



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 Chris L. Bowman
Councilmember Eleanor Weston Brown
Councilmember Steven L. Brown
Councilmember Billy Hobbs
Councilmember Chris Snead

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

Wednesday, January 13, 2021

1:00 PM

Council Chambers

CALL TO ORDER

The meeting was convened by Mayor Tuck at 1 p.m. Those physically present in Council Chambers were Councilman Bowman, Councilman Brown, Vice Mayor Gray, and Mayor Tuck. Those participating remotely via Zoom were Councilwoman Brown (pursuant to Section (1)(b) of the City Council's Electronic Meeting policy), Councilman Hobbs (pursuant to Section (1)(a) of the City Council's Electronic Meeting policy), and Councilwoman Snead (pursuant to Section (1)(a) of the City Council's Electronic Meeting policy).

Also physically present in Council Chambers were Katherine Glass, Clerk of Council, and Steve Fryer, Channel 47. The City Manager, Mary Bunting, and the City Attorney, Cheran Ivery, participated from within City Hall via Zoom.

DONNIE R. TUCK PRESIDED

[21-0040](#)

Motion to approve the electronic participation of Councilwoman Brown (pursuant to Section (1)(b) of the City Council's Electronic Meeting policy), Councilman Hobbs (pursuant to Section (1)(a) of the City Council's Electronic Meeting policy), and Councilwoman Snead (pursuant to Section (1)(a) of the City Council's Electronic Meeting policy).

Councilmembers Eleanor Brown, Billy Hobbs and Chris Snead read statements requesting approval to participate in the meeting via zoom.

For the benefit of the public, Mayor Tuck announced that in December, the Governor issued an executive order which limited gatherings in public spaces to no more than 10 individuals. He explained that as a governing body, Council is exempt from this requirement; but, would like to set a positive example, therefore, three members of Council will participate in the meeting remotely. He then called for the motion to approve the electronic participation of Councilmembers Eleanor Brown, Billy Hobbs and Chris Snead.

A motion was made by Councilmember Chris Bowman and seconded by Vice Mayor Jimmy Gray, that this Motion be approved. The motion carried by the following vote:

Aye: 4 - Councilmember Bowman, Councilmember Brown, Vice Mayor Gray and Mayor Tuck

Abstained: 3 - Councilmember Weston Brown, Councilmember Hobbs and Councilmember Snead

AGENDA

1. [21-0006](#) Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020

Attachments: [Memo to City Council](#)
[Auditors Presentation](#)
[Finance Director Presentation](#)
[2020 Final CAFR](#)

City Manager Mary Bunting introduced the item.

Finance Director Karl Daughtrey greeted those on the dais and provided a brief overview of the Comprehensive Annual Financial Report (CAFR) presentation. He also acknowledged the staff of the City's Finance Department (Jacky Green, April Peters, Valarie Jarett, Veronica Kmetz, Sybil Ellsworth, Marcy Dunn, Brigitte Collins and Andrea Lane) other departments of the City, and Hampton City Schools for their participation in the process. Mr. Daughtrey included a special recognition to Jacky Green, a Finance Department staff member, retiring, on April 1st after 33 years.

Mr. Daughtrey proceeded to introduce Ms. Krista Edoff, of Cherry Bekaert, LLP (the City's auditors).

Ms. Edoff greeted those on the dais and presented the results of the June 30, 2020,

financial audit. She began the presentation explaining the overview of the financial audit, compliance audit, and unaudited sections included in the CAFR.

Ms. Edoff proceeded with the audit result reporting a clean opinion issued on the financial statement audit. She clarified a clean opinion is the ultimate goal of audit results. She noted in addition, with compliance audit, federal grants, and compliance with Virginia laws and regulations and government auditing standards, clean opinions were offered. She reported the auditors did not identify deficiencies in the internal control environment which are considered as material weaknesses required to report. From government auditing standards, Ms. Edoff reported there were no noncompliance matters with regard to compliance with specifications for audits of counties, cities, and towns required by auditor of public accounts of the Commonwealth of Virginia. One matter was noticed at the school board level where a Conflict of Interest Act (COIA) form was not timely filed. She noted on the federal grant, audited under the uniform grant guidance, there was one instance of non-material noncompliance where a report ultimately cannot be proven to be submitted. Due to Covid-19 and the regional Department of Housing and Urban Development (HUD) office being closed they were unable to obtain the specific report, so that was reported as non-material noncompliance as a result of the audit.

