

**MINUTES OF REGULAR MEETING
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE CITY COUNCIL CHAMBERS
2400 WASHINGTON AVENUE
April 14, 2009
7:30 P.M.**

PRESENT: Sharon P. Scott; Tina L. Vick; Joseph C. Whitaker; Dr. Patricia P. Woodbury;
Herbert H. Bateman, Jr.; Joe S. Frank; and Madeline McMillan-----7

ABSENT: None-----0

1. Invocation

The invocation was rendered by Reverend John A. Wilson, Macedonia Baptist Church.

2. Pledge of Allegiance to the Flag of the United States of America

The Pledge of Allegiance to the Flag of the United States of America was led by Councilwoman Sharon Scott.

3. Public Hearings

(a) Fiscal Year 2010 Operating Budget

Mayor Frank advised this was the first of two public hearings that City Council would conduct on the City Manager's Recommended Fiscal Year 2010 Operating Budget. The second hearing would be held on Thursday, April 16, 2009, 7:30 p.m. at Mary Passage Middle School, 400 Atkinson Way. He further advised of a Special Budget Work Session on Tuesday, April 21, 2009, in which City Council would discuss alternatives, and communicate desires and concerns to the City Manager after having heard from the public. On Tuesday, May 12, 2009, City Council planned to adopt both the Newport News Public School (NNPS) Operating Budget and the City's Operating Budget. He introduced City Manager, Randy Hildebrandt, to provide an overview of the budget, as presented to the City Council.

City Manager Hildebrandt stated that his Recommended Operating Budget for Fiscal Year 2010 totaled \$776.8 million, which represented a decrease of \$38.7 million or 4.7 % from the adopted FY 2009 Operating Budget. The Operating Budget included several major funds: (1) General Fund, which totaled \$421.4 million, a decrease of 2.6% from the FY 2009 Budget; (2) Public Utilities Fund, which totaled \$83.7 million, an increase of 2.4%; (3) Schools Operating Fund, totaled \$300.6 million, a 4.9% decrease; (4) Vehicle and Equipment Services, totaled \$10.1 million, a decrease of 11.4%; less (5) Inter-fund Transfers, totaling \$137.7 million; all of which totaled \$678.1 million, or a 3.5% decrease, together with Other Operating Funds, of \$98.7 million, a decrease of 12.5%; for a Total Operating Budget of \$776.8 million.

City Manager Hildebrandt indicated, for the first time since 1992, the City government had to contend with a decline in the General Fund revenues from one fiscal year to the next. The only significant revenue category where growth was expected in FY 2010, would be in real estate property taxes, due to new construction and assessment growth in industrial, commercial, and multi-family properties, which was up approximately 3%. The City Manager

3. Public Hearings Continued
 - (a) Fiscal Year 2010 Operating Budget Continued

advised there would be an overall decline in General Fund revenues of 2.6%, and could likely continue through FY 2011.

He stated the economic climate dictated that spending adjustments be made that were not just short-term deferrals. The departmental cuts were approached from the perspective that spending reductions may need to be sustainable for two or three years. The recommended General Fund Operating Budget was a reflection of a diminished fiscal capacity to maintain the current level of services and programs.

City Manager Hildebrandt recommended a \$113.3 million local contribution to the School Division, or \$500,000 less than the FY 2009 adopted budget. He stated the decrease reflected a change in the way the Police Department's School Resource Officer Program would be funded in FY 2010 and did not represent a reduction in City funding for public education. No decrease in funding was recommended for the Newport News Public Schools (NNPS).

City Manager Hildebrandt recommended no funding for across-the-board or merit increases for City employees because of the difficult fiscal circumstances throughout the City. This recommendation was consistent with the position taken by the NNPS and every other city or county government in Hampton Roads. He did recommend a \$2.5 million increase in the contribution to the Pension Trust Fund in an effort to reach the goal of fully funding the City's Annual Required Contribution (ARC) by FY 2018.

The City Manager advised, with a decline in overall General Fund revenue of \$12 million, departmental spending was constrained by abolishing or freezing 102 full-time positions, a savings of \$5.5 million. Additional cuts were made in non-personal services to close the gap between expected revenue and service expenditure requirements. He recommended closing the West Avenue Branch Library in an effort to maintain the other three branches.

