

**MINUTES OF REGULAR MEETING
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE CITY COUNCIL CHAMBERS
2400 WASHINGTON AVENUE
May 9, 2006
7:30 P.M.**

PRESENT: Charles C. Allen; Joe S. Frank; William F. Haskins; Madeline McMillan; Sharon P. Scott; and Joseph C. Whitaker-----6

ABSENT: Herbert H. Bateman, Jr.-----1

MOTION MADE BY COUNCILMAN HASKINS; SECONDED BY COUNCILWOMAN MCMILLAN; AND CARRIED UNANIMOUSLY TO EXCUSE COUNCILMAN BATEMAN FROM THIS MEETING.

1. The invocation was rendered by Pastor Sam E. McPhail, Trinity United Methodist Church.

2. The Pledge of Allegiance to the Flag of the United States of America was led by Vice Mayor Charles C. Allen.

3. Public Hearings

(a) Conditional Use Permit CU-04-150, New Tabernacle of God Holiness Church and Calvin F. Sykes, Jr. and Heddy B. Sykes

Mayor Frank presented AN ORDINANCE GRANTING CONDITIONAL USE PERMIT NUMBER CU-04-150 FOR THE HEREINAFTER DESCRIBED PROPERTY FOR THE PURPOSE OF PERMITTING THE OPERATION OF A CHILD CARE CENTER AS A PART OF A COMMUNITY FACILITY IN AN R4 SINGLE-FAMILY DWELLING DISTRICT. He advised this granted a Conditional Use Permit for the operation of a Child Care Center as part of a community facility at 2414 Parish Avenue, with a play area for the Child Care Center at 1411-24th Street on properties zoned R-4 Single Family Dwelling. The Planning Commission voted 8:0 to recommend to City Council the approval of this Conditional Use Permit application, with conditions, and the City Manager concurred with that recommendation.

(No Speakers)

Councilman Haskins moved closure of the public hearing; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

3. Public Hearings Continued
 - (a) Conditional Use Permit CU-04-150, New Tabernacle of God Holiness Church and Calvin F. Sykes, Jr. and Heddy B. Sykes Continued

Councilwoman McMillan moved adoption of the above ordinance; seconded by Councilwoman Scott.

Vice Mayor Allen inquired about the matter of a mixed-use, in relationship to the property, and the issue of having two different uses for the property. Ms. Sheila McAllister, Assistant Director, Department of Planning, replied the matter was resolved when the applicant delineated an area in the back yard that had an easement attached. A portion of the rear yard remained for the tenant. Twelve feet of the back yard would also be used for the tenant. Ms. McAllister reiterated that the lot remained in tact. The lot was still a conforming lot because it had not been sub-divided, and still remained a part of 1411-24th Street. The back portion had an easement on it for the play area. Ms. McAllister indicated if the Child Care did not operate within a year, the entire use would become rental property. If the Bishop were to sell the property, the easement would go away. Vice Mayor Allen indicated this was a mixed-use on a single family lot. He questioned the legal opinion that would allow this. Ms. McAllister responded, according to the City Attorney's office, the easement was legal, and as long as the lot was not sub-divided, the lot remained a legal lot.

Vice Mayor Allen questioned the City Attorney regarding the matter, who responded he was reluctant to give City Council advice in a public forum. Mayor Frank indicated his understanding of the matter was that an easement was granted, which was not exclusive, meaning the tenant of 1411-24th Street could use the property, and the Child Care Center could also use the property. The Child Care Center had access to the property, although it was not exclusive access.

Vice Mayor Allen inquired whether the lot had been sub-divided. Ms. McAllister replied the lot had not been sub-divided. Ms. McAllister indicated the owners of the property granted the easement.

Councilman Haskins inquired how the City would control who leased the property. Ms. McAllister replied that the City did not control who the owner leased the property to, and indicated that stipulation was not made a condition of the conditional use permit. The Child Care Center was responsible for the children that played in the play area, and the children must be monitored at all times. Ms. McAllister reminded Council that the owner was the Bishop of the church. Councilman Haskins inquired what would happen if the Bishop sold the property. Ms. McAllister responded if the property was sold, the easement would go away, and the conditional use permit would go away, unless the property was sold to the church.

Vice Mayor Allen questioned that the conditional use permit was conditioned to the owner and not the land. Ms. McAllister indicated that the conditional use permit stated that the easement must always be in place in order for the Child Care Center to operate. The conditional use permit also required there be a play area, which was designated by the easement.

