

**MINUTES OF REGULAR MEETING  
OF THE NEWPORT NEWS CITY COUNCIL  
HELD IN THE CITY COUNCIL CHAMBERS  
2400 WASHINGTON AVENUE  
August 12, 2008  
7:30 P.M.**

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

ABSENT: None-----0

1. The invocation was rendered by Walter Acree, Calvary Chapel Newport News.
2. The Pledge of Allegiance to the Flag of the United States of America was led by Life Scout J. P. Venable, Troop 84, Gloria Dei, Boy Scouts of America.
3. Public Hearings
  - (a) “Framework for the Future” Comprehensive Plan Amendment (PLN-08-72)

Mayor Frank presented A RESOLUTION AMENDING THE FRAMEWORK FOR THE FUTURE TO IDENTIFY THE USE OF PROPERTY IDENTIFIED HEREIN IN PLN-08-72 TO BE MEDIUM DENSITY RESIDENTIAL. He advised this amended the City’s Comprehensive Plan known as the “Framework for the Future” to change the planned use of certain properties located at 169 and 175 Richneck Road from Low Density Residential to Medium Density Residential. The Planning Commission voted 7:0, with two abstentions, to recommend to City Council the approval of this comprehensive plan amendment, and the City Manager concurred with that recommendation.

Mr. Brian M. Hartley, 9 Prince William Road, Newport News, representing the citizens in the Hanover Heights neighborhood, and the neighborhoods of single-family homes boarded by Richneck Road and Jefferson Avenue, cited several reasons why residents were opposed to the re-zoning and the proposed project. Members of City Council were presented a petition with over 200 signatures from residents in the Hanover Heights neighborhood and the adjoining neighborhoods of Meadow Creek Drive (a copy of the petition is attached and made a part of these minutes). Addressing amending the Framework for the Future, Mr. Hartley indicated it was distressing to have the document adjusted to accommodate a proposed development, one that was not comparable with the housing on Richneck Road. The draft copy of the Framework for the Future stated under the land use section, that neighborhoods were the building block of the City; that each neighborhood should have its own identity and character based upon historic, agricultural and natural features; the proposed development should be sensitive to the style and development which was prevalent when the majority of the existing homes on the block were constructed. Land Use goals indicated: plan and develop neighborhoods in a manner which treats each with individual attention, giving care to the historic nature and agricultural feature, as well as to the preference and concerns of the neighborhood’s residents. Mr. Hartley, on behalf of the residents, expressed opposition to the proposed amendment to the Framework for the Future to allow the construction of townhomes/condominiums adjacent to the single family homes in Hanover Heights and on Rich-

3. Public Hearings Continued
  - (a) "Framework for the Future" Comprehensive Plan Amendment (PLN-08-72)  
Continued

neck Road and requested that City Council deny this change to the "Framework for the Future" Comprehensive Plan Amendment.

Mr. Billie Millner, Jones, Blechman, Woltz and Kelly, Attorney for the applicant, requested that City Council not take action on the "Framework for the Future" Comprehensive Plan Amendment until everyone was heard on the Change of Zoning companion piece (CZ-08-256). He indicated this neighborhood was made a commercial neighborhood by a funeral home, an abandoned gas station, a retail establishment, and McIntosh School. He stated that introducing a nice neighborhood development would restore the residential use to the community. Mr. Millner pointed out that if the "Framework for the Future" were denied, it would be impossible to vote in favor of the re-zoning. Unless the "Framework" were changed, the zoning could not take place.

Councilwoman McMillan indicated that Mr. Millner's remarks were misleading, pointing out that the referenced funeral home faced Jefferson Avenue, with a rear exit onto Richneck Road across from McIntosh School, the gas station was empty and deserted due to the Virginia Department of Transportation (VDOT) project. She acknowledged viable businesses and the neighborhood's McIntosh School on adjacent corners. She felt this would not have an impact on the neighborhood.

Mayor Frank explained the relationship, indicating there was a Comprehensive Plan, known as the "Framework for the Future," which defined land uses and other issues that defined how the City grew and changed. The property in question at 169 and 175 Richneck Road was not in conformity with the existing land use plan and, in order for Council to consider the application for re-zoning that would permit the construction of the single family attached houses, the "Framework for the Future" would first have to be amended. Mayor Frank indicated if Council was unwilling to change the "Framework for the Future," the property could not be re-zoned.

City Attorney, Stuart Katz, advised that advertisements for the public hearings had been placed. If City Council was unwilling to amend the "Framework for the Future," the proposed use for the properties on Richneck Road could not legally exist.

Mayor Frank stated it was his sense; there was not a majority vote on City Council to either amend the "Framework for the Future" or to approve the re-zoning. He invited all who expressed a desire to speak and advised they would be granted an opportunity to be heard.

Mr. Millner advised if his client had a chance at having the re-zoning application approved, they would request a continuance of the matter, allowing an opportunity to meet with the neighbors regarding the issues of drainage and traffic in an effort to resolve the matter.

3. Public Hearings Continued
  - (a) "Framework for the Future" Comprehensive Plan Amendment (PLN-08-72) Continued

Ms. Susan R. Bruce, 104 Tazewell Road, Newport News, was present in support of the neighborhood. She expressed opposition to the rezoning of parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights Neighborhood.

Mr. Ronald Bruce, 104 Tazewell Road, Newport News, also represented 1 Cumberland Drive and 127 Richneck Road, all in close proximity to the proposed project. He agreed with the "Framework for the Future" that neighborhoods should maintain its integrity. Mr. Bruce advised that residents had been encroached upon by businesses on Jefferson Avenue that made promises about not using the roads, and neighborhoods, that could not be legally kept. He further advised the neighborhood had seen problems with sewage, water flow, crime, poor roads, traffic, speed bumps, and hazardous conditions. Mr. Bruce reiterated that the residents were opposed to the re-zoning of parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood.

Mr. Melvin Rhoades, 113 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood.

Mrs. Gertrude Rhoades, 113 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood.

Mr. James Toth, 112 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood.

Ms. Hanna Toth, 112 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood.

Mr. Allan R. Thompson, 14 Buchanan Drive, Newport News, expressed opposition to the proposed townhome project and expressed opposition to the rezoning of the parcels for this project, located on 169 and 175 Richneck Road that would allow the project to move forward.

Mr. Odell Harrion, 117 Prince William Road, Newport News, expressed opposition to the proposed townhome project and expressed opposition to the rezoning of the parcels for this project, located on 169 and 175 Richneck Road that would allow the project to move forward.

3. Public Hearings Continued
  - (a) "Framework for the Future" Comprehensive Plan Amendment (PLN-08-72) Continued

Mr. James Rickard, 111 Tazewell Road, Newport News, expressed opposition to the proposed townhome project as traffic was a major problem in this neighborhood. He expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the project to move forward.

Ms. Mary Clarke, 15 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood. She indicated the proposed development was not compatible with the adjoining single family homes in the neighborhood, would increase the cut-through traffic and would negatively impact the storm drain system that was a part of Stoney Run.

Mr. Junior E. Tate, 26 Prince William Road, Newport News, indicated the Hanover Heights neighborhood did not have enough roads to handle more traffic. He expressed opposition to the rezoning of the parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood.

Mr. Matt Lengyel, 17 Buchanan Drive, Newport News, expressed opposition to the rezoning of the parcels located at 169 and 175 Richneck Road that would allow construction of a townhome project in the Hanover Heights neighborhood. He expressed frustration regarding traffic reports received from the Department of Engineering.

Mr. Richard Clarke, 15 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood.

Mr. Douglas M. Ulmer, Jr. 15 Buchanan Drive, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood. He expressed frustration regarding traffic reports received from the Department of Engineering, particularly the counters that monitor traffic.

City Council instructed the City Manager to have the Department of Engineering look into the matter regarding traffic and speed in this particular area.

Mr. Otto Weiss, 23 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood.

Mr. Harry Atkinson, 132 Tazewell Road, Newport News, discussed the Framework for the Future, whose purpose was to develop the City, and limit the amount of business and apartments, so they did not time out. Changing the master plan of the City caused the apartments to time-out at the same time, citing Extended Motels as an example. The

3. Public Hearings Continued
  - (a) "Framework for the Future" Comprehensive Plan Amendment (PLN-08-72)  
Continued

Framework for the Future was amended, which allowed more extended motels to be constructed. Mr. Atkinson questioned the need for the Framework for the Future if it continued to change. He stated that allowing this development set up the opportunity for another to be brought in at the Serenity House, which is up for re-zoning. He referenced the recent death at the corner of Buchanan Drive due to a traffic accident. He stated this proposed development would only increase the traffic, and potentially lead to more traffic accidents and problems.

Ms. Loraine P. Joyce, 2 Buchanan Drive, Newport News, being one of the first residents in the neighborhood, reminisced about the community before the influx of traffic. She expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood.

Ms. Wilma Hughes, 12 Cumberland Drive, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood.

Ms. Eva Kopera, 20 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood.

Mr. Joseph Kopera, 20 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood. Mr. Kopera indicated that he was told that his property value would increase as a result of this development. He stated that he was on a fixed income and did not need to pay more taxes.

Ms. Kay Atkinson, 136 Tazewell Road, Newport News, indicated that she had been approached by developers regarding their 6.5 acres. Property in Newport News was becoming scarce and developers felt more money could be made by building condominiums and apartments. Ms. Atkinson also questioned having a Framework if it would continue to be amended. She and the residents asked for the matter to be settled and were concerned that this would occur again and again. She expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood.

Mr. Gene Keller, 106 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood. Richneck Road was a narrow two-lane road with a ditch on each side, with no sidewalks, which has been used as a convenient cut-through. He was concerned about the additional traffic that would be generated as a result. Density of the planned development raised concern as it was not compatible with the neighborhood or with the Framework for the City.

3. Public Hearings Continued
  - (a) “Framework for the Future” Comprehensive Plan Amendment (PLN-08-72) Continued

Ms. Joyce Southern, 12 Meadow Creek Drive, Newport News, expressed concern for the residents on Meadow Creek Drive, who felt they were not immune to potential developments coming in to the neighborhood. She shared problems the neighborhood experienced with flooding due to Stoney Run Creek. Ms. Southern expressed concern about the number of apartment complexes between Ft. Eustis Boulevard and Denbigh Boulevard (19) and car dealerships (14) in the 2.9 mile stretch. She suggested, if Council were planning to change the Framework for the Future, they make a change that would limit the amount of car dealerships and apartment complexes. She urged them to deny the request to amend the Framework for the Future and the rezoning request for the parcels on Richneck Road.

Mr. Alex Clarke, 12 Meadow Creek Drive, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood, as well as the amendment to the Framework for the Future. This would place further strain on the infrastructure in the area.

Ms. Julieta Little, 2 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood. She requested a traffic calming measure to assist with the increased traffic at Richneck and Prince William Roads.

Mr. Michael Little, 2 Prince William Road, Newport News, expressed opposition to the rezoning of the parcels located on 169 and 175 Richneck Road that would allow the construction of townhomes in the Hanover Heights neighborhood. He concurred with the increased traffic and increased ticketing on Richneck and Prince William Roads. He suggested a reduction in the speed limit or closure of the streets to thru traffic.

Ms. Deborah Hogge, 3 Prince Edward Circle, urged Council to take the voices of the Hanover Heights residents into consideration and vote to deny the request to amend the Framework for the Future and rezoning of parcels located on 169 and 175 Richneck Road.

Mr. Billie Millner further commented that single family detached homes would be very expensive and the only way this property would economically work would be to construct a development to the proposal for townhomes. Mr. Millner stated that he misjudged this zoning – he saw an isolated piece of land, but thought it would be easy. He introduced Mr. Brant Abbitt, Mr. Al Abbitt, and Mr. Brandon Currence, developers of the project.

Mr. Brant L. Abbitt, 1169 Pine Bluff Drive, Newport News, stressed that they were life-long residents of the area, cared about what happened in the City, and were not out to make a “quick buck.” He stated the development would have consisted of owner-occupied three-story townhomes with garages, not apartments. They set out to provide an affordable professional workforce type housing stock.

3. Public Hearings Continued
  - (a) "Framework for the Future" Comprehensive Plan Amendment (PLN-08-72) Continued

Mr. Al Abbitt, 1210 Scotland Terrace, Newport News, depicted himself as a small-town developer. He was attracted to the project because it was small. The process began one year ago and the zoning became more difficult. The largest obstacle was the sewer. A full-blown pump station would be necessary, to City standards. He applauded the residents of Hanover Heights for their longevity, loyalty, and commitment to the community. Mr. Abbitt stated the City needed a place for the entry-level citizens.

Mayor Frank asked that a copy of the signed petitions be attached and made a part of the record.