City Manager Hildebrandt indicated that cuts in the Capital Improvements Program (CIP) in FY 2009 and FY 2010 would decrease the budget expenditures in FY 2010 by \$1.6 million, or 4%. This was accomplished by slashing the CIP bonded project spending by over 60%.

City Manager Hildebrandt further advised that no tax rate changes were recommended. An adjustment was proposed in the user fees, which supported solid waste collection and disposal activities, wastewater collection, stormwater system maintenance and improvement, and public drinking water supply.

City Manager Hildebrandt concluded by expressing his belief that the Recommended FY 2010 Operating Budget presented a solid financial plan to carry the City through one or two years of significant fiscal constraints. He stated the City would continue its core missions of maintaining public safety, providing education, offering a safety net for citizens

3. Public Hearings Continued
 - (a) Fiscal Year 2010 Operating Budget Continued

adversely affected by the recession through delivery of necessary human services, and sustaining an array of leisure and cultural arts activities important to the quality of life in the community. He stated the budget was the City's commitment to spending the resources available in a prudent and productive manner that best served the interests of the community (a copy of the City Manager's remarks are attached and made a part of these minutes).

Mr. Ronald Jefferson, 396C Deputy Lane, Newport News, expressed support for Youth Challenge, a non-profit organization, long-term residential substance abuse rehabilitation program for men and women. Mr. Jefferson was a graduate of the program. He spoke about the positive impact the program made on his life. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Travis Hall, 4904 Warwick Boulevard, Newport News, expressed support for Youth Challenge. He expressed appreciation that the City put money back into the community, but felt Youth Challenge was overlooked in the FY 2010 Recommended Operating Budget. He shared the impact Youth Challenge had on his life. Having served the community for 30 years, Mr. Travis stated that countless lives were impacted by the program. He further stated that Youth Challenge had saved the City \$280,000 by taking men and women from the Newport News court system that would have otherwise been in jail, by placing them in a 12-month residential program, assisting with GED testing, provided clothing, counseling, training, job placement assistance and after-care. Youth Challenge was a privately funded program that relied solely on the community for support, but according to state and federal officials, was more successful than government sponsored programs. Mr. Hall stated the substantial savings in tax dollars was secondary to the lives turned around by the program. He acknowledged the attendees in the audience whose lives were impacted by Youth Challenge. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Hiram E. Pritchett, 332 34th Street, Newport News, a member of the Aftercare Program in Youth Challenge, expressed support for Youth Challenge. He spoke about the positive impact the program made on his life. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Gregory Bryant, Assistant Men's Home Director at Youth Challenge, 332 34th Street, Newport News, expressed support for the program. He spoke about the positive impact the program made on his life. He indicated that Youth Challenge was an asset to the community and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Elwood Washington, 332 34th Street, 2008 Youth Challenge graduate, expressed support for the program. He spoke about the positive impact the program made on his life. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

3. Public Hearings Continued
 - (a) Fiscal Year 2010 Operating Budget Continued

Mr. Jonathan King, 332 34th Street, graduate of Sand Hill's Teen Challenge in North Carolina, sister program of Youth Challenge, expressed support for the program. He spoke about the positive impact the program had on his life. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Stanley Dixon, 332 34th Street, Newport News, graduate of a sister program of Youth Challenge, expressed support for the program. He spoke about the positive impact the program had on his life. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Brad R. Harris, 332 34th Street, Newport News, student at Youth Challenge, expressed support for the program. He spoke about the positive impact the program had on his life. He indicated he would be nothing without Youth Challenge. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Wayne J. Williams, 332 34th Street, Newport News, graduate of Teen Challenge, an affiliate of Youth Challenge, expressed support for the program. He stated the Youth Challenge was a good program that worked. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Michelle L. Horne, P. O. Box 722, Newport News, supporter and fan of the Youth Challenge program. She stated the program was a great investment as the participants had numerous skills and talents to contribute to the community. Ms. Horne further commented on the importance of keeping the Youth Challenge program. She urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Robert M. Brown, Jr., 900 River Road, Newport News, expressed support for the program as a concerned taxpaying citizen. He spoke about the positive experiences of the program to his family. Mr. Brown indicated Youth Challenge was a successful program and indicated that every dollar allocated to Youth Challenge would be a dollar well spent by the community. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Linda Bryant, 223-29th Street, Newport News, 2007 graduate of Youth Challenge, expressed support for the program. Currently a staff member of the program, she spoke about the positive impact the program made on her life, and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Shakita Sutton, 223-29th Street, Newport News, expressed support for Youth Challenge. She spoke about the positive impact the program made on her life, and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

