

The Franklin City Council held a work session on Monday, July 28, 2008 at 5:30 p.m. in Council Chambers, 207 W. Second Avenue.

Council members in attendance: James P. Councill, III, Mayor, Vice Mayor Raystine Johnson, Barry Cheatham, Benny Burgess, Rosa Lawrence, Mary Hilliard and Mark Fetherolf.

### **Goals and Objectives**

City Council reviewed their goals and objectives that were created as a result of their retreat in 2007. The Action Plan was reviewed, which is updated by staff throughout the year. A suggestion was made to incorporate the schools into the City's Action Plan and retreat. Council would review the Action Plan again after it was updated by staff in August. It was the consensus of Council to hire a new facilitator for the 2008 retreat. Since there are new members on Council, it was also the consensus that the retreat consist of two days.

On a motion made by Mrs. Hilliard and seconded by Mr. Cheatham, it was unanimously approved to invite the Interim City Manager, June Fleming, into the closed session meeting. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Councill.

### **Closed Session**

On motion made by Ms. Johnson and seconded by Mr. Cheatham it was unanimously RESOLVED that Council meet in closed session to discuss (1) the possible sale of the Hayden School property, (2) appointments to boards and committees, (3) possible litigation with Isle of Wight County (4) discussion of the performance of employees and (5) consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel as permitted by Virginia Code Section 2.2-3711(A)(7), (1) and (3). The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Councill.

### **Regular Meeting**

The Franklin City Council held a regular meeting on Monday, July 28, 2008 at 7:00 p.m. in Council Chambers, 207 W. Second Avenue.

Council members in attendance: James P. Councill, III, Mayor, Vice Mayor Raystine Johnson, Barry Cheatham, Benny Burgess, Rosa Lawrence, Mary Hilliard and Mark Fetherolf. ABSENT: none.

Staff in attendance: Rowland Taylor, City Manager, H. Taylor Williams, IV, City Attorney, Andy Rose, Director of Finance, Phil Hardison, Chief of Police, Carolyn Joyner, Personnel Manager, Sheryl Frazier, Director of FRHA, Russ Pace, Director of

Public Works, Mark Carr, Deputy Director of Emergency Services, Beth Reavis, Director of Social Services, Donald Goodwin, Director of Community Development, Amanda Crocker, City Planner, Dexter Trump, Director of Power & Light, Frank Davis, Director of Parks and Recreation and Erin Turner, Executive Assistant.

Others in attendance: Dan Howe, Downtown Franklin Association Director, Brenda Rickman, Commissioner of the Revenue and Dinah Babb, Treasurer.

### **Certification**

On motion made by Ms. Johnson and seconded by Mrs. Hilliard, it was unanimously RESOLVED that City Council hereby certifies that to the best of the knowledge of each member only public business matters identified in the motion which the closed meeting was convened were discussed, heard or considered. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Councill.

### **Invocation**

Andy Rose offered the invocation.

### **Introduction of New Employees**

Dexter Trump introduced Roland Joyner, the newest employee to the Power & Light department. Mr. Joyner previously worked for the City and is happy to return.

Mayor Councill introduced June Fleming as the Interim City Manager.

### **Appointments to Boards and Committees**

On motion made by Ms. Johnson and seconded by Mr. Burgess, Barry Cheatham was appointed to serve on the Southeastern Public Service Authority Board with June Fleming (Interim City Manager) as an alternate. The vote on this motion was as follows: The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Councill.

On motion made by Ms. Johnson and seconded by Mr. Cheatham, June Fleming was appointed to serve as an alternate on the Western Tidewater Regional Jail Board. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Councill.

Mr. Burgess publicly apologized to Deputy Chief Edwards for his tone at the last City Council meeting.

### **Citizens' Time**

**Mark Urben.** Mr. Urben is with Franklin Southampton Development and is currently working on the Riverwood development. Mr. Urben presented Council with a list of complaints he had with the City regarding his development.

Council agreed to discuss the matter further during Old/New Business.

