

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, September 12, 2016 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

7:00 P.M.**Regular Meeting**

Call To Order · · · · · MAYOR FRANK M. RABIL

PLEASE TURN OFF CELL PHONES · · · MAYOR FRANK M. RABIL

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

SPECIAL RECOGNITION: Ritchie Artis (December 8, 1998 - August 10, 2016) Chief Phil Hardison

1. CONSENT AGENDA
 - A. Minutes: August 22, 2016 Regular Meeting & August 30, 2016 Called Meeting
2. PUBLIC HEARING:
 - A. Bank of America ATM Site Property Lease
3. OLD/NEW BUSINESS
 - A. Ward 6 Special Election Discussion
 - B. School Board FY 2016 – 2017 Capital Outlay Funding Request
 - C. City Manager's Report
4. COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS
5. CLOSED SESSION

I move that the Franklin City Council meet in Closed Session to discuss and consider appointments to boards and commissions; and 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 pursuant to Virginia Code Section 2.2 – 3711 (A) (1) and (5).

Motion Upon Returning to Open Session- I move that the only matters discussed during the session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened.

6. ADJOURNMENT

UPCOMING ITEMS TO BE SCHEDULED

The items below are intended to be reflective, and not inclusive of all subjects staff is working on to bring forward to City Council in the next two months. Both the time lines and subject matter are subject to change and should not be considered final.

SUBJECT**TENTATIVE TIME LINE****Rental Housing Inspection Program Public Hearing****September 26, 2016****Commercial Rehabilitation Loan Program****TBA****Charter Communications Franchise Agreement****TBA**

CONSENT AGENDA

A. Minutes: Minutes: August 22, 2016 Regular Meeting & August 30, 2016 Called Meeting

The Franklin City Council held its regular meeting on Monday, August 22, 2016 at 7:00 p.m. in the Council Chambers at City Hall.

Council Members in Attendance: Frank M. Rabil, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess, Linwood Johnson III, Mary Hilliard, and Greg McLemore.

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Melissa Rollins, Director of Finance; Mark Bly, Director of Power and Light; Chief Vince Holt, Director of Emergency Services; Russ Pace, Director of Public Works; Brenda Rickman, Commissioner of the Revenue; and Dinah Babb, Treasurer.

Others in Attendance: Corporal Michael Greenwell, Franklin Police Department and Teresa Rose-McQuay; Administrative Assistant and Acting Secretary, Recording Minutes.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZENS' TIME

No one signed up to speak at Citizens' Time.

Mayor Rabil updated the citizens of Franklin that the Circuit Court had appointed Mr. Donald "Bill" Scarboro to fill the Ward 6 City Council seat vacancy. Mayor Rabil introduced Mr. Scarboro, who was in the audience, and thanked him for his willingness to serve on the City Council as the Ward 6 Interim Representative. Mayor Rabil shared a brief biography of Mr. Scarboro.

Mayor Rabil also announced that a Joint Meeting with the School Board has been set for Tuesday, August 30, 2016. Mayor Rabil stated that the joint meeting would be formally announced as soon as a location and time are determined.

AMENDMENTS TO AGENDA

There were no amendments to the agenda.

Consent Agenda

Minutes: August 8, 2016 Regular Meeting

Mayor Rabil asked if there were any corrections or changes to the minutes. Councilman Burgess advised of a typographical error on page 1 under Citizens' Time in the last sentence of the second paragraph which should read "him" not "kim". Councilwoman Hilliard noted the name of the Church should be corrected to read Kingdom Community Church in the first and second paragraph of the Citizens' Time section not King Community Church. After some discussion on the minutes, Councilman McLemore made a motion to add his comments to the minutes concerning the Ward 6 Council Vacancy appointment and Councilman Johnson seconded the motion.

The motion to add the comments was approved with the vote as follows:

Councilman Johnson, AYE; Councilwoman Hilliard, AYE; Vice-Mayor Cheatham, NAY; Mayor Rabil, NAY; Councilman McLemore, AYE and Councilman Burgess, AYE (Ward 6 Seat vacant).

Mayor Rabil asked if there were any other questions or comments; hearing no other discussion from Council the Mayor asked for a motion to approve the minutes with the necessary corrections and additions. Councilwoman Hilliard made the motion to approve the minutes as amended and Councilman Burgess seconded the motion.

The motion was approved with a 6 – 0 vote (Ward 6 Seat vacant).

Departmental Reports: July 2016 (Separate File)

There were no questions or comments concerning the July, 2016 Departmental Reports.

