

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on March 5, 2020, at 3:00 p.m., Room 241, County Office Building, McIntire Road, Charlottesville, Virginia. This meeting was adjourned from March 4, 2020.

PRESENT: Mr. Ned Gallaway, Ms. Beatrice (Bea) J. S. LaPisto-Kirtley, Ms. Ann H. Mallek, Ms. Diantha H. McKeel, Ms. Liz A. Palmer, and Ms. Donna P. Price.

ABSENT: None.

OFFICERS PRESENT: County Executive, Jeffrey B. Richardson, Deputy County Executive, Doug Walker, County Attorney, Greg Kamptner, Clerk, Claudette K. Borgersen, and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 3:05 p.m. by the Chair, Mr. Gallaway.

Introductions.

Agenda Item No. 2. Work Session: FY 2020-2021 Operating and Capital Budget.

Finalize Tax Rate for Advertising

Approve Proposed Budget

Complete Review of Board "List" Items

Ms. Allshouse said the main purpose this meeting was to review items on the Board's discussion list. She recalled that in the past two work sessions, people have been identifying things for a list for further discussion. She said if other things needed to be added to the list, this could be done.

Ms. Allshouse said they were going to finalize the advertised tax rate cap for public hearing that day as well. She said they would also approve the proposed budget for advertising, for the next public hearing and the next step in the process. She said the Board wouldn't be approving the budget that year, but that they would be approving the next step in the budget process.

Ms. Allshouse said on March 11, there would be a work session on transit. She said if the Board would like to have another work session on March 17, they could do this as they had the date held, if needed. She said April 13 is the public hearing on the proposed budget and tax rate, and that on April 20, the Board would set the tax rate and approve the budget.

Ms. Allshouse presented the agenda for the day, noting it would be a busy agenda with many materials to go through. She said she would start with a quick overview of the budget presented to the Board, with technical amendments. She said they would then review the list of items, with a slide for each item on the list to help set the stage for discussion. She said this would take a while to go through, as staff wanted to make sure the Board had plenty of time for discussion they would like to have. She said there would likely be a 4:30 p.m. break, after which the discussion would continue.

Ms. Allshouse said they should go to the motions at 5:30 p.m. or sooner. She said someone will need to make a motion on the tax rate cap for advertising, and then another motion will be in the packet for approval of the FY 21 proposed budget for advertising, including any adjustments the Board might make that day to the recommended budget.

Ms. Allshouse said she would start with the summary, noting that the Board had seen this slide a few times. She said the slide showed the highlights of the budget, which was balanced on the current tax rate. She said the budget focuses on community needs, equity, and working differently. She said it funds the CIP Advisory Committee's recommended projects and supports community partners and agencies.

Ms. Allshouse presented a chart showing the total budget of \$452.7 million, which has been updated to include the recent revenue update.

Ms. Allshouse presented the General Fund revenues, noting it had been updated from the most recent revenue update.

Ms. Allshouse presented the expenditures, noting different percentages going to different parts of the budget.

Ms. Allshouse presented the Position Summary, noting this had been presented the night before at the public hearing. She said this was the summary of the positions that are included in the budget document, as it stands today, with the technical amendment that was done. She said there are positions that are partially funded in FY 20 that are moving forward, and then positions that are included in the recommended budget.

Ms. Allshouse said the CIP is also included in the budget document, and that it is a five-year plan. She said the budget document also includes mandates, obligations, continues all capital projects approved in FY 20, and includes the CIP Advisory Committee's recommended projects from the CIP

process that was conducted before the budget process. She said the Board had heard a lot about those four projects.

Ms. Allshouse said the capital budget is the first year of the CIP, and that the Board would be approving a capital budget and an operating budget. She said the first year of the CIP has \$49 million at the capital budget, and includes the specific projects such as maintenance and replacement programs, bike/ped quality of life projects, ACE program, Economic Development funding for public private partnerships.

Ms. Mallek asked if all the positions were in-house funded, or if the Yancey position was grant funded.

