

**MINUTES**  
**JAMES CITY COUNTY BOARD OF SUPERVISORS**  
**BUDGET WORK SESSION**  
**County Government Center Board Room**  
**101 Mounts Bay Road, Williamsburg, VA 23185**  
**May 2, 2016**  
**4:00 PM**

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**A. CALL TO ORDER**

**B. ROLL CALL**

John J. McGlennon, Vice Chairman, Roberts District  
Ruth M. Larson, Berkeley District  
Kevin D. Onizuk, Jamestown District  
P. Sue Sadler, Stonehouse District  
Michael J. Hipple, Chairman, Powhatan District

Bryan J. Hill, County Administrator  
Suzanne R. Mellen, Director, Financial and Management Services

**C. BOARD DISCUSSIONS**

1. General Budget Discussion

Mr. Hill noted that the budget process had originally proposed three work sessions, but the first was cancelled. Overall a budget of \$193 million for FY 17 was proposed. He stated that he had received questions from the Board pertaining to the Community Action Agency, Virginia Municipal League, First Night, Virginia Arts Festival, Jamestown/Yorktown Foundation and the Greater Williamsburg Chamber and Tourism Alliance funding requests. He was prepared to answer those questions today, and representatives from the Williamsburg Area Transit Authority (WATA) were present to discuss their request as well.

WATA Executive Director Todd Tyree introduced himself and asked what specific questions the Board had. Mr. McGlennon asked about the overall priorities of WATA and the nature of the proposed route changes. Mr. Tyree stated that the budget request changes were focused on pay inequities with other similar transit agencies. He noted that two transit lines were stressed. The blue line, which runs along Richmond Road towards Wal-Mart and is a backbone of ridership in the County, currently has a deviation to the Human Services Building on Olde Towne Road. That deviation causes increased speed in order to stay on the one-hour route times. Putting this stop on a different route would allow for safer travel times while still keeping the one-hour loop needs. He also noted that there were opportunities for additional demonstration routes that could connect Quarterpath in the City of Williamsburg and the County Mounts Bay Complex could be viable in the future.

Mr. McGlennon asked about route running times and whether those hours of operation could be extended.

Mr. Tyree stated that they were exploring extension along some of the larger routes, including the retail areas that would run until 11 p.m. He noted that WATA already ran double routes in some instances, but that they would look at making sure those benefitted the highest use times.

**ADOPTED**

MAY 24 2016

Board of Supervisors  
James City County, VA

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Mr. McGlennon asked if WATA was talking with larger employers, such as Busch Gardens or hotels and restaurants.

Mr. Tyree noted that they were working towards building those relationships.

Mr. McGlennon asked if WATA had a sense of the cost changes for these initiatives.

Mr. Tyree noted that those factors were driven by labor costs, fuel and general operational costs, but that no specifics had been identified to this point.

Mr. Hipple asked about the route that went to Surry.

Mr. Tyree stated that there is a route that includes a ferry crossing that uses a separate funding system. There is a rural grant program that is utilized in this instance.

Mr. Hipple asked about these areas receiving extended service times as well.

Mr. Tyree noted the request and said they would look into a cost estimate.

Rebecca Vinroot, Director of Community Services, spoke about the funding matrix for outside agencies. She noted that not all requests get funded. The County focuses on those agencies that are filling a need in the County and those that are not being duplicated by other agencies. There is also a focus on those unmet needs that would need to be taken over by the County should that service not be provided by the outside agencies.

The services are prioritized through a standard application that charts how the service has changed over time and what the outcomes are. This leads to a prioritization of services, and Community Services makes a recommendation to FMS/Administration and then the agencies are told about recommendations.

Mr. McGlennon asked if any new agencies were recommended for funding this year.

Ms. Vinroot noted that two new agencies applied, but they did not get funded. Overall some funding amounts changed based on the services provided, but Community Services tried to maintain similar levels of funding.

Ms. Sadler noted that it's important that the agencies realize that this process is not about the value of the overall agency, but rather the role of the County to fund a service that would otherwise fall back on the County to provide.

Ms. Larson asked if Community Services was willing to sit down with the agencies regarding their funding requests.

Ms. Vinroot noted that they had already done that for this cycle and typically they are involved in helping them fill out the application to their benefit in future budget requests.

