

MINUTES OF WORK SESSION
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE 10th FLOOR CONFERENCE ROOM
2400 Washington Avenue
April 14, 2009
2:00 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

OTHERS PRESENT: Randy W. Hildebrandt; Stuart E. Katz; Mabel Washington Jenkins; Alan Archer; Neil Morgan; Cynthia Rolfe; Lottie Vincent; Allen Jackson; Gregg Jones; Lisa Cipriano; Rhonda Everton; Robin Rose; Monique Warren; Chad Pritchett; Steve Carpenter; LaVerne Lovett; Florence Kingston; Al Riutort; Michael King; Yvonne Manning; Gabe Morgan; John Roberts; Izabella Cieszynski; Ashby Kilgore; Everette “Teddy” Hicks; Michael W. Wagner; Richard B. Donaldson; Chuck Hall; Arva Davidson; Brad Commer; Chuck Young; Patty Gilbertson; Kenneth McGinnis; Karl Becker; Wendy Naro; Sabine Hirschauer; Jennifer Walker; Cleder Jones; Kim Lee; and Jerri Wilson

I. Newport News Public Schools Budget

City Manager Hildebrandt introduced Mr. Everette A. “Teddy” Hicks, Sr., Chairman, Newport News School Board.

Mr. Hicks thanked City Council for supporting Newport News Public Schools. He stated the FY2010 budget process was a challenge and the School Board was faced with the task of focusing their resources on areas that met the needs of students. He asked City Council for their support of the recommended FY2010 Newport News Public Schools (NNPS) budget. He introduced Dr. Ashby C. Kilgore, Superintendent, NNPS, to provide a presentation on the recommended FY2010 NNPS budget.

Dr. Kilgore stated since 2004 NNPS increased the number of accredited schools from 20 to 39 and the number of schools meeting Adequate Yearly Progress (AYP) from 12 to 28. She reported in 2008, 17 schools were recognized by the State for exceeding minimum standards. Dr. Kilgore stated NNPS continued to focus on improving student preparedness, literacy, mathematics, teacher retention, dropout prevention and recovery, and youth development.

Dr. Kilgore reported revenue for the FY2010 School Board budget totaled \$299 million (State Funding - \$179.8 million; City Funding - \$113.3 million; Federal Funding - \$4.5 million; and Other Revenue - \$1.4 million), which was a -5.5% reduction over FY2009. The FY2010 School Board budget expenditure forecasts included: 1) Personnel Services - \$180.4

million; 2) Fringe Benefits - \$62.2 million; 3) Non-discretionary - \$35.6 million; and 4) Discretionary - \$20.8 million. She asked City Council to support level funding in the amount of \$113.3 million or \$500,000 less than the FY2009 adopted budget. Dr. Kilgore stated the only reduction that would be realized by NNPS was \$17 million from the state. She stated the School Board agreed they would not reduce employee salaries and health insurance premiums in FY2010.

Superintendent Kilgore stated to absorb the \$17 million reduction from the State, NNPS had to make various changes to its staffing, operations and instruction. She reported NNPS eliminated 120 positions, reduced Summer School to a 4-day week, and reduced its extended day sites.

Superintendent Kilgore reported the American Recovery and Reinvestment Stimulus Act allocations to NNPS included funding for the following: 1) Title I - \$8.8 million; 2) Special Education - \$8.5 million; and 3) Stabilization Funds - \$11 million. She highlighted the guidelines for the use of the stimulus funding to ensure no fiscal shortfall beyond FY2012. (A copy of the presentation, "Planning for a Sustainable Future for NNPS – Smart, Safe Schools," is attached and made a part of these minutes.)

Councilwoman McMillan stated she received a number of calls concerning the issue of funding a legal representative for NNPS. She inquired how NNPS justified \$100,000 for the personal preference of a legal representative, in light of a \$17 million reduction in State funding. Mr. Hicks replied the level and accessibility of legal services was important, which NNPS needed on a daily basis. He stated the School Board respected the City Attorney's office, but did not know of another person who had a greater knowledge of school law than the person who currently represented the Schools. The level of service, knowledge and background that the legal representative brought to the table was superior.

Vice Mayor Whitaker inquired whether NNPS experienced a high dropout rate. Dr. Kilgore replied 12% of NNPS students did not graduate; however, NNPS had implemented new initiatives that were built around reducing the dropout rate and increasing student preparedness, i.e. the Freshman Transition Program, the Freshmen Year Program, and the Career Pathways Program.

