

**MINUTES OF WORK SESSION  
OF THE NEWPORT NEWS CITY COUNCIL  
HELD IN THE 10<sup>TH</sup> FLOOR CONFERENCE ROOM  
2400 WASHINGTON AVENUE  
November 13, 2018  
4:00 p.m.**

**PRESENT:** Patricia P. Woodbury; Sandra N. Cherry, D. Min; Marcellus L. Harris III (arrived 4:15 p.m.); David H. Jenkins; McKinley L. Price, DDS; and Tina L. Vick-----6

**ABSENT:** Sharon P. Scott, MPA -----1

**OTHERS PRESENT:** Cynthia Rohlf; Collins L. Owens; Mabel Washington Jenkins; Wanda Pierre; Darlene Bradberry; Shelia McAllister; Flora Chiros; Lisa Cipriano; Cory Cloud; Chad Pritchett; Constantinos Velissarios; Keith Ferguson; Maria Abilar; Susan Goodwin; Eddie Crockett; Florence Kingston; Matthew Johnson; Venerria Thomas Everett Skipper; Louis Martinez; Dawn Barber; Chief Steve Drew; Lieutenant Matthew Johnson; Alan Archer; David Freeman; Cleder Jones; Eoghan Miller; Zina Middleton; and Josh Reyes

Mayor Price advised City Council that an Achievable Dream Academy was very appreciative of the role they played in the State of the City, which was held on Tuesday, October 30, 2018, 12:00 p.m. at the Newport News Marriott at City Center.

**I. Oyster Point/City Center Area Infrastructure Bond Authorization Briefing**

Ms. Cynthia Rohlf, City Manager, introduced Ms. Lisa Cipriano, Director, Department of Budget and Evaluation, and she advised, in order for City Council to appropriate money and begin the project associated with the City Center at Oyster Point Parking Garage and Related Roadway Expansions and Improvements Bond Authorization a bond authorization ordinance would need to be adopted, allowing the City to sell bonds to support these projects. The presentation "City Center at Oyster Point Parking Garage and Related Roadway Expansions and Improvements Bond Authorization," is attached and made a part of these minutes.

Ms. Cipriano noted a Bond Authorization Ordinance was the instrument that allowed City Council to:

1. Appropriate funding for projects. The Capital Improvement Plan (CIP) was the primary base for a bond authorization.
2. Issue bonds to pay for Capital Projects appropriated by City Council.

Ms. Cipriano advised, the total cost requested for the City Center at Oyster Point Parking Garage and Related Roadway Expansions and Improvements Bond Authorization was \$38 million.

- 4<sup>th</sup> Public Parking Garage \$31 million
- Related Roadway Expansions 7 million

Ms. Cipriano noted the current FY 2018 Bond Authorization was \$82,825,000:

1. Community Development	\$45,395,000
2. Equipment	650,000
3. Parks and Recreation	1,665,000
4. Public Buildings	1,885,000
5. Schools	8,020,000
6. Sewer Rehabilitation	5,150,000
7. Stormwater Drainage	10,845,000
8. Streets and Bridges	<u>9,215,000</u>
<b>Total Authorization</b>	<b><u>\$82,825,000</u></b>

Ms. Cipriano informed that the City Center at Oyster Point Parking Garage and Related Roadway Expansions and Improvements Bond Authorization would be advertised on Monday, November 13 and November 20, 2018. City Council would hear public comments during the public hearing at the Regular City Council meeting on Tuesday, November 27, 2018.

Ms. Cipriano advised of the timing for the Bond sale.

- Assuming favorable Market Conditions:
  - Best Case – Current bond cash was sufficient through end of Calendar Year 2018, would allow for bond sale early Calendar Year 2019 (January 2019)
- Always surveying for Refunding of existing Bonds
  - New Tax Law (February 2018) eliminated advanced refunding
  - Had a very small opportunity – have already refunded all that were eligible

Councilwoman Woodbury inquired about the \$7 million. Ms. Cipriano replied roadway and infrastructure improvements such as roadway improvements in the garage, turn lanes off Canon Boulevard and Oyster Point Road. City Manager Rohlf indicated the improvements would allow access to get to the I-64 ramp.

