

MINUTES OF THE OCTOBER 28, 2025, CITY COUNCIL REGULAR MEETING

A SPECIAL meeting of the Hopewell Council was held on Tuesday, October 28, 2025, at 5:00 p.m.

PRESENT:

John B. Partin, Mayor
Rita Joyner, Vice Mayor
Michael Harris, Councilor
Ronnie Ellis, Councilor
Susan Daye, Councilor
Lovenia Rapole, Councilor

During the meeting, Vice Mayor Joyner introduced a motion to amend the agenda. The proposed amendment involved removing item C-2 from its current position and reclassifying it as the new item R-7. In doing so, the original item R-7 would be removed or “scratched” from the agenda entirely. This adjustment was made to reorganize the order and content of the agenda items for the meeting. Councilor Daye seconds the motion.

ROLL CALL

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| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

Councilor Ellis makes a motion to go into closed meeting under Va. Code § 2.2-3711(A)(3), (8), and (29), to discuss the acquisition or disposition of real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, the award of a public contract where discussion in an open session would adversely affect the City’s bargaining position, and to consult with legal counsel regarding specific legal matters (real estate contract discussions, unsolicited offer on city owned real estate, Francisco Landing); and § 2.2-3711(A)(1), to discuss and consider personnel matters, including board and commission appointments (HRHA, CPMT); and § 2.2-

3711(A)(8)(Manker vs. Hopewell lawsuit update). Councilor Daye seconds the motion

ROLL CALL

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| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

Councilor Daye makes a motion to reconvene to open meeting. Councilor Ellis seconds the motion.

ROLL CALL

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| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

CERTIFICATION PURSUANT TO VIRGINIA CODE §2.2-3712 (D): Were only public business matters (1) lawfully exempted from open-meeting requirements and (2) identified in the closed-meeting motion discussed in the closed meeting?

PRESENT:

John B. Partin, Mayor
Rita Joyner, Vice Mayor
Michael Harris, Councilor
Ronnie Ellis, Councilor
Susan Daye, Councilor
Lovena Rapole, Councilor

REPORT OF THE CITY MANAGER

City Manager's Address – Michael Rogers, Interim City Manager

During this portion of the meeting, the Mayor turned the floor over to Mr. Rogers, who joined virtually to deliver the City Manager's report. Mr. Rogers began by reminding all city employees about the ongoing Employee Opinion Survey, emphasizing the importance of participation before the November 20th deadline. He noted that while many responses had already been received, the response rate was still below expectations, and he encouraged greater participation to help the administration identify and address employee concerns through targeted programs.

Mr. Rogers then provided an update on the recruitment process for the Executive Director of Hopewell Water Renewal, noting that the City had been receiving strong applications. The recruitment announcement was scheduled to close on November 7th, after which the recruiter would screen applicants and present qualified candidates for interviews to be held later in November. He also mentioned progress regarding the City Manager recruitment process, stating that the award for that search had been made and that once the required ten-day waiting period concluded, the City would move forward quickly with that process.

Next, Mr. Rogers highlighted that Deputy City Manager Stacy would be presenting her financial report later in the meeting. He commended her for her thorough work, stating that the report had been elevated to a higher level of quality and would provide transparency and a clear overview of the City's financial status.

Lastly, Mr. Rogers discussed the proposed \$15 million financing for the City's capital program, which appeared on the Consent Agenda for Council's approval. He explained that this financing had been reviewed and discussed at a previous meeting with input from the City's financial advisor, and that a public hearing had already been held. The funds would support a range of capital projects, with the financing expected to close in November. Repayment would begin in 2027, at which point the City would have already paid down approximately \$1 million in existing debt, thereby easing financial pressure. Mr. Rogers concluded by encouraging the Council to consider and approve the financing item.

during that evening's meeting before turning the floor over to Deputy City Manager Stacy for her financial report.

First Quarter Financials Fiscal Year 2026- Stacey Jordan, Deputy City Manager

During the meeting, Deputy City Manager Stacy presented the First Quarter Financial Report for Fiscal Year 2026 to the Mayor, Vice Mayor, and members of City Council. She began by reporting that citywide revenues for the first quarter were trending 2% higher—an increase of approximately \$4.1 million compared to the same period in Fiscal Year 2025. Citywide expenses were also slightly higher, trending 1% above last year, or about \$1.4 million more. She noted that the primary revenue collection months for the City are December, February, May, and June.

In the General Fund, revenues for the first quarter were 0.99% (\$361,000) lower than in FY25, while expenses increased 2.5% (\$597,000) due to annual salary adjustments and implementation of the classification and compensation study.

For the Enterprise Fund, first quarter revenues were up 10.87% (\$5.4 million) over FY25, largely due to improved billing processes and collection of outstanding funds owed by data integrators. Expenses in the Enterprise Fund were 0.4% (\$396,000) lower than last year.

Regarding the School Fund, revenues were 0.71% (\$806,000) higher, driven mainly by increased state funding, while expenses rose 3.77% (\$2.5 million) compared to FY25.

