

CITY COUNCIL OF ALEXANDRIA, VIRGINIA

Regular Meeting

Tuesday, January 25, 2011 - - 7:00 p.m.

Present: Mayor William D. Euille, Vice Mayor Kerry J. Donley, Members of Council Frank H. Fannon, Alicia R. Hughes, K. Rob Krupicka, Redella S. Pepper and Paul C. Smedberg.

Absent: None.

Also Present: Mr. Hartmann, City Manager; Mr. Banks, City Attorney; Ms. Evans, Deputy City Manager; Mr. Jinks, Deputy City Manager; Mr. Caton, Legislative Director; Mr. Gates, Assistant City Manager, City Manager's Office; Mr. Trobridge, Director, Information Technology; Mr. Johnson, Chief Financial Officer; Ms. Triggs, Director, Finance Office; Ms. Boyd, City Manager's Office; Mr. Castrilli, Communications Director; Police Captain Ogden; Mr. Lerner, Deputy Director, Transportation and Environmental Services; Mr. Grover, Transportation and Environmental Services; Ms. Marks, Transportation and Environmental Services; Mr. Ortiz, Transportation and Environmental Services; Fire Chief Thiel; Mr. Spengler, Director, Recreation, Parks and Cultural Activities; Mr. Browand, Recreation, Parks and Cultural Activities; Dr. Gilmore, Director, Mental Health, Mental Retardation and Substance Abuse; and Mr. Lloyd.

Recorded by: Jacqueline M. Henderson, City Clerk and Clerk of Council.

City Council held a work session at 5:30 p.m. with the Alexandria Economic Development Partnership and the Alexandria Convention and Visitors Association in the Council Workroom.

1. Calling the Roll.

The meeting was called to order by Mayor Euille, and the City Clerk called the roll; all the members of Council were present.

2. Moment of Silence and Pledge of Allegiance.

City Council observed a moment of silence and recited the Pledge of Allegiance.

3. Reading and Acting Upon the Minutes of the Following Meeting of City Council:

- (a) The Regular Meeting Minutes of January 11, 2011.

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Vice Mayor Donley and carried unanimously, City Council approved the regular meeting minutes of January 11, 2011. The voting was as follows:

Hughes	"aye"	Fannon	"aye"
Donley	"aye"	Krupicka	"aye"
Euille	"aye"	Pepper	"aye"
	Smedberg	"aye"	

RECOGNITION OF YOUTH BY MEMBERS OF CITY COUNCIL

None.

PROCLAMATIONS

4. Presentation of a Proclamation Declaring February as George Washington Birthday Celebration Month.

WHEREUPON, upon motion by Councilman Krupicka, seconded by Vice Mayor Donley and carried unanimously, City Council endorsed the proclamation. The voting was as follows:

Krupicka	"aye"	Fannon	"aye"
Donley	"aye"	Hughes	"aye"
Euille	"aye"	Pepper	"aye"
	Smedberg	"aye"	

REPORTS AND RECOMMENDATIONS OF THE CITY MANAGER

CONSENT CALENDAR (5-11)

(Resignations and Uncontested Appointments)

5. Receipt of the Following Resignations From Members of Boards, Commissions and Committees:

- (a) Community Services Board
Amber Nightingale

(A copy of the above resignations is on file in the Office of the City Clerk and Clerk of Council, marked collectively as Exhibit No. 1 of Item No. 5 (a); 1/25/11, and is incorporated as part of this record by reference.)

6. Uncontested Appointments to Boards, Commissions and Committees:
- (a) Alexandria-Caen Sister City Committee
1 Citizen Member
 - (b) Alexandria Gang Prevention Community Task Force
1 City Elementary School Representative
 - (c) Budget and Fiscal Affairs Advisory Committee
1 Member Designated by the Alexandria School Board
 - (d) Commission on Aging
1 Citizen Member
 - (e) Commission on Employment
1 Representative From Such Organizations as Educational Agencies, Organized Labor, Rehabilitation Agencies, Community-Based Organizations, Economic Development Agencies and the Public Employment Service
 - (f) Commission on HIV/AIDS
1 Citizen Member
 - (g) Historic Alexandria Resources Commission
1 Representative From the Old Presbyterian Meeting Housing
 - (h) Landlord-Tenant Relations Board
1 Landlord or Representative of Landlords
 - (i) Sister Cities Committee
1 Citizen Member

(A copy of the above appointments is on file in the Office of the City Clerk and Clerk of Council, marked collectively as Exhibit No. 1 of Item No. 6 (a-i); 1/25/11, and is incorporated as part of this record by reference.)

