

MINUTES
JAMES CITY COUNTY BOARD OF SUPERVISORS
WORK SESSION
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
April 23, 2019
4:00 PM

A. CALL TO ORDER

B. ROLL CALL

Michael J. Hipple, Vice Chairman, Powhatan District
Ruth M. Larson, Berkeley District
P. Sue Sadler, Stonehouse District
John J. McGlennon, Roberts District
James O. Icenhour, Jr., Chairman, Jamestown District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney

ADOPTED

MAY 14 2019

Board of Supervisors
James City County, VA

C. BOARD DISCUSSIONS

1. *FY 2020 Budget Discussion*

Ms. Sharon Day, Assistant Director of Financial and Management Services (FMS), addressed the Board, Mr. Stevens, and Ms. Sue Mellen, Director of FMS, with an overview and the highlights of the County Administrator's proposed budget, a recap of discussion to date including where the County was in the budget process and where it will be going next. Ms. Day presented a timeline of the budget process in a PowerPoint presentation, noting a pre-budget public hearing in January 2019 up to the current budget work session meeting. She highlighted a revenue summary of the General Fund with taxes, licenses, and other sources. Ms. Day also highlighted the expenditure summary of the General Fund noting schools as a major component. She continued with the Capital Projects Fund revenue and expenditure breakdowns. Ms. Day explained how the County projects for potential costs of building additional schools, fire stations, and such. She noted that based on recently received budget feedback, the three areas of Purchase Development Rights (PDRs), school funding, and curbside recycling were main points. Ms. Day asked the Board for any guidance regarding the budget and welcomed any comments.

Ms. Mellen asked if there were any specific areas for questions. She noted there was not much difference in the current proposed budget from what the Board had planned for last year other than the items noted in the presentation.

Mr. Stevens addressed the Board on an addition to the proposed budget that had not been included and he recommended inclusion. He noted changes in state law regarding Commonwealth Attorneys and funding for additional personnel and the use of body cams. He highlighted the budgetary breakdown and its timeline. Mr. Stevens also highlighted some financial adjustments from changes with jail costs and its financial impact to the County's budget.

Mr. Icenhour asked if either of these points was in the current budget and if not, then they

would need to be included.

Mr. Stevens confirmed yes the two items would need to be included, but noted he wanted the Board to be aware of these items.

Mr. McGlennon asked about the state legislature requiring the body cams.

Mr. Stevens confirmed that if the locality wanted the use of body cams, then additional personnel was mandated.

Discussion ensued.

Mr. Icenhour asked if an errata sheet would be presented later.

Ms. Mellen confirmed yes an errata sheet would be available.

Ms. Larson noted the number of questions she had received on recycling. She asked about the look of the new recycling program and communication to residents.

Ms. Dawn Oleksy, Environmental Sustainability Coordinator, General Services, noted communication would be ongoing.

Ms. Larson asked about the absorption of the recycling costs if residents opted out of the program.

Ms. Sadler echoed concerns from constituents on the same point.

Ms. Mellen noted the cost was based on tonnage and number of participants.

Mr. Stevens further noted staff had reviewed the numbers in relation to potential reduction in both areas and the cost impact to both residents and the County.

Ms. Larson asked about the education piece of the recycling changes.

Ms. Oleksy noted there was a recycling hotline with prerecorded messaging regarding the changes. She further noted "pushing the education piece" and making presentations to neighborhood groups.

Discussion ensued about long-term recycling options, billing and costs, and revenue.

Mr. Icenhour addressed concern about what was being recycled in the landfill. He asked about follow-up on tracking the materials.

Ms. Oleksy noted Virginia Peninsulas Public Service Authority (VPPSA)'s reputation for its recycling program. She added VPPSA was tracking the recycled items. She further noted she told citizens "if you throw it in the trash can, there's a 100% chance it's going to a landfill; if you put it in the recycling bin then there is a very high percentage it's going to be recycled." Ms. Oleksy added it's "our job to do our part to help this industry get back on its feet."

Ms. Larson asked about follow-up on the wrong items being recycled and damage to equipment.

Discussion ensued.

Ms. Larson expressed her thanks for all the recycling efforts.

Mr. Icenhour asked about the Board's consideration on the recycling fee or paying it from the General Fund. He noted this would allow it to be included on the errata sheet if needed.

Mr. Hipple stated to "leave it as a fee." He noted the impact on the rural districts and possible changes in five years on a County-wide basis.

Mr. Icenhour noted the Board's consensus to retain the fee for recycling.

Discussion ensued.