3. Public Hearings Continued
 - (a) Fiscal Year 2010 Operating Budget Continued

Ms. Ulricka Smith, 223-29th Street, Newport News, student at the Youth Challenge Womens' Home, expressed support for Youth Challenge. She spoke about the positive impact the program made on her life. She shared the many values and ideals acquired through the program, and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Dawn Hall, 4904 Warwick Boulevard, Newport News, 1995 graduate of Youth Challenge, expressed support for Youth Challenge. She spoke about the positive impact the program made on her life. She shared the many values and ideals acquired through the program, and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Dana Gray, 632 Dorene Place, Newport News, graduate and current employee of Youth Challenge, expressed support for the program. She acknowledged the students present that were court ordered. She explained that the program survived on private donations. She asked for the opportunity to be funded by the City and urged City Council to support for Youth Challenge by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Crystal Stevens, 223-29th Street, Newport News, student at the Youth Challenge Womens' Home, expressed support for Youth Challenge. She commented that the program had helped her and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Dr. John Sheehan, 332 34th Street, Newport News, expressed support for the Youth Challenge. He stated he suffered with addiction for over 20 years, but experienced a sense of healing since coming to Youth Challenge. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Jack Dobson, 15522 Carroll Bridge Road, Smithfield, Youth Challenge Men's Home Director, expressed support for the program. He shared the experiences and changes Youth Challenge made to his family. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Harold Phillips, 4522 Indiana Avenue, Chesapeake, Emergency Medical Specialist with the City of Newport News Fire Department, commented on the proposed changes to the City employee benefits plan. He asked that the City honor its commitment to him by maintaining the benefits package offered him upon his hire. He suggested that (1) the retirement benefits package be unchanged for current employees; (2) count overtime toward the highest year years of pay; and (3) do not decrease the multiplier from 2.0 to 1.9 for each year of service worked.

3. Public Hearings Continued
 - (a) Fiscal Year 2010 Operating Budget Continued

Mr. Russell Kelly, 332 34th Street, Newport News, expressed support for Youth Challenge. He indicated he had been in and out of jail, and rehabilitation centers, none helped, but since participating in Youth Challenge, had hope and a desire to change. He spoke about the positive impact the program made on his life and urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Paul Bowes, 536-F Waters Edge Drive, Newport News, advocated for the Newport News Public Schools (NNPS). He felt the discussions between the City and the NNPS had been positive and helpful. He hoped that a NNPS budget would be passed to support the youth on May 14. Mr. Bowes further commended the City Manager regarding the City's AA bond rating in light of the financial crisis and fiscally constrained economy. He thanked the City Manager and the City Council for their hard work. Mr. Bowes expressed support for Youth Challenge. He urged City Council to speak with Congressmen Robert C. Scott about the possibility of federal funds to support the Youth Challenge.

Mr. Phil Bomersheim, 311 Chesapeake Avenue, Newport News, stated that actions could be taken to improve the long-term financial prospects in the City. He commented on the urban waterfront design study. He expressed concern that the City had become short-sighted on some of the things that must be done to capitalize on the waterfront and the Southeast community. Mr. Bomersheim urged City Council to find ways to save money so that the City could address the increased assessment and reduce the tax rates as required by State law. He reminded that the urban waterfront design study had been passed and incorporated in the Framework for the Future. He further commented on the City's Strategic Action Plan, particularly bullet 4. Regarding the Southeast Commerce Center Redevelopment project, he asked that Vice Mayor Whitaker and Councilwoman Vick be mindful of timelines and dates regarding this and other projects that would bring development and money to the community, and increased the livelihood of Newport News citizens.

Mr. John Procyson, 305 Normandy Lane, Newport News, stated that looking back would tell where mistakes were made and looking ahead would help avoid the same mistakes in the future. He pointed out that the City budget had nearly doubled in the past ten years, a time of low inflation and stagnant population growth. He indicated the money went into developer's pockets and growth of City staff, pointing out the City Manager's Office. He pointed out that the City gave the Marriott \$300,000 each year to market the Conference Center. He blasted the Economic Development Authority for taking credit for attracting business and creating jobs when there was \$530 million in City debt that cost, when less than one-third of new jobs go to Newport News residents, when Newport News taxpayers paid all of the incentives and tax breaks. Mr. Procyson stated without City payment, City Center would be in deeper trouble. Looking ahead, he indicated, for the first time in eighteen years, the City reduced spending. More than 100 positions on City staff were left vacant without significant reductions in services. Mr. Procyson stated that plans were underway to move the City Farm. He suggested that the City Farm land be left for citizen recreation, perhaps a public boat landing or a pier to replace the Deep Creek Pier. Additionally, he suggested there be no more "blank checks"