Councilwoman Cherry questioned whether this garage would be similar to the garage already at City Center. City Manager Rohlf replied yes.

Councilwoman Cherry inquired about what Ferguson would contribute for the garage and infrastructure. Ms. Florence Kingston, Director, Department of Engineering, replied that Ferguson was investing \$82 - \$84 million. The Greater Oyster Point roadway and infrastructure improvements were not just for the Ferguson, and would make traveling in that area better. She noted Ferguson was paying for a majority of the connectivity to the parking garage.

Councilwoman Cherry questioned how this project would affect the City's bond rating. City Manager Rohlf replied this project had been planned for some time, but it was not a part of the CIP.

Ms. Kingston indicated this garage project was part of the City's commitment under the development agreement for City Center at Oyster Point.

Councilwoman Cherry inquired whether Newport News Town Center was still the owners of City Center. Ms. Kingston replied based on the development agreement voted on by City Council in 2000, a commitment was made to rebuild the structured parking to get more density in City Center. Councilwoman Cherry indicated she thought that Newport News Town Center sold it. Ms. Kingston said the City paid for the development rights on the fourth quadrant where the building was located. City Manager Rohlf stated Pointe Hope made the purchase; however, there were different sections. She said she could provide additional information to City Council because there were many components.

## **II. Fiscal Year 2020 – 2024 Capital Improvements Plan (CIP) Presentation**

City Manager Rohlf noted, during the one-day City Council Retreat it was discussed that Council be engaged in the CIP process. Also, discussed was the bond capacity and affordability. The presentation would provide Council with upcoming projects and understanding of what the project are, whether the projects were still in keeping with the strategic priorities moving the City forward. She introduced Mr. Cory Cloud, Senior Budget Analyst, Lead Analyst, to provide a briefing on the City Manager's Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP).

Mr. Cloud advised that the City Manager's Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP) was the City's multi-year plan. It established a schedule and funding plan for the highest-priority capital projects and equipment purchases. See the

presentation, “City Manager’s Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP),” (attached and made a part of these minutes).

Mr. Cloud noted the importance of the CIP:

- Strategic Initiatives, Comprehensive Plan
- Capital Financing and Debt Management Policies
- Performance/Outcome Measures
- Impact on Operating Budget
- Positive Return on Investment
- Legal Requirement
- Critical Nature
- Health and Safety
- Impact on Residents
- Prior and/or ongoing commitment

Mr. Cloud noted CIP Funds were used for the following:

- Property Acquisitions
- Planning, Design, and Construction
- Facility Maintenance and Renovation
- Vehicle/Apparatus Replacement
- Technology Investment

Mr. Cloud indicated the Fund sources came from the following:

- Debt
- Cash Capital
- Grant Funding
- Others

Mr. Cloud advised that the CIP was organized by:

General Fund Projects (GF Revenue Supported)

- Community Development
- Environmental
- Transit

- Equipment
- Parks and Recreation
- Public Buildings
- Schools
- Streets and Bridges

Self-Supporting Funds (User-Fee Supported)

- Sewer Rehabilitation
- Stormwater Drainage
- Waterworks

Mr. Cloud indicated the current Compliance with Financial Policies were:

<u>Policy</u>	<u>Ratios</u>
• Unassigned Fund Balance should be a minimum of 7.5% of actual General Fund Revenues from the previous fiscal year.	12.1%
• Debt burden ratio below 3.0% (outstanding general obligation debt to taxable real and personal property).	2.7% (FY 2019)
• At least 20% of CIP was funded with cash capital. Equipment and infrastructure costing less than \$250,000 was cash funded.	19.5% (FY 2020 – FY 2024)
• Ratio of General Fund debt service obligations to General Fund/School revenue should not exceed 9.5%.	8.6% (FY 2020)
• No less than 30% of outstanding general obligation debt is scheduled to be repaid within five-years, and no less than 60% was scheduled to be repaid within ten-years.	40% in 5 years 70% in 10 years (FY 2020)