Vice Mayor Whitaker moved closure of the public hearing; seconded by Councilwoman Scott.

Vote on Roll Call:  
Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan  
Nays: None

Councilwoman McMillan moved denial of the above resolution; seconded by Councilwoman Scott.

Vote on Roll Call:  
Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan  
Nays: None

- (b) Change of Zoning CZ-08-256, A & A Properties, LLC, Contract Purchaser for Estate of Marjorie Setzer and TDMJ Company, LP

Mayor Frank presented AN ORDINANCE PURSUANT TO APPLICATION CZ-08-256 TO AMEND AND REORDAIN ORDINANCE NO. 5028-97 BY AMENDING THAT CERTAIN MAP ENTITLED, "ZONING DISTRICT MAP" (CONSISTING OF REAL ESTATE TAX ASSESSMENT MAPS 001 THROUGH 322 AND KEPT ON FILE IN THE OFFICES OF THE DEPARTMENTS OF CODES COMPLIANCE AND PLANNING) DATED THE 10<sup>TH</sup> DAY OF JUNE, 1997, WHICH SAID MAP IS MADE A PART OF THE SAID ORDINANCE NO. 5028-97. He advised this would change the zoning of two parcels totaling 5.35 acres located at 169 and 175 Richneck Road from R4 Single Family Dwelling to R5 Low Density Multiple Family Dwelling. The Planning Commission voted 7:0, with one abstention, to recommend to City Council approval of this change of zoning request, and the City Manager concurred with the recommendation.

Councilwoman Scott moved closure of the public hearing; seconded by Councilwoman McMillan.

3. Public Hearings Continued

- (b) Change of Zoning CZ-08-256, A & A Properties, LLC, Contract Purchaser for Estate of Marjorie Setzer and TDMJ Company, LP Continued

Vote on Roll Call:

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

Nays: None

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

Vote on Roll Call:

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

Nays: None

Councilwoman Scott thanked the citizens for their participation in the process. She stated there was nothing that City Council could have said that would have made more of an impact than what the residents articulated. She indicated that City Council was appreciative of the residents' support.

Councilwoman McMillan stated the Abbitts' put forth a good project, just in the wrong place. She further stated that Mr. Currence also put forth attractive communities, but this was not the place, nor the time. She further thanked Mr. Hartley for his leadership in the community. She further expressed appreciation to the neighborhood residents for getting together to discuss the matter and reach consensus. More of this type of communication was needed throughout the City. Councilwoman McMillan asked the City Manager to communicate to the Planning staff that, when they present a recommendation, they should know the turf, the community, and the specific problems related to the neighborhood. Had the history been reviewed of the Hanover Heights neighborhood, i.e. flooding, stormwater problems, composition of the neighborhood, etc., she felt this project would have never been recommended.

Councilwoman Scott expressed appreciation to the Abbitts' for showing interest in the North District.

- (c) Change of Zoning CZ-08-255, Jefferson Bland Associates, LLC

Mayor Frank presented AN ORDINANCE PURSUANT TO APPLICATION CZ-08-255 TO AMEND AND REORDAIN ORDINANCE NO. 5028-97 BY AMENDING THAT CERTAIN MAP ENTITLED, "ZONING DISTRICT MAP" (CONSISTING OF REAL ESTATE TAX ASSESSMENT MAPS 001 THROUGH 322 AND KEPT ON FILE IN THE OFFICES OF THE DEPARTMENTS OF CODES COMPLIANCE AND PLANNING) DATED THE 10<sup>TH</sup> DAY OF JUNE, 1997, WHICH SAID MAP IS MADE A PART OF THE SAID ORDINANCE NO. 5028-97. He advised this would change the zoning of two parcels totaling 13.73 acres located at 12515 Jefferson Avenue and 400 Chatham Drive from M1 Light Industrial to C1 Retail Commercial. The Planning Commission voted 5:2, with one abstention, to recommend to City Council the approval of this change of zoning request, and the City Manager concurred with the recommendation.

3. Public Hearings Continued
  - (c) Change of Zoning CZ-08-255, Jefferson Bland Associates, LLC Continued

Mr. Randy Royal, 501 Independence Parkway, Chesapeake, Kimley-Horn and Associates, representing Jefferson Bland Associates, stated the developers were proposing a high-end shopping center that would substantially increase the sales and real estate taxes for the City, provide substantial roadway improvements to several intersections in the area that were at or near capacity, would provide right-of-way dedications and reservations for roadway improvements, and future light rail construction. The alternative was to develop this property of a by right use with the industrial zoning, which would not meet the City's comprehensive plan, would not provide upgraded architecture, nor substantial roadway improvements, dedications and reservations, and would provide less revenue to the City as related to sales and real estate taxes. Architectural design was of a higher quality compared to other retailers in surrounding areas. Accessibility was provided throughout the project, as well as heavy landscaping, including berms. Signage proposed would be less than the maximum allowed by ordinance. A fiscal impact analysis was distributed to show the impact and is attached and made a part of these minutes. To mitigate traffic concerns for the area, over \$4 million of right-of-way reservations, dedications, and roadway improvements were being proffered. Mr. Royal advised that City Traffic Engineering had approved the traffic impact analysis, whereas it was previously a concern. He stated that Mr. Jack Bagby, Traffic Engineer from Kimley-Horn & Associates, was available to answer questions regarding the traffic report. Of concern was that the project was not a regional activity center as called for in the comprehensive plan. The property was only approximately 14 acres, and not large enough to be a regional center. It was believed that some of the proposed uses could be incorporated as part of an overall regional center. Due to the large cost for the land, the cost for the upgraded aesthetics for the buildings and the landscaping, and over \$4 million of roadway improvements, the center would require higher rent and should attract more unique users. Mr. Royal indicated his applicant had worked with surrounding landowners, i.e. Suttle Motors, and the Newport News Green Foundation, to apprise them of the proposal. Previously, it was believed that some right-of-way would need to be acquired from the Green Foundation. An alignment was worked out on Chatham Drive, and there was nothing shown on the plans as far as right-of-way acquisition from the Green Foundation. It was a proffer previously, which was removed. The development proposed mitigates its impacts and would not impede the ability of the road network to accommodate traffic for future Wolseley expansion or additional growth at the Newport News-Williamsburg Airport. A meeting was held with Wolseley representatives to explain the traffic study. Mayor Frank had received a letter from Wolseley, reiterating their support of this project (a copy is attached and made a part of these minutes). Mr. Royal reiterated they had worked extensively with staff and had proffers to address site lighting, signage, design, landscaping, screening, outside storage, and traffic. They maintained that the project was consistent with the comprehensive plan and that uses in the proposed shopping center could be unique and regional in nature. He indicated this could not be definitive until leasing happens, which would not occur until after the rezoning was approved. He urged Council to vote in favor of the rezoning.

Mr. Jack Bagby, Traffic Engineer, Kimley-Horn & Associates, was available for questions.

3. Public Hearings Continued
  - (c) Change of Zoning CZ-08-255, Jefferson Bland Associates, LLC Continued

Mr. Alonzo R. Bell, Jr., President of the Newport News Green Foundation, 141 Denbigh Boulevard, Newport News, accompanied by Mr. Brock Field, Executive Director of the Newport News Green Foundation, reminded the mission of the Green Foundation was to acquire and preserve green space throughout the City of Newport News. Mr. Bell thanked the developer and the representatives of Kimley-Horn who attended a call meeting of the Green Foundation, to address how this project might affect the Green Foundation's property located at Bland Boulevard and Chatham Drive. Mr. Bell stated that 401 Chatham Drive was the "crown jewel" of the Newport News Green Foundation, a six plus acre property, which was donated by the Industrial Development Authority in 2002 in recognition of the value of green space in the City of Newport News. He stated the Green Foundation was not advocating for or against the proposed rezoning, and would not take a position on the issue. Mr. Bell stated, whether the Green Foundation property was affected or not, the Green Foundation was not opposed to the rezoning. He requested should it be affected, via temporary easement, or a portion of the property, that the developer come to the table to discuss fair and equitable consideration to the Green Foundation.

Mayor Frank advised that the language was withdrawn, in the proffer statement that suggested any need for the Green Foundation's property.

Mr. Billie Millner, Jones, Blechman, Woltz and Kelly, Attorney for the applicant, shared that Mr. Michael Siphon and Mr. John Lawson, both developers, could not be present; and introduced Mr. Donald Smith. Mr. Millner indicated the proposed development was the most studied and proffered that he had seen. Mr. Siphon acquired the Noland property, prepared a plan, and shared the proposal with the City Manager. He suggested the Exxon property, which was added to the proposal. Approximately \$11.5 million was invested. Taxes were estimated at approximately \$1.2 million. Mr. Millner stated this was an excellent plan, the traffic was well-designed, and the City was the beneficiary. He reiterated that none of the Green Foundation's property was needed, but if this changed, the developers were willing to work out a fair and equitable resolution with the Green Foundation. He was grateful for Wolsely's letter of support for the project. This project would be a major tax reducer, as well as a source of employment.

Councilwoman Scott expressed concern regarding the developer not being willing to construct this project without a left turn lane into the project. She felt this was a bad idea as the traffic was already congested.

Mr. Millner indicated the experts had worked out a dual left turn lane, controlled by a traffic light. He stated there were left turns at the intersection, but it would be centralized and controlled by a light. He introduced Mr. Jack Bagby to respond. Mr. Millner added when the developers sought tenants, the Bland Boulevard entrance was the major entrance wanted by the tenants. They asked whether traffic could get to center by turning left on Bland Boulevard. People who want to locate multi-million dollar facilities, wanted to ensure the public was attracted. The traffic study showed that this would work and would improve the situation.

3. Public Hearings Continued

(c) Change of Zoning CZ-08-255, Jefferson Bland Associates, LLC Continued

Councilwoman Scott stated that she lived in that area and traveled that route, and at certain times of the day, it was difficult to get in and out. She understood what the traffic study showed, but did not believe it would be good for the community, and for the ingress and egress from Warwick Boulevard on to Jefferson Avenue. She reminded there would be three lights in less than one quarter of a mile.

Councilwoman McMillan thanked the developer for putting in the proffer not to have a hotel/motel on this property. She was appalled when the suggestion was made. Since 2006, there had been 900 hotel/motel rooms added in Newport News alone. Occupancy rates were down from 3.5% to 16.9% in various localities on the Peninsula. She suggested, as a regional draw, an Apple Store, Crate and Barrel or Pottery Barn.

Mr. Jack Bagby, Traffic Engineer with Kimley-Horn and Associates, responded to Councilwoman Scott's concern dealing with the left turn lane in bound on Bland Boulevard. He indicated the situation was that there were two median openings, which would be consolidated into one between Chatham Drive and Jefferson Avenue. In addition, a dual left-turn lane, inbound only, would be provided. Customers leaving the shopping center, headed west out to Bland Boulevard, would need to choose a different location. There would be no left turn headed out. The only moves occurring would be dual left-turns inbound and a right turn outbound. Because there were only two moves, the traffic signal, called a two-phase traffic signal, would not allow congestion. The ability to time traffic signals with only two-phases, verses six phases, allowed the developers to say there would not be congestion created by the traffic signal.

Mayor Frank instructed the City Clerk to attach copies of the letters from Kimley-Horn and Associates and Woseley to the minutes. A copy is attached.

Councilwoman Vick moved closure of the public hearing; seconded by Councilwoman Woodbury.

Vote on Roll Call:

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

Nays:

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

Councilwoman McMillan inquired about plans to save the mature trees that were on the property. Mr. Royal responded there were no plans to save the trees, but would look into the situation.

Councilwoman Scott commented that the Department of Planning had recommended against this project. She indicated that she liked the project, but personally could not vote to block herself in on Bland Boulevard. She reiterated that she traveled the route all of

3. Public Hearings Continued
  - (c) Change of Zoning CZ-08-255, Jefferson Bland Associates, LLC Continued

the time and foresaw a problem. She was not opposed to the project, but the traffic situation being imposed on the area. She further stated the Peninsula Airport Commission had a problem with the project. She could not support the project because of the traffic.

Vote on Roll Call:

Ayes: Vick, Whitaker, Woodbury, Frank, McMillan

Nays: Scott

Abstention: Bateman (Served as Chairman of the Peninsula Airport Commission)

- (d) Conditional Use Permit CU-08-248, Atlas Properties, LLC

Mayor Frank presented A REQUEST TO CONSIDER A CONDITIONAL USE PERMIT APPLICATION THAT WOULD ALLOW FOR THE OFF-PREMISE SALE OF ALCOHOL IN AN ESTABLISHMENT OF LESS THAN 1,600 SQUARE FEET ON A PORTION OF A 0.09 ACRE PARCEL ZONED C1 RETAIL COMMERCIAL LOCATED AT 474 (472-A) DENBIGH BOULEVARD. The Planning Commission vote 8:0 to recommend to City Council the denial of this application for a conditional use permit, and the City Manager concurred with the recommendation.