3. Public Hearings Continued
 - (a) Conditional Use Permit CU-04-150, New Tabernacle of God Holiness Church and Calvin F. Sykes, Jr. and Heddy B. Sykes Continued

Should the property be sold to someone other than the church, the easement would go away. If the easement should go away, the Child Care Center would become null and void, because the condition required there be a play area.

Vote on Roll Call:
Ayes: Frank, McMillan, Scott, Whitaker
Nays: Allen, Haskins

- (b) GAT Site Tower Lease – Metrocall, Inc.

Mayor Frank presented 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, THAT CERTAIN LEASE BY AND BETWEEN THE CITY OF NEWPORT NEWS AND METROCALL, INC., DATED THIS 9TH DAY OF MAY, 2006, FOR THE LEASE OF PROPERTY ON THE TOWER LOCATED AT 100 TOWER LANE, YORKTOWN, VIRGINIA, ALSO KNOWN AS THE GAT SITE. He advised this authorized the execution of a tower attachment lease with Metrocall Holdings, Inc. for space on the City's GAT site tower located in York County. This proposed lease pertained to the attachment of an antenna, and associated equipment, at the 270-foot level of the tower, and a 12' easement at the base of the tower for telecommunications equipment, pedestrian and vehicular access. This lease was for a term of five years with a lease payment of \$5,400.00 for the first year, with an escalator for a 3% increase in the rental rate each year thereafter.

(No Speakers)

Councilman Haskins moved closure of the public hearing; seconded by Councilman Whitaker.

Vote on Roll Call:
Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker
Nays: None

Councilwoman McMillan moved adoption of the above resolution; seconded by Councilman Haskins.

Vice Mayor Allen expressed concern that there was no comparable rate list prepared. He inquired about the justification if this were a fair price. With no comparable rates, he questioned the consultant's recommendation that this was indeed a fair price. City Manager, Randy Hildebrandt, indicated he had no information available, but should City Council desire to defer the issue, staff would obtain detailed information about how this lease was compared with other leases.

3. Public Hearings Continued
 - (b) GAT Site Tower Lease – Metrocall, Inc. Continued

Councilman Haskins moved to defer this matter to the May 23, 2006 Regular Meeting of City Council; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (c) Authorization to Issue General Obligation General Improvement Bonds

Mayor Frank presented AN ORDINANCE AUTHORIZING THE ISSUANCE OF TWENTY-FIVE MILLION TWO HUNDRED SIXTY THOUSAND DOLLARS (\$25,260,000.00) PRINCIPAL AMOUNT OF CITY OF NEWPORT NEWS, VIRGINIA, GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF VARIOUS PUBLIC IMPROVEMENT PROJECTS OF AND FOR THE CITY; FIXING THE FORM, DENOMINATION AND CERTAIN OTHER DETAILS OF SUCH BONDS; PROVIDING FOR THE SALE OF SUCH BONDS AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO; AUTHORIZING THE PREPARATION AND DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT RELATING TO THE BONDS; AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER A CONTINUING DISCLOSURE CERTIFICATE OR A CONTINUING DISCLOSURE AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION GENERAL IMPROVEMENT BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; SPECIFYING MORE PARTICULARLY THE PURPOSES TO WHICH THE PROCEEDS SHALL BE APPLIED; REALLOCATING THE PURPOSES TO WHICH THE PROCEEDS OF GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AUTHORIZED AND ISSUED UNDER AND PURSUANT TO ORDINANCE NO. 6175-05 SHALL BE APPLIED; AND PROVIDING THAT THE AUTHORIZATION OF SUCH BONDS IS IN LIEU OF AND IN SUBSTITUTION FOR GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AUTHORIZED BUT UNISSUED UNDER AND PURSUANT TO ORDINANCE NO. 6175-05. He advised this authorized the issuance of General Obligation General Improvement Bonds in the principal amount of \$25,260,000.00. This ordinance additionally authorized the issuance of Anticipation Notes as necessary in advance of the actual issuance of the bonds. The proceeds of this bond issuance financed various public improvement projects as follows: (1) Public Buildings - \$4,410,000.00; (2) Streets and Bridges - \$8,295,000.00; (3) Economic Development - \$2,200,000.00; (4) Parks and Recreation - \$995,000.00; and (5) Stormwater Drainage - \$9,360,000.00; for a total of \$25,260,000.00.

(No Speakers)

3. Public Hearings Continued

(c) Authorization to Issue General Obligation General Improvement Bonds Continued

Councilman Haskins moved closure of the public hearing; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

Councilwoman McMillan moved adoption of the above ordinance; seconded by Vice Mayor Allen.