3. Public Hearings Continued

(a) Fiscal Year 2010 Operating Budget Continued

for Hampton Roads Transit, who receives nearly \$4 million per year. He concluded by suggesting the King William Reservoir project be stopped as early estimates of water usage were vastly overstated.

Mr. Ben Burbic, City Emergency Medical Specialist (EMS) Supervisor, 136 Terri Beth Place, Newport News, complimented the 9-1-1 Dispatchers for their hard work. He stated if it were not for organizations such as Youth Challenge, the dispatchers would be busier. He expressed support for Youth Challenge, stating the program seemed like a worthwhile endeavor. People were cutting back because they had been put on a budget. City employees would receive no raise. Three percent, equated to approximately \$2.8 million, but yet the City paid big money to various associations, alliances, and chambers, according to an article in the April 14 edition of the Daily Press. He suggested the City review those payments and cut where necessary, because there may be some redundancy. City employees were asked to cut back, their pensions were hit, and such benefit programs as tuition reimbursement. Mr. Burbic stated if the City did not stimulate the economy by providing for its employees, they would not be able to stimulate the economy and new businesses. He urged City Council to support Youth Challenge by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. L. T. Vaughan, 595 Snug Harbor Lane, Newport News, thanked the City Manager for the proposed cuts to the FY 2010 Operating Budget. He stated those cuts would benefit the hardworking taxpayers in Newport News. He pointed out that many of the cuts were recommended by RETRO (Real Estate Tax Reduction Organization). He urged Council to carefully review the budget despite cuts. Mr. Vaughan added the cuts did not need to cost people jobs or cut essential services. RETRO did not advocate the elimination of necessary jobs or essential services, but asked there be a thorough review of over staffed offices. Other areas offered for consideration included: (1) eliminate payments to organizations that could raise their own money; (2) cut charities another 5%, and fund Youth Challenge with the extra money; (3) He questioned the amount paid to support organizations to purchase sculptures for the City. He suggested funneling that money to Youth Challenge; (4) slow future development of City Center until economic conditions were better; (5) a closer review of the travel budget; (6) cut travel expenses and save one job for a city employee. Mr. Vaughan suggested, when the City takes advantage of federal money to pay for a project, that an investigation be done to see how the recurring costs would be funded after the federal funds were expended. He reminded that higher taxes meant less disposable income, which hurt businesses. Mr. Vaughan inquired about the amount of money Youth Challenge was funded in FY 2009. He stated they were helping people and keeping them out of jail, so the taxpayers did not have to spend the money.

Ms. Tricia Stall, 503 River Road, Newport News, reminded, when RETRO began, a target real estate tax rate of \$1.08 was decided upon, which was more than fair to reduce the City's spending habits that created the unbearable debt incurred. She reminded that the tax rate had been reduced to \$1.10 per one hundred, which was accepted, along with the outrageous assessment rates. Ms. Stall contended that those citizens were unaware that the rate of \$1.10 created a huge surplus, or that the City did not intend to fully fund the retirement account. She asked City Council to keep its promises to reduce government, and expand individual liberty.

3. Public Hearings Continued
 - (a) Fiscal Year 2010 Operating Budget Continued

Ms. Stall thanked the female Council members for taking a stand and saying “no” to granting more power to an already oppressive housing and economic development authority. She reminded that families were suffering. Less taxation equaled prosperity and liberty for all. Ms. Stall indicated there was little possibility of City Center paying for itself in the next 2-3 decades. It was her belief that the City could have lifted hundreds out of poverty, or assisted such programs as Youth Challenge, had money not been wasted on a mixed-use development next to Port Warwick. She urged Council to reduce the tax rate and provide the citizen’s the break they deserved and expected. She indicated the cuts made were long overdue, and more should be made. She concluded by stating that citizens expected City Council to reduce the size, scope, and cost of government, and stop putting one group of people against another, while rewarding the politically connected.