Finance

Mayor Rabil recognized Director Rollins to present the Finance items on the agenda.

FY 2016 – 2017 City Budget Ordinance Amendments # 2017 – 02

Director Rollins stated that each year, the City carries forward appropriations from the prior fiscal year of funds not spent which require re-appropriation of some of the obligated funds to the current fiscal year. Director Rollins explained that carry forwards are essentially necessary for several reasons including the following:

1. Grants or other restricted revenue sources need to be re-appropriated for their specific purpose.
2. Purchase of goods or services are encumbered and ordered prior to the year end, but the actual goods or services is not received prior to June 30th; the funds do not exist in the new budget to cover the expenditure.
3. Ongoing constructions projects cross over fiscal years, but the appropriation for the project is included in the prior year.
4. Expected expenditures for a planned initiative in the new fiscal year may exceed available budget and there are unspent funds in the prior year for the same purpose that can be re-appropriated to cover the expense.

Director Rollins informed Council that the items included in Budget Amendment #2017 – 02 are listed and grouped by the reasons above:

1. Grants or other restricted revenue sources that need to be re-appropriated.
 - a. Foundation Grant Funds – 220 \$ 81,802
2. Purchase of goods or services encumbered and ordered prior to the year end, but the goods are not expected to be received until FY 16 – 17
 - a. Software Upgrade project \$ 98,743
3. Ongoing projects crossing the fiscal year end:
 - a. Water Line Rehab – 501 \$269,897

- | | |
|---|-----------|
| 4. Expected expenditures to exceed budgeted amounts | |
| a. Public Works Streets – (Drainage) - 100 | \$ 93,714 |
| b. Public Works Streets – (Paving) – 100 | \$110,085 |

If approved, the items earmarked Fund 100 will commit General Fund balance at June 30, 2016 in the amount of the approved carryover for the General Fund.

Councilman Burgess made the motion to adopt City budget ordinance amendment #2017 – 02. Councilman McLemore seconded the motion.

Mayor Rabil asked if there were any questions or comments and hearing none Council voted.

The motion was approved by a 6 – 0 vote (Ward 6 Seat vacant).

FY 2015 – 2016 City Budget Ordinance Amendment # 2016 – 21

Director Rollins stated that despite unplanned expenditures in FY 2015 2016, the General Fund expenditures (net of transfers) were \$980,000 less than budget. Expenditures by departments at June 30, 2016 have exceeded total appropriations in only a few instances. Action is needed to appropriate additional funds as outlined on City budget ordinance amendment # 2016 – 21. No use of additional fund balance is required for the General Fund.

I. General Fund

The affected departments are as follows:

1. Registrar – Expenditures associated with the primary election resulted in cost overruns exceeding total budget appropriations. Funding Source: State Board of Election Reimbursement - \$6,164
2. Police Salaries – Exceed budget appropriations by \$43,000 – Funds were transferred from full time salaries in April to cover overtime. Funding Source: Transfer from E-911 Dispatch
3. Information technology – Various one-time unexpected repairs to include emergency server replacement, anti-virus software upgrades and voice and data maintenance. Funding Source: Transfer from City Manager personnel vacancy line items.
4. Purchasing – A division of Finance, personnel costs were slightly higher than budget. Funding Source: Transfer from Finance-Accounting
5. Parks & Recreation – Line item variances as a result of recreational and playground improvements in addition to telecommunications cost overrun. Overall, only \$3,000 is needed to cover the total budget. Funding Source: Transfer from library building maintenance budget.
6. Downtown Development – Attributed to personnel costs. Funding Source: \$6,000 from Planning and Community Development
7. Building Maintenance General – Cost overrun mainly in Utilities (\$6,000) - Funding Source: Building Maintenance – Health Department

- II. Electric Fund – Cost overrun associated mostly with contractual services backfilled by several vacancies which are more expensive labor-wise. The aging SCADA system required a major upgrade in an effort to extend the useful life which was unexpected and not funded. Cost for energy purchases was slightly over budget, where energy for resale – fuel adjustment cost was less than budget. Funding Source – Transfers from personnel line items and other operating line items
- III. Water & Sewer Fund – Several unexpected emergency repairs in wastewater division were made in FY 15 – 16 resulting in cost overruns primarily in engineering and other capital expenses. Funding Source – Other line items within the fund.
- IV. Solid Waste Fund – Landfill closure cost was under-budgeted for the year. Further budgeted revenue was less than anticipated resulting in overall expenditures exceeding total budget. Funding Source – additional use of solid waste fund balance \$9,000 and transfers from other line items.

