TOWN OF Herndon VIRGINIA

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HERNDON TOWN COUNCIL
Work Session
Tuesday, March 3, 2020

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, March 3, 2020, at 7:00 p.m., there were present:

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

Staff present during the meeting: William H. Ashton II, Town Manager; Lesa Yeatts, Town Attorney; Chief Maggie DeBoard, Herndon Police; Anne Curtis, Chief Communications Officer; Elizabeth Gilleran, Director of Community Development; Jennie Tripoli, Director of Finance; Cindy Roeder, Director of Parks and Recreation; Scott Robinson, Director of Public Works; Lauri Sigler, Deputy Town Attorney; Tammy Chastain and John Irish, Deputy Directors of Public Works; Karen Gagliano, Budget Manager; and Margie C. Tacci, Deputy Town Clerk.

AMEND THE AGENDA

Mayor Merkel was advised that there was a need for Council to go into closed meeting later that evening under Section 2.2-3711(A)(8), Virginia Code, for the purpose of consultation with legal counsel regarding specific legal matters

relating to a VDOT Transportation project. She asked Council for a motion to amend the agenda to include the closed meeting, and that the agenda be so amended.

On motion of Councilmember McKenna, seconded by Councilmember Baker, and carried by unanimous vote, the Herndon Town Council amended the agenda to include the aforementioned closed meeting.

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

Mayor Merkel stated that the agenda was so amended. At the appropriate time later in the meeting, she would ask for a motion to go into closed meeting.

PRESENTATIONS

1. **Good Neighbor Award;**

2. **Certificate of Support, to recognize Jennifer Taylor, Mrs. Herndon;**

3. **Proclamation, to recognize "Distracted Driving Awareness Month," April 2020; and**

4. **Proclamation, to recognize "Local Government Education Week," April 1 – April 7, 2020.**

Mayor Merkel announced those that would be reading the proclamations that would be presented at the March 10 public hearing.

PUBLIC HEARINGS

5. **Ordinance, to approve and authorize the Mayor to sign a fourth lease amendment to APC Realty and Equipment Company, LLC to revise the approved equipment list, premises description, and drawings at the Town's 3rd Street Water Tower.**

The Deputy Director of Public Works presented the staff report dated March 3, 2020, which is on file in the Town Clerk's office. The lease would expire May 31, 2027. The proposed fourth amendment would replace or add several pieces of equipment and would include specified equipment and size limits previously not included in the lease exhibits. The terms of the monthly rent would remain unchanged. Staff recommends approval of the proposed ordinance, as presented.

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

6. **Ordinance, to approve and authorize the Mayor to sign a second lease amendment to Cellco Partnership d/b/a Verizon Wireless to revise the premises description, approved equipment list, and drawings at the Town's 3rd Street Water Tower.**

The Deputy Director of Public Works presented the staff report dated March 3, 2020, which is on file in the Town Clerk's office. The lease would expire August 31, 2027. This Second Amendment would update the approved equipment list; revise the upper size limit of the panel antennas; and specify equipment and size limits previously not included in the lease exhibits. The terms of the monthly rent would remain unchanged. Staff recommends approval of the proposed ordinance, as presented.

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

Mayor Merkel stated that bids were not required for amended leases and this and the prior item would require a roll call vote next week.

Mayor Merkel stated that someone had inquired about the additional towers at the Third Street Water Tower. She stated these were temporary because of work being done on the tower. The extra poles would be taken down once the work was completed.

The Deputy Director of Public Works stated that, as an update, at least one of the additional towers should be coming down next week. There were four providers on that tank and the poles had to be moved individually off and on the tank.

7. **Ordinance, to approve the assignment of a Power Utility Easement to Virginia Electric and Power Company, a Virginia public service corporation, doing business in Virginia as Dominion Energy Virginia, acquired by the Town of Herndon for transportation facility improvements for the Herndon Metrorail Access Improvements along Herndon Parkway, Herndon, on property owned by Kiddar Herndon Station, LLC, Tax Map # 0164-10-0006;**

8. **Ordinance, to approve the assignment of a Power Utility Easement to Virginia Electric and Power Company, a Virginia public service corporation, doing business in Virginia as Dominion Energy Virginia, acquired by the Town of Herndon for transportation facility improvements to Van Buren Street from Spring Street to Herndon Parkway, Herndon, Virginia, on property owned by Garth J. Norris and Tracy L. Norris, Tax Map #: 0162-02-0147; and**

9. **Ordinance, to approve the assignment of a Power Utility Easement to Virginia Electric and Power Company, a Virginia public service corporation, doing business in Virginia as Dominion Energy Virginia, acquired by the Town of Herndon for transportation facility improvements to Van Buren Street from Spring Street to Herndon Parkway, Herndon, on property owned by Valarie J. Winstead, Trustee, Tax Map # 0162-02-0146 (Public hearing to be continued).**

Mayor Merkel stated that these items would require roll call votes at next week's meeting. She recognized the Deputy Town Attorney and the Deputy Director of Public Works to present the staff report.

