



**HERNDON TOWN COUNCIL
Work Session Minutes
Tuesday, April 2, 2024**

1. Call to Order

Mayor Olem called the April 2, 2024, Town Council Work Session meeting to order at 7:00 p.m. in the Herndon Council Chambers Building, 765 Lynn Street, Herndon, Virginia. In attendance were: Mayor Sheila Olem; and Councilmembers Cesar del Aguila, Keven LeBlanc, and Donielle M. Scherff.

Participating remotely: Vice Mayor Clark Hedrick.

Councilmembers Naila Alam and Pradip Dhakal were absent.

Staff present during the meeting: William H. Ashton II, Town Manager; Lesa Yeatts, Town Attorney; Kirstyn Barr Jovanovich, Town Clerk; Chief Maggie DeBoard, Herndon Police Department; Lisa Gilleran, Director of Community Development; Page Kalapasev, Director of Information Technology; Marjorie Sloan, Director of Finance; Scott Robinson, Director of Public Works; Mike Mueller, Golf Course General Manager; Anne Papa, Chief Communications Officer; Lauri Sigler, Deputy Town Attorney; David Stromberg, Zoning Administrator; Maria Lee, Budget Manager; Dave Bracamonte, Systems Manager; and Amanda Kertz, Chief Deputy Town Clerk.

Determination of a Quorum

Mayor Olem stated, for the record, under Section 2.2-3708.3, Subsection D, of the Code of Virginia, and in accordance with Section 2-4 of the Town Code, the Chair received a request from Vice Mayor Hedrick to participate through electronic communication means in tonight's work session meeting from his in-law's residence in Apple Valley, California, due to travel. She stated that there was a quorum of the public body physically assembled at the meeting location, with four Councilmembers present in the Herndon Council Chambers Building. With the concurrence of Council, Vice Mayor Hedrick joined the meeting virtually to participate in the work session that evening.

Mayor Olem determined there was a quorum of five members participating, four located in the Council Chambers, and one participating remotely in accordance with Herndon Town Code Section 2-4. Councilmembers Alam and Dhakal were absent. Mayor Olem reminded the Council of the meeting decorum.

Comments and Disclosures for the Record

Mayor Olem asked Amanda Kertz, Chief Deputy Town Clerk, if she received comments for the record or signed disclosure declarations from Council.

Ms. Kertz stated that comments were entered into the record on Public Hearing Item (a), items (numerals 1 through 4), the Fiscal Year 2025 Proposed Budget.

Additionally, Ms. Kertz stated that Mayor Olem, Vice Mayor Hedrick and Councilmember LeBlanc entered signed transactional disclosure declarations into the record on Public Hearing Item (a), numerals 3 and 4, proposed Fiscal Planning Resolution, and proposed Ordinance to Appropriate funds for Fiscal Year 2025, relating to the proposed community donations included in the FY 2025 Proposed Budget. The statements indicate that they are able to participate in the discussions fairly, objectively, and in the public interest. The signed disclosure statements have been entered into the record with the Town Clerk and Town Attorney.

Ms. Kertz stated that the Clerk did not receive additional comments or disclosures on any other items included on tonight's agenda.

2. Public Hearings

a. FY 2025 Proposed Budget

- i. Ordinance to amend Chapter 74 (UTILITIES), Article II (Sewers and Sewage Disposal), Division 5 (Sanitary Sewer System Rates and Charges), Section 74-262 (Schedule of Rates); and Article III (Water), Division 2 (Service), Subdivision II (In-Town Service Charges), Section 74-326 (Schedule of Charges), to increase the service and usage charges for sanitary sewer and water, effective for meter readings taken on or after July 1, 2024**
- ii. Ordinance to Levy Taxes on Real Estate and Manufactured Homes, and Other Subjects for the Fiscal Year 2025 Budget**
- iii. Resolution to adopt a Fiscal Planning Resolution for the Fiscal Year 2025 Budget for the Town of Herndon**
- iv. Ordinance to appropriate funds to implement the Fiscal Year 2025 Budget for the Town of Herndon, establishing the Pay Plan, and reserving on-going and Capital Funding for this Fiscal Year**