Councilman Burgess made the motion to amend the FY 2015 – 2016 General Fund budget by adopting City budget ordinance amendment # 2016 - 21 and Vice-Mayor Cheatham seconded it.

After several questions and Council comments, the Mayor asked for a vote on the motion.

The motion was approved by a vote of 6 – 0 (Ward 6 Seat vacant).

Monthly Financial Report: June, 2016 (Fiscal Year End)

Director Rollins presented the June, 2016 end of year Monthly Financial report to Council.

General Fund Revenue Highlights

Overall General Property Taxes collected are \$7.42 million which is a 5.5% increase over FY15 collections.

- Current Real Estate taxes are 5.3 million, which is 96.0% of budget and 5.5% higher than FY14-15 collections of \$4.96 million.
- Personal Property taxes are at \$1.52 million, which is 105% of budget; revenue increased by 7.0% from same period last year.
- Other general property taxes: Penalty and Interest, machinery and tools and public service corporation taxes collectively totaled \$269,616 or 99.7% of budget; all sources are consistent with prior period collections.

General Fund Expenditure Highlights

Expenditures of \$15.45 million are \$658,000 higher than prior year expenditures of \$14.80 million.

Reductions are noted in the following categories:

- Juvenile detention care - \$38,000
- Fuel costs - \$46,000
- Health Insurance - \$ 100,000
- Building Maintenance & Repairs - \$41,000

- Drainage - \$70,000
- Debt service General Fund - \$160,000
- One Time Expenditures Public Safety \$408,000 (PSAP Grant, Police Vehicles, Records Room Improvement & Ambulance/Medic)

Increases are noted in the following categories:

- Telecommunications - \$80,000
- Jail Administration - \$69,000
- Retiree Care - \$26,000
- Current Year Assessment - \$51,000
- Elections - \$26,000
- Information Technology Equip/software - \$51,000
- Payment to County - \$110,000
- Emergency Services Worker's Comp - \$30,000
- Regular and OT Salaries Police & E911 - \$123,000
- Paving - \$350,000
- Vehicle - \$25,000
- Special Paving Project - \$489,000 (VDOT Grant)

Enterprise Funds

Airport Fund

- Fuel Sale Revenue is 22% lower than prior year collections at \$72,000
On the expenditure side, fuel purchases were 25% or \$11,000 less than the prior year
- General Fund Support = \$79,305
- Federal/State Funded Grants totaling \$56,000
- Expenditures Associated with Grant Funding total \$56,000

Water & Sewer Fund

- Revenue Analysis - Revenue from the sale of water reached \$1.16 million which is 90% of the \$1.3 million budget; revenue reported is less than average due to a prior period adjustment. Revenue from sewer charges reached \$1.58 million which is 90% of budget, and is also a result of the prior year adjustment.
- Expenditure Analysis – Total expenditures of \$3.43 million exceeded prior year expenditures of \$2.87 million (water and wastewater projects completed in FY16 as planned). Overall expenditures in the Fund exceeded revenue by \$564,973; over \$630,000 was included in the budget as use of fund balance to fund capital projects.
- The Cash balance at June 30, 2016 is \$1.52 million which decreased by \$480,000 during the fiscal year (planned water & sewer rehab projects totaled over \$800,000).

Solid Waste Fund

- Revenue Analysis - Revenue from waste collection and disposal reached \$1.30 million which is 99% of the budget; this is slightly lower with prior year collections of \$1.36 million
- Expenditure Analysis - Operating expenditures were \$1.08 million prior to transfer to general fund and consistent with prior year expenditures.

The Cash balance at June 30, 2016 is \$413,763 which increased by \$76,000 during the fiscal year in which a portion of cash was used to acquire capital assets totaling \$160,000 through PAYGO. The Cash Balance is above the minimum policy guideline of 25% of revenue net reserves.

Electric Fund

- Revenue from energy sales reached \$13.78 million or 93% of budget; FY15 revenue was \$15.47 for a decrease of 1.7% million or 11%. The actual revenue expectations are 88% of the budget for energy for sale and 75% of budget for fuel adjustment.
- Expenditures from energy sales \$9.13 million – 94% of budget (6.1%) or \$598,000 less than the prior year costs.
- Overall, expenditures reached \$14.24 million or 90% of the total budget; a decrease of \$1.2 million from the prior year period.
- Operating expenditures increased by \$236,000 or 17% from \$1.36 million to \$1.59 million in FY16:
 - Increases noted:
 - Contractual services & personnel cost - \$206,000
 - SCADA Maintenance increased - \$31,000
 - Vehicle Maintenance & Supplies - \$20,000
 - Generator Maintenance - \$13,000
 - Decreases noted:
 - Health Insurance - \$18,000
 - Vehicle Repairs - \$22,000
 - Generation & Vehicle Fuel - \$23,000

The Cash balance at the end of June 30, 2016 in the Electric Fund of \$448,880 decreased by \$105,552 from the prior period.