Councilwoman McMillan referenced a recent article in the Daily Press that indicated 20% of students were homeless. She inquired about the amount of funding NNPS spent on programs to support and identify homeless students. Dr. Kilgore stated she would provide definite figures to City Council; however NNPS did receive federal funding to support homeless students. A requirement of the Federal Homeless Act allowed students to continue instruction at the school they attended prior to becoming homeless, which allowed some normalcy in their lives.

Councilwoman McMillan inquired whether NNPS used every opportunity to expand its Special Education Program. Dr. Kilgore responded that NNPS was using every opportunity to expand its Special Education Program and noted Federal stimulus funds, earmarked for NNPS, would help in that process. NNPS was researching an initiative to have graduation coaches assigned to Special Education Students in their ninth year of school to gear them towards a high school diploma rather than a modified diploma.

Councilwoman Woodbury understood homeless students needed some stability in their lives, but felt NNPS went above and beyond. She recalled one case in which NNPS was transporting a student to and from Williamsburg to attend school in Newport News. She inquired when it became beyond appropriate or feasible to support a homeless student and the number of other communities who did the same. Superintendent Kilgore replied the intent of the law was that the family of the homeless student made the decision on what they felt was best for their child. NNPS was obligated to provide the necessary assistance if a family felt it was best for their child to stay in NNPS.

Mayor Frank inquired about the type of programs offered to Special Education students, after their graduation from high school. Dr. Kilgore replied NNPS provided a Transition Coordinator to Special Education students to begin their transition from high school into the workplace. NNPS also provided career based instruction internships to Special Education students, which allowed them the opportunity to work in the community before graduation from high school.

Mayor Frank inquired whether NNPS provided any follow-up programs to Special Education students after graduation. Dr. Kilgore replied NNPS did not provide any follow-up instruction to Special Education students after graduation.

Councilwoman Scott inquired about \$150,000 that was allotted in the FY2010 budget for the salary of two Police Department Resource Officers for NNPS. She inquired whether the officers were involved in special programs.

Councilwoman McMillan inquired why Police Resource Officers received such a high salary. City Manager Hildebrandt replied most Police Resource Officers were veterans of the Police Department whose salaries amounted to more than \$50,000 per year that could easily increase to \$75,000 with benefits.

Councilman Bateman inquired what NNPS did to help graduates plan for their financial futures. Dr. Kilgore replied NNPS implemented a nine week financial literacy course in each of the high schools, which would soon become a requirement for graduation. NNPS also implemented an eight-week after school program that brought in outside professionals who focused on banking, mortgage information, etc.

Councilwoman Woodbury voiced concern, as a former School Board member, about holding standards of what was expected from students. Recently, she learned that more than one high school was using a system where no one could make less than a grade of 60 whether they turned in assignments or not. Dr. Kilgore replied she was not aware of such a policy in NNPS.

Councilwoman Woodbury recalled it was called the "I" system, which never gave students an "F" or "O" and was discussed at Menchville High School. She inquired whether such was happening at any NNPS and indicated it would be a detriment should such be happening. Dr. Kilgore responded she was not aware of such a policy occurring at any NNPS. She indicated she did not work at the level to know how individual teachers graded their classes. However, the notion behind the "Incomplete Grade System" was everything was incomplete and students never had a choice of not doing their work. She stated NNPS wanted to be the best school system and the only way to do that was being pushy with students and allowing them no opportunity to fail.

Councilwoman Woodbury inquired whether the grading procedure was left up to the teachers. Dr. Kilgore replied there was a syllabus for each course which was developed by teachers and supervisors. The syllabus was published and went home to each family indicating a grading system. She also noted the City-wide grading scale.

II. MGT Study of Future Incarceration Needs

City Manager Hildebrandt introduced Mr. Neil Morgan, Deputy City Manager, to provide information about the Incarceration Needs Study.

Councilwoman Woodbury inquired about the cost of the study. Mr. Morgan replied the cost for the study totaled \$114,000.

Councilwoman Woodbury recalled, in August 2008, City Council agreed to a moratorium on studies until the City's fiscal situation improved and the financial crisis affecting the country was over. Mr. Morgan reminded that City Council directed the City Manager to undertake a study of the City's incarceration system at the December 11, 2007 Work Session of City Council. The motivation behind the study was the suggestion that the consolidation of operations of the City Farm and City Jail would save money. Since the City was considering the relocation of the City Farm facility, it was important to examine the future needs for prison beds, and the mix of security levels as well as the physical adequacy of the City's facility. City Manager Hildebrandt and Sheriff Morgan co-chaired a committee that selected MGT of America, Inc., a national consulting firm, to undertake a detailed study of future local incarceration needs. He introduced Mr. Kenneth McGinnis, Partner, MGT of America, Inc., to present the findings of the study.

