



CITY OF CHARLESTON West Virginia



Council Member – 12th WARD

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Finance Committee, Chair
Parking Committee, Chair
Parks and Recreation Committee

AGENDA

FINANCE COMMITTEE MEETING

UNTIL FURTHER NOTICE, MEETINGS WILL BE MADE AVAILABLE TO THE PUBLIC VIA ZOOM AND CIVICCLERK

Monday, August 17, 2020

6:15 PM

***Join via internet:**

<https://us02web.zoom.us/j/89764586814?pwd=KzZkdDZLYjRrYk5EMGhDWVA2ZWExQT09>

Passcode: 445872

***Join via Telephone: (312) 626-6799 or (929) 436-2866**

Webinar ID: 897 6458 6814

***Join via CivicClerk: <https://charlestonwv.civicclerk.com>**

I. DISCUSSION:

- a. Approval of Previous Minutes 8-3-2020

II. RESOLUTIONS:

- a. Resolution No. 369-20 - A Resolution authorizing the Mayor or City Manager to submit a grant application to the Department of Justice - Edward Byrne Memorial Justice Assistance Grant program and administer any funds awarded.
- b. Resolution No. 370-20 - Authorizing the Mayor or City Manager to enter into a Memorandum of Understanding with the Kanawha County Commission designating the City as the applicant and fiscal agent for the Edward Byrne Memorial Justice Assistance Grant application.
- c. Resolution No. 371-20 - Authorizing approval of Amendment No. 2 in the FY 2020-2021 General Fund Budget as indicated on the attached list of accounts.

MINUTES
FINANCE COMMITTEE MEETING
6:30 P.M., AUGUST 3, 2020
A/V CONFERENCE ROOM*

Joseph Jenkins, Chairperson, called the meeting of the Charleston City Council Committee on Finance to order at 6:30 p.m., August 3, 2020, in the Audio/Visual Room in City Hall*.

A silent roll was taken by the Clerk and a quorum was established. The following committee members were present:

Joseph Jenkins, Chair
Bobby Reishman, Vice Chair
Ben Adams
Brent Burton
Becky Ceperley
Mary Beth Hoover
Will Laird

*In response to the COVID-19 pandemic, the meeting of the Finance Committee was conducted electronically. The meeting was made available to the public as a live stream via Zoom and CivicClerk (per the agenda).

I. DISCUSSION:

a. Approval of Previous Minutes - Councilmember Reishman asked for unanimous consent to dispense with the reading of the minutes for the July 20, 2020 meeting and that they be approved as distributed. There was no objection and the minutes were approved.

b. Suddenlink Franchise Agreement - City Treasurer, Vic Grigoraci – His comments submitted to the Clerk's Office are reproduced below at his request.

I am Victor Grigoraci. I am Charleston City Treasurer – BUT today I am here as a private citizen.

Thank you so much for giving me a few minutes to offer comments about the Cable and Internet Services of Suddenlink. As you know, Charleston has granted a franchise for Suddenlink to provide cable services. I just learned today that the Internet is not in the Franchise Agreement. Nevertheless, the Internet will need to be part and parcel of our conversation.

Electric, natural gas and water are regulated by the WV Public Service Commission. These utilities are a lifeline. Suddenlink is not regulated, yet it functions like a lifeline, but without regulation. Yes, there is a franchise agreement, but with little or no oversight and control by the City. As noted, the Internet is excluded from our Franchise Agreement.

My real concern today is with the Suddenlink business practices. I hope you have or will read my email of last week discussing its business practices. From what I hear, I expect you receive many complains. I not going to recite my email comments, except to restate two of my requests and add a third.

I believe the City and its Citizens need to start its review of the Suddenlink franchise agreement that expires on December 31 next year. In the past, the Finance Committee has formed a special committee of its members several months prior to the renewal date.

1. First, I ask you to form this special subcommittee early to allow plenty of time to consider all aspects of the franchise and the Internet. While the previous subcommittees have announced and held public hearings, I believe I was the only person from the public to attend. In any event, it is not too early to get started. Especially, if we bid out the franchise.
2. Secondly, I suggest you work with the administration in forming a independent volunteer Citizens Committee of interested persons to develop and address their concerns to the City, including other options. Such as, rebidding the franchise.
3. Take a look at your Suddenlink monthly bill. You will find a Charleston Franchise Fee asserted on Suddenlink that you pay – Suddenlink is only the collector. The City budget includes over \$700,000 annual franchise fees that is included in the general fund revenue. There is no separate budget dedication of this income. That leads to my third request: I believe we need a part-time Internet/Cable Services person who represents our citizens when they have unresolved complaints and concerns regarding Suddenlink, i.e., an ombudsman; a mediator; an advocate. Perhaps the City can assign this responsibility to a current employee.