Mayor Rabil asked if there were any questions or comments concerning the Finance report.

After considerable discussion about the year-end financial report, the meeting continued.

Postal Lock Box Report

Manager Martin recognized Treasurer, Dinah Babb to report on a service offered by SunTrust Bank that the City will be taking advantage of in the near future.

Treasurer Babb introduced Mr. Lynn Powell of SunTrust Bank who assists in the products and services to help the City of Franklin. Treasurer Babb described that Lock Box is a division of SunTrust that handles the processing of payments and then deposits the funds in to the City's bank account. The Utility Bills

will be the first account types that will be sent to the Lock Box. The bills that are usually mailed directly to the City office through the USPS will have a Baltimore address and go directly to the Lock Box division for processing. The bills will have a bar code that will be scanned which will expedite the payment process and properly distribute the funds to the city's bank account with SunTrust within 24 hours. The Treasurer's office will log on to their website and download/file transfer to upload the payments to the office which will credit payments to the citizen's accounts. We will need to educate customers on the mailing. Once Utilities are up and running, we will move forward with Tax billing collections.

This will free up staff to assist with walk ins and phone calls quicker and to handle other daily duties. Payments are processed quicker and deposited in our bank account faster which increases the City's credit earnings with the bank. It reduces the length of time it takes a bill to be mailed to the office. This process would allow the funds to be deposited 2 – 3 days quicker than the current postal system.

There are a few cons:

1. Customer may question why bill is being mailed to Baltimore.
2. Possible account rejection, which will have to be handled manually.
3. The cost will be offset by deposit balances maintained with the bank.

After Ms. Babb answered questions and listened to comments, the meeting continued.

Councilman Burgess and other members of Council thanked Mr. Powell for his assistance in helping the City of Franklin by letting us know about different products and services, as well as, his bank's work for us.

OLD/NEW BUSINESS

Resolution Requesting Membership in the HRTPO

Mayor Rabil recognized Manager Martin to present the HRTPO Membership Resolution to Council. Manager Martin reminded Council that on July 25, 2016, the City Council approved a revised and restated MOU with the HRTPO in which the parties:

1. Agreed to expand the HRTPO Metropolitan Planning Area (MPA) to include the areas of Franklin and Southampton County that are east of U. S. Route 258;
2. Agree to convey to the City and the County full voting rights on the HRTPO Board on all HRTPO matters, along with voting rights on the Transportation Technical Advisory Committee (TTAC) and Citizenship Transportation Advisory Committee (CTAC);
3. Agree to establish a one-time "fund set-aside" equivalent to revenues paid into the HRTF by Franklin and Southampton County in FY 2014 (\$2,028,066) which will be made exclusively available (no competition) to the City or County for a project or project(s) along the Route 258 corridor; and
4. Agree to provide for commitment by the HRTPO to conduct a Route 58 Corridor Feasibility Study to the Greensville County line sometime over the next four years.

Manager Martin stated that in the agenda package there was a detailed email enclosed from the HRTPO staff that included a number of next steps in the process of finalizing the City and Southampton County's inclusion in the MPO and the HRTPO. The first next step in the process is for the City Council and County Board of Supervisors to adopt a resolution officially requesting membership in the HRTPO. HRTPO staff will then follow the process which will end with final approval by the Governor sometime in November.

Mayor Rabil asked for a desired motion on Resolution # 2016 – 05.

Councilman Burgess made the motion to adopt Resolution #2016 – 05; City of Franklin Resolution Requesting Membership in the HRTPO and Councilwoman Hilliard seconded it.

The motion was approved by a 6 – 0 vote (Ward 6 Seat vacant).

City Manager's Report

Manager Martin stated that included in the agenda package is a notice about limited access for customers for the Treasurer and Commissioner of Revenue's office for this week. He advised that the offices will be closed on:

Tuesday, August 23, 2016	12:00 p.m. – 1:00 p.m.
Wednesday, August 24, 2016	12:00 p.m. – 5:00 p.m.
Thursday, August 25, 2016	8:30 a.m. – 5:00 p.m.