**Whitney Saunders.** Mr. Saunders represents Mr. Urben and agreed to wait until Old/New Business.

**Kelvin Gee.** Mr. Gee was employed with the City and submitted his letter of resignation to Mayor Council. Mr. Gee stated that he felt threatened by his supervisor and that he wasn't clear on the position and salary for which he was hired.

**Doug Parsons.** Mr. Parsons owns D.A. Parsons Construction Company of Chesapeake. He praised Community Development for their business friendly attitude. Mr. Parsons stated that he came to work in the City for a business downtown, but has stayed ever since working on other projects in the area. He stated that this was the easiest locality he deals with regarding permits, inspections, etc.

**Robert Edwards.** Dr. Edwards praised Council for appointing June Fleming to serve as the Interim City Manager. He further praised Mrs. Fleming for accepting the position. Dr. Edwards would like to see Council apologize to Charlie Wrenn for not letting him resign from the SPSA board.

**Jennifer Bernacco.** 604 N. High Street. Mrs. Bernacco questioned why the City would pay for a consultant for the Redevelopment and Revitalization Committee. Mrs. Bernacco would like to see the Historic District included in the committee.

**Don Blythe.** 606 Clay Street. Mr. Blythe stated that he is pleased to see that Council is finally listening to the citizens and believes that the City should break ties with entities or organizations that cost the City money such as SPSA and the Incubator. Mr. Blythe also questioned Council regarding rumors he heard about the City purchasing a building in Suffolk for \$1 million to house mental health patients.

Council advised Mr. Blythe that the City had not purchased a building in Suffolk, but that the City is a member of the Western Tidewater Community Services Board and that organization purchased a building in Suffolk three years ago and the City simply served as a fiscal agent in that transaction.

**Everett Williams.** Mr. Williams chose not to speak.

### **Approval of Minutes of the July 14, 2008 Council meeting and the Special Called Meetings On July 21, 2008 and July 22, 2008**

On motion made by Ms. Johnson and seconded by Mr. Cheatham, it was RESOLVED that the minutes for the July 14, 2008, July 21, 2008 and July 22, 2008 meeting were

approved with the correction that Mrs. Fleming was appointed for an “indeterminate” amount of time. The vote on this motion was as follows: The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Mrs. Hilliard, Mr. Fetherolf and Mr. Council.

## Financial Matters

### 1. Budget Amendment 2009-01, 2009-02 and June Financial Report.

Andy Rose, Director of Finance, presented Council with a report from the June Financial Report.

#### GENERAL FUND

<b>REVENUE:</b>	<b>2007-2008 BUDGET</b>	<b>ACTUAL AS 6/30/2008</b>	<b>BUDGET PERCENT</b>
Taxes; Licenses	\$ 13,363,441	\$ 13,104,158	98.06%
Permits, Fees, Fines	\$ 191,040	\$ 129,397	67.73%
Use of Money & Property	\$ 270,108	\$ 272,557	100.91%
Service Charges	\$ 2,253,389	\$ 2,076,310	92.14%
Misc & Recovered Costs	\$ 266,654	\$ 379,966	142.49%
Isle of Wight Rev. Sharing	\$ 1,110,000	\$ 1,107,450	99.77%
Loan Proceeds	\$ 400,000	\$ 400,000	0.00%
State Aid	\$ 2,153,585	\$ 2,218,673	103.02%
Federal Aid	\$ 233,877	\$ 160,564	68.65%
 Subtotal - Current Revenue	 \$ 20,242,094	 \$ 19,849,073	 98.06%
Transfers from Unappropriated	\$ -	\$ -	0.00%
Transfers from Other Funds	\$ 1,859,891	\$ 1,859,891	100.00%
Transfer from Prior Years	\$ 342,750	\$ -	0.00%
 Total General Fund Revenue	 \$ 22,444,735	 \$ 21,708,964	 96.72%
<b>EXPENDITURES:</b>			
Operating Expense:			
Legislative, General & Financial	\$ 2,333,197	\$ 2,174,216	93.19%
Elections, Courts, Sheriff	\$ 497,509	\$ 407,892	81.99%
Law Enforcement	\$ 3,206,624	\$ 3,147,096	98.14%
Fire and Rescue	\$ 1,432,043	\$ 1,429,244	99.80%
Community Development	\$ 426,584	\$ 404,129	94.74%
Streets	\$ 2,389,211	\$ 1,603,337	67.11%
Garage	\$ 249,458	\$ 202,395	81.13%
Refuse Collection & Disposal	\$ 1,198,610	\$ 1,194,077	99.62%
Buildings and Grounds	\$ 970,964	\$ 1,047,646	107.90%
Health	\$ 281,309	\$ 230,513	81.94%
Parks and Recreation	\$ 1,051,980	\$ 698,437	66.39%
Library	\$ 292,759	\$ 293,201	100.15%
Planning and Beautification	\$ 146,406	\$ 79,367	54.21%