Mr. Onizuk noted that Historic Virginia Land Conservancy is the new name of the Williamsburg Land Conservancy.

Mr. Hill introduced Ms. Jody Puckett, Director of Communications, to discuss three tourism requests. He noted that this money was located in the Tourism Opportunity Fund rather than the General Fund.

Ms. Puckett stated that the Virginia Arts Festival asked for \$20,000. During the review process, County staff asked about the benefit to James City County (JCC), and how many outside dollars would be added to the tax base. The County generally doesn't want to duplicate other funding from other agencies. Since this program is also funded by the Arts Commission, who JCC also funds, there would be duplication in this instance. They wanted to expand to three ticketed events. Two of the events would be located at the

Williamsburg Winery, but would be smaller chamber music events. Staff was not sure what form the third event would take. Festival Williamsburg will be under tent in the City of Williamsburg.

Ms. Puckett spoke about First Night, noting that they asked for \$15,000. They also receive funding from agencies the County funds. Nationwide, these events are increasingly funded by private donations. This \$15,000 would help fund expansion into New Town. Historically, this event pulls more local interest than tourism dollars.

Mr. McGlennon asked about other funding sources.

Ms. Puckett indicated that the Rotary Club, Williamsburg Area Arts Commission, Williamsburg Community Foundation, Junior Women's Club and Chamber of Commerce were funders.

Ms. Puckett then spoke about the Jamestown/Yorktown Foundation and its request for money for a new Pocahontas exhibit. She stated that the budget included flat funding this year, which would include all of the existing programs they undertake.

Mr. Onizuk noted that typically operating costs come from the state. Additional funding from JCC should be used for new initiatives like the canoe exhibit or proposed Pocahontas features.

Mr. McGlennon was supportive of new initiatives as they provide reasons for additional people to visit the area.

Ms. Larson asked whether First Night was requesting funding in order to expand into New Town specifically, or if they would be bringing events there regardless.

Ms. Puckett stated that they wouldn't be adding anything unless the funding was increased.

Mr. Hipple expressed concern that this would be a one-day event. The Jamestown/Yorktown program would operate over a longer timeframe. He also expressed concern over a decline in interest in First Night.

Mr. McGlennon asked if we had any information about the decline, as he was under the impression that the decline had reversed recently.

Ms. Puckett noted that they were receiving more income from ticket sales, but tickets were also more expensive now.

Mr. McGlennon asked what the "tourism activities" line item in the budget supported.

Ms. Puckett stated that the County was looking at Jamestown Event Park events, similar to Bountiful Brews and Bites. She stated that the County was looking at an upcoming concert series. This would likely require some infrastructure improvements at the park.

Mr. Hill noted that the County had made a significant effort to make sure infrastructure was maintained. He noted the upcoming turf replacement at the Warhill Sports Complex was a way to promote sports tourism. This would also be the location of the Virginia Department of Transportation mowing funds.

Mr. Hipple stated that he would like to see money go into our list of possible upgrades.

Mr. McGlennon noted they were increasing Christmas in Williamsburg funding by \$45,000.

Mr. Hill stated this increase was part of the full \$145,000 they requested.

Mr. Hipple asked where were we at in FY 15 for this funding, \$150,000? We have been keeping the interest up for these new events to bring people into the County. If there is a new opportunity, then that might make sense.

Ms. Mellen stated they had additional funding in the 2007 timeframe. Recently, it has been closer to \$100,000.

Mr. Onizuk said that with a good idea \$100,000 is a good investment. The more we put into our facilities in the area, the more people get delivered down there too.

Mr. Hill confirmed that \$100,000 is where we are with this request, but if they come back with additional ideas we can consider more in the future.

Ms. Larson said the Chamber is the one that is doing new things and bringing new partnerships. If we are putting money anywhere let's talk to them as well.

Mr. McGlennon and Mr. Onizuk agreed that the strength of the idea will get the money. Mr. Hipple said we need to look to other counties as well to their funding of these projects.

Ms. Mellen stated that some additional language was added to pages F11 and F13 to add clarity to the debt services discussion.

Mr. Hill noted that there had been some mention of using the proposed Capital Improvements Project road funds for the Lafayette auxiliary gym. He further noted that on October 27, 2015, the Board of Supervisors appropriated money for Olde Towne Road turn lane improvements, and the proposed Skiffe's Creek connector would all require this money. If the funding is moved the six-year plan gets moved as well. That could push projects out multiple years.