Mr. James Holt, 332 34th Street, Newport News, graduate of Youth Challenge, expressed support for the program. He stated, in Youth Challenge, he found a new way of life that included structure, discipline, love, responsibility and respect. Youth Challenge led him to a 4-year university where he excelled academically, making the Dean’s List. He urged City Council support the program by providing funding in the City Manager’s Recommended FY 2010 Operating Budget. He spoke about the positive impact the program made on his life, and urged City Council to support the program by providing funding in the City Manager’s Recommended FY 2010 Operating Budget.

Mr. Teddy Hicks, Chairman, Newport News School Board, 12465 Warwick Boulevard, thanked members of City Council for continued support of Newport News Public Schools (NNPS). He stated the budget process was not easy, but with hard work and focus, resources continued to be committed to the students. By reducing spending and restructuring programs, the NNPS was able to preserve class size, math and literacy coaches, and school security officers, while continuing to focus on 21st Century learning, Career Pathways, and Youth Development. Mr. Hicks reported that NNPS employee salaries would remain the same in the FY 2010 budget. He stated there would be no current level increases, however, there would be an increase in payment toward the employee health insurance. The NNPS budget was reduced by \$17 million, representing a 5% decrease in spending. He concluded by stating the best investments the City could make was to the children and public education.

Ms. Gloria Deloatch, 700 Waterfront Circle, Newport News, stated the City should take advantage of the public-private projects, allowing the City to grow and bring in more tax revenue by saving tax dollars. She urged the City to meet suspense dates for the Southeast plan. She further urged the City Manager to initiate the Virginia Commerce Center Plan for the Aaron Brooks and Farmers’ Market area. Ms. Deloatch stated these projects would make the City grow, develop, and bring in more tax revenue, saving the taxpayer’s money. She expressed support for the Youth Challenge, having been touched by the previous speakers regarding the program. She urged City Council support the program by providing funding in the City Manager’s Recommended FY 2010 Operating Budget, along with the Southeast Plan.

3. Public Hearings Continued

(a) Fiscal Year 2010 Operating Budget Continued

Vice Mayor Whitaker moved closure of the public hearing; seconded by Councilman Bateman.

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

4. Consent Agenda

Councilwoman Vick moved adoption of the Consent Agenda, Items A through E, both inclusive, as shown below; seconded by Vice Mayor Whitaker.

(a) Minutes of the Work Session of March 24, 2009

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

(b) Minutes of the Special Meeting of March 24, 2009

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

(c) Minutes of the Regular Meeting of March 24, 2009

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

(d) Resolution in Recognition: Newport News Shipbuilding Apprentice School's Men's Wrestling Team

A RESOLUTION OF RECOGNITION FOR THE Newport News APPRENTICE SCHOOL'S MEN'S WRESTLING TEAM. This Resolution recognized the Newport News Apprentice School's men's wrestling team, "The Builders" and their coach, Bruce Shumaker, for outstanding achievement. Under the leadership of Coach Bruce Shumaker, "The Builders" won the National Collegiate Wrestling Association (NCWA) National Championship on March 14, 2009. The NCWA National Championship was held at Hampton University on March 12-14, 2009. The wrestling team had participated in the NCWA Championships for 11 years and this was the first win. For this great achievement, Coach Shumaker was honored by the NCWA as the 2009 Coach of the Year.

4. Consent Agenda Continued

- (d) Resolution in Recognition: Newport News Shipbuilding Apprentice School's Men's Wrestling Team Continued

(No registered speakers)

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

- (e) Resolution in Support of the American Recovery and Reinvestment Act

A RESOLUTION AUTHORIZING AND DIRECTING THAT THE USE OF FUNDS RECEIVED BY THE CITY OF NEWPORT NEWS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 AND APPROPRIATED FOR CERTAIN PROJECTS BE EXPENDED TO THE EXTENT AUTHORIZED BY LAW FOR CERTAIN MATERIALS AND PRODUCTS PRODUCED IN THE UNITED STATES. This Resolution authorized and directed the use of funds received by the City under the American Recovery and Reinvestment Act of 2009. Because the economic downturn was having a critical impact on everyday Americans, the Federal Government was implementing a taxpayer-sponsored economic recovery package. Through this program, billions of dollars would be provided to help economically devastated cities and states and immediately provide jobs to out-of-work Americans. The City would use the funds it received to buy iron, steel, and manufactured goods that were produced within the United States, thus employing the very workers who pay the taxes for the economic recovery spending plan. It was anticipated that this plan would immediately help struggling American families and help stabilize the greater economy. The City Manager recommended approval.