Councilwoman Woodbury inquired whether any consideration had been given to consolidate the Sheriff's Department and City Farm into the Police Department. City Attorney Stuart Katz replied the Sheriff was a Statewide Constitutional Officer. Counties operated their law enforcement under a Sheriff's Department; they did not have Police Departments.

Councilman Bateman recalled the intent of the Study was not a subversive undertaking to move the City Farm to develop the land. The driving force behind the study was to review alternatives to alleviate overcrowding at the jail.

Councilwoman McMillan stated the study resurfaced comments made over the past 20 years about moving and "dumping" the City Farm in Denbigh. Councilman Bateman reiterated the intent of the study was not a subversive and underhanded way to relocate the City Farm.

Mr. McGinnis stated the study examined the many factors that played a role in the growth of the Newport News jail population. While jail crowding presented a serious challenge for the community, MGT found that the issue was manageable if proactive steps were initiated. He introduced Mr. Karl Becker, Partner, MGT of America, Inc., and Ms. Wendy Naro, Vice President, JFA Institute, to offer highlights of the study.

Mr. Becker stated MGT concluded that a comprehensive jail crowding response required: 1) capacity management initiatives; 2) justice system process improvements; 3) program alternative to incarceration; 4) information management; and 5) improved policy coordination. He stated local justice system stakeholders should begin development of a program to have solutions in place as the jail population increased in the future.

Mr. Becker stated by having three jail facilities in close proximity (City Jail, City Farm and the Hampton Roads Regional Jail [HRRJ]), Newport News had a unique decentralized approach to jail system management; however each facility had issues. The City Jail was poorly designed and presented serious security and safety issues, particularly when overcrowded. The City Farm experienced difficulty in maintaining a population level that enabled it to perform public works functions and experienced excess capacity. The HRRJ provided valuable medical services and had the potential to add significant capacity for Newport News, but would require additional double celling, or the displacement of federal inmates currently housed at the facility. Mr. Becker thought it was interesting to see that the jail system population grew by 32% from 2000 to 2007, while crime decreased.

Ms. Naro reported crime decreased from 2000 to 2007, while Newport News' incarceration rate had increased by 32%. She stated the incarceration rate per 100,000 residents had increased and Newport News had incarcerated more people per capita over the last eight years.

Councilwoman McMillan inquired whether the study took into consideration that those being jailed were not necessarily residents of Newport News. Ms. Naro replied the study did not take into consideration that all being jailed were not residents of Newport News.

Councilwoman Woodbury inquired whether MGT had examined the reason the City Farm population had decreased. She felt more City Jail inmates should be directed to the City Farm and inquired why there was a decrease in the last four years. Mr. Gabriel Morgan, Sheriff, City of Newport News, replied the jail population of non-Newport News citizens had decreased and criteria was the reason that less inmates were sent to the City Farm. He stated the Sheriff's office sent as many inmates as they could to the City Farm. He reminded about the special meeting that was convened between the Commonwealth's Attorney, Court Judges, and others to discuss the criteria for sending inmates to the City Farm. Unfortunately, the criteria could not be relaxed due to the location of the City Farm and its population density.

Councilwoman McMillan understood an inmate with a felony conviction could not go to the City Farm. Sheriff Morgan responded that it depended on the type of felony conviction. Many felons were sent to the City Farm for infractions such as check forgery.

Mr. McGinnis stated the only way to increase the number of inmates sent to the City Farm would be to change the criteria and with that came a risk, given the facility's location. The facility was not located or designed to assume risks that the City was willing to take.

Councilwoman Woodbury did not understand the reason for the decrease of inmates sent to the City Farm over the past four years since the criteria had not changed. Mr. McGinnis replied the pool of eligible offenders, who met the City Farm criteria, had changed because they were funneled out through service and expanded diversion programs. Sheriff Morgan replied the criteria had changed in 2003, after a City Farm inmate escaped from a work crew and assaulted a former girlfriend.

