

MINUTES OF WORK SESSION  
OF THE NEWPORT NEWS CITY COUNCIL  
HELD IN THE 10<sup>th</sup> FLOOR CONFERENCE ROOM  
2400 Washington Avenue  
October 10, 2006  
2:00 P.M.

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PRESENT: Herbert H. Bateman, Jr.; Joe S. Frank; William F. Haskins (arrived 4:50 p.m.); Madeline McMillan; Sharon P. Scott (arrived 4:55 p.m.); Joseph C. Whitaker; and Charles C. Allen -----7

ABSENT: None -----0

OTHERS PRESENT: Randy W. Hildebrandt; Stuart E. Katz; Mabel V. Washington; Neil Morgan; William Mitchell; Iza Cieszynski; Butch Blanks; Allen Jackson; Len Ringler; Chief James Fox; Assistant Police Chief Dawn Barber; Lillian Taylor; Florence Kingston; Cherry Croushore; Chad Pritchett; David Kuzma; Chris Morello; Al Riutort; Sheila McAllister; Gregg Jones; Deborah Everitt; Rhonda Everson; Robin Rose; Sabine Hirschauer; Fred Cename; Amy Myers; William Cowardin; Lottie Vincent; Clede Jones; Kim Lee; and Jennifer Walker

I. Capital Financing and Debt Management Policies

Mr. Randy W. Hildebrandt, City Manager, reminded Council of his recommendations at the September 26, 2006 Work Session, to delay taking action on the debt management policies until after reviewing the impact of the policies on the Capital Improvement Plan (CIP). This would allow City Council insight on how the policy constraints would affect the choice of projects that were scheduled in the next five years. He stated he would develop the CIP consistent with policy recommendations, in terms of having enough money to get the City where it wanted to be and its debt burden down to 3% over the next five years. He planned to include the projects that were under consideration so that City Council could see the impact of the debt management policy recommendations on the projects.

Vice Mayor Allen requested a record of what the City's economic development investments have done in terms of producing tax revenue. He also felt the City needed to revisit the decision made some time ago to turning airport revenue back into the airport rather than pay off airport bonds.

Councilman Bateman inquired whether the debt management goals, recommended at the September 26 work session were adopted by neighboring localities. City Manager Hildebrandt replied that the capital financing recommendations had been initiated by several communities, i.e. Norfolk had set similar goals in terms of how much of their cash capital budget was financed.

Vice Mayor Allen indicated that Moody's had "pushed up" the City's debt by including its moral obligation debt. He inquired how the City would relate to future School Board debt. City Manager Hildebrandt replied he included a provision in the

policy that required the School Board to acquire City Council's approval before they entered into any new capital leases, so the City could evaluate debt service implications.

Vice Mayor Allen inquired what would happen if the School Board made the decision to enter into new capital leases without prior permission from City Council. City Manager Hildebrandt replied the City could reduce the amount of funding for capital projects to the schools if the City believed it would impact its debt management policy.

Vice Mayor Allen indicated it should be clearly stated in the policy "if the School Board chose to enter into any new capital projects, without City Council's approval, City Council would choose another process that might affect the School Board".

Mayor Frank recalled, when the Schools came to the City a few years ago in anticipation of borrowing for their capital lease project on a fiber optic system, the City received an opinion that stated the money would not be counted against the City's debt. Mayor Frank requested staff research the information the City was given in connection with the project.

Mayor Frank felt there was an opportunity to reduce the amount of moral obligation given the City's payment history. He instructed the City Manager to actively pursue the strategy.

Vice Mayor Allen stated what he saw was the people who controlled the City's borrowing rate, and what its money cost, was clearly pointing out that the school's moral obligations were included in the City's debt. He warned it could cost the City approximately \$7 million more a year if the rate increased.