Economic Dev and Tourism	\$	-	\$	-	0.00%
Downtown Development	\$	97,083	\$	76,569	78.87%
Payments to Southampton Co.	\$	595,000	\$	593,020	99.67%
Non-Departmental Miscellaneous	\$	23,000	\$	27,308	118.73%
Pass through Contributions	\$	-	\$	-	0.00%
Non-Departmental Capital	\$	358,017	\$	-	0.00%
Total Operating Expense	\$	15,549,754	\$	13,608,447	87.52%

**GENERAL FUND CONT'D**

		<b>2007-2008 BUDGET</b>		<b>ACTUAL AS 6/30/2008</b>	<b>BUDGET PERCENT</b>
<b>TRANSFERS:</b>					
To General Debt	\$	891,658	\$	857,206	96.14%
To School Debt	\$	427,640	\$	427,640	100.00%
To Airport Fund	\$	93,684	\$	93,684	100.00%
To Education Fund	\$	4,651,368	\$	4,651,368	100.00%
To Education - Capital	\$	50,000	\$	50,000	0.00%
To Social Services Fund	\$	525,218	\$	525,218	100.00%
To Social Services - CSA	\$	51,940	\$	51,940	100.00%
To Economic Dev Incubator	\$	53,473	\$	53,473	100.00%
To Economic Dev Joint Fund	\$	150,000	\$	150,000	100.00%
Subtotal - Current Revenue	\$	6,894,981	\$	6,860,529	99.50%
Debt Service	\$	-	\$	-	0.00%
Total General Fund Expenditures	\$	22,444,735	\$	20,468,976	91.20%

**WATER AND SEWER FUND**

		<b>2007-2008 BUDGET</b>		<b>ACTUAL AS 6/30/2008</b>	<b>BUDGET PERCENT</b>
<b>REVENUE:</b>					
Sale of Water	\$	1,362,894	\$	1,314,209	96.43%
Sewer Service Charges	\$	1,851,853	\$	1,760,821	95.08%
Treatment Fees - Counties	\$	123,904	\$	115,853	93.50%
Other Revenues	\$	379,920	\$	234,946	61.84%
Transfer Prior Year Budget	\$	665,490	\$	-	0.00%
Proceeds from Loan	\$	-	\$	-	0.00%
Total Water and Sewer Revenue	\$	4,384,061	\$	3,425,830	78.14%

**EXPENDITURES:**

Operating Expense:					
Water System	\$	1,837,042	\$	1,317,928	71.74%
Sewer System	\$	886,090	\$	505,571	57.06%
Treatment Plant	\$	714,992	\$	642,816	89.91%
Transfers for Services	\$	335,160	\$	335,160	100.00%
Total Operating Expenses	\$	3,773,284	\$	2,801,474	74.24%
Debt Service	\$	610,777	\$	610,760	100.00%
Total Water & Sewer Expenditures	\$	4,384,061	\$	3,412,234	77.83%