Payments can be dropped off in the drop box in the parking lot during these times. These departments are training for the upcoming software conversion which is planned for September 7, 2016.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Vice-Mayor Cheatham deferred to Councilman Johnson to report on the Western Tidewater Regional Jail Authority meeting. Councilman Johnson stated that it was an informative meeting. The WTRJ is still evaluating mental health services for the inmates, as well as, seeing continued savings from the energy upgrades that were done. Councilman Johnson was also taken on a tour of the facility.

Vice-Mayor Cheatham stated that the federal inmate numbers are up higher than was anticipated. He stated that they are trying to get a few more federal inmates each year. This creates a savings for WTRJ member communities.

Mayor Rabil reported on the Combined Courts meeting. They are negotiating with Architects to determine which firm to go with. He will report with further information as it becomes available.

Mayor Rabil also reported on the Business Friendly Meeting where they discussed future plans for the Farmers Market for next year. Mayor Rabil encouraged everyone to come out and check out the Farmers Market and the Cruise In on Wednesday evenings and the We Be Jammin on Thursday evening. The Mayor asked everyone to support Downtown Franklin.

Vice-Mayor Cheatham thanked all the businesses and the Downtown Franklin Association for the Navy Band performing a concert for Patriotism in the Park. It was an extremely hot day so the event had to be moved inside but it was an enjoyable event.

Adjournment

Vice-Mayor Cheatham made the motion to adjourn the meeting and Councilwoman Hilliard seconded it.

The motion was approved by a 6 – 0 vote (Ward 6 Seat vacant).

Mayor Rabil declared the meeting adjourned at 8:39 p.m.

These Minutes for the August 22, 2016 City Council Meeting were adopted on the 12th day of September, 2016.

Mayor

Clerk to City Council

The Franklin City Council and the Franklin City Public School Board held a called joint meeting on Tuesday, August 30, 2016 at Paul D. Camp Community College Workforce Development Center in Room 204 at 6:30 p.m.

Council Members in Attendance: Frank Rabil, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess; Linwood Johnson, III; Mary Hilliard and Bill Scarboro (Greg McLemore absent).

School Board Members in Attendance: Dr. Andrea Hall-Leonard, Chairwoman; Verta Jackson, Vice-Chairwoman; Will Council; Nancy Godwin, Jeanette Austin, Robert Holt and Edna King.

Others in Attendance: City Attorney Taylor Williams, Superintendent Dr. Willie J. Bell, Jr., Ed. D., Dr. Roy Geiger; and Pamela Kindred, Executive Secretary Recording Minutes (City Manager Randy Martin absent).

Call to Order & Welcome: Mayor Frank Rabil called the joint meeting of the Franklin City County and the Franklin City Public Schools to order at 6:45 p.m. He thanked Chairwoman Dr. Hall-Leonard, Superintendent Bell, the School Board and the City Council for coming together to continue to discuss items of mutual interest between the two entities. He introduced the members of Council along with City Attorney Williams to those in attendance.

Chairwoman Dr. Hall-Leonard called the School Board meeting to order and welcomed all in attendance to the meeting and thanked the Mayor and City Council for coming together to talk about the School System. She introduced the School Board members and the Superintendent to all in attendance.

Overview: The Mayor then gave an overview of the purpose and format for the meeting. The meeting is in a work session format. There will be no formal action. Mayor Rabil stated the specific discussion topics for the meeting are: 1) Communication, 2) Collaboration and 3) Transparency between the Franklin City Council and the Franklin City Public Schools.

Most of the initial discussion was about the internal control audit findings stemming from the FY 2015 - 2016 city audit and the school requested capital improvement plan funds for FY 2016 - 2017. After a very lengthy discussion between the two boards, all members were instructed to go home and digest everything that had been discussed and then go to their separate upcoming meetings to further discuss next steps.

Both Mayor Rabil and Chairwoman Dr. Hall-Leonard added that quarterly meetings would begin to happen, where the city council Mayor and Vice-Mayor and the school board Chair and Vice-Chair would sit down to talk on a regular basis about matters of mutual interest, in hopes to continue to strengthen the relationship and line of communication between the two boards.

Adjournment

Mayor Rabil and Chairwoman Dr. Hall-Leonard thanked everyone for attending. Councilman Burgess made the motion to adjourn the called meeting and Vice-Mayor Cheatham seconded it.

