



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 Linda D. Curtis
Councilmember Jimmy Gray
Councilmember W.H. "Billy" Hobbs
Councilmember Will Moffett
Councilmember Teresa V. Schmidt
Councilmember Chris Snead

STAFF: Mary Bunting, City Manager
Vanessa T. Valldejuli, City Attorney
Katherine K. Glass, CMC, Clerk of Council

Wednesday, March 14, 2018

1:00 PM

Council Chambers

CALL TO ORDER

Present 6 - Vice Mayor Linda D. Curtis, Councilmember Jimmy Gray, Councilmember Billy Hobbs, Councilmember Will Moffett, Councilmember Teresa V. Schmidt, and Councilmember Chris Snead

Out 1 - Mayor Donnie R. Tuck

DONNIE R. TUCK PRESIDED

AGENDA

Vice Mayor Curtis presided over the first portion of the meeting as Mayor Tuck was away welcoming a group to the City. Mayor Tuck arrived shortly thereafter at 1:17 p.m.

1. [18-0107](#) Update on Streetcar 390

Attachments: [Museum Rendering](#)
[Streetcar](#)
[Siegel Email](#)

City Manager Mary Bunting provided opening remarks. She reminded everyone that details regarding the proposed location for the streetcar and financing for it need to be determined prior to moving forward with the project. She then introduced Chair of the Hampton 390 Streetcar Project Committee Mr. Greg Siegel to make the presentation.

Mr. Siegel greeted those on the dais. He announced that the streetcar will be

temporarily located at Fort Monroe during the restoration process (free of charge). The restoration process is expected to be completed in 3 years. He also announced that funds are being raised for the Education Pavilion (the proposed building which will house the streetcar). The Education Pavilion is proposed to be made of glass and metal enabling the streetcar to be visible to those visiting the site and those passing by. Plans are also underway to provide a story telling aspect in which the streetcar time period and what it meant to the Hampton community will be described.

Mr. Siegel announced that the grassy area in front of the Hampton History Museum is the proposed location for the streetcar. He added that a positive aspect of selecting this location is that people may also be inclined to notice and visit the museum while visiting the streetcar exhibit.

Mr. Siegel provided additional details regarding the project. The Committee is working with Mr. Ronald Quinn of Q. Design regarding the cost of the building; fundraising projects will begin in April; the cost to restore the streetcar is estimated to be \$175,000; the cost of the Education Pavilion remains unknown; and the committee continues to work with the Hampton History Museum on the story of the streetcar and what it meant to Hampton.

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

Councilman Gray thanked Mr. Siegel for making the arrangements to bring the streetcar to Hampton.

In response to Councilman Gray, Mr. Quinn described the measurements of the proposed Education Pavilion and streetcar. The building is approximately 18 ½ feet wide; 60-75 feet long; and approximately 25 feet tall. The streetcar is approximately 9 feet wide and 54 feet long. There will be room for a sidewalk around the building, a walkway around the car within the building, and an educational display. Brick paving will be used for the ground around the exhibit.

Councilman Moffett thanked Mr. Siegel for the presentation and commented that he likes the location and view for the project.

In response to Councilman Moffett, Mr. Siegel and Mr. Quinn shared additional envisioned details about the project. The building will be raised approximately one foot; there will be an elevation going into the building; the entrance will be on the museum end; passengers will learn about what the streetcar meant to the City via sight and sound; there will be 5 to 6 feet of walk space; there will be an educational pod at the entrance; there will be a roofed area for people to gather; some of the area will be paved and pedestrian friendly; the walk area capacity will be

approximately 50 people; and it will include a rail and slant for the disabled.

In response to Councilman Moffett, Mr. Quinn stated it's early in the project to determine an estimated downtime for construction; however, the location has been surveyed and we are working with the City on factors such as utilities, manhole covers and electrical boxes.

Councilman Hobbs thanked Mr. Siegel for a job well done. He expressed concern about the security of the streetcar and building when the museum is closed.

Mr. Siegel explained that the building will be managed by the museum staff. He noted that placards will be visible from the inside and outside of the building so the educational aspect will remain whether the exhibit is opened or closed.

Councilwoman Schmidt commented that everyone is excited for this project which will pay tribute to the history of Hampton. She expressed excitement about the location of the exhibit for the synergy aspect and the benefit to the museum; however, also expressed concern about visibility and traffic safety. She also suggested a fund raiser idea in which those who contributed a specific amount of money could have a party at the streetcar location.