Ms. Cipriano advised that the City’s General Obligation Bond Ratings remained extremely strong Aa1/AA+ by Moody’s and Standard & Poor’s. The City ranked in the second highest ratings category. The purpose and importance of ratings and key rating factors are as follows:

**Purpose**

- Provides an independent view of the City's creditworthiness (ability to repay its debt)
- Facilitates debt issuance by giving investors a uniform way of evaluating risk
- Ratings are NOT a commentary on the quality of life in that locality

**Importance**

- The higher the bond rating, the lower the interest cost when borrowing
- High bond ratings are a good signal for economic development prospects

**Key Rating Factors**

- **Economy** – demographics, employment base, property values and taxpayer composition
- **Management** – financial policies and procedures, strategic planning and ability to achieve budgetary targets
- **Financial** – budget practices, investments and fund balance
- **Debt** – outstanding debt, future needs and pension and OPEB

Councilwoman Woodbury inquired about the current interest rate. Ms. Cipriano replied within the 3.2% range, worst case scenario 3.5%. Because the City had such a good credit rating, it was expected that once on the market, we would be sought after, and that other companies would have to pay a premium to the City. In other words, the City would go out for an amount and they would have to provide additional bond cash to seal; the deal.

Mr. Cloud indicated the strengths and weaknesses in key rating factors are:

**Strengths**

- Financial Management Policies
- Recent growth and diversification of tax base
- Participation in the Hampton Roads economy; well-positioned geographically

**Weaknesses**

- Debt and liability burden
- Wealth levels

Mr. Cloud noted the City Manager's FY 2020 – 2024 Capital Improvements Plan (CIP) Annual General Fund Supported Debt Payments and estimated after upcoming Bond Sale were:

2019 – General Fund – Existing	\$41 million
2020 - General Fund – Upcoming Bond Sale	\$48 million*
<i>*(Estimated Annual debt payment increase of \$7 million to the General Fund)</i>	

Mr. Cloud indicated that the Projected Outstanding General Obligation Bond Debt was \$394.5 for FY 2018 and the Projected Debt with Upcoming Bond Sale for FY 2019 was \$478.3 million (see the “City Manager’s Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP) page 11,” in the presentation attached to these minutes):

Councilwoman Cherry indicated she understood that the GOB Debt was \$394.5 million for FY 2018 and the projected debt for FY 2019 was \$478.3 million. She questioned the amount borrowed. City Manager Rohlf replied the City would borrow \$120 million, which included debt in the amount \$37 million that would be paid off. Ms. Cipriano indicated noted it would be approximately \$60 million to pay-off debt, the \$37 million would come from the General Fund and the City would take on the \$120 million, and pay-off \$60 million on the principal.

Councilwoman Woodbury asked for an example of the \$37 million pay-off. Ms. Cipriano replied that Stormwater and Wastewater paid their own debt. There was two portions of School debt: VRS and School Buses that they engaged on their own approximately 30 years ago. There was some Economic Development Authority (EDA) debt paid by the City. It was a mixture of items that totaled approximately \$60 million.

Councilwoman Cherry questioned, if the City was borrowing \$120 million to pay off \$37 million in debt, or was the City borrowing \$60 million. City Manager Rohlf replied no, the City would borrow \$120 million and the \$60 million was included in that amount because the funds came from different pools of money. Ms. Cipriano stated there were two ways to borrow money: 1) pay as you go, and borrow money for just those projects; and 2) just in time; the City received bond cash and paid for whatever projects came along out of the CIP and prior CIPs and once out of the money the City had to go to the market again, to get the next bucket of money. This was a different approach, the City was getting the money to pay for all of the CIP projects for FY 2018 which was the \$82 million, because the City was about to start the 4<sup>th</sup> public garage project, the City would get that money in advance, at the same time, hold on to those funds, and pay bill out of that pool.