Mayor Merkel asked the Deputy Town Attorney if it would be easier to provide concurrent staff reports, to which the Deputy Town Attorney stated that it would.

The Deputy Town Attorney presented the staff reports dated March 3, 2020, which are on file in the Town Clerk's office. She stated that the three items were easements that the town acquired on behalf of Virginia Electric and Power Company (Dominion). Number seven on the agenda, Kiddar Herndon Station, LLC, was part of the bus bays project and the other two easements were for the Van Buren Street project. Since the town has secured title to the parcels for items seven and eight on the agenda, the town needed to assign and convey the easement rights to Dominion. Once received, Dominion could begin the utility relocation work. Additionally, staff is recommending continuing the public hearing on item number nine.

The Town Attorney stated that the information concerning number nine, Winstead, was included in her last two dispatches. She stated this was the deed that had been recorded between the title and the filing of the certificate.

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

Mayor Merkel stated that at next week's meeting, staff would present the three items concurrently. There would be separate public hearings with roll call votes on each item.

The Town Attorney stated that because number nine was publicly advertised, it had to be heard next week.

DISCUSSION

The Town Manager presented the PowerPoint dated March 3, 2020, which is on file in the Town Clerk's office. He opened the discussion on the budget for FY21 and stated that the process was changed last year so that, rather than waiting until March 30 to release a full budget, staff came to Council at the beginning of

March with a discussion item to walk Council through where the budget was heading. He stated that a lot of these numbers that come out before his recommended budget are not yet finalized.

The Town Manager discussed the Council's approved budgetary guidance resolution from January, which included topics such as commitment and investment in employees and advancing the 2035 Vision—with technology and transportation funding, Downtown redevelopment, and a few other things that Council wanted the town to be adequately prepared for. He stated the town has also worked hard to get a strong fiscal position and maintaining its AAA Bond Rating. Staff also estimates budget numbers conservatively and controls for risk.

When the departmental budget submissions came in, the Town Manager stated that the town was looking at a gap of about $4.5 million between projected revenues and departmental requests. He stated the Budget Team went through a prioritization exercise and they reconciled that with the departments. He stated that they asked for the prioritization from the departments and they took that information into consideration during the budget meetings with Council.

The Town Manager stated that revenues remained relatively flat and expenditures were increasing with a growing economy. This included growing labor markets, construction materials, and commodities that fund operations and management (O&M). The town has adjusted to react to market forces, and he stated that the town needed to look at how to not lose the ground gained in those areas. The Town Manager stated there have been significant increases in health care costs, which was a national phenomenon. He stated there was an increase in the town's share of the Virginia Retirement System, which VRS updated every two years with an actuarial analysis.

The Town Manager explained how staff was moving some maintenance and other operational items, like repaving, out of the CIP and into the General Fund.

The Town Manager stated that staff was also reacting to new technology requests. New management staff was looking for more data to drive decision-making. Those new leaders put in many requests for technology-related efforts next year to meet those emerging demands.

The Town Manager reviewed the highlights of the General Fund revenues and expenditures. He stated Water and Sewer, Golf, and the Cemetery were stand-alone Enterprise Funds.

The General Fund includes the tax-funded activities of the town. The Town Manager stated real estate, which makes up approximately 33.4 percent of the town's revenue base, saw an assessment growth of approximately 4.69 percent. He stated this number contributed to an approximate 1.56 percent increase to the General Fund expenditures. He stated this was a statistically insignificant

decrease and a flat number. He stated the commercial to residential split was 44 percent to 56 percent, which remains where the town has been for years, and that was an envious position to be in.

Based on the information he provided, the Town Manager stated that staff was proposing a one cent increase to 27.5 cents per $100 of assessed value, which would create approximately $465,000 in recurring revenue. He stated this amount would help offset the difference between the budget growth number, based on assessments, and where the economy was headed. He stated that approximately 36 percent of revenue comes from the meals tax, transient lodging tax, and sales tax, of which staff was anticipating a slight decrease. He briefly reviewed intergovernmental funds, which were slightly decreased. The Town Manager stated that staff was proposing to increase the solid waste fee to approximately $16 per quarter to generate approximately $180,000 to offset the approximate $210,000 increase the town has to pay to get rid of waste.