(No registered speakers)

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

5. General Obligation Bond Sale Authorization

AN ORDINANCE AUTHORIZING THE SALE OF NOT TO EXCEED THIRTY MILLION DOLLARS (\$30,000,000) PRINCIPAL AMOUNT OF CITY OF NEWPORT NEWS, VIRGINIA GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AUTHORIZED FOR ISSUANCE UNDER ORDINANCE NO. 6569-09 ADOPTED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, ON FEBRUARY 24, 2009, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF VARIOUS PUBLIC IMPROVEMENT PROJECTS OF AND FOR THE CITY; AND PROVIDING FOR THE SALE OF SUCH BONDS AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO. This resolution authorized the sale of up to \$30,000,000 of General Obligation General Improvement Bonds previously authorized for issuance. City Council authorized the issuance of \$30,000,000 of General Obligation General

5. General Obligation Bond Sale Authorization Continued

Improvement Bonds for the purpose of providing funds to pay for capital projects contained in the approved Fiscally Constrained FY 2009 Capital Improvements Plan (CIP). In order to sell bonds and take advantage of favorable market conditions, an ordinance authorizing the sale of the bonds was required.

(No register speakers)

Vice Mayor Whitaker moved adoption of the above ordinance; seconded by Councilwoman Vick.

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

6. Governor's Opportunity Fund Performance Agreement related to Continental Automotive Systems Expansion Project

A. Resolution Authorizing Execution of Performance Agreement

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE, AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, ANY AND ALL DOCUMENTS NECESSARY TO EFFECTUATE AND IMPLEMENT A GOVERNOR'S DEVELOPMENT OPPORTUNITY FUND PERFORMANCE AGREEMENT BY AND AMONG THE CITY OF NEWPORT NEWS, VIRGINIA, THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF NEWPORT NEWS, VIRGINIA, AND CONTINENTAL AUTOMOTIVE SYSTEMS US, INC. This resolution authorized the City Manager to execute any and all documents to effectuate the Governor's Opportunity Fund Performance Agreement related to the Continental Automotive Systems Expansion Project. City Council was briefed at its February 10, 2009 Work Session on this important expansion project. The project provided significant job retention and creation, as well as an additional \$194 million in capital investment. The Governor's Opportunity Fund Performance Agreement was between the City, EDA and Continental Automotive Systems. The City Manager recommended approval.

(No registered speakers)

Councilman Bateman moved adoption of the above resolution; seconded by Vice Mayor Whitaker.

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

6. Governor's Opportunity Fund Performance Agreement related to Continental Automotive Systems Expansion Project Continued

B. Appropriation of Funds

A RESOLUTION AUTHORIZING FUNDS FROM GOVERNOR'S OPPORTUNITY – CONTINENTAL (\$3,000,000.00) TO CONTRACTUAL SERVICES (\$3,000,000.00). This resolution appropriated a \$3 million Governor's Opportunity Fund Grant for the Continental Automotive Systems Expansion Project. No future financial or operational responsibilities were required for this grant. The City Manager recommended approval.

(No registered speakers)

Councilman Bateman moved adoption of the above resolution; seconded by Vice Mayor Whitaker.

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

7. Appropriation

Councilwoman Scott moved adoption of Item A, as shown below; seconded by Councilwoman Vick.

(a) Police Department – Newport News Public Schools Resource Officers

A RESOLUTION APPROPRIATING FUNDS FROM SCHOOL RESOURCE OFFICER GRANT (\$155,335.00) TO POLICE OFFICER (\$155,335.00). This resolution appropriated \$155,335.00 from Newport News Public Schools for the continuation of specific School Resource Officer positions. These two resource officer positions were originally partially funded with federal grant revenue during FY 1998. In 2004, this federal grant was eliminated and the School Division continued full support of these positions. The positions were assigned to middle schools providing classroom instruction and law enforcement-related activities. The total cost of the positions for FY 2009 was \$155,335.00. These funds were provided by the School Division. No other local funds were required. The City Manager recommended approval.

(No registered speakers)

Councilwoman Vick moved adoption of the above resolution; seconded by Councilman Bateman.

