



City of Hampton

22 Lincoln Street
Hampton, VA 23669
www.hampton.gov

Council Approved Minutes - Final City Council Work Session

Mayor Donnie R. Tuck
Vice Mayor Jimmy Gray
Councilmember Eleanor Weston Brown
Councilmember Steven L. Brown
Councilmember Linda D. Curtis
Councilmember W.H. "Billy" Hobbs
Councilmember Chris Snead

STAFF: Mary Bunting, City Manager
Cheran Cordell Ivery, City Attorney
Katherine K. Glass, CMC, Clerk of Council

Wednesday, December 11, 2019

1:00 PM

Council Chambers

CALL TO ORDER

Mayor Tuck called the meeting to order at 1 p.m. All members of the City Council were present.

Present 7 - Councilmember Eleanor Weston Brown, Councilmember Steven L. Brown, Councilmember Linda D. Curtis, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, Councilmember Chris Snead, and Mayor Donnie R. Tuck

DONNIE R. TUCK PRESIDED

AGENDA

1. [19-0345](#) Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019

Attachments: [Memo to City Council](#)
[Auditors Presentation](#)
[Finance Director Presentation](#)
[2019 Final CAFR](#)

City Manager Mary Bunting introduced the item.

Finance Director Karl Daughtrey introduced Ms. Krista Edoff, of Cherry Bekaert, LLP (the City's auditors).

Ms. Edoff greeted those on the dais and reported on the results of the June 30, 2019 audit of the financial statements. Ms. Edoff clarified that the report includes an audit of the financial statements of the City of Hampton and the Hampton Public

School System. She also noted that the audit team audited the City's compliance with laws, regulations and grants in compliance with Governmental Auditing Standards; City and School's Major Federal Programs required by Title 2 U.S. Code of Federal Regulations Part 200; and Auditor of Public Accounts Specifications for Audits of Cities, Counties and Towns.

Ms. Edoff briefly spoke about the audit process including audit services (financial statement audits and compliance audits) and engagement results (financial statement audit opinions and compliance). She also announced that an unmodified opinion (a clean opinion) was issued on November 29, 2019. This audit opinion is based on the basic financial statements embedded in the Comprehensive Annual Financial Report (CAFR) document. Ms. Edoff also shared information related to financial statement audit opinions and compliance (government auditing standards; and uniform grant guidance and specifications for audits of cities, counties and towns including matters of noncompliance).

Ms. Edoff reported additional required information about the following topics: accounting policies; management judgement and accounting estimates; audit adjustments and uncorrected misstatements (none); disagreements with management (none); difficulties encountered in performing audit (none); consultation with other accountants (unaware of any); material client communications (management provided a letter at the conclusion of the audit confirming the financial statements are correctly stated and free of material error and fraud); independence (unaware of any relationship that would impair their independence); and two miscellaneous matters.

Ms. Edoff thanked everyone involved in the process and opened the floor for questions from those on the dais. No questions were posed.

Mr. Daughtrey presented on the General Fund financial results for the fiscal year (ending June 30, 2019) and government-wide statements. He reported that the City ended the fiscal year with revenues exceeding expenditures by approximately \$2.7 million and that the City was able to cover approximately \$18 million of expenditures initially planned to be funded through Fund Balance.

Mr. Daughtrey reviewed several slides related to General Fund financial results and General Fund Revenues (budget versus actual; and General Fund Revenues/significant revenue categories). He also shared information (figures) related to the significant revenue budget sources. The significant revenue budget sources include: General Property Taxes; Business License Tax; Interest from Investments; Meal Tax; Public Assistance State/Federal Revenues; Special Assessments; and Communication Tax.

Mr. Daughtrey provided information about General Fund Expenditures (budget versus actual and significant appropriation variances). The significant appropriation variances categories include: position and benefit savings primarily from vacant positions; transfers to other funds; and special assessments.

Mr. Daughtrey shared information and figures related to the General Fund Unassigned Fund Balance (the City's savings account); Government-Wide financial statements; Governmental Activities (net position); and Business-Type activities (net position).

Mr. Daughtrey opened the floor for questions from those on the dais.

In response to Councilwoman Snead, Mr. Daughtrey confirmed that the salary savings is in addition to what was budgeted for attrition.

Ms. Bunting clarified that this was not an intentional savings; instead, it occurred as a result of the strong economy. She continued explaining that many localities have reported challenges with regards to filling positions - Hampton is working on filling positions faster and retaining its employees. She reminded everyone that the savings are returned to Fund Balance and are invested in things such as Capital Projects.