Ms. Mellen noted in the process that the Board would receive a separate Ordinance for the recycling fee for its vote first and then the budget would follow.

Mr. Hipple noted the Voter Registrar in relation to other districts near James City County. He further noted the County Administrator addressed this and the General Assembly review of the Voter Registrar study for next year.

Mr. Icenhour asked Mr. Stevens about the budget in relation to the Voter Registrar.

Mr. Stevens noted a pay adjustment phase-in over two years for Ms. Dianna Morman, Director of Elections. He further noted a 5% state pay increase as well as a \$5,000 movement to align her salary more with neighboring localities. He cited the volume of ballots and different precincts in the County in addition to monitoring next year's state study on Registrars.

Mr. Icenhour questioned the monetary adjustments.

Discussion ensued on state salary adjustments and locality-specific contract agreements for elected officials.

Ms. Mellen noted the County did not supplement any of the constitutional officers' pay, but did supplement the staff under that level. She cited the Board of Supervisors had historically chosen not to supplement any of the constitutional officers' salaries.

Discussion ensued.

Ms. Larson asked how the salary for the Voter Registrar within the Commonwealth had not kept up with the level necessary.

Mr. Stevens noted localities pushing back to the state level with recruitment and salary evaluation.

Ms. Larson asked about local legislators and their involvement in this process for fair pay.

Mr. Stevens noted multiple factors were involved: population survey, number of registered voters, and number of precincts.

Ms. Mellen noted legislators' involvement with the 2% pay increase as well as their intent to review and implement within their two-year budget cycle. She cited salary studies to assist in the salary structure. Discussion ensued on salaries and supplementation from the localities.

Mr. Hipple questioned an increase to \$8,000 over the suggested \$5,000.

Mr. Stevens noted the proposed budget showed support, but it did not try to "get too far ahead of that state study."

Discussion ensued.

Ms. Larson asked about availability of information regarding supplement of constitutional officers.

Mr. Stevens noted some information was available and he would share it with the Board with a disclaimer that "we believe it to be correct."

Ms. Day noted localities pay almost 100% of health and dental insurance, retirement, and FICA coverage benefits for constitutional officers, not the state. She further noted the adjustments depended on what types of coverage employees carried. She noted 30% was the County average.

Mr. Hipple asked what the state paid.

Ms. Mellen referenced page B7 of the proposed budget with the breakdown of the state portion.

Ms. Day noted the percentage between state and local funding was tracked. She further noted a review of shared positions, such as the Sheriff in York County, was considered in terms of a supplement. Ms. Day stated the shared position reflected the Sheriff representing the multiple localities of York County and Poquoson.

Mr. McGlennon asked if the employees in the Commonwealth Attorney's office were local employees.

Ms. Mellen answered affirmatively.

Mr. McGlennon asked if the state authorized those positions.

Mr. Icenhour noted the state authorized the County to pay those positions.

Mr. McGlennon asked about the salary and no benefits.

Ms. Mellen and Ms. Day confirmed it was a small percentage on benefits.

Mr. Icenhour asked Mr. Hipple if he still wanted to change the increase to \$8,000.

Mr. Hipple confirmed the increase adjustment.

Mr. Icenhour noted it would be reviewed again the following year, particularly with regards to state funding for the next year. Mr. Icenhour asked the Board if there was a consensus on the increase.

All Board members acknowledged a consensus.

Mr. Icenhour asked if there were additional items for discussion.

Mr. Hipple noted he had several items. He referenced the "tool box" for PDRs and funding for the program.

Mr. McGlennon asked about time to review the County's debt situation for the next session. He noted looking at "what's coming off" and inquired about the Davenport team's next meeting with the Board.

Ms. Mellen noted it was not on an annual basis, but she could request a meeting with the Davenport representatives.

Mr. Icenhour noted there was no dedicated PDR funding in this budget as the program was under evaluation.

Ms. Day confirmed \$300,000 in funding was remaining from the old PDR program.

Discussion ensued regarding an additional \$1.3 million set aside.

Ms. Mellen clarified that funding was for land purchases with no specific designation and would be required to come back to the Board for spending authority.

Mr. McGlennon asked about a June work session on the PDR program.

Mr. Stevens confirmed that information.

Mr. McGlennon noted in June a review of staffing capacity would determine if an adequate plan could be put in place for the program. He further noted if additional staffing was needed then possibly the Greenspace funding could be available.

Ms. Larson expressed concern as she thought the \$1.3 million was set aside for schools, fire stations, and other projects.

Mr. McGlennon noted the \$1.3 million had been designated for "a multitude of possibilities", but that was different funding. He further noted the existing Greenspace money available.