Councilwoman McMillan recalled a jail audit had been conducted by MGT, which concluded that 260 inmates met the criteria to be sent to the City Farm. Yet, when she visited the City Farm in 2008, there were less than 170 prisoners who were sent to the City Farm from the Jail. She inquired what happened to the other 90 inmates who met the criteria. Mr. McGinnis replied the 260 inmates met the basic criteria; however, the Sheriff was required to consider other factors that weighed into whether the inmates could be transferred to the City Farm and concluded that only 170 inmates met the criteria. MGT did not review each prisoner's file to note prior convictions, which played a part in whether an inmate was transferred to the City Farm.

Councilwoman Woodbury inquired whether the decision to transfer an inmate to the City Farm was made by the Sheriff alone or whether a committee made the decision. Sheriff Morgan replied he made the final decision on whether an inmate was sent to the City Farm; however, a committee researched the inmate's prior history to determine whether they met the criteria. City Farm administrators also had the authority to research an inmate's history to determine whether they met the criteria to be transferred to the City Farm. The first offense of an inmate determined their eligibility to be transferred to the City Farm. MGT was not able to research the prior history of an inmate; they were only able to use an inmate's last conviction.

Councilwoman McMillan inquired whether the Sheriff could overturn a Judge's decision to send an inmate to the City Farm. City Manager Hildebrandt replied that Judges rarely made direct sentences to the City Farm. After the inmate's escape from the City Farm work detail in 2003, the Judges concluded that the Sheriff and his processes needed to determine whether an inmate met the criteria for transfer to the City Farm. Mr. John Roberts, Director, City Farm, then looked at the information to see whether an inmate was a risk to the City Farm.

Councilwoman Woodbury inquired about the work release program for the City Jail in light of the fact that the work release program had been suspended at the City Farm. Sheriff Morgan explained the work release program for the City Jail included women and diabetic men who were non-violent offenders and were not allowed to go to the City Farm.

Mayor Frank inquired whether MGT's calculations were based on total population and/or pretrial inmates. Ms. Naro replied the calculations were not based upon a breakdown of the total population and/or pretrial inmates. Mr. McGinnis replied 60% of the inmate population was not eligible to go to the City Farm due to criteria.

Mayor Frank stated the State of Virginia had criminal sentencing guidelines for Judges to follow. He inquired whether MGT evaluated the State's guidelines in connection with who might be eligible for work release and transfer to the City Farm. Mr. McGinnis replied that MGT did not review the State's sentencing guidelines; MGT used the City's criteria to determine whether an inmate was eligible to be transferred to the City Farm.

Mr. Becker stated MGT concluded that management of the City Farm under the Sheriff's Department would result in a reduction of operating costs and would produce a net savings of \$433,224 per year for the City.

Councilwoman Scott inquired why the City Farm paid more for food when they housed fewer inmates who were able to cook for themselves. Mr. Becker replied the City Jail used a nationwide contractor to provide food, while the City Farm had a small operation that supported itself. It was due to economies of scale.

Vice Mayor Whitaker recalled the City was at an advantage when City Farm crews handled most of the grass cutting, which was now contracted out. He felt the criteria was too stringent and indicated it did not make sense to keep inmates from going to the City Farm. Mr. McGinnis pointed out that the City inmate pool for less-secure offenders had decreased due to other rehabilitative programs; it was not just the criteria that reduced the inmate population at the City Farm.

Vice Mayor Whitaker voiced concern that one negative incident at the City Farm caused a public outcry, which in turn caused the criteria to change.

Ms. Naro noted the Justice System processes as related to demographics, crime rates, arrests and convictions. She indicated jail bookings were up 17% from 2000 through July 2008. Jail length of stay, per year, was relatively stable and averaged around 20 days per year at the City Jail; however, inmate convictions for driving with a revoked or suspended license were high compared to other jails throughout the United States. Those driving with a revoked or suspended license were staying in jail four to five days, which was longer than normal. These were considered misdemeanors and were seen as cite and convict type cases.

Mayor Frank noted the State Code required a minimum of four days in jail after a second conviction for those convicted of driving with a suspended or revoked license. He inquired whether MGT had studied that data. Ms. Naro replied MGT did not study that data.

Councilwoman Woodbury inquired whether MGT was able to look at the lag-time between when inmates could actually appear in court after being convicted of a crime. Ms. Naro replied they were not able to look at the lag-time with the City's existing data.

Councilwoman McMillan understood there were many variables that MGT could not determine; however, their recommendations were based on information without noting variables. Ms. Naro replied there were other variables that could have been studied if the data had been available.

Mayor Frank inquired how MGT evaluated the data on the impact of their recommendations, given the limited amount of data available to MGT at the time of their study. Ms. Naro replied MGT would be able to evaluate their recommendations in more detail once the City Jail implemented its new records management system in July 2009.