Reverend James Cornish, 135 John Rolfe Drive, Newport News, submitted a petition signed by the residents of the Pocahontas and Warwick Lawn communities requesting that City Council vote against the request for a conditional use permit that would allow the off-premise sale of alcohol at the AK Food Mart, located at 472-A Denbigh Boulevard, also known as Atlas Properties (a copy is attached and made a part of these minutes). He stated that three businesses in the vicinity of the AK Food Mart had created problems in the community, to include homes being broken into, vandalism of cars, and destruction of personal property. Reverend Cornish indicated that Dr. Banks, a dentist in the area, was against the request, but due to a death, could not be present. Mr. Cornish also mentioned that Mr. Allen R. Jones, Dominion Physical Therapy, requested that Council deny the permit. The owner of a nail salon indicated that her business was broken into. Reverend Cornish was invited by Mr. Abdul to the facility, but declined based on the clientele being drawn into the neighborhood. Reverend Cornish agreed that citizens had a right to establish communities, but the residents of this community were 40% retirees who wanted to maintain respect in their community, and did not feel the sale of alcohol would help enhance the better character of the community.

Mr. Abul Azad, 420 Myles Court, Newport News, owner of the AK Food Mart, stated that he respected the community, and wanted to do nothing to harm the community. He indicated to stop the business, the investment, and the employment, would not be helpful to the community. Mr. Azad further indicated if Council denied the request to allow the sale of alcohol, the business would cease. His family and his partner would lose their investment. Mr. Azad felt the crime in the community was an existing problem and was not created by the AK Food Mart. He requested that Council provide the opportunity to operate the business granting the conditional use permit to allow the sale of alcohol.

3. Public Hearings Continued

(d) Conditional Use Permit CU-08-248, Atlas Properties, LLC Continued

Councilwoman Scott moved closure of the public hearing; seconded by Vice Mayor Whitaker.

Vote on Roll Call:

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

Nays: None

Councilwoman McMillan moved denial of the request; seconded by Vice Mayor Whitaker.

Vote on Roll Call:

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

Nays: None

(RECESS: 9:20 p.m. – 9:30 p.m.)

(e) Conditional Use Permit CU-08-250, H. R. Ashe

Mayor Frank presented AN ORDINANCE GRANTING CONDITIONAL USE PERMIT NUMBER CU-08-250 FOR THE HEREINAFTER DESCRIBED PROPERTY FOR THE PURPOSE OF PERMITTING THE OPERATION OF A SKATEBOARD RAMP IN A C1 RETAIL COMMERCIAL DISTRICT. He advised this would grant a conditional use permit for the operation of indoor skate ramps with ancillary retail sales on one 4.78 acre parcel zoned C1 Retail Commercial located at 371 Chatham Drive. The Planning Commission vote 8:0 to recommend to City Council approval of this conditional use permit application, and the City Manager concurred with the recommendation.

Mr. Tom Waltz, 134 Andrews Crossing, Yorktown, stated the property owners and the operators of the proposed Skate Park, were available to answer questions. He stated the applicants were presenting an opportunity for the youth to have alternative activities, physical as well as educational.

Councilman Bateman inquired whether there was a retail component that would sell skateboards and accessories. Councilwoman Scott inquired about skating lessons. Mr. Waltz responded yes, there would be a retail component, and the operators of the business would offer skating lessons. Councilwoman McMillan commented that this was a wonderful idea. She thanked Ted Figura, Department of Development, for working with Mr. Waltz and Mr. LaVancher on the project. She indicated it was a long-awaited venture for adults and youth; and felt the location was perfect. Councilwoman Scott expressed appreciation for the applicants finding an activity that would take the youth off the street. It was her hope that more would rise to the occasion and make similar commitments and investments in the City's youth.

Mr. H. R. "Dick" Ashe, 632 Hampton Highway, Yorktown, reminded that he had owned the building for a couple of years and it had been difficult finding a tenant. He indicated

3. Public Hearings Continued
  - (e) Conditional Use Permit CU-08-250, H. R. Ashe Continued

there would be cameras inside and outside to monitor, everything was positive about the project. He expressed appreciation to members of City Council for their support.

Mr. Drew Mearns, 195 The Maine, Williamsburg, partner with Mr. William LaVancher in the project, indicated that he had recently returned from the X-Games on the west coast, where he had some business interests in promoting under-served and under-represented people in skating and action sports. He represented women, organized an alliance, and had made a deal with ESPN to bring the women to paid parity. Mr. Mearns advised that he had been involved in sports and in under-served aspects of sports, particularly track and field and Olympic sports for his entire career. He coached at the University of Virginia in the 1970's, and for 25 years from the 1980's, to develop track and field in youth groups. It was his hope that the community would support the project.

Mr. William LaVancher, 3091 N. Riverside Drive, Lanexa, partner with Mr. Drew Mearns, indicated that he got involved about 10 years ago when he opened a skateboard shop in Williamsburg, and had grown ever since. He had great appreciation for the sport and what it could do for youth. Mr. LaVancher advised that he started skateboarding at 55-years of age. He reiterated that skate lessons would be offered. He was excited about the opportunity to be in Newport News.

Councilwoman Scott inquired about age restrictions related to skateboarding. Mr. LaVancher responded the age was not restricted, but left this to the parents. Children as young as 5years of age could be taught to skateboard.

Ms. Susan Collins, Divaris Real Estate, 11817 Canon Boulevard, Newport News, condoned the concept of skateboarding. Divaris represented AJFA Associates, who owned the parcels adjoining the main part of the shopping center. She stated that skateboarders were the largest concern and although this project gave the skateboarders a place to go, they still had to ingress and egress through the property. Ms. Collins further stated before this project took place, if approved, there should be more conversation as Divaris had serious concerns with security of the property. The operators would have no control of the skateboarders once they left the property.

Councilwoman McMillan questioned whether this problem would not occur with whomever went into the property. Ms. Collins replied that a huge element was being brought in and the skateboarders were coming and going. She stated kids were kids, they would be excited and hyped up and would not walk through two parcels of property. She stated the concern for traffic and patrons. Councilman Bateman stated the children would be brought to the site. Ms. Collins responded there was a concern that parents would be dropping the children off, but who could be certain the children would not be leaving the premises. Since there was no age restriction, there would be an element of older children that could drive and come to the project.

3. Public Hearings Continued
  - (e) Conditional Use Permit CU-08-250, H. R. Ashe Continued

Councilwoman McMillan, responding to Ms. Collins remarks, inquired whether Divaris was aware that the revised conditional use permit provided for security in the parking lot. Ms. Collins replied that she was aware that security would be provided in the parking lot, but the parking lot was shared. The operators would have no authority on the adjoining surrounding parcels. The concern was, in the current economy, her client worked hard to maintain their property, invested a lot of money; but security costs could easily run another \$1.00 per square foot, a cost which was going back to the tenants. This would be difficult. Councilwoman McMillan was sympathetic, but stated for the last several years, before Mr. Ashe purchased the property, the property was overgrown, covered with litter, had homeless people camping out, big rigs parked, broken down cars, and surely this proposed activity was better than what the tenants had to live with in the past. It was now occupied by a responsible owner who was willing to proffer security.

Ms. Collins, requested, if the project moved forward, more conversations with the owners and operators of the project, in an effort to work in unison with one another. Ms. Collins advised that Farm Fresh representatives could not be present, but sent a letter expressing opposition and serious concerns about the proposed project (a copy is attached and made a part of these minutes).

Mayor Frank inquired whether Ms. Collins or another representative of Divaris Real Estate had appeared before the Newport News Planning Commission to express their concerns. Ms. Collins replied yes, Mr. Mike Center was present at the meeting of the Planning Commission. Mayor Frank inquired whether any effort had been made to request conversation with the developers about the concerns. Ms. Collins replied there had been a meeting, and all tenants were invited, to explain their opposition.

Councilwoman Scott moved closure of the public hearing; seconded by Vice Mayor Whitaker.

Vote on Roll Call:  
Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan  
Nays: None

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

Vote on Roll Call:  
Ayes: Scott, Vick, Whitaker, Woodbury, Bateman, Frank, McMillan  
Nays: None

- (f) King William Reservoir Land Acquisition Financing
  1. Virginia Resources Authority/Water Revenue Bonds

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

Mayor Frank presented A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED TWENTY MILLION DOLLARS (\$20,000,000) AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2008, OF CITY OF NEWPORT NEWS, VIRGINIA, FOR THE PURPOSE OF FINANCING EXTENSIONS, ADDITIONS AND CAPITAL IMPROVEMENTS TO, OR THE RENEWAL AND REPLACEMENT OF CAPITAL ASSETS OF, OR PURCHASING AND INSTALLING NEW EQUIPMENT FOR, THE WATER SYSTEM OF THE CITY, AND ACQUISITION OF PROPERTY IN CONNECTION THEREWITH; AUTHORIZING AND APPROVING THE SALE OF SUCH BONDS TO THE VIRGINIA RESOURCES AUTHORITY OR, IN LIEU OF SELLING SUCH BONDS TO THE AUTHORITY, AUTHORIZING THE ISSUANCE AND APPROVING THE SALE OF SUCH BONDS OR AN EQUAL PRINCIPAL AMOUNT OF WATER REVENUE BOND ANTICIPATION NOTES OF THE CITY AT COMPETITIVE OR NEGOTIATED SALE, AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO; AUTHORIZING THE CITY TO ENTER INTO A FINANCING AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE CITY MANAGER TO FIX THE MATURITIES, INTEREST RATES AND OTHER DETAILS OF SUCH BONDS; APPROVING THE FORM OF SUCH BONDS; APPOINTING THE REGISTRAR AND PAYING AGENT FOR SUCH BONDS; MAKING CERTAIN FINDINGS AND DETERMINATIONS AND OTHERWISE PROVIDING WITH RESPECT TO THE ISSUANCE AND SALE OF SUCH BONDS; AND AUTHORIZING THE REIMBURSEMENT FROM THE PROCEEDS OF SUCH BONDS OF EXPENDITURES TO BE MADE BY THE CITY IN ADVANCE OF THE ISSUANCE AND RECEIPT OF THE PROCEEDS OF SUCH BONDS. He advised this authorized the issuance and sale of not to exceed \$20,000,000.00 of water revenue bonds to secure financing from the Virginia Resources Authority (VRA) for land acquisition costs associated with the King William Reservoir Project. This was a follow-up action to the approval in March 2008 of the King William Reservoir Interim Project Financing Agreement with King William County. It was noted, at the time that already appropriated funding for the project would be used in the interim for land acquisition until this permanent financing was secured. This VRA financing was for a term of five years, with an interest rate of 3.66%. Semi-annual interest payments would be made with the full principal amount at maturity, which corresponded to the receipt of the \$20,000,000.00 from King William County as set forth in the Interim Financing Agreement.

Dr. Angela Herring, 11 Digges Drive, Newport News, requested that City Council not approve the \$20 million bond issue for the King William Reservoir (KWR). She stated that a report was released indicating the water was not needed. She shared findings from the report that indicated the population in the area had grown, but water sales had fallen. The report further stated that more growth, called "build-out" could not be expected, to generate a need for a lot more water in the future. Dr. Herring did not hear or read any rebuttal of the facts from the report and presumed the facts were true, that Newport News was selling less water. She stated she was glad we did not need the water, and felt that fear had been an issue surrounding water on the Peninsula, and the fear of running out of water had been promoted, which had been

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

the trump card for pushing forward on the KWR. Dr. Herring inquired, if the water was not needed, what was the real reason for the reservoir and to pursue building it? Was it because the City had already spent a great deal of money? She countered by stating if it was built, and there were no new customers to pay for the reservoir, someone would have to pay for the water, which would more than likely be the already overburdened taxpayers in Newport News. Dr. Herring stated that Newport News was pursuing this \$20 million bond issue because the King William County Board of Supervisors was not sure whether enough that the issuance would go through to pay for the land needed. She further stated that Newport News was willing to gamble her purse. She asked again, if we did not need the water, what was the real reason for the reservoir? Did Newport News believe there was power in control of water? Newport News was already in the business of selling water to other localities. She felt the City should share the cost benefit of building the reservoir, and identify the new customers that wanted the new water. She questioned, again, the reason for the reservoir, if there was no need for water. Did the City want to develop a reservoir for recreation, a version of Lake Gaston? Dr. Herring stated, unlike Newport News Park, the reservoir was not in Newport News, and was not for the residents of Newport News. Unlike Newport News Park, building the reservoir was not a wonderful foresight. She indicated she was not opposed to areas for recreation, but was for "footing a bill" for a resort that was not in Newport News. Dr. Herring inquired who would benefit from the land sales and development. She urged City Council vote against the \$20 million bond issue.