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan

Nays: None

8. Citizen Comments on Matters Germane to the Business of City Council

Mr. Randy O'Neill, 109 Sheffield Road, Williamsburg, Smithfield, addressed City Council regarding health and wellness programs for youth. He stated that he had the opportunity to have a fee-based health and wellness program at 11 of the summer school programs throughout the City, billing \$3.00 per participant, in the summer of 2008. He expressed desire that the City's Department of Parks, Recreation and Tourism include his program, bringing fitness to the kids, in the summer of 2009. He asked City Council be proactive and encourage this new way of thinking smarter, less expensive, more productive, measurable programs. Mr. O'Neill distributed a copy of a newspaper article written about his program (a copy is attached and made a part of these minutes).

Reverend Marcellus Harris, 12720 Patrick Henry Drive, Newport News, addressed Council on behalf of the growing homeless population. He commended City Manager Hildebrandt on what was in place to address the homeless issue. He asked that City Council revisit current programs and how time and efforts could be spent more effectively because currently, the homeless were dealt with through a regional structure, consisting of the continuum of care, and were grouped together with municipalities and cities that were diversely and demographically different. Reverend Harris stated the homeless population was increasing and becoming more invisible, which made the issue more difficult to address. He stated Norfolk had created an office for the homeless whereby they specifically tailored the needs of their locality to address the problem. Newport News was lumped with James City County and other smaller localities. The allocations of federal, state, and local funds were divided from a group of individuals who must deal with the different demographics. Reverend Harris suggested that Newport News review how to deal with the homeless population and be more specific in dealing with our own homeless population in a more germane and effective way. He offered to assist in this endeavor. He again, asked the Council to rethink how Newport News dealt with the increasing problem of its homeless in the City.

Mr. C. W. Powell, 3 Gay Drive, Newport News, addressed Council regarding the Deep Creek Pier. He advised of the recent death of Lieutenant Colonel John DeMaria. Mr. Powell reminded that Bonnie Belle Meltzer donated property in order for Warwick County to build a road to provide access to Deep Creek if a public pier were built. Warwick County officials agreed. Mr. Powell indicated that records could not be found. He requested that the City study the matter. He indicated there was a Deep Creek Pier blog and encouraged citizens to sign on and ask questions. He requested that the Deep Creek Pier be rebuilt.

Ms. Carol Hogge, 3 Gay Drive, Newport News, advised that Lt. Colonel John DeMaria had passed away on Saturday, April 10, 2009. His body would be carried by horse-drawn carriage and would be buried at Arlington National Cemetery. Ms. Hogge advised that Colonel DeMaria's final wish was to have the Deep Creek Pier replaced and she urged that City Council do so.

Mr. Gerald A. Loose, 611 Ashford Place, Newport News, addressed City Council regarding the nature of overtime as it related to Police work and public safety, in general. He commended the Newport News Police Department and the officers that worked on a recent sting to make an arrest in a string of robberies. Mr. Loose participated in the sting operation and used it as an example in contrast to a 40-hour employee who did not work overtime. The officers

8. Citizen Comments on Matters Germane to the Business of City Council
Continued

worked the operation in one night, with no complaints. Looking at the cumulative efforts, employees were only compensated for the overtime worked in the last three years. He agreed that overtime was more readily available in police work, but so are the stresses. Addressing the padding of overtime, Mr. Loose advised it could be controlled. Mr. Loose urged City Council to compensate employees for what they do.

Mr. Erik Kempf, addressed City Council regarding the proposed changes to retirement benefits. He expressed a concern about increased insurance premiums and pre-existing condition that may cause families to sacrifice health. He asked City Council to help employees maintain the benefits they were promised at the time of hire.

Ms. Joan Minarik, 114 Linbrook Drive, Newport News, addressed City Council about the importance of the people. She expressed her expectation that government take care of its people. She questioned the City's spending in areas that she felt had no direct benefit to its citizens, i.e. King William Reservoir Project and City Center. She stated the City needed to spend money on things that were important to the people and the community so that people would stay in the City. Ms. Minarik stated that many promises had been made and were now being broken, i.e. Deep Creek Pier, retirement benefits for public safety employees. She urged City Council find a way to keep promises to those employees who had given so much, and make the changes for those that would be coming on later.

Mr. Xavier Falero, Newport News Police Sergeant, 128 Madison Lane, Newport News, commended those participants in the Youth Challenge program for their efforts. He stated that every City employee, that showed their dedication to the City, made Newport News the great City that it was. He reiterated that a great deal of valuable family time had been lost by public safety officials and asked that members of City Council keep that in mind when asked to vote on proposed retirement benefits.