The Town Manager discussed the expenditure side of the General Fund. He stated that personnel makes up approximately 67 percent of the General Fund, and that this makes sense because the town is a public, service-oriented operation that serves the community. He reviewed the percentage of various departments that make up the town's total personnel numbers and went over the proposed market rate adjustment (MRA) for employees. Staff was suggesting a 1.3 percent MRA to wages, and an average 2.0 percent pay for performance adjustment.

The Town Manager then reiterated that retirement costs were up approximately $286,000 due to the contribution rate rising from 6.67 to 8.34. He stated that the town would also be seeing health insurance costs up by 9.5 percent, which was approximately $265,000. To help manage this increase, staff was proposing a five percent increase to the upper-tier health plans, since the town pays the same percentage on all health plans.

There was a brief question and answer session between the Director of Finance and Councilmember McKenna about the specifics for the three VRS plans.

There was a brief question and answer session between the Town Manager and Councilmember Friedrichs about employee contributions to the health insurance plans. He stated that in proposing the five percent increase to the top-tier plans, staff would provide enough notice so that employees could decide to either continue with their current health plan or change to a lower-tier plan. He stated that with the lower plans, the approximate 1.3 percent MRA in the town's lowest pay scales would offset that cost difference.

The Town Manager continued the PowerPoint and discussed increasing pay scales by five percent and freezing four vacant positions. The Town Manager stated that both he and the Director of Human Resources were monitoring the

market, the town's vacancies, and how the town was being portrayed compared to other jurisdictions and the private sector. Town staff members were also looking at better ways to do business, which included better access to new technologies.

The Town Manager discussed non-departmental General Fund items. He stated that the budget team took the cash donations line item out of the Town Clerk's budget and put it into "non-departmental." He stated that staff also added a placeholder number for the costs of Friday Night Live and Wintermarkt. The Town Manager stated that staff was proposing an increase to the contingency budget from $40,000 to over $100,000 because some other departmental contingencies have been added to the General Fund Contingency Fund.

The Town Manager then discussed "Interfund," clarifying that its General Fund money that gets moved out to other funds to fund certain activities. He stated that $977,000 would be used toward the Downtown Parking Fund for Debt Service and the CIP. The CIP projects included Herndon Police server room HVAC replacement, the town's security initiative, phone system upgrade, and sidewalks and minor trail improvements. He also stated the town was not anticipating any new debt for FY 21, and approximately $283,500 in reserve for future debt service was removed because of financial policy changes.

The Town Manager then gave an overview of Water and Sewer Funds, which included Operations and Maintenance, fees, funding the Davenport (the town's financial consultants) rate study, and other cost fluctuations. He stated that there was a 7.2 percent increase in operations cost because water and commodity costs are up by approximately $300,000. He stated this money comes from an enterprise fund fully functional by user-fees, and water fees have to be increased five percent next year, while sewage fees would be increased by 10 percent to keep pace as part of a long-term Davenport study. The Town Manager stated the town would be seeing a big capital increase in Water and Sewer of 77.5 percent. He reviewed several of those projects in greater detail.

The Town Manager briefly discussed the Golf and Cemetery funds. He stated these are both fully operational from the revenue that they generate and personnel would receive the same increases as the rest of the staff. He stated that the capital would see an overall 11 percent increase for improvements.

The Town Manager outlined guidelines for General Fund reductions, such as delayed and partial funding, re-purposing of funds, reductions in spending, growth outside of the norm, and departmental prioritization. In regard to capital, the Town Manager discussed reductions in capital spending including delaying projects, providing partial funding for some initiative, not funding new requests, and altering planned transition of General Fund support for replacement expenditures. He then outlined the recommended reductions to the General

Fund, including reducing amounts for the town security initiative, metro promenade concepts, and sidewalk and minor trail projects ~ which have a designated reserve to fund them.

The Town Manager concluded his staff report by discussing unknowns that are outside of the town's control that require consideration, such as Coronavirus, collective bargaining, transportation cost increases, prior rights, and other factors.

There was a brief question and answer session between the Town Manager and Councilmember Friedrichs about the state collective bargaining bill. He stated that if that bill passed without the local choice option, it would significantly impact the town.

The Town Attorney briefly discussed prior rights. She stated there would be a transportation cost increase for utilities that have to be moved during a project. She stated that if they have a prior right to a location, they can charge the cost of the relocation to the town, if it is our project.

Councilmember McKenna commented on the Coronavirus and "social distancing" in regard to working from home. He stated the federal government has moved a lot of their timelines and that it was serious.

The Town Manager stated the town was taking the Coronavirus seriously and was working with staff on continuity plans. He reminded those present that the public health response would come from Fairfax County's Health Department. He stated the town would follow the Health Department, but for now, the town's priority was to keep its core business functions in place.