Stacy then presented the Department Budget-to-Actuals report, noting that only three departments—Finance, IT, and the Marina—were trending slightly above the 25% benchmark for first quarter spending. The overages were attributed to one-time expenses, including Microsoft 365 migration costs for IT, repairs and maintenance at the Marina, and

additional audit-related costs in Accounting. She explained that these variances are expected to balance out by the end of the fiscal year.

Next, she reviewed Overtime by Department, identifying Fire, Police, Sewer Operations, Sheriff's Office, the Treasurer's Office, and Hopewell Water Renewal (HWR) as departments trending above normal overtime levels, largely due to staff vacancies.

In her report on Accounts Payable and Debt, Stacy stated that the City processed 4,171 invoices totaling \$19.74 million during the first quarter. All debt service payments were current, including bond administration fees, interest, and principal payments, with a remaining debt budget of \$4 million for the fiscal year.

She then reviewed the Fiscal Year 2025 surplus fund allocation proposal, which recommended the following:

- \$882,000 to the Capital Reserve,
- \$1 million to Unassigned Funds,
- \$399,000 to Assigned Funds,
- \$500,000 to Apparatus Budget Stabilization, and
- \$500,000 to replenish the Fund Balance.

Stacy also provided updates on upcoming financial initiatives. A public hearing on the Sewer Rate Study was scheduled for November 18th, and updates on FY24 and FY25 would be presented at that time by financial consultant Mr. Foley. The City is currently finalizing the FY23 Annual Comprehensive Financial Report (ACFR), with FY24 work already underway and all items due to Mr. Foley by October 31st.

She concluded by noting that she, Mr. Rogers, and financial advisors David Rose and Jimmy Sanderson recently met to discuss potential debt refinancing opportunities. Once FY24 is finalized, they plan to explore refinancing options and prepare to seek a credit rating for the City of Hopewell in February, pending solid preliminary figures.

Following her presentation, Council members commended Stacy for her thorough and transparent report. The Mayor and several members expressed appreciation for the encouraging financial outlook and the professional quality of the analysis, calling the presentation “exceptional” and “some of the best financial news” for the City.

ACTIONS RESULTING FROM CLOSED MEETING

Vice Mayor Joyner makes a motion to appoint Courtney Curtis to the CPMT board. Mayor Partin seconds the motion.

ROLL CALL

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| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

Prayer and followed by the Pledge of Allegiance to the flag of the United States both by Mayor Partin.

During this portion of the meeting, the Council proceeded to the Consent Agenda. It was noted that item C-2 had been removed from its original position and reassigned as the new item R-7 under the regular agenda. Following this adjustment, a motion was made to adopt the remaining items on the Consent Agenda as amended. The motion was made by Vice Mayor Joyner. Mayor Partin seconds the motion

ROLL CALL

| | |
|--------------------|-----|
| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

During this portion of the meeting, the Council moved to the Communications from Citizens segment. The City Clerk read the standard statement outlining the procedures and rules for public participation. She explained that the Communications from Citizens period is limited to 30 minutes during each regular Council meeting. Individuals wishing to address the Council must approach the microphone, state their name, and, if they are residents of Hopewell, identify their ward number. Each speaker is allotted three minutes to share comments. The Clerk also clarified that no person may speak on matters scheduled for a public hearing, and all remarks must be directed to the Council as a whole, rather than to individual members. Furthermore, any individual who makes personal, impertinent, abusive, or slanderous remarks, or who incites disorderly conduct within the chambers, may be barred from future participation in the Communications from Citizens segment and removed from the meeting. After the statement was read, the Mayor thanked the Clerk and proceeded to the next portion of the meeting.

During the Communications from Citizens portion of the meeting, the first speaker was Ms. Laura Greenwood, a resident of Ward 6. Ms. Greenwood began by expressing frustration with her ward representative, Councilor Stokes, stating that the representative was frequently absent and should resign so that someone else could be appointed in her place. She voiced general dissatisfaction with the Council, noting that she had previously offered her assistance and submitted an analysis report regarding the restaurant at the marina, which she believed should have been the Council's responsibility to review.

Ms. Greenwood then addressed the proposed \$15 million loan discussed earlier in the meeting, criticizing the Council for pursuing additional borrowing. She asserted that it was the Council's duty to ensure sufficient budgetary surplus to handle major infrastructure needs, such as issues related to the pump station, which she claimed could have been avoided with proper maintenance. She stated that Council members were not elected to act as real estate brokers, but

rather to focus on lowering taxes and maintaining the City's infrastructure.

She further raised concerns about financial accountability, alleging potential misuse of taxpayer funds and referencing the City's audit, which she claimed had been ongoing for more than two years without results. Ms. Greenwood stated that if the audit was not provided in a timely manner, she and other citizens—along with legal counsel—would pursue their own audit and potentially initiate a class action lawsuit against the City. She emphasized that she was serious about this intent, warning the Council not to underestimate citizens' resolve.

Ms. Greenwood also encouraged Council members to engage with residents on the "Hopewell, Virginia Concerned Citizens" Facebook page to better understand and respond to public sentiment. She questioned the status of the City's treasury report and expressed anger over what she viewed as mismanagement of funds, warning against any increase in wastewater charges. She concluded her remarks by asserting that taxpayer funds belong to the citizens, not to City officials, before her three-minute speaking time expired and the Mayor informed her that her time was up.