Here are my suggestions: (1) early Finance Committee start in reviewing the Suddenlink cable franchise and Internet services; (2) an independent Volunteer Citizens Committee, and (3) a City Hall Advocate.

c. General Update – Jonathan Storage, City Manager –

Storage stated that the direct negative impact to the City of Charleston's revenue for FY2020 (which ended June 30th) was approximately \$2.6 million.

In March, the local economy was doing very well, and revenues were coming in higher than projected. Thus, COVID's net impact on revenues was blunted by the City's overall prior success during earlier parts of the fiscal year. Nevertheless, those higher-than-expected revenues were wiped out mostly during this year's 2nd Quarter. The resulting revenue net shortfall for FY 2020 came to about \$1.1 million. The Administration succeeded in offsetting the lost revenue by its quick action to reduce expenditures and initiate an internal hiring freeze. These actions, coupled with key expense reimbursements through CARES Acting funding, permitted the Administration to avoid a gaping budget deficit that would have required a depletion of the City's emergency reserve funds, which represent one-time-money. Moreover, the Administration was able to avoid having to furlough or lay off any City employees during FY20.

With the expected reimbursements for June and the approval of the City's Administrative Leave benefit payout, the City's FY 2020 CARES Act receipts will be approximately \$10 million. The Administration expects to continue receiving CARES Act reimbursements through the end of December, which will largely represent payroll expenses for police, fire, and refuse workers. Essential supplies and programs developed to address the COVID pandemic will also be a part of ongoing reimbursements. CARES Act funding expires December 30th, and the Administration is keeping close tabs on the developments coming out of Congress to address the ongoing health and financial situation. Members of the Administration are in near-continuous communication with local, state, and Federal elected officials to ensure our government partners and policymakers stay plugged-in to the needs of our community.

The City collected \$7.16m in July 2020 compared to \$7.67m in July 2019. Of that \$7.16m, \$6.8m is for 2nd Quarter 2020. The remainder is prior quarters, penalties, and fees.

When comparing the same tax account that have filed to 2-2019, there is an overall decline of about 8.2% which would equate to about \$800k on the whole quarter

Other Revenue Accounts – Noteworthy revenue account activity for the fiscal year includes the following:

- Shortfalls
 - Hotel Occupancy – (\$585,000)
 - B&O – (\$366,000)
 - Utility Tax – (\$176,000)
 - Landfill fees – (\$166,000)
 - City Service Fee – (\$168,000)
 - Liquor Sales Tax – (\$107,000)
 - Amusement Taxes – (\$35,000)
 - IRP Fees – (\$98,000)

- Combined Gaming and Video Lottery – (\$79,000)
- Municipal Court – (\$33,000)
- Excess of Most Recent FY 20 Projections
 - Ambulance Fees - \$409,000
 - Ambulance Levy - \$203,000
 - Fire Protection Fees - \$79,000
 - Property Tax - \$48,000
 - Building Permits - \$34,000

July Numbers

- Hotel Occupancy (69%)
- City Service Fee (23%)
- Refuse Collection (20%)
- Fire Protection Fees (11%)
- Utility Tax Up 20%

As the COVID-19 pandemic is ongoing, the City will continue to experience financial impacts as the economy responds to continuously changing circumstances.

II. RESOLUTIONS:

- a. Resolution No. 367-20 - Authorizing the Mayor to sign and submit to the U.S Department of Housing and Urban Development the Five Year Consolidated Plan for Program Years 2020 through 2024 (ending June 30, 2024) and the Annual Action Plan for Program Year 2020 to 2021 (ending June 30, 2021) and all required certifications and agreements, including Sub-recipient project contracts relating to the Annual Action Plan.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor is hereby authorized and directed to sign and submit to the U. S. Department of Housing and Urban Development the Five Year Consolidated Plan for Program Years 2020 through 2024 (ending June 30, 2024) and the Annual Action Plan for Program Year 2020 to 2021 (ending June 30, 2021) and all required certifications and agreements, including Sub-recipient project contracts relating to the Annual Action Plan.