Councilman Bateman inquired about the type of information that would be available in the new records management system. City Manager Hildebrandt replied the system would provide an inmate's background history and information needed to analyze operations. The City was spending approximately \$5 million for a records management system that would be used by the Police and Sheriff's Departments.

Ms. Naro stated the Justice System process issues that surfaced from all of the above included: 1) Pretrial detainees accounted for 65 % of the jail population; 2) Just over 40% of the pretrial detainees had not had a bond set; 3) Given the offense demographics of the pretrial offenders, the fact that bond had not been set appeared very high in comparison to other jurisdictions and indicated that the bonding and release practices of Newport News tended to be very conservative, which may result in over-reliance on incarceration for low-level offenders who did not represent a threat to public safety. MGT concluded that Newport News would run out of beds by mid-2012.

Mr. Becker noted the key recommendations of MGT: 1) Establish an operational capacity of 620 inmates for the Newport City Jail; 2) Replace and relocate the current City Farm program, adding minimum security beds; 3) Consolidate the City Farm operation and administrative structure under the Sheriff's Department; 4) Increase the population housed at the Farm in order to alleviate crowding at the Jail; 5) Continue use of the 286 beds at the HRRJ allocated to Newport News; 6) Convene a work group to study and make recommendations regarding low-level offenders currently admitted and retained in the jail system; 7) Establish and fund the creation of a research position that prepared and analyzed consolidated criminal justice data for the Newport News criminal justice system; 8) Establish a system-wide goal among all justice system stakeholders, of reducing the average length of stay in the City Jail by at least two days; 9) Review the bonding practices within the system to ensure that those who could be safely released from the jail were granted a reasonable bond amount; and 10) Initiate long-term planning to accommodate the projected growth in the offender population, examining the development of new or replacement facilities, use of HRRJ, and/or implementation of strategies that would reduce admissions to the Jail or the average length of stay. (A copy of the presentation, "Study of Long-Term Corrections Organizational & Facility Needs for Newport News, Final Report: April 14, 2009," was attached and made a part of these minutes.)

Councilwoman Scott inquired whether options surfaced to decrease an inmate's length of stay when the Sheriff met with the Commonwealth's Attorney and the Judges. Sheriff Morgan replied the meeting with the Commonwealth's Attorney and Judges was only to inquire whether the criteria could be changed so that more inmates could be transported to the City Farm; however, he did provide a briefing to the Criminal Justice Services Community where the discussion about the length of stay for pre-trial offenders did surface. Discussion between the Judges, and the Magistrate concluded that efficiencies be cleared up before moving forward with any of the recommendations made by MGT.

Councilwoman Scott inquired whether another meeting could be held between the same players to see whether the criteria could be changed to allow more pretrial individuals to be transported to the City Farm. Sheriff Morgan replied that could be considered.

Councilwoman Woodbury understood MGT to mean that the study would have been more complete if the City had waited until the records management system had been installed.

Councilwoman McMillan asked the City Manager to write a memo to the Director of the City Farm assuring his employees that MGT's study was just a report and was not an action item at this time. She indicated that staff of the City Farm had apparently been told by a number of members of the Sheriff Department that the Sheriff's Department was taking over the City Farm. She stated that was a decision by City Council and felt that City Farm personnel did not need to be worried about losing their jobs.

City Manager Hildebrandt stated he needed to receive input from City Council about what steps to take with reference to the conclusion of the study. He stated the study clearly indicated that some savings would be accomplished by consolidating the City Farm and the Sheriff's Department into a single administration. If the position of City Council was that they were not concerned about the savings, then the recommendation would be taken off the table; however, the City needed to create a process where all the criminal justice people reviewed the issues of who was being held, how long they were being held and the alternatives that would reduce the number of people that stayed in any of the three facilities to avoid the necessity to build a new facility by 2012. The Judges, Commonwealth Attorney's Office and Magistrate were willing to review this data to decide whether things could be done to reduce the length of days an inmate resided in the jail, and reduce the number of inmates to alleviate the need to build another facility.

Councilwoman McMillan stated, not agreeing to consolidate services did not mean City Council was not concerned about costs. She stated the question was whether it was in the best interest of the City to consolidate the City Jail and City Farm, with which she disagreed. She felt there were certain discrepancies and procedures that needed to be corrected and put in place. She agreed with the suggestion to speak with the Judges, the Commonwealth Attorney and the Magistrate to inquire whether the criteria could be changed. She was not predisposed to make a decision now, or in the immediate future, about the consolidation of the City Jail and City Farm. She felt there were other matters to consider and stated \$400,000 was not going to make or break the City.