**ELECTRIC FUND**

<b>REVENUE:</b>		<b>2007-2008 BUDGET</b>		<b>ACTUAL AS 6/30/2008</b>	<b>BUDGET PERCENT</b>
Sale of Energy	\$	12,278,381	\$	12,204,206	99.40%
Other Revenue	\$	340,743	\$	432,479	126.92%
Transfer from Unappropriated	\$	132,955	\$	-	0.00%
Transfer from Prior Year	\$	222,303	\$	-	0.00%
Total Electric Fund Revenue	\$	12,974,382	\$	12,636,685	97.40%

**EXPENDITURES:**

Operating Expense:	\$	9,908,487	\$	10,005,692	100.98%
Capital Outlay	\$	679,046	\$	369,795	54.46%
Transfer to Other Funds	\$	2,215,487	\$	2,215,487	100.00%
Debt Service	\$	171,362	\$	148,059	86.40%
Total Electric Expenditures	\$	12,974,382	\$	12,739,034	98.19%

**AIRPORT FUND****REVENUE:**

Fuel Sales	\$	168,600	\$	168,491	99.94%
Other Revenue	\$	71,700	\$	64,932	90.56%
State Grants	\$	8,400	\$	5,453	64.92%
Federal Grants	\$	-	\$	-	0.00%
Transfer from Other Funds	\$	93,684	\$	93,684	100.00%

Transfer Prior Year	\$	1,860	\$	-	0.00%
Total Airport Fund Revenue	\$	344,244	\$	332,560	96.61%

**EXPENDITURES:**

Operating Expense:	\$	302,660	\$	324,809	107.32%
Capital Outlay	\$	10,000	\$	10,000	100.00%
Transfer to Other Funds	\$	2,020	\$	2,020	100.00%
Debt Service	\$	29,564	\$	29,074	98.34%
Total Airport Fund Expenditures	\$	344,244	\$	365,903	106.29%

CASH BALANCES AS OF JUNE 30, 2008 - OPERATING FUNDS

General Fund	\$	1,750,900
Water and Sewer Fund	\$	619,949
Electric Fund	\$	1,498,162
Airport Fund	\$	(70,699)
TOTAL	\$	3,798,311

**BUDGET AMENDMENT 2009-01**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2008-2009 City Budget is hereby amended to recognize additional revenues and to appropriate such revenues for new uses.

	<b>2008-2009 BUDGET</b>	<b>AMENDED BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>100 GENERAL FUND</b>			
<b><u>EXPENDITURES</u></b>			
100 12560 3133 Professional Services – Contracted	\$54,600.00	\$0.00	(\$54,600.00)
100 12560 1101 Salaries and Wages – Regular	\$0.00	\$56,026.00	\$56,026.00
100 12560 1300			

FICA 100 12560 2210	\$1,596.00	\$4,444.00	\$2,848.00
Retirement – VRS 100 12560 2400	\$0.00	\$8,525.00	\$8,525.00
Group Life – VRS 100 12560 2300	\$0.00	\$708.00	\$708.00
Hospitalization/Medical Plans 100 12560 2720	\$0.00	\$5,304.00	\$5,304.00
Workmen’s Compensation	\$29.00	\$81.00	\$52.00
Reserve -Contingency 100 91600 255	\$103,000.00	\$84,137.00	(\$18,863.00)
<b>TOTAL</b>			<b>\$0.00</b>

**\*Move contracted IT Salary back to Salaries and Wages.**

On motion made by Mr. Burgess and seconded by Mrs. Hilliard, Budget Amendment 2009-01 was approved by Council (with the changes as corrected in the above amendment). The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard and Mr. Council. NO: Mr. Fetherolf.

**BUDGET AMENDMENT 2009-02**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2008-2009 City Budget is hereby amended to recognize additional revenues and to appropriate such revenues for new uses.

	<b>2008-2009 BUDGET</b>	<b>AMENDED BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>504 AIRPORT FUND</b>			
<b><u>REVENUE</u></b>			
504 24040 0421 Airport Improvements State	\$0.00	\$2,400.00	\$2,400.00
504 33010 0420 Airport Improvements Federal	\$0.00	\$76,000.00	<u>\$76,000.00</u>

<b>TOTAL</b>			<b>\$78,400.00</b>
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**EXPENDITURES**

504 20020 8424			
Environmental Assessment Grant	\$0.00	\$78,400.00	\$78,400.00
504 20010 3317			
Repairs and Maintenance – Other	\$10,495.00	\$8,895.00	(\$1,600.00)
504 20020 8424			
Environmental Assessment Grant	\$78,400.00	\$80,000.00	<u>\$1,600.00</u>
<b>TOTAL</b>			<b>\$78,400.00</b>

\*Grant as per attachment.

On motion made by Mr. Fetherolf and seconded by Mr. Burgess, Budget Amendment 2009-02 was approved by Council. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Mrs. Hilliard, Mr. Fetherolf and Mr. Council. ABSTAIN: Ms. Johnson.

**Justifications for Waiver of Hiring Freeze for Public Works**

Russ Pace, Director of Public Works, presented Council with explanations as to why he needed to fix six vacancies within his department. The vacancies were in the following positions: Custodial Supervisor, Cement Finisher, CMW-II, MEO-II, and two vacancies for SW-I. Mr. Pace answered questions by Council regarding the cost of going “fully automated” in the Sanitation Department.

No action was taken by Council.

Thomas Council stated that he applauded Council for not waiving the positions and he asked that Council enforce the same for the Redevelopment and Housing Authority.

Ms. Johnson advised Mr. Council that the City has no legal authority to make those decisions for FRHA.

Anna Gee asked Council if her husband, Kelvin, would be invited to attend the meeting between Council and Russ Pace to regard to Mr. Gee’s reasons for resigning.

## **Old/New Business**

Whitney Saunders, Counsel for Mark Urben, stated that his client was concerned about the requirement to install sidewalks in the subdivision prior to building permits being issued.

Donald Goodwin, Director of Community Development, stated that the ordinance was created by Council and required that all developers made all improvements prior to any building permits being issued. On at least two occasions prior to 1995, City taxpayers had to cover the costs when a developer did not complete all of the improvements required. The ordinance was then amended in 1995 to what is currently enforced.

Mr. Taylor stated that staff is merely enforcing an ordinance that was created by Council. Staff cannot make changes without approval from Council.

June Fleming, Interim City Manager, stated that staff would review that one section of the Subdivision Ordinance and report back to Council, but that the matter could not be resolved tonight. Mrs. Fleming stated that staff would try, but could not guarantee that the matter would be ready for recommendations by the next Council meeting as it may require more time.

Edna King stated that she was concerned that the matter being delayed and asked if Council could have a joint meeting with the Planning Commission in the next few days to resolve the matter promptly.

Mrs. Fleming again requested that Council allow she and the staff to work on the matter and report back to Council.

On motion made by Mrs. Lawrence and seconded by Mr. Cheatham, June Fleming was appointed to serve on the Western Tidewater Smart Beginnings Board in the vacant position created by Mr. Taylor. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Council.

## **Closed Session**

On motion made by Ms. Johnson and seconded by Mr. Fetherolf it was unanimously RESOLVED that Council meet in closed session to discuss (1) possible litigation with Isle of Wight County (2) discussion of the performance of employees and (3) consultation with legal council regarding specific legal matters requiring the provision of legal advice by such counsel as permitted by Virginia Code Section 2.2-3711(A)(7), (1) and (4). The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Council.

## **Certification**

On motion made by Mr. Burgess and seconded by Mrs. Hilliard, it was unanimously RESOLVED that City Council hereby certifies that to the best of the knowledge of each member only public business matters identified in the motion which the closed meeting was convened were discussed, heard or considered. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard and Mr. Council. ABSENT: Mr. Fetherolf.

**Adjournment**

There being no further business, on motion duly made, seconded and unanimously adopted the meeting was adjourned at 11:03 P.M. The vote on this motion was as follows: AYE: Mr. Cheatham, Mr. Burgess, Mrs. Lawrence, Ms. Johnson, Mrs. Hilliard, Mr. Fetherolf and Mr. Council.

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Mayor

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Clerk to City Council