

**POLICY COMMITTEE MEETING**

**June 12, 2008**

**2:00 PM**

**Building A Large Conference Room**

**PRESENT:**

Mr. Reese Peck  
Mr. Richard Krapf  
Mr. George Billups  
Mr. Jack Fraley  
Mr. Chris Henderson

**OTHERS PRESENT:**

Ms. Kate Sipes, Senior Planner  
Mr. John McDonald, FMS Manager  
Mr. Bill Porter, Development Manager  
Ms. Leanne Reidenbach, Senior Planner  
Ms. Tammy Rosario, Acting Prnc. Planner  
Mr. Brian Elmore, DMA  
Mr. David Allen, Senior Budget Analyst

**Minutes:**

Mr. Peck opened the meeting at 2 p.m..  
Mr. Krapf motioned approval of minutes from the June 5, 2008 meeting.  
Mr. Fraley seconded and the minutes were adopted unanimously.

**Other Business:**

Mr. Fraley asked if there was way for the Committee to review Planning cases.  
Mr. Porter stated the Committee could be shown how to use CaseTrak. Mr. Porter stated staff was trying to establish a shareware site for the Commission.

Mr. Fraley asked if a member of the Business Climate Task Force would give a presentation on the recent SUP changes and the Committee discussed inviting a Task Force member and a representative from the Office of Economic Development to make a presentation at the scheduled work session to discuss the proposed business SUP changes.

**Old Business- FY09 CIP:**

Mr. Henderson discussed his draft of aligning the capital improvement program with the Comprehensive Plan. Mr. Henderson stated the proposal was drafted to be presented to the Board for approval of their proposed CIP changes. He stated there should be a financial plan to mirror the Comp Plan. Mr. Henderson stated aligning the two programs will have several benefits: greater predictability of project completion dates by placing numeric values on CIPs and greater analysis of CIP priorities. Mr. Henderson stated the CIP would have a five year capital outlay plan.

Mr. McDonald stated the County already had a five year budget on the CIP and that the current budget could be brought in line with the proposed budget. Mr. McDonald stated the current plan was only a recommendation.

Mr. Porter stated unexpected expenditures, such as greenway acquisition, will not always be included in the 5-year CIP so it was important to have some flexibility.

Mr. Billups asked about projects in the current five year plan that do not yet have funding attached.

Mr. Henderson stated the County had considerable sums of cash set aside for specific capital projects. Mr. Henderson stated these funds should be seen as a single fund and that

instead of waiting for funds to be collected for projects, existing funds should be used on the projects that can be completed.

Mr. McDonald stated escrow funds were collected for pay as you go projects, for important projects when needed, and when money is borrowed ahead of starting a project. Mr. McDonald stated the cash in these funds was invested.

Mr. Peck asked if the set-aside funds could be reallocated each year.

Mr. Fraley stated projects should have to compete every year for funding and that funds should not be set aside for projects several years out.

Mr. Peck and Mr. Fraley discussed the difference between public and private funds and allocation of money for projects several years in the future.

Mr. Henderson stated his proposed financing plan would allow FMS to provide several CIP financing options within the County's debt capacity. Mr. Henderson stated every year Board would tell the Policy Committee what funding levels were available for CIP projects. Mr. Henderson stated the cost of capital would be included in the CIP.

The Committee discussed the trade-off between gradually funding long-term projects and replacements versus accelerating CIP projects and the impacts of one versus the other. They also discussed funding for the greenspace acquisition program and increasing costs for long-term projects.

Mr. Henderson stated maintenance needs to be segregated from the CIP and that each capital asset needs a plan to give it a maximum economic life.

The Committee discussed setting aside a percentage of CIP funds for a capital replacement fund, but Mr. McDonald noted that that was not a standard funding practice.

Mr. Fraley stated the proposed CIP changes should make the process more transparent to citizens.

Mr. Krapf asked about 'outdated procurement practices' and 'public private partnerships' in the CIP proposal.

Mr. Henderson stated private firms had offered bids on capital projects far lower than the projects' eventual cost.

Mr. Porter stated that parts of Warhill Park, stormwater projects, and Rt. 199 had been bid out successfully.

Mr. McDonald stated it can take the County months to identify all the needs of a project before assigning funding.

Mr. Peck stated that as new public issues arise, proponents of new spending will have to compete with other existing programs. The Committee discussed implementation of the CIP proposal and Mr. McDonald stated that he did not believe they could be implemented before 2010 (the FY11 CIP process), beginning to make timeline changes in summer 2009. But, some of the smaller items could be incorporated into the FY09 CIP process.

Ms. Sipes suggested that the Policy Committee develop a rating criteria sheet to make ranking of CIP items less arbitrary and quicker in the interim until the new Comp Plan or facilities master plan was adopted.

Mr. Fraley stated there were things the Policy Committee would like to see before proceeding with changes, including Board direction on funding available and the beginnings of a programmable maintenance schedule and the Committee agreed that rankings should consider available CIP funds.

Mr. Peck stated it was fortunate the process had two years to be implemented. Mr. Peck stated he would like to take a single document to the Board aligning the Comp Plan and CIP procedures and policies.

Mr. Peck stated that in other localities, the priority process is set by the finance department or the administrator, with a member of the Planning Commission sitting in on the ranking process meeting. Mr. Peck stated with the Policy Committee currently ranking projects two weeks before the budget hearing, its impact is minimal.

Mr. McDonald stated that if the changes are adopted, the Planning Commission should update its meeting schedule and appointment process earlier than January. Mr. McDonald stated the Policy Committee had ranked 59 projects high, 42% of which were in the CIP.

Mr. Peck stated he would rather have a shorter list of projects, and assign them a specific number rather than the current method.

Mr. Porter stated the Policy Committee's first step should be deciding what policies they wish for the Board to change and that the Committee should have a specific list of changes they want to present.

Mr. Peck stated the Policy Committee does not necessarily need to be the ranking body. Mr. Peck stated if the Policy Committee establishes firm policies and procedures for the CIP, they can recommend projects to the Board based on the County's comprehensive picture. Mr. Peck stated he would like to see a member of the Commission sit in on the ranking process.

The Committee discussed the issue of giving the Planning Commission input into the rankings.

Mr. Peck stated that departments would provide a plan for the Committee to reevaluate and the Comp Plan would provide policies for setting priorities on an annual basis.

Mr. Fraley stated an annual update of public facilities would be positive and the Committee agreed that projections could help manage public perceptions of projects the County is capable of undertaking.

Mr. Krapf asked if the Policy Committee was presenting two sets of recommendations, one for where the Policy Committee wants to lead the CIP process, and a second set for what the Policy Committee wants to achieve in the meantime.

Mr. Fraley stated he would like to see a flow-chart of how the new process would operate.

Mr. Peck stated the CIP process could include a year update with changes since last year's CIP and letting staff making greater decisions on needed projects.

Mr. Porter stated capital maintenance should be separated from the main CIP.

Mr. Krapf asked if the next step was revising the document prepared by Mr. Henderson.

Mr. Henderson stated a paragraph needed to be added on how people can become involved in the CIP process and how projects change on a yearly basis. Mr. Henderson stated more work with staff was needed before making specific recommendations. He stated the negatives of the changes needed to be considered as well.

Ms. Sipes stated the Policy Committee may want to meet again before presenting to the Board and that the Policy Committee should establish a regular meeting time.

Mr. Peck stated the Policy Committee would meet on the second Wednesday of each month at 7pm.

Mr. Fraley motioned to adjourn the meeting at 4:55p.m., Mr. Krapf seconded the motion, and the meeting was adjourned.



Reese Peck, Chairman