City Manager Hildebrandt suggested that staff research the information in the study to: 1) determine what it would take to accomplish the consolidation; 2) verify the information about what decisions to eliminate; 3) determine the aspects of the decisions; and 4) determine the efficiencies gained by having one person operate the City Farm and City Jail. It was not his decision to say that everything that MGT recommended would be implemented; time needed to be spent with the Sheriff and City Farm to work out details.

Councilwoman McMillan stated she had been preoccupied with the budget and was not about to make any type of recommendation based upon a half-hour presentation. City Manager Hildebrandt was not asking that City Council make a recommendation at this time. He was only asking if there was any interest for staff to study the issue in more detail.

Mayor Frank asked the City Manager to meet with the Judges, the Commonwealth's Attorney, the City Magistrate, the Police and Sheriff Departments, and the City Farm, concerning the criteria and the study. He felt it would take six to nine months to study the true count of offenders to know the categories of inmates. This would determine how many beds were needed and what would be the nature of the new facility. Once this information was received, then City Council could determine the next steps. He asked the City Manager to include the information that would be provided by the new records management system. City Manager Hildebrandt replied it would take six to nine months to compose the information, depending upon the new records management system.

Councilwoman Scott reaffirmed that the information in the current report would be used and no additional money would be spent. City Manager Hildebrandt reaffirmed that it would not cost additional money. The information to consolidate the operations of the City Jail and City Farm would be studied by staff who worked in the various institutions.

Councilwoman Scott stated much of the information in the report had confirmed what Sheriff Morgan had been saying to City Council over the past three years. She hoped the City would not pay to get the same information again.

There was consensus among City Council to have the City Manager meet with the major stakeholders of the justice system to develop a plan for City Council to consider regarding consolidation of the City Jail and City Farm.

Sheriff Morgan stated he objected to Councilwoman McMillan's statement regarding members of his staff conveying to staff members of the City Farm that the Sheriff's Department was taking over their operation.

Councilwoman McMillan inquired whether Sheriff Morgan was calling her a liar. Sheriff Morgan replied he was not calling Councilwoman McMillan a liar; however, if someone in his office made such a statement it was not based on any information they had received. He reiterated his objection to Councilwoman McMillan's comment. Councilwoman McMillan replied Sheriff Morgan did not know who she had spoken with and who she had not spoken with, and therefore, he was being presumptuous.

Miscellaneous Item

City Manager Hildebrandt announced that Standard and Poors confirmed the City's AA rating and indicated a letter would be forthcoming to the members of City Council confirming the same. This announcement would assist the City in its upcoming bond sale.

III. Fire Department Budget Presentation

City Manager Hildebrandt introduced W. Scott Fuller, Deputy Chief, Operations, Fire Department, to provide the presentation.

Chief Fuller reported the merger of the Fire Department and the Office of Emergency Management was approved by the City Manager in 2008. He stated the merger provided an operational model that was consistent with other regional localities. The combined FY2010 budget of the two merged operations totaled \$31,210,473 and included: 1) Personal Services/Fringe Benefits – 92%; 2) Contractual/Internal – 5.3%; 3) Materials/Supplies – 3.0%; and 4) Discretionary - 1%.

Chief Fuller stated the Fire Department secured over \$3.7 million in Federal and State grant funding since 2005. He reported the grant funding was used for radios, fitness and exhaust equipment, training, etc. The grants required 0% to 50% of cost sharing.

Councilwoman McMillan inquired whether transportation grant funding was available to the Fire Department for interstate calls they were required to make. Chief Fuller replied transportation grant funding was competitive and usually went to large organizations.

Chief Fuller reported the impact of FY2010 budget was the elimination of five positions with a total budget reduction that exceeded \$998,000, based on attrition credits and other reductions. He stated reorganization of Fire Department would have minimal impact on core service levels to citizens; however it would take longer to do research. (A copy of the presentation, “Newport News Fire Department,” is attached and made a part of these minutes.)

Mayor Frank inquired about the true impact to the City regarding a paragraph in the City’s Manager’s FY2010 budget position papers that indicated the Fire Department had been unable to expand in areas that were critical to day-to-day operations. Chief Fuller responded that the paragraph had to do with Station #11 in leveraging the opportunity to partner with the airport to provide services to the Colony Pines area.