Mr. McGlennon supported leaving in the road money. Business friendly initiatives require infrastructure. We need to do our part since limited resources are available. We need to make sure that we have a diverse tax base so more does not fall on residences/tax payers.

Mr. Hipple agreed. He noted the Transportation Planning and Organization states that matching funds are a necessity. In order to move these projects forward, we have to put away money now.

Mr. Onizuk noted that rural counties are going to have significant transportation needs, and will be at a disadvantage. James City County will have the ability to participate in these transportation projects, but it is unfortunate that the state government is not doing more to support these initiatives.

Mr. Hipple agreed and noted that the County should think about speaking about these unfunded mandates when we go up to Legislative Day next year.

Ms. Sadler asked if it would be beneficial to work as a region to carry that message forward.

Ms. Larson stated that having economic development pad ready sites is important and that includes having transportation infrastructure available.

Mr. Hill noted that Hampton Roads Transportation Accountability Committee is set up for cities who have taxing authority and counties are at a decided disadvantage. We have to rely on House Bill 2 funding.

After concluding there was no additional discussion on road funds, Mr. Hill stated that there had been some question of removing Virginal Municipal League (VML) funding from the budget.

Ms. Sadler asked if the Virginia Association of Counties and the VML covered similar things. If they do then VML funding might be considered redundant. This could save \$21,000 a year.

Ms. Larson asked if VML provided lobbying help to the County. Mr. Hill noted that the County likes to be connected on a statewide level and this is just another avenue to get information. Staff would be okay with removing it if requested.

Ms. Larson confirmed that we would be able to opt in future years if we needed to.

Mr. McGlennon echoed Mr. Hill's sentiments about being actively involved, but that if it was not providing enough benefit it could make sense to pull the funding.

Mr. Hipple confirmed that a majority of the Board wished to remove the funding.

Mr. Hill noted that much thought had been put into Lafayette auxiliary gym issue by staff. He noted he used the Superintendent's Capital Improvements Plan (CIP) from December 2015, in putting together this budget. Norge Elementary School was included in that plan and we believe this should stay in our budget plan. HVAC includes a one-year design and one-year installation need. If you remove it that could mean a three-year wait.

Mr. Onizuk stated that the Board set out last year with a plan for our CIP budget that focused on preventative maintenance. The budget proposed a five-year funding plan dealing with the most pressing school items, as proposed at that time. The Board proceeded, on good faith that the schools provided us with the most accurate information about their needs. It turns out, only a year later, that at least one major item was missing. The Lafayette auxiliary gym is needed as soon as possible. It's frustrating, given our current strategic planning process, that this need has only been championed this budget cycle. In future years, we will have to look at the facility and capacity needs of all of the schools. Funding this gym is a priority this year, but without a comprehensive look at facilities, this gym cannot be properly weighed against the rest of the community and school needs.

Mr. Onizuk stated that we are in the position of having to fund this project this coming year, which may result in the County taking on additional debt. He stated that it was his hope that the Board would not be put in this position again. The reformation of the school liaison committee is an important step. We need to be more engaged in the discussion with respect to upcoming challenges faced by the schools. It is my hope that this committee will help with this issue.

Ms. Mellen spoke about the CIP and how there were two possible ways to fund the gym. The first was delaying preventative maintenance. A number of projects could be pushed back in order to fund the gym in the next fiscal year.

Ms. Mellen stated that the second option would be borrowing the full amount authorized by the Board for the James Blair project. The Board authorized borrowing for that project up to \$26.75 million. Typically, we build in additional money to the authorization to provide flexibility. There's usually no need to use the entire amount. It was never our intention for this project to go over \$25.5 million. She also noted that it would not be significantly changing our debt service plan. If we borrow more, it would still require an appropriation of funds.

Mr. Hill noted that he made a statement during the community budget meetings that we were borrowing \$25.5 million for James Blair and the County would not be going higher for that project. This would be the Board's decision to incur additional debt.

With respect to the first option of deferring maintenance items, Ms. Sadler agreed that Norge Elementary School is a priority. The thought of little children there without air conditioning or heat is enough that we need to keep Norge Elementary School in.

Mr. Onizuk asked where the full cost of \$2.5 million would come from.