Mr. Cloud highlighted how much bond was needed in each year of the plan, the amount borrowed drove how the City would spend in a year in the operating budget, to go toward

the annual debt payments. The relationship with annual debt payments and the operating budget was the more the debt was increased, the less the City had in the operating budget to do other things. That flexibility was tied to, how much would be borrowed each year.

Councilwoman Cherry inquired about the “other” category. Mr. Cloud replied it was a small component that was discussed by City Council that included the Joint Dispatch Center with the City of Hampton, which included the replacement of the Police Department’s Computer Aided Dispatch and Records Management System. This was in the CIP for \$2 million with \$1 million from the City of Hampton, and \$1 million from the City of Newport News, in the form GOB. Developers also assisted with other projects: i.e. Independent Boulevard. Both made a small percentage of the CIP. Councilwoman Cherry inquired, whether those projects were still being considered in CIP. City Manager Rohlf replied they were place holders and had been overcome by other events and would not be recommended.

Councilwoman Cherry questioned the General Obligation Funds total of \$22 million in FY 2022 and \$45 million in FY 2023. Mr. Cloud replied, while looking at FY 2023, there were a lot of time issuances and no funding placed in the Downtown Initiatives or CNI, project the City knew that were in the forefront that needed to have funding increased. City Manager Rohlf indicated that FY 2023 had been loaded and it had been mentioned a number of times, but most recently at the City Council One Day Financial Retreat.

Mr. Cloud noted each Category in the City Manager’s FY 2020 – 2024 Capital Improvements Plan (CIP) with a detailed list of projects and costs. The total of all funding sources included General Obligation Bond (GOB), Cash Capital, Grants and other (see the “City Manager’s Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP) page 12”, in the presentation attached to these minutes):

	<u>Approved</u> <u>CIP FY 2019</u>	<u>CM Recom</u> <u>CIP 2020</u>	<u>Change</u> <u>Dollars</u>	<u>Change</u> <u>Percent</u>
<b><u>General Fund</u></b>				
• Community Development	\$ 68,860,000	\$ 59,300,000	\$ (9.6)	(13.9%)
• Environmental	\$ 1,400,000	\$ 1,200,000	(0.2)	(16.1%)
• Transit	\$126,273,940	\$119,200,000	(7.1)	(5.6%)
• Equipment	\$ 13,563,000	\$ 9,200,000	(4.3)	(32.0%)
• Parks and Recreation	\$ 18,441,000	\$ 15,100,000	(3.3)	(17.9%)
• Public Buildings	\$ 45,561,070	\$ 41,100,000	(4.4)	(9.7%)
• School Division	\$ 55,420,336	\$ 43,800,000	(11.7)	(21%)
• Streets and Bridges	\$ 93,805,569	\$ 72,500,000	(21.3)	(22.7%)
<b>General Fund Subtotal</b>	<b>\$423,300,000</b>	<b>\$361,400,000</b>	<b>\$(61.9)</b>	<b>(14.6%)</b>



**Self-Supporting Funds**

• Sewer Rehabilitations	\$ 41,265,000	\$ 33,500,000	\$(7.8)	(18.9%)
• Stormwater Drainage	\$ 41,171,000	\$ 28,800,000	(12.4)	(30.0%)
• Waterworks	\$101,345,000	\$ 82,100,000	(19.2)	(19.0%)
<b>Self-Supporting Subtotal</b>	<b>\$183,800,000</b>	<b>\$144,400,000</b>	<b>\$(39.4)</b>	<b>(21.4%)</b>
<b>TOTAL</b>	<b><u>\$607,100,000</u></b>	<b><u>\$505,800,000</u></b>	<b><u>\$(101.3)</u></b>	<b><u>(16.7%)</u></b>

Vick Mayor Vick noted, while looking at the future with HRT doing the study, she hoped results from the study would help people obtain more routes and decrease the wait time for a bus. City Manager Rohlf replied that had been discussed with HRT and explained that there were two studies. The City would be meeting with the Consultants on the new study to discuss the current services and how the services could be improved.