Councilman Haskins inquired what this would do to the total general obligation bond obligation. City Manager Hildebrandt replied this increased the City's unauthorized bonds from \$20,085,000.00 to \$25,260,000.00. The estimated debt service on this money was \$465,000.00 to \$500,000.00 per year. Councilman Haskins inquired about the City's total bond indebtedness. City Manager Hildebrandt replied it increased by \$5 million.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

(d) Sale of Waterworks Property to Virginia Department of Transportation for Fort Eustis Boulevard Project

Mayor Frank presented AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, A DEED BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA, AND THE COMMONWEALTH OF VIRGINIA, ACTING THROUGH ITS DEPARTMENT OF TRANSPORTATION, DATED THE 1ST DAY OF SEPTEMBER, 2005, FOR THE FORT EUSTIS BOULEVARD PROJECT (PARCEL 001). He advised this authorized the sale of City-owned Waterworks property in York County to the Virginia Department of Transportation (VDOT) for the Fort Eustis Boulevard Project. This transaction involved the sale of 5.465 acres, the grant of 0.693 acres of permanent easements, and the grant of 0.361 acres of temporary easements along Fort Eustis Boulevard in York County. This property would be used for construction and maintenance of stormwater management bases and associated permanent easements and temporary construction easements. The purchase price for this property was \$85,214.80, which was deposited in the Waterworks' account and used to purchase property on an as needed basis for water quality protection.

(No Speakers)

3. Public Hearings Continued
 - (d) Sale of Waterworks Property to Virginia Department of Transportation for Fort Eustis Boulevard Project Continued

Councilman Haskins moved closure of the public hearing; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

Councilwoman McMillan moved adoption of the above ordinance; seconded by Councilwoman Scott.

Councilman Haskins inquired how the City knew \$85,000.00 was a fair market price. City Manager Hildebrandt responded the basis for this price was the assessment of the property in York County. He indicated no appraisal was performed on this property. City Attorney, Stuart Katz, added that the Virginia Department of Transportation would make improvements to the project that would enhance the water quality, and install BMPs at no cost to the City, which would add value to the remainder of the City property.

Councilman Haskins stated he felt this was a bad deal and felt the City should obtain a fair market value estimate per acre of the property in that area. City Manager Hildebrandt indicated there was no urgency to act on this matter, and should City Council wish to defer, he would have an appraisal conducted. Mayor Frank added that VDOT was required to perform an appraisal with a qualified firm and offer fair market value under the law.

Vice Mayor Allen indicated that property should be appraised. He further stated that VDOT was required to put in BMPs in order to improve the road. He did not agree with this action.

City Manager Hildebrandt inquired of Ms. Eileen Leininger, Assistant Director, Department of Public Utilities, whether VDOT had an appraisal done or whether they used the assessment records of the County. Ms. Leininger indicated the discussions were based on the assessed value. She was not aware whether VDOT had an appraisal done.

Councilman Haskins moved to defer this matter until receipt of the report from the Virginia Department of Transportation; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

Councilwoman McMillan suggested should a similar situation arise, that the information be added to City Council's information sheet as a matter of practice.

3. Public Hearings Continued

- (d) Sale of Waterworks Property to Virginia Department of Transportation for Fort Eustis Boulevard Project Continued

This was a request for City Council to receive public comment on the proposed increase in real estate property tax levies for Fiscal Year 2007 due to reassessments.

- (e) Receipt of Public Comments on the Real Estate Property Tax Rate for Fiscal Year 2007

(No Speakers)

Vice Mayor Allen moved closure of the public hearing; seconded by Councilman Haskins.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

4. Consent Agenda

Councilman Haskins moved adoption of the Consent Agenda, Items A through J, with the exception of D and F, as shown below; seconded by Councilwoman Scott.