Mr. Eugene J. Rivara, 1270 Commins Road, Aylett, Virginia, indicated he was formerly on the King William County Board of Supervisors when the VRA bond issue came up in November. There were concerns on the project, as a whole, because the project was not completely permitted. There was no construction permit, which would not come until at least 2012, when the full review of the State Water Control Board occurred. He stated the State Water Control Board permit would expire in 2012 and there was no construction occurring. Mr. Rivara suggested that the \$20 million was needed to purchase the land, approximately 112 parcels, with 96 landowners. He stated the King William County Board of Supervisors was concerned about the rush to purchase the land when nothing could be constructed until 2012. He further stated that Newport News Waterworks felt, if the State Water Control Board permitted the construction, they would be able to start building immediately. Mr. Rivara disagreed, indicating that design and engineering work would be needed. He suggested that Newport News could hold off, conduct further studies, avoid borrowing \$20 million until, if and when the State Water Control Board approved the permit in 2012. He questioned borrowing the money four years before the construction permit, with a five-year life of the loan. If the construction permit was approved in 2012, King William County would have to come up with the \$20 million in a one-year period of time, which would be difficult. Mr. Rivara suggested holding off on the land purchase, conduct water studies, wait until 2012, then apply for the loan and proceed with the land purchase. He indicated that water was still needed. He further indicated that Newport News was looking for a regional solution to the water source problems, but felt Newport News was better off spending money seeking alternatives. Mr. Rivara stated there was concern in King William County about having to reimburse the \$20 million loan, that the State Water Control Board would not issue

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

the permit, and the project would not go through. He further questioned the timing of the land purchase. He added there would, more than likely be eminent domain cases and condemnation cases. He inquired whether the \$20 million would cover all of the land purchases or would more money be necessary. The entire value to the project was unknown. Mr. Rivara urged City Council to hold off on borrowing the \$20 million.

Mr. Garrie Rouse, 11002 W. River Road, Aylett, Virginia, stated the people of King William County identified with the Mattaponi River, and treasured it. He referenced the interim finance agreement, which was a recent agreement with the King William County Board of Supervisors. He explained that in November, the Board of Supervisors took a stand, citing uncertainty, particularly since the State Water Control Board permit did not come up until 2012. He explained that King William County would purchase the land, Newport News would lease the land, and a bond would be necessary. He pointed out that the contract did not require this to take place now, there was no time limit. Mr. Rouse reminded that construction could not begin until after 2012. The King William County Board of Supervisors agreed to wait; they were not pursuing a bond, or committing the citizens. He suggested that \$20 million did not mean as much in Newport News as it did in King William County. Newport News came back to the King William County Board of Supervisors and threatened to hold them in breach of contract, which would cost millions. The Interim Finance Agreement was then put on the table, with Newport News promising to finance the loan, making the loan interest free. Mr. Rouse suggested that Newport News was trying to “cook the books,” using the strategy to be as vested in the project, with millions of dollars, so that the State Water Control Board could not possibly deny the request. He felt this was not smart policy.

Dr. Sheryl D. Bailey, Executive Director, Virginia Resources Authority, 1111 E. Main Street, Richmond, announced that the VRA was pleased to partner with the City of Newport News for this important public project. Since 1984, VRA had delivered cost effective financing to localities across the Commonwealth of Virginia, for key infrastructure projects. She stated VRA’s investment in Virginia exceeded \$3.4 billion, for over 800 projects, impacting over 250 communities. These projects had significantly improved the quality of life for residents, businesses, and industries, and each had a multiplying affect in the local and regional economies. Initially known for water and sewer projects, VRA expanded to finance a full-range of infrastructure projects. Based upon the legislature and several Governors, the project areas had expanded, such that VRA could assist localities with additional community needs. Dr. Bailey advised the new project areas included energy, parks and recreational facilities, broad band deployment, and local government buildings. Dr. Bailey stated that VRA was the infrastructure finance authority for Virginia communities for key projects. She further stated that VRA had a long history with the City of Newport News, funding nearly \$42 million for 14 sewer upgrades since 1993, all of which had below market interest rates through VRA’s Clean Water State Revolving Fund Program.

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

Dr. Bailey advised that VRA launched an equipment and term financing program to provide financing for shorter-term projects in the 3-12 year range. VRA conducted a nationwide Request For Proposal to establish a master contract for this type of financing for localities. SunTrust Leasing was selected under this competitive recruitment and a favorable rate structure was negotiated through September 30, 2008. Newport News joined Falls Church, Covington, Surry, Goochland, and others, who were being processed and closed, in securing favorable rates under this new program. She stated that confusion on the part of the leasing company delayed this financing earlier in the summer of 2008. Dr. Bailey apologized for the disruption, advising this was a financial confusion, related solely to recent market turbulence, which continued perpetually in the financial markets. She indicated this was related to the favorable rate structure that VRA negotiated. Dr. Bailey added that she personally intervened and took action, within the Authority, outside with the banker SunTrust Bank, and with the investment providers, Trust Co., another subsidiary of the bank. She advised, in consultation with the Executive Vice President and other leadership at SunTrust Bank, the leasing company's confusion was resolved and the contract terms honored. She indicated that she was doing the RFP for this essential financing program and would be in place by October 1, 2008. Dr. Bailey stated that VRA was a committed partner to local government and that its relationship with Newport News and other localities was extremely important to her, the VRA Board, and the Commonwealth.

Mr. Thomas Rubino, representing the Alliance to Save the Mattaponi, 387 Shilo Road, King & Queen County, Virginia, stated that he was opposed to the King William Reservoir (KWR). He stated that Mayor Frank and the City Manager were supporters, who would keep supporting the KWR. He felt their minds were already made up. Mr. Rubino stated that Newport News Waterworks, in the 1990s, generated figures that came to the conclusion that the reservoir was required because there would be an increase in water use, and that would require a new reservoir. Mr. Rubino advised that the KWR was not just any reservoir. He stated there were six reservoirs in the system. The KWR would increase the holding capacity by 104% over all six reservoirs combined. The cost of a "huge" reservoir, like the KWR, was also huge. The water needs assessment, generated over a decade ago, was incorrect. The facts prove, using the data from Waterworks, there had been a water decrease. In 1990, Newport News built ships and this would continue. Mr. Rubino, looking into the future, indicated residents would use less water.

Mr. A. C. Pulliam, Jr., 239 Falcon Drive, Newport News, was advised by Newport News Waterworks staff, that every permit for the KWR had been approved. He inquired if the reservoir were built in the King William County area, which was necessary since there were five other locations available, why Newport News needed to purchase the land. He stated this would put people on waterfront property. Taking or stealing their property was not the right thing to do. He encouraged City Council to not take this land, look at other avenues, even if it meant losing the money already spent. He felt the City was not doing the right thing to the taxpayers of Newport News or King William County.

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

Mayor Frank advised that Newport News City Council had a rule of procedure that said, at 10:00 p.m., if still in the business agenda, this would be abated to provide an opportunity for the item involving Citizens Comments on Matters Germane to the Business of City Council, allowing citizens who came to address Council. In accordance with City Council procedure, citizens were called to speak on items Germane to the Business of City Council.

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

Ms. Augusta Inettie Edwards, 951 - 12<sup>th</sup> Street, Newport News, announced that she established a \$30,000 scholarship fund with the Newport News Redevelopment and Housing Authority (NNRHA) and the 100 Black Men, for the interest gained on the \$30,000 to be used for the scholarships. She reported that NNRHA had awarded two scholarships. She stated another \$30,000 scholarship fund was established with the C. Waldo Scott Center. The C. Waldo Scott Center mixed the funds with their money, removed her family name, and had not awarded any scholarships. She sought assistance in having the C. Waldo Scott Center restore her family name (Lylton L. and Augusta Inettie B. Edwards) to the scholarship foundation, with a scholarship awarded annually, so that young people in the Southeast community could attend college, get a job and reduce crime.

Mayor Frank asked for confirmation that the money was not being used in an appropriate manner. Ms. Edwards responded that she gave the C. Waldo Scott Center \$30,000, \$20,000 in 2006, and \$10,000 in 2007. They had not awarded any scholarships. It was her understanding that the money she gave was intermingled with the Center's money, and no name listed on the Foundation.

The City Attorney was instructed to meet with Ms. Edwards to review the matter.

Ms. Shirley N. Jones, 313 Crittenden Lane, Newport News, stated that the elected members of the City Council in the Central District had failed to honor its obligation related to the Deep Creek Pier. The City had an obligation to the citizens of Warwick County to honor all agreements, one with the Meltzer family specifically, to keep the pier in good condition, for all of the citizens and the watermen. It was her understanding that the City of Newport News accepted money from the State to keep the pier in good repair. The pier was torn down. The City failed to honor its agreement with the County of Warwick, with the State of Virginia, with the United States Federal Government, and the citizens of Newport News. She was disturbed by the lack of consideration for the watermen of the Hampton Roads area. Their promised, free protected area had been taken away and given to businessmen. Ms. Jones stated the watermen were not fairly represented. She suggested City Council fund the rebuilding of the Deep Creek Pier with the \$200,000 plus designated for the performing arts, the Ferguson Center, the Yoder Barn, as well as the funds designated for a proposed October trip to China.

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

Mr. L. T. Vaughan, 595 Snug Harbor Lane, Newport News, reminded that RETRO requested that spending be cut to allow a for real estate tax reduction. He felt that any spending cuts that had occurred were modest. He expressed opposition to funding Sister Cities activities. Mayor Frank advised that no member of City Council would travel to China.

Mr. Vaughan inquired about the Brown property disposition at Turlington and Deep Creek Roads. City Manager Hildebrandt advised that the City had not acquired the property and had no intention of doing so. Mr. Vaughan stated the City did pick up the right-of-way. He further stated it appeared that no one wanted to tell anyone what was going on. He suggested the citizens needed to know how the property would be developed.

Mr. Vaughan suggested there was "fat" in the City's Transportation budget, hidden away in diverse assignments amongst all of the departments.

Mr. Vaughan inquired why crews were tearing up crosswalks at the Warwick Boulevard/Avenue of the Arts intersection. The walks were new and fairly expensive. Councilman Bateman responded that the design work for the brick walkway, which was a best practice, and when the Virginia Department of Transportation put pavers in, a concrete shell was poured, which was breaking apart, which meant the pavers would either sink down further or pop up. The design flaw was discovered and it was not the City of Newport News design that caused the problem, but the City saw that it was fixed.

Mr. Vaughan concurred with Councilwoman Scott regarding traffic problems. He stated there were two main arteries in town, with only few crossing arteries between Warwick Boulevard and Jefferson Avenue. Anyone with a business on either of the main arteries should have to put in a turn lane. He pointed that was not done at the corner of Oyster Point Road and Jefferson Avenue.

Mr. Donald R. Henry, 130 Stage Road, Newport News, felt it laudable that the City was trying to do things to provide areas of recreation, possibly mooring for the Oystermen, but indicated a great deal of money was being spent across Deep Creek at the Menchville Marina to provide the moorings for the watermen. It appeared that taxes and fees were increasing because citizens continued to demand more services, but the tax base could not continue to be eroded. He requested City Council resist the urge to use eminent domain for the property in an effort to accommodate parking at the former Deep Creek Pier site. Mr. Henry stated the businesses were paying the taxes in the City, and prevailed upon City Council to be responsible to all of the citizens in Newport News, being prudent in financial and natural resources.

Ms. Carol Hogge, 3 Gay Drive, Newport News, requested copies of City records under the Freedom of Information Act, regarding the transfer date of June 29, 1983 for 700 Deep Creek Road, the unrecorded plat done by Emin B. Holley, Jr. for the property of James River Dry Storage Marine, Ltd. dated May 7, 1973, as well as all documents showing ownership of the land, prior to it being transferred.

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

Mr. A. C. Pulliam, Jr., 239 Falcon Drive, Newport News, inquired about disposition of the Brown property at Turlington and Deep Creek Roads, and the intended use or the improvements, as he heard there would be houses for the homeless constructed there, as opposed to a right-of-way.

City Manager Hildebrandt responded that the transfer of property that was in the newspaper was for some additional right-of-way that the bank had to grant to the City because an error was made on the survey. The Community Services Board had purchased the property from TowneBank and would sell one property on Deep Creek Road to a private individual, eliminate one property in the rear and replace it with a single family style group home for intellectually disabled adults, and the other home would be rented to a consumer that needed it for family use. There would be three buildings, rather than five that were originally planned by Mr. Brown.

Mr. Pulliam thought that did not sound like a good idea for the Deep Creek area. According to Mr. Pulliam, it did not sound like a “normal family” would live in these houses. He suggested a commercial or hospital area as opposed to a residential area.