(Reports and Recommendations of the City Manager)

7. Consideration of Authorization of Recommended Capital Allocations and Planned Expenditures.

(A copy of the City Manager's memorandum dated January 12, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 7; 1/25/11, and is incorporated as part of this record by reference.)

8. Consideration of a Grant Application to the Family and Children's Trust Fund (FACT) for Serving Sexual and Domestic Violence Survivors.

(A copy of the City Manager's memorandum dated January 12, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 8; 1/25/11, and is incorporated as part of this record by reference.)

9. Consideration of a Grant Award from the Department of Homeland Security for an Urban Area Security Initiative (UASI) Program for Personal Protective Equipment for the Fire Department.

(A copy of the City Manager's memorandum dated January 14, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 9; 1/25/11, and is incorporated as part of this record by reference.)

10. Consideration of Acceptance of a Grant Award from the Rescue Squad Assistance Fund (RSAF) Grant Program, Virginia Department of Health for the Purchase of a MedSTAT Mini-Ambulance for the Fire Department.

(A copy of the City Manager's memorandum dated January 14, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 10; 1/25/11, and is incorporated as part of this record by reference.)

11. Consideration of an Application to the Federal Emergency Management Agency (FEMA) Grant Program for a Fire Protection and Safety (FP&S) Grant for Smoke Detectors and Training.

(A copy of the City Manager's memorandum dated January 13, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 11; 1/25/11, and is incorporated as part of this record by reference.)

END OF CONSENT CALENDAR

WHEREUPON, upon motion by Councilman Krupicka, seconded by Councilwoman Pepper and carried unanimously, City Council approved the consent calendar. The City Manager's recommendations were as follows:

5. City Council accepted the following resignation with regret: (a) Amber Nightingale, Community Services Board.

6. City Council made the following appointments: (a) appointed Charlene Campbell as the one citizen member to the Alexandria-Caen Sister City Committee; (b) appointed Susan Stickles as the one City elementary school representative to the Alexandria Gang Prevention Community Task Force; (c) appointed Margaret Fitzsimmons as the one member designated by the Alexandria School Board to the Budget and Affairs Advisory Committee; (d) appointed Laura Macone as the one citizen member to the Commission on Aging; (e) appointed Hayley Gefell as the one representative from such organizations as educational agencies, organized labor,

rehabilitation agencies, community-based organizations, economic development agencies and the public employment service to the Commission on Employment; (f) appointed David Hoover as the one citizen member to the Commission on HIV/AIDS; (g) appointed Junius McElveen, Jr. as the one representative from the Old Presbyterian Meeting House to the Historic Alexandria Resources Commission; (h) appointed Mellenie Runion as the one landlord or representative of landlords to the Landlord-Tenant Relations Board; and (i) appointed Travis Brown as the one citizen member to the Sister Cities Committee.

7. City Council authorized \$380,000 for capital project allocations and planned expenditures for the capital projects as detailed in the Capital Improvement Expenditure Summary.

8. City Council authorized the City Manager to: 1. submit the grant application to FACT in the amount of \$15,000 (due January 25, 2011); and 2. execute all documents that may be required.

9. City Council approved the acceptance of the grant allotment and authorized the City Manager to execute the necessary documents that may be required.

10. City Council: 1. accepted the grant awarded by the Virginia Department of Health; and 2. authorized the City Manager to execute the necessary documents that may be required.

11. City Council approved the partnership of the Assistance to Firefighters (AFD) and Institution of Fire Engineers (IIFE) for the application to the Fire Protection and Safety (FP&S) grant program (due February 4, 2011); and authorized the City Manager to execute the necessary documents that be required (noting the revised docket item.)

The voting was as follows:

Krupicka	"aye"	Donley	"aye"
Pepper	"aye"	Fannon	"aye"
Euille	"aye"	Hughes	"aye"
	Smedberg	"aye"	

CONTESTED APPOINTMENTS

12. Affordable Housing Advisory Committee
1 Representative Who Is Employed by or Affiliated With an Organization
That Promotes and Maintains Affordable Housing

(The following person volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Katharine Medina

Eileen Ahern, Board President,
Rebuilding Together Alexandria

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 12; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council waived the residency requirement and appointed Katharine Medina as the one representative who is employed by or affiliated with an organization that promotes and maintains affordable housing to the Affordable Housing Advisory Committee. The voting was as follows:

Euille	-	Medina
Donley	-	Medina
Fannon	-	Medina
Hughes	-	Medina
Krupicka	-	Medina
Pepper	-	Medina
Smedberg	-	Medina