- (a) Minutes of Work Session of April 25, 2006

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (b) Minutes of Regular Meeting of April 25, 2006

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (c) Minutes of Budget Public Hearing of April 27, 2006

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

4. Consent Agenda Continued

(e) Acquisition of Easements – Sweetbriar Drive Drainage Improvements Projects

AN ORDINANCE TO AUTHORIZE THE ACQUISITION OF INTERESTS IN CERTAIN REAL PROPERTIES HEREINAFTER MORE PARTICULARLY DESCRIBED, SITUATE, LYING AND BEING IN THE CITY OF NEWPORT NEWS, VIRGINIA, TO IMPLEMENT THE SWEETBRIAR DRIVE DRAINAGE IMPROVEMENTS PROJECT, AND PROVIDE FUNDS FOR THESE PURPOSES. This ordinance authorized the acquisition of eight (8) easements to accommodate construction of the Sweetbriar Drive Drainage Improvements Project. Funding for these acquisitions, at their appraised values totaling \$4,495.00 came from the Fiscal Year 2006 Stormwater Operating Budget. These planned drainage system improvements enhanced services in the Sweetbriar Drive project area, and provided a much needed outfall for the Warwick Boulevard improvements. The work involved the installation of 1,224 feet of 54” concrete pipe and associated structures.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

(g) Reprogramming of Virginia Department of Transportation Revenue Sharing Funds

A RESOLUTON REQUESTING THE VIRGINIA DEPARTMENT OF TRANSPORTATION (VDOT) TO TRANSFER FY 06 REVENUE SHARING FUNDS FROM THE “DEEP CREEK ROAD PHASE II” TO THE “THIMBLE SHOALS BOULEVARD AND JEFFERSON AVENUE PROJECT” AND THE “RICHNECK ROAD PHASE I PROJECT.” This resolution requested VDOT reprogram approved VDOT revenue sharing funds from the Deep Creek Road Phase II project to the Jefferson Avenue and Thimble Shoals Boulevard Intersection Improvement Project and Phase I of the Richneck Road Project. The City had applied for the maximum amount of \$1 million of these VDOT Revenue Sharing Funds for Phase II of the Deep Creek Road project, and \$744,920.00 was approved. Since there was a delay in receiving this funding, the City proceeded with Phase II of the Deep Creek Road project, and created an opportunity to redirect this revenue sharing program funding to other projects. The Thimble Shoals/Jefferson Avenue and Richneck Road projects were eligible. Approval was needed by the State Transportation Board on May 22, 2006 to reprogram these monies.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

4. Consent Agenda Continued
 - (h) Release of Easement for City Parking – Federal Courthouse

A RESOLUTION TO WAIVE THE CITY OF NEWPORT NEWS' EASEMENT ACROSS THE PROPOSED FEDERAL COURTHOUSE SITE. This resolution waived the City's easement across the new Federal Courthouse site. The Purchase Option Agreement that was approved in December 2004 to sell this property to the Federal Government for a courthouse site contained a provision for an easement under the building for a public parking facility. This resolution waived that provision because a federal courthouse could not be constructed over a public parking facility. The owner and developer of this property requested the City's consent to the waiver, and the City Manager recommended it for approval.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (i) Resolution of Recognition – Shirley E. Culpepper

A RESOLUTION OF RECOGNITION FOR SHIRLEY E. CULPEPPER. This resolution recognized Mr. Shirley E. Culpepper, Director, Department of Human Services, who would retire May 31, 2006 after 34 years of service.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (j) Resolution in Memoriam – Charles Edward Hayes “Barney” Barnhart

A RESOLUTION IN MEMORIAM FOR C. E. BARNHART. A Resolution in Memoriam for Mr. C. E. Barnhart, who was an active participant in the community, and served as a member of the Newport News Electoral Board for 35 years.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (d) State License Application for Hampton Roads Clinic, Opioid Replacement Therapy Services Program – Hampton-Newport News Community Services Board

4. Consent Agenda Continued
 - (d) State License Application for Hampton Roads Clinic, Opioid Replacement Therapy Services Program – Hampton-Newport News Community Services Board Continued

Vice Mayor Allen moved adoption of the Consent Agenda, Items D and F, as shown below; seconded by Councilwoman Scott.

A RESOLUTION MAKING A DETERMINATION OF COMPLIANCE BY THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, IN ACCORDANCE WITH THE REQUIREMENTS OF CODE OF VIRGINIA §37.2-406. This resolution made a determination of compliance on the proposed relocation of the Hampton-Newport News Community Services Board (CSB) Hampton Roads Clinic, Opioid Replacement Therapy Services. CSB was moving this program from its location on Todds Lane in Hampton to the CSB Facility at 2712 Washington Avenue. This move was part of CSB's efforts to consolidate service sites and improve organizational efficiency. The Office of Licensing for the State Department of Mental Health, Mental Retardation and Substance Abuse Services required comments from the local governing body prior to its approval of such relocations. The resolution advised the State that this new site was neither in conflict with the City's zoning ordinances nor with the State's location criteria.