The second speaker was Ms. Sha'rah Fuller, a resident of Ward 5. Ms. Fuller began by greeting the Mayor, Council, City Manager, and Deputy City Manager, apologizing for missing the previous meeting but expressing her appreciation for the positive feedback shared regarding the City's recent National Night Out event. She commended the event's success, highlighting the efforts of the Hopewell Police Department, particularly Chief Taylor, Officer R. David, Captain Terry, and especially Tabitha Martinez and the Parks and Recreation team. She also thanked the Hopewell City Public Schools and all participating vendors for contributing to the event's strong community turnout—the largest since before the COVID-19 pandemic.

Ms. Fuller acknowledged both the positive and critical feedback received about the event, describing negative comments as opportunities for growth and unity rather than division. She emphasized

the message that the City of Hopewell is stronger together, and that collaboration and positivity will continue to move the community forward. Looking ahead, she stated that planning was already underway for next year's National Night Out, with outreach to vendors and partners to make the event "bigger and better" each year. She encouraged residents to visit the City's Facebook page to view event photos and stay engaged.

Ms. Fuller also urged residents to attend and support local events, noting that participation is key to sustaining and expanding community activities. She stressed that while some individuals may be unable to attend due to health or mobility issues, those who are able should make an effort to show up and be involved. She mentioned that McGruff the Crime Dog participated in the festivities by dunking Chief Taylor in a dunk tank, adding a lighthearted moment to her remarks.

Additionally, Ms. Fuller announced that Ward 5's monthly Neighborhood Watch meeting would be held on Monday, November 3rd, the day before Election Day, and that the meeting would be livestreamed on Facebook to allow broader participation, especially for residents who are homebound. She encouraged citizens to provide feedback to their Neighborhood Watch captains and praised the City Council members who actively engage with these groups, naming several councilors—including Mayor Partin, Councilor Harris, Councilor Joyner, Councilor Poll, Councilor Ellis, and Ms. Daye—for their accessibility and collaboration.

Following her remarks, members of the Council expressed gratitude to Ms. Fuller for her leadership and enthusiasm. The Mayor and others commended her for the exceptional success of the National Night Out event, noting her ability to remain positive in the face of criticism and emphasizing how her efforts exemplified the power of community cooperation. The exchange concluded with mutual appreciation and thanks from both Ms. Fuller and the Council.

The next citizen to address the Council was Mr. Wayne Parsons, a resident of Ward 1, who spoke about the City's proposed plan to take

out a \$15 million loan. Mr. Parsons expressed opposition to the idea and offered an alternative solution, suggesting that the City sell its numerous derelict and vacant properties rather than increasing debt. He identified several specific examples of City-owned properties that have remained unused for years, including a lot on 21st Street across from the cemetery that was purchased long ago but has sat empty, as well as land near Arlington that was originally designated for a new fire department but never developed. He also referenced property located next to the hospital that was reportedly purchased for a future visitor center, criticizing the location as impractical since it is situated on the “wrong side of the road” and leads traffic out of Hopewell rather than into it.

Mr. Parsons emphasized that the solution was simple — to “sell, sell, sell” these unused assets — arguing that selling City-owned properties would generate funds without burdening taxpayers with loan interest. He also criticized what he described as excessive travel spending by City officials, stating that the City Manager had been in Florida for another seminar and claiming that it took him two and a half months to secure a thirty-minute meeting with the City Manager. He questioned the necessity of traveling out of state for seminars, suggesting that meetings and training sessions could easily be held locally, using Hopewell’s own restaurants, hotels, and event centers instead of spending public funds on travel.

Additionally, Mr. Parsons voiced concern about personnel issues within the City, particularly noting the recent departure of a longtime Director of Water Renewal and Public Works. He implied that the director had been performing well and questioned whether his resignation was due to internal conflicts or complaints made by employees attempting to conceal misconduct. Mr. Parsons urged the Council to look into what is happening within City Hall, implying mismanagement or inefficiency. He concluded his comments by reiterating his frustration over what he viewed as wasteful spending and lack of accountability in City operations.

The next speaker was Mr. Ed Houser, a resident of Ward 5, who voiced strong concerns about the City's spending practices and lack of communication with residents. He began by criticizing the City Council for allegedly spending \$17,000 of taxpayer money on a retreat in Williamsburg, which he described as being intended to improve communication with citizens. Mr. Houser argued that the Council had failed in that effort, noting that a meeting was being held that night to discuss borrowing \$15 million, yet "hardly any citizens in Hopewell" were aware of it. He questioned the transparency of the loan process, asking whether the loan would have a fixed or variable interest rate, and inquiring about how and where the borrowed money would be spent.

Mr. Houser expressed frustration that taxpayers continued to bear the cost of what he viewed as mismanaged projects, citing examples such as infrastructure repairs in Mansion Hills that he said had already failed once and might again if not handled properly. He argued that citizens were being forced to pay more and more without clear explanations or visible improvements in return.