Councilman Harris questioned whether all of the funding was grant money. Mr. Cloud replied of the \$119 million related to transit, all was grant funding. Councilman Harris inquired about the total for the City. Mr. Cloud stated the only charge in transit other than Bus Rapid Transit (BRT) was total funding of \$138,000 for the HRT bus stops to be ADA Compliance. City Manager Rohlf advised that the \$119 million was the City of Newport News' share, as the total BRT project was approximately \$500 million.

Mr. Cloud noted each Category in the City Manager's FY 2020 – 2024 Capital Improvements Plan (CIP) with a detailed list of projects and costs. The percentage of all funding sources included General Obligation Bond (GOB), Cash Capital, Grants and other (see the "City Manager's Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP) page 13", in the presentation attached to these minutes):

<b><u>Department</u></b>	<b><u>Percentage</u></b>
• Community Development	12%
• Environmental	0.2%
• Transit	23%
• Equipment	2%
• Parks and Recreation	3%
• Public Buildings	8%
• Schools	9%
• Streets and Bridges	14%
• Sewer Rehabilitations	7%
• Stormwater Drainage	6%
• Waterworks	16%

Mr. Cloud noted the comparison from the approved City Manager’s FY 2019 CIP to the City Manager’s Recommended FY 2020, which included the Total General Fund Cash Capital and GOB:

	<u>Approved FY 2019</u>	<u>CM Recom FY 2020</u>	<u>Change Amount</u>
• Community Development	\$707 million	\$6.5 million	\$(1.1) million
• Environmental	\$0.2 million	\$0.2 million	+ 0.0 million
• Transit	\$0.1 million	\$0.1 million	+ 0.0 million
• Equipment	\$4.3 million	\$2.6 million	(1.8) million
• Parks, and Recreation	\$3.3 million	\$1.7 million	(1.6) million
• Public Buildings	\$4.4 million	\$19.0 million	+ 14.6 million
• School Division	\$11.7 million	\$11.0 million	(0.6) million
• Streets and Bridges	<u>\$9.1 million</u>	<u>\$9.5 million</u>	<u>+ 0.5 million</u>
General Fund Total	<u>\$40.8 million</u>	<u>\$50.7 million</u>	<u>+\$ 9.9 million</u>

Mr. Cloud advised that amount approved for FY 2019 for projects but had not moved forward for the bond authorization and any funding would go toward any approved projects in FY 2019. The projection for FY 2019 related to design money, which was related to FY 2020 was actual construction taking place. The CIP for FY 2020 was the first year of the FY 2019 CIP and first year of the FY 2020 Recommended CIP. The general fund project for cash capital in GOB, which included \$10 million more than the FY 2019, and a bulk of those funds were for public buildings because FY 2020 included the construction of the Denbigh Community Center Phase II and the new Virgil I. Grissom Library.

Mr. Cloud noted the City Manager’s FY 2020 – 2024 Capital Improvements Plan (CIP) Composition in the recommended CIP FY 2020 only. The percentages included in the General Fund Cash Capital and General Obligation Bond (GOB), (see the “City Manager’s Recommended FY 2020 – FY 2024 Capital Improvements Plan (CIP) page 16”, in the presentation attached to these minutes):

<u>Department</u>	<u>Percentage</u>
• Community Development	13%
• Environmental	0.4%
• Transit	0.2%
• Equipment	5%
• Parks and Recreation	3%

- Public Buildings 38%
- Schools 22%
- Streets and Bridges 19%
- Sewer Rehabilitations 7%
- Stormwater Drainage 6%
- Waterworks 16%

Ms. Cipriano noted what was not in the FY 2020 CIP list:

- Additional street lighting for public safety concerns
- City Farm Park
- Central and South Districts Community Centers
- Downtown Initiatives
- Athletic lighting for athletic fields
- Neighborhood renewal
- Upper Warwick Boulevard Corridor Study results
- Police Computer Aided Dispatch and Records Management System
- SCOT furnishings and equipment

