \$2.6M in revenues for Fiscal Year 2023 in both direct payments and taxation from the state. That was held in an Assigned Fund Balance; it was assigned so that it can only be used for projects that align with the Investing in Danville initiative. Fiscal Year 2024 reported July sales tax was \$965,000 for May retail activity, and for June, they received \$1.1M in sales tax; both of those were record setting, the City has never received that much for May and June retail activity. Meals tax was performing well with \$1.1M in July; that puts the City ahead of budget for the first month, collecting 10% of the budget. Lodging taxes collected for July were \$290,000, or 12% of budget at the end of the first month.

Mayor Jones thanked Mr. Adkins for his report and noted the Unassigned Balance was a rainy-day fund and the City was \$9M over in that fund; the City was in great financial status. Mr. Adkins explained they started the year with \$34.2M and added \$2.8M, to get to \$37M; the minimum requirement right now was \$28M. Council Member Campbell asked about the total fund balance of \$54M, and Mr. Adkins explained that was a combination of assigned and unassigned. Council Member Whittle stated there was \$8M for education and Mr. Adkins explained they had not actually spent the funds, but had purchase orders and commitments using Fiscal Year 2023 money. That money has to be held back so it can be used for those obligations, about \$8M in encumbrances for the schools. Mr. Whittle stated the City was still not going to have a cap on what Council allows them to carry over and Mr. Adkins noted their uncommitted money was about \$700,000 this year and the City's budget ordinance stated they can carry over any unspent amount. The 1% sales tax for school capital projects and bonds was completely separate and held in a different fund.

August 15, 2023

CONSIDERATION OF THE VACATION OF AN ELECTRIC UTILITY EASEMENT ON PARCEL NO. 2430-62-3535 IN PITTSYLVANIA COUNTY

Mayor Jones opened the floor for a Public Hearing regarding the Vacation of an Electric Utility Easement. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 8, 2023. No one present desired to be heard and the Public Hearing was closed.

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

RESOLUTION NO. 2023-08.04

A RESOLUTION AUTHORIZING THE ABANDONMENT OF AN UNUSED AND UNNEEDED CITY EASEMENT ACROSS PROPERTY IN PITTSYLVANIA COUNTY.

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

Council Member Whittle asked if this was tied into the other resolutions. Director of Utilities Jason Grey stated that each of the resolutions being voted on were separate vacations. This one was for a residential easement that was changed, and the property owner wanted this to be vacated; it was for new residential construction, there was new underground construction to the house.

The **Motion** was carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Vogler and Whittle (8)
NAY: None
ABSENT: Saunders (1)

CONSIDERATION OF THE VACATION OF TWO ELECTRIC UTILITY EASEMENTS IN PITTSYLVANIA COUNTY

Mayor Jones opened the floor for a Public Hearing regarding the Vacation of Two Electric Utility Easements. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 8, 2023. No one present desired to be heard and the Public Hearing was closed.

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

RESOLUTION NO. 2023-08.05

A RESOLUTION AUTHORIZING THE ABANDONMENT OF TWO UNUSED AND UNNEEDED CITY EASEMENTS ACROSS PROPERTY IN PITTSYLVANIA COUNTY.

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

Mr. Grey explained this easement was for a Dominion Solar Farm in Southwest Pittsylvania County, not in Berry Hill, but near the Virginia/North Carolina border in the Cascade area. Mr. Whittle asked if the City had a transmission line in that area, and Mr. Grey stated that Appalachian Power did. Council Member Vogler questioned if this was the property that bordered the Berry Hill Megasite, but it was not actually the Megasite, and Mr. Grey stated this was a different

August 15, 2023

property in southwest Pittsylvania County in Cascade; the one Mr. Vogler was referencing was the next agenda item.

The **Motion** was carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Vogler and Whittle (8)
NAY: None
ABSENT: Saunders (1)

CONSIDERATION OF THE VACATION OF AN ELECTRIC UTILITY EASEMENT ON PARCEL NO. 1376-15-5690 IN PITTSYLVANIA COUNTY

Mayor Jones opened the floor for a Public Hearing regarding the Vacation of an Electric Utility Easement. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 8, 2023. No one present desired to be heard and the Public Hearing was closed.

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

RESOLUTION NO. 2023-08.06

A RESOLUTION AUTHORIZING THE ABANDONMENT OF AN UNUSED AND UNNEEDED CITY EASEMENT ACROSS PROPERTY IN PITTSYLVANIA COUNTY.

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

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Vogler and Whittle (8)
NAY: None
ABSENT: Saunders (1)

CONSIDERATION OF A REVISED DANVILLE-PITTSYLVANIA COUNTY COST AND REVENUE SHARING AGREEMENT

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

RESOLUTION NO. 2023-08.07

A RESOLUTION APPROVING AND AUTHORIZING AN AMENDMENT TO THE REVENUE SHARING AGREEMENT BETWEEN THE CITY OF DANVILLE, VIRGINIA AND THE COUNTY OF PITTSYLVANIA, VIRGINIA RELATING TO THE SHARING OF REVENUE FROM FINANCIAL COMPENSATION GENERATED BY ANY FUTURE SOLAR SITING AGREEMENTS, IN LIEU OF A LOCAL TAX, FOR PROJECTS LOCATED WITHIN A REGIONAL PARK.