- 13. Board of Zoning Appeals
1 Citizen Member

(The following person volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Tim Bako
 David Shattls
 Charles Sumpter
 Meighan Towne
 Eric Zander

Gaver Nicols, architect
 Sean Crumley, president, Del
 Ray Citizens Association
 Amy Slack
 Pat Miller

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 13; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council reappointed Eric Zander as the one citizen member to the Board of Zoning Appeals. The voting was as follows:

Euille	-	Zander
Donley	-	Zander
Fannon	-	Zander
Hughes	-	Zander
Krupicka	-	Zander
Pepper	-	Zander
Smedberg	-	Zander

14. Commission for Women
1 Citizen Member

(The following person volunteered for appointment to the above Commission)

NAME: ENDORSED BY:

Allison Frisbee
Reina Malakoff

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 14; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council appointed Reina Malakoff as the one citizen member to the Commission for Women. The voting was as follows:

Euille	-	Frisbee
Donley	-	Malakoff
Fannon	-	Malakoff
Hughes	-	Frisbee
Krupicka	-	Malakoff
Pepper	-	Malakoff
Smedberg	-	Frisbee

15. George Washington Birthday Celebration Committee
1 Member Nominated by the First Virginia Regiment of the Continental Line

(The following person volunteered for appointment to the above Commission)

NAME: ENDORSED BY:

Thomas Smith

Mark Plourde, president, First Virginia Regiment

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 15; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council waived the residency requirement and reappointed Thomas Smith as the one member nominated by the First Virginia Regiment of the Continental Line to the George Washington Birthday Celebration Committee. The voting was as follows:

Euille	-	Smith
Donley	-	Smith
Fannon	-	Smith
Hughes	-	Smith
Krupicka	-	Smith
Pepper	-	Smith
Smedberg	-	Smith

16. Planning Commission
3 Citizen Members

(The following person volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Misty Benson
Robert Duffy
Lisa Edouard
John Komoroske
Mary Lyman
Phillip Voorhees
Eric Wagner

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 16; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council reappointed John Komoroske, Mary Lyman and Eric Wagner as the three citizen members to the Planning Commission. The voting was as follows:

Euille	-	Komoroske, Lyman, Wagner
Donley	-	Komoroske, Voorhees, Wagner
Fannon	-	Komoroske, Voorhees, Wagner
Hughes	-	Voorhees

Krupicka - Komoroske, Lyman, Wagner
Pepper - Komoroske, Lyman, Wagner
Smedberg - Komoroske, Lyman, Wagner

17. Sanitation Authority
1 Citizen Member

(The following person volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Joshua Dickinson
Elisa Fulstone

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 17; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council appointed Joshua Dickinson as the one citizen member to the Sanitation Authority. The voting was as follows:

Euille - Fulstone
Donley - Dickinson
Fannon - Dickinson
Hughes - Dickinson
Krupicka - Fulstone
Pepper - Fulstone
Smedberg - Dickinson

18. Waterfront Committee
1 Alexandria Seaport Foundation Representative

(The following person volunteered for appointment to the above Commission)

NAME:

ENDORSED BY:

Robert Taylor

Joe Youcha, Executive Director,
the Alexandria Seaport Foundation

(Material pertaining to the above appointment is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 18; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, ballots were distributed, tellers were appointed and the ballots were tallied with the following results: City Council waived the residency requirement

and appointed Robert Taylor as the one Alexandria Seaport Foundation representative to the Waterfront Committee. The voting was as follows:

Euille	-	Taylor
Donley	-	Taylor
Fannon	-	Taylor
Hughes	-	Taylor
Krupicka	-	Taylor
Pepper	-	Taylor
Smedberg	-	Taylor

REPORTS AND RECOMMENDATIONS OF THE CITY MANAGER FOR DISCUSSION

19. Consideration of Recommendations and Status Report on Legislation Introduced at the 2011 General Assembly Session.

(A copy of the City Manager's memorandum dated January 24, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 19; 1/25/11, and is incorporated as part of this record by reference.)

Mr. Caton, Legislative Director, made a presentation of the report and responded to questions of City Council.