**School funding:**

- Huntington Middle School
- Warwick High School
- FY 2020 – 2024 School Board Proposed Projects

**Right sizing proposed projects costs (current construction costs experience):**

- Virgil I. Grissom Library
- Denbigh Community Center – Phase II
- Fire Station #11
- Choice Neighborhood Initiative (CNI)

Mr. Cloud stated there would be \$13 million off the top to debt, out of the operating budget. City Manager Rohlf replied this was the reason to start having conversations, about the City's comfort level moving forward, and the impact on the operating budget. The difference of \$13 million and in affect that meant \$13 million came off the top of the operating budget and put it toward debt service which was a legal requirement. Those were funds that could not be used for public safety, raises, school operation, new programs, etc. She stated she was not comfortable with \$54 million in debt service.

Vice Mayor Vick stated the City did not know the forecast for the interest rate. She questioned whether the City should borrow while the interest rate was still low. Vice Mayor Vick said no one wanted to incur debt, but some of the projects needed to be done. The City needed to continue looking at the revenue being generated. City Manager Rohlf replied she was working with Department of Development on collected data, to show the return on investments. There were a number of options and City Council needed to agree on what was best for the City, to include increasing revenue.

Councilman Harris indicated the City once talked about the data that showed what was being affected with regard to programs, so that City Council would be more equipped to make decisions. City Manager Rohlf replied that data was not available. Councilwoman Woodbury stated she had requested data on the Youth and Gang Violence Initiative Violence for five years.

Vice Mayor Vick shared information she received from the 2018 National League of Cities Conference. She indicated that Mr. Levar Stoney, Mayor, City of Richmond, Virginia, was concerned about how to keep students safe after school. He further had the City Richmond Parks and Recreation look at, and evaluate its programs. Mayor Stoney got a lot of the philanthropic community to donate funds to enhance and/or add to programing in an afford to keep the youth safe, and decrease crime. She stated it was important to evaluate programs. Councilwoman Woodbury agreed as Council had not received data for five years. City Manager Rohlf agreed, if the City was putting resources into a program, we needed to be able to demonstrate that there was some benefit.

Councilwoman Cherry inquired about the airport reduction in taxes in order to get airlines to come to Newport News-Williamsburg International Airport. Council had not received a report on that initiative – what was the benefit, and did the City get more airlines or planes that equated to more revenue. This and other programs needed to be reviewed. City Manager Rohlf agreed, it was time to evaluate programs.

Vice Mayor Vick mentioned a program that was successfully implemented by former Mayor Paul Fraim, City of Norfolk, where citizens agreed that revenue was needed for the upkeep of the schools and a tax increase was implemented. There were additional taxes put in a specific line item/category for schools. She stated if “schools were better, students were better, and the community was better.” Councilwoman Woodbury replied it was not just about the funding, rather how the funding was being spent by the School Board Administration and its vision for the school. Mayor Price agreed and stated the City would have to look at its vision, and at the vision of the school system, prior to writing a blank check. Hopefully, the joint discussions would bring about, what was the schools’ vision, for the students, school building and maintenance. Vice Mayor Vick stated she understood; however, the communication between the two governing

bodies was very low. The NNPS had debt coming that needed to be figured out, which was Huntington Middle School.

Councilman Harris indicated there had been meetings in the past knowing that there would be a turnover. He believed with new administration, Dr. George Parker, Superintendent, Newport News Public Schools, would have good information for City Council and vice versa. Vice Mayor Vick replied, with or without conversation, and looking at the CIP, there was money needed for repairs, renovation, or students, that had not changed. She hoped it would lead to more and better communicated because the reality was funding was needed. Mayor Price agreed that money would be needed; however, questioned that dollar amount and felt that amount agreed upon would needed to be reviewed and discussed. City Manager Rohlf cautioned Council, she agreed that education was extremely important but there were a lot of other projects and needs on the City side as well to change the living environment for some of those same children. She shared the City had made a commitment to the CNI with the transformative change in the Southeast Community and there had to be a balance. Vice Mayor Vick indicated, that the City could figure out how to do projects simultaneously, and how to increase revenue to get the \$50 million. Mayor Price stated that was one possible solution and the other solution was what the City Manager had presented. Projects were in the CIP and scheduled to be done five – ten years ago and this Council might feel differently about some of the projects still in the CIP, what was a resource, and whether a project be removed from the CIP. Vice Mayor Vick replied she understood Mayor Price; however, there had to be a better or difference approach.