Ms. Allshouse replied that there was color coding for this in the budget, and that the positions in the light blue color, the legal service over hire, Fire Rescue, and Engineering positions, were ones that there are other revenues that are helping to support those positions.

Ms. McKeel asked about the positions being funded by grants.

Ms. Allshouse replied they were not necessarily funded by grants, but by some type of support.

Ms. LaPisto-Kirtley asked Ms. Allshouse to further explain the FY Capital Budget Summary \$6 million for quality of life projects that include transportation fund relief programs. She asked about Transportation Leveraging program and if these were projects for which the County was receiving matching funds.

Ms. Allshouse replied this was the purpose. She said the Transportation Leveraging Program is a program in which the County expects to receive Smart Scale or other types of leveraging funds from VDOT. She said when they put money into the Transportation Leveraging Program, they can usually bring in much more money by placing it there in that it allows for more funding.

Ms. LaPisto-Kirtley asked if there was a specific reason for asking for \$6 million.

Ms. Allshouse replied that the CIP has over \$22 million and is a five-year plan with the money divided up over that five-year period. She said the Capital Budget, the first year of the CIP, has a program that they had called "Bike/Ped Quality of Life." She said this program was identified last year and is now coming into the first year of the program to focus on bicycle and pedestrian projects. She said they are placing it into the Transportation Leveraging Funding column because staff believes they will be able to use that as well to bring in extra funding.

Ms. Palmer asked if this was also put into the bond referendum.

Ms. Allshouse replied that this occurred since the bond referendum.

Ms. Palmer said she had thought they had a section about "quality of life" in the referendum.

Mr. Gallaway said this was considered if they went to a new bond referendum.

Mr. Bowman said that around this time last year, the Board considered \$12 million in quality of life, and that \$6 million was budgeted in FY 20 (the current year). He said this was the other half of that \$12 million.

Ms. LaPisto-Kirtley asked about the \$500,000 for the ACE program. She asked if this was to continue to expand it or continue what they have.

Ms. Allshouse replied it was a continuation. She said it is placed every year, at least in four years of the five-year plan, to continue that program.

Ms. LaPisto-Kirtley asked if the money was being used up every year.

Ms. Allshouse replied that it has a sort of lag factor to it, but it places it in appropriations so that they can leverage and get grants. She said there is an application process and a lag until the money is actually spent.

Ms. Mallek noted they had crossed the 10,000 acre milestone.

Ms. Allshouse said at the last budget meeting, there were many items that were placed on the list for discussion. She said one thing the Board asked was for staff to review the reserves and available funding, and that staff has put a chart together. She said the Board would see a copy of one page of it that was at their seats.

Ms. Allshouse said she would start with sharing some of the information about undesignated reserves, and that they would then go into the list of projects of concepts the Board wants to discuss.

Ms. Allshouse said there had also been questions about what types of reserves the County has, such as deep pockets for any emergencies that may occur in the County. She said she would share those as well.

Ms. Allshouse said the first slide showed the Board policy about having a 10% unassigned fund balance reserve, and that this is 10% of the General Fund and School Fund, minus the transfer between them. She said this is used for cash liquidity purposes and is at \$36.4 million). She said this increases slightly each year as the budget increases. She said one of the first things staff does is they make sure to shore this up. She noted this is one-time money.

Ms. Allshouse said around 2014, a 1% stabilization reserve was set up. She said this reserve is in addition to the 10%. She said the 1% is for one-time emergencies, unanticipated expenditures to meet level of services, or to offset revenue fluctuations. She said this is about \$3 million. She said both of these reserves were available as “deep pockets” in the organization.

Ms. Mallek asked if she was correct in remembering that the \$36 million is what the County uses to pay bills between collections, and that it was not a piggybank to handle anything other than an emergency (e.g. a natural disaster).

Ms. Allshouse replied yes. She said if something like this happened, the first thing the County would hit is the 1% stabilization before they would hit the 10% reserve.

Ms. Allshouse said one of the reasons the County has a AAA bond rating is because they have these sufficient reserves they keep in place, and that they are always shored up.

Ms. LaPisto-Kirtley asked if having the reserves shored up means that they are at the level that they should be, above it, or below it.