WHEREUPON, upon motion by Vice Mayor Donley, seconded by Councilman Smedberg and carried unanimously, City Council: 1. approved the legislative positions included in attachment 1 (recommended positions on bills of importance to the City), as recommended by City Council's Legislative Subcommittee (Vice Mayor Donley and Councilman Smedberg); and 2. approved the positions on budget issues included in attachment 2 (recommended positions on budget issues of importance to the City) as also recommended by City Council's Legislative Subcommittee. City Council authorized the Mayor to sign a letter in opposition to the legislation that would combine NVTA, NVTC and PRTC, and noted the removal of HB 1531 (gas tax) on page 13 and HB 2016 (Northern Virginia Transportation Authority) on page 23 so they could be voted on separately. The voting was as follows:

Donley	"aye"	Fannon	"aye"
Smedberg	"aye"	Hughes	"aye"
Euille	"aye"	Krupicka	"aye"
	Pepper	"aye"	

WHEREUPON, upon motion by Vice Mayor Donley, seconded by Councilman Smedberg and carried 6-1, City Council moved to adopt HB 1531. The voting was as follows:

Donley	"aye"	Fannon	"aye"
Smedberg	"aye"	Hughes	"no"

Euille	"aye" Pepper	Krupicka "aye"	"aye"
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WHEREUPON, upon motion by Vice Mayor Donley, seconded by Councilman Smedberg and carried 6-0-1, City Council moved to oppose HB 2016. The voting was as follows:

Donley	"aye"	Fannon	"aye"
Smedberg	"aye"	Hughes	abstain
Euille	"aye" Pepper	Krupicka "aye"	"aye"

20. Oral Report on the Base Realignment and Closure Project (BRAC -133) in Alexandria.

Mr. Grover, Transportation and Environmental Services, made a presentation of the report on the BRAC-133 and responded to questions of City Council.

21. Oral Report on the Upcoming Proposed Potomac Yard Metro Station Environmental Impact Statement (EIS) Scoping Project.

Ms. Marks, Transportation and Environmental Services, made a presentation of the report and responded to questions of City Council.

REPORTS AND RECOMMENDATIONS FROM BOARDS, COMMISSIONS AND COMMITTEES

None

ORAL REPORTS BY MEMBERS OF CITY COUNCIL

and

ORAL PRESENTATIONS BY MEMBERS OF CITY COUNCIL

(a) Mayor Euille noted that two things have occurred at WMATA. The interim CEO last Thursday released the proposed 2012 operating and capital budget that reflects a \$72 million shortfall, with the make up of that shortfall being made up by the local jurisdictions, and there are no proposed fare increases or reductions in services. Mayor Euille noted that this Thursday, January 27, the WMATA board will also formally vote to hire a permanent CEO/General Manager. The Board has selected the interim CEO Richard Sarles to become the permanent CEO.

(b) Councilwoman Pepper presented Mayor Euille with a framed picture from the *Alexandria Times* of him with his crutches and foot stool after his accident on the Metro.

(c) Councilwoman Pepper said the holiday lights that line King Street will be

turned off at the end of the month, and she hoped there would be support on Council for staff to docket it at the next legislative meeting so they could have a discussion on whether it would like to go forward with keeping the lights on all year.

Staff was asked to docket the item for the next legislative meeting.

(d) Councilwoman Hughes asked that there be an item to be considered for the next legislative meeting on the City making an additional appropriation in the amount of \$52,000 to cover the Sunday delivery of Meals on Wheels for Senior Services.

After discussion, it was decided that this item could be brought back and Council will act accordingly at that time in response to Councilwoman Hughes' request.

(e) Councilman Krupicka said the task force Mayor Euille appointed last summer to recreate the Early Childhood Commission and the Youth Policy Commission to a new Children, Youth and Families Group is making good progress. The group continues to meet and is on track to go to Council sometime in February or March. He said if any member of Council wanted copies of the draft, he would be glad to get them copies and to also talk with the task force for an update.

(f) Councilman Krupicka noted that the Four Mile Run Farmers Market has been accepted as a food stamp recipient and that is the first Farmers Market in the City to accept food stamps. That is consistent with the goal of making healthy local food available to everyone.

(g) Councilman Krupicka noted an article in the *Washington Post* last week about a chemical that may or may not be in the City's water, hexavalent chromium. He said it is difficult to test for, so Alexandria's water hasn't been tested. Councilman Krupicka asked to ask Virginia American Water to work with the City to find a way to test the water.

(h) Mayor Euille noted that the local newspaper misquoted him regarding the program for the Martin Luther King poster contest that took place in the Chambers, regarding a comment made as to the school demographics, and he stated three factors. However, he said, the quote in the newspaper was taken out of context and listed just one of the three factors. He clarified that his response was that his belief personally was the reason why the City demographics are different is the black, white and latino population is much higher than that of the public school system and parents are concerned about the lack of quality education at certain schools so they chose to opt out of the school in their neighborhood. He also noted that others may not feel comfortable having their child in a fully integrated environment in their early stages.

ORAL REPORT FROM THE CITY MANAGER

None.