(No Speakers)

Vice Mayor Allen indicated he was not opposed to the relocation of the Hampton-Newport News Community Services Board's (CSB) Hampton Roads Clinic, Opioid Replacement Therapy Services Program project, but felt it needed more public airing. This project would move the methadone clinic from an area where the Community Services Board felt the rent was abnormally high and into their own property, which would take rent out of the picture. Vice Mayor Allen stated this was not a negative relationship, but felt it should be publicly known.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

- (f) Lease of Office Space in Oyster Point

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST ON BEHALF OF THE CITY OF NEWPORT NEWS ANY AND ALL DOCUMENTS NECESSARY TO EFFECTUATE AND IMPLEMENT A LEASE BETWEEN DRUCKER & FALK, LLC AND THE CITY OF NEWPORT NEWS, VIRGINIA, FOR THE CITY'S USE. This ordinance authorized the execution of a lease for office space in Oyster Point. City Council approved an appropriation of funding for this lease for 6,342 square feet of office space on March 28, 2006. The term of the lease was ten (10) years, with an option to terminate at the end of the first five (5) years. The ren-

4. Consent Agenda Continued
- (f) Lease of Office Space in Oyster Point Continued

tal rate was \$12.25 per square foot with an escalation clause of three percent (3%) in the annual rent.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

5. Ordinances to Enact the Fiscal Year 2006 City Operating Budget
 - A. Real Estate Property Tax Rate

AN ORDINANCE TO REORDAIN CHAPTER 40, TAXATION, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTILCE II., REAL ESTATE TAXES, DIVISION 1., GENERALLY, SECTION 40-12, LEVIED; AMOUNT. This ordinance adopted an ordinance that would establish the real estate property tax rate for Fiscal Year 2007 at \$1.20 per \$100 of assessed value.

Ms. Kimberly Winn, 52 Colony Square, Apt. #2, requested that there be more of a balance considered during tax rate discussions.

Vice Mayor Allen moved adoption of the above ordinance; seconded by Councilwoman McMillan.

Councilman Haskins indicated there had been much discussion regarding the tax rate. The original cut was slated to be \$0.05, he wanted \$0.08, but indicated he had re-evaluated the City's debt, and felt reducing the rate \$0.04 would not make a huge difference. The savings would amount to \$88.00 on a \$220,000.00 house by reducing the tax rate \$0.04, as opposed to a larger industry, such as Northrop-Grumman, who would save \$209,000.00; Canon, who would realize a \$16,000.00 savings; and Siemens, who would realize a \$10,000.00 savings. He felt nothing should be done for the rate, when looking at the City's obligations and what the Charter actuarially required the City to fund the Pension Fund. Councilman Haskins stated the City of Newport News had a \$208 million deficit, plus \$174,000.00 in healthcare. He shared his personal preference was to leave the rate at \$1.24 per \$100 of assessed value and add the revenue to the Pension Fund. The Pension Fund was funded at 4.9%; the Actuary suggested 5.32%. He stated there was an obligation to City employees, i.e. Police, Fire, and School Teachers to make sure the Pension Fund was actuarially sound, as well as an obligation by the City Charter.

Councilwoman McMillan concurred, but felt there was an obligation to the citizens-at-large. She stated there were many homes that reached the \$220,000.00 value, which did not mean the residents had an income whereby \$88.00 would not mean anything. She

5. Ordinances to Enact the Fiscal Year 2006 City Operating Budget Continued

A. Real Estate Property Tax Rate

felt an \$88.00 savings would make a difference. Councilwoman McMillan shared that many of her colleagues on City Council had wanted to reduce the tax rate more than \$0.04. She reminded that suggestions were made to find ways to reduce the tax rate by at least \$0.04. She further agreed that the City needed to work toward the Pension and medical fund problems, but reiterated there was an obligation to help the citizens. She expressed her intent to support the \$0.04 tax rate reduction.

Vote on Roll Call:

Ayes: Allen, Frank, McMillan, Scott, Whitaker

Nays: Haskins

B. Personal Property Tax – Mobile Homes and Public Service Corporation Properties

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 40, TAXATION, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE XII., TANGIBLE PERSONAL PROPERTY TAXES, DIVISION 2., TAX LEVY AND RATES, SECTION 40-220.3, MOBILE HOME TAX; LEVIED; AMOUNT; AND SECTION 40-220.5, TAX ON PERSONAL PROPERTY OF PUBLIC SERVICE CORPORATIONS (EXCEPT AIRCRAFT, AUTOMOBILES AND TRUCKS); LEVIED; AMOUNT. This ordinance established the personal property tax rate for mobile homes and public service corporation properties for Fiscal Year 2006 at \$1.20 per \$100 of assessed value.