There was a brief question and answer session between the Town Manager and Councilmember Baker about the $4.5 million budget gap. The Town Manager stated that employees, departments, capital, and O&M were seeing decreases and the tax increase would help make up that gap.

Responding to queries from Councilmember Baker, the Town Manager stated that $180,000 was the annual amount for solid waste fee, which was proposed at $16 per quarter. He stated that it would partially offset the $210,000 increase in tipping fees.

There was a further discussion between Councilmember Baker, the Deputy Director of Public works, and the Town Manger about budget items.

The Deputy Director of Public Works responded to Councilmember Baker's queries about the HVAC replacement by stating that that item was more involved than just HVAC and also included plans for future use.

In response to queries from Councilmember Baker regarding the $300,000 for the town security initiative, the Town Manager stated the original request had been for $450,000, but he had deferred $150,000.

Councilmember Baker then referenced the $121,000 on page 10 of the PowerPoint and how the Town Manager had clarified that it was actually $275,000 and $121,000 more was needed.

The Town Manager then stated that nothing had changed from their internal conversations.

Responding to queries from Mayor Merkel about deferring the security initiative funds, the Town Manager stated that they were executing the plan that they contracted out, and there were parts of that plan that they did not agree with. He stated that they have prioritized items, and he thinks that given the capacity they have for this project, he is comfortable with the $300,000.

Mayor Merkel and Councilmember Baker then provided comments on some of the items that have already been implemented, and the Town Manager stated there were still items for this fiscal year that are yet to be implemented and put in place.

There was a brief question and answer session between Councilmember Friedrichs, the Director of Finance, and the Town Manager about the budget.

Responding to queries from Councilmember Friedrichs, the Director of Finance clarified that the Business, Occupational and Professional License (BPOL) taxes were due to be postmarked by that Monday. Staff would not have a full number for probably three more weeks, and then the auditing would begin. She stated that $2.6 million was booked so far, and the budget number was $4.2 million. She reminded everyone that last year's actual budget was $4.9 million, and these numbers could fluctuate depending what year a business was in.

In response to queries from Councilmember Friedrichs, the Town Manager clarified that they would refill the coffers that the town was asking to take from, and he has gotten a little bit more aggressive with that this year to make sure things that needed to be done were being done, such as vehicle replacement and major maintenance.

Councilmember Friedrichs questioned the solid waste fee and asked how much the town would need to charge to meet the $210,000 increase.

The Town Manager stated that he did not know that exact number.

Councilmember Friedrichs asked why the amount had not been raised to meet that number, and the Town Manager stated that he was sensitive to the fact that

that number was already being doubled and how that may be perceived in the community. He also stated that the town has not historically recovered all of its fees and it would take approximately $18-$25 a month to recover all costs. He stated that this would be something staff could look at next year.

Councilmember Friedrichs then questioned whether the cuts being made to insurance would affect the town's ability to retain good staff.

The Town Manager stated he did not feel that was the case based on other local jurisdictions, and the message would be important. He stated that he and the Director of Human Resources had already discussed messaging staff ahead of time to give them time to think about their choice for health insurance. He also discussed other adjustments that have been made for staff in the past.

Councilmember Friedrichs provided personal comments about pay raises and health insurance cost increases.

The Town Manager stated that it was good that staff would be given an option and that the pay for performance program was still solid. He stated the town historically had a problem with a prior pay for performance system that disadvantaged the lowest-income employees. This was being righted by the new system.

Councilmember Baker then provided a follow-up question pertaining to open enrollment to make sure employees would have time to decide after knowing what their rates will be.

The Town Manager stated that it would be important for staff to educate themselves and he would caution staff not to do anything until the budget was approved.

In response to Councilmember Baker's queries, the Town Manager confirmed that if approval of the budget were delayed to the end of May, it would be after the open enrollment period.

There was a question and answer session between Councilmember del Aguila and the Town Manager about the budget.

In response to queries from Councilmember del Aguila, the Town Manager stated that the $4.5 million gap was across the board, but it was primarily from the General fund, and he confirmed that this number came from this year.

Councilmember del Aguila then asked if the one percent increase proposed on page four of the PowerPoint would keep revenues flat, or if it was meant to offset the gap. He stated that if revenues remain flat while expenses keep increasing, they would continue digging a deeper hole.

The Town Manager responded that it would really depend on a lot of different factors.

Councilmember del Aguila stated that the Town Manager needed to accommodate or allow for a dip in revenues either this year or next year if the economy downturns.

Responding to Councilmember del Aguila, the Town Manager stated that real estate "lags," which was approximately 30 percent of the General Fund. He stated where the town was at risk was with the other governmental taxes. He and the Director of Finance discussed numbers from the last recession and that not all of the numbers tanked together. He stated that there was an interesting interplay among the different taxes. He confirmed that the town was expecting a decrease in these numbers at varying levels.

Councilmember del Aguila questioned if one cent increase to the real estate tax would keep the town stable. He suggested that maybe 1.25 or 1.5 cent proposed increase would be a safer bet.

Responding to Councilmember del Aguila, the Town Manager explained his reasoning for the one cent proposal, stating it was a balance act between revenues and expenditure. He also stated that an economic downturn would include the easing of some other costs, so the expenditure side should ease in that scenario.

Councilmember del Aguila stated he was worried labor costs would continue to rise.

There was a brief question and answer session between Councilmember del Aguila, the Director of Finance, and the Town Manager, about the water and sewer rates and the rate study by Davenport.

In response queries from Councilmember del Aguila about the $16 increase to solid waste fees per quarter, the Town Manager confirmed this fee was per household.

The Town Manager then confirmed this cost was to close the gap for water and sewage costs. Councilmember del Aguila then asked by how much and when this gap would close, and the Town Manager responded that they were still awaiting Davenport's latest calculations.

The Director of Finance stated that Davenport was waiting for a couple of revenue items and would be a couple of more days.

Councilmember del Aguila asked if, based on those numbers, the fee amount could change to $15 or $17.

The Director of Finance stated that water and sewer are independent of each other. She stated that the water bill was just how they collected the solid waste fee.

The Town Manager stated this was part of a multi-year strategy to better position the town. He stated the increases were not being made to raise rates but because the business would fail if they do not raise them. He stated that the town has some of the lowest water and sewer rates in the region.

In response to queries from Councilmember del Aguila about if the town would "retain normalcy," the Town Manager stated that the town would need to stay on Davenport's plan, which would help merge the fee and cost lines. He explained that the town has a five-year plan for water and sewer, and this was year two. He confirmed they were still catching up based on queries from Councilmember del Aguila.

In response to queries from Councilmember del Aguila about the health insurance plans, the Town Manager clarified that the increases were across the board. He stated that the town has nine plans, because each of the three plans had single, dual, and family options. The town is looking at all three across the top two tiers.

Councilmember del Aguila asked if the two higher tier options were the same for employee and family. The Town Manager stated it would be the same percentage.

Councilmember del Aguila questioned the current reserves for operational expenditures for months, quarters, or years and if that effects how many months, quarters, or years is needed.

The Town Manager stated that staff has not gotten to that yet. He stated the first part was removing it from the CIP and operationalizing it. Staff had to create a program where they were contributing into an operational expenditure reserve. He clarified that is where he wanted to be. He stated that he was doing a measured, phased in approach.

Councilmember del Aguila stated that the more months, the more he was comfortable with it and that he would support whatever staff needed to fund it. He would hate to see the town in a situation where there was a downturn and they were not able to operate at the same level delivering what people expect. He also questioned the CIP funding priorities on page 10.

The Town Manager explained the CIP process, which starts at the staff level and then goes to the Planning Commission. The Planning Commission holds public

hearings before sending their recommendations back to the Town Manager. He stated that he takes from their recommendation and adjusts it before providing the recommendation to Town Council.

In response to queries from Councilmember del Aguila about there being no new debt, the Town Manager confirmed and the Director of Finance clarified that there would be no new debt service on the books. The Town Manager also stated that if they wanted to issue any new debt, they would first have to come before Council with that request.

There was a brief question and answer session between Vice Mayor Olem and the Town Manager about trash, recycling, and fees.

Responding to queries from Vice Mayor Olem about glass and the tipping fees, the Town Manager stated that the glass that Fairfax County no longer accepts in its recycling would affect the town's tonnage rates. He stated that if the majority of citizens take the glass and throw it in the trash, it would be more expensive to process. Staff did not spend a lot of time accounting for these costs because they were new. He would have a better idea after a year or two of this program.

Vice Mayor Olem provided personal comments about putting her glass recycling in the county's bins. She was happy that would save the town money. She agreed with the increase in recycling fees and did not want to raise them any higher.

There was a brief question and answer session between Councilmember Dhakal, the Town Manager, and the Deputy Director of Finance about the budget, including recycling and trash collection.

In response to queries from Councilmember Dhakal about recycling contamination and the town's costs, the Deputy Director of Public Works stated that the town has stayed within the contamination amount it was allocated. The town would be charged if it went above that amount.

The Town Manager stated that staff monitors the contamination amount and if it went too high, the town would advise citizens and increase public outreach. He stated that staff who collects recycling is very in tune with the current statistics.

Councilmember Dhakal stated that when the town changed the trash and recycling pick-up schedule, it put the new schedule on trashcans, which worked really well. He suggested laminating a list of what items could be recycled and putting it on trash and recycling cans. This could educate citizens and would help reduce contamination and potentially costs.

Responding to Councilmember Dhakal's comments, the Town Manager stated that staff could consider his suggestions. He stated that a factor is that the list of

what can and cannot be recycled is long and complicated. He stated that there may be a more simplified message staff could use if the problem started to emerge.

Mayor Merkel stated she noticed that what can be recycled seemed to change over time.

The Town Manager agreed with Mayor Merkel and stated that it changed frequently because recycling was a commodity market.

In response to queries from Councilmember del Aguila, the Chief Communications Officer stated that the flyer and all the details on recycling items were listed on the town's website.

Vice Mayor Olem stated that she heard about recycling a lot at the Council's Community Roundtable. She stated there was a great video on Fairfax County's website about what materials are accepted for recycling. She suggested that those interested attend the Friends of Runnymede Park NatureFest, where there is a game about recycling materials.

In response to queries from Mayor Merkel, the Town Manager stated that the purpose of tonight's discussion item was to advise the Council about where staff was in the budget process.

The Budget Manager stated that attached to tonight's agenda was another document ~ the numbers portion of the presentation ~ which is on file in the Town Clerk's office. The summary sheet included the General Fund revenue summary, use of fund balance, CIP and revenue reductions, budget summary of all funds, and a budget summary by department and division of the General Fund. She stated that this should provide the details Council was looking for and would help answer the question of how staff proposed to bridge the budget gap.

The Town Manager stated that the numbers document the Budget Manager referenced would be what was consolidated and presented to Council later this month. He advised that there may be some large cost swings, like the Town Attorney's personnel costs increasing by 30 percent. This occurred because staff moved two positions from other departments to the Attorney's office.

In response to queries from Mayor Merkel, the Town Manager stated that he is required by law to have a balanced budget every year.

Mayor Merkel asked if the Council had the opportunity to change taxes at any other point in the year.

In response to Mayor Merkel, the Town Attorney stated that she would have to research her question. She stated that if it was possible, it would be very rare. She could not think of an example of when that had occurred.

The Town Manager stated that uncertainty was part of the reason the town increased its fiscal position. This included items like the capital contingency funds and revenue stabilization fund, which could get the town through to the next budget cycle, where the budget could be adjusted as needed. He stated that the town's strong capital position allows that flexibility.

Mayor Merkel encouraged the Council to send any additional thoughts or questions on the budget to the Town Manager.

ROUNDTABLE

1. **Councilmember Friedrichs:**

NVTA-PCAC

Stated that she attended the Northern Virginia Transportation Authority Planning Coordination Advisory Committee (NVTA-PCAC) meeting. She stated that the learning curve for this committee was extremely steep. She would advise Council of any new information, but as far as she could tell right now, nothing they were doing affected Herndon.

Community Roundtable Comments

HPRB Guidelines

A citizen advised Councilmember Friedrichs at the Community Roundtable on Saturday, February 29, that they received an announcement about the Heritage Preservation Review Board (HPRB) Guidelines in their town water bill. She asked the Town Manager if he knew what the citizen received.

Mayor Merkel stated the quarterly newsletter included in the town's water bills might have mentioned that the town was working on the Guidelines. She stated that the town sends out the bills in phases. The challenge is making the information in the newsletter relevant from the beginning to the end of the quarter. She stated that there was not a big announcement and she guessed that it was advising residents about what the town was working on.

Town and County-owned Parks

Councilmember Friedrichs stated that several citizens asked about the town's Sustainability Committee, which had disbanded. She stated there was a lot of

interest in keeping citizens updated on sustainability and there was some discussion about volunteering. One individual, Ms. Denton, was very concerned about Bruin Park and had stated that it was a mess. Councilmember Friedrichs asked if Fairfax County was supposed to maintain that park.

The Town Manager stated that he believed so, but he yielded to the Director of Parks and Recreation.

The Director of Parks and Recreation stated that Fairfax County maintained all aspects of Bruin Park.

Councilmember Friedrichs asked if the county maintained all the town parks.

The Director of Parks and Recreation stated that was not correct. However; the Fairfax County Park Authority maintains Bruin and Chandon Park.

Councilmember Friedrichs asked if the county had a regular maintenance schedule for the parks it takes care of in town.

The Director or Parks and Recreation stated that the county has a regular maintenance schedule and it collects trash weekly.

Sidewalks

Councilmember Friedrichs stated many also discussed sidewalks at the Roundtable. She stated that when Councilmember Baker chaired the Pedestrian and Bicycle Advisory Committee (PBAC), she had done a walking tour of the town and mapped out the sidewalks that needed to be fixed. She asked staff for an update on sidewalk continuity.

The Town Manager stated that sidewalk repair was scattered throughout the Capital Improvement Program (CIP) in various places. He recognized the Director of Community Development.

The Director of Community Development stated that she recalled the recently approved Herndon Pedestrian Plan included approximately 14 projects from the CIP and one project with Fairfax County. There were approximately another 14 projects that needed additional technical input to determine the best practice to address the issue at hand. This could include items where the action plan might call for high visibility crosswalks.

Councilmember Friedrichs stated by her estimation, that was about 30 projects dealing with sidewalks. She asked how many sidewalk projects the town planned to address this year.

The Deputy Director of Public Works stated that many of the town's roadway projects that were underway included sidewalks, such as bus bays and intersection projects. There were CIP items addressing sidewalks and also brick replacement in the downtown. He stated that he did not have an exact number of projects, but he was listing a few off the top of his head.

Councilmember Friedrichs stated that the sidewalk issues come up every time the Council holds a Community Roundtable.

Reading to Children

Councilmember Friedrichs stated that she had the pleasure of reading to children at the Neighborhood Resource Center with All Ages Read Together earlier today.

2. **Councilmember del Aguila:**

Community Roundtable Comments

Councilmember del Aguila thought the Community Roundtable went very well and stated that he received good feedback. He echoed Councilmember Friedrichs' comments about sustainability.

English Ivy

Councilmember del Aguila stated that English Ivy was invading the town's trees. He stated that several citizens were concerned about this at the Roundtable event. He promised that he would pass along the request for the town to deal with this issue.

The Town Manager stated that the Director of Community Development was taking down notes to likely provide to the Community Forester.

The Director of Parks and Recreation stated that there were a lot of corporate volunteer clean-up projects dealing with English Ivy, particularly at Stanton Park.

HPRB Guidelines

Councilmember del Aguila stated that the HPRB Guidelines were a popular topic of conversation. He discussed an email that referenced a "status field," relative to contributing structures. He asked if there was a reason why the town had not made the status or conditions of contributing structures available.

The Town Manager stated he received the referenced email and staff was looking into it. He received this question and had answered it before. He stated it was hard to determine the status of a structure by looking at the front of the building

and without doing a more detailed analysis. Staff had pulled back from using the contributing structure status because of those reasons.

Councilmember del Aguila stated that he did not think the town should be using the term, because they were making a determination of a structure.

The Town Manager stated that he told the individual the town was not going to track that information.

Councilmember del Aguila stated that the town should not track that information unless there were public standards.

The Director of Community Development stated that staff spoke with the Department of Historic Resources in Richmond, who advised that if the town determined they are not comfortable with a particular item on the form, they are fine with the town not completing that portion. They understand that at a reconnaissance level survey, it was difficult to make that determination.

Councilmember del Aguila stated he was fine with that, and emphasized that if the town was capturing that information, it needed to disclose the process.

The Town Manager stated that he also questioned how the status was determined.

Aslin Update

[Note: Following Councilmember Dhakal's comments, Councilmember del Aguila stated that he had another item to add to his roundtable comments. The continuation of his comments follows below.]

Councilmember del Aguila stated that a citizen asked him for an update on Aslin at the Community Roundtable. The recommendation to him was to get all the players together in a room and update them on what needs to happen. He stated that, apparently, there was a lot of apprehension about what the town was or was not doing. He wanted to have all the information the town could provide given to the public.

The Town Manager stated that staff was working with Aslin ~ who had new players involved in the project ~ to engage with the town to meet their requirements. Once this matter moved beyond what the Town Manager would consider an enforcement matter, staff could be much more open in their discussions. The Town Manager stated that the "ball was still in their court."

Councilmember del Aguila stated that was not the public's perception.

The Town Manager stated that he holds regular meetings with the key principals on projects in the downtown. For many weeks in the past, staff would reach out to Aslin without a response, but he thought the town and Aslin were turning a corner. He stated that there were still things that he was limited to talk about because of the enforcement activity.

Councilmember del Aguila asked if there was a way to publicly communicate or post this status. He stated that he did not like to see the town blamed for this.

The Town Manager stated that he talked with Aslin about the perception and what was being said about the town.

3. **Councilmember Dhakal:**

Councilmember Dhakal thanked the Town Manager and staff for taking care of a HOA item.

Community Roundtable Comments

Councilmember Dhakal echoed his colleagues' comments on the Community Roundtable. He stated that the citizens asked excellent questions, some of which the Council was able to answer. He had written down the questions he still had from the event and wanted to review those that had not yet been answered that evening.

Stormwater Management

Councilmember Dhakal stated that residents asked him about stormwater management. One resident stated that this was included in the 2020 CIP. He asked if it was included or if it had been pushed back.