On the next slide, Ms. Edoff explained other required audit communications. She reported no significant changes in the accounting policies that the City of Hampton follows, which would ultimately create comparability issues if last year's CAFR was compared with this year's CAFR. Due to COVID-19, there were no additional Governmental Accounting Standards Board (GASB) standards required to be implemented during Fiscal Year 2020. GASB95 were issues that postponed anything that would have been required to be implemented during this time due to COVID-19 challenges. She reported no difficulties in conducting the audit or disagreements with management. Financial statement adjustments were identified throughout the audit. Management identified where a capital asset was not recorded last year for timing purposes in the correct period, so it was identified as an uncorrected misstatement because it should have been recorded last year.

Ms. Edoff continued with other matters to report. Due to the auditor's independence with the City, Ms. Edoff reported no conflict of interests with City Council members, key significant staff within the City, and no financial relationships that would cause bias in giving opinions. She concluded that as a result of the audit, it is required that management sign a letter stating that everything was provided to conduct the audit, questions were answered truthfully, the financial statements are correctly stated in accordance with the standards and all transactions have been incurred within the City.

Ms. Edoff thanked those that assisted with the audit from April to December; the Finance Department, all staff on the school's team, the elected officials the auditors worked with, and many personnel from other departments.

Ms. Edoff opened the floor for questions.

Mayor Tuck asked if there were any questions from Council.

In response to Councilman Bowman, Mr. Daughtrey stated that he does not think the HUD statement is resolved, but will follow up with the Community Development Department.

Ms. Bunting explained challenges with HUD's approvals due to the HUD regional office being closed. She clarified that they were waiting to receive proof of receipt of submission from HUD's regional office.

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

Ms. Bunting introduced Finance Director Karl Daughtrey.

Mr. Daughtrey presented on the General Fund financial results for the fiscal year (ending June 30, 2020). He reported that the City ended the fiscal year with revenues exceeding expenditures by approximately \$8.1 million which is in line with the target given from September 9, 2020, for actual revenues of \$348.2 million exceeding the budget by \$1.9 million. He reported a strong growth in the pre Covid-19 local economy which positively impacted general property taxes and local taxes. Due to the increase, we were able to add 5.6 million dollars to unassigned fund balance ending the year at 80.4 million dollars. Actual expenditures were less than the budget by \$13.8 million dollars.

Mr. Daughtrey reported as a part of Covid-19 planning, the City Manager instituted limited spending and travel and departments postponed spending expenditures and that is why \$13.8 million dollars is in the expenditure savings.

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; City department's operating and capital outlay; 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.

Councilwoman Snead commended the City Manager and Finance Department on managing a surplus during difficult times. She acknowledged Jacky Green of the finance department on her retirement and 33 years of service on behalf of the Council.

City Manager Bunting acknowledged the Finance Department and all City employees on their flexibility, adaptability, and commitment during this difficult time.

Presented by Karl Daughtrey, Finance Director, and Krista Edoff, of Cherry Bekaert.

2. [21-0005](#) Update on Neighborhood Centers

Attachments: [Presentation](#)

City Manager Mary Bunting noted two neighborhood center projects were approved; the Mary W. Jackson Neighborhood Center and the Fox Hill Neighborhood Center. The Mary Jackson Neighborhood Center will replace the Olde Hampton Community Center located in the Olde Hampton neighborhood. The Fox Hill Neighborhood Center will replace the communal neighborhood center at Grundland Park that was destroyed by a tornado. The neighborhood centers will reflect the areas served. Fox Hill will use an existing building, adding renovations and additions while the Olde Hampton Neighborhood Center will be a new facility. She stated that the staff is pleased with the results in each of the communities. The Mary Jackson Neighborhood Center will break ground at the end of this month.

Ms. Bunting introduced the Director of Parks, Recreation and Leisure Services, David McCauley and Director of Community Development, Terry O'Neill.

Mr. McCauley greeted those on the dais and introduced the slide show presentation

with updates on the neighborhood centers. Mr. McCauley previewed the presentation which will discuss location, plan and design, community outreach, governances, public timeline, and conclusion. He paused to acknowledge individuals who made the project successful.