Larry Malone, Director of MOECD, added that the Consolidated Plan is required by HUD to be done every five years which lays out the priorities and focus that the City will have in utilizing its CGBD funds. A consultant was hired to conduct community meetings, gather public input and assist with development of the plan. A few meetings were held before the pandemic. He added there is not much new in the Five Year Plan, but there is an emphasis on housing and mental health outreach. The FY 2020 Annual Action Plan includes funds for first time homebuyer program, the housing rehab plan, the Kanawha Valley Senior Services Program, additional resources for the CARES Program, etc.

From the audience, Councilmember Steele asked if they will be looking into any small business funds or grants. Malone answered no, because of the regulations. Mayor Goodwin added that is part of the reason why there is Small Business Outreach in the general budget.

Councilmember Laird clarified that the amounts listed is annual amount for FY 2020 only for the Annual Action Plan.

Councilmember Steele asked where the funds for small businesses previously mentioned came from. Councilmember Jenkins confirmed they came from the water crisis settlement.

Councilmember Reishman moved to approve the Resolution. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Resolution No. 367-20 approved.

- b. Resolution No. 368-20 - A Resolution authorizing the Mayor or City Manager to purchase a Ford F250 from Stephens Auto Center, who has agreed to honor the state contract pricing for the City of Charleston. The price is \$46,802. The purchased vehicles will replace Unit 90 in Equipment Maintenance.

Be it Resolved by the Council of the City of Charleston, West Virginia:

The Mayor or City Manager is authorized to purchase a Ford F250 from Stephens Auto Center, who has agreed to honor the state contract pricing for the City of Charleston. The price is \$46,802. The purchased vehicles will replace Unit 90 in Equipment Maintenance.

Storage added that this is part of the normal replacement cycle for Equipment Maintenance, and has come in under budget.

Councilmember Reishman moved to approve the Resolution. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Resolution No. 368-20 approved.

- c. Bill No. 7876 - A BILL to amend and reenact Chapter 2, Article VII, Section 2-553 of the Code of the City of Charleston, as amended, relating to authorizing the Charleston Coliseum and Convention Center/Municipal Auditorium Board to recommend a private management contract in lieu of a general manager and setting forth a process for proceeding in that fashion.

Now, therefore, be it ordained by the Council of the City of Charleston:

That Chapter 2, Article VII, Section 2-553 of the Code of the City of Charleston be amended and reenacted to read as follows:

Sec. 2-553. - Powers and duties.

(a) The Charleston Coliseum and Convention Center/Municipal Auditorium Board shall have power, authority, and duty to supervise, administer, operate, and maintain the municipal civic, cultural, and educational center of the city, located on Civic Center Drive, commonly called the "Charleston Coliseum and Convention Center," and the Municipal Auditorium, located on Virginia and Truslow streets, commonly called the "Auditorium;" to prepare, make, adopt, prescribe, and promulgate instructions, procedures, rules, and regulations appropriate for the management of the Charleston Coliseum and Convention Center and the Auditorium; to provide for the safeguarding of and accountability for all funds derived from and in connection with the operation of the Charleston Coliseum and Convention Center and Auditorium; and to determine, prescribe and collect all charges, fees, and revenue of any kind due to the city for the use of the Charleston Coliseum and Convention Center and Auditorium. However, any schedule of fees, rates, or charges shall be first approved by the city council before being put into effect.

(b) The board shall not allow the property under its control to be used for or in connection with any program or purpose that is prohibited by law or resolution of council.

(c) If a vacancy occurs in the position of general manager, the board may appoint an interim general manager until the mayor makes an appointment pursuant to this subsection. Upon the request of the mayor, the board shall initiate a nationwide search for a new general manager and, upon conclusion of the search and pursuant to the timeline set by the mayor, provide no less than three and no more than seven recommendations to the mayor to fill the general manager position. The mayor shall appoint a general manager, by and with the advice and consent of the council, who shall work with the board to execute a vision for the Charleston Coliseum and Convention Center and Auditorium. The mayor shall fix the compensation of the general manager, subject to council approval, and have the full and complete power of removal of the general manager, subject to any employment contract approved by the board and authorized by resolution of council. The general manager shall have the authority to

employ such other employees as are necessary to effectively operate the Charleston Coliseum and Convention Center and Auditorium and to fix the compensation of such employees consistent with the budget approved by council.