Mr. Siegel stated that we will work with the Planning Department during the drawing aspect and engineering phase to bring the streetcar closer to Settlers Landing Road. There will also be special lighting to increase visibility.

In response to Vice Mayor Curtis, Mr. Siegel stated the project should be completed in approximately 3 to 4 years depending on some variables such as funding. The current plan is to use funding to restore the streetcar then move forward with building the Education Pavilion.

In response to Vice Mayor Curtis, Mr. Siegel stated the preferred location for the exhibit is in front of the museum; however, additional downtown locations for consideration were: the area in front of the parking garage near the old Anna's restaurant, the area by the anchor on Settlers Landing Road, and the empty lot behind the museum near St. John's Episcopal Church.

Vice Mayor Curtis stated Ms. Bunting is seeking direction from Council regarding the preferred location. Ms. Bunting added that staff's recommendation supports the location in front of the museum.

Vice Mayor Curtis, Councilwoman Snead, Councilman Hobbs, and Councilwoman Schmidt supported the proposed location in front of the Hampton History Museum.

Councilman Gray and Councilman Moffett had reservations about the location in front of

the museum due to the safety concern regarding people's access to the exhibit; however, they both indicated that they are comfortable with the proposed location after hearing the explanation regarding the sidewalk connection to the museum.

Councilwoman Schmidt added that she is in support of the proposed location because it may bring attention to the museum which is in need of having its programs supported and highlighted.

In response to Mayor Tuck, Mr. Siegel reiterated that the cost to restore the streetcar is approximately \$175,000. He noted that the building estimate has been unpredictable because there had not yet been an agreement on the location.

In response to Mayor Tuck, Mr. Siegel stated we have applied for 9 of 14 grants that were identified for this project. He noted that these grants are from all over the country and many organizations donate to these types of projects.

Ms. Bunting added that the \$40,000 raised by the Streetcar 390 group was used to transport the car and deal with its environmental clean-up concerns. The group is now asking the City to match that amount to fund the restoration process. She noted that Council's opportunity to vote on that will be in the Manager's Recommended Budget. She reminded everyone that the purpose of today's discussion is to reach agreement on the site location.

In response to Mayor Tuck, Mr. Siegel announced that a company owned by Keith Gray has been selected for the restoration. He explained that the restoration will be divided into 6 portions allowing time for money to be raised to complete each portion. He noted that we will be working with the company's schedule. The goal is to have the car restored within 3 years; however, if the company has more free time, the project may get completed sooner.

Mayor Tuck noted that following the meeting he would share with Mr. Siegel the name of a company located in Chesapeake known for taking on these types of projects. This company may be able to assist with the project.

Ms. Bunting noted that it appears we have clear consensus regarding the proposed site.

Present 7 - Vice Mayor Linda D. Curtis, Councilmember Jimmy Gray, Councilmember Billy Hobbs, Councilmember Will Moffett, Councilmember Teresa V. Schmidt, Councilmember Chris Snead, and Mayor Donnie R. Tuck

2. [18-0101](#) Status Update on the proposed Wibit Water Sports Park

Attachments: [Presentation](#)

Ms. Bunting provided opening remarks and introduced Placemaking Planner Alison Eubank to provide an update on the Wibit, the proposed floating waterpark at Buckroe Beach.

Ms. Eubank shared project information including project goals, the location for the proposed waterpark, the conservation easement, safety features, and sizing options (small, medium and large).

Ms. Eubank spoke about various components of the waterpark including the action tower, dome, lifeguard tower, and wiggle bridge. She also shared information about the anchoring plan designed to keep the floating park in place.

Ms. Eubank listed the permits required to move forward with the project. She announced that the last permit, the Department of Environmental Quality (DEQ) Coastal Zone Management Certification, has been received as of March 13, 2018. All other large permits have been approved. She noted that staff will be tying up some loose ends with the Army Corps and the Virginia Marine Resource Commission.

Ms. Eubank shared logistics associated with the project including installation, maintenance, emergency plans, off-season storage, night time security, insurance rates, funding for the equipment purchase, staff training, and installation of anchors.

Ms. Eubank announced the anticipated cost for the project is \$200,000. This includes equipment, installation, training, life jackets, signage and anchor installation.

Ms. Eubank opened the floor for questions from those on the dais.