The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

August 30, 2016

**FRANKLIN CITY COUNCIL/FRANKLIN CITY SCHOOLS JOINT
WORKSESSION MEETING**

The Mayor declared the meeting adjourned at 8:40 p.m.

These Minutes for the August 30, 2016 Franklin City Council/Franklin City Public Schools Joint Called meeting were adopted on this 12th day of September, 2016.

Mayor

Clerk to Council

PUBLIC HEARING

A. Bank of America ATM Site Property Lease



*Office Of The City Attorney
H. Taylor Williams, IV*

September 8, 2016

From: H. Taylor Williams, IV, City Attorney

To: Members of City Council

Re: Lease with Bank of America for ATM

At the present time the City's Department of Social Services is located at 306 N. Main Street. Previously this property was the location of the Bank of America. After the flood in 1999, the Bank of America donated the branch location at 306 N. Main Street to the City of Franklin in 2001. A part of the transaction involved a lease of a portion of the parking lot with an entrance on Middle Street and an exit on 4th Avenue for the location of a drive thru ATM machine to be operated by Bank of America. A copy of a portion of the minutes from the City Council meeting held March 12, 2001 is attached for your reference.

The lease is dated Mary 15, 2001. The base rent is stated to be \$0.00 per month. The term of the lease is for 5 years and there is a right to renew the lease for up to 2 additional terms of 5 years each (a total of 15 years) with the base rent continuing to be \$0.00 per month. The term of the lease does not actually begin until Bank of America begins operation of the ATM.

The term of the lease is about to expire. Bank of America has asked that the lease be amended to provide an additional 5 year term with the possibility of renewing the lease two additional 5 year terms. Bank of America has agreed to pay rent in the amount of \$100 per month for the use of the property for the drive thru ATM.

Staff's recommendation is to agree to the amendment of the lease for an additional 5 year term followed by 2 additional options to extend the lease for 5 years each for a monthly rental of \$100 per month. This will benefit the Bank of America customers located in the downtown area or who frequent the downtown area and do not want to travel out to Armory Drive to visit the current branch location. Additionally it recognizes the fact Bank of America donated the location to the City in 2001 which became the location for the City's Department of Social Services. The location of the ATM does not impair the operation of the Department of Social Services or take up area needed for employee or public parking.

H. Taylor Williams, IV

Approval of the Bank of America donation of property to the City

On motion made by Mr. Scislowicz and seconded by Mr. Fetherolf the following resolution was unanimously adopted:

Resolution

Whereas, the Bank of America has indicated its intention to convey to the City of Franklin, Virginia its former bank premises located at 308 North Main Street, Franklin, Virginia 23851 as a gift, subject to a lease back to the bank of an ATM site to be designated at or before execution of the lease; and

Whereas the City Council of the City of Franklin, Virginia has determined that the proposed terms of the donation agreement, quit claim deed and SBD Facility Lease Agreement are acceptable to City Council; and

Whereas, the said City Council wishes to indicate the City of Franklin's intention to accept the said property on the terms and conditions set forth in the above described documents, copies of which are attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Franklin, Virginia that the City of Franklin does hereby accept the donation of the former bank premises of the Bank of America located at 308 North Main Street, Franklin, Virginia 23851 on the terms and conditions of the donation agreement and quit claim deed and does agree to the terms of the SBD Facility Lease Agreement, all

attached to this resolution and does authorize the execution of such documents by its Mayor after insertion of property description, date of closing, length of lease, location of ATM site and other incomplete terms as approved by the Mayor.

The vote on this motion was as follows: AYE: Mr. Councill, Mrs. Hilliard, Ms. Johnson, Mr. Scislowicz, Mr. Wrenn and Mr. Fetherolf. NO: none.

*A portion of minutes from March 12,
2001*

**NOTICE OF PUBLIC HEARING FOR
A LEASE OF PROPERTY BY THE
FRANKLIN CITY COUNCIL**

The Franklin City Council will conduct a Public Hearing at its regular meeting to be held on Monday, September 12, 2016 at 7:00 p.m. at the Franklin City Hall at 207 West Second Avenue, Franklin, Virginia 23851 pursuant to Virginia Code Section 15.2-1800(B). The City Council will be considering a new lease with the Bank of America for space in the parking lot of the Social Services building located at 306 North Main Street. The lease will allow the Bank of America to continue to operate a drive through cash flow machine available to the public with ingress from Middle Street and egress onto Fourth Avenue. The public hearing is to be held at a public facility to be accessible to persons with disabilities. Any persons with questions concerning the accessibility of the facility or those who have need for reasonable accommodations should contact Teresa Rose-McQuay at (757) 562-8508. Persons needing interpreter services for the deaf must notify Mrs. McQuay at least seven (7) days in advance of the hearing.