(d) Notwithstanding the provisions of subsection (c) of this section, the Board may recommend a private management contract in lieu of a general manager employed by the City. In order to proceed with a private management contract, the Board shall adopt a formal recommendation to present to City Council that details the general terms of the proposal as part of a City Council resolution. If City Council approves a resolution authorizing a private management contract for the Charleston Coliseum and Convention Center and Municipal Auditorium, the Board shall retain oversight responsibility of the management company and all other relevant provisions of this Code shall apply.

Carrie Fenwick, Chair of the Charleston Coliseum and Convention Center and Municipal Auditorium Board, added that through the process of searching for a replacement for a Director and adjusting to the current pandemic, the Board would like the option to explore the retention of a management company as opposed to hiring an individual. This is the model of many similar venues. Andy Richardson, a Board member, added that through their extensive research, the nature of the business has changed, and that this is the way it is done now. It is the best thing that will allow the facilities to compete in the industry.

Councilmember Reishman moved to approve the Bill. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Bill No. 7876 approved.

Councilmember Reishman motioned to adjourn the meeting.

Meeting adjourned.

Resolution No. 369-20

Introduced in Council:

Adopted by Council:

August 17, 2020

Introduced by:

Referred to:

Joseph Jenkins

Finance

1 Resolution No. 369-20 – A Resolution authorizing the Mayor or City Manager to submit a grant
2 application to the Department of Justice - Edward Byrne Memorial Justice Assistance Grant
3 program in the amount of \$123,807.00 and administer any funds awarded. The Charleston
4 Police Department will use \$81,005.00 to purchase items including hand-held radios,
5 motorcycle safety equipment upgrades, Farro laptop and covert recording devices. The
6 Kanawha County Sheriff's Department will utilize \$42,802.00 to purchase crime scene
7 investigation supplies.

8

9 Be it Resolved by the Council of the City of Charleston, West Virginia:

10

11 The Mayor or City Manager is authorized to submit a grant application to the Department of
12 Justice - Edward Byrne Memorial Justice Assistance Grant program in the amount of
13 \$123,807.00 and administer any funds awarded. The Charleston Police Department will use
14 \$81,005.00 to purchase items including hand-held radios, motorcycle safety equipment
15 upgrades, Farro laptop and covert recording devices. The Kanawha County Sheriff's
16 Department will utilize \$42,802.00 to purchase crime scene investigation supplies.

17

Resolution No. 370-20

Introduced in Council:

Adopted by Council:

August 17, 2020

Introduced by:

Referred to:

Joseph Jenkins

Finance

Resolution No. 370-20 – Authorizing the Mayor or City Manager to enter into a Memorandum of Understanding with the Kanawha County Commission designating the City as the applicant and fiscal agent for the Edward Byrne Memorial Justice Assistance Grant application.

Be it Resolved by the Council of the City of Charleston, West Virginia:

The Mayor or City Manager is authorized to enter into a Memorandum of Understanding with the Kanawha County Commission designating the City as the applicant and fiscal agent for the Edward Byrne Memorial Justice Assistance Grant application.

Resolution No. 371-20

Introduced in Council:

Adopted by Council:

August 17, 2020

Introduced by:

Referred to:

Joseph Jenkins

Finance

1 Resolution No. 371-20 – Authorizing approval of Amendment No. 2 in the FY 2020-2021
2 General Fund Budget as indicated on the attached list of accounts.

3

4

5 Be it Resolved by the Council of the City of Charleston, West Virginia:

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7 That Amendment No. 2 in the FY 2020-2021 General Fund Budget as indicated on the attached
8 list of accounts is approved.

9

General Fund FY 2020-2021 Budget Amendment No. 2 - August 17, 2020

Account No.	Department	Account Description	Amount
001 381 13 0000	Revenue	Other Reimbursement - CDBG-CV	(65,000)
001 409 02 003 1 103	CARE Office	Salary & Wages	49,100
001 409 02 003 1 104	CARE Office	FICA	3,751
001 409 02 003 1 105	CARE Office	Medical & Life Insurance	8,102
001 409 02 003 1 106	CARE Office	PERS	4,910
001 409 02 003 1 111	CARE Office	Dental & Vision Insurance	475
001 409 02 003 1 112	CARE Office	Employee Contribution	(1,338)

To recognize the reimbursement from the CDBG-CV budget and creating the corresponding Mental Health Coordinator position in the CARE Office.

Reportable: To Maintain compliance with the budgetary guidelines of the State of West Virginia