He then turned his comments toward the Interim City Manager, criticizing the arrangement as temporary and costly. Mr. Houser alleged that the Interim City Manager was a "world traveler," pointing out that he had attended the Williamsburg retreat and was now in Tampa, Florida, supposedly for work-related travel. Mr. Houser questioned why the City should pay for his travel expenses, claiming that the Interim City Manager was not a City employee but rather a contractor through the Robert Bobb Group. He argued that if the manager was working remotely or traveling for business outside the City, the Robert Bobb Group, not Hopewell taxpayers, should bear those costs.

In closing, Mr. Houser urged the Council to "reel in" its spending, warning that the City could not continue to fund what he saw as unnecessary expenses and poor financial decisions. His remarks reflected a broader concern about fiscal responsibility, government transparency, and accountability in City leadership.

The next speaker was Ms. Darlene Thompson, a resident of Ward 6, who expressed strong dissatisfaction with the City Council's actions and spending decisions. Ms. Thompson began by stating that it seemed as though the Council continually acted without restraint or accountability, comparing the situation to "Donald Trump on steroids at the local level." She accused Council members of misusing taxpayer dollars and failing to engage with the citizens they represent. Ms. Thompson referenced several councilors by name — including Susan Daye, Ellis, Michael Harris, and Mayor Johnny Partin — noting the campaign promises they made, such as "taking our city back" and "giving the people what they want," and claimed they had not followed through on those commitments.

She criticized the Council for voting unanimously on measures without apparent discussion or consideration of public input, stating that they act independently of citizen concerns. Ms. Thompson questioned why the Council would consider borrowing \$15 million when the City's audits remain incomplete, and pointed out the contradiction between Councilor Harris's stated opposition to deficit spending and the current proposal. She argued that if the City could not manage its finances now, it would struggle even more to repay the loan in the future.

Ms. Thompson also reminded the Council that four members are up for reelection next year, warning that citizens are paying attention to their decisions and spending habits. She claimed that the Council continues to spend money that was not included in the budget, further worsening the City's financial condition. She mentioned receiving a recent notice indicating that water bills would be combined with real estate taxes, arguing that such changes were being made without public consultation.

In her closing remarks, Ms. Thompson urged council members to think and act independently rather than following the lead of certain members, specifically Mayor Partin and Councilor Joyner. She accused them of prioritizing projects in their own neighborhoods, such as the Riverwalk development and sub-pump installations, without seeking community input. Ms. Thompson expressed deep frustration, stating

that taxpayers feel ignored and undervalued, despite being the ones who elected the Council to serve them. Her remarks concluded passionately as her allotted speaking time expired, emphasizing her belief that the Council must stop disregarding the citizens' voices.

REGULAR BUSINESS

R-1 - Superintendent's Address -Dr. Melody Hackney, Superintendent

During the regular business portion of the meeting, Dr. Hackney, Superintendent of Hopewell City Public Schools, delivered the Superintendent's Address. She began by expressing appreciation for the opportunity to speak before City Council prior to budget season and noted that she had previously met with Interim City Manager Mr. Rogers in August to align the schools' long-term strategic goals with the City's planning efforts. Dr. Hackney introduced the division's strategic plan, emphasizing that the presentation would be an overview, with further discussion to come before the Finance Committee. She highlighted that the school system's vision centers on investing in what the community values most—its children—by promoting excellence, partnerships, inspiration, and civic engagement. The mission focuses on ensuring a safe, supportive, and equitable learning environment where all students feel valued, achieve academic success, and are prepared for life beyond school. She outlined the district's four "CREW" values: Community (fostering belonging), Real-World Deeper Learning (connecting academics to real-life relevance), Empathy and Equity (ensuring fairness and compassion), and Works of Excellence (maintaining high standards and expectations).

Dr. Hackney then described five focus areas for the school system's five-year strategic plan: academic improvement, positive school climate, staffing and professional development, community partnerships, and facilities. She discussed current challenges, including the fact that not all schools are fully accredited, the increasing mental

health and behavioral needs of students post-COVID, and the expectation that the locality will soon need to absorb the cost of the balanced calendar. Staffing remains a major concern, as only 60% of teachers are fully licensed, leaving 40% without proper credentials. Recruitment and retention are also strained, with the division struggling to remain competitive with surrounding localities for experienced teachers. Dr. Hackney emphasized the need for professional development, especially for new and unlicensed teachers. She also noted that parental engagement tends to decline as students get older and that the district hopes to strengthen community partnerships and tap into more local resources. Finally, she stated that the school division's most urgent issue is its aging facilities, as capital improvement projects have been deferred due to limited funding in past years.