Mayor Frank inquired whether any decisions had been made, in accordance with the budget, which would impact the Fire Department’s accreditation. Chief Fuller replied any decisions made should not impact the Fire Departments accreditation.

Mayor Frank inquired about a paragraph in the City Manager’s FY2010 budget position papers noting the Fire Department would not be able to meet the City’s response plan with regard to emergencies. City Manager Hildebrandt explained that current staffing levels, for emergency response, were being met; however, in the future as calls increased, the Fire Department would have to add additional staff.

Mayor Frank understood the Fire Department was not going to experience a decrease in response time or suppression of services when there was a fire. Chief Fuller replied the Fire Department did not anticipate a decrease in response time or suppression of services in FY2010, due to budget reductions.

Mayor Frank inquired whether the Fire Department had or anticipated receiving stimulus funding from the federal government. Chief Fuller replied the State had received public safety funding and the Fire Department requested funding for Fire Station construction in the City's legislative package. Mr. Fuller noted a second package of \$210 million for Fire Station Construction through the United States Fire Administration. The Fire Department would apply for both sets of funding in hopes of receiving either.

Councilman Bateman inquired whether incentive pay was related to employees obtaining certificates and inquired about the difference in Contractual Services over FY2009. Chief Fuller stated the Fire Department saw Contractual Services remaining stable for FY2010 over FY2009. The incentive pay included a \$4,000 supplement that was paid to paramedics on a yearly basis in recognition of the additional hours spent obtaining and maintaining their certification through national registers. The Fire Department also paid a supplement to Technical Rescue Specialists, members of the Dive Team, members of the Maritime Instant Response Team, and members of the Hazardous Materials Response Team, in recognition of their additional training and services they provided the City.

Councilman Bateman inquired of services that were contracted out by the Fire Department. Chief Fuller replied the Fire Department contracted out services for ladder testing, ambulance stretcher maintenance, EMS building services, medical gas supplies, etc.

Vice Mayor Whitaker inquired whether Newport News and Hampton Fire Departments worked together. Chief Fuller replied Newport News had always worked with the City of Hampton and other surrounding localities. Newport News had a Mutual Aid Agreement with all surrounding localities, Cities on the Southside, and military bases throughout the region.

IV. Police Department Budget Presentation

City Manager Hildebrandt introduced Mr. James D. Fox, Chief of Police, Newport News Police Department, to provide the presentation.

Chief Fox announced the Police Department apprehended and arrested a robbery suspect on the evening of April 13, 2009, in York County after a long string of robberies throughout the Peninsula at convenience stores from February – April 2009. He stated Police Officers and roving patrols were strategically located throughout the Peninsula in order to

apprehend the suspect. Digital cameras also played a major part in the apprehension of the suspect.

Chief Fox reported the FY2010 Police Department budget was cut by \$2.1 million in FY2009 -2010 and continued the Police Department's focus on fighting crime. He stated the strategies the Police Department would ensue for FY2010 were: 1) Crime Prevention Efforts; 2) Community Partnerships; 3) Aggressive Enforcement; 4) Community Clean-Ups; 5) Comprehensive Juvenile Crime Efforts; 6) Utilization of Technology; 7) Intelligence on Criminal Networks; and 8) Continued Organizational Review. The proposed FY2010 budget included: 1) Freezing twelve sworn positions; 2) Cutting three civilian positions; and 3) Funds for Youth Violence Task Force, travel/training, advertising and recruiting expenses. (A copy of the presentation, "Newport News Police Department – James D. Fox, Chief of Police, 2009," is attached and made a part of these minutes.)

Councilwoman McMillan inquired why more experienced officers were appointed as School Resource Officers. She noted the budgeted amount for the two Resource Officers was \$150,000 and indicated that amounted to a salary of over \$50,000 for each officer. Chief Fox replied young police officers preferred to work on the street, while older officers, as they neared retirement, chose School assignments.

Mayor Frank inquired whether any proposed budget reductions would negatively impact the Police Department's accreditation. Chief Fox replied the Police Department the budget reductions would not negatively impact their national accreditation.

Mayor Frank inquired what would be the Police Department's back-up plan if no Federal stimulus funding was received for additional police officers. Chief Fox replied the Police Department's back-up plan would be to maintain current services.

Mayor Frank inquired whether the Police Department responded to citizen calls by phone. Police Chief Fox replied the Police Department was not taking away services, but was responding to the public in alternative ways. For instance, reports required by insurance companies could be taken over the phone or on the web. Police officers would respond in person if the citizen requested. Most citizens preferred the convenience of handling reports over the phone or one the web.