Ms. Allshouse replied they were at the Board’s approved financial policy. She said those financial policies are in an earlier chapter in the document, and that the reserves meet the Board policies.

Ms. LaPisto-Kirtley asked what would happen if some of the monies were to be taken out (e.g. \$500,000).

Ms. Allshouse replied that staff would shore it back immediately.

Ms. LaPisto-Kirtley asked if “immediately” meant that year.

Ms. Allshouse replied that it would be done as quickly as possible. She said that in the policy, for example, for the 10% reserve, over a three-year period, they would want to bring it back. She said sometimes with the State budget, this is done, and they will pull it back up again. She said as long as she has worked for the County, they have never touched those funds.

Ms. McKeel noted it was a percentage because that way, it goes up every year as the budget goes up.

Mr. Gallaway said the 1% stabilization is to keep them from touching the 10%. He said if there are fluctuations because the revenue comes in less than what they expected, they could go to the stabilization reserve and still keep the 10% protected.

Ms. Allshouse said they wouldn’t go to the 1% first anyway, if they could go to other contingency reserves first. She said if there was a situation like the Great Recession, they would work through many other approaches and situations before going to those reserves. She said these two reserves were something they would use once they have exhausted their other solutions.

Ms. Price said she was perhaps missing the math about what a tenth of 36.4 million is.

Ms. Laura Vinzant, Office of Management and Budget, replied that the 10% was of the General Fund and School Fund combined. She said the 1% is of the General Fund only.

Ms. Allshouse said the next slide showed a category called “undesignated reserves.” She said that although there is a stated purpose around these, it is not very specific like some of the other reserves (e.g. training pool, innovation fund). She said the undesignated reserves were put into a chart in the hopes that staff would hit the mark of what the Board had asked for at the last work session. She said the chart lists the category, the title of the reserve, the stated purpose of the reserve, and whether funding is on-going or one-time.

Ms. Allshouse said the first one on the list is the Board of Supervisor’s Strategic Priority Support Reserve, which is an operating reserve. She said this is for Strategic Plan initiatives or projects and is funded at \$145,000 with one-time funding.

Ms. Allshouse said the next one on the list is the Reserve for Contingencies, which is an operating reserve for unanticipated priority needs that occur throughout the entire fiscal year. She said there are two types of funding in that reserve, on-going funds and one-time funds.

Ms. Allshouse said the third reserve on the list is in the CIP and is called Advancing Strategic Priorities Reserve. She said this reserve is for strategic priority projects or emerging needs, per the Board’s decision, and is funded at \$2 million with one-time money.

Ms. Allshouse said the final reserve on the chart is one staff is looking for Board direction on. She said currently, this is General Fund fund balance money that staff has recommended to be included in the CIP Advancing Strategic Priority Reserve. She said this was put on two separate lines for clarity. She said right now, this was a recommendation, but this was something the Board could take in any other direction they prefer. She said it is at \$1.8 million.

Ms. McKeel asked for clarification about the reserve being put on two lines.

Mr. Gallaway said the \$2 million is what is currently there that the Board had previously allocated in the current fiscal year, which can be used for the Board's strategic priorities. He said there is \$1.8 million that is not designated, and staff came forward to recommend it be put into that reserve to build it to a total of \$3.8 million.

Mr. Gallaway said at the last meeting, the point was that they were starting to perhaps think of how to utilize the total of that \$3.8 million versus determining that they want the \$1.8 million to go in to be added to the \$2 million. He said this will be important when they get to the list that is coming that the Board thinks about what is important to be decided on how that \$1.8 million is programmed versus getting too bogged down in what could be spent out of that \$2 million account.

Ms. McKeel said this made sense.

Mr. Gallaway said that from past conversations, some of the projects will be clearer in terms of determining if the number is something other than \$1.8 million because they used one-time money for one thing versus a strategic priority project.

Ms. Allshouse noted that the chart she had just finished going through was also printed in front of them. She said this could be used as a reference while going through the slide deck and discussion items.