The presentation was then turned over to Director of Operations Berlin Gregory, who provided a detailed overview of the district's facilities and capital improvement needs. He stated that capital improvements are not merely expenses but investments that enhance neighborhoods, increase property values, attract families, and strengthen the workforce. Gregory referenced a Yale study showing a direct correlation between school facility improvements—particularly roofing and HVAC projects—and both student achievement and community property values. Hopewell currently faces approximately \$61 million in needed capital improvements, with the most critical priorities being the HVAC system at Hopewell High School, the roof at Carter G. Woodson Middle School, and the school bus replacement program. He explained that the high school's geothermal HVAC system is failing, with corroded pipes and compressors that are wearing out far sooner than expected, creating a dire situation that could leave the school without air conditioning. The estimated cost to replace the rooftop HVAC system is approximately \$4 million. The roof at Carter G. Woodson also requires complete replacement, though partial repairs have been made through grants. Gregory noted that while the division has resumed its bus replacement fund, 11 buses are currently at or beyond their age limit, and

replacement delays have become critical due to extended procurement times.

Despite these challenges, Gregory shared several positive updates. Through collaboration with the Finance Committee and new flexibility under the Memorandum of Understanding (MOU) with the City, the school division has been able to reallocate funds, create a project manager position, and address smaller deferred maintenance needs such as parking lot repairs, repainting, and facility upgrades. The division has also pursued creative funding opportunities, including state construction grants and security grants that support facility lighting improvements. He emphasized that while the needs remain great, the school system is maximizing every available dollar to move projects forward incrementally.

Dr. Hackney concluded the presentation by thanking City Council and staff for their partnership and shared commitment to improving Hopewell's schools. She underscored that every dollar invested in education is a down payment on the city's future—its children, neighborhoods, and collective hope. She urged continued collaboration to align priorities and address critical facility needs, expressing optimism about the progress being made and confidence that, together, the City and School Board can make Hopewell's school facilities match the promise of its people.

R-2 Acceptance of City's ACFR Fiscal Year 2023- Stacey Jordan,
Deputy City Manager

During the meeting, Council considered agenda item R-2, the acceptance of the City's Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2023. Finance Director Stacey Jordan introduced the item and invited auditor David Foley to present the results of the annual audit. Mr. Foley began by thanking Council for the opportunity to present and distributed copies of the completed FY23 ACFR. He explained that the report includes three main sections from

the auditing firm, beginning with the Independent Auditor's Report located on page three. Foley stated that his firm had issued an unmodified opinion—the highest level of assurance—indicating that the City's financial statements were presented fairly and in accordance with generally accepted accounting principles.

He then outlined the two additional reports included in the document, prepared in accordance with Government Auditing Standards, beginning on page 146. The first of these pertains to the City's internal controls over financial reporting, where the auditors once again identified material weaknesses similar to those reported in previous years. Foley explained that these findings are primarily related to reconciliation and monthly accounting procedures that ensure accuracy and completeness in financial statements. He noted that because the audit reflects financial activities from two to three years prior, improvements made more recently are not yet reflected. As the City progresses toward more current fiscal years, these issues are expected to diminish. Foley expressed optimism that by Fiscal Year 2025, the City may begin to see significant improvement, potentially leading to a clean audit if reconciliation and control procedures are fully implemented.

The final report within the ACFR addressed compliance with major federal grant programs administered by both the City and the School Board. Foley confirmed that this portion of the audit identified no significant deficiencies or material weaknesses in compliance, meaning that both entities properly managed their federal awards according to federal guidelines.

Foley concluded by stating that work on the FY24 audit would begin soon, with the goal of completing it by December, ideally before Christmas. He also noted that weekly meetings continue between the auditors and City management to maintain progress and transparency throughout the process.

Council members discussed the timeline for resolving the identified material weaknesses. It was noted that eliminating those deficiencies is

essential to achieving a fully clean audit, which may be possible by FY26, depending on the City's pace of implementing consistent monthly reconciliations and internal control improvements. Council also acknowledged the involvement of the Robert Bobb Group, which began assisting the City midway through FY24, as a factor that may contribute to progress in future audits. Mr. Foley confirmed that improvements might begin to appear in the FY24 audit, but more substantial results are expected in FY25 as new procedures take effect.

Council thanked Mr. Foley for his presentation and for the continued collaboration with City staff to improve financial oversight and reporting practices.

R-3 Diagnostic Bond Rating Fiscal Year 2023 - Stacey Jordan,
Deputy City Manager

During the meeting, Council proceeded to agenda item R-3, which involved the presentation of the Fiscal Year 2023 Diagnostic and Credit Rating Analysis by the City's financial advisor, Mr. Jimmy Sanderson of Davenport & Company. Finance Director Stacey Jordan introduced the item, inviting Mr. Sanderson to the podium to deliver an updated overview of the City's financial position and credit metrics. Sanderson explained that the purpose of the diagnostic report was to provide an updated snapshot of Hopewell's credit rating indicators based on FY23 financial data and to help Council understand how these factors relate to potential future borrowing, including the \$15 million debt financing under consideration that evening.

Mr. Sanderson began by reviewing the City's current debt portfolio, noting that Hopewell's total tax-supported debt originally amounted to approximately \$53 million but had since been reduced to around \$29 million, with the City having paid off roughly \$34 million in debt since 2015, the last time it issued bonds. He presented a chart showing the City's annual debt service payments, which are projected to decline by about \$1 million in Fiscal Year 2028. He explained that this reduction in

existing debt service would help minimize the budgetary impact of any new debt, as future borrowings could be structured to take advantage of that drop by implementing interest-only payments in the initial years and full payments once the current debt retires.