(No Speakers)

Vice Mayor Allen moved adoption of the above ordinance; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

C. Sewer User Fee

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 33, SEWERS AND SEWAGE DISPOSAL, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE III., SEWER USE CHARGES, SECTION 33-33, RATE. This ordinance established the sewer user fee at \$1.36 for each one hundred cubic feet, or fraction thereof, of metered water consumption.

(No Speakers)

5. Ordinances to Enact the Fiscal Year 2006 City Operating Budget Continued

C. Sewer User Fee Continued

Councilman Whitaker moved adoption of the above ordinance; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

D. Stormwater Management Fee

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 37.1, STORMWATER MANAGEMENT, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE II., SERVICE CHARGE, SECTION 37.1-14, SERVICE CHARGE, BILLING, PAYMENT, INTEREST, FEE AND LIEN. This ordinance established the stormwater management fee at \$52.20 per equivalent residential unit (ERU) per year, and when applicable, at a prorated fee of \$4.35 per ERU per month.

(No Speakers)

Vice Mayor Allen moved adoption of the above ordinance; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

E. Sanitary Sewer Assessment Rate Policy

A RESOLUTION TO AMEND THE CITY'S "POLICY REGARDING SEWERS" TO INCREASE THE AMOUNT BY WHICH SEWER ASSESSMENTS ARE CALCULATED. This ordinance amended the City's sewer assessment policy to increase the amount by which sewer assessments are calculated.

(No Speakers)

Councilman Whitaker moved adoption of the above ordinance; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

5. Ordinances to Enact the Fiscal Year 2006 City Operating Budget Continued

F. Sanitary Sewer Connection Fee

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 33, SEWERS AND SEWAGE DISPOSAL, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE II., CONNECTIONS TO PUBLIC SEWER, SECTION 33-19, CHARGES. This ordinance established the sanitary sewer connection fee at \$2,632.00.

(No Speakers)

Councilman Haskins moved adoption of the above ordinance; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

G. Rate Schedule for Water Consumption

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 42, WATER SUPPLY, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE II., WATER SYSTEM CAPACITY EXPANSION AND EXTENSION, SECTION 42-23, WATERWORKS SYSTEM CAPACITY EXPANSION, AND ARTICLE III., WATER RATES AND FEES, SECTION 42-33, RATES AND FEES. This ordinance established the rate for water consumption at \$2.78 for each one hundred cubic feet of water consumed; and, established the summer consumption rate at \$0.56.

(No Speakers)

Councilman Haskins moved adoption of the above ordinance; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, Scott, Whitaker

Nays: McMillan

H. Pay Plan Ordinance

AN ORDINANCE PROVIDING FOR THE ADOPTION OF A CLASSIFICATION AND PAY PLAN FOR THE EMPLOYEES OF THE CITY OF NEWPORT NEWS FOR FISCAL YEAR 2007. This ordinance approved the City's Fiscal Year 2007 Employee Classification and Pay Plan.

(No Speakers)

5. Ordinances to Enact the Fiscal Year 2006 City Operating Budget Continued

H. Pay Plan Ordinance Continued

Vice Mayor Allen moved adoption of the above ordinance; seconded by Councilman Haskins.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

I. City's FY 2007 Operating Budget and Appropriation of Funds

AN ORDINANCE TO APPROVE THE BUDGET AND APPROPRIATE FUNDS TO OPERATE THE CITY OF NEWPORT NEWS FOR THE FISCAL YEAR BEGINNING JULY 1, 2006, AND ENDING JUNE 30, 2007, INCLUSIVE. This ordinance approved the City's Operating Budget for Fiscal Year 2007, and appropriated \$746,259,424.00 to operate the City for the Fiscal Year Beginning July 1, 2006. Mayor Frank indicated this ordinance also included the School Budget at the funding level agreed by Council.