City Manager Hildebrandt indicated that homeless people would not live in these houses, but were adults who may have some mental health issues, some who did not have family to support them and needed someplace to live. By federal law, they could be located in a residential area. They have a legal right to be housed in this location. Mr. Pulliam inquired whether medical services would be available. City Manager Hildebrandt responded yes, full-time staff would be available.

Mr. Pulliam felt the public should be notified. City Manager Hildebrandt advised that the Community Services Board recently made the transaction and was about to advise the neighborhood.

Mr. Pulliam advised that Mayor Frank had no public interest in the James River Dry Storage or Deep Creek Pier. Mr. Pulliam announced that he did have an interest and felt it unfortunate the pier was torn down. He recommended a bulkhead with a public area at the former Deep Creek Pier site, and that the Marina proceed with the plan to build a floating dock. He further suggested the City accommodate some work boats and pay the slip fees.

Mr. C. W. Powell, 3 Gay Drive, Newport News, requested replacement of the Deep Creek Pier.

Ms. Kimberly Winn, Newport News, welcomed new Council members.

Ms. Kimberly Winn, recognized positive contributions by current and past community leaders. She spoke on the importance of leaving a legacy for the youth. Ms. Winn, advised of the Jazz Festival on August 16, 2008 at King-Lincoln Park.

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

Mr. Kelly Place, 213 Waller Mill Road, Williamsburg, urged Newport News Waterworks to undertake more water conservation measures. He indicated that Newport News had fallen woefully behind on conservation measures that many of the surrounding localities had been implementing, i.e. James City County institution of rebates for “low flow” washing machines.

Mr. Place advised of a web site dedicated to the KWR and water conservation, [savethemattaponi.org](http://savethemattaponi.org). He reiterated points in a recently released report that showed, contrary to Newport News projections related to water need, none of the fundamental predicates of the KWR had not materialized. Mr. Place placed a great deal of credibility in Dr. Donald Phillips who released reports showing water needs, water use, projecting population, etc. Mr. Place suggested Newport News take heed in Dr. Phillip’s data, based on his track record, who would be a better indicator of the future and the future needs of the people.

Mr. Kelly Place, expressed his continued opposition to the King William Reservoir project.

3. Public Hearings Continued

(f) King William Reservoir Land Acquisition Financing Continued

1. Virginia Resources Authority/Water Revenue Bonds Continued

Dr. Donald Phillips, 200 Dogwood Court, Yorktown, indicated he had been interested in water issues on the Peninsula for some time and had prepared studies. He quoted Mr. David Morris, II, Natural Resources Manager, Newport News Waterworks, who was quoted saying if the reservoir, was not built, there would be a deficit of 15.9 million gallons in water in 2040. Dr. Phillips rebutted saying Mr. Morris did not mention the need to make up the 17 million gallons that had not risen, or the 23 additional million gallons of water which would need to arise to meet the projections made in 1997. Dr. Phillips stated there were easier methods to use as far as projecting water needs, i.e. Framework for the Future and similar comprehensive plans. Dr. Phillips stated that the larger jurisdictions, Newport News and Hampton, were hitting “build-out.” It was possible to estimate the population in 2040, and would be 60,000 persons below the expected level when the EIS was written for the KWR project. In addition to the population, Dr. Phillips stated there was a demand side – how much water was used by businesses and individuals. He showed when the reservoir was being planned, water use was growing, and it appeared there was a need for more money; however, in 1994, water use started declining. Newport News Waterworks data showed that businesses and industry were the cause for the decrease in water use, but in 1997, residences used less water. Dr. Phillips stated water was available and there should be plenty in the future.

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

Mr. Glen Besa, representing the Sierra Club, 422 E. Franklin Street, Richmond, stated there was a serious problem because there was less demand for water and the cost of the reservoir was growing at a higher rate relative to inflation. He referenced a March 15, 2008 Virginia Gazette news article citing water rates would increase by 15%, according to Mr. Jack Tuttle, City Manager, City of Williamsburg (a copy is attached and made a part of these minutes), which meant water rates would double every five years. Mr. Besa stated there were numerous citizens with limited income, and suggested that City Council look at the cost of the project to the citizens. There had been conversation with regard to this project being necessary for economic development. Mr. Besa stated that numbers showed that water use by most of the large consumers had decreased, i.e. Anheuser Busch, Northrop Grumman. With the increased costs associated with the KWR project, Mr. Besa questioned whether the project was needed. He sought answers to questions regarding the KWR, prior to proceeding with the project, including cost and issues with regard to need (a copy of the questions are attached and made a part of these minutes).

Ms. Ann Talley, Gloucester, expressed opposition to issuance of this revenue bond, whose purpose was mainly to take the land and homes from citizens in King William County. She stated it was premature to attempt to take their land, particularly when advice was given to seek other options in case the project failed. She reminded that the King William County Board of Supervisors asked Newport News not to begin land condemnation until a construction permit was in place. The State Water Control Board had placed a construction moratorium on the project until the permit was renewed. Reports showed that, key factors predicted to support the reservoir, had not occurred. Ms. Talley stated citizens would not approve of this risky scheme if they knew the cost, due to erroneous data the project was based upon. She was appalled by the disregard the City had for the Clean Water Act. She further stated this bond issuance would help the most destructive and reprehensible project. The reservoir would destroy the wetlands. The proposed replacements were ineffective, fragmented parcels, in different watersheds that would fail and the ecological function would never be replaced. The National Academy of Science stated the type of wetlands needed to replace the natural with, is seldom, if ever, repopulated with the same wildlife and genetic diversity that existed naturally. Ms. Talley indicated that water customers were being asked to fund an ecological disaster and their rates would increase far faster and higher than they were told. She stated that government agencies and regulatory agencies rejected the project for countless reasons, but Newport News had spent millions of dollars to pressure regulators to change laws and obscure the facts. She stated that new studies speak against the project. After years of detailed study, the Army Corps of Engineers ruled the project was too damaging to the environment, to the Mattaponi Indians, and that it was not needed. The Virginia Institute of Marine Science reported the reservoir was too damaging and the proposed withdrawal spot was the worst place in the worst river. Ms. Talley stated permits were not received willingly and suggested they were taken by political force and wasteful spending. She urged that members of City Council vote against appropriating the \$20 million and stated that Council's disregard for the environment, people's rights, and property was appalling. Ms. Talley added that this project was the worst water project ever proposed in Virginia.

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

Mr. Stephen Greenwood, 121 Harris Road, Aylett, Virginia, stated his family owned land under the proposed dam and roadway. He felt that he could not change the decision on the KWR land acquisition financing matter, but reiterated his opposition. He reminded, that 12 years ago, members of Newport News City Council and King William County Board of Supervisors passed the KWR project without the consent of most of the population of King William County. The original contract had changed in scope, but King William County residents have been told that nothing had changed. Citizens of King William County felt they were being held like prisoners to this obligation because legal counsel said it was a binding contract with the previous board, even though most of the County did not want it. Since then, King William citizens sought to correct the problem, and had won many battles, only to get the actions reversed or overturned by strange political circumstances. When citizens urged the King William County Board of Supervisors not to pass the bond issue for which the City of Newport News financing was sought, private legal counsel was obtained and citizens were told the County could be sued if they did not agree to stay in compliance with the original contract and continue to acquire land for it. James City County Board of Supervisors, in May 2008, passed a \$25 million bond advance payment to Newport News to buy water, before their public hearing was held to discuss why their water rates were increasing; when they were assured that it was not coming from the KWR. If not, where was the water coming from. Mr. Greenwood stated most of the potable water, 54 millions per day, was used for cooling machinery at the Franklin and West Point Paper Mills. He advised at meetings of the State Water Control Board, the King William County Board of Supervisors, and the James City County Board of Supervisors, that desalinization was the most effective and cost effective method. Mr. Greenwood was told that the KWR project was tying up all of the water permits. He was told by City Manager Hildebrandt in June 2008, that all avenues for this idea had been blocked. Mr. Greenwood asked that City Council consider the following: if the powers that be come to their senses and the KWR project were defeated, what would be done with all of the land that was purchased in King William County; and how would Council feel if this land for the reservoir was theirs or that of their family. He urged City Council stop using their power of eminent domain and the "water needs." He urged City Council to deny the \$20 million KWR land acquisition financing mechanism, and to move forward to a more economical and potable water production methods for the City of Newport News.

Ms. Susan Garrett, 234 W. Rose Garden Road, King William, Virginia, stated the KWR project would cause irreparable damage to the Mattaponi River, to the repopulation of shad, and to the environment. If the original report of the Army Corps of Engineers, which said the reservoir was not feasible, had been honored instead of being politically manipulated, this project would have already died. Others reported statistics as to why the project was ill-advised. Many landowners in King William County, including her uncle, who did not want to sell their property, will be forced to relinquish ownership. The dam and the roadway plan would take a large part of their property and would make the remainder difficult, if not impossible to farm. Ms. Garrett stated the environment would pay a high price through the loss

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

of wetlands and damage to the Mattaponi River. King William landowners would pay a high price and the loss of their property. Newport News citizens and other jurisdictions receiving water from Newport News would pay a high price for the water. The water was not really needed. She urged City Council, and its citizens, to look closely at the cost of the KWR and urged them to reconsider the approval of this bond issuance.

Ms. Ann Brummer, 504 Glendale Drive, Richmond, property owner in King William County, expressed opposition to borrowing the \$20 million bond issuance to purchase land for the KWR on flawed analyses of regional water need. She stated that her family was one of the many opponents of the KWR project, which was under a construction moratorium; yet Newport News plowed ahead contracting to buy land for construction, giving no regard to the risks of if and when permits were denied in 2010. Ms. Brummer was under the impression that rules and regulations did not apply to Newport News. An extensive and thorough report had been presented, including comments on the prospectus of the City of Newport News Water Revenue Bonds Series 2007, dated May 2008, by Dr. Don Phillips, where he verified what most knew from the onset. The study continued to show that Newport News did not need the water and that conservation and modern water saving devices were becoming a necessary trend toward continued reduced use of water. The projection was that the need for water would be reduced more. Ms. Brummer asked how many desalinization plants could already be in operation had the City's money been spent for what was the projected need, and not the inflated need. King William County Board of Supervisors voted against the bond issuance because of the uncertainty of the project. Ms. Brummer objected to the bond funding because of the destruction to the Mattaponi River, which was prime spawning ground for the shad. She stated that American Indians had depended on this river and shad for centuries. It was her understanding that Newport News was studying the shad migration and spawning to determine when to apply a state mandated pumping hiatus. Ms. Brummer stated that spawning occurred in different months at different times of the year based on water temperature and conditions; and resulted in early or late spawning. She further stated that a short-term study was not sufficient for the accuracy of results needed for such a massive undertaking. She inquired how long the study would take and how would the irregularity be handled. Ms. Brummer reiterated her objection to the bond funding and the buying of condemned land in King William County. She stated it would be a stealing of residents' land, offering the lowest possible dollar in order to fund a reservoir that was never needed. She stated that her family owned one of the properties, and indicated they did not want to sell, did not want the land developed, did not want waterfront property, and if there happened to be any property left, the water would not be accessible for them, where there was a 200 foot buffer. Ms. Brummer stated the land had been in her family since the early 1900s and was now in jeopardy because of the impending reservoir and greed. She indicated that she objected to the destruction of personal property, depleting more than 425 acres of wetlands, wrecking the Chesapeake Bay, eradicating the Native American culture and wasting taxpayer money. She further indicated this was not in the best interest of the residents of Virginia. She urged that the proceedings against King William be dropped and commence the desalinization permit, which could be obtained; as well as beginning proceeding towards goals that were acceptable for

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

Newport News residents. Ms. Brummer ended her comments by urging consideration of each comment made against this bond issuance.

Ms. Dori Chappell, 4892 Canterbury Road, Walkerton, Virginia, stated she was not appreciative of the fact that her friends and neighbors in King William County faced eminent domain issues even though several State and Federal cases had yet to be decided. She stated there were citizens whose property was in the path of the proposed dam and reservoir, who had many unanswered questions. She stated that King and Queen County had been opposed to the KWR for many years. She further stated that citizens of King and Queen County shared the Mattaponi River with King William County. The King and Queen County Board of Supervisors had made this known. Ms. Chappell stated, like her Native American neighbors, several generations of her family tried to be good stewards of the Mattaponi River. She asked City Council to consider what may happen if the KWR went forward, the worse water project in Virginia.