ORDINANCES AND RESOLUTIONS

22. Consideration of a Resolution Establishing an Ad Hoc Retirement Benefit Advisory Group. **[ROLL-CALL VOTE]**

(A copy of the City Manager's memorandum dated January 20, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 22; 1/25/11, and is incorporated as part of this record by reference.)

Chief Financial Officer Johnson made a presentation of the report and responded to questions of City Council.

WHEREUPON, a motion was made by Councilman Smedberg and seconded by Councilman Fannon that City Council adopt the resolution to establish an Ad Hoc Retirement Benefit Advisory Group as called for in Section 14 of Resolution 2426 setting guidance for the FY12 general fund operating budget and CIP for FY12-21.

After discussion, Vice Mayor Donley offered a friendly amendment to Section 6 (a) to add the words "unless the Advisory Group petitions the City Council for an extension and that request is approved by City Council." The amendment was acceptable to the maker and seconder of the motion and becomes part of the original motion.

WHEREUPON, an amendment to the motion was made by Councilwoman Hughes, seconded by Councilman Fannon, on page 5, Section 2(a) to strike the words "compensation subcommittee."

After discussion, no vote was taken on this amendment.

The main motion carried by a roll-call vote of 6-1 and is as follows:

Smedberg	"aye"	Donley	"aye"
Fannon	"aye"	Hughes	"no"
Euille	"aye"	Krupicka	"aye"
	Pepper	"aye"	

The resolution reads as follows:

Resolution 2432

Establishing an Ad Hoc Retirement Benefit Advisory Group

WHEREAS: The City of Alexandria now participates in seven public employee retirement systems;

WHEREAS: One of those systems is the Virginia Retirement System (VRS), an agent multi-employer public retirement system that acts as a common investment and administrative agent for political subdivisions of the Commonwealth of Virginia and is, therefore, not reflected as a City pension trust fund;

WHEREAS: Of the remaining six systems, four are single-employer defined benefit systems (City Supplemental, Pension for Fire and Police (closed), Firefighters and Police Officers Pension Plan- defined benefit component, and Firefighters and Police Officers Pension Plan – disability component) where a stated methodology for determining benefits is provided. Two are defined contribution plans (Firefighters and Police Officers Pension Plan – defined contribution component and Retirement Income for Sheriff and Emergency Rescue Technicians (ERT), where contribution requirements are not actuarially determined;.

WHEREAS: The City also provides other post-employment benefits for health care and life insurance and has established a trust fund to pay for these current and future benefits, and state legislation will require the City to fund state provided public safety life and health benefits beginning in FY 2012;

WHEREAS: The City complies with all current Government Accounting Standard Board (GASB) rules for the presenting the financial status of trust fund for retirement, disability and other post-employment benefits;

WHEREAS: As of the end of FY 2010, the City held \$291,608,031 dollars in various trust funds for these retirement purposes;

WHEREAS: The City also offers a voluntary deferred compensation program under Internal Revenue Service tax code section 457 to its employees through the International City Management Association – Retirement Corporation (ICMA-RC) without any City match. As of the end of December 31, 2010, approximately \$102.4 million is held by ICMA-RC on behalf of employees of the City;

WHEREAS: More than 2000 City employees are covered by the VRS and City Supplemental plans, approximately 450 firefighters and police officers are covered by the defined retirement benefit and disability plan, approximately 250 deputy sheriffs and medics are covered by the defined contribution plan, and almost 2000 City employees participate in the ICMA-RC deferred compensation program;

WHEREAS: The City budgeted about \$32.9 million for retirement benefits (excluding other post employment benefits (OPEB)) in fiscal year 2011 and this number has increased from about \$20 million in FY 2005;

WHEREAS: The Governmental Accounting Standards Board (GASB) is contemplating changes in the accounting standards for presenting retirement and OPEB benefits in state and local government financial statements and has issued "Preliminary Views" on those changes in June of 2010, and these "Preliminary Views"

would create larger, reported unfunded liabilities and increased volatility in those unfunded liabilities;

WHEREAS: The Federal government is considering mandating changes in accounting standards for presenting retirement and OPEB benefits in state and local government financial statements that would also create larger, reported unfunded liabilities and increased volatility in those unfunded liabilities;

WHEREAS: The Governor of the Commonwealth of Virginia is proposing changes in the VRS system, and the General Assembly may enact such changes in 2011 that would give local governments such as Alexandria options in paying for the cost of its participation in the VRS;

WHEREAS: The Government Accountability Office has found that the significant downturn in investment markets in late 2008 has significantly diminished public pension asset values, and additional market declines in 2009 exacerbated those declines;