(No Speakers)

Vice Mayor moved adoption of the above ordinance; seconded by Councilman Haskins.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

6. Deep Creek Road Improvements Project – Phase II

A. Appropriation of Funds

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 BONDS AUTHORIZED AND UNISSUED – STREETS AND BRIDGES (\$3,964,000.00) TO DEEP CREEK ROAD IMPROVEMENTS – PHASE II (\$3,964,000.00). This resolution appropriated \$3,964,000.00 from FY 2006 Bonds Authorized and Unissued to Fund Phase II construction of the Deep Creek Road Improvements Project. Funding for this work was programmed in the City's Capital Improvements Plan. Phase II was the continuation of this project and would improve Deep Creek Road from College Boulevard to Barclay Road. The work involved included widening the street to twenty-six (26) feet, installation of curb and gutter that would eliminate the existing roadside ditches, installation of sidewalk on the south side and installation of two speed humps for traffic calming. The work was scheduled to commence in the Summer of 2006, and anticipated to be complete in the Summer of 2007.

6. Deep Creek Road Improvements Project – Phase II Continued

A. Appropriation of Funds Continued

Councilman Haskins moved adoption of the above resolution; seconded by Vice Mayor Allen.

Councilwoman McMillan inquired about the projected completion date for this project. City Manager Hildebrandt stated the anticipated completion date for this project was the Summer of 2007.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

B. Award of Bid

Vice Mayor Allen moved to award the bid for construction of Phase II of the Deep Creek Road Improvements Project to the low bidder, BASIC Construction Company, L.L.C., in the amount of \$3,320,640.00; seconded by Councilwoman Scott. The low bidder had previously performed similar projects for the City in a satisfactory manner, and was recommended for this project by the City's Department of Engineering.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

7. Appropriations

Councilman Haskins moved adoption of Items A through C, both inclusive, as shown below, seconded by Councilwoman McMillan.

(a) Courthouse Building Improvements - \$3,250,000.00

A RESOLUTION APPROPRIATING FUNDS FROM 2006 BONDS AUTHORIZED AND UNISSUED – PUBLIC BUILDINGS (\$3,250,000.00) TO COURT-RELATED IMPROVEMENTS (\$3,250,000.00). This resolution appropriated \$3,250,000.00 from Fiscal Year 2006 Bonds Authorized and Unissued for the design and construction of modifications to the City's Courthouse Building and related items. An additional judge was approved by the General Assembly for July 1, 2006. This appropriation would provide the necessary design and construction services to provide an additional courtroom in the existing courthouse, and interim and temporary courtroom space in the Municipal Building.

(No Speakers)

7. Appropriations Continued

(a) Courthouse Building Improvements - \$3,250,000.00 Continued

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

(b) Private Donations – Office of the Court Appointed Special Advocate

A RESOLUTION APPROPRIATING FUNDS FROM CASA PROGRAM DONATIONS (\$500.00) AND CASA CHILDREN PROGRAM (\$5,535.00) TO CASA PROGRAM (\$500.0) AND CASA CHILDREN PROGRAM DONATIONS (\$5,535.00). This resolution appropriated \$6,035.00 of private donations for the City's Office of the Court Appointed Special Advocate (CASA). The CASA program trained community volunteers to serve as advocates for children who had been determined by the Court to have been or were at risk of being abused or neglected. The volunteers advocated for the children's place in safe, permanent and nurturing homes. CASA intended to use these private donations for training of volunteers, administrative expenses and for fund-raising events.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

(c) Police Headquarters Building

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 BONDS AUTHORIZED AND UNISSUED – PUBLIC BUILDINGS (\$1,100,000.00) TO POLICE HEADQUARTERS (\$1,100,000.00). This resolution appropriated \$1,100,000.00 from Fiscal Year 2006 Bonds Authorized and Unissued to cover fit-up and moving expenses for the new Police Department Headquarters. This was a one-time cost to provide operational systems, computer and radio communication connectivity, furniture and other equipment necessary for outfitting the facility. This three-story facility would house administrative and investigative functions for the Police Department, to include training, recruiting, records, investigations and administrative offices. The projected completion date for the facility was August 2006.

(No Speakers)

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

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

Mr. David Frank, 10820 Warwick Boulevard, congratulated members of Council who were re-elected on May 2.

Mr. Frank requested that City Council review and modify two conditions included in the conditional use permit granted in July 2005 to allow the operation of Break Away Billiards in the Warwick Center. The areas which had become burdensome were (1) hours of operation and (2) hours of alcohol sales. A copy of the letter of request was distributed and is attached to these minutes.

Mayor Frank informed Mr. Frank that the owners must initiate an amendment to the conditional use permit through the City's Department of Planning.

Councilwoman Scott inquired whether the owners would go back to the community to obtain their reaction to the proposed changes as had been done prior. Mr. Frank responded he would be more than willing to go back to the community.