Mayor Olem stated that the four public hearings on this evening's agenda are related to the FY 2025 proposed budget. She stated that the public hearings on the proposed budget will be held on April 9 and April 23, 2024. In addition to this evening's work session, there will be a second work session on April 19, 2024. At the next regular meeting, the Council will hold separate public hearings and take separate action on the Water and Sewer Ordinance, and the Tax Levy Ordinance, and hold a concurrent public hearing, followed by separate action on the Fiscal Planning Resolution and the Appropriation Ordinance. Mayor Olem stated that at the next regular meeting, she will ask for a motion to continue each of the items to the Council's April 23, 2024, meeting, and the public hearings will remain open. She recognized Town Manager William H. Ashton II, for the staff report.

Mr. Ashton provided an overview of the FY 2025 proposed budget, highlighting the following topics: (1) proposed ordinance to amend water and sewer usage charges, (2) proposed real property tax rates; no new tax rates are proposed, (3) General Fund revenue and expenditures, (4) impacts and challenges faced in drafting the proposed budget, (5) Governmental Funds: Capital Projects, Stormwater, and American Rescue Plan Act (ARPA) Funds, (6) Enterprise Funds: Water and Sewer, Golf Fund, and Cemetery Fund, and (7) action items and staff's recommendation to approve the proposed budget following two public hearings.

Following Mr. Ashton's summary of the proposed Ordinance to amend Water and Sewer Rates, there was discussion between Council and staff on the proposed rate changes and how the rates are being communicated to the public.

Councilmember del Aguila asked for a historical perspective of the water and sewer rates in staff's budget presentation at the next regular meeting.

Mayor Olem asked the Town Manager to provide the approximate quarterly billing increase for residents, which she thought was more relatable than the yearly total.

Vice Mayor Hedrick stated that he was cognizant of continued cost of living increases facing Town residents. He asked the Council to keep close track of how they are spending money in discretionary ways.

Mr. Ashton continued the presentation, stating that the real estate tax rate is proposed to remain the same as the prior fiscal year. There are no proposed changes to the other tax rates, including excise tax rates. Mr. Ashton also discussed the breakdown of residential and commercial properties in the Town, stating that residential real estate, which makes up 62.6 percent of the Town's tax base, increased by 4.65 percent. Commercial real estate, which is 37.4 percent of the tax base, decreased by 4.64 percent.

There was brief discussion among Council and staff on the proposed real estate tax rate, including the impact of Fairfax County's real estate tax rate on Town residents.

Mr. Ashton continued his presentation, providing an overview of the proposed FY 2025 General Fund revenues and expenditures, which incorporates the Town Council's stated priorities and guidance. He discussed the external pressures on the proposed budget, including inflationary pressures and imposed costs. Mr. Ashton discussed the community donations proposed in the General Fund expenditures, and then reviewed the Governmental and Enterprise Funds.

There was discussion among Council and staff on the proposed budget, including: (1) communication and feedback from residents, (2) integrating the Strategic Plan with the budget, (3) General Fund revenues and expenditures; emphasis on personnel line items, (4) proposed local tax rates, (5) external pressures on the budget, (6) grant funds, and (7) proposed community donations.

During the discussion, Councilmember Scherff requested information on: (1) the police budget, specifically the number of police officers and vehicles on the street, (2) a "grant pipeline" to show how grants are obtained and where they go, specifically as it relates to the ARPA funding that must be appropriated by the end of the year, and (3) clarification on references to Information Technology (IT) on slide 26 of staff's PowerPoint, including any programs related to enforcement.

Councilmember del Aguila requested additional information on slide 23 of staff's PowerPoint, which included: (1) turnover rates, (2) onboarding costs, (3) outyear projections for personnel using an "aggressive" model. Responding, Mr. Ashton stated he will obtain the latest numbers from the Department of Human Resources to answer Councilmember del Aguila's questions.

Responding to Councilmember del Aguila, Mr. Ashton stated that staff plans to bring forward a budget amendment for Council's consideration in May, which will authorize additional personnel expenditures for FY 2024. He stated that the vacancy savings allocated for FY 2024 have been spent and that the Council will be given options on how to authorize the funding.