Ms. Palmer asked if the Strategic Plan Initiatives projects would include, for instance, a corridor study that wasn't already included in the budget that becomes obvious over the course of the year is needed.

Mr. Bowman asked if Ms. Palmer was referring to the \$145,000 from the top line of the chart.

Ms. Palmer replied yes.

Mr. Bowman said Ms. Palmer's example would be a good one. He said in the current year, there is some funding related to the Rio-29 form-based code, and that the reserve could be used for other Master Planning or study work as well.

Ms. Palmer said at the last meeting, they had talked about possibly getting this in the other CED funds. She said this was not part of that, but in addition to it.

Mr. Bowman said in addition to the \$145,000, there is about \$300,000 that was part of the technical adjustment that was provided to the Board at the last budget meeting. He said this would be able to support future development work plan initiatives.

Ms. Palmer said if there was a list of projects, possibly one of those would come out of that.

Mr. Walker said the project already endorsed by the Board but not yet scoped was the update of the wireless policy. He said this was in addition to the four projects that staff identified for the Board's consideration for use of external resources. He said one source of funding for the wireless policy is the \$145,000, reminding the Board that this has not yet been scoped. He said this was an example of where staff might look for resources to do the work and that in this case, it was already endorsed by the Board.

Mr. Walker said the projects brought to the Board the day before were not yet scheduled or scoped, but that they were good candidates for use of external resources attached to the additional one-time revenue, specifically revenue from development activity fees.

Mr. Gallaway said that technically speaking, after the revenue update, they had not recommended setting up that \$366,000 for Community Development support. He said the Board's \$1.8 million could be \$2.1 million.

Ms. McKeel said this was where she was going with the discussion, outside of anything the Board was seeing there.

Ms. Allshouse said this was correct.

Mr. Gallaway said realistically, they could say that they don't want to set up the CDD. He said they could put the \$400,000 on top of the \$1.8 million, and then they would have to divvy this out. He said it was the same conversation that day that without throwing the \$1.8 million into it, they can say they will take that \$366,000 to put into Community Development work as opposed to letting it go into the General Fund fund balance surplus.

Ms. McKeel said they were not making the decision about that that day.

Mr. Gallaway said they were adopting the budget.

Ms. McKeel said this was part of what they were adopting.

Mr. Gallaway said the County Executive is recommending that, so the \$366,000 would be programmed in support for CDD and is coming from General Fund fund balance. He said the Board was making that decision that day, but they have to either agree or disagree with that recommendation.

Mr. Bowman said he would clarify. He said the \$145,000 is funded by the General Fund fund balance. He said the \$366,299 that was part of the revenue update at the last meeting was funded by related revenues to Community Development's operations.

Ms. McKeel said it goes back into Community Development.

Mr. Bowman replied yes. He said the \$145,000 certainly could support Community Development because that is large part of the Board's Strategic Plan, but that it could also be used for other things outside of Community Development.

Ms. McKeel said this information was helpful.

Ms. Palmer said she got somewhat confused during the discussion about the difference between the \$2 million and \$1.8 million. She asked for staff to explain to her why these were separated into two lines.

Mr. Bowman said the \$2 million is currently appropriated by the Board of Supervisors as part of last year's budget process and is currently sitting in that reserve. He said the \$1.8 million is a part of the County Executive's recommended budget that the Board can consider doing something else with. He said the Board, if they chose, could also change the purpose of the \$2 million. He said the \$2 million is currently appropriated, and that \$1.8 million would be new available funding as part of the FY 21 recommended budget.

Ms. Palmer noted that none of this was on-going but was left over from last year. She said she understood. She said things that could be used for that would be things such as the roundabout Mr. Gallaway had mentioned the other day, or a convenience center, or anything else that the Board decides during the process to use it for.

Mr. Richardson said they have suggested before to the Board that they keep their Advancing Strategic Priorities in front of them to give latitude to where that money goes. He said there are nine major strategic initiatives and that is how staff connected this money originally. He said the kind of things Ms. Palmer mentioned could be looked at and connected to the strategic initiatives in some meaningful way. He said hopefully, it was a useful framework for the Board without the Board feeling like it is too limited.