Mr. McCauley reviewed the next slide of the presentation which provided an overview of both projects. The Mary Jackson neighborhood center will replace the Olde Hampton neighborhood center with a brand new 12,800 square foot center that will feature an indoor basketball court, several multi-use spaces, serving kitchen, fitness area, new community park elements that will surround the center. The Fox Hill neighborhood center will replace the Grundland Creek Facility. It will share the site with newly renovated Cornerstone church property. The Fox Hill Center will have an indoor gym, a commercial kitchen, multipurpose space, and a large outdoor nature area.

Mr. McCauley reviewed the next slide of the presentation which illustrated the exterior of the Mary W. Jackson Neighborhood Center. He stated the main entrance will have own character with exterior and interior graphic displays that will honor Mary W. Jackson and capture the history and ambiance of the surrounding neighborhood.

Mr. McCauley shared the location of the center; 201 Lincoln Street adjacent to former center of commerce in downtown Hampton on the Northeast corner of Grant Park, visible from main road.

Mr. McCauley turned the floor over to the Director of Community Development, Terry O'Neill. Mr. O'Neill greeted those on the dais and provided an overview and background of the project.

Mr. O'Neill reviewed development phases and concerns about safety and functionality of location. The sketch provided three components of the project; Phase I as building construction, Phase II as adjoining park, and Phase III as neighborhood revitalization. Mr. O'Neill stated that they are working with the Steering Committee on details for new housing in the Olde Hampton neighborhood.

Mr. O'Neill displayed slides regarding the master plan, currently advancing phases, and designs for the overall site. He then turned the floor back over to Mr. McCauley.

Mayor Tuck inquired about existing streets created on the slide, Currently Advancing Phases I & II.

Mr. O'Neill explained there will be a new street providing access into the neighborhood off Armistead Avenue and a part of Phase III is to propose new streets.

Mayor Tuck thanked Mr. O'Neill.

Mr. McCauley explained that the center will be organized into three sections with complimentary functions. From the Design slide, he continued explaining the highlighted sections. The section highlighted in yellow is the fitness zone; gym, fitness room, locker rooms. The section highlighted in blue; activity room, storage room, administrative offices, and public zone. The section highlighted in green; kitchen, multipurpose room, bathrooms and meeting rooms. He continued that the highlighted area in white is the reception area and will be used as the center space forming a hub connecting all zones. He added that the plaza off Lincoln Street will be a welcoming front court and the total of the building will be an indoor gymnasium. Additional amenities include a regular sized basketball court, fitness room, and men's and women's locker rooms.

With regard to interior design possibilities, Mr. McCauley explained that the interior will display graphics to honor the life and legacy of Mary Jackson and capture history and legacy of the neighborhood.

Mr. McCauley said the Parks and Community Development worked closely with community planning groups to survey local residents on the interest of programming activities. Through the Peninsula Community Foundation (PCF) partnership with the City, and the health department, followed up with the initial outreach, confirmed the neighborhoods interest in the building, location, and key program activities. In 2019 the Steering Committee was established with representation from the neighborhood and adjacent property owners.

Mr. McCauley shared slides in reference to Community Outreach. The committee held a community checkpoint meeting on December 19th to reveal the first graphic design of the neighborhood center. A total of 45 community members attended providing insight and feedback on the building designs. He continued saying that the new community involvement team will gather history of Mary Jackson.

Mr. McCauley proceeded with the slide presentation discussing the governance of the Community Development Department (CDD). Staff will work with neighborhoods to utilize skills and knowledge of a steering committee to recruit an initial Board of Directors and Incorporators, and will apply for 501-c tax exemption and state tax exemptions, registration for charitable solicitations, and the board will develop its strategic plans.

Mr. McCauley paused to share the public timeline of events.

Vice Mayor Gray asked if Phase III had a separate timeline from Phase I and Phase II.

Mr. McCauley replied, yes we are looking to open the park and the center simultaneously.

Vice Mayor Gray inquired about the estimated timeline on completion on Phase III.

In response to Vice Mayor Gray, Mr. O'Neill said the timeline depends on funding for road and infrastructure. He continued stating that an application was submitted to the Virginia Department of Transportation (VDOT) for cost sharing. At this time VDOT's funding schedule is off due to COVID-19. He expects to receive the latest estimate in 2024 or 2025.

Councilman Bowman asked if the structure of Phase II and Phase III was indoor or outdoor.

Mr. O'Neill responded that Phase II improvements to the park are outdoor park elements.