Mr. Hill stated that the \$1.2 million would come from additional County borrowing and the other \$1.25 comes from the schools. He stated that we have their commitment for this portion and an additional \$200,000 from the city.

Mr. Onizuk reiterated his desire that this does not happen again.

Ms. Larson stated that the gym issue was supposed to be solved many years ago. There were discussions about a community gym between Warhill and Lafayette High Schools. Money has been cut from a lot of projects during the recession.

Ms. Sadler stated that this was a part of the reason she requested James Blair voting to be deferred.

Mr. McGlennon noted that James Blair certainly raised the issue of Lafayette High School needs, but those facilities did not solve the problem either.

Ms. Larson raised concerns about school facility planning in general.

Mr. Hill stated that we are in Phase 2 of 5 of this strategic planning process. I think we will have a lot of this information. This is why the Superintendent is on the Strategic Planning Group. We have a community gym plan in house.

Ms. Larson asked about the cost for this community gym,

Mr. Hill responded between \$6-8 million. This would include three courts and a stage among other things.

Ms. Mellen reiterated that this additional money would just be for the gym, and does not include any of the other Lafayette High School improvements.

Mr. Onizuk agreed they need to plan. The County has looked at our needs and has a plan. We need the schools to have a good long-term plan.

Ms. Sadler asked what has been spread out.

Ms. Mellen referenced Clara Byrd Baker Elementary School, that Stonehouse Elementary School has a portion moved (bus loop canopy) and the division combined has projects (various sidewalk and maintenance items).

Board members discussed the differences in debt between borrowing for the school with a one-time amount versus spreading the maintenance projects over the five-year CIP.

Ms. Mellen noted that borrowing more money at one time helps keep the cost down over the life of the debt.

Mr. Onizuk noted that deferring maintenance projects could mean that the damage gets worse and the cost of the improvements could become more.

Mr. Hipple stated that we are still seeing reasonable construction costs, but those costs are sure to rise as we move into the future.

Mr. Onizuk stated his support for borrowing, as long as we work diligently with the schools moving forward.

Ms. Larson asked if we were comfortable with this auxiliary gym cost.

Mr. Hill stated that he had heard anywhere from \$1.8 - \$3 million.

Mr. Adam Kinsman, County Attorney, provided clarity on how the Board of Supervisors should proceed with authorizing additional borrowing of maximum dollar amount with a motion.

Mr. Hipple noted that the Lafayette High School gymnasium is a large project that has been in and out of various school CIPs. A project of this size and expense is not one that should appear and reappear. For example, replacement of the Norge Elementary School HVAC system has been planned for a long time in this budget and is no surprise.

He further stated that capital projects need to be evaluated and planned long before they appear in front of this body. The County is going through a strategic plan and it is his hope that the schools will do the same. Because of the fortunate timing of the fourth middle school bond issuance, he is willing to fund the gymnasium even though this is a last minute addition to this CIP and this budget. This cannot become the norm and is a one-time fix. If this happens again, he will ask that the Board completely rethink how we fund the schools.

Mr. Onizuk made a motion to support authorizing County staff to borrow maximum amount to fund James Blair as well as the Lafayette auxiliary gym.

The Board voted 5-0 to approve the borrowing of the \$26.75 million.

Mr. Hipple noted that everything that was brought up by the Board of Supervisors had been discussed. He recommended cancelling the May 4 work session.

Ms. Larson thanked all of the parents and citizens for their support of Lafayette High School. She encouraged the schools to work closely with the Board, and preferred projects be done correctly the first time.

Mr. Onizuk also thanked Ms. Mellen, Mr. Hill and all of the Financial Management Services staff on a well thought out budget. He noted that their work made his job much easier.

Ms. Mellen noted that a new resolution and errata sheet would be prepared for the May 10 meeting.

Mr. McGlennon moved to cancel the May 4 work session. The Board unanimously approved the motion.

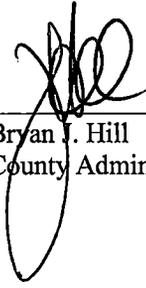
**D. CLOSED SESSION**

**E. ADJOURNMENT**

Adjourn until 6:30 p.m. on May 10, 2016, for the Regular Meeting

A motion to Adjourn was made by Mr. McGlennon and the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0  
Ayes: McGlennon, Larson, Onizuk, Sadler, Hipple



Bryan J. Hill  
County Administrator