In response to Councilwoman Snead, Ms. Bunting said that end of the year savings are still being calculated. This past budget, end of the year savings were used to fund the citizen satisfaction bonus for employees. Mr. Daughtrey noted that he would provide Council with the end of the year savings figure at a later date.

Finance Director Karl Daughtrey acknowledged and thanked the staff of the City's Finance and Internal Audit Departments. He also thanked Hampton City Schools for their participation in the process. Information was presented by Krista N. Edoff, Partner in Assurance Services with Cherry Bekaert, LLP and Mr. Daughtrey.

2. [19-0347](#) Briefing on FY21-25 Capital Improvement Plan ("CIP") Development

Attachments: [Presentation](#)

Ms. Bunting introduced the item.

Management Systems Analyst Jacob Sherwood provided the following update on the FY21-25 Capital Improvement Plan (CIP) development: The CIP Committee began

meeting in September to review CIP project submissions. The Committee received 144 new submissions from 18 departments and entities totaling approximately \$272,665,082 over five years. The Budget Department has met with nine community stakeholders and covered topics such as funding restrictions; implementation of the FY20-24 CIP; challenges and next steps when developing the process; and the stakeholders' involvement in the process.

Mr. Sherwood stated that the Committee is preparing to provide a balanced proposed CIP to Council at the January 22nd work session and will request action to adopt the FY21-25 CIP after the public hearing at the February 26th City Council meeting.

Mr. Sherwood opened the floor for questions from those on the dais. No questions were posed.

Presented by Jake Sherwood, Management Systems Analyst.

3. [19-0350](#) Briefing on Buckroe Beach Boardwalk Improvements

Attachments: [Presentation](#)

Ms. Bunting introduced the item.

Assistant City Manager Brian DeProfio reviewed background information, the original scope/overall plan and timeline of events associated with the project (City Council briefing, community meetings, and community survey/miscellaneous input).

Mr. DeProfio shared the results of the Buckroe Beach Boardwalk Improvements Survey. Survey questions were related to: frequency of visits; purpose of visits; most important component of the project; seawall design and height; desired improvements to the northern section of the park; desired improvements to the Buckroe Park section; extension of the boardwalk to the fishing pier; and miscellaneous amenities.

Mayor Tuck asked about the decision made regarding seawall height. Mr. DeProfio noted that later in the presentation, he would recap the guidance received from Council at the September meeting.

Mr. DeProfio shared some of the general comments and suggestions given by those who participated in the survey.

Mr. DeProfio recapped Council's guidance related to the project. The guidance was to: modify the reconstruction option; extend the boardwalk from Point Comfort Avenue to the James T. Wilson Fishing Pier without parking spaces; engage

landscape design firm with beach experience to assist in selecting amenities; update the plan to incorporate citizen amenity preferences (swings, shaded seating); include seawall and boardwalk improvements; have a neutral design; have exiting views; include an extension of the boardwalk; include landscape design; incorporate citizen amenity preferences; and shift CIP funding to FY21 in order to move the project forward.

Mr. DeProfio shared the timeline associated with the next steps in the process and opened the floor for questions from those on the dais.

In response to Mayor Tuck, Ms. Bunting stated staff was under the impression that Council wanted them to move forward with phase 1 (Buckroe Park improvements) of the project in time for the upcoming beach season and today was a confirmation of what had previously been expressed. She noted that moving forward with the first phase will show our citizens that we are committed to doing the work. She added that staff looks forward to Council's direction with regards to completion of the new and reconstruction projects for the future.

Mayor Tuck opened the floor for discussion from those on the dais. No additional discussion took place from those on the dais. Ms. Bunting reiterated staff's plan to move forward with phase 1 and seek guidance from Council with regards to completion of the project in the future.

Presented by Brian DeProfio, Assistant City Manager.

4. [19-0284](#) Briefing on the Status of the Fox Hill and Olde Hampton
Neighborhood Centers

Attachments: [Presentation](#)

Ms. Bunting introduced the item and clarified that staff is seeking concurrence from Council with the goal of moving from the design concept to construction documents in order to begin refurbishment and/or new construction of the projects.

Mr. DeProfio shared the following information about the Olde Hampton project. The Peninsula Community Foundation is convening the process; a steering committee has been established; the committee has met six times thus far and meets approximately every other week.

Mr. DeProfio spoke about the three elements of the project: the neighborhood center building program; the outdoor park space; and the concept for the overall redevelopment of publically owned land adjacent to the neighborhood center site. Today's discussion will focus on the neighborhood center building.