Councilwoman Cherry agreed with Vice Mayor Vick understanding and approach. She was still trying to understand how the City was building a parking garage for \$38 million, yet everyone agreed on the importance of education, but the funds were not available to rebuild a school. City Manager Rohlf shared what was being done to increase revenue – the connection would be with businesses coming with the garage. Councilwoman Cherry shared there were individuals who wanted to open businesses in the Southeast Community, but the City was not business friendly. She said the City was not user friendly when it came to small businesses, incentives were not offered to small businesses but given freely to big or well-established businesses. City Manager Rohlf wanted more information on the small businesses that were not given an opportunity in the Southeast Community.

Vice Mayor Vick questioned whether the City received information on the revenue generated annually by the Tech Center Project. City Manager Rohlf replied yes, that was part of the conversation about specific projects to show the return of investment and the City would see that over the course of time. Mayor Price stated some of the companies had performance incentives, but the funds invested were restricted or pulled back.

Councilman Harris inquired about the probability of the BPOL Tax being eliminated. Councilwoman Woodbury replied the State had attempted to take that away for years. Mayor Price said that the past and current Governor had seen how beneficial that tax was to most localities. Ms. Cipriano stated that would be a \$17 million loss.

Ms. Cipriano shared, when building a CIP, the project estimates were based on current market conditions and as certain projects moved forward through the years, that number remained static. The Engineering Department had experienced something strange and unique, they put out for bid five – six small parks projects and bundled those projects together and the bids came in 50% higher than estimated. This could have been due to several things in the market, i.e. the trade tariffs on steel and two devastating hurricanes in the South/Southeastern Virginia. Today's market was greatly undervalued. City Manager Rohlf indicated if there was a project on the CIP of \$8 million, and the bid came in for \$12 million, the City would have to borrow that \$4 million.

Mayor Price shared that the City had some tough choices to make, but hoped that Council would not target certain projects individually, dollar for dollar, without looking at the whole picture. There were some project that the City would not be able to quantify in his opinion (i.e. dollars put in the NNPD, safety for children, or safety for communities). Some projects needed to be accomplished and may not be able to get a dollar amount on the return. Collectively, having frank discussions about projects that were in the CIP for five – ten years past, when the economy was better, may not be what the Council wanted to prioritize as a number one project would be best for the entire City.

Ms. Cipriano provided City Council with a recycled CIP booklet 2018 – 2020 and a small booklet with FY 2020 – FY 2024.

### **III. Comments / Ideas / Suggestions**

Councilwoman Cherry requested an update on the Huntington Heights parking decals and any additional information. Mr. Everett Skipper, Director, Department of Engineering replied the speed bumps and sign removal in Huntington Heights were targeted to be completed by the end of the year, with a 90-day citizen comment period. The parking decal would take a little longer because there were other components and Departments involved, along with the enforcement. He hoped this would be implemented by the end of January 2019.

Councilwoman Cherry inquired about prostitution at the corner 29<sup>th</sup> Street and Marshall Avenue, and whether that issue was cleared-up. Chief Drew replied he had not seen any complaints about prostitution within the past month.

