



# 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*

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**Wednesday, December 12, 2018**

**1:00 PM**

**Council Chambers**

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### CALL TO ORDER

Vice Mayor Gray convened the meeting at 1:02 p.m. All members of the City Council were present with the exception of Mayor Tuck.

**Present** 6 - Councilmember Eleanor Weston Brown, Councilmember Steven L. Brown, Councilmember Linda D. Curtis, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, and Councilmember Chris Snead

**Out** 1 - Mayor Donnie R. Tuck

### JIMMY GRAY PRESIDED

Vice Mayor Gray stated that Mayor Tuck is attending a meeting with the Secretary of the Air Force at Langley Air Force Base and will be joining the meeting later.

### AGENDA

1. [18-0374](#) Briefing On Census 2020

**Attachments:** [Presentation](#)

City Manager Mary Bunting introduced Mr. Terry O'Neill, Community Development Director, who introduced Mr. Kevin Krigsvold, US Census Bureau Partnership Specialist. They provided a presentation to Council.

Councilman Brown noted that sometimes there is a discrepancy in Census counting. He asked how the City can utilize accuracy disputes to get the appropriate Federal funding. Mr. Krigsvold stated that he believes that if the City wins a dispute through

the dispute process, they will receive the appropriate funding.

Vice Mayor Gray asked if the Complete Count Committee (CCC) would focus on low response areas. Mr. Krigsvold stated that this would be their primary focus, as the Census wants those numbers to be as accurate as possible. If the initial response rate is up as high as possible, there is less of a need for people to knock on doors to get the information they need.

Mr. O'Neill stated that staff is requesting that Council authorize the City Manager to form the CCC, and to appoint members to include a Council liaison. He noted that his department has typically served as the Census liaison, and they are ready to serve as such again.

Council gave general consensus to move forward with a CCC. Ms. Bunting said they will move forward and keep Council informed.

Presented by Terry O'Neill, Director of Community Development and Kevin Krigsvold, Partnership Specialist with the United States Census Bureau.

Mayor Tuck arrived during the presentation of 18-0377 at 2:07 p.m.

**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

2. [18-0377](#) Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2018

Attachments: [Memo to City Council](#)  
[Auditors Presentation](#)  
[Finance Director Presentation](#)  
[2018 Final CAFR](#)  
[Audited Financial Report](#)

Ms. Bunting introduced Mr. Karl Daughtrey, Finance Director, who introduced Ms. Krista Edoff of Cherry Bekaert, the City's external auditors. Mr. Daughtrey thanked all the City departments that assisted in this effort, especially the Internal Audit and Finance departments. Ms. Edoff and Mr. Daughtrey provided a presentation to Council.

Vice Mayor Gray thanked staff for all the work done throughout the year. Receiving a good audit report is not a matter of doing the work right before the audit, but rather following policies and practices throughout the year.

In reference to the position and benefits savings, Councilwoman Snead asked if that had already been subtracted out for the end-of-the-year savings program, or if that was part of the savings that needed to be designated in the future. Mr. Daughtrey stated that it has not been subtracted out yet, but it is committed and will have to be brought before Council for action.

In reference to the change in Fund Balance, Councilwoman Snead asked if the Fund Balance the City budgeted for was not used. Mr. Daughtrey stated that the City budgeted \$12 million from Fund Balance during the budget process. Because revenues were better than expected and the City spent less revenues, the City generated a \$17 million positive variance. The City did not have to use that \$12 million because the Operating Budget took care of it.

Vice Mayor Gray noted that there is always an anticipated amount of savings from keeping positions opened for 90 days. During the recession, there were a number of positions lost that have not been recovered. Because there is a budget surplus, he asked if it was appropriate to relieve some of that 90-day requirement, since that puts additional strain on already understaffed departments. Ms. Bunting stated that the City does not generally like to keep positions open. If the City believes a department will be compromised, they move more quickly on filling positions. When developing the FY19 budget, the City used that 90-day requirement to balance the budget. She noted that it was one-time money, so it would not necessarily help reversing the requirement. It is one of the first things staff looks to eliminate when balancing the budget every year. She would be uncomfortable changing it in the middle of the fiscal year and would not suggest moving from 90 days to 0 days.

Councilwoman Snead noted that the attrition savings generated this year exceeded what was in the budget to balance. She stated that the culture has been to try to do without as much as possible, because departments used to get a portion of that savings to do more strategic projects. She asked at what point that program will be implemented again, because she feels it is very critical for departments. Ms. Bunting stated that the end-of-the-year savings for FY18 was used to fund the bonus employees received this year from the results of the citizen satisfaction survey. There is a proposal that FY20 will reinstitute the program where departments will receive 65% of their FY19 savings back. Departments use this money to build up funding for larger projects or better technology.

Councilwoman Snead stated that it might be time to relook at the program

breakdown. Ms. Bunting stated 65% goes to the departments, 10% to the innovation pool, and 25% to Fund Balance. A prior Council also took an additional 10% out. She would want Council to review that breakdown before instituting the program.

In reference to trends in communication and sales taxes, Vice Mayor Gray noted more people are removing taxable communication services, so this is not likely to change in its decrease, and more people are spending money online. He asked if there were other areas that Mr. Daughtrey saw declining trends that could affect revenue streams. Mr. Daughtrey stated that prepaid wireless and streaming services are two areas that are not currently taxed that could positively impact that revenue source. The General Assembly will probably look at those areas again, trying to get that tax back where it was previously.