V. Community Services Board – Funding for Regional Crisis

City Manager Hildebrandt introduced Mr. Chuck Hall, Executive Director, Hampton/Newport News Community Services Board, to provide the presentation.

Mr. Hall stated Hampton/Newport News Community Services Board (CSB) provided the following services: 1) Prevention and Early Intervention Services; 2) Case

Management and Mental Health Support Services; 3) Emergency Services; 4) Outpatient Services; 5) Day Treatment and Support Services; 6) Residential Treatment and Support Services; 7) Crisis Stabilization and Urgent Care; and 8) Inpatient Purchase of Service.

Mr. Hall reported the CSB served 10,873 consumers in FY2008 (5,480 residents of Newport News, 4,502 residents of Hampton, and 891 residents from other surrounding localities). Fiscal Year 2008 revenues totaled \$51,221,766. Of the total revenue, 53% was provided by fees, 33% was provided from the State, 6% was provided from local government, 5% was provided from the federal government and 3% was provided from Other sources.

Councilwoman McMillan inquired whether the contribution of Newport News, Hampton and other surrounding localities equaled the costs of providing services to the clients of the CSB. Mr. Hall replied the cost of providing services was not equal among the jurisdictions, which was one of the constraints felt by the CSB.

Mr. Hall asked City Council to support the following CSB programs: 1) Jail Diversion for Newport News City Jail - \$55,510; 2) Newport News Adult Drug Treatment Court - \$32,185 to \$65,000; and 3) Therapeutic Day Treatment Services - \$51,800. (A copy of the presentation, Hampton-Newport News CSB," is attached and made a part of these minutes.

Mr. Hall pointed out that local support had diverged over time. Support from Newport News was less than support from Hampton. The difference was \$323,951. He asked City Council to address the difference over time. He asked City Council to support: 1) A motion approving local tax support from each locality based upon a formula that required an equivalent per capita allocation; 2) A strategy for implementation involving increased support to the CSB over five (5) years; and 3) Approximate annual amount - \$107,310.

Mayor Frank inquired whether the CSB provided transitional services for Special Education students after graduating from high school. Mr. Hall replied the CSB did provide transitional services to Special Education students after they graduated from high school.

Mayor Frank inquired about the budget reductions made by the CSB to balance their FY2010 budget. Mr. Hall replied the CSB did not implement a hiring freeze because so much of their revenue was earned by their staff. CSB staff members raised more revenue than the salaries they made. There would be no increase in compensation for employees in FY2010. Mr. Hall promised not to come before City Council in July 2010 to ask for an additional \$300,000 to fund the CSB's retirement system. The CSB was constraining its health care costs by increasing premiums and reducing benefits while continuing to provide superior coverage. Case Managers transferred clients in their own vehicles, which was a cost savings to the CSB as well.

Councilwoman Vick inquired whether Mr. Hall was requesting additional funding from Newport News because the CSB was providing more services to Newport News than to Hampton, but Hampton was providing more funding. Mr. Hall replied the increased funding would benefit the residents of Newport News and superior outcomes would be realized from the Therapeutic Day Treatment and Jail Diversion programs.

Councilman Bateman indicated rumors were surfacing that the Riverside Trauma Unit was closing. He inquired how the closure of the Riverside Trauma Unit would affect the CSB. Mr. Hall replied closure of the Riverside Emergency Trauma Unit would not directly affect the CSB.

Councilwoman Vick inquired whether the City Manager could find money, through City department savings, to provide additional funding to the CSB. City Manager Hildebrandt replied he would see if \$107,000 could be found, but noted every City department's budget had significantly been cut. He stated it depended on the decisions made by City Council.

Mayor Frank suggested that City Council schedule a Special Work Session for Tuesday, April 21, 2009, between 1:00 p.m. and 3:00 p.m., to provide recommendations and comments to the City Manager on the FY2010 Operating Budget.

There was consensus among City Council to schedule a Special Work Session on April 21, 2009, between 1:00 p.m. and 3:00 p.m.

City Manager Hildebrandt stated he would schedule time for discussion on the Pension Fund at the April 28, 2009 Work Session of City Council.

THERE BEING NO FURTHER BUSINESS,
ON MOTION, COUNCIL ADJOURNED AT 6:35 P.M.

Jennifer D. Walker, CMC
Chief Deputy City Clerk

Joe S. Frank
Mayor
Presiding Officer

A true copy, teste:

City Clerk