WHEREAS: The City of Alexandria also experienced declines in the value of its retirement trust portfolios during this time period, but the value of assets on hand in the City's retirement trust funds have fully recovered their value by June 30, 2010, (\$282.5 million as of June 30, 2008 vs. \$291.6 million as of June 30, 2010 as reported in audited financial statements), and have significantly increased in value since that time to \$341.0 million as of December 31, 2010;

WHEREAS: The long term economic and investment market outlook for the City's retirement investment is clouded by the lingering unemployment situation in the United States;

WHEREAS: Currently we are experiencing very large and historically unprecedented Federal government budget deficits, and as a consequence there is talk of significant Federal budget reductions to reduce those deficits that may affect the City, and if they are not reduced, there is a consequent long-term threat of inflation in the United States;

WHEREAS: There is also uncertainty facing the U.S. housing market due to a rise in foreclosures and tighter credit standards and lingering unemployment;

WHEREAS: Other uncertainty and risk is created by the recent unprecedented actions by the Federal Reserve to maintain a sufficient monetary supply to encourage economic recovery (so-called "quantitative easing"), the dangers of the debt crises in Europe, and significant economic uncertainty in emerging markets in nations with developing economies both large and small;

WHEREAS: Given all the uncertainty surrounding the accounting standards to be applied to state and local retirement programs, the uncertainty surrounding the

options available to local jurisdictions participating in the VRS program, and the risks created by a volatile economic outlook;

WHEREAS: In a City Council Budget Work Session on October 19, 2010 leading up to passage of Resolution #2426 on November 23, 2010, City Council heard and discussed a staff presentation on "Public Pension Plans for Alexandria Employees in FY 2012 and Beyond." As a result of that presentation, City Council included Section 14 in Resolution #2426 that provides that the City Council shall, by subsequent resolution, form a Retirement Benefit Advisory Group.

NOW THEREFORE BE IT RESOLVED THAT CITY COUNCIL DOES THE FOLLOWING:

Section 1: Establish an Ad Hoc Retirement Benefit Advisory Group

- a) City Council hereby establishes an Ad Hoc Retirement Benefit Advisory Group (the Advisory Group).
- b) The Advisory Group shall be composed of:
 - i. 6 Employee Representatives
 - 1. 2 members of Police/Fire Pension Plan,
 - 2. 2 members of Deputy Sheriff/EMT Plan,
 - 3. 2 members of VRS/City Supplemental Plans,
 - ii. 6 Members of the public, and
 - iii. 1 Representative of the City Manager.
- c) One member of the public shall be a representative from the Budget and Fiscal Affairs Advisory Committee.
- d) All public members shall have knowledge or experience through education or work experience of one or more of the following fields: financial/budget management, pension law and administration, actuarial science, and human resource management.
- e) The members of the Advisory Group are to be appointed by the Mayor after consultation with the members of Council.

Section 2: Role of the City Compensation Subcommittee

- a) The Advisory Group shall provide City Council Compensation Subcommittee members advance (7 days) notice of meeting time, place and agenda and be invited to attend on an ad hoc basis to observe the activities and discussions of the Advisory Group.
- b) The City Council Compensation Subcommittee may provide any commentary or recommendations as an addendum to the Advisory Group's written report.

Section 3: Tasks of the Advisory Group

- a) The Advisory Group shall look at the need for any future changes to defined

benefit pension plans created under the authority of the City Council.

- b) The Advisory Group shall examine the current financial status of the City's retirement funds, to advise the City Manager and City Council Pension and Compensation Subcommittee on any options that should be considered to meet the following objectives:
 - i. To protect benefits already earned (accrued) by retirees and current employees,
 - ii. To ensure the City remains competitive with neighboring jurisdictions in recruiting for capable and effective public service employees,
 - iii. To provide an opportunity for City employees to save for and have a secure retirement,
 - iv. To consider the advantages and disadvantages of defined benefit vs. defined contribution pension plans and make recommendations on the structure of future plans, and
 - v. To create a fiscally sustainable plan for funding future benefits whether earned or to be earned in the future.

Section 4: The Report of the Advisory Group

- a) The Advisory Group shall evaluate need for changes based on:
 - i. financial status of City's pension plans based on the outlook for future sustainability of those plans given actuarial outlook and investment risks and expected returns, and
 - ii. the assessments of likely federal, state and GASB developments, to the extent known over the next 12 months, in accounting, disclosure and funding rules.
- b) The Advisory Group may offer a variety of options that should be considered by City Council to meet future challenges. Unanimity is not necessarily required for any option in the report.
- c) The Advisory Group Report shall contain an assessment of advantages and disadvantages vis-à-vis the objectives outlined above of each option presented.
- d) The Advisory Group Report shall include in the report an assessment of the ease or difficulty of administrative implementation of any recommended options for consideration.