The Town Manager stated that the Monroe Street Improvement project had included some grant funding. Staff made a determination, which Council could overrule at any point, to deploy the grant funds into other areas where the money would have more of an impact. This decision came from looking at the CIP holistically. Staff would look for ways to fund the Monroe Street Improvements in the future. He stated it was a judgement call, and when the Town Council considers the CIP in the coming weeks, they would review CIP priorities.

Small Businesses

Councilmember Dhakal stated that the process of opening a small business in town was not clear. His would like the town to partner with Fairfax County to hold entrepreneurship courses for residents.

The Town Manager recognized the Chief Communications Officer for comments.

The Chief Communications Officer stated that the Economic Development Manager had been talking with the county about holding that course in town.

Councilmember Dhakal stated that the Economic Development Manager had shared that with him, as well.

The Town Manager stated that anyone with questions could contact the Economic Development Manager, who was very knowledgeable and talented.

[Note: Following Councilmember Dhakal's comments, Councilmember del Aguila added to his roundtable comments, which are listed above with his previous comments.]

4. **Councilmember Baker:**

Community Roundtable Comments

Councilmember Baker echoed her colleagues' comments on the Community Roundtable. She stated it was successful and it was great to see new people attend. She stated that while it is a great location for the Roundtable, the acoustics in the Herndon Municipal Center lobby are difficult. She stated that she knew the location for these meetings moved around.

Councilmember Baker stated that in addition to citizens coming to the Roundtable to talk with Councilmembers, it was as or if not more important for them to talk with one another. She knew that it was easier on the citizens to have the Council move around to the various tables, but she would also like to see the citizens move around to different tables, as long as mobility was not an issue.

The Town Manager stated that was a good suggestion.

5. **Vice Mayor Olem:**

Community Roundtable Comments

Vice Mayor Olem echoed her colleagues' comments on the Community Roundtable. She agreed with Councilmember Baker's suggestion about citizens changing tables during the event.

Newsletter

Vice Mayor Olem stated that she knew that when the town sends out information in the forms of periodic mailings, the town calendar, and the quarterly newsletter, there is information about recycling. However, this information was sometimes getting overlooked.

Vice Mayor Olem suggested that the town include information from the Community Forester in the town communications, on topics like how to pull up English Ivy.

NVRC Meetings

Vice Mayor Olem asked if the town had a representative attending the Northern Virginia Regional Commission (NVRC) meetings.

Mayor Merkel stated she was the town's representative and usually attended the NVRC meetings, but she could not attend the last one. Staff was going to contact the alternate representative.

Vice Mayor Olem stated that the NVRC planned to discuss housing at its upcoming meeting and that it would be a good discussion to hear.

Related to the NVRC comments, Vice Mayor Olem discussed recent Metro Monday and Committee for Dulles meetings that she attended. She also talked about economic development progress in town.

FY 21 Budget

Vice Mayor Olem stated that she enjoyed meeting with the Town Manager about the budget.

COMMENTS FROM THE TOWN MANAGER

The Town Manager stated that he was looking forward to working with his new his new Executive Assistant, Judy Fry, beginning Monday, March 9. He stated she had the appropriate temperament, attitude, and focus to do the job exceptionally well.

Mayor Merkel congratulated the Town Manager on the new hire.

CLOSED MEETING

On motion of Vice Mayor Olem, seconded by Councilmember McKenna, and carried by unanimous vote, the Herndon Town Council went into Closed Meeting at 8:51 p.m., under Section 2.2-3711(A)(8), Virginia Code, for the purpose of consultation with legal counsel regarding specific legal matters relating to a VDOT Transportation project.

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

RECESS

At 8:51 p.m., Mayor Merkel called a brief recess, and at 8:55 p.m., the closed meeting reconvened in Herndon Council Chambers Building, all members present, and with Mayor Merkel presiding.

CLOSED MEETING (CONTINUED)

On motion of Councilmember Baker, seconded by Vice Mayor Olem, and carried by unanimous vote, the Herndon Town Council reconvened in public session at 9:15 p.m.

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

On motion of Vice Mayor Olem, seconded by Councilmember Baker, and carried by unanimous vote, the Herndon Town Council approved the following Certification of Closed Meeting.

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

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.

VOTE:
Ayes – 7
Nays – 0

ABSENT DURING VOTE: 0

ABSENT DURING MEETING: 0

ADJOURNMENT

There being no further business, the meeting adjourned at 9:16 p.m.

Lisa C. Merkel
Mayor

Amanda M. Kertz
Deputy Town Clerk

TOWN OF HERNDON, VIRGINIA 1879

Minutes approved by Town Council: March 24, 2020.

NOTE:

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