In response to Councilwoman Schmidt, Ms. Eubank stated that it is recommended that participants be ages 7 and older. Everyone will be required to wear life jackets.

In response to Councilman Gray, Ms. Eubank explained that the safety barrier is a floating barrier which marks the area, and, therefore, is designed to benefit those playing on the park but is also a barrier for those who have not paid to use the park.

Councilman Gray expressed concern about the dangers of various water depths and whether all participants will be required to know how to swim.

Ms. Eubank said staff recommends that participants know how to swim and that all

participants wear a life jacket. She added we will be in discussions with the Parks, Recreation and Leisure Services and Risk Management Departments to determine whether all participants must know how to swim. She noted that low and high tides will affect water depths.

Councilman Hobbs expressed concern about jelly fish in the area and asked what provisions are in place to address this problem.

Parks, Recreation and Leisure Services Director Kevin Myers said in the past, nets have been installed and swimmers have been advised to move from areas with large amounts of jelly fish; however, no other provisions are in place.

Mayor Tuck expressed concern that this park will attract many people and asked whether nets are a practical solution to the problem. He also asked whether other localities have implemented any processes to diminish the threat of people being stung by jelly fish.

Mr. Myers said he would research that and return to Council with the information as he did not want to provide inaccurate information.

In response to Councilwoman Schmidt, Ms. Eubank stated Hampton would be the first locality on the Coast to use the Wibit. She noted other inland places on lakes or other bodies of water may have used it; however, Hampton would be the first Wibit in the bay or ocean in the United States.

Ms. Eubank shared operation and logistics scenarios for the project. She also listed the benefits and drawbacks of using an outside operator versus City staff to operate the park. She added that staff is seeking feedback from Council on its preference regarding who will operate the park.

In response to Ms. Bunting, Ms. Eubank clarified that the Wibit has been tested and used in open water in the Mediterranean and the Caribbean; however, Hampton would have the first Wibit placed in the bay or ocean in the United States.

Additional discussion took place among staff and the members of Council. Topics of discussion included: operational costs using an outside operator and City staff; usage fees; accommodating those in the community who may not be able to afford the park; addressing traffic concerns; resident versus non-resident rates; an all-in large scale project versus a smaller scale project; wave activity; security and vandalism; lifeguard costs; and water depth.

In response to Councilman Gray, Ms. Bunting suggested our Parks, Recreation and

Leisure Services Department develop programs where Hampton youth could visit the park at no charge; this would eliminate people from all over trying to visit at no charge or at lower rates.

In response to Councilwoman Schmidt, Ms. Eubank explained there is a price list which breaks down the cost for the park on various scales; however, if the layout gets changed, staff will be required to re-do the application process. She noted that she could provide that breakdown to Councilwoman Schmidt following the meeting.

Ms. Bunting shared some information regarding the cost of the park at various configuration sizes. The large configuration price a year ago was approximately \$178,000 (120-140 person capacity); the medium configuration was priced at \$130,000 (80-100 person capacity); the small configuration was priced at approximately \$100,000 (40-60 person capacity).

Councilwoman Schmidt expressed discomfort with the all-in project due to the number of unknown variables. She asked for feedback from the other members of Council regarding doing the project on a smaller scale.

In response to Mayor Tuck, Ms. Eubank stated the expected lifespan of the equipment is 4-8 years depending on the maintenance.

Mayor Tuck expressed concern about our demographics and the realistic number of people that may use the amenity considering the number of people in our area who cannot swim. He also expressed concern about how far the Wibit is expected to be from the shoreline.

Ms. Eubank explained the distance of the Wibit from the shore will depend on whether it is low or high tide. Mr. Myers noted that staff will attempt to calculate foreseeable usage numbers. Ms. Eubank noted that while staff can't provide exact numbers for Hampton, they can provide numbers from the Whiting, IN example mentioned in the presentation.

Ms. Eubank noted that she thinks this will be a good activity for teens. She also suggested that people from neighboring localities will most likely visit as there is nothing of this sort in our area.

Councilman Moffett expressed concern that the concept is being over-processed. He commented that our youth expressed the need for more activities in Hampton; we came up with this original attraction; we went through the necessary safety reviews; and have been made aware of the cost whether City staff operates it or an outside company operates it. He emphasized the need to be decisive and determine

whether we want it or not and move forward.