Section 5: Reports, Process, Support and Schedule of the Advisory Group

- a) The Advisory Group shall select from among its members a Chair and a Vice Chair who shall schedule and convene the meetings of the Advisory Group.
- b) The Advisory Group shall provide a notice and opportunity for employee and public comment on options under consideration.
- c) The Advisory Group shall provide an oral report to the City Manager and the City Council Compensation Subcommittee in October of 2011.
- d) The Advisory Group shall present a final written report to the City Manager

and the full Council also in November 2011 (in time for use in developing FY 2013 Budget Guidance as part of any budget work session or retreat scheduled at that time).

- e) The Advisory Group shall make a representative or representatives of the Advisory Group available to appear in person before City Council at such a time and such a place as Council directs to discuss the report of the Advisory Group.
- f) The Advisory Group may provide any advice it deems appropriate to the City Manager and the City Council at any time before its termination as Council considers any options available for financing the City's costs to participate in the VRS.
- g) The City Manager shall make available to the Advisory Group City staff including but not necessarily limited to:
 - i. Deputy City Manager, Michele Evans,
 - ii. Deputy CFO/Finance Director, Laura Triggs,
 - iii. Human Resources Director, Cheryl Orr, and
 - iv. Retirement Administration Director, Steven Bland
- h) The City Manager shall make available to the Group as necessary the actuarial and investment advisory and legal services otherwise available to its Pension Boards.

Section 6 – Sunset of Advisory Group

- a) The Advisory Group shall terminate after presentation of its written report to City Council, unless the Advisory Group petitions the City Council for an extension and that request is approved by City Council.

23. Consideration of Grant Application and Resolution for FY 2012 Funding for the Continuation of the Alexandria Transportation Demand Management Program (TDM) and to Fund a Public Transportation Intern Position. **[ROLL-CALL VOTE]**

(A copy of the City Manager's memorandum dated January 18, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 23; 1/25/11, and is incorporated as part of this record by reference.)

Mr. Ortiz, Transportation and Environmental Services, made a presentation of the report and he, along with Ms. Marks, Transportation and Environmental Services, and Mr. Lerner, T&ES, responded to questions of City Council.

WHEREUPON, upon motion by Vice Mayor Donley, seconded by Councilwoman Pepper and carried 6-0-1 by roll-call vote, City Council: 1. adopted the resolution for FY 2012 funding for the continuation of the Alexandria Transportation Demand Management Program; and 2. authorized the City Manager to: (A). submit a grant application and the resolution to the Virginia Department of Rail and Public Transportation (DRPT) for FY 2012 funding; (1) in the amount of \$228,240 which will be matched by \$57,060 of City funds, for a total program of \$285,300, for the continuation

of the City's transportation demand management services (formerly rideshare); and (2) in the amount of \$28,500, which will be matched by \$1,500 of City funds, for a total of \$30,000 to continue the public transportation intern position; (B) approved the continuation of two full-time, grant-funded positions (Transit Specialist I and Transit Services Assistant I) to administer the ongoing TDM program. Continuation of these positions is contingent upon continuation of funding from the DRPT or other non-City sources; and (C) execute all necessary documents that may be required under this program. The voting was as follows:

Donley	"aye"	Fannon	"aye"
Pepper	"aye"	Hughes	"aye"
Euille	"aye"	Krupicka	"aye"
	Smedberg	abstain	

The resolution reads as follows:

RESOLUTION NO.2433

WHEREAS, in accordance with Virginia Department of Rail and Public Transportation allocation procedures, it is necessary that a request by City Council resolution be made in order that the Virginia Department of Rail and Public Transportation fund a transportation demand management program in the City of Alexandria and to fund a public transportation intern;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City Manager is authorized, for and on behalf of the City of Alexandria, hereafter referred to as the PUBLIC BODY, to execute and file an application to the Department of Rail and Public Transportation, Commonwealth of Virginia, hereafter referred to as the DEPARTMENT, for a grant of financial assistance in the amount of \$228,240 to defray the costs borne by the PUBLIC BODY for continuation of the ALEXANDRIA TRANSPORTATION DEMAND MANAGEMENT program and to accept from the DEPARTMENT grants in such amounts as may be awarded, and to authorize the City Manager to furnish the DEPARTMENT grants in such amounts as may be awarded, and to authorize the City Manager to furnish to the DEPARTMENT such documents and other information as may be required for processing the grant request. The City Council certifies that the funds shall be used in accordance with the requirements of Section 58.1-638.A.4 of the *Code of Virginia*.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL that the City Manager is authorized, for and on behalf of the City of Alexandria, hereafter referred to as the PUBLIC BODY, to execute and file an application to the Department of Rail and Public Transportation, Commonwealth of Virginia, hereafter referred to as the DEPARTMENT, for a grant of financial assistance in the amount of \$28,500 to defray the costs borne by the PUBLIC BODY to fund a public transportation intern and to accept from the DEPARTMENT grants in such amounts as may be awarded, and to authorize the City Manager to furnish the DEPARTMENT grants in such amounts as may be awarded,