Responding to Councilmember LeBlanc, Mr. Ashton stated that a reference to Chestnut Grove Cemetery will be updated on slide 34.

Following a discussion among Council and staff about funding for community cultural festivals, including \$10,000 listed for Juneteenth and Pakistani Day events, the Council requested the following from staff:

1. Follow-up conversation at a future meeting about funding and donations for community cultural festivals. Vice Mayor Hedrick asked to include funding for the arts groups (Arts Herndon and NextStop Theatre) in the follow-up discussion.
2. Quantitative measures on the return that donations for community cultural festivals are providing to the Town, including information from the 2023 Juneteenth and Pakistani Day events.

3. Councilmember Scherff asked to consider providing funds to the community groups the Town asks to take quantitative measures for their events, if the Town requires it.
4. Councilmember del Aguila asked staff to look at the cost of providing in-kind services to support community cultural festivals.

3. General

a. Resolution to amend the Herndon Centennial Golf Course Fee Schedule

Mike Mueller, Golf Course General Manager, presented the staff report outlining the proposed golf course fee changes. Mr. Mueller reviewed a rate study that the staff conducted that compared the Town's rates with the rates of neighboring public golf courses. The proposed amendment continues to provide a 25 percent discount on greens fees for residents, rounded to the nearest dollar, and a ten percent resident discount on annual passes. The fees were last amended in 2022. Staff recommends approval of the proposed resolution, as presented.

There was discussion among Council and staff on the proposed changes to the golf course rates and passes, including staff's plan to hire an additional employee to help with education and camps for junior players.

Councilmember LeBlanc asked that when staff communicate the rate changes to the public, they include information about improvements and benefits for residents.

Following brief discussion and with the concurrence of Council, staff was directed to place this item as presented on the Consent Agenda for the next meeting's agenda.

b. Ordinance to amend the Herndon Town Code, Chapter 26 (ENVIRONMENT), Article VI (Noise), Section 26-221 (Loud noises prohibited), to further clarify language relating to animal noises

Lauri Sigler, Deputy Town Attorney, presented the staff report and provided an overview of the proposed ordinance to amend Chapter 26, Article 6, specifically on animal noises that are prohibited. She reviewed the current Noise Ordinance, which was last amended in 2009 following a Virginia Supreme Court decision that impacted how localities regulate noise. Several sections will be updated to be more consistent with standards applicable to other types of prohibited noise and to allow more consistent enforcement in established time frames. Violations of the Noise Ordinance are enforced by the Herndon Police Department. The proposed changes are recommended for approval by the Herndon Police Department and the Town Attorney's Office.

There was discussion among the Council and staff about the proposed ordinance, including: (1) proposed language changes, (2) Noise Ordinance enforcement, and (3) other provisions in the Noise Ordinance in addition to animal noise.

Responding to the discussion, Chief Maggie DeBoard, Herndon Police, discussed how Herndon Police Department (HPD) officers typically enforce noise violations. She stated that HPD has received 146 complaints over the last five years.

Responding to the discussion, Lesa Yeatts, Town Attorney, stated that the proposed language changes are necessary to make the Town's ordinance consistent with the 2009 Supreme Court decision, and to allow the Herndon Police Department to enforce animal noise violations. She also stated that the language is consistent with what Fairfax County has, allowing for consistency within the County.

Following brief discussion and with the concurrence of Council, staff was directed to leave this item on the General portion for the next meeting's agenda.

c. Resolution to award Contract RFP# 24-02, Marketing and Branding Consultant

Anne Papa, Chief Communications Officer, presented the staff report, and she reviewed the request to award a contract for RFP #24-02, the Marketing and Branding consultant. Following the issuance of the Request for Proposal (RFP), 32 proposals were received, which were evaluated by a staff committee of individuals familiar with the Town's marketing and branding requirements. The top-ranked offeror recommended by the committee is Chandlerthinks LLC. The cost is \$84,000; funds to support the work established by the contract are available in the FY 2024 Budget. Staff recommends approval of the proposed resolution, as presented.