Ms. LaPisto-Kirtley asked if the money could be used for salary positions for a year, and then have the budget adjusted later.

Mr. Richardson said a good rule-of-thumb was that when looking at the one-time column on the chart, they would typically use one-time money for one-time expenses, and then the ongoing is typically plugged for salaries. He said when they plug salaries with one-time money, they start in the hole the next year. He said they would have handled it for one year, but then next year when they start the budget process, they start that much behind.

Ms. LaPisto-Kirtley said she understood this, but that if they think that the following year, they will be able to make up that difference, perhaps this could be done. She said in other words, they would use one-time money that year and then knowing in the budget the next year, they would pull it up.

Mr. Gallaway said it was fair to say that the School Division and Board of Supervisors have restricted and disciplined themselves not to approach things that way, especially over the last 10 years when there were many temptations to do that.

Ms. Mallek said there was a huge bullous of money in 2006-2007, then a 6-cent cut to the tax rate, and then the recession. She said they very painfully remember how they can lose 5-10% in incoming revenue very quickly, and that they could not predict what would happen next year.

Ms. McKeel said both the School Board and Board of Supervisors have been very careful to maintain that one-time money is only for one-time expenses.

Ms. Allshouse said they could return to these questions as they go through the slides. She said she would slow down her presentation, as the next slide was one where staff made good notes from the last couple work sessions and put the items on the list for discussion. She said there are nine items that staff identified for further discussion. She said she had a slide for each item throughout the presentation.

Ms. Allshouse said she would read down the list of items. She said staff was asked to put the Pay-for-Performance funding on the list, which relates to employee salaries.

Ms. Allshouse said the second item was to talk about the systemwide reallocation of the Fire Rescue personnel.

Ms. Allshouse said the third item was discussion about whether they want to provide additional funding to support the CDD work plan, over and above the amount that was included in the technical adjustment.

Ms. Allshouse said the fourth item was the Boys and Girls Club CIP funding request.

Ms. Allshouse said the fifth item was the additional convenience center and that although the group did have some conversation, this was identified as an item to have a full conversation about.

Ms. Allshouse said the sixth item was funding to support more detailed study around facility planning. She said she hoped staff had this one correct, recalling that this item was discussed towards the end of the last meeting. She said there is a facilities study going on, and there was discussion about perhaps doing additional funding to that to take the study further. She said this was centered around County-owned or proffered land.

Ms. McKeel said this was about the ongoing facilities study. She said the conversation was about having a more in-depth report, and that Mr. Lance Stewart had spoken to that.

Ms. Palmer agreed, noting that Mr. Stewart had requested \$500,000 in the budget for additional work, and that this did not make it through the budget process. She said the Board asked where the money would come from if they wanted to do the study of the proffered land, as there are many different important, potential uses for it.

Ms. McKeel said at some point, they will have to attach money to this, but that Ms. Allshouse was just going through the list.

Ms. Allshouse replied yes. She said she wanted to make sure they were capturing all the items, and then they would talk about each one on a slide. She said this was why the Board members also had their funding sheets available for reference.

Ms. Allshouse said that the seventh item, with regards to the conversation about the affordable housing plan, was that the policy is still being developed, and the question was about perhaps setting additional funding in place to support that policy after it has been finalized and adopted. She said there is already funding in it, and that she would share more information about that.

Ms. Allshouse said the eighth item is a conversation about funding to improve the safety at Earlysville Road and Reas Ford Crossing.

Ms. Allshouse noted that there would be a transit discussion on March 11, but that the ninth item was a conversation about possibly reserving any additional transit-related funding.

Ms. Allshouse said the tenth item was simply asking if all the items had been captured.

Ms. Mallek said although there was complete uncertainty, someone had mentioned health crisis funding, and that this would come out of the one of the emergency buckets, as it was very justifiable.

Ms. McKeel said she had mentioned this before.