Councilwoman Snead noted that the Virginia Municipal League (VML) and Virginia First Cities (VFC) are lobbying the General Assembly as a top priority to move forward on taxing prepaid-cellphones and streaming services.

Councilman Hobbs noted that he was seeing more taxes being charged online when he buys business equipment. Mr. Daughtrey noted that the US Supreme Court decision against Wayfair allows states to start collecting taxes from remote locations that do not have a physical presence in that state. Virginia has not moved forward on collecting those taxes. It is estimated to have an impact of \$150 million for Virginia, and approximately \$30 million for Virginia localities.

Councilman Brown thanked the Finance Department for all their hard work. Ms. Bunting echoed his statement, noting that the Finance Department provides a very critical function and the City is grateful for all they do.

Presented by Karl Daughtrey, Finance Director and Krista Edoff,  
a Partner with Cherry Bekaert, LLP.

3. [18-0372](#) Briefing On Community Plan Update

Attachments: [Presentation](#)

Ms. Bunting introduced Mr. Mike Hayes, Planning & Zoning Administration Manager, who provided a presentation to Council.

Vice Mayor Gray asked how the focus groups will be set up. He asked if they will be organized around strategic priorities or focused on issues brought up during the launch activities. Mr. Hayes said the primary focus is the strategic priorities, but staff is open-minded to adjusting as necessary.

Mayor Tuck noted that Councilman Brown, the City Manager, and City staff were in

a community meeting where a project was being discussed that was decided on in the 1990s. People in the community meeting did not understand why they were not informed of the project before implementation. He believes all citizens should try to participate in the planning process because some decisions and projects can take 20-30 years to implement. If you wait until implementation, you could be too late to influence a decision.

Presented by Michael Hayes, Planning & Zoning Division Manager.

4. [18-0373](#) Briefing On Proposed Pilot Volunteer Code Inspector Program

Attachments: [Presentation](#)

Ms. Bunting introduced Mr. Phil Russell, Property Maintenance Division Manager, who provided a presentation to Council.

Councilman Brown asked what rights and privileges a volunteer inspector would have, and what coverage they would have against being sued. Mr. Russell stated that they will be considered agents of the City of Hampton, and will be afforded the same coverage as employees. They will not have as much power as actual City employees, but they will be trained on what they can enforce.

Mr. Russell introduced Housing & Neighborhood Services Division Manager Mr. Jonathan McBride, who continued the presentation.

Mayor Tuck asked if volunteers will rotate so additional volunteers can come on board, since there is a limit to how many the City can supervise. Mr. McBride stated that a rotation schedule has not been set up. Ms. Bunting stated that there is a capacity of 10 for Level I inspectors, but they can move to Level II, allowing for a new class of Level I inspectors.

Councilman Brown asked when staff anticipates having volunteers on the streets and inspecting. Mr. McBride stated that if everything goes as planned, it will be in March.

Councilman Brown asked what the cost savings to the City would be from this program. Ms. Bunting stated that it is not really a cost savings, because this is not something currently budgeted, but it allows the City to expand capacity. However, the City can equate the numbers of hours they expect from volunteers with the associated salary levels and provide that number to Council.

Councilman Brown stated that he believes this program will be phenomenal.

Mr. McBride noted that staff is looking to do the Codes Academy annually, which will

assist citizens in reporting Code violations as citizens. Ms. Bunting noted that the City has added information on the website that allows citizens to research current violations that are in the process of being enforced, as there are sometimes long processes to enforce violations. This information is available at [www.hampton.gov/codes](http://www.hampton.gov/codes).

Ms. Bunting stated that this is an innovative program, and she thanked staff for embracing and developing this program.

Presented by Philip Russell, Property Maintenance Division Manager, and Jonathan McBride, Housing & Neighborhood Services Manager.

## REGIONAL ISSUES

There were no regional issues.

## NEW BUSINESS

Mayor Tuck noted that Commissioner of the Revenue Mr. Ross Mugler was in the audience and asked him to come forward to say a few words. Mr. Mugler wished everyone a Merry Christmas.

Mayor Tuck noted that today is Ms. Bunting's birthday. Council sang "Happy Birthday."

## CLOSED SESSION

5. [18-0361](#) Closed session pursuant to Virginia Code Sections 2.2-3711.A.1, .3, and .7 to discuss appointments as listed on the agenda and to to discuss the City Manager, City Attorney, and Clerk of Council; to discuss or consider the acquisition of real property for a public purpose and the disposition of publicly held real property in the Downtown Hampton area, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the city; and to consult with legal counsel pertaining to actual litigation, where such consultation in an open meeting would adversely affect the negotiating or litigating posture of the city.  
  
At 2:51 p.m., a motion was made by Councilmember Chris Snead and seconded by Councilmember Steven Brown, 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

- 6. [18-0260](#) Consideration of appointments to Building Code Board of Appeals
- 7. [18-0287](#) Consideration of appointments to Animal Control Advisory Committee
- 8. [18-0355](#) Consideration of appointments to Coliseum Advisory Board
- 9. [18-0357](#) Consideration of appointments to Citizens' Engagement Advisory Review Commission (CEARC)
- 10. [18-0367](#) Consideration of appointments to Hampton Senior Citizens Advisory Committee

**CERTIFICATION**

- 11. [18-0366](#) Resolution Certifying Closed Session

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

**ADJOURNMENT**

The meeting adjourned at 5:41 p.m.

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Donnie R. Tuck  
Mayor

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Katherine K. Glass, CMC  
Clerk of Council

Date approved by Council \_\_\_\_\_