There was no discussion on this item. With the concurrence of Council, staff was directed to place this item as presented on the Consent Agenda for the next meeting's agenda.

4. Consent

a. Resolution to award Contract IFB# 24-04, Asphalt Concrete Milling and Paving

There was no discussion on the Consent Agenda.

5. Discussion

a. Discussion of Town of Herndon, Dulles Chamber Event Partnership Modernization - Councilmember Scherff

Mayor Olem recognized Scott Robinson, Director of Public Works, to begin the

discussion item and review the Town's responsibilities in supporting Friday Night Live events. Mr. Robinson provided an overview of how the Town works with the Dulles Regional Chamber of Commerce (the Chamber) to support Friday Night Live (FNL) events on Fridays annually during the months of May through August. He stated that the Town generally provides the following for each event: (1) setting up the event space, (2) Public Works (DPW) staff support during the event, (3) assisting with clean up after the event, (4) Herndon Police Department security support during and after the concerts, and (5) allowing FNL to use Town equipment, e.g. lights, fencing, trash cans, tables, for the event. Mr. Robinson stated that supporting these events requires staff hours during the workday, along with volunteered overtime hours during and after the event. He stated that the Chamber signs an agreement with the Town about how FNL runs the concerts each year.

Mr. Robinson stated that staff is currently talking to a contractor who specializes in event support, as it has been getting increasingly difficult to have staff volunteer for overtime shifts to cover the event. The contractor would provide support for the FNL events on Fridays with assistance from staff. He hopes that staff can transition to the contractor to primarily supporting the events. Mr. Robinson provided cost estimates for the in-kind services the Town provides FNL which are: (1) \$5,600 per concert, to include equipment rental costs and materials, and (2) \$84,000 for 15 concerts last year.

Mr. Robinson stated that prior to the COVID-19 pandemic, the Chamber reimbursed the Town up to \$14,000 for the services provided during these events. The organization did not have live events during COVID in 2020. When the Chamber brought back the live events the summer of 2021, the Town waived the fee to help them get back on track. Since 2021, the Chamber has continued to provide the concerts without reimbursement to the Town.

Mayor Olem recognized Councilmember Scherff to continue the discussion item. Councilmember Scherff asked the Town Manager to add this item to the next work session meeting agenda, since she did not think that staff had an opportunity to prepare the information she requested.

Councilmember Scherff outlined the meeting that she, Councilmember del Aguila, and staff, had with the Chamber leadership about FNL. She wanted to have this meeting because she wanted to dispel the rumor she had heard in the public that this Council wants to cancel FNL, which she said is not true. Her request to the Chamber was for three or four of the 17 concerts to be different music that is reflective of the community. At the end of the meeting, the Chamber representatives said they would take Councilmember Scherff's request to their Board. After that, she intends to have the Chamber attend a Town Council work session, so they can have this conversation as a group. She expressed that she thinks there is a problem, and she does not think this partnership is what it should be.

During her comments, Councilmember Scherff asked for the following: (1) formal, written agreement between the Town and the Chamber for FNL events; she asked that this agreement be consistent across all groups that partner with the Town for events, (2) actual costs associated with the Town's support of FNL, (3) cost of depreciation of materials that are being used by FNL, and (4) cost of lost ability to use Town spaces during the FNL season.

Responding to Councilmember Scherff, Mr. Robinson stated that staff faces several challenges in supporting a Saturday event around Lynn Street following an FNL event the previous night, including having enough staff who are available to work overtime. He is aware of an organization working to hold an event in downtown Herndon on a Saturday in May, after an FNL concert, and he believes staff can set up the Town Green space on Friday for the Saturday event. He stated that the consulting company staff is considering to help with FNL will be a real cost. However, it is close to the existing cost for supporting the events.

Continuing the discussion item, Councilmember Scherff indicated that during the meeting, the Chamber advised that they use the resources gained from FNL for other programs, which she said may or may not benefit Herndon residents. She emphasized wanting transparency and establishing formal processes in working with event partners.