He further outlined the composition of the City's outstanding debt, distinguishing between general fund debt, school-related debt, and utility system debt. Within the utility category, Sanderson highlighted approximately \$5 million in regional wastewater bonds and \$19 million in sewer system bonds, for a combined total of less than \$25 million.

Moving to the credit rating analysis, Sanderson discussed the methodology used by Moody's Investors Service, which weighs four major factors: the local economy (30%), financial performance (30%), institutional framework (10%), and leverage or debt levels (30%). He noted that while certain elements, such as the City's economic base, evolve slowly and are largely outside Council's short-term control, others—like fiscal policy and financial management—can be actively strengthened through sound governance and adherence to best practices. He also clarified that all Virginia localities receive the same score for institutional framework due to uniform state-level regulations.

Based on the FY23 data, Sanderson reported that Hopewell's overall credit score remained stable compared to prior years, showing no significant material changes. He emphasized that the City continues to perform strongly in areas such as fund balance and liquidity, which currently rank in the AAA range. However, factors like median resident income continue to weigh on the overall score. The City's composite rating of 3.23 on Moody's scale translates to a "AA2" credit rating, indicating a strong and stable financial position.

To provide context, Sanderson presented a comparative chart showing where Hopewell stands relative to nearby jurisdictions such as Chesterfield County, the City of Richmond, and Colonial Heights. While Hopewell currently falls in the AA2 range, Chesterfield's slightly higher AA1 rating has been elevated to AAA due to non-statistical factors such as consistent audit timeliness and strong management

practices—illustrating that rating agencies may adjust a jurisdiction’s final rating up or down depending on qualitative factors like audit completion and governance stability. Sanderson added that until Hopewell demonstrates a consistent track record of timely and clean audits, rating agencies may maintain the City’s current level.

He also confirmed that adding the proposed \$15 million borrowing to the FY23 data had no material impact on the City’s credit indicators. Council members discussed minor discrepancies between data points on the presentation slides, which Sanderson clarified as typographical errors, confirming the City’s accurate score as 3.23.

In closing, both Sanderson and Council members acknowledged the incremental improvements made since the City began conducting these financial diagnostics in 2020, when its score stood at 3.31. Council emphasized that continued adherence to financial best practices, the implementation of internal control policies with the Robert Bobb Group, and the elimination of material audit weaknesses will further enhance Hopewell’s financial health and credit outlook. The presentation concluded with Council expressing appreciation for Davenport’s work and the encouraging progress reflected in the City’s fiscal assessment.

R-4 - City of Hopewell Branding Campaign- Ginger Holland, Public Information Officer, and Anthony Bessette, City Attorney

During the meeting, Council moved to agenda item R-4: The City of Hopewell Branding Campaign, which was presented by Public Information Officer Ginger Holland and Deputy City Manager Charles Bessette. Ms. Holland opened the presentation by explaining that the initiative was developed to refresh and standardize the City’s branding elements, including official colors, fonts, and the City logo. She noted that over time, the original logo file had been lost and existing versions had become pixelated, making it difficult to reproduce cleanly across materials. Earlier in the year, the City re-engaged the Originating

Agency, the firm that originally designed the City's logo, to recreate it in high-resolution vector format, ensuring clarity and consistency across all platforms. The firm also developed alternate logo versions, print-ready vector files, and social media templates to modernize the City's visual identity.

Ms. Holland then introduced Michael Hall and his associate Dante, representatives from the Originating Agency, to present the finalized branding package. Mr. Hall began by thanking Council for the opportunity and explained that the materials provided in their packets contained the new brand guidelines, which serve as a comprehensive reference for maintaining consistency in messaging, design, and color usage throughout all City communications. He walked Council through the key components of the package, beginning with the updated City logo, which had been redrawn in vector format to eliminate pixelation and improve sharpness. Minor adjustments were made to the logo's boat and rope elements to ensure straight, crisp lines and better versatility for future design uses. The text color in the logo was also changed from black to blue for improved readability and aesthetic cohesion.

Mr. Hall then outlined the official color palette and typography included in the guidelines. He emphasized that consistent use of designated fonts and colors is crucial for strong brand recognition, similar to how major companies like McDonald's or Apple maintain unified visual identities. The guide specifies Pantone codes for printing, hex codes for web display, and CMYK/RGB values for digital design, ensuring accurate color reproduction across all mediums. The presentation also included instructions for maintaining clear space around the logo and examples of alternate logo formats, including horizontal and social media versions, to suit various applications.

He next presented sample graphic templates designed for social media use, demonstrating color-coded layouts for different types of posts—such as inclement weather alerts, traffic updates, news announcements, and breaking news. These templates are intended to help residents

easily recognize the City's messaging at a glance. In addition, Mr. Hall showcased a universal email signature design for all City employees. He explained that standardized email signatures not only reinforce brand identity but also enhance cybersecurity, as consistent font and format make phishing attempts easier to detect. The template includes detailed font sizes, layout instructions, and visual examples, and the necessary font files have been provided to the City's IT Department.