Ms. Tyla Matteson, member of the Sierra Club, 4896 Burnham Road, Richmond, asked that City Council take into consideration all of the comments and concerns presented. The citizens, and long-term opponents to the un-needed KWR, would like for the Mattaponi River to continue to run free. They wished to keep it as nature intended. She reiterated there were reports that crunched figures that indicated the KWR project was not needed. Ms. Matteson questioned why Newport News was proceeding with the purchase of the land for the KWR when there was no guarantee that the State Water Control Board would authorize the project. She further questioned why Newport News had not considered buying options on the land for the reservoir as the State Water Control Board suggested, rather than buying the land out right.

Ms. Sharon Hill, member of the Sierra Club, 3004 Condie Street, Richmond, stated that City Council members had been convinced that the Newport News of 2040 would be so huge that the KWR would be needed. She questioned Council's loyalty to the citizens, most who did not want development. Studies showed that Newport News would be built out. She suggested that members of Council show some loyalty to the citizens they have and listen to good advice.

Ms. Peg Babyak, 3890 Canterbury Road, Walkerton, Virginia, expressed opposition to the \$20 million bond issuance. She echoed the comments made by the opponents. She urged members of City Council to protect the rights of the citizens, locally and distant; and urged them to do the right thing.

Mr. Rick Crawford, Norfolk, expressed opposition to the \$20 million water revenue bond issuance. He felt it was premature and irresponsible to borrow money to take people's land and homes that they did not want to sell. He further stated this was a risky venture that depended on a risky project that could do great harm to many people and the environment.

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

A study reported in 2005, that water rates would increase at twice the rate with the KWR as it would without it. Mr. Crawford inquired how much more would the rate of increase be in light of the new reports and about the public benefit. He felt the KWR project was illegal, immoral, and based on projections of water demand and populations that had not occurred. City data showed that numbers did not add up. He questioned the act of putting the City in such debt from a project that was opposed in Federal and State Court by the Chesapeake Bay Foundation, the Southern Environmental Law Center, the Mattaponi Indians, the Alliance to Save the Mattaponi, and many others. Mr. Crawford stated the pressure placed on lower and middle class families through excessive water rates and real estate taxes, was unsurpassed by the way Council doled out tax dollars to developers. He stated the City had become misguided in its spending habits by investing in development instead of its people. He further stated the bond issue was a posterboard for the City's misplaced priorities, citing as an example the lack of a grocery store in the Southeast Community. Mr. Crawford shared his impression that revenues were earmarked for more unwanted development, i.e. Asheton. He stated if Council invested in the people instead of the developer's pet projects, Newport News would realize a better return. He further stated, this unwise appropriation from risky water revenue bonds would increase Newport News citizens cost of living due to higher water rates, higher taxes, and less citizens from the development. He urged City Council to reject the risky water revenue bond and appropriation until all litigation challenging the project was over and the risk became acceptable.

Mr. Frank Bishop, P. O. Box 275, St. Stephens Church, Virginia, requested that Mayor Frank recuse himself from voting for the King William land acquisition financing. Past land acquisitions in King William County involving his law partner, Mr. E. D. David, and the King William Land Trust gave the appearance of a conflict of interest, bringing into question the objectivity of any vote cast on the matter. A signed copy of a Declaration was filed with the City Clerk on August 13, 2008, to be recorded in written minutes of the City Council meeting because reasonable time was not available to comply with the filing provisions of this subsection prior to participation in the transaction on August 12, 2008, and is attached and made a part of these minutes. Mr. Bishop stated that the family of Mayor Frank's law partner, Mr. E. D. David had law interests in King William County that would benefit from construction of the KWR, and Mayor Frank should have recused himself immediately. This particular piece of land jut into the Reservoir, had waterfront properties, and front on Route 30, a valuable tract of land. Mr. Bishop inquired whether Mayor Frank was related to Mr. E. D. David. He asked that Mr. David reveal the history of the past and present owners of the land in the King William Land Trust. The public also wanted to know the level of water rate increases would be due to this project, and what the increases would be without the KWR. He asked that Mayor Frank recuse himself due to lack of objectivity and the appearance of a conflict of interest.

Mr. Calvin Custalow, member of the Mattaponi Indian Reservation, now residing at 7709 Merrick Road, Richmond, expressed opposition to the \$20 million water revenue bond issuance and the KWR. He felt the river would be destroyed and the land, that he personally owned. He stated another river would be destroyed just as the Diascund Chickahominy River

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

when the Diascund Reservoir was constructed. It is no longer a free flowing river. He asked City Council to think carefully about this before making a terrible mistake.

Mr. M. T. Custalow, 3100 Fortune Road, Richmond, shared the remarks made by his brother, Calvin Custalow. He shared how much the river and the water meant to Eastern Indian people. Mr. Custalow stated that he was born and raised on the Mattaponi Indian Reservation, now residing in the western part of Henrico County. From a history standpoint, he shared that the Eastern Indians used the River as a means of livelihood. The reservation and above, was a prime spawning ground for the shad, rockfish, and herring. He stated that salt water would kill it. Mr. Custalow mentioned that the term "eminent domain" was repulsive. He stated his people wound up on a reservation many years ago because of a form of eminent domain. His brother owned property off of the reservation that was located in the proposed site for the KWR, and he did not want to sell it. Mr. Custalow stated that members of Council had worked hard for what they had and inquired how they would feel if it were threatened. He reminded that they could stop something that was wrong. He asked them to vote against the \$20 million bond issuance.

Mr. Kelly Place, 213 Waller Mill Road, Williamsburg, expressed opposition for the land acquisition bond being proposed because of the amount of risk to the citizens of Newport News, particularly with the new projects that came out and the projections – all predicates to the project itself. He reminded that nothing had every transpired, the way it was said, on this project. Mr. Place stated if City Council were to pass this, they would be in violation of the State Water Control Board. The State Water Control Board suggested taking options on the land and there would be a lot less risk, in case the permit was not renewed. He further stated City Council should not be throwing the dice on a risky project with the citizen's money. He reminded that he was opposed to the KWR. He mentioned that the King William Board of Supervisors, after declining to take this bond, also encouraged Newport News not to condemn people's land until the construction permit was in place. He urged Council to review the new data and the implications of the new reports. Mr. Place indicated the need had not materialized. The deficit of the projections was equal to the yield of the reservoir. Seventeen million gallons less, per day, than was needed in 1990, 1993 and 1997. Looking at Dr. Phillip's projections, Newport News could expect the trend of less water use, per capita, to continue until 2040. He reminded that City Council had a fiduciary responsibility to residents of Newport News. He suggested the picture painted by Dr. Bailey was not relevant and urged her to review the facts before risking the State's money.

Mr. Dick Ashe, 632 Hampton Highway, Yorktown, shared that he had attended a meeting of the Army Corps of Engineers, where Mr. Hume stated the number one concern of the Corps of Engineers over the next 50 – 100 years for the Tidewater area, was an adequate supply of domestic water. He understood the feelings of the people from the Mattaponi, having experienced a similar situation on the Fontana Dam. He indicated his family lost their

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

homes in Judson, North Carolina because the Fontana Dam covered it. As a child growing up there, Mr. Ashe shared their lives were better with the lake than without it. He wished Council the best in making this tough decision.

Vice Mayor Whitaker moved closure of the public hearing; seconded by Councilwoman Vick.

Vote on Roll Call:

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

Nays: None

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

Councilwoman Scott inquired whether the City was purchasing the property before the construction permit was granted or taking options. City Manager Hildebrandt replied the City was purchasing the land as part of its obligations under the Federal Corps of Engineers permit, it had to acquire the property to do the archeological work before it could be released and used for construction. The process was going on simultaneously with all of the other studies and conditions to be met. City Manager Hildebrandt stated the City was about to enter into a design contract for design work, which would put the City in place when the renewal for the permit was received, the design would be done, the land would be acquired, cleared in terms of archeological studies, and the project could proceed to construction in 2012. The City had entered into agreement with James City County, who asked for four million gallons of water they believed they needed in their service area. Many of the studies discussed had been presented to the Corps of Engineers when considered by the North Atlantic Division in New York. General Kimball concluded in July 2005, that a risk of long-term water supply shortage was likely to begin in the 2015 – 2030 timeframe. The short-term demand for water had leveled off, but new customers were being added. Approximately 5,500 new customers were added to the water system in the past five years. Existing customers were conserving and were encouraged to do so. City Manager Hildebrandt reminded there were residential areas that did not exist when the talks of the KWR project began, i.e. Port Warwick. There were 5,000 units planned in the City in terms of new development, i.e., Asheton, Huntington Pointe, Patrick Henry Place, and assorted other projects on the books that will be constructed. He stated the population in the area would continue to grow. Newport News was not built out. It would be ten more years before the project would be available and water ready to use. The climate change was unknown. City Manager Hildebrandt stated this project had been reviewed for 20 years. Every committee and agency had reviewed the issue over and over. The conclusion remained that this project should be done. There were permits to do it. The State Department of Environmental Quality was concerned about a groundwater permit and were challenging the permits that were in place. They believed that groundwater was not a good use of municipal supply and encouraged surface water supply.

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

He reminded there was a great deal of time and money invested in this project. This interim financing was to get the City to a point where the County felt comfortable with issuing their own bond. Savings amounted to \$600,000 per year on the arrangement until they entered into the financing arrangement when the City started leasing the land from them.

Councilwoman Scott inquired what could prevent the City from receiving the construction permit. City Manager Hildebrandt responded the City would have to finish its wetlands studies and do some other studies that were required as part of the State permit. Once provided to the State, they would consider the permit renewal. Councilwoman Scott inquired what would happen to the land, should the construction permit not be approved. City Manager Hildebrandt replied the arrangement with the County was if they did not choose to keep the land, they would try to return it or sell it back to the property owners.

Councilwoman Woodbury inquired about the population that had been reported that said Newport News had lost 10,000 residents over the past few years. City Manager Hildebrandt responded that was a miscalculation on the way the data had been put together. People were counted that lived in institutional settings. Councilwoman Woodbury inquired about the State Water Control Board who suggested the City take options rather than make this full commitment. She stated the City was \$1 billion dollars in debt and the bond rating was not AAA or AA+, but was AA. Moody's had the rating at A and AA3. She stated the City was not in a wonderful financial position to be buying property and paying their taxes on it. City Manager Hildebrandt stated this was part of the agreement that was arranged with King William County.

Councilwoman Woodbury questioned the agreement. She stated that one reason the City had a poor credit rating was because of spending some of the reserves between 2000 – 2004, an above average debt burden.

Councilman Bateman disagreed, indicating the City's credit ratings were excellent.

Councilwoman Woodbury stated for the City to move forward seemed irresponsible, particularly after citizens traveled from King William County and pleaded their cases. She indicated that she read the studies and, out of five, only one indicated the KWR project was needed. She indicated there had been many inconsistencies and many ways of manipulating data. This was not a wise decision and felt the City should err on the side of caution, with its financial situation and the taxpayers being pressed to the limit and many moving out of the area.

Councilman Bateman stated one could not connotate the bond rating with the Waterworks issue. Waterworks functioned independently in the City and did rely on the user. To the opponents, he indicated the focus went beyond the City of Newport News, to the Peninsula. The land value would most likely increase and cost more. This was an abstract of life

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
    1. Virginia Resources Authority/Water Revenue Bonds Continued

that must be planned far in advance. Councilman Bateman stated the reservoir was not being created for recreational uses. To connote that the City would abuse the environment with the reservoir for recreational use for the citizens, did not make sense. A good continuous source of water could not be taken for granted. The reservoir project application was approved over and over. Waterworks and the City had worked hard to consider the vigor of the shad. From a historical and archeological standpoint, the City worked hard to cooperate with the Native American Indians. He stated that citizens needed to know that future sources of water were guaranteed.

Councilwoman Woodbury questioned Councilman Bateman's statement of opposition about eminent domain and inquired whether this applied to the KWR. Councilman Bateman stated he did oppose use of eminent domain in the instance of King William County.

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Bateman, Frank

Nays: Woodbury, McMillan

2. Appropriation of Funding

Mayor Frank presented A RESOLUTION APPROPRIATING FUNDS FROM VRA 2008 REVENUE BONDS AUTHORIZED AND UNISSUED (\$20,000,000.00) TO KING WILLIAM RESERVOIR LAND ACQUISITION (\$20,000,000.00). He advised this appropriated \$20,000,000.00 of the proceeds from the sale of Water Revenue Bonds, subject to receipt of Virginia Resources Authority Loan proceeds, to finance land acquisition costs associated with the King William Reservoir Project. These were planned property acquisitions, which were in accordance with the previously approved interim financing agreement with King William County. These bond funds would fulfill the requirement in the agreement to either purchase or reimburse the County for their acquisition of land purchased for the reservoir pool and the surrounding buffer protection lands.