Councilwoman Snead concurred with Councilman Moffett. She added that it appears we are hesitant to try something new. She said there doesn't appear to be much of a difference in the cost for a small, medium or large park and she envisions this as a wonderful amenity for our young people, particularly teens. She supported the idea of the park, having a contractor operate it, and giving Hampton residents a reduced rate.

For the record, Ms. Bunting reminded everyone that the park would only be accessible during the summer and would be removed during other months and weather events. However, there is the possibility of using the components at one of our indoor facilities creating additional opportunities for our youth.

Vice Mayor Curtis supported moving forward with the project in the previously approved size (large). She was not in support of using an outside operator; however, would support it if it is staff's recommendation. She also supported Hampton residents getting a reduced rate. She clarified that this was never intended to be an economic development project; instead, it was an amenity for citizens. She agreed that it would be a wonderful addition; however, parking and traffic concerns will need to be addressed.

Mayor Tuck commented that if we decide to go with the outside contractor, the charge will be up to the contractor; however, if the City provides something, it should be available for anyone who wants to use it and can afford it.

Mayor Tuck reiterated that today we are seeking direction on whether or not Council wants an outside operator to operate the park.

Councilman Gray expressed the need for a cost comparison of using an outside operator versus using City staff to operate the Wibit. He also questioned how it is possible that experts in our area could operate the Wibit better than City staff when no one else on the East Coast or in the United States has used this type of tool. He added that he was under the impression that funding had already been approved and we were trying to determine who would operate it.

Mayor Tuck said Ms. Bunting's comments led him to believe we were still trying to determine whether we would go forward with it.

Ms. Bunting explained that her comments were in response to the hesitation she sensed from Council and she wanted to ensure staff proceeded as Council wished. She noted that staff could return to Council with additional information on cost

comparisons; however, the equipment needs to be ordered this month if we want to be on schedule for the park to be in place this summer.

Councilwoman Schmidt clarified that she has never been against the project and believes it would be a worthy project to have for the citizens of Hampton; instead, she wanted to see it done on a smaller scale. She noted if everyone else is comfortable with it she would not vote “no” simply because of the size. She then reiterated that the item in question appears to be whether we will use an outside or inside operator.

Councilwoman Snead cautioned letting the cost determine whether or not we use an outside operator because there are factors to be considered when using City staff as well, for example, training costs and taking staff away from other duties.

Councilman Moffett concurred with Councilwoman Snead and added that he would rather use additional funds on a professional operator and receive quality service. He also suggested developing a hybrid method in which the professionals train our staff for a few years, after which staff would take over the operation.

Mr. Myers stated the initial plan was to have a company train City staff for two years and staff would then transition into taking over the operation.

Councilman Hobbs commented that he was initially excited about the project; however, now has some uneasiness about it because he has not received positive answers to his concerns. He concurred with Councilman Moffett in that a decision needs to be made. He suggested staff answer all questions prior to the project moving forward. He asked for clarification whether the purpose of today’s discussion is to determine who will operate the park. Mayor Tuck responded “supposedly”.

Mayor Tuck noted that his position has changed since voting on whether or not to move forward with the project; therefore, he believes he should not vote on whether an outside operator should be used. Mayor Tuck abstained from voting.

Ms. Bunting noted that since the motion failed, staff will prepare the cost analysis requested by Councilman Gray. She cautioned that setting the admission price too low may create crowd control problems.

A motion was made by Vice Mayor Curtis that Council support the staff recommendation to use an outside operator to manage and operate the Wibit floating Water Park. It was seconded by Councilmember Snead and failed on the following vote:

Aye: 3 - Vice Mayor Curtis, Councilmember Moffett and Councilmember Snead

Nay: 3 - Councilmember Gray, Councilmember Hobbs and Councilmember Schmidt

Abstained: 1 - Mayor Tuck

3. [18-0105](#) Budget Briefings - Revenue Estimates

Attachments: [Presentation](#)

Ms. Bunting reminded everyone that this briefing is one of the budget briefings leading to the release of the Manager's recommended budget. She introduced Finance Director Karl Daughtrey to speak about the preliminary revenue projections for FY2019. She noted that this report is based on what we currently know; however, things may change based on the action of the State General Assembly.

Mr. Daughtrey greeted those on the dais and clarified that the changes in State revenues were not incorporated in this process because the General Assembly will not reconvene until April 11th to adopt its budget. We prefer to wait until the General Assembly adopts a budget to determine what approach to take. He added that additional adjustments will be made once the Assessor provides updated assessment figures. He also noted that there were no changes in tax rates.