Councilwoman Scott shared that a couple of citizens who were originally opposed to the project indicated that the project was not that bad. Mr. Frank indicated opposition to their ABC license was withdrawn. He further indicated that citizens see the efforts put into maintaining a social atmosphere at a high level. It was his hope that most of the opposition had been resolved. It was also his belief that Break Away Billiards had been successful in eliminating much of the opposition to the project in the community.

Ms. Carole Carkhuff, 197 Revelle Drive, congratulated members of Council who were re-elected. Ms. Carkhuff sent an e-mail regarding Beechmont traffic calming measures between Beechmont Drive and Catalina Drive (a copy is attached to these minutes.) Ms. Carkhuff made the following recommendations: (1) temporarily postpone construction; (2) install stop signs to make the intersection of Beechmont and Catalina a 4-way stop; (3) install appropriate crosswalks; and (4) conduct a six month test to determine whether this had been a satisfactory solution.

Ms. Kimberly Winn, 52 Colony Square, Apt. #2, congratulated members of Council who were re-elected. She stated, regarding the School System, no child should be left behind and suggested a more balanced approach to SOL testing.

Ms. Winn also indicated the need for more positive activities geared toward older youth.

Mr. Sergio Arancibia, 5403 Roanoke Avenue, expressed concern regarding a proposal by a neighborhood church that had intentions to demolish two properties on Roanoke Avenue in order to build a street that would allow access to the land between Roanoke Avenue and Marshall Avenue. Mr. Arancibia inquired about what must be done to prevent this project from moving forward since traffic was already heavy in the area.

9. New Business and Councilmember Comments

(a) City Manager Randy Hildebrandt presented A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, FOR JURISDICTIONAL APPROVAL OF THE ISSUANCE OF REFUNDING REVENUE BONDS BY THE PENINSULA PORTS AUTHORITY OF VIRGINIA IN AN AGGREGATE AMOUNT NOT TO EXCEED \$87,500.00 FOR THE BENEFIT OF VIRGINIA BAPTIST HOMES, INC., AND ITS AFFILIATES. This resolution provided jurisdictional approval for the issuance of refunding revenue bonds by the Peninsula Ports Authority of Virginia (PPAV) for the Benefit of Virginia Baptist Homes, Inc. These refunding bonds, in an amount not to exceed \$87,500.00, would be used to advance refund all or a portion of PPAV's outstanding Residential Care Facility Revenue Bonds. Internal Revenue Service regulations required jurisdictional approval by the City of Newport News, since a portion of the facilities to be refinanced with the proceeds was located in the City. Approval of this refunding did not constitute a debt or pledge of faith and credit, or the taxing power of the City.

Ms. Martha Warthen, Attorney with Hunton and Williams, representing 931 E. Byrd Street, Richmond, was available to answer questions.

Councilman Haskins moved adoption of the above resolution; seconded by Vice Mayor Allen.

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

City Manager Hildebrandt announced that the Newport News Police Department would conduct a Memorial March and Wreath-Laying Ceremony on May 17, 2006, at 12 noon, at the Police and Fire Monument.

(b) City Attorney, Stuart Katz, reminded Council of their Organizational Meeting scheduled for Saturday, July 1, 2006, at 10:00 a.m. Mayor Frank reminded that this meeting was required by the City Charter for City Council to reorganize on July 1st, after an election. At that meeting, the Vice Mayor would be elected, and members of Council would discuss any rules of operation and procedure that needed to be addressed or changed.

(c) Mayor Frank thanked citizens who voted for him and for voting in general. He further thanked those citizens who volunteered at the polls and participated in the election process on May 2nd. He extended congratulations to his colleagues on their re-election.

(d) Councilwoman McMillan stated that July 4th would fall on a Tuesday. She moved that Council grant July 3rd as an additional holiday for City employees; seconded by Vice Mayor Allen.

9. New Business and Councilmember Comments Continued

Vote on Roll Call:

Ayes: Allen, Frank, Haskins, McMillan, Scott, Whitaker

Nays: None

Councilwoman McMillan congratulated City Attorney Katz on his re-election as President of the Local Government Attorneys of Virginia.

(e) Councilwoman Scott congratulated her colleagues on their re-election. She thanked the citizens for their support and participation in the political process, and for coming out to vote on May 2.

(f) Councilman Whitaker congratulated his colleagues on their re-election.

THERE BEING NO FURTHER BUSINESS,
ON MOTION, COUNCIL ADJOURNED AT 8:36 P.M.

Mabel V. Washington, CMC
City Clerk

Joe S. Frank
Mayor

A true copy, teste:

City Clerk