Mr. DeProfio noted that the neighborhood center building will be in the same location as the Old Hampton Community Center and then began speaking about the current status of the project. He announced that the building will include a multipurpose room, activity rooms, full-size gym, changing room, fitness area, restroom and kitchen.

In response to Vice Mayor Gray, Mr. DeProfio clarified that he was not referring to the scaled back version; however, the scaled back version will be discussed later in the presentation.

Mr. DeProfio spoke about the cost saving measures designed to reduce costs for the project. They include: utilizing a pre-engineered building; reducing the building footprint by 2,000 square feet; reducing the number of windows; and reducing exterior aesthetic elements.

Mr. DeProfio reviewed a slide which shows the updated version of the project - this revised program is approximately \$500,000 over budget.

Mr. DeProfio spoke about funding for the project. Initially, \$3,500,000 was set aside for the project; the estimated cost for the current design is \$3,942,700; the cost for the set-up of the temporary center was \$37,439. Mr. DeProfio announced that staff recommends adding \$500,000 in funding to this project.

Mr. DeProfio spoke about the Fox Hill project. He reminded everyone that the Grunland Neighborhood Center was destroyed by a tornado in 2014, after which a variety of sites were considered for replacement. In 2018, the City acquired a church at 65 Hall Road for the neighborhood center.

Mr. DeProfio shared slides of the property location and the proposed center.

In response to Mayor Tuck, Mr. DeProfio stated that no plans are underway to add athletic fields to this location; instead, the plan focuses primarily on the neighborhood center.

Ms. Bunting added that the neighborhood has expressed the desire for primarily indoor activities since the location is adjacent to a residential community. She noted that space is available for consideration should the desires of the community change.

Mr. DeProfio stated that the original design is approximately \$900,000 over budget; and, therefore, cost savings measures that were considered include minimizing renovations to the basics and moving the kitchen to the expansion (to avoid

additional renovation costs).

Mr. DeProfio stated approximately \$3,500,000 was allotted for the neighborhood center; however, funding for the purchase of 65 Hall Road; fees for testing and studies; renovations; and gym and commercial kitchen expansion costs exceeded this amount leaving a gap of approximately \$500,000.

Mr. DeProfio announced that staff recommends adding \$500,000 in funding to this project. Funding sources include stormwater, bond interest and FY21 Capital budget.

Mr. DeProfio added that the cost for demolition of the Old Hampton Community Center (approximately \$270,000) was charged to the Olde Hampton account but should have come from another source; and therefore, these funds will be restored as we do this project.

Mr. DeProfio shared the next steps and timeline involved in the expansion and renovation of both projects and then opened the floor for questions from those on the dais.

Additional discussion took place among those on the dais and staff. Topics of discussion and/or concern include: sources for additional funding (Stormwater Fund, bond interest, bond proceeds and Fund Balance); staff being confident that the projects will be completed with these additional resources; square footage for both gyms (approximately the same for each gym - staff will confirm and provide the exact square footage information); the exterior basketball court at the Olde Hampton project is included with the amenities in the overall project; anticipated improvements to Grant Park once the neighborhood center is constructed; funds for the Grant Park renovation including the basketball court and outdoor amenities will come from the Parks and Recreation Maintenance Fund; there will be a kitchen at each location (not necessarily in the gyms); concern that the façade/aesthetics of Downtown Hampton may be compromised as a result of cutting costs (the building will not have the Downtown Hampton feel which may affect the economic impact of that part of our City); previous versions of the proposed facilities; consideration of improvements to the exterior of the buildings; and street improvements, parking and access to the rear of the facilities.

Presented by Brian DeProfio, Assistant City Manager.

5. [19-0366](#) Briefing on Proposal to Rename the Hampton Portion of Magruder Boulevard as Neil Armstrong Way in Honor of the 50th Anniversary of the Apollo Mission

Attachments: [Presentation](#)

Ms. Bunting introduced the item.

Director of Public Works Jason Mitchell greeted those on the dais and spoke about the consideration to rename Magruder Boulevard Neil Armstrong Way.

Mr. Mitchell described the location of Magruder Boulevard in the City and noted that it extends 3.3 miles. He also provided a brief history about Neil Armstrong and stated that the renaming of this road would be in connection with Hampton's partnership with NASA Langley Research Center and the 50th Anniversary of the Apollo mission.

Mr. Mitchell listed the ways in which the renaming would impact Hampton customers. They include: approximately 11 properties would be impacted; the financial impact to each property owner would be approximately \$7,500 (to change business addresses, identification signs, letterhead, websites and other items (a 1 to 2 year process); and the estimated time to process USPS address and billing changes would be approximately 30-90 days.