(No Speakers)

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

Vote on Roll Call:

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

Nays: McMillan

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

3. Public Hearings Continued
  - (f) King William Reservoir Land Acquisition Financing Continued
2. Appropriation of Funding Continued

Vote on Roll Call:

Ayes: Scott, Vick, Whitaker, Bateman, Frank

Nays: Woodbury, McMillan

- (g) Lease of GAT Tower Space to American Messaging Services, LLC

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, THAT CERTAIN TOWER ATTACHMENT LEASE BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA AND AMERICAN MESSAGING SERVICES, LLC, DATED THE 12<sup>TH</sup> DAY OF AUGUST, 2008. He advised this authorized the execution of a lease of space on the City-owned GAT Tower located at 100 Tower Lane in York County, to American Messaging Services, LLC. This was a one-year Tower Attachment Lease for designated space on the tower and land immediately adjacent to the tower for specific wireless telecommunications equipments, with automatic renewals for four additional one-year terms. The rent was \$8,100 for the first year, and would be paid in monthly installments, and would be increased annually by an amount equal to four-percent of the rent for the prior lease year. The negotiated terms in this lease reflected current market rates, and were consistent with existing City Tower Attachment Lease transactions. The lease term specific equipment requirements and location were negotiated in coordination with the City's consultant for cell tower issues.

(No Speakers)

Vice Mayor Whitaker moved closure of the public hearing; seconded by Councilwoman Vick.

Vote on Roll Call:

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

Nays: None

Absent During Vote: Woodbury

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

Vote on Roll Call:

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

Nays: None

Absent During Vote: Woodbury

4. Consent Agenda

Councilman Bateman moved adoption of the Consent Agenda, Items A through K, with the exception of G and K, as shown below; seconded by Vice Mayor Whitaker.

(a) Minutes of Special Meeting of July 8, 2008

Vote on Roll Call:

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

Nays: None

(b) Minutes of Organizational Meeting of July 8, 2008

Vote on Roll Call:

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

Nays: None

(c) Minutes of Work Session of July 8, 2008

Vote on Roll Call:

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

Nays: None

(d) Minutes of Regular Meeting of July 8, 2008

Vote on Roll Call:

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

Nays: None

(e) Resolution of Recognition – Charles C. Allen

A RESOLUTION OF RECOGNITION FOR THE HONORABLE CHARLES C. ALLEN. This resolution honored and recognized the Honorable Charles C. Allen, FAICP, Vice Mayor of the City of Newport News. Mr. Allen was elected to the Newport News City Council in 1992, and in 1996 became the Vice Mayor. He served as Vice Mayor until his retirement from office on June 30, 2008.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(f) Resolution of Recognition – William F. Haskins, Jr.

A RESOLUTION OF RECOGNITION FOR THE HONORABLE WILLIAM F. HASKINS, JR. This resolution honored and recognized the Honorable William F. Haskins, Jr. Mr. Haskins served on Newport News City Council for 22 years. He was first elected in 1972,

4. Consent Agenda Continued

(f) Resolution of Recognition – William F. Haskins, Jr. Continued

and served until 1984, having served as Vice Mayor from 1978 to 1980. He was re-elected in 1998, and served until his retirement from office on June 30, 2008.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(h) Memorandum of Understanding – Federal Bureau of Investigation and Newport News Fire Department Bomb Squad

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 MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE FEDERAL BUREAU OF INVESTIGATION AND THE CITY OF NEWPORT NEWS, VIRGINIA, ON BEHALF OF THE NEWPORT NEWS FIRE DEPARTMENT BOMB SQUAD; NORFOLK POLICE BOMB SQUAD; VIRGINIA BEACH POLICE BOMB SQUAD; AND VIRGINIA STATE POLICE BOMB SQUAD. This authorized the execution of an updated Memorandum of Understanding (MOU) with the Federal Bureau of Investigation (FBI) pertaining to improvised explosive devices. This update established a collective agreement between regional participants to share available personnel, equipment, resources and expertise in the Norfolk Division of the FBI. This revision also formalized the guidelines under which the federal deputized members of the Norfolk Division Bomb Squads may be called on to assist in matters where the FBI had primary jurisdiction. The MOU set forth the responsibilities and procedures to be exercised when a public safety risk from explosive materials or other weapons of mass destruction was discovered.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(i) Modification Request to State Board of Corrections Standards for Construction – Adult Detention Facility

A RESOLUTION REQUESTING THE STATE BOARD OF CORRECTIONS TO APPROVE A MODIFICATION TO THE STATE'S STANDARDS FOR CONSTRUCTION OF THE CITY'S ADULT DETENTION FACILITY RENOVATION PROJECT. This request to the Board of Corrections to officially approve this renovation project would put the City in the position of being eligible for reimbursement of the eligible cost of the project. This project converted the former Juvenile Detention Center into a 52-bed Adult Detention Center (Jail

4. Consent Agenda Continued
  - (i) Modification Request to State Board of Corrections Standards for Construction – Adult Detention Facility Continued

Annex), which would serve as an addition to the Public Safety Building. It was anticipated that this Public Safety Building Annex would open in the Fall of 2008.

(No Speakers)

Vote on Roll Call:

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

Nays: None

- (j) Modification Request to State Board of Corrections Standards for Construction – Public Safety Building Improvements Project

A RESOLUTION REQUESTING THE STATE BOARD OF CORRECTIONS TO APPROVE A MODIFICATION TO THE STATE'S STANDARDS FOR CONSTRUCTION OF THE CITY'S PUBLIC SAFETY BUILDING IMPROVEMENTS PROJECT. This request to the Board of Corrections to officially approve this renovation project would put the City in the position of being eligible for reimbursement of the eligible cost of the project. City Council previously appropriated funds for phases one and two of this project. The Public Safety Building (Jail) houses more prisoner inmates than the building was originally designed to house, and this project was intended to renovate the jail, particularly in terms of life, health and safety.

(No Speakers)

Vote on Roll Call:

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

Nays: None

Vice Mayor Whitaker moved adoption of the Consent Agenda, Items G and K, as shown below; seconded by Councilwoman Scott.

- (g) Updated Mutual Aid Agreement with Peninsula Airport Commission

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 AGREEMENT FOR MUTUAL AID FOR FIRE AND RESCUE AND EMERGENCY MEDICAL SERVICES BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA, AND THE PENINSULA AIRPORT COMMISSION DATED THE 12<sup>TH</sup> DAY OF AUGUST, 2008. This authorized the execution of an updated Mutual Aid Agreement with the Peninsula Airport Commission. This was an update of the mutual aid agreement that had been in existence since October 1984. As with similar agreements, this one defined the responsibilities of both the Newport News Fire Department and the Peninsula Airport Commission in providing equipment, personnel and services within the geographical boundaries

4. Consent Agenda Continued

(g) Updated Mutual Aid Agreement with Peninsula Airport Commission Continued

of each others' jurisdictions. This agreement involved fire, rescue and emergency medical services.

(No Speakers)

Vote on Roll Call:

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

Nays: None

Abstention: Bateman (Served as Chairman of the Peninsula Airport Commission)

(k) Airport Fire Station Lease Amendment

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, THAT CERTAIN AMENDMENT TO AGREEMENT OF LEASE BY AND BETWEEN THE PENINSULA AIRPORT COMMISSION AND THE CITY OF NEWPORT NEWS, VIRGINIA, DATED THE 12<sup>TH</sup> DAY OF AUGUST, 2008. This authorized the execution of a lease or an amendment to a lease with the Peninsula Airport Commission (PAC) for construction of the new Airport Fire Station. This amendment reflected the additional funding needed in the amount of \$57,000 to construct this new station. City Council appropriated \$600,000 in December 2007; however, PAC found that escalating steel and fuel costs resulted in construction bids exceeding the amount by \$57,000. The additional \$57,000 needed was available from previously appropriated General Capital Improvement Fund monies that had been transferred from completed Capital Improvement Projects. Approval of this amendment would allow the PAC to proceed with the award of the construction in October, with completion around April 2009.

(No Speakers)

Vote on Roll Call:

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

Nays: None

Abstention: Bateman (Served as Chairman of the Peninsula Airport Commission)

5. Programming Resolutions for Sidewalk Widening Projects – Warwick Boulevard and Jefferson Avenue

A RESOLUTION REQUESTING CONGESTION MITIGATION AND AIR QUALITY PROJECT FUNDING FROM THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE WIDENING OF THE SIDEWALK ALONG WARWICK BOULEVARD TO A MINIMUM OF EIGHT FEET WIDE BETWEEN MENCHVILLE ROAD AND JUST NORTH OF LUCAS CREEK ROAD.

5. Programming Resolutions for Sidewalk Widening Projects – Warwick Boulevard and Jefferson Avenue Continued

A RESOLUTION REQUESTING CONGESTION MITIGATION AND AIR QUALITY PROJECT FUNDING FROM THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE WIDENING OF THE SIDEWALK ALONG JEFFERSON AVENUE TO A MINIMUM OF EIGHT FEET FROM J. CLYDE MORRIS BOULEVARD TO BUCHANAN DRIVE.

These resolutions asked the Virginia Department of Transportation (VDOT) to program sidewalk widening projects for Warwick Boulevard and Jefferson Avenue. These were the customary resolutions required of local governing bodies in order for VDOT to program projects. The City had received Congestion Mitigation and Air Quality funds for these two projects, and VDOT included them in its Six-Year Improvement Program. The Warwick Boulevard project involved widening the existing sidewalk to eight-feet from Menchville Road to just north of Lucas Creek Road. The Jefferson Avenue project involved widening the existing sidewalk to eight-feet from J. Clyde Morris Boulevard to Buchanan Drive. There was no City match required for these CMAQ funds.

(No speakers)

Vice Mayor Whitaker moved adoption of the above resolutions; seconded by Councilwoman Scott.

Vote on Roll Call:

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

Nays: None

6. Endorsement of Virginia Statewide Rail Plan

A RESOLUTION OF ENDORSEMENT FOR THE 2008 STATEWIDE RAIL PLAN FOR THE COMMONWEALTH OF VIRGINIA. This provided the City's endorsement of the 2008 Statewide Rail Plan. The Virginia Department of Rail and Public Transportation released its draft 2008 Statewide Rail Plan in July 2008. The Plan included several improvements to the freight and passenger rail service to Newport News and the Port of Hampton Roads. As part of the Urban Crescent Express, enhanced Amtrak Intercity Rail Service was planned between Newport News, Richmond, and Washington, D.C. The public comment period for the Statewide Rail Plan ended on August 25, 2008.

(No Speakers)

Councilwoman Woodbury inquired whether moving was included in the plan. City Manager Hildebrandt replied that part of the plan was the intention to try to find a new location to move the station. Councilwoman Woodbury questioned the rationale. City Manager Hildebrandt responded the rationale was there was a need for a place to turn the trains around. There was not enough space to accommodate the future needs with that many trains coming into

6. Endorsement of Virginia Statewide Rail Plan Continued

the station, and there was very little parking. It was believed that the type of intercity rail service that would be generated within the next ten years would require a much larger station.

Councilman Bateman inquired about Camp Morrison as there was more land at the site. Councilwoman McMillan indicated space was needed to park, store, drain seven more cars.

Mayor Frank advised this was only a concept plan. He added this matter would have to come before City Council for negotiation, site plans and rezoning may also be necessary, and there would be more opportunity for discussion and comment.

Councilwoman Scott moved adoption of the above resolution; seconded by Vice Mayor Whitaker.

Vote on Roll Call:

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

Nays: Bateman

7. Newport News Arts Commission Funding Recommendations

A. Appropriation of State Grant Funds

A RESOLUTION APPROPRIATING FUNDS FROM VA COMMISSION FOR THE ARTS LOCAL GOVERNMENT CHALLENGE GRANT (\$5,000.00) TO VA COMMISSION FOR THE ARTS GRANT SUPPORT FOR THE PERFORMING ARTS (\$5,000.00). This appropriated \$5,000.00 of Annual State Grant Revenue from the Virginia Commission for the Arts for allocation by the City to various local performing and fine arts organizations. Already approved in the City's Fiscal Year 2009 General Fund Operating Budget was \$253,020 of City grant funding in support of the arts, which would be combined with this State grant revenue to be dispersed among various local performing and fine arts organizations. The Newport News Arts Commission, using a competitive grant application process, annually makes recommendations to City Council for specific allocations of these monies, and those recommendations were contained in the second part (b) of this proposed action item.

(No Speakers)

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

Councilwoman Woodbury stated that she loved the arts, but found objections with a budget that was as tight as what the City was working with. She urged that City Council review the amount of funding allocated to the arts. Councilwoman Woodbury stated the marketplace should somehow support the arts. She added that citizens who were being strapped with taxes did not have money to purchase tickets.

7. Newport News Arts Commission Funding Recommendations Continued

A. Appropriation of State Grant Funds Continued

Mayor Frank instructed the City Manager to invite representatives of the Newport News Arts Commission to a City Council Work Session to speak about their methodologies and concepts. City Council could then provide feedback, guidance and direction.