Councilwoman McMillan inquired whether the establishment of an annual capital funding goal of using cash for 15% of the CIP expenditures would significantly delay long-awaited capital improvement projects if it were implemented immediately, and whether it would require the City to restrict spending. City Manager Hildebrandt replied the combination of the two would have the impact of significantly delaying long-awaited capital improvement projects.

## II. FY 2008 Budget Schedule

City Manager Hildebrandt provided a tentative schedule for the development of the City's FY 2008 Operating Budget that followed the same approach used in FY 2007, with one exception: to present the budget one week earlier (March 27, 2007). This would allow the City Council more time to study, with the goal of adopting the School Board's budget at the first meeting in May. (A copy of the Proposed Schedule for Preparation and Adoption of the FY 2008 Annual Operating Budget is attached and made a part of these minutes.)

Mayor Frank expressed concern about getting more citizens to attend City Council's budget public hearings. He inquired whether the City was appropriately advertising the budget public hearings, and recollected that there were only 16 people who attended the two budget public hearing in FY 2006. City Manager Hildebrandt suggested running display ads the week before the scheduled public budget hearings, in addition to advertising in the newspaper and on the City's website, and announcing the public hearings on Cable Channel 48.

City Manager Hildebrandt inquired whether there was consensus among City Council to adopt the proposed budget schedule. There was a consensus among City Council to adopt the proposed budget schedule.

#### Miscellaneous Matter: City Council Retreat

City Manager Hildebrandt reminded City Council that their Visioning Principles from the October Council Retreat were not complete. It was agreed that two Council members work on the principles and report back at an upcoming work session for City Council to discuss as a whole.

Councilmembers Bateman and McMillan agreed to finalize the Visioning Principles and report back to the other members of City Council for their input and comments at the November 28, 2006 Work Session.

#### III. Staff Presentation: Assessment Processes for Residential and Commercial Properties

City Manager Hildebrandt apologized for not reporting on this matter and rescheduled it for the October 24, 2006 City Council Work Session.

(Recess: 2:45 p.m. – 3:20 p.m.)

#### IV. Revised Taxi Ordinance

City Manager Hildebrandt introduced Mr. James D. Fox, Chief of Police, to present an overview of the revised taxi ordinance. (A copy of draft ordinance is attached and made a part of these minutes.)

Chief Fox stated the Police Department began meeting with the taxi-cab companies and drivers in August 2004 for the purpose of having an open dialogue to assist the Police Department in dealing with various taxi-cab issues. The Police then reviewed the ordinance, from a government standpoint, to protect the industry as well as the public.

Chief Fox reported on the highlights of industry concerns, customer protection sections, and enforcement regulations. He reported one highlighted change in

the ordinance dealt with the definition of a certificate of public convenience and necessity that was modified, so that the definition did not apply to taxicab stands, but to the driver of a taxi-cab. The certificate was issued by the Police Department to an applicant authorizing the transportation of passengers over the public streets of the city in a specific taxi-cab, pursuant to the provisions of the article. A taxicab business could have several vehicles certified to make up its fleet, but each vehicle was required to have a valid certificate.

Chief Fox noted another highlight of the ordinance allowed taxicab drivers to await employment at different locations throughout the City, rather than having to drive back to their cab stands to await employment. This allowed savings in gas, reduced maintenance of vehicles and provided a better and timelier response to citizens. He stated the ordinance could include a provision that allowed the City to designate a cab stand, i.e. at various hotels such as the Marriott or areas in the City just as was the case in larger cities.

Vice Mayor Allen inquired whether companies were required to have parking or storage at their cab stands for taxi-cabs not in service. Chief Fox replied taxi-cab companies were required to supply parking for their cabs.

Mayor Frank inquired why were vehicles, contracted to provide transportation services for Medicaid/Medicare recipients, exempted from taxi-cab regulations in terms of cleanliness and maintenance. Mr. Len Ringler, Chief Deputy City Attorney, replied the State Code allowed localities to regulate taxi-cabs, but did not provide authority to regulate carriers that were permitted by the Virginia Department of Motor Vehicles.