Ms. Sadler asked about additional discussion.

Mr. Icenhour noted there would be more discussion and while there was nothing designated in this budget, remaining funds existed that could be used.

Ms. Larson asked about the Comprehensive Plan survey and the Greenspace question.

Mr. Stevens noted there was a general question, but noted a more detailed land use survey could go out in the fall.

Ms. Larson asked about the specifics of land use and identifying properties and land.

Mr. Icenhour noted a more targeted approach was needed and how it fit into the vision for the County.

Discussion ensued establishing land criteria, setting aside funding for land and schools, and reviewing current debt.

Mr. McGlennon asked about revenues and a sense of the trend line on the 1% sales tax.

Ms. Mellen noted, to date, it was close to the projected numbers. She referenced page B4 for data. She noted a three-year trend line would show a better picture of those revenues.

Mr. McGlennon asked about different revenue issues, particularly the recordation tax. He questioned if people were not refinancing as much or growth was lower.

Ms. Mellen stated it was related to one particular timeshare in the community that had gone

from selling the property to a contract basis and no longer had recordation fees.

Mr. McGlennon inquired if any of that was filed with the state or the locality.

Ms. Mellen replied no. Ms. Mellen also noted the \$1.3 million in the Capital Improvements Program was only allocated in year one of the budget and based on future needs. She further noted the Board could choose to review those needs and allocations. Ms. Mellen said if the Board wanted to build that fund then it would need to consider those items.

Mr. Icenhour noted the Board would review those items in the fall. He referenced the list of projects, as well as funding and prioritization.

Discussion ensued.

Mr. McGlennon inquired if the Public Service revenue reflected Skiffes Creek.

Ms. Mellen noted the Commissioner of the Revenue did not have that revenue yet, but possibly for the second half of the year.

Ms. Larson asked about the amount.

Mr. McGlennon noted it was \$450,000 with no depreciation.

Mr. Hipple asked if a percentage could be predetermined and locked in for budgetary purposes. He cited the school system as an example, noting it would remain a steady percentage rate instead of going back and forth on the funding needs each year.

Mr. McGlennon noted California worked that way with the school systems, but cited potential problems.

Mr. Icenhour stated "reaching out to them very early in the process and staying involved as we go through has proved more productive for us."

Ms. Larson noted a fluid conversation had always been between the County and the school system. She cited Newport News was evaluating a set percentage for its school system. She further noted "the push and pull of what we have to do."

Ms. Day also noted mandates on the County as well as the school level could change that percentage at any time.

Mr. Hipple noted the Bright Beginnings program and referenced Mr. McGlennon asking about it several years ago as an opportunity to alleviate pressure on the schools.

Ms. Larson said the school system had suggested this was not a "sound education" option, but she noted preschool was not mandated. She further noted it was mandated to "provide services for children aged 2 and up." Ms. Larson then stated she had been asked the question of "investing in a separate type of capital building for something that is not mandated."

Ms. Sadler asked for statistics on auxiliary buildings in terms of cost reduction. She questioned how this played into the need for an additional elementary school.

Mr. Icenhour stated, in conferring with the School Liason Committee, he had requested statistics and information on the elementary schools in terms of growth and overcapacity numbers. He said, "we need to be more comfortable with the analysis that they have gone through to come to the conclusion that they want a new elementary school as opposed to

expansion on the others.”

Ms. Larson cautioned against making assumptions that “yes you can save money because we have these, because you may not.” She referenced consolidation from several years ago with the Bright Beginnings program.

Ms. Sadler asked about age-restricted communities and the number of students. She requested when the Board members meet with the School Liason Committee that those numbers be reviewed “in a realistic way.” She cited Colonial Heritage as an example.

Discussion ensued.

Mr. Icenhour asked the Board if there were specific areas of the budget to address regarding the schools.

Ms. Larson asked what the schools’ response had been to the Board “not fulfilling the financial requests completely.”

Mr. Stevens noted he did not have an official response, but further noted a reduction in the five counselor positions and a 3% raise as opposed to a 4% raise for teachers.

Discussion ensued.

Mr. Icenhour asked if there were any additional questions, noting the next session would address individual departments.

Ms. Mellen noted the departmental allocations reflected the compensation study results. She further noted those funds had been set aside in a non-departmental fund which would then move to the respective departments. Ms. Mellen mentioned the recycling and fire as changes.

Mr. Icenhour asked Board members to review the budget and note any questions over the next week and send an email to Ms. Mellen and Ms. Day.

Ms. Mellen noted specific division directors could then be available to answer any of the Board’s questions.