Councilwoman Woodbury stated, in terms of fiscal responsibility, City Council should review the numbers carefully.

Vote on Roll Call:

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

Nays: None

B. Funding Allocations

A RESOLUTION THAT APPROVED SPECIFIC GRANT AWARDS TO VARIOUS LOCAL PERFORMING AND FINE ARTS ORGANIZATIONS IN ACCORDANCE WITH RECOMMENDATIONS FROM THE NEWPORT NEWS ARTS COMMISSION. City Manager Hildebrandt advised that, each fiscal year, the Newport News Arts Commission, through a competitive application process, made recommendations to City Council for allocations of City and State grant funds to various local performing and fine arts organizations. The combined funding of City and State grants available for FY 2009 was \$258,020.00.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

8. Appropriations

Vice Mayor Whitaker moved adoption of Items A through K, both inclusive, as shown below; seconded by Councilwoman Scott.

(a) Institute of Museum and Library Services Grant

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE (\$143,450.00) TO CONGRESSIONALLY DIRECTED GRANT FUND (\$143,450.00). This resolution appropriated \$143,450.00 of Federal Grant Revenue and Library Services for the City's Libraries afterschool computer program. These grant funds would be used to further develop the "Learning on Laptops Out-of-School Time" program, which was an afterschool

8. Appropriations Continued

(a) Institute of Museum and Library Services Grant Continued

program in place at the Bailey, Grissom and Main Street libraries. The funds would allow the purchase of laptop computers and related equipment used exclusively by youth, ages 8 to 17. The children and teens participating in the program received supervision and training from library personnel for academic and employment readiness purposes. There was no local grant match required for this funding.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(b) U. S. Department of Agriculture Grant for Juvenile Services

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL FUNDS RECEIVED FOR 08-09 SECURE (\$120,215.00), FEDERAL FUNDS RECEIVED FOR 08-09 LESS SECURE (\$20,706.00), INTEREST RECEIVED FOR 08-09 SECURE (\$10,855.00) AND INTEREST RECEIVED FOR 08-09 LESS SECURE (\$3,061.00) TO USDA GRANT/DISTRIBUTION YEAR 08-09 SECURE (\$131,070.00) AND USDA GRANT/DISTRIBUTION YEAR 08-09 LESS SECURE (\$23,767.00). This resolution appropriated \$154,837.00 of U. S. Department of Agriculture Grant Funding for the City's Juvenile Services Food Service Program. This represented the annual grant funding from the USDA through a program administered by the State Department of Corrections. The City's Juvenile Services facility received this grant funding each year because of its designation by the USDA as an in-resident school program. The funding guidelines allowed these grant monies to be used for food purchases, or for the repair and purchase of food equipment. There was no local grant match requirement for this funding.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(c) Juvenile Services Drug Court Grant

A RESOLUTION APPROPRIATING FUNDS FROM STATE REVENUE (\$133,000.00) TO JUVENILE SERVICES DRUG COURT GRANT (\$133,000.00). This resolution appropriated \$133,000.00 of Federal Grant Funding for the City's Juvenile Drug Court Program. This was the seventh year of receiving U. S. Department of Justice funding for this drug court program through the State. The Juvenile Drug Court used these funds to involve juveniles in positive activities to develop their problem solving and life skills. The services provided by the Court to juveniles and their families included structured activities through

8. Appropriations Continued

(c) Juvenile Services Drug Court Grant Continued

collaborative partnerships with various entities such as schools, community agencies, the faith community and State agencies. No local grant match was required.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(d) Neisser Trust Fund Interest – Newport News Public Libraries

A RESOLUTION APPROPRIATING FUNDS FROM INTEREST EARNINGS (\$90,374.00) TO NEISSER BEQUEST (\$90,374.00). This resolution appropriated \$90,374.00 of interest earnings from the Neisser Trust Fund for use by the Newport News Public Libraries. This trust was established in 2005 with a bequest from Dr. Herbert H. Neisser, and subsequent guidelines established by the Library Board of Trustees and approved by City Council, provided that interest earned each year would be appropriated for use by the library system. Those guidelines stated that 85% of the interest each year would be used to benefit the Main Street Library, and 15% returned to the endowment. The Library Board of Trustees, in June 2008, approved this proposed appropriation to use the funds for the Virginiana Room project, the Business Information Center, furnishings for the teen area, and the Speaker Series.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(e) Targeted Outreach Program Grant

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE (\$45,000.00) TO TARGETED OUTREACH PROGRAM (\$45,000.00). This resolution appropriated \$45,000.00 of Federal Targeted Outreach Program Grant Revenue to expand the City's Gang Prevention Programs. This proposed appropriation represented funding for Fiscal Year 2009, which was awarded to the City's Office on Children, Youth and Families. These grant monies would be used to expand the gang prevention programs offered by community agencies. These programs included screening and assessment of gang involvement, programs and services focused on prevention and rehabilitation, regular contact, intensive case management and referrals to other services as needed. The \$22,500.00 match requirement was met through in-kind contributions.

(No Speakers)

8. Appropriations Continued
  - (e) Targeted Outreach Program Grant Continued

Councilwoman Woodbury requested a report on the Targeted Outreach Program showing what the program entailed, what the group did, and any progress made.

Vote on Roll Call:

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

Nays: None

- (f) Virginia Family Violence Prevention Program Grant

A RESOLUTION APPROPRIATING FUNDS FROM STATE REVENUE (\$15,547.00) TO PARENTING EDUCATION PROGRAM (\$15,547.00). This resolution appropriated \$15,547.00 of State Grant Revenue for the City's Family Violence Prevention Program. This program was administered by the Virginia Department of Social Services and operated in the City by the Department of Human Services. This grant funding would be used to provide parenting education classes to parents of children with special needs and teenage parents using the research-based "Nurturing Skills Parenting Curriculum." The local match requirement for this grant funding was met through in-kind services.

(No Speakers)

Vote on Roll Call:

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

Nays: None

- (g) Court Appointed Special Advocate (CASA) Program

A RESOLUTION APPROPRIATING FUNDS FROM COMMUNITY SUPPORT (\$78,000.00) VA DEPARTMENT OF CRIMINAL JUSTICE SERVICES (\$69,952.00) AND FEDERAL REVENUE (\$29,810.00) TO COURT APPOINTED SPECIAL ADVOCATE PROGRAM (\$177,762.00). This resolution appropriated \$69,952.00 of State Grant Revenue; \$29,810.00 of Federal Grant Revenue; and \$78,000.00 of Community Support Funding from the City's Fiscal Year 2009 General Fund Operating Budget for the City's Court Appointed Special Advocate Program. This State grant represented the annual funding from the Virginia Department of Criminal Justice Services for the City's CASA Program, and federal revenue from the Victims of Crime Act Program. The CASA Program trained community volunteers to serve as advocates for children who had been found by the Juvenile & Domestic Relations Court to be abused and/or neglected, or at risk of being so. The volunteers advocated for the children's placement in safe, permanent and nurturing homes.

(No Speakers)

Vote on Roll Call:

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

Nays: None

- 8. Appropriations Continued
  - (h) Citywide Swale Contract

A RESOLUTION APPROPRIATING FUNDS FROM FY 2008 AUTHORIZED AND UNISSUED – STORMWATER DRAINAGE (\$300,000.00) TO FY 2008 CITYWIDE SWALE CONTRACT (\$300,000.00). This resolution appropriated \$300,000.00 from Fiscal Year 2008 Bonds Authorized and Unissued to fund the City's FY 2008 Citywide Swale Program. Funding for this series of citywide swale improvements was programmed in the City's Capital Improvements Program. This 2008 Contract consisted of ongoing repair and replacement of existing drainage swales. Also included in the contract was the installation of new swales to improve the conveyance of stormwater at selected locations.

(No Speakers)

Vote on Roll Call:

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

Nays: None

- (i) Annual Stormwater Management Funding

A RESOLUTION APPROPRIATING FUNDS FROM FY 2008 BONDS AUTHORIZED AND UNISSUED – STORMWATER DRAINAGE (\$700,000.00) TO CITYWIDE DRAINAGE (\$200,000.00), LAKE ENHANCEMENT PROGRAM (\$200,000.00) AND STORMWATER MAPPING PROGRAM, PHASE III (\$300,000.00). This resolution appropriated \$700,000.00 from Fiscal Year 2008 Bonds Authorized and Unissued to fund the City's FY 2008 Stormwater Management Programs. Funding for these various Stormwater Management improvement programs was programmed in the City's Capital Improvements Program. The stormwater management programs involved included: Citywide Drainage, Lake Enhancement and Phase II of Stormwater Mapping. Each of these programs provided City staff with the ability to address specific issues in a timely manner to address environmental issues and citizen concerns.

(No Speakers)

Vote on Roll Call:

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

Nays: None

- (j) Pandemic Influenza Grant

A RESOLUTION APPROPRIATING FUNDS FROM VIRGINIA DEPARTMENT OF HEALTH (\$24,000.00) TO PANDEMIC INFLUENZA GRANT (\$24,000.00). This resolution appropriated \$24,000.00 of State Grant Revenue to support the City's efforts to provide emergency response to possible Pandemic Influenza outbreaks. This grant was awarded by the Department of Health for the City's purchase of trailers for storage of supplies to support emergency shelter operations. Pandemic Influenza Planning determined that area hospitals would be overrun should an outbreak occur, which would necessitate the opening

8. Appropriations Continued
  - (j) Pandemic Influenza Grant Continued

of shelters. Trailers would be located near emergency shelters and contain shelter supplies. No local match was required for this grant.

(No Speakers)

Vote on Roll Call:

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

Nays: None

- (k) Emergency Preparedness and Response Base Grant

A RESOLUTION APPROPRIATING FUNDS FROM VIRGINIA DEPARTMENT OF HEALTH (\$20,000.00) TO EMERGENCY PREPAREDNESS AND RESPONSE BASE GRANT FUNDS (\$20,000.00). This resolution appropriated \$20,000.00 of State Grant Funds to support interoperable communications with the hospitals served by the Peninsula Health District. This grant was awarded by the Virginia Department of Health to purchase 800 MHz base communications stations to support Emergency Management Department operations. Sentara Williamsburg Regional Medical Center, Bon Secours Mary Immaculate, and Riverside Medical Center, installed this equipment in their Emergency Management Departments. No local match was required for this grant.

(No Speakers)

Vote on Roll Call:

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

Nays: None

11. New Business and Councilmember Comments

Councilwoman Scott explained the reason for her positive vote on the \$20 million Water Revenue Bond issue, as it related to the King William Reservoir. She indicated that many people inquired about her continued support for the project and she continued to respond that if it had a major impact on the City's budget, she would have stopped supporting it long ago; but Newport News was sharing the expense with the other localities. She always indicated that this project was moving quickly prior to her becoming a member of Council, and she continued to support it. Councilwoman Scott advised that she was not comfortable with her vote to support acquiring the land in King William County without the construction permit. She asked that the City Manager meet with her on the matter in an effort to clear up any misconceptions.

Councilwoman Scott announced a new event, "Field of Dreams," a day of fun and activities for young people, in the Denbigh area on Friday, August 15, 2008, at the Thorncliff Boys and Girls Club. She advised that the Newport News-Hampton Continentals would partner

11. New Business and Councilmember Comments Continued

with her to provide school supplies for children. She advised there were 500 packets of school supplies that would be available for the North District. The "Field of Dreams" for the South District would be held on Friday, August 22, 2008 at the Boys and Girls Club on Dresden Drive, where there would be 300 packets of school supplies available for children.

Councilwoman Scott reminded the North District Town Hall Meeting was scheduled for Monday, August 25, 2008 at 7:00 p.m. at the American Legion, Post 368, 368 American Legion Drive, Newport News. Guests would be representatives of the Newport News School Board.

Councilwoman Vick encouraged citizen support for the upcoming Southeast Community Day Annual Parade on September 5, 2008.

Councilwoman Woodbury reminded of the upcoming Denbigh Day Parade scheduled for September 20, 2008.

Councilwoman McMillan extended sympathy to State Delegate Jeion Ward, on the death of her son, Jay.

Councilwoman McMillan congratulated Tyla Matteson on receipt of the National Award, "Volunteer of the Year," by the Sierra Club for her work in conservation and environmental issues. Ms. Matteson was scheduled to receive this award in San Francisco, California on September 20, 2008.

THERE BEING NO FURTHER BUSINESS,  
ON MOTION, COUNCIL ADJOURNED AT 12:36 P.M.

Mabel V. Washington, CMC  
City Clerk

Joe S. Frank  
Mayor  
Presiding Officer

A true copy, teste:

City Clerk