Mayor Frank requested that the City Manager take a look at how contracted vehicles were regulated. He requested a survey on the total number of contracted vehicles in the City, how they were regulated and what if any thing the City could do to regulate their being maintained in a clean manner.

Chief Fox explained other highlights of the ordinance dealt with regulations resulting in revocation or suspension of a certificate of public convenience, a "Taxicab Driver's License" and the requirement that all applicants submit to fingerprinting and criminal history background checks.

Mayor Frank inquired about the level of criminal activity that would prevent a person from obtaining a license to operate a taxi-cab. Mr. Ringler replied the level of criminal activity noted in Section 41-82 on page 245 of the attached draft ordinance would prevent a person from obtaining a license.

Mayor Frank felt people involved in violent crimes should not have the opportunity to drive cabs, but people involved in non-violent crimes must be allowed to make a living. If the City kept limiting more and more of the minimal kinds of jobs that

people could do, their hope would be lost. He felt there should be some categorization or consideration given to individuals who commit non-violent crimes, and the City should make some exception in these particular cases. City Manager Hildebrandt stated the City tried to avoid exceptions in the re-writing of the ordinance to make it clear that either a person qualified or did not.

Mayor Frank felt it was the responsibility of City Council to protect the public, but wondered whether some of the categories were appropriate in determining whether a person should be precluded from employment. He felt the question was relevant to look into.

Vice Mayor Allen agreed and stated the judicial system encouraged people to go through programs and become useful citizens and then automatically prohibited them from securing employment in order to become productive citizens.

City Manager Hildebrandt inquired whether the new ordinance was more stringent than the prior ordinance. Mr. Ringler replied the City had loosened up on the provisions and noted they were less stringent than those in other localities. He stated the City tried to strike a balance and not just arbitrarily cut someone out of a job that otherwise could be a productive citizen.

Chief Fox noted there was an appeals process wherein if an individual did not agree with his decision, the matter would be referred to the City Manager.

Mayor Frank appreciated the process, but noted there were people who got self-help and went through programs to rehabilitate themselves, and if they could not find a way to make a living they would be destined to a life of misery and crime.

City Manager stated item 4.b. in Section 41-82, page 24 of the draft ordinance could be amended to set some time limit with regard to felony offenses, i.e. five years or more.

Mayor Frank suggested that the City find out whether this was a true problem by researching denied applications over the next year after the ordinance was

passed. The City could then do an analysis on the number of people impacted by the ordinance.

Chief Fox felt the recodification was an improvement for the industry and for taxicab customers. Unless there was further input from City Council this ordinance should be ready for formal action at the October 24, 2006 Regular Meeting of City Council.

V. Amendment to Oyster Point Buffer at 601 Thimble Shoals Boulevard

City Manager Hildebrandt introduced Ms. Florence Kingston, Director, Department of Development, to report on the amendment to the Oyster Point Buffer at 601 Thimble Shoals Boulevard.

Ms. Kingston stated this was a request for encroachment in the buffer on property at 601 Thimble Shoals Boulevard owned by Mr. Fred Cename. She reported in 1981, City Council deeded four seventy (70) foot deep parcels totaling 7.304 acres to Oyster Point Development Corporation (OPDC). The Deed contained certain restrictions including that, of the seventy (70) foot deep parcels, the first fifty (50) feet adjacent to the Jefferson Avenue right of way line be preserved as a natural treed buffer. The requirement to preserve the buffer was continued by reference in a deed from OPDC conveying remnants of the parcels back to the City in 1993, as part of the creation of the Industrial Development Authority/Economic Development Authority (IDA/EDA). As successor to the OPDC, the IDA/EDA continued to monitor and enforce the deed restriction on behalf of the City.