Mr. Hall concluded by explaining that more than 50 versions of the logo were delivered to the City in multiple file formats, including PNG, JPEG, EPS, and Adobe Illustrator files, to accommodate both print and digital needs. He reiterated that while no major structural or artistic changes were made to the original design, the project established a clear and professional standard for how the City's visual identity should be applied moving forward—providing a unified and recognizable brand across all departments and materials.

Following Mr. Hall's presentation, Mr. Besette provided a brief related update, informing Council that the City had applied to the State Corporation Commission to trademark the official City seal. He stated that once the registration process was complete, he would bring an ordinance before Council to regulate and protect the use of the seal. Ms. Holland added that the implementation of the new branding system is planned for January of the upcoming year, as the IT Department is currently engaged in other major projects. The presentation concluded with Council thanking Ms. Holland, Mr. Hall, and Mr. Besette for their work on the branding campaign and their efforts to modernize and professionalize the City's public image.

R-5 -Enterprise Machine and Tools Tax Report- Charles Bennett,
Director of Economic Development

During the meeting, Council moved to agenda item R-5, where Economic Development Director Charles Bennett provided a detailed report on the City of Hopewell's Economic Development Machinery

and Tools (M&T) Tax Rebate Program. Mr. Bennett began by humorously assuring Council that his presentation would be brief, consisting of only seven slides, and proceeded to explain the nature and purpose of the M&T tax for the benefit of both Council and the public. He clarified that the M&T tax is assessed on the original capitalized cost and year of purchase of new machinery used by manufacturers within the city. In Hopewell, only 25% of the original cost of machinery is subject to taxation, as the Commissioner of Revenue immediately depreciates 75% of the equipment's value upon being placed into service. The tax rate is \$3.10 per \$100 of assessed value, and while methodologies vary across Virginia localities, this has been Hopewell's long-standing approach.

Mr. Bennett further explained that manufacturers must file their M&T tax reports by February 15 each year, and payments are due June 15 and December 5. The tax applies only to equipment currently in use, excluding any items taken out of service and all pollution control equipment, which is exempt. He noted that M&T tax revenue represents approximately \$10 million annually, or about 19% of Hopewell's General Fund, though this amount fluctuates yearly depending on industrial activity.

He then discussed how the M&T tax rebate program operates within the city's Enterprise Zone, an initiative established under the Commonwealth of Virginia's Department of Housing and Community Development to attract business investment, expansion, and job creation in designated areas. Hopewell currently has three such zones, and each participating locality is required to offer local incentives to complement the state's programs. Hopewell's local incentive includes the Machinery and Tools Tax Rebate Program, which provides a 30% rebate of the M&T tax paid on new or replacement machinery that increases a facility's assessed value. The rebate applies for three consecutive years following the placement of the equipment into service—meaning that, in total, qualifying manufacturers receive up to 90% of their M&T taxes rebated over that period.

Mr. Bennett commended the Commissioner of Revenue's Office for its detailed work in tracking and verifying the complex filings, which include differentiating between new, retired, and pollution control equipment while maintaining accurate records over rolling three-year cycles. He then presented data covering the past five years (2020–2024), during which approximately \$250 million in new machinery and tools were placed in service within Hopewell's enterprise zones. This generated around \$6.5 million in M&T tax revenue, of which roughly \$2 million was rebated to participating manufacturers under the program—resulting in a net collection of about \$4.5 million for the city. He noted that the largest increases in new equipment occurred in 2022 and 2023, driven primarily by Hopewell's major manufacturing employers.

Mr. Bennett informed Council that the rebate program is scheduled to expire (sunset) on December 31, 2025, following the Council's prior decision on December 8, 2020, to extend it through that date. Because the program operates under the state-approved Enterprise Zone framework, the city cannot allow the incentive to lapse without formal Council action. Any proposed modifications, extensions, or removals must first be submitted to the Commonwealth of Virginia for review and approval.

While no vote was required at this meeting, Mr. Bennett emphasized that Council must decide on the program's future before the end of the year, as the state requires documentation of local incentive adjustments. He explained that even if the program sunsets, manufacturers would still continue receiving rebates for equipment placed into service this year, since the incentive's three-year rebate schedule would remain in effect for those investments. He concluded by assuring Council that his goal was to begin the education and discussion process ahead of any formal decision, ensuring that Council, staff, and manufacturers remain aligned with budget and reporting timelines.

Council thanked Mr. Bennett for his clear and informative presentation. No immediate questions or actions followed, and the report was accepted as informational.

R-6 - HWR Charter Amendment Resolution - Anthony Bessette,
City Attorney

During the meeting, Council proceeded to agenda item R-6, presented by City Attorney Mr. Bessette, who revisited a matter previously discussed at the prior month's meeting regarding the governance structure of Hopewell Water Renewal (HWR). Mr. Bessette explained that, under the City Charter, the current governance framework for HWR requires a two-step decision-making process, in which the HWR Commission makes decisions that are then subject to potential overrule by City Council. He noted that this arrangement has presented inefficiencies and complications in the operation and oversight of HWR.