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

Council Member Vogler stated with RIFA, any of the projects they do, the costs and revenues were split 50/50 between the City and the County. When RIFA was created, solar was not factored into that equation. This was not changing the agreement, this was to bring solar into it.

August 15, 2023

Mr. Larking stated that was correct; the cooperation between the City and the County was that they share costs and revenues 50/50. In this case, this was a new revenue source that was available to local governments, and this would allow, if there would be any kind of solar siting that would occur on RIFA owned property, any revenue generated from such an agreement to be split 50/50 between the City and the County. Director of Economic Development Corrie Bobe added that in some cases, with solar siting, there was an upfront, lump sum fee instead of the payment of taxes. The revenue sharing agreement specified taxes, this adds in if they received any fees as part of the project in lieu of taxes.

The **Motion** was carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Vogler and Whittle (8)
NAY: None
ABSENT: Saunders (1)

**BUDGET AMENDMENT - CONSIDERATION OF AMENDING THE FISCAL YEAR 2024
BUDGET APPROPRIATION ORDINANCE FOR THE CREATIVE COMMUNITIES ART GRANT**

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

ORDINANCE NO. 2023-08.11

AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR A VIRGINIA COMMISSION FOR THE ARTS GRANT IN THE AMOUNT OF \$4,500, AND TO PROVIDE FOR THE LOCAL SHARE IN THE AMOUNT OF \$5,000 FOR A TOTAL GRANT OF \$9,500.

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

**BUDGET AMENDMENT - CONSIDERATION OF AMENDING THE FISCAL YEAR 2024
BUDGET APPROPRIATION ORDINANCE FOR AN AVIATION PROMOTION GRANT**

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

ORDINANCE NO. 2023-08.05

AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR A STATE DEPARTMENT OF AVIATION GRANT FOR THE PURPOSE OF PROVIDING FUNDING TO PROMOTE AVIATION AWARENESS AT THE DANVILLE REGIONAL AIRPORT IN THE AMOUNT OF \$5,000 AND FOR THE LOCAL SHARE IN THE AMOUNT OF \$5,000 TO BE PROVIDED BY THE GENERAL FUND SUPPORT OF GRANTS FOR A TOTAL APPROPRIATION OF \$10,000 AND APPROPRIATING SAME.

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

August 15, 2023

COMMUNICATIONS

There were no communications from the City Manager, Deputy City Manager, City Attorney, and the City Clerk.

Vice Mayor Miller stated it was always good to see the Tunstall students in Chambers. Dr. Miller noted Todd Yates gave an excellent presentation at the Institute for the Advanced Manufacturing program that was contracted with the Navy. This program has brought people in from all over the nation and has created opportunities for high paying jobs for students who complete the program. It has also drawn companies in which was a plus for Danville.

Council Member Vogler stated it was an exciting time in the City and region. Tyson Foods was getting closer and closer to being fully open. The work that has been done out there was great and they have already hired a lot of people. Mr. Vogler noted he was looking forward to the ribbon cutting that shouldn't be too far away. Citizens may have seen in the news today the revenue that Caesar's generated for the month of July; huge record-breaking numbers. Seeing that will be an exciting development in the months ahead. He was looking forward to continuing to work with Caesar's as they continue to fulfill the commitments they have made to the community.

Council Member Whittle stated to Vice Mayor Miller's point, that was a fantastic Navy contract, and it will keep jobs rolling in here, training students.

Council Member Buckner welcomed back students at Danville City Schools, Pittsylvania County schools, DCC, and Averett University with their largest class ever.

Council Member Campbell commented about climate change and was glad to hear the discussion on solar power usage. With Danville being an All-American City was there a way for the City to make people more aware, have an impact and get the message out there about climate change.

Council Member Hood stated that with all the great news coming down, the income revenue from Caesar's, and the economic development projects, he wanted to acknowledge the small business owners and small businesses throughout the City for remaining sustainable.

Council Member Mayo stated that Danville was moving. Every morning they see construction going on everywhere, the White Mill and Caesars, it was an exciting time. Mr. Mayo noted he had a chance to speak to some of the new police officers today, why they chose Danville to come work; it was very enlightening. They want to come here and work, but they also want to be a part of growing Danville. He wanted to thank Tia Yancey at Averett for sending them over to DCC to talk about these things. The upcoming Job and Resource Fair will be happening again soon. Last year had a dynamic turnout of employers and resources. It will be in November and encouraged citizens to look out for that.

Mayor Jones acknowledged the students from Tunstall, and Tyrell Payne and his daughter, along with Keisha Averett for being in attendance tonight. He reminded Council that there would not be a work session this evening. School was back in session, and asked citizens to support the children.

August 15, 2023

Meeting was adjourned at 7:33pm.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK