

June 23, 2015
Regular Meeting

MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD JUNE 23, 2015

A Regular Meeting of the City Council of the City of Hopewell, Virginia, was held Tuesday, June 23, 2015, at 5:30 p.m. in the City Council Chambers, Municipal Building, 300 North Main Street, Hopewell, Virginia.

PRESENT: Brenda S. Pelham, Mayor
Christina J. Luman-Bailey, Vice Mayor
Arlene Holloway, Councilor
Anthony J. Zevgolts, Councilor
Jasmine E. Gore, Councilor
K. Wayne Walton, Councilor
Jackie M. Shornak, Councilor

Mark A. Haley, City Manager
Stefan M. Calos, City Attorney
Cynthia Y Ames, City Clerk

ROLL CALL

Vice Mayor Luman-Bailey opened the meeting at 5:30 p.m. Roll call was taken as follows:

Mayor Pelham	-	absent (arrived @ 6:45 p.m.)
Vice Mayor Luman-Bailey	-	present
Councilor Holloway	-	present
Councilor Zevgolts	-	present
Councilor Gore	-	present
Councilor Walton	-	present
Councilor Shornak	-	present

Work Session

WS-1 – Flood Plain Ordinance Presentation

CLOSED MEETING

Motion was made at 6:00 p.m. by Councilor Shornak, and seconded by Councilor Holloway, to resolve to convene into closed session for discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body (City Council appointees) and discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held property, where the discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body (acquisition of real property), according to Virginia Code Section 2.2-3711(A)(1) and (3). Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolts	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 6-0 Yes

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OPEN SESSION

REGULAR MEETING

Mayor Pelham opened the regular meeting at 7:30 p.m. and stated that the Closed Session question would not be read because Council would return back into Closed Session. Roll call was take as follows:

Mayor Pelham	-	present
Vice Mayor Luman-Bailey	-	present
Councilor Holloway	-	present
Councilor Zevgolis	-	present
Councilor Gore	-	present
Councilor Walton	-	present
Councilor Shornak	-	present

PRAYER AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES OF AMERICA

Prayer was given by Herbert Bragg, followed by the Pledge of Allegiance to the Flag of the United States of America.

CONSENT AGENDA

Motion was made by Councilor Zevgolis, and seconded by Councilor Holloway, to amend the Consent Agenda by removing C-6 Routine Approval of Work Session and adding to R-9 Proclamations/Resolutions/Presentations a Fire Department Video. Minutes: none; Pending and Action List; none; Personnel Change Report and Financial Report: none; Public Hearing Announcements: none; Ordinances on second and final reading: none; Routine Grant Approval: none; Proclamations/Resolutions/Presentations: Playful City USA-KaBoom Announcement; Hopewell Fire Department Video. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes/Approved

PH-1 - Budget Resolution Amendments Fiscal Year 2014-15:

Public Hearing was opened at 8:07 p.m. and having no one signed up to speak the Public Hearing was then closed. Motion was made by Councilor Gore, and seconded by Councilor Holloway, to adopt budget resolution amendments to appropriate and re-appropriate \$8,209,777.00 for Fiscal Year 2014-15 Budget to provide for operations and capital projects. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
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Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes/Adopted

**BUDGET RESOLUTION
AMENDMENT FISCAL YEAR 14-15**

WHEREAS, at the meeting of the City Council of the City of Hopewell held on June 23, 2015, following a public hearing, budget amendments were introduced to appropriate and re-appropriate funds for the FY 2014-2015 budget to provide for operations and capital projects.

WHEREAS budget amendments to appropriate and re-appropriate funds in the amount of \$8,209,777 for operations and capital projects from the Unassigned Fund Balance and State funds for the FY 2014-2015 budget were introduced and,

WHEREAS, sufficient funds exist in the respective funds and accounts, BE IT, HEREBY, RESOLVED by the Council of the City of Hopewell that the designated funds and accounts shall be appropriated for operations from the Unassigned Fund Balance and State funds.

Closed Session

At 8:10 p.m. Council reconvened into Closed Session and at 8:15 p.m. returned and continued with the Regular Meeting.

PH-2 – School Board Appointment:

The public hearing regarding Hopewell City School Board Appointments was opened at 8:15 p.m., and one speaker had signed up to speak:

Mr. William Henry - 3001 Princess Anne St.

The public hearing was then closed at 8:20 p.m. Motion was made by Councilor Holloway, and seconded by Councilor Gore, to appoint Mr. Nelson Cuffey to the Hopewell School Board for a term extending July 1, 2015 through June 30, 2018. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	no
Mayor Pelham	-	yes
Councilor Shornak	-	no
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 5-2 Yes/Appointed

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Unfinished Business

UB-1 – Appomattox Cemetery Fee Report:

Mr. Watson, Director of Public Works reported that Council had asked him to report back on competitive prices or prices in the area for cemetery plots. What Mr. Watson found was the private cemeteries are going for a little over \$2,000 for their cemetery lots. And that Petersburg was at \$1,00 for their cemetery lots to non-residents Mr. Watson and Staff recommended that Hopewell charge a rate comparable to private lots for non-residents, which would be \$2,000 and also \$2,000 for non-residents, \$1,000 for cremains or an infant, which is basically a half a cemetery standard lot size. He also recommended a \$100 administrative fee for marking the grave sites, for marking markers. Mr. Haley, City Manager stated if Council likes these recommendations, the fee structure is part of the ordinance then we'll finish up the ordinance and bring the whole ordinance back for your approval. This is just a follow-up from the questions asked at the last meeting to come back to you with a fee structure so we don't come back with an ordinance and then have you say well what about the fees and then we start all that process again. So these are the fees for your feedback and we'll embody these into the ordinance if you so choose at a later date.

Regular Business

R-1 – Presentation – The City of Hopewell, Virginia Comprehensive Annual Financial Report (CAFR) for Fiscal Year ending June 30, 2014:

Mr. Whitaker, Finance Director and Rob Churchman, a partner with Cherry Burkhardt reported to Council that the City has published its comprehensive annual financial report and I have some required communications I have to give to you. We are required to let you know what our services were hired for. We were hired to do an audit of the financial statements to make sure the statements are or are not fairly presented in all material respects as it accords with generally accepted accounting principles. Required to make sure I follow the required general government auditing standards and such. And also required because of the magnitude of federal money you receive, we're a little bit over \$9 million to provide what we call single audit or federal compliance and control testing in the area over those programs that you receive, whether social services, schools programs and so forth. The state also has some requirements under the specifications for audits of the counties, cities and towns. And we're required to do steps there in areas for example on CSA testing. Overall audit results. For '14, we have presented what we call an unmodified and for those of you who have been around for a while, that's in the old terms a clean opinion. Basically, the statements are prepared in all material respects in accordance with generally accepted accounting principles. Under government auditing standards, I'm required to let you know if I had any findings on compliance. There was no matters that I noted. There was one matter related to a weakness in controls, having to do with financial reporting and being able to close the books timely and get the huge document, of which is almost an inch and a half thick prepared. And basically, Mr. Whitaker's staff, he's had turnover in his staff throughout the year. And he's gotten that kind of settled down from what I can see now. But also changing systems in September of last year really put a stress on the finance department and other parts of the City to close the books down, get them analyzed, get them reconciled and so forth and get the statements done timely. I'm also required to let you know if had any findings in the single audit area and that's the federal compliance area. We did have one finding over Medicaid. It is a repeat finding we had in the prior year. In essence, dealing with the lack of an annual redetermination of the eligibility of participants. I will say that this is something that I do see very common, frankly, across Virginia and especially in the Medicaid area. I have multiple clients that have been inundated with huge caseloads that have come on, pardon me, was that me? In the most recent past with obviously as you can imagine with the stress on the economy and the healthcare and so forth. So it is a finding that can be rectified and we will be testing again next year because once we have it one year, we have to test it the next year to make sure that it has been resolved. With regards to required

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communications, I'm required to let you know of certain things each year even if they haven't changed. I'm required to let you know if generally accepted accounting principles have changed. And they have changed this year. It's a minor change for the impact of the City. It really required the City to stop recording certain activities in a certain way relating to bond issuances. And instead of dragging those activities out over years and advertising them down, it requires them to go ahead and expense it in the current year and basically get that activity off the books and behind them. And that is shown and reflected in footnote 17 to the financial statements in the package you have in front of you.

I'm also required to let you know if there's been any audit adjustments or any adjustments or any adjustments that were noted during the audit but that weren't material enough to record. There were both. Working with Mr. Whitaker and his staff, we came across and worked together to identify multiple changes to presentation and geography for lack of a better term in how things are presented accounting-wise. And there was also some minor items where literally they were so small it wasn't, had no impact on the financially but because we noted them during our test, we're required to accumulate those and document those under the auditing standards. And both of those items are not inconsistent with how prior years went.

R-2 – Re-Appropriate Funds for Fiscal Year 2014-15 Budget to transfer funds from designated Capital Projects to other Capital Projects:

A motion was made by Councilor Shornak, and seconded by Councilor Gore to adopt budget resolution amendments to re-appropriate \$40,000 for Fiscal Year 2014-15 to the Park and Recreation Department. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes/Adopted

BUDGET RESOLUTION AMENDMENT FISCAL YEAR 2014 - 2015

WHEREAS, at the meeting of the Council of the City of Hopewell held on Tuesday, June 23, 2015, an amendment was introduced to re-appropriate funds for the FY 2014-15 Budget to transfers funds from designated capital projects to other capital projects; and,

WHEREAS, a budget amendment to re-appropriate funds in the amount of \$40,000 between capital projects for the Park and Recreation Department, was introduced and,

WHEREAS, sufficient funds exist in the respective budgeted accounts;

BE IT, HEREBY, RESOLVED by the Council of the City of Hopewell:

Sec 1. The following designated funds shall be re-appropriated:

Capital Fund-071: Resources:

Lifeguard Stand Replacement..... \$ 16,000

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Appropriation:

Pool Bleachers and Ladder. \$16,000

Resources:

Recreation Van Purchase Match (2).....\$24,000

Appropriation:

Maintenance Van Purchase \$24,000

R-3 – Public Service Announcement – Stormwater Program – Public Information Sessions:

Mr. Haley, City Manager made a public service announcement relative to moving forward with the stormwater program and getting into the public education and outreach component, which he knew Council was very anxious to participate in, the two public information sessions have been scheduled for July 16th, one in the midafternoon, and one on July 23rd in the evening.

Closed Session

Council then convened back into closed session for discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body (City Council appointees) and discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held property, where the discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body (acquisition of real property), according to Virginia Code Section 2.2-3711(A)(1) and (3).

Council reconvened into Open Session. Councilors responded to the question: “Were the only matters discussed in the Closed Meeting public business matters lawfully exempted from open meeting requirements; and public business matters identified in the motion to convene into Closed Session?” Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes

Reports of the City Clerk

A motion was made by Councilor Gore, and seconded by Councilor Zevgolis to appoint Roger Lee Henry to the Hopewell Redevelopment and Housing Authority (HRHA). Upon the roll call, the vote resulted:

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Councilor Holloway	-	no
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 6-1 Yes/Appointed

A motion was made by Councilor Gore, and seconded by Councilor Zevgolis to appoint Ciera James and Claudia Bassway to the Hopewell Social Services Board. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes/Appointed

A motion was made by Councilor Gore, and seconded by Councilor Walton to appoint Councilor Zevgolis, Councilor Shornak and City Attorney Stefan M. Calos to the Council Ethics Committee. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes/Appointed

A motion was made by Councilor Gore, and seconded by Councilor Holloway to appoint Councilor Gore, Vice Mayor Luman Bailey and Assistant City Manager Charles Dane to the Finance Committee. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
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Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

Vote Resulted: 7-0 Yes/Appointed

ADJOURN

At 9:59 p.m., motion was made by Councilor Zevgolis, and seconded by Councilor Holloway to adjourn. Upon the roll call, the vote resulted:

Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

/s/ Brenda S. Pelham

Brenda S. Pelham, Mayor

Cynthia Ames, City Clerk