Ms. Price said she was doing some quick math as she was checking on the Coronavirus. She said the seasonal flu death rate last year was 0.1%. She said the WHO calculation of the Coronavirus has gradually risen to 3.4%. She said in the Wuhan area, it is 5.8%. She said that the U.S. would be substantially better in the healthcare field than in the Wuhan, China area, but if it were to rise to that level, it is 58 times the death rate of 0.1%. She said 18,000 Americans died last year of the flu. She said if they multiply this by 58, they are talking 1,044,000 Americans who could potentially die. She said she didn't want to underestimate the potential risk.

Ms. Price said that as Ms. McKeel pointed out at the last meeting, it was not just about the reduction of income revenues (because tourism and other businesses shut down) but also, the increased expenses. She said they should be very careful to be sure they have a sufficient capacity for reserve for what she anticipates. She said these situations can last a year or two because of the viruses, and they should be very careful not to think that everything is positive. She said there had already been talk about a recession anyway, and that this could just tip it over. She said they need to make sure they have plenty of money put aside to offset reduced revenues and increased expenses.

Ms. McKeel said in her mind, the expenses could include those from Social Services, and Fire and Rescue responders. She said this was back to the question of what the reserves look like.

Ms. Allshouse said this is an item that needs to be discussed, and to keep this in mind, moving forward that day. She asked if there were any other items that needed to be put on the list, noting that not everything had to be included that day.

Ms. McKeel said the School Board also keeps a reserve, and they capped it at 2% a few years ago. She said at one point years ago, everything the School Board saved, they could keep, and then it

was capped at 2%. She said to her knowledge, they usually bump up against that 2%, but she didn't know where they were that year. She said they, too, could have additional expenses.

Mr. Bowman said the current fund balance reserve says that would be about \$3.3 million in the School Board's reserve. He said there may be an amount of that reserve that the School Board plans to utilize in the upcoming budget.

Ms. McKeel said they would be using \$1 million to bring it back down to their 2%.

Mr. Gallaway said they would have to see what happens with the recent updates from them. He said the reserve may not be dipped into.

Ms. McKeel said it was important to keep in mind that the School Board has a reserve as well, but that it was in a different format that the Supervisors' because it is capped.

Ms. Allshouse said she would go through the slides for each of the topics and pause on each one for conversation. She noted they would not be making decisions on every single one as they go along because they would have a discussion at the end as well.

Mr. Gallaway said that in public comment the night before, the question came up around the ABRT and The Bridge that Mr. Jay James spoke to, and the audit piece. He asked if something like this came up where they go through a process and then after the fact, after things are programmed, they realize that there was inaccurate information during the review process that would impact the decision, if there was the flexibility to go back and do a correction.

Ms. Allshouse replied that she provided an email that day as a response to this and copied all the Board members on that. She said this could be reviewed for the public as well.

Mr. Gallaway said it sounded like perhaps this did not need to be parked as an item at the present meeting.

Ms. Palmer asked about what the email said.

Ms. McKeel read the email Ms. Allshouse sent aloud. She read, "The Bridge Ministries' request had received a rating of "solid." The ABRT recognized strengths of the application as well as shared ways the application could be improved on page 12 of the ABRT report. The ABRT noted that opportunities for improving the application include: presenting a more thorough evaluation plan, using appropriate metrics for evaluation, and involving participants in the evaluation process." She said those were the things that The Bridge Ministry could address next year, at a higher level.

Ms. McKeel said Ms. Allshouse's email went on to say that it was recommended that existing agencies and programs that were rated "exemplary" were provided at level funding. She said no new or expanded program requests were included, and that there were four new agency requests that received the higher rating of "exemplary" that were also not recommended for funding.

Ms. Allshouse said the audit wasn't considered as part of The Bridge Ministry's rating. She said the application checked that they didn't have an audit, but what staff would say was if there was a recommended to fund them, they would have to come up with the audit before funds would be appropriated to them.

Ms. McKeel said she knew that staff was always available to help the agencies work through the issues the next time that they apply.

Ms. Palmer said she asked about this because she wanted to make sure the Board answered the questions for the public to hear.