and to authorize the City Manager to furnish to the DEPARTMENT such documents and other information as may be required for processing the grant request. The City Council certifies that the funds shall be used in accordance with the requirements of Section 58.1-638.A.4 of the *Code of Virginia*.

BE IT FURTHER RESOLVED, that the PUBLIC BODY will provide funds in the amount of \$57,060, which will be used as a 20 percent match to the state funds in the ratio as required in such Act, that the records of receipts of expenditures of funds granted the PUBLIC BODY may be subject to audit by the DEPARTMENT and by the State Auditor of Public Accounts, and that funds granted to the PUBLIC BODY for defraying the expenses of the PUBLIC BODY shall be used only for such purposes as authorized in the *Code of Virginia*.

BE IT FURTHER RESOLVED, that the PUBLIC BODY will provide funds in the amount of \$1,500 which will be used as a 5 percent match to the state funds in the ratio as required in such Act, that the records of receipts of expenditures of funds granted the PUBLIC BODY may be subject to audit by the DEPARTMENT and by the State Auditor of Public Accounts, and that funds granted to the PUBLIC BODY for defraying the expenses of the PUBLIC BODY shall be used only for such purposes as authorized in the *Code of Virginia*.

OTHER

24. Consideration of City Council Schedule.

(A copy of the City Manager's memorandum dated January 24, 2011, is on file in the Office of the City Clerk and Clerk of Council, marked Exhibit No. 1 of Item No. 24; 1/25/11, and is incorporated as part of this record by reference.)

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Councilman Pepper and carried unanimously, City Council: 1. noted that the budget work session scheduled for 7 p.m. on Monday, March 14 will be the joint School Board work session with the location to be determined; 2. eliminate the Council budget work sessions on Wednesday, March 30 and Monday, April 4; and 3. noted the following additions and changes to the calendar: the City commemoration of the Ronald Reagan Centennial on Friday, February 4 at noon in City Council Chambers; and the Northern Virginia Affordable Housing Expo, originally scheduled for Saturday, April 30, has been changed to Saturday, June 25. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Pepper	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Smedberg	"aye"	

EXECUTIVE SESSION

25. Consideration of a Closed Meeting for the Purpose of Discussing a Personnel Matter.

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Councilman Smedberg and carried unanimously, at 9:12 p.m., City Council convened in executive session, pursuant to Section 2.2-3711(a)(1) of the *Code of Virginia* for the purpose of discussing the performance and related matters of the city manager. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Smedberg	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Pepper	"aye"	

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Councilman Smedberg and carried unanimously, at 9:44 p.m., City Council reconvened the meeting. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Smedberg	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Pepper	"aye"	

WHEREUPON, upon motion by Councilwoman Hughes, seconded by Councilman Smedberg and carried unanimously by roll-call vote, City Council adopted a resolution pertaining to the Executive Session. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Smedberg	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
	Pepper	"aye"	

The resolution reads as follows:

RESOLUTION NO. 2434

WHEREAS, the Alexandria City Council has this 25th day of January 2011, recessed into executive session pursuant to a motion made and adopted in accordance with the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the city council that such executive session was conducted in accordance with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the city council does hereby certify that, to the best of each member's knowledge, only public business matters that were

identified in the motion by which the executive session was convened, and that are lawfully exempted by the Freedom of Information Act from the Act's open meeting requirements, were heard, discussed or considered by council during the executive session.

THERE BEING NO FURTHER BUSINESS TO BE CONSIDERED, upon motion by Councilwoman Hughes, seconded by Councilman Smedberg and carried unanimously, City Council adjourned the regular meeting of January 25, 2011 at 9:45 p.m. The voting was as follows:

Hughes	"aye"	Donley	"aye"
Smedberg	"aye"	Fannon	"aye"
Euille	"aye"	Krupicka	"aye"
Pepper		"aye"	

APPROVED BY:

WILLIAM D. EUILLE

MAYOR

ATTEST:

Jacqueline M. Henderson, MMC
City Clerk and Clerk of Council