Franklin City Council
R. Randy Martin, Clerk

SBD FACILITY LEASE AGREEMENT

This SBD Facility Lease Agreement (this "Lease") is made and dated as of May 15, 2001 by and between the Landlord and the Tenant named below.

ARTICLE 1 - BASIC LEASE TERMS

For the purposes of this Lease, the following definitions and basic terms shall apply:

1.1 Landlord: The City of Franklin, Virginia, a municipal corporation.

1.2 Tenant: Bank of America, N.A., a national banking association.

1.3 Leased Premises: The land in the City of Franklin, Virginia (the "Land") described in Exhibit "A" hereto; the building, kiosk or other structure to contain the SBD (the "Building"), located or to be constructed on the Land described on Exhibit "D" attached hereto; and any other improvements now or hereafter on the Land. The address of the Leased Premises is 308 North Main Street, Franklin, Virginia. The commercial development of Landlord within which the Leased Premises is situated is herein called the "Property".

1.4 Lease Term: Five (5) years commencing on the date Tenant begins operating the SBD upon the Leased Premises (the "Term Commencement Date") unless sooner terminated as provided for in this Lease. Tenant is hereby granted the option to renew the term of the Lease pursuant to the terms and conditions more particularly described in Exhibit "C" hereto.

1.5 Rent Commencement Date: N/A.

1.6 Base Rent: Base Rent shall be \$0.00 per month.

1.7 Addresses: Landlord's address is: The City of Franklin, Virginia, 221 Progress Parkway, Franklin, Virginia 23851, Attention: Director of Finance. Tenant's address is: Bank of America, N.A., 525 N. Tryon Street, NC1-023-03-03, Charlotte, North Carolina 28255, Attention: Corporate Real Estate - VA Lease Administration, with a copy to Bank of America, N.A., 100 S. Charles Street, Seventeenth Floor, MD4-325-17-02, Baltimore, Maryland 21201, Attention: Corporate Real Estate - VA Lease Administration.

1.8 Permitted Use: Installation, maintenance, repair and operation of automated teller machines, debit machines, cash dispensing machines, and similar machines and related equipment (together for convenience herein called an "SBD") and related uses.

ARTICLE 2 - GRANTING CLAUSE AND RENT PROVISIONS

2.1 Grant of Premises. Landlord hereby leases the Leased Premises to Tenant for the Lease Term, subject to the provisions of this Lease. Landlord also hereby grants to Tenant for the Lease Term the non-exclusive right to use the parking areas, streets, roads, driveways and walkways adjacent to the Leased Premises, for parking and for ingress and egress to and from the Leased Premises, in common with Landlord and other tenants and occupants, if any, of the Property.

2.2 Base Rent. N.A.

ARTICLE 3 - OCCUPANCY AND USE

3.1 Use. The Leased Premises shall be used and occupied only for the purposes set forth in Section 1.8. Tenant and Tenant's employees, agents, customers and invitees shall have unrestricted access to the Leased Premises at all times during the Lease Term. Tenant shall not use or allow the Leased Premises to be used in any manner which would cause Landlord's fire and extended coverage insurance, if any, on the Leased Premises to be canceled.

such subordination, the party to whose interest Tenant subordinates its interest hereunder shall execute and deliver to Tenant a non-disturbance agreement in the form of Exhibit "B" attached hereto.

10.12 Commissions. Except for obligations of a party under a commission agreement, Landlord and Tenant hereby indemnify and hold each other harmless against any loss, claim, expense or liability with respect to any commissions or brokerage fees claimed on account of the execution and/or renewal of this Lease due to any action of the indemnifying party.

10.13 Negation of Lien for Rent. Landlord hereby waives all liens and security interests for rent arising by statute or otherwise by operation of law (except for any judgment lien that may hereafter arise in favor of Landlord) against property of Tenant now or hereafter placed in the Leased Premises.