Ms. Allshouse started with the first item, noting it was brought up at the first work session. She said this was the question about the pay-for-performance funding that is not included in the recommended budget. She reminded that the budget includes funding to support the VRS increase, a 2% salary increase, and funding to support the \$15/hour minimum wage and compression adjustments for the bottom one-third of the pay plan. She said if they were to add a 0.7% pay-for-performance reserve, the cost would be \$442,000.

Ms. McKeel asked if the 0.7% was determined because it was the practice.

Mr. Bowman said there is a matrix that the Human Resources department has developed that establishes, based on employees' performance reviews and where they are relative to mid-point, how funding is distributed. He said the 0.7% has been a good historical marker for the cost of a pay-for-performance increase.

Ms. Price said she is often seeing two ways that performance can be rewarded: pay-for-performance, and time off. She asked, as a practical matter, how much of the detrimental impact there is on a division or department if they were to look at using time off rewards rather than pay-for-performance, if the money wasn't there for pay-for-performance.

Ms. McKeel asked if the County has a "use it or lose it" policy for time off.

Mr. Walker replied that they do, in that once employees exceed their cap for accrued annual leave, this would be dependent on each individual department and how they staffed, and what the workload is. He said there is a total rewards program that can provide some opportunity on a case-by-case basis to acknowledge exemplary performance that could include time off. He said it is available to all departments, and that Ms. Lorna Gerome (Director of Human Resources) could speak to that.

Ms. Gerome said there is a total rewards program that allows departments to recognize employees for exemplary performance. She said there are definitions and criteria for that, and that time off is one of the criteria that is often used. She said they also have a very market-competitive leave program in terms of what they offer for holidays, annual leave, and sick pay. She said this is one of the benefits that County employees value.

Ms. Price recognized that there are many complexities with that, as there is a cost associated with it in terms of lost work. She said there is the availability for both the department and the individuals to be able to utilize the time. She said she wanted to look at various ways to be able to find a way to reward employees if they do not have the additional funds for pay-for-performance.

Ms. Palmer asked how much in funding was in the current total rewards program.

Ms. Gerome replied that it is allocated by department based on FTEs (full-time employees), and it is a dollar amount per employee.

Ms. Palmer said there was basically some kind of pay-for-performance now, asking if this would be in addition to that.

Ms. Gerome said the pay-for-performance they were discussing there was what they may have known in the past as the merit program where, at the end of the year, based on the employee's performance evaluation, there is a rating they receive that was tied to an additional amount above the market increase.

Ms. Palmer said what they have is somewhat like a surprise.

Ms. Gerome agreed, explaining it was somewhat of a spot bonus, being able to recognize employees for good work at any time throughout the year. She said they did not have to wait for the once-a-year performance evaluation, and that it was important to have programs like this.

Mr. Bowman said the total budget for the total rewards program is approximately \$15,000 that is spread out through all County departments per FTE basis. He said this does not include the value of any time off that would be granted in addition to the \$15,000.

Ms. McKeel said they do have to realize, however, that they are looking at a period of time when they will likely have more people absent because of sickness, and that they do not want them coming to work sick.

Ms. Price said when they are struggling to get all the work done, like when they looked at the overtime compensation for Community Development on last year's expenditures, to then give people time off can have a negative effect on a cycle.

Ms. Palmer asked Mr. Richardson for the reason why he did not suggest this in this particular budget.

Mr. Richardson replied that they reached a point, looking at compensation compared to staffing levels, and felt that once they reached a certain threshold with the package, that they needed to shift their focus away from employee compensation and towards staffing levels. He said it is a balance that contains some subjectivity. He said he appreciated the Board's interest in making sure that the County is as competitive of an employer as they can be, as they have such hardworking staff. He said they also have to balance that with the staffing requests.

Ms. Price recalled that Mr. Richardson had also mentioned that part of the labor costs for that year is the \$15/hour minimum wage, the 2% salary increase, as well as avoiding the tax rate increase.

Mr. Richardson agreed with this summary.

Ms. Mallek added that the VRS increase was in the millions.

Mr. Richardson agreed. He said he viewed this funding to support the VRS increase as the "foundation of the foundation" of the compensation program, making sure that the County is in good standing with the State retirement system. He said this was a surprise expense of approximately \$1 million, and they started there first.