Councilman Harris inquired, about a shooting that took place on June 6, 2018, where a citizen's car was hit several times causing a significant amount of damage to her vehicle in the amount of \$4,400. He asked what could be done to assist this citizen with repairs. City Attorney Owens replied no, unless City Officials shot the vehicle while trying to fight crime. If the damage was caused by the City, there was an outlet; however, because someone else caused the damage, that was not the City's responsibility. For the City to fix the vehicle would be a gift to an individual that was not a non-profit charity, which was not allowed under State Code § 15.2-953 - Donations to charitable institutions and associations, volunteer and nonprofit organizations, chambers of commerce, etc. If the criminal was caught, the person could be made to pay restitution. City Manager Rohlf indicated that person could possibly seek assistance from the Victim Witness Program, dependent upon the circumstances; however, the City could not assist for the reason cited by City Attorney Owens.

Councilman Harris inquired, about an elementary school wanting a soccer goals its campus. He inquired how that school would go about making that request. Would that request go through the school system or Department of Parks, Recreation and Tourism. City Manager Rohlf replied that she was not sure; but would look into the matter.

Vice Mayor Vick provided Council with a copy of an article "Strength in Numbers – Greater Peninsula, South Hampton Roads workforce boards agreed to collaborate in helping employers (made a part of these minutes). She noted that she served as Chair for the Consortium for Greater Council for Workforce Development, but over the past few months, the Council had recognized the need for the Newport News Shipyard and Hampton Roads Ship Repair. These two industries needed employees that the City of Newport News did not have. The Peninsula and South Hampton Roads had teamed up and collaborated to form the Southeastern Virginia Workforce Regional Collaborative. The Virginia Employment Commission rebranded its "One-Stop Center" and were under Virginia Career Works to help unify the system. The organization would like to make a presentation in January 2019. She stated Virginia First Cities had grant funding for collaborated projects similar to this partnership.

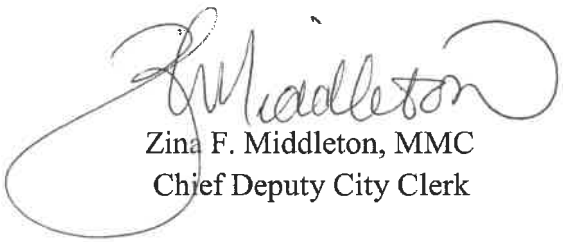
Mr. Alan Archer, Assistant City Manager briefed Council on the Day Services Center. There were a number of workforce development conversations occurring across organizations. There was collaborative work between City Council and Brooks Crossing Workforce Development Center, which would tie into the Day Services Center. Rather than creating all separate pathways, it was the desire to connect the dots and create a system that would build across the continuum. Discussions on an array of employment service were being discussed to be provided at the Day Services Center and have connectivity. Councilwoman Cherry inquired, whatever was at the Day Services Center, whether those individuals would be able to receive the

job skills. Mr. Archer replied, if the City was going to create a workforce readiness program to meet the needs of the homeless. Volunteers of America stated they prided themselves on making transportation needs available to get to scheduled appointments, so getting people to the workforce development center should be looked at, as well, what type of programs would be better served at the Day Services Center. The idea was to have quality training available consistently across the board for a number of populations. Vice Mayor Vick stated there were a number of organizations eager to come on board and believed the training would be available at the Day Services Center or at another site. It was still a work in process. Ms. Kingston replied the City also linked in with what was being done at Brooks Crossing with the CNI and continuing to leverage everything together with the First Cities Virginia grant.

City Manager Rohlf provided a briefing on Community Wealth Building. She indicated the City needed to continue the discussion to include the communities. The City needed to start approaching this subject. This was an area of concern for the bonding agencies that needed to be addressed.

City Manager Rohlf reminded Council of the Joint Meeting with the Newport News School Board on Tuesday, November 20, 2018, at 5:00 p.m. in the Newport News School Board Auditorium (12465 Warwick Boulevard). The CIP would be discussed and other school concerns.

THERE BEING NO FURTHER BUSINESS  
ON MOTION, COUNCIL ADJOURNED 5:38 P.M.



Zina F. Middleton, MMC  
Chief Deputy City Clerk

McKinley L. Price  
Mayor  
Presiding Officer

A true copy, teste:

City Clerk