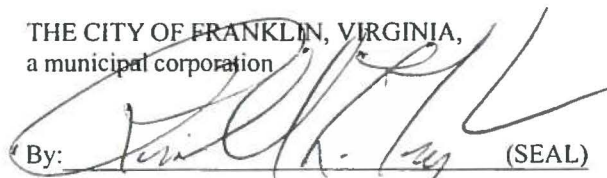
10.14 Entire Agreement; Exhibits. This Lease is the entire agreement of the parties regarding its subject matter, and may not be changed or amended except by an instrument in writing signed by Landlord and Tenant. The following exhibits indicated by "X" below are attached hereto and incorporated into this Lease by this reference:

- X EXHIBIT "A" - Legal Description of Land
- X EXHIBIT "B" - Form of Nondisturbance Agreement
- X EXHIBIT "C" - Renewal Option
- X EXHIBIT "D" - Location of the SBD

This Lease is executed by Landlord and Tenant on the respective dates set forth below (the date of signature of the last to sign of the parties hereto is the date of execution of this Lease), but for purposes of identification and reference, the date of this Lease shall be deemed to be the date first set forth on page 1 of this Lease.

LANDLORD

THE CITY OF FRANKLIN, VIRGINIA,
a municipal corporation

By:  (SEAL)

Printed Name: Rowland F. Taylor

Officer Title: City manager

Executed by Landlord on

May 16, 2001.

TENANT

BANK OF AMERICA, N.A.,
a national banking association

By:  (SEAL)

Printed Name: Richard E. Murrell

Officer Title: Senior Vice President

Executed by Tenant on

May 15, 2001.

LANDLORD'S FEDERAL TAX IDENTIFICATION NUMBER IS: 54 - 6001284

OLD/NEW BUSINESS

- A. Ward 6 Special Election Discussion**
- B. School Board FY 2016 – 2017 Capital Outlay Funding Request**
- C. City Manager's Report**



Office Of The City Attorney
H. Taylor Williams, IV

September 9, 2016

From: H. Taylor Williams, IV, City Attorney

To: Members of City Council

Re: Writ of Special Election

The Judges of the Southampton Circuit Court entered an Order on August 22, 2016, effective at noon on August 23, 2016, appointing Don William Scarboro as the interim representative of Ward 6 pursuant to Virginia Code Section 24.2-228 (A). Mr. Scarboro's appointment is effective until such time as a special election is held pursuant to Virginia Code Section 24.2-681, *et seq.*, and a candidate is elected by the qualified voters of Ward 6 to serve the balance of the term in Ward 6 ending June 30, 2018.

It is recommended that the Council direct the City Attorney to prepare and file a Petition for Writ of Special Election to request an order be entered setting a date for the special election to occur. It is suggested the petition request the date for the Special Election be set on the first Tuesday following the first Monday in the month of May, 2017 (May 2, 2017). In this manner the candidates interested in running for the office to represent Ward 6 would follow the same schedule for qualifying as is followed in the council elections that occur every other year in even numbered years. Additionally, the registrar would follow the same schedule for obtaining ballots, scheduling absentee balloting, etc., as would normally occur for a regular council election.

H. Taylor Williams, IV
City Attorney



September 7, 2016

To: Mayor & Council Members

From: R. Randy Martin

Subject: FY 2016 – 2017 School Capital Outlay Funding Request

Enclosed is an excerpt from the proposed Capital Improvements Program FY 2016 – 2017 budget document. Detailed is the Franklin School System request for a total of \$480,000 for the listed expenditures. Previous to July 1st, Council considered action on the request on more than one occasion, but the requisite four affirmative votes was not achieved.

Mayor Rabil briefed me on the joint meeting with the School Board on August 30th and indicated this item needed to be included on the upcoming Council agenda for discussion.

Enclosure

	<i>Project Description</i>	<i>Anticipated Revenue Source</i>	<i>FY 15-16 7/1/15 6/30/16</i>	<i>TOTAL FY 16/17 Request</i>	<i>FY 17/18 Request</i>	<i>FY 18/19 Request</i>	<i>FY 19/20 Request</i>	<i>FY 20/21 Request</i>	<i>Unfunded</i>	<i>5-Year CIP Cost FY 16/17-20/21</i>
EDUCATION FUND										
42	S.P. Morton-Architectural/Engineering	Reserves		125,000	50,000	25,000			75,000	200,000
43	S. P. Morton-Classroom Replacement (32)			0	1,230,643				1,230,643	1,230,643
44	Bus Replacement	Reserves		195,000	194,000	80,000	80,000		354,000	549,000
45	Division Vehicles	Reserves		60,000						60,000
46	Storage Facility	Reserves		100,000						100,000
	TOTAL EDUCATION			480,000	1,474,643	105,000	80,000		1,659,643	2,139,643
	TOTAL ALL FUNDS (in millions)			\$2.73	\$14.78	\$14.81	\$13.81	\$11.66	64,730,474	\$67,336,103

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS