



This does not represent a verbatim transcript of the Town Council meeting. Visit www.herndon-va.gov "agendas & minutes" to view agendas and videos. Copies of videotapes of the public hearing meetings are available on request by contacting HCTV at 703-689-2323. Work sessions are not videotaped, but audio files are available. Individuals not having access to the town's website may contact the Town Clerk's office at 703-435-6804 or town.clerk@herndon-va.gov.

HERNDON TOWN COUNCIL
Work Session
Tuesday, April 16, 2019

At a regular meeting of the Town Council of the Town of Herndon, Virginia, held in the Herndon Council Chambers Building, at 765 Lynn Street, Herndon, Virginia, on Tuesday, April 16, 2019, at 7:00 p.m., there were present:

- Mayor Lisa C. Merkel, presiding;
- Vice Mayor Sheila A. Olem;
- Councilmember Cesar del Aguila;
- Councilmember Pradip Dhakal;
- Councilmember Signe Friedrichs; and
- Councilmember Bill McKenna.

- Councilmember Jennifer K. Baker was absent.

Staff present during the meeting: William H. Ashton II, Town Manager; Lesa Yeatts, Town Attorney; Chief Maggie DeBoard, Herndon Police; Elizabeth Gilleran, Director of Community Development; Gene Fleming, Director of Golf; Jennie Tripoli, Director of Finance; Page Kalapasev, Director of Information Technology; Cindy Roeder, Director of Parks and Recreation; Tanya Kendrick, Director of Human Resources; Bryce Perry, Deputy Director of Community Development; Tammy Chastain and John Irish, Deputy Directors of Public Works; Dennis Holste, Economic Development Manager; Officer Stephen Phelps, Herndon Police; and Amina Ait-Bella, Legislative Assistant.

April 16, 2019
(work session)

ANNOUNCEMENTS

Mayor Merkel stated that Councilmember Baker is out of town and would not be present at tonight's meeting.

Mayor Merkel stated that it was the 12th anniversary of the shooting at Virginia Tech. She stated that a Herndon Elementary School teacher lost her daughter that day and asked those present to keep her in mind.

PRESENTATION

1. **Proclamation, to recognize "National Small Business Week," May 5 – May 11, 2019 and "National Economic Development Week," May 6 – May 11, 2019.**

There was no discussion on the presentation, which was scheduled for the April 23, 2019 public hearing.

PUBLIC HEARINGS

2. **Ordinance 19-O-09, to Levy Taxes on Real Estate and Manufactured Homes, and Other Subjects for the Fiscal Year 2020 budget;**
3. **Ordinance 19-O-10, to amend Chapter 30 (FINANCE & TAXATION), Article IX (Meals Tax), Sec. 30-401 (Levy), for a possible increase in the meals tax up to 4.0 percent. (The current rate is 2.5 percent.);**
4. **Ordinance 19-O-11, to amend Chapter 74 (UTILITIES), Article II (Sewers & Sewage Disposal), Division 5 (Sanitary Sewer System Rates & Charges), Section 74-262; and Article III (Water), Division 2 (Service), Section 74-326 (Schedule of Charges), to increase the usage charges for sanitary sewer and water, effective for meter readings taken on or after July 1, 2019;**
5. **Resolution 19-G-31, to adopt Fiscal Planning Resolution for the Fiscal Year 2020 budget; and**
6. **Ordinance 19-O-12, to Appropriate Funds to Implement the Fiscal Year 2020 budget, establishing the pay plan, and reserving on-going and capital funding for this fiscal year.**

**April 16, 2019
(work session)**

FY 2020 Proposed Budget

(Note: these items were continued from the Council's public hearing on April 9, 2019.)

Mayor Merkel stated that the next five items on the agenda relate to the Town Manager's proposed FY 2020 budget.

Mayor Merkel stated that prior to tonight's meeting, Council received comments on the FY 2020 proposed budget, which have been entered into the record. She asked Council if they needed to review the process.

With the concurrence of Council, it was decided that Mayor Merkel did not need to review the process until next week's public hearing.

Disclosures:

- **Mayor Merkel and Councilmember Dhakal** stated, for the record, that throughout the year, they may be invited to attend events hosted by organizations as guests. Both stated that they are able to participate in the budget deliberations regarding non-profit organizations fairly, objectively, and in the public interest, and that they have filed the appropriate disclosure with the Town Clerk and Town Attorney.
- **Vice Mayor Olem; and Councilmembers del Aguila, Friedrichs and McKenna** stated, for the record, that they are unpaid volunteers for various organizations in the community, some of which may receive grants or in-kind benefits from the town. Throughout the year, they may be invited to attend events hosted by these organizations as guests. They all stated that they were able to participate in the budget deliberations regarding non-profit organizations fairly, objectively, and in the public interest, and that they have each filed the appropriate disclosure with the Town Clerk and Town Attorney.

Mayor Merkel recognized the Town Manager for comments.

The Town Manager provided an update on the proposed FY 2020 budget and presented a PowerPoint, which is on file in the Town Clerk's office. Following Council's discussion and direction, staff hoped to be able to draft a resolution for review at next week's meeting.

The Town Manager stated that following last week's public hearing, staff was able to add the pay adjustments for sworn officers into the base budget. A few sentences about an interfund transfer to the downtown parking fund would be added to the budget resolution, as well. That was a housekeeping item that was

**April 16, 2019
(work session)**

overlooked when staff was balancing the budget. The community donations and unfunded priorities Council decides to add to the budget would also be lines in the proposed budget resolution. Any additional increase to the meals tax rate above one percent would require an adjustment to that ordinance. He stated that the meals tax rate was advertised at 1.5 percent to allow Council room for discussion.

Community Donations

There was brief discussion amongst Council and staff about the donation amounts to community non-profit groups.

Vice Mayor Olem outlined her suggestions for cash donations, which totaled \$207,770. She proposed to:

- Decline funding for Herndon High School (HHS) band;
- Decline funding for Herndon Hospitality Association;
- Decline funding for the Herndon Environmental Network (HEN);
- Decrease funding for Herndon Elementary School from \$5,000 to \$2,000;
- Decline funding for All Ages Read Together;
- Provide funding for ArtsHerndon and NextStop Theatre at \$50,000 each; and
- Maintain funding for HCTV at \$99,770.

Mayor Merkel confirmed the amounts above with Vice Mayor Olem.

Vice Mayor Olem stated that she talked to several individuals involved with the HHS band and the requested \$500 could be made up from the community. She stated that the Herndon Hospitality Association would still receive in-kind donations for JamBrew and they did not receive cash last year; it appeared that what HEN asked for was already funded; Herndon Elementary School funding was for transportation; and All Ages Read Together was a school function. She stated that the amounts she proposed for the arts groups would be a little more than what town donated last year. She stated that her proposed amounts would align with the Council's vision.

There was brief discussion amongst Council regarding Vice Mayor Olem's proposal.

Mayor Merkel stated that she could support a lot of what Vice Mayor Olem shared. She would support providing only the in-kind donation for JamBrew and possibly declining the funding for HEN to be potentially considered next year.

**April 16, 2019
(work session)**

Councilmember Friedrichs stated that she more or less agreed with Vice Mayor Olem's proposed amounts, including the suggestions for Herndon Hospitality Association, HHS Band, and HEN. After reading Kids at Hope's application and finances, she had some questions about where their money was spent. She would like to have a serious discussion about the arts group's funding moving forward, but she would support Vice Mayor Olem's suggested amounts at this point.

Councilmember McKenna expressed support for Vice Mayor Olem's proposals. In the future, he would like a mathematical equation or a process to remove the emotion in awarding the donations. He expressed support for Kids at Hope and stated that their training helps at risk children.

Councilmember Dhakal agreed with Vice Mayor Olem, with minor adjustments. He stated that if a non-profit added value to the community and the request was small, it should be considered. He would like to keep the small donation amounts; suggested \$50,000 for NextStop Theater and ArtsHerndon; and declining the donation to All Ages Read Together. He echoed Councilmember McKenna's comments about using a process to determine future donation amounts and offered a suggestion about adjusting the donation amount with the town's revenue.

Mayor Merkel stated that previous Councils have discussed a process, but not in the same way. She expressed support for looking into a process for donations, which would help simplify it.

In response to queries from Councilmember del Aguila, the Town Manager concurred that the proposed donations were funded by the proposed one percent meals tax increase.

Councilmember del Aguila stated that all the organizations were deserving entities and he suggested that the meals tax be increased by 1.5 percent. He stated that he has not heard about the long-term vision, and that the Council tends to have year-over-year discussions. He thought that Council should start looking at the long-term vision of what and why people, family, and businesses come to the town, and determine what the entities are that draw people to the town. He stated that he would like to be smarter in aligning these resources with long-term goals, that the arts communities should be awarded more, and everyone should be included. For this reason, he thinks the meals tax should increase by 1.5 percent. He would also like to discuss the Pedestrian and Bicycle Advisory Committee's (PBAC) suggestions further.

The Town Manager stated that the Council would discuss PBAC.

**April 16, 2019
(work session)**

In response to queries from Mayor Merkel, the Town Manager stated that the proposed total donation amount total was the same as last year, which was a 20 percent increase from the year before.

Mayor Merkel stated that Vice Mayor Olem's suggestion brought the total donations to under \$208,000. She stated that if they were to fund the school-related events per Councilmember Dhakal's suggestion, including funding HHS and Herndon Elementary School, they would still be under the \$218,000, without additional adjustments to the meals tax.

There was further brief discussion amongst Council and staff about the community donations.

The Town Manager stated that he totaled the suggested donation amounts to \$211,200.

Mayor Merkel stated that the town did not have to spend the full \$218,000 on donations.

Councilmember McKenna asked if it was possible to remove HCTV from the 'pool' of donations and make it a line item, or a more consistent source, in future budgets.

There was brief discussion amongst Council and staff about HCTV.

The Town Manager stated that when staff looked at adding a line item in the budget for HCTV two years ago, there were some procurement issues that could be looked at again.

Mayor Merkel stated that if adding a line item made it more complicated, Council could leave it in the donations category, but treat it as a line item.

Mayor Merkel asked if there was a consensus on the combination of Vice Mayor Olem and Councilmember Dhakal's suggestions.

Following discussion, the Town Manager reviewed the donation amounts that were discussed, which were as follows:

- HCTV - \$99,770;
- Herndon High School band - \$500;
- JamBrew - \$0;
- HEN - \$0;

**April 16, 2019
(work session)**

- Herndon High School PTSA - \$2,000;
- Kids at Hope - \$4,000;
- Herndon Elementary School PTA - \$5,000;
- All Ages Read Together - \$0;
- NextStop Theatre -\$50,000; and
- ArtsHerndon - \$50,000, for a total of \$211,200.

Mayor Merkel concurred with the Town Manager's statements. She stated that last week, there was a lot of public comment supporting value of the arts to the town. She did not think anyone needed to be sold on that. She stated that the only reason she had questions for the arts organizations was due to the town providing them a large amount of money. She stated that one of the arts organizations provided detailed financial statements, and one of them provided a balance sheet, which was a small snapshot of their finances. She stated that she would like to consider getting more specific with required items moving forward with a process. She expressed support for the value of the arts groups.

Vice Mayor Olem stated that this past fiscal year was unusual for one of the arts groups due to uncertainty in location. She stated that previous years would show differently.

There was further brief discussion between Mayor Merkel and Vice Mayor Olem about the arts groups.

Unfunded Priorities

The Town Manager continued the PowerPoint and reviewed the unfunded priorities. He stated that he put a placeholder for the PBAC projects; added the Assistant Town Attorney position; and included funding for Parks and Recreation downtown events. He offered two suggestions to fund these priorities, either with an additional 0.50 or 0.25 percent increase to the meals tax.

There was discussion amongst Council and staff about the unfunded priorities related to the meals tax.

There was discussion amongst Council and staff about the PBAC projects, the CIP and the funding for these projects.

In response to queries from Mayor Merkel, the Town Manager stated that some of the requested PBAC projects were included in the CIP. He stated that he sent the PBAC recommendations to Council in his dispatch a few weeks ago.

**April 16, 2019
(work session)**

Councilmember del Aguila stated that PBAC's thinking was to address the "low hanging fruit," higher impact projects that were needed for safety, which he understood were neither planned nor funded in the immediate future.

There was a brief question and answer period between Councilmember del Aguila, the Town Manager, and the Deputy Director of Public Works about funding the PBAC requested projects and projects that were included in the CIP.

The Town Manager stated that projects that could be added to the FY 20 budget included improving sidewalks on Locust Street and adding crosswalks at Palmer Drive/Chandon Park and at the entrance to the Herndon Municipal Center on Center Street.

Councilmember del Aguila asked if there was a number of the PBAC project requests that Council would feel comfortable funding.

Mayor Merkel stated that funding all the requested projects could be covered by an additional half-cent increase in the meals tax. She asked if that was what the Council was considering.

Councilmember McKenna stated that in six months or so, it was his understanding the budget would be recalibrated and the funding could be reexamined.

The Town Manager stated that in May, the Council would review budget adjustments for the current fiscal year.

There were comments from Council.

The Town Manager stated that several of the PBAC projects could be funded by spending \$56,000. The town could also apply for grants with the county.

There was further brief discussion.

Councilmember del Aguila suggested covering the crosswalk projects (#14 & #16 on the PBAC project sheet) to start and then consider expanding the list.

The Town Manager stated that if the Council followed Councilmember del Aguila's suggestion, and if the projects needed a small amount of funding over what was allocated, it might be in his budget transfer purview as Town Manager

Following discussion, Mayor Merkel stated that she understood Council's consensus was to use the unfunded priorities amounts provided in the Town Manager's PowerPoint, other than the donations and the PBAC projects. The

**April 16, 2019
(work session)**

donations would be funded as discussed earlier this evening. The amount provided for the PBAC projects would be changed to \$56,000, which would fund the crosswalks projects as discussed. This would total \$225,000, which require an additional 0.25 percent meals tax increase over what was in the base budget.

The Town Manager stated that any leftover money would be funded back into contingency, where it could fund other projects, such as sidewalk improvements.

Councilmember Friedrichs stated that there was no guarantee that the revenue from the increased meals tax would give the town the exact projected amount.

The Town Manager concurred with Councilmember Friedrichs. He stated that the meals tax projections were conservative estimates.

Councilmember Dhakal asked if any other changes should be discussed.

There was brief discussion amongst Council and staff about personnel requests and unfunded priorities.

Mayor Merkel stated that the suggestions would be presented to the public next week. She stated that Councilmember Baker would be informed about the proposed changes.

The Town Manager stated that he thought he had the information he needed to write the budget resolution.

In response to queries from Councilmember del Aguila, the Town Manager stated that the next request from departments on his list was a risk manager position. He stated that staff's significant requests had been addressed.

Mayor Merkel stated that she would like to discuss the risk manager position in next year's budget.

The Town Manager stated that including the Assistant Town Attorney position takes a little bit of pressure off risk management. He stated that the town handles risk through the Town Attorney's office, the Finance department, and the Human Resources department.

The Town Attorney stated that some of the preventive things would not happen without a risk manager and some ongoing programs would not be able to be addressed.

The Town Manager stated that the town does risk management, but the plans, policies, and procedures for it could be improved.

**April 16, 2019
(work session)**

In response to an inquiry from Vice Mayor Olem, the Town Manager stated that there was enabling legislation that would allow a county to administer a town's real estate tax receipts, but it was written solely for Loudoun County. Staff planned to have a conversation with its state legislators about the town having assistance in collecting the real estate tax.

There was brief discussion amongst Council and staff about real estate tax administration.

In response to queries from Mayor Merkel, the Town Attorney stated that the county administering the real estate tax receipts would be on the town's legislative agenda.

There was further discussion.

Mayor Merkel asked if the Town Manager had everything he needed to write the budget resolution.

The Town Manager stated that he did. He stated that while he and Special Projects & Budget Manager were out of town, the Director of Finance would write the resolution.