There was discussion among Council and staff about FNL events, including: (1) clarification on the information Councilmember Scherff requested from staff for next week's work session, (2) formal agreements with Town event partners, (3) the meeting held between the Chamber, Councilmembers Scherff, del Aguila, and staff about FNL, (4) having a group conversation between the Council and the Chamber, and (5) events processes for downtown Herndon.

Responding to Councilmember LeBlanc, Councilmember Scherff stated that she will provide staff with a list of the line items she would like to see included for the next discussion of this topic. She said that she will send the list to the Town Clerk for distribution to the Council, and if the Councilmembers want to add any items to the list, they can request it at that time.

b. Outdoor Seating Request at Green Lizard, Ordinance Modification - Councilmember del Aguila

Mayor Olem recognized David Stromberg, Zoning Administrator, to begin the discussion item and provide background on the Town's outdoor seating ordinance. Mr. Stromberg provided an overview of the ordinance passed in 2022 that allows outdoor dining encroachments into the public right-of-way in the downtown Herndon area. He indicated that most restaurants are able to have outdoor dining by-right, but some businesses in the downtown do not have the space for outdoor seating. The ordinance allows businesses to rent public on-street parking spaces, public shared parking spaces or lots, or sidewalks at a fee of \$10 per square foot,

with a limit of two spaces per business. Permits for right-of-way on-street parking space seating areas expire on November 30 of the calendar year, and the permits for sidewalk and public shared parking seating areas expire on December 31 of the calendar year. Mr. Stromberg stated that when the ordinance was enacted in 2022, the Town's rental prices were lower than its counterparts in Arlington County and the cities of Alexandria and Washington, DC. He indicated that some of the other localities only allow for use of the sidewalks or have other restrictions in place.

Mayor Olem recognized Councilmember del Aguila to continue the discussion item. Councilmember del Aguila stated that while many agree that outdoor dining is positive and can generate revenue, specifically in the downtown, he thought that the cost was prohibitive for businesses to participate. He would like to consider lowering the fees and seeing where outdoor seating fits with the Town's brand.

There was discussion among the Council and staff about the outdoor seating ordinance, including: (1) legal ramifications of sidewalks and roads having outdoor seating, (2) ADA compliance, safety regulations, and other zoning requirements, (3) engaging the incoming Economic Development Director on this topic, and (4) potential modifications to fees or other aspects of the ordinance.

Following discussion and with the concurrence of Council, staff was requested to put this item on the next work session meeting agenda for further discussion.

6. Roundtable

Councilmember del Aguila: no comments.

Councilmember LeBlanc: stated that he had been working with the owner of Marcos Pizza, a new business in Town, and expressed appreciation to the staff for working with the business owner on getting the business up and running.

Councilmember LeBlanc wished a Happy Easter to those that celebrate.

Councilmember LeBlanc stated that this past Sunday, he attended an event hosted by Councilmember Alam's organization, Express Care, Inc., where he appreciated participating in an interfaith prayer.

Vice Mayor Hedrick: no comments.

Mayor Olem: attended the Hoppy Egg Hunt at the Herndon Community Center that past Saturday. She stated that the children at the event really enjoyed it.

William H. Ashton II, Town Manager: no comments.

7. Closed Meeting

a. A closed meeting pursuant to the:

- **Code of Virginia Section 2.2-3711 (A)(3), a matter involving a discussion or consideration of the acquisition of real property for a public purpose in the downtown because discussion in an open meeting would adversely affect the town's bargaining position or negotiating strategy; and**
- **Code of Virginia Section 2.2-3711(A)(8), consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel, relating to real estate in the downtown.**

Councilmember Scherff advised that she was not feeling well and had to leave the meeting.

Following input from Lesa Yeatts, Town Attorney, Mayor Olem stated that the closed meeting could not be held due to lack of a physical quorum in the Herndon Council Chambers Building, with Councilmember Scherff not being able to attend the closed meeting.

8. Adjournment

There being no further business, Mayor Olem adjourned the April 2, 2024, Town Council Work Session at 9:35 p.m.

Amanda E. Monaw Kertz

**Amanda E.M. Kertz
Chief Deputy Town Clerk**



Minutes approved by Town Council: May 28, 2024