In response to Councilwoman Curtis, Mr. Mitchell stated that staff has looked at all 11 properties and determined \$7,500 as an average cost for each customer; however, staff has not spoken with any of the property owners directly.

Mr. Mitchell listed the ways in which the renaming would impact the City of Hampton. They include: installation of approximately 25 new roadway signs (street signs, ground mounted signs, and overhead signs); and approximately \$150,000 in fabrication and installation costs.

Mr. Mitchell listed the ways in which the renaming would impact the Virginia Department of Transportation (VDOT). They include: VDOT would be required to fabricate and install 3 overhead interstate signs; VDOT's estimated cost for fabrication and installation of these new signs would be approximately \$40,000 to \$60,000; and VDOT would need to close interstate lanes to replace these signs (the VDOT process would take approximately 120 days to complete).

Councilwoman Curtis expressed concern about the financial impact that this would have on the property owners.

Mr. Mitchell concluded the presentation and summarized the timeline of events. Considerations for a ceremonial name change to be adopted by Hampton City Council in January 2020; public outreach to Hampton customers impacted by the

renaming process; coordination with VDOT to change Interstate 64 signage; and design, fabrication and installation of all impacted signs in the City of Hampton in 2020 and 2021.

Councilwoman Curtis expressed concern that the affected businesses and property owners were not notified and allowed to provide input prior to today's presentation.

Ms. Bunting reminded everyone that no action is being taken today. She also announced that arrangements are being made for elected officials and staff to visit with businesses to explain the situation and receive feedback between now and January 2020. Ms. Bunting reiterated that there would be a one to two year transition time period.

Mayor Tuck opened the floor for additional questions and/or comments. No questions or comments were posed.

Presented by Jason Mitchell, Director of Public Works.

REGIONAL ISSUES

NEW BUSINESS

CLOSED SESSION

6. [19-0364](#) Closed session pursuant to Virginia Code Sections 2.2-3711.A .1, .3, .5, and .8 to discuss appointments as listed on the agenda; to discuss or consider the acquisition of real property for a public purpose in the area of Phoebus; to discuss a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; and for consultation with legal counsel employed or retained by a public body regarding specific legal matters concerning the award of a public contract involving the expenditure of public funds and deed restrictions requiring the provision of legal advice by such counsel.

At 2:47 p.m., a motion was made by Councilmember Linda Curtis and seconded by Councilmember Billy Hobbs, that this Closed Session - Motion be approved. The motion carried by the following vote:

Aye: 7 - Councilmember Weston Brown, Councilmember Brown, Councilmember Curtis, Vice Mayor Gray, Councilmember Hobbs, Councilmember Snead and Mayor Tuck

7. [19-0353](#) Consideration of appointments to the Coliseum Citizens Advisory Committee
8. [19-0355](#) Consideration of an appointment to the Senior Citizen Advisory Committee
9. [19-0359](#) Consideration of appointments to the Social Services Local Advisory Board
10. [19-0363](#) Consideration of an appointment to the Wetlands Board
11. [19-0356](#) Consideration of an appointment to Eastern Virginia Medical School (EVMS) Board of Visitors
12. [19-0361](#) Consideration of an appointment to the Peninsula Agency on Aging (PAA)
13. [19-0362](#) Consideration of appointments to the Hampton Clean City Commission
14. [19-0369](#) Consideration of an appointment to the Board of Zoning Appeals
15. [19-0354](#) Consideration of appointments to the Parks & Recreation Advisory Board
16. [19-0352](#) Consideration of appointments to the Golf Course Advisory Committee
17. [19-0311](#) Consideration of appointments to Hampton Federal Area Development Authority (FADA)
18. [19-0351](#) Consideration of an appointment to the Animal Control Advisory Committee
19. [19-0360](#) Consideration of appointments to the Purchasing and Procurement Oversight Committee (PPOC)

CERTIFICATION

20. [19-0365](#) Resolution Certifying Closed Session

A motion was made by Councilmember Billy Hobbs and seconded by Councilmember Eleanor Weston Brown, that this Closed Session - Certification be approved. The motion carried by the following vote:

Aye: 7 - Councilmember Weston Brown, Councilmember Brown, Councilmember Curtis, Vice Mayor Gray, Councilmember Hobbs, Councilmember Snead and Mayor Tuck

ADJOURNMENT

The meeting adjourned at 4:38 p.m.

Donnie R. Tuck
Mayor

Katherine K. Glass, CMC
Clerk of Council

Date approved by Council _____

Contact Info:
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