7. **Ordinance, to consider a proffer condition amendment PCA #19-01, 525 Grove Street, Virginia Dominion Energy Substation, to allow the installation of a freestanding telecommunications facility;**
8. **Ordinance, to consider a proffer condition amendment PCA #19-02, 525 Grove Street, Virginia Dominion Energy Substation, to allow the installation of a freestanding telecommunications facility; and**
9. **Resolution, to consider a special exception SE #19-02, 525 Grove Street, Virginia Dominion Energy Substation, to allow the installation of a freestanding telecommunications facility.**

Mayor Merkel stated that the next three items on the agenda relate to the Virginia Dominion Energy Substation located at 525 Grove Street. Staff would present these items concurrently. Next week, Council would conduct concurrent public hearings and take separate action on each item.

The Deputy Director of Community Development presented the staff reports and PowerPoint dated April 16, which are on file in the Town Clerk's office. The amendments would permit the construction of a telecommunications monopole and associated ground equipment compound in a landscape buffer built as part of the original rezoning of the site. The development would be subject to two zoning

**April 16, 2019
(work session)**

map amendments with proffers and is the subject of PCA #19-01 and PCA #19-02, which would be reviewed concurrently with this application. For the zoning to be able to allow this type of use, the property has to be rezoned through two proffer condition amendments (PCA) and a special exception.

The Deputy Director of Community Development stated that the PCAs would have to be approved for the special exception to proceed. He reviewed the proposed application, including the location, zoning, proposed facility and access to it, landscaping, and other characteristics. He stated that the applicants worked closely with staff during the process and made several changes, which were highlighted in the PowerPoint.

At its February 25 and March 25 public hearings, the Planning Commission discussed concerns regarding the fencing, landscaping, and access to the site. The applicant made substantial changes to the application to address those concerns, including adding bollards to prevent vehicle access off-site, changing the originally proposed chain-link with barbed wire fencing, and adding more replacement landscaping..

The Deputy Director of Community Development stated that the application would meet the standards in the zoning ordinance. The special exception decision could be conditioned, which was what staff recommended. Staff recommends approval of the proposed ordinances for #19-01 and PCA #19-02, and the proposed resolution for SE #19-02, as presented.

There was brief discussion amongst Council and staff on this item.

GENERAL

10. Resolution, to initiate zoning ordinance text amendment ZOTA #19-01, Planned Development – Urban Residential.

Mayor Merkel stated that if the proposed initiating resolution were approved, it would be sent to the Planning Commission for review.

The Director of Community Development presented the staff report dated April 16, which is on file in the Town Clerk's office. The purpose of this zoning ordinance text amendment was to create a new zoning district ~ Planned Development – Urban Residential (PD-UR) ~ to accommodate redevelopment of some areas designated as Residential – Adaptive in the 2030 Comprehensive Plan. The recently adopted South Elden Area Plan (Comprehensive Plan Amendment CPA #18-01) identified properties where and under what circumstances residential redevelopment would be appropriate. This zoning district was intended to implement the goals of that plan and would serve as a

**April 16, 2019
(work session)**

transitional zone. She reviewed the draft ordinance, including the features, design and zoning requirements for the district.

The Director of Community Development stated that if Council were to approve the initiating resolution, staff then would work with the Planning Commission, property owners, and potential applicants, to refine the language and verify that the proposed PD-UR zoning district was consistent with the Comprehensive Plan and South Elden Area Plan.

There was brief discussion amongst Council and staff on this item.

The Town Attorney clarified that the staff recommendation was for approval. She stated that staff had sent an update in that regard.

Mayor Merkel stated that staff had inadvertently recommended not approving the item, but she understood that the recommendation was to approve it.

Following brief discussion and with the concurrence of Council, Mayor Merkel stated that this item would remain on the General portion of the agenda for next week's meeting.

There were further brief comments from Council.

CONSENT AGENDA

11. Proclamation, to recognize "Building Safety Month," May 2019.

Mayor Merkel stated that Council formally presents this proclamation to the Building Official every five years. Staff had asked for the proclamation to be part of the Consent agenda.

There was no discussion on this item.

ROUNDTABLE

1. Councilmember McKenna: Stated that he enjoyed attending the Kids at Hope presentation hosted by the Department of Parks and Recreation.
2. Councilmember Dhakal: Stated that he attended the Herndon Rotary Club Citizen of the Year Banquet honoring Mani Fierro. He stated that he learned how great Mr. Fierro was, and that he was honored to be there. He stated that it was tragic that Mr. Fierro left too soon.