Discussion took place among Councilman Bowman, Mr. McCauley and Mr. O'Neill in reference to gym accommodations, solar components, Leadership and Energy and Environmental Design (LEED) certifications, and budget issues.

Mr. McCauley proceeded to the next slide in reference to the Fox Hill Neighborhood Center that will be located to the east of the renovated Cornerstone Church. He noted that the building has met all four site selection criteria.

On the next slide, Mr. McCauley explained the Master Plan illustration; orange building is the refurbished church, green building is the new addition constructed east of the existing building, 5,600 square feet. The new addition with new paved parking lot with total of 98 parking spaces is 8,500 square feet. The new addition will include entrance lobby, commercial kitchen, gymnasium, restrooms with showers; standing and handicap accessible, and unisex restrooms with accessible shower. The corridor will lead to the gym.

Mr. McCauley provided information about the project related to: renovations, community outreach, the governance, the public timeline, and current updates for Phase I and Phase II. Mr. McCauley thanked staff for their assistance with the

project and opened the floor for questions.

Vice Mayor Gray commented that it was good to see projects come to completion and that the neighborhood centers were a wonderful addition to both neighborhoods. He shared that the Fox Hill Community Center replaces Grundland Park that housed the Fox Hill Athletic Association. He hopes it will also host BBQ dinners and fish fries that the volunteer fire chief used to host. Lastly, he stated that he looks forward to invitations to events and the grand opening.

Councilman Bowman congratulated staff on the renovations of the building. He shared his participation on the Steering Committee and acknowledged the committee on a well thought out community center.

Mayor Tuck commented on the progress of the centers and said the projects were worth the wait.

Presented by David McCauley, Director of Parks, Recreation and Leisure Services and Terry O'Neill, Director of Community Development.

3. [21-0039](#) Briefing on New Wythe Fire Station Project

Attachments: [Presentation - as published](#)
[Presentation - Updated 1/13/21](#)

Ms. Bunting introduced the item.

Assistant City Manager, Steve Bond, greeted those on the dais and began sharing information about the New Wythe Fire Station project.

Mr. Bond reviewed the slide presentation and shared information related to: the purpose of the briefing, background of the fire station, and factors in the new site selection.

Mr. Bond stated that staff wanted to be stewards of the taxpayers' dollars by ensuring the site was owned by the City.

As Mr. Bond reviewed the estimated project schedule, he noted the aggressive timeline and said staff will do all it can to meet it. He expressed everyone's excitement.

Mr. Bond opened the floor for questions.

Vice Mayor Gray thanked Mr. Bond for the presentation and stated how happy he

was that they found a location. He added that he hopes an apparatus bay to display an antique firetruck will be considered as part of the plan.

In response to Councilman Bowman's question about the reuse of the old fire station, Ms. Bunting said there is communal interest in preserving the facility; however it is premature to discuss that.

Mayor Tuck opened the floor for questions and comments.

No questions were posed.

Presented by Seven Bond, Assistant City Manager.

REGIONAL ISSUES

There were no regional issues.

NEW BUSINESS

Mayor Tuck announced that the 3rd anniversary of the Hampton Heroes monument will take place in a virtual ceremony on January 18, 2021, at 1 p.m. He noted that the website is www.hampton.gov/hamptonheroes.

CLOSED SESSION

4. [21-0042](#) Closed session pursuant to Virginia Code Sections 2.2-3711.A .3, .8 and .19 to discuss the disposition of publicly held real property in the Kecoughtan Road Corridor, Buckroe and the North King Street corridor, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the city; to discuss or consider the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the city would be adversely affected; to consult with legal counsel employed by the city regarding specific legal matters pertaining to contract provisions, terms of an existing development agreement involving city-owned property and licensing of shared mobility devices, to discuss plans to protect public safety as it relates to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency service officials concerning actions taken to respond to such matters or a related threat to

public safety; to discuss information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system, or software program; and to discuss reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building or structure.

At 2:21 p.m., a motion was made by Councilmember Chris Snead and seconded by Councilmember Billy Hobbs, that this be approved. The motion carried by the following vote:

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

CERTIFICATION

5. [21-0008](#) Resolution Certifying Closed Session

At 4:21 p.m., a motion was made by Councilmember Billy Hobbs and seconded by Councilmember Steven Brown, that this Closed Session - Certification be approved. The motion carried by the following vote:

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

ADJOURNMENT

The meeting adjourned at 4:21 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 _____