Mr. Bessette further highlighted that the existing charter does not allow for Prince George County or Fort Gregg-Adams (formerly Fort Lee)—both of which are residential customers of HWR—to participate in the commission's governance or share in its operational responsibilities. To address these issues, Mr. Bassett presented a draft resolution requesting that City Council seek action from the Virginia General Assembly to amend the City Charter. The proposed amendment would:

1. Transfer full governance authority of Hopewell Water Renewal to the HWR Commission, thereby eliminating the current two-step process requiring Council review.
2. Authorize Prince George County and Fort Gregg-Adams to join the commission as members once they become full contributors to the system's operations—meaning they would not only be customers but also share in capital investment and maintenance costs.

Mr. Bessette explained that, if enacted by the General Assembly, the new governance structure would include three to six industry representatives, two representatives from the City of Hopewell (the City Manager and one City Council member), and, in the future, representatives from Prince George County and Fort Gregg-Adams once they meet partnership criteria.

He clarified that approval of this resolution would formally request the City's state legislative representative, Senator Lashrecse Aird, to sponsor and carry the necessary charter amendment bill during the upcoming General Assembly session.

Following his presentation, Council members asked whether action was required that evening. Mr. Bessette confirmed that the item was a resolution and could be acted upon immediately if Council desired. The discussion concluded with acknowledgment that Council could proceed to vote on the matter during the same meeting.

Vice Mayor Joyner makes a motion to approve the resolution requesting that the Virginia General Assembly adopt an amendment to the City Charter as presented. Councilor Ellis seconds the motion.

ROLL CALL

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| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

R-7 - Ordinance and Resolution for the Capital Funding public hearing-
Stacey Jordan, Deputy City Manager

The City Council revisited the item previously removed from the Consent Agenda regarding the Capital Funding Ordinance and Resolution for the issuance of private bond financing. Finance Director Stacy Williams provided a brief overview, reminding Council that

representatives from Davenport & Company and R.T. Taylor with Crews & Associates, the City's underwriter, had presented the funding opportunity at the prior meeting. Originally proposed at \$10 million, the amount was increased to \$15 million to support multiple capital improvement projects throughout the City. Williams noted that the City had been working closely with bond counsel Mr. Chris Cole to finalize the documentation and that the purpose of the evening's actions was to adopt both an ordinance and a resolution authorizing the financing so that the closing process could begin.

Mr. Cole addressed Council remotely, explaining that two separate actions were required—one for the second reading of the ordinance authorizing the issuance of debt, and one for the bond resolution, which detailed the specific financing terms. He clarified that the resolution set parameters including the maximum principal amount, interest rate, and maturity date, while delegating authority to the Mayor and staff to finalize details within those limits. The resolution also contained standard tax covenants to ensure the bonds would be issued on a tax-exempt basis and allowed flexibility for different types of issuance, including public offerings or private placements.

Councilor Harris asked for clarification regarding the 6% interest rate parameter, and representatives explained that the figure was a maximum limit, with the actual rate expected to be approximately 4.8%, to be locked in later that week. They also clarified that no interest payments would be due during the current fiscal year, with the first interest payment scheduled for July 15, 2026 (FY 2027) and the first principal payment due in January 2028 (FY 2028). In response to additional questions, Mr. Cole confirmed that the bond proceeds would be dedicated to capital expenditures for governmental purposes, including public building and facility improvements, pump stations, HVAC and roof replacements, road and pedestrian improvements, stormwater and sewer system upgrades, park and recreation enhancements, and river wall completion costs. He emphasized that these projects were all reviewed and approved to qualify for tax-exempt financing and met the City Charter's requirements for general

obligation bonds issued without referendum. The discussion concluded with confirmation that two separate motions would be required to adopt the ordinance and the resolution.

Vice Mayor Joyner makes a motion to approve the ordinance for capital funding as presented. Mayor Partin seconds the motion. Councilor Harris expressed support for the proposed bond issue and related capital expenditures, noting that the decision reflects the importance of listening to the needs of the School Board as well as addressing other critical infrastructure and capital improvement priorities across the City. The member emphasized that the initiative represents a positive and necessary step forward for Hopewell. However, they also cautioned against exceeding the City's financial capacity and stressed the importance of ensuring that bond proceeds are distributed equitably to benefit all areas of the community. The comment concluded with appreciation for the opportunity to share these considerations before the vote.

ROLL CALL

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| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

Vice Mayor Joyner makes a motion to approve the resolution for capital funding as presented. Mayor Partin seconds the motion.

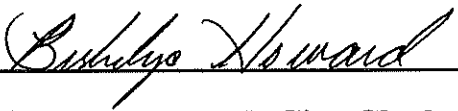
ROLL CALL

| | |
|--------------------|-----|
| Vice Mayor Joyner- | Yes |
| Councilor Harris- | Yes |
| Mayor Partin- | Yes |
| Councilor Ellis- | Yes |
| Councilor Daye- | Yes |
| Councilor Rapole- | Yes |

Motion Passes 6-0

ADJOURNMENT

Respectfully Submitted,



Bishelya Howard, City Clerk



Johnny Partin, Mayor