Discussion ensued regarding the current budget and establishing guidelines for the five-year plan.

Mr. Icenhour welcomed Mr. Doug Powell, General Manager, James City Service Authority (JCSA), to the meeting. He asked Mr. Powell about the transition to the new water meters with monthly billing and if it was part of this fiscal year.

Mr. Powell stated no, but noted a position to prepare with that transition was included in the current budget. He anticipated the meter transition implementation would occur over the next two-year cycle.

Mr. McGlennon asked about revenue estimates.

Mr. Powell noted the estimates were still in line with projections. He further noted with some reductions, expenditures, and revenue transfers, JCSA would still track on budget.

Mr. McGlennon asked how the new fixed charge worked in terms of replenishing the capital funding.

Mr. Powell replied it was working well.

Mr. McGlennon asked about this year's experience with the grinder pumps and the replacement pace.

Mr. Powell noted he would get back with Mr. McGlennon on that point.

Mr. Icenhour asked about the incremental increases on rates and the five-year plan. He also asked how much longer on the study.

Mr. Powell noted the rate study was done in 2015. He further noted this year's proposed budget reflected the fifth year. Mr. Powell explained the Board had previously adopted a five-year rate study cycle and part of the budget incorporated that study. He noted "that issue will be revisited as part of the next rate study and will feed into the next two-year budget."

Mr. Hipple asked if James City County was still the second lowest on rates.

Mr. Powell noted the County was the lowest on water and second lowest combined.

Mr. Hipple asked about the 50-year life expectancy on pipes. He commented on the large volume and the timing for replacement of those pipes.

Mr. Powell noted that was the purpose of putting funds aside and to recognize the infrastructure was aging.

Mr. Icenhour asked about an elevated pipe off Route 60.

Mr. Powell thought it was a Newport News pipe.

Mr. McGlennon asked about the variance in the rates and what Hampton Roads Sanitation District (HRSD) charges the different localities.

Mr. Powell explained the combined rate included only water and wastewater collection, not the HRSD part.

The Board thanked Mr. Powell as it had no further questions.

Ms. Mellen asked for clarification on the Board's requests for the next meeting. She noted a request for the debt capacity overview moving forward and its correlation to the proposed CIP for the five years.

The Board confirmed that point.

2. Tourism Request for Appropriation for Funding to Greater Williamsburg Chamber and Tourism Alliance

A motion to Approve was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Stevens addressed the Board regarding a resolution to "untether" funds for the Chamber and the transference of those funds. He noted increased "transparency" regarding the Chamber and funds. Mr. Stevens further noted the other localities had paid the additional amount and were fully paid, but the County was the only remaining locality that "today was

not.”

D. BOARD REQUESTS AND DIRECTIVES

Mr. Hipple noted Thursday, April 25, was the day for the signing of the Hampton Roads Bridge-Tunnel Agreement and Governor Northam was expected to be in attendance.

E. CLOSED SESSION

A motion to Enter a Closed Session was made by Ruth Larson, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 5:47 p.m., the Board entered Closed Session.

At approximately 5:56 p.m., Mr. Icenhour re-entered Open Session.

A motion to Certify the Board only spoke about those items indicated it would speak about in Closed Session was made by John McGlennon, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Larson, Sadler, McGlennon, Icenhour, Jr.

1. Consideration of a personnel matter, the appointment of individuals to County Boards and/or Commissions pursuant to Section 2.2-3711 (A)(1) of the Code of Virginia

2. Appointments - Colonial Behavioral Health Board

A motion to Appoint Individuals to Boards and Commissions was made by Michael Hipple, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. McGlennon moved for the appointment of Fire Chief Ryan Ashe to serve as Ms. Mellen’s replacement on the Colonial Behavioral Health Board with his term effective May 1, 2019 until June 30, 2021. He also noted the reappointment for additional three-year terms for Ms. Rebecca Vinroot, Mr. John Kuplinski, and Ms. June Hagee.

3. Appointments - Economic Development Authority

Not discussed.

4. Appointment - Alternate for Eastern Virginia Regional Industrial Facility Authority

A motion to Appoint Individuals to Boards and Commissions was made by Ruth Larson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. McGlennon moved for the appointment of Mr. Jason Purse, as one of two alternates to the Eastern Virginia Regional Industrial Facility Authority for a term to begin immediately and to expire April 23, 2023.

F. ADJOURNMENT

1. Adjourn until 4 p.m. on april 30, 2019, for the Budget Work Session

A motion to Adjourn was made by Sue Sadler, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 5:57 p.m., Mr. Icenhour adjourned the Board of Supervisors.


Deputy Clerk