Mr. John Claud, 332 34th Street, Newport News, resident of Youth Challenge, expressed support for the program. He stated that addiction had no respect of person. It attacked preachers, congressmen, citizens, police officers, and families. He stated that families were being torn as a result of substance abuse. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Lucho Youngs, 332 34th Street, Newport News, student and cook at Youth Challenge, expressed support for the Youth Challenge. He described the work of the participants in the program. He explained the benefits/impact of Youth Challenge in the community. He urged City Council to support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Mr. Daniel Jamison, 332 34th Street, Newport News, student at Youth Challenge, expressed support for the Youth Challenge. He stated there was a cause and effect to budget cuts, with the effects being a higher risk of crime, alcoholism, and drug addiction. He spoke about the impact of the program to the participants, and advised the fate of the program was in Council's

8. Citizen Comments on Matters Germane to the Business of City Council
Continued

hands. He urged City Council support the program by providing funding in the City Manager's Recommended FY 2010 Operating Budget.

Ms. Sandra Gardner, 13 Middlesex Road, Newport News, applauded participants of Youth Challenge. She appealed to City Council to help the homeless. She petitioned City Council to review the City Manager's Recommended FY 2010 Operating Budget to find funding to assist Youth Challenge, and a building to provide year-round housing, as well as employment for the homeless in Newport News.

9. New Business and Councilmember Comments

Councilwoman Scott thanked citizens for their attendance and for sharing their views.

Councilwoman Scott asked City Manager to give consideration to a homeless service center, where people could go for information, a shower, use a phone, etc.

Councilwoman Scott announced the next North District Town Hall Meeting was scheduled for April 27, 2009 at the American Legion Post 368. No guest speaker was scheduled; citizens were invited to attend and to participate in an open discussion.

Councilwoman Scott reminded citizens about the Budget Public Hearing scheduled for Thursday, April 16, 2009 at Passage Middle School, 400 Atkinson Way.

Vice Mayor Whitaker conveyed that he felt the hurt and pain shared by the participants of Youth Challenge. He stated he had heard their stories and could empathize as his family had been affected by the dangers of substance abuse.

Councilwoman Woodbury conveyed that she was overcome by the stories shared about Youth Challenge and the impact on their lives. She thanked Youth Challenge for what they did for the community. She further thanked members of RETRO and other citizens for their attendance and participation. She invited citizen suggestions with regard to the City Manager's Recommended FY 2010 Operating Budget.

Councilman Bateman thanked the City Manager and staff for their hard work throughout the budget process and the work that helped achieve and maintain the bond rating. He advocated for Youth Challenge and vowed continued support for the program.

Mayor Frank stated that he, too, had been moved by the stories shared about Youth Challenge and the impact on their lives. He congratulated and commended the participants for what they had done to turn their lives around. He reminded that he and his brother, the Honorable Robert Frank, as young lawyers, were among the first in the community to reach out to Reverend Troy Collier when he was in Little Rock, Arkansas, and bring him to the Newport News Community thirty years ago.

9. New Business and Councilmember Comments Continued

Mayor Frank reminded citizens of the Budget Public Hearing scheduled for Thursday, April 16, 2009, 7:30 p.m. at Passage Middle School, 400 Atkinson Way. He invited citizens to attend and share their thoughts, views and concerns with members of City Council.

Councilwoman McMillan thanked the students and staff of Youth Challenge for their attendance. She commended them for their accomplishments through the program. She reminded they had shared their stories and provided a message to a larger televised audience. She encouraged members of the public to step forward in support the mission of Youth Challenge.

Councilwoman McMillan thanked Ms. Hogge and Mr. Powell for advising of the passing of Lieutenant Colonel John DeMaria. On behalf of her colleagues on City Council, she expressed her condolences to Mrs. Ruth DeMaria and the family.

Councilwoman McMillan announced the Denbigh Warwick Business Association, in conjunction with their community partners, would sponsor a Job Fair on Thursday, May 14, 2009 at the Boys & Girls Club, 429 Thorncliff Drive, Newport News, 9 a.m. – 12 noon.

THERE BEING NO FURTHER BUSINESS,
ON MOTION, COUNCIL ADJOURNED AT 9:58 P.M.

Mabel Washington Jenkins, CMC
City Clerk

Joe S. Frank
Mayor
Presiding Officer

A true copy, teste:

City Clerk