Ms. Kingston stated the owner of 601 Thimble Shoals Boulevard has advanced a proposal to help accommodate the new Virginia Company Bank, which had since opened in that location. This site was located at the northeast corner of the intersection of Jefferson Avenue and Thimble Shoals Boulevard. It had been significantly impacted by the City's recent road improvements on Thimble Shoals Boulevard and placement of City Center at Oyster Point entry gateway signage, and would be further impacted by the proposed VDOT intersection improvements at Jefferson Avenue and Thimble Shoals Boulevard.

Ms. Kingston reported a one-way drive-thru currently existed to give drive-up teller and ATM customers the ability to cycle through the property and exit at Thimble Shoals. The existing drive-thru did not encroach into the buffer. The new parking (17 spaces), however, would encroach approximately (20) feet into the buffer. The owner had agreed to plant a substantial amount of landscaping in the buffer, including nine (9) new trees to replace two trees that would be removed (one 10-inch gum tree and one 24-inch red oak tree).

Ms. Kingston stated the proposal had been submitted to Engineering's Site Plan Pre-Design Review Committee, the Design Review Committee of the EDA and the EDA. The EDA Board approved the Design Review's recommendation for the site plan and was recommending that City Council approve the encroachment into the buffer. Assuming Council was comfortable with the proposal, consideration of a resolution allowing the requested buffer encroachment would be placed on the October 24, 2006 regular meeting agenda.

Vice Mayor Allen inquired why large substantial trees were not being replaced with trees that would grow the same height. Mr. Cenname replied the Magnolia and Pansy trees were chosen to introduce more color in the area, but, if preferred, he was not opposed to substituting the color by planting Scarlet Oak trees.

(Closed Session 4:12 p.m. – 6:10 p.m.)

Miscellaneous Matter: Background Checks for Boards, Commissions & Committee Applicants

Mayor Frank referenced an Authorization for Release of Information form (copy attached to these minutes) for board bank applicants.

Councilwoman Scott inquired whether there was a prior problem that led to background investigations of applicants to boards, commissions and committees. City Attorney Katz replied there was a previous concern about backgrounds of individuals, specifically the appointment of child molesters or sex offenders to the Youth Commission. He and the City Clerk, Mabel Washington, worked together with Police Chief Fox to develop the attached form.

Councilwoman McMillan indicated a criminal background check was important, particularly since many City agencies worked with youth, but felt including employment and transcripts of academic records was unnecessary. She felt that was private information that the City should not be getting into.

City Attorney Katz replied, in some instances where professional certification was required to serve on a board, commission and committee, this was important information. Councilwoman McMillan felt, in that instance, the City could ask for proof of professional certification.

Ms. Mabel Washington, City Clerk, noted the application would not become public information. She stated it would be a third page to the board bank application and would go directly to the Police Department. Councilwoman McMillan felt the Police Department should not have the authority to pull someone's academic or employment record. Mayor Frank indicated it was a matter of determining people's integrity and felt it was valid to ask.

Councilwoman McMillan felt this was not necessary to serve on a board, commission or committee in the City. She recalled when the matter was previously brought up it was City Council's intention to only obtain criminal background checks and recommendation letters on board bank applicants.

Councilman Bateman inquired whether the background checks would be performed for all applicants who applied to a board. Ms. Washington replied once a person was selected for appointment they were required to fill out the authorization form.

Mayor Frank replied background checks would be performed on individuals Council selected for appointment.

Councilwoman McMillan inquired whether City Council could legally require applicants to give their social security numbers. City Attorney Katz replied yes.

Councilwoman McMillan felt the City was going to limit the amount of citizens willing to serve on boards, commissions and committees. She reiterated that asking for employment and academic records was an invasion of an individual's privacy.

There was consensus among City Council to eliminate the quotes "employment" and "a transcript of any academic records" and insert "criminal records and verification of academic credentials," on the attached authorization form.

THERE BEING NO FURTHER BUSINESS  
ON MOTION COUNCIL ADJOURNED AT 6:25 P.M.

Jennifer D. Walker, CMC  
Chief Deputy City Clerk

Joe S. Frank  
Mayor

A true copy, teste:

City Clerk