**April 16, 2019
(work session)**

3. Councilmember Friedrichs: Echoed Councilmember Dhakal's comments about the Herndon Rotary Club Banquet. She stated that she watched Vice Mayor Olem read the proclamation and that it was a good event.
4. Vice Mayor Olem: Echoed her colleague's comments about the Herndon Rotary Club Banquet.

Vice Mayor Olem thanked the Department of Public Works for taking large items from the curb and provided comments about the annual Spring Clean Up.

The Town Manager stated that staff would be altering the clean up operation in the fall to be less labor intensive.

5. Mayor Merkel: Stated that she was unable to attend the Herndon Rotary Club event because she attended the Clearview Elementary talent show. She believed Mr. Fierro would have approved.

Mayor Merkel thanked all who came to the Mayor's Volunteer Appreciation reception. She thanked staff for their efforts in putting it together and stated that she received great feedback on this year's gift.

Mayor Merkel stated that the Town Clerk's office would be sending out the list of proclamations for Council to read the following morning.

COMMENTS FROM THE TOWN MANAGER

The Town Manager stated the next community roundtable was scheduled with the Neighborhood Resource Center (NRC). He stated that they would be providing interpreters and the town would pay for childcare provided by the NRC.

The Town Manager stated that he would be out of town the rest of the week.

CLOSED MEETING

On motion of Councilmember McKenna, seconded by Councilmember Friedrichs, and carried by 6-0 vote, the Herndon Town Council went into Closed Meeting at 8:22 p.m., under Section 2.2-3711(A)(1), Virginia Code, for discussion of prospective candidates relative to appointments to boards & commissions.

Vote: Councilmembers del Aguila, Dhakal, Friedrichs, McKenna, Vice Mayor Olem and Mayor Merkel voting "Aye." Councilmember Baker was absent.

**April 16, 2019
(work session)**

RECESS

At 8:22 p.m., Mayor Merkel called a brief recess and at 8:26 p.m., the closed meeting reconvened in Herndon Council Chambers Building, all members present, with the exception of Councilmember Baker, who was absent, and with Mayor Merkel presiding.

CLOSED MEETING (CONTINUED)

On motion of Vice Mayor Olem, seconded by Councilmember McKenna, and carried by 6-0 vote, the Herndon Town Council reconvened in public session at 8:50 p.m.

Vote: Councilmembers del Aguila, Dhakal, Friedrichs, McKenna, Vice Mayor Olem and Mayor Merkel voting "Aye." Councilmember Baker was absent.

On motion of Councilmember del Aguila, seconded by Vice Mayor Olem, and carried by 6-0 vote, the Herndon Town Council approved the following Certification of Closed Meeting.

Vote: Councilmembers del Aguila, Dhakal, Friedrichs, McKenna, Vice Mayor Olem and Mayor Merkel voting "Aye." Councilmember Baker was absent.

Certification of Closed Meeting

WHEREAS, the Town Council of the Town of Herndon has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by this Town Council that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Herndon hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed, or considered by the Town Council.

April 16, 2019
(work session)

VOTE:

Ayes – 6

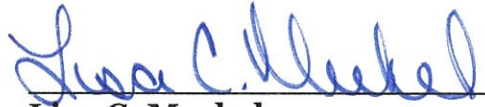
Nays – 0

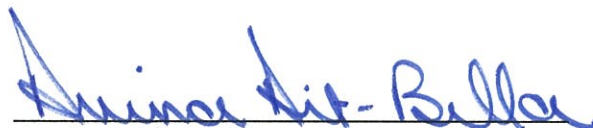
ABSENT DURING VOTE: 1

ABSENT DURING MEETING: 1

ADJOURNMENT

There being no further business, the meeting adjourned at 8:51 p.m.


Lisa C. Merkel
Mayor


Amina Ait-Bella
Legislative Assistant



Minutes approved by Town Council: May 28, 2019.

April 16, 2019
(work session)

NOTE:

This page was intentionally left blank