Mr. Daughtrey compared Total General Fund Revenues for FY2018 with Total General Fund Revenues for FY2019.

Mr. Daughtrey explained that the increase in recurring revenues is projected to be \$4.1 million, of which \$3 million is available for general appropriations. The other \$1.1 million is committed for specific purposes such as school funding, meal and lodging tax at the Hampton Roads Convention Center, and the Peninsula Town Center Community Development Authority (CDA) incremental revenues.

Mr. Daughtrey spoke about the three major revenue drivers. They include General Property Taxes, Other Local Taxes and Revenues from Use of Money and Property (interest income earned on cash and investments). He noted that 97% of our total increase in revenue comes from these three sources.

Mr. Daughtrey shared projections related to General Property Taxes.

Councilwoman Snead expressed concern about Hampton's assessment process and its percentage of revenue expected from real estate taxes being much lower than neighboring localities.

Mr. Daughtrey stated there have been numerous in-depth conversations about our assessment process and staff is also concerned about Hampton not being in line with neighboring communities. He announced that the City Manager has scheduled an upcoming meeting to review our assessment process.

Mr. Daughtrey noted that the City of Newport News Budget Director indicated that most of their increases are related to commercial assessments, and Hampton's commercial assessments tend to be lower than other communities. He noted that staff is doing everything possible to understand Hampton's position.

In response to Councilwoman Schmidt, Mr. Daughtrey said that he does not have the breakdown information for the City of Norfolk and other neighboring localities.

Mr. Daughtrey shared some of the factors impacting personal property taxes for FY2019. He also shared projections for FY2019 regarding various local taxes including meal tax, sales and use tax, business license tax, communications sales tax, utility taxes, business license taxes, communications sales tax and lodging taxes.

Mr. Daughtrey announced that based on current trends, future communication taxes revenue will likely decline; this is due in part to the elimination of land lines. He explained that statistics show that 51% of households have cell phones only; this trend has impacted this revenue source.

Mr. Daughtrey also spoke about revenue projections in miscellaneous categories including court fines; use of money and property; charges for miscellaneous services such as EMS transport fees, landfill host fees, School Age Programs, and Park and Recreation fees; miscellaneous revenue; State and Federal revenues; and Transfers and Fund balance.

Mr. Daughtrey recapped all FY2019 projections. Overall, recurring revenues are expected to increase by \$4.1 million, a 1.3% increase. Of the \$4.1 million, \$3 million is available for general appropriations and \$1.1 million dedicated for specific purposes.

Mr. Daughtrey reiterated that the major revenue drivers are real estate taxes, personal property taxes, local taxes and interest income.

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

Mayor Tuck thanked Mr. Daughtrey for the excellent presentation.

In response to Councilwoman Snead, Mr. Daughtrey and Ms. Bunting clarified that a portion of the revenue from the increase in personal property and real estate taxes will go to the school system. He noted that the exact amount is still being formulated in the Budget Office.

Councilman Moffett asked Mr. Daughtrey to speak about the impact of some exemptions, for example, real estate tax exemptions given to veterans, their spouses and dependents.

Mr. Daughtrey stated that he did not have a breakdown specifically for veterans; however, for all exemption programs, there has been an overall \$3 million reduction in real estate revenue. He noted that he will provide the breakdown to Council at a later date.

In response to Councilwoman Schmidt, Mr. Daughtrey spoke about the amount of taxes drawn from eCommerce. He clarified that information is provided by the Commissioner of the Revenue; the last estimated figure was approximately \$179 million.

Ms. Bunting added that sales tax is collected by the State. That detailed information is held by the State, not by our Commissioner of the Revenue. She continued saying that Mr. Daughtrey makes his best extrapolation based on information he has regarding sales that took place in Hampton; however, we have no access to proprietary information of companies. She noted that it is lumped together under sales tax in the budget.

REGIONAL ISSUES

There were no regional issues on which to report.

NEW BUSINESS

There were no items of new business.

CLOSED SESSION

There were no items for closed session.

ADJOURNMENT

The meeting adjourned at 3 p.m.

Contact Info:
Clerk of Council, 757-727-6315, council@hampton.gov

Donnie R. Tuck
Mayor

Katherine K. Glass, CMC
Clerk of Council

Date approved by Council _____