Ms. McKeel said this helps everyone.

Mr. Richardson agreed.

Mr. Gallaway said the way this conversation went to him means that this item can, for all intents and purposes, could be removed from the list. He said he didn't want to continue with the list unless they

remove items that need to be.

The Board members agreed this was a good point.

Ms. Allshouse went on to the second discussion item, presenting a slide about the Fire coverage system-wide reallocation of existing Albemarle County Fire Rescue (ACFR) personnel. She said at the bottom of the slide, she added a note in the section about the 5 positions requested by Crozet Volunteer Fire Department and information about what was included in the proposal. She said the last bullet on the slide says there is a plan for an automatic mutual aid agreement with Orange County that would be prior to any deployment.

Ms. Palmer said the Fire Rescue personnel are very capable of deciding what a good mutual aid agreement looks like, and that she was not suggesting they were not, in any way. She said perhaps they would want to well understand this agreement.

Mr. Walker said this is a public document but that it could be actively shared.

Ms. Palmer asked when this would be coming out.

Mr. Walker replied that he didn't know yet.

David Puckett, Deputy Chief of Albemarle County Fire Rescue, said they already have a mutual aid agreement with Orange County, as well as with all the other adjacent counties. He said they are already able to request services and equipment from Orange County, and done so have in the past. He said what they would do is come to an agreement on a specific area and calls that they would direct their 911 center to automatically call Orange County versus waiting for someone to request that service. He said much like the mutual aid agreement, they have their own needs in Orange County as well, and they would base it off their availability to give time.

Ms. Mallek added that Albemarle would do this also.

Ms. McKeel agreed that it works both ways.

Ms. Palmer said the night before, Chief Eggleston explained that there is a process where Fire Rescue determines where people in the County are, using GIS, and then assign the first due to the people who can get to that call the fastest. She asked if a process like this would be taken into consideration for the subject area, with the agreement with Orange County.

Deputy Deputy Chief Puckett replied that they could specifically look at the drive time analysis from the Barboursville Station, which is the closest station to that area of the County, and how far they can come down compared to where the County's resources would come from. He noted they have to be careful not to overtax another county's resources, so they want to utilize it where it is to the most benefit to Albemarle's residents, and the calls of the most severe nature. He said they wouldn't want to ask Orange County to come down for routine or non-urgent calls.

Deputy Deputy Chief Puckett said ACFR has already reached out to Orange County's career chief, who indicated that he has spoken with Barboursville's volunteer chief, who said they are more than willing to respond to those calls. He said they have in the past, based off their availability. He said he didn't foresee any issues with this. He said in those fringe areas near the top of the County line, there is not a large call volume there anyway. He said they are already requesting Orange County for many of those calls because they have to go into Orange County to get to some of those calls.

Ms. McKeel asked if the distance to the Barboursville Station was relatively close.

Deputy Deputy Chief Puckett replied yes.

Ms. LaPisto-Kirtley said this was the northern area, because Barboursville and Pantops were almost equal distance to the Stony Point area. She asked if Barboursville has career staff during the day.

Deputy Deputy Chief Puckett said that on the fire side, they do not. He said it is volunteer on the fire side, and that they have career staff for the ambulance service.

Ms. Palmer asked if Barboursville provides ALS.

Deputy Deputy Chief Puckett replied yes.

Ms. LaPisto-Kirtley said her point was related to what Ms. Price mentioned about the Coronavirus, and that she believed this was a bad year to be doing this reallocation because they do not know what is going to happen with the virus. She said she believes they need more EMS (emergency medical service) personnel and not less.

Ms. LaPisto-Kirtley said all that needs to happen is that one station gets the virus, then the whole station is out. She said that for example, if the virus hits Crozet and the whole fire team is out, this will put a burden on other areas. She said they do not know what will happen in the future and that perhaps when this is all over, a reallocation would make sense. She said she wasn't sure if a reallocation at this time makes sense based on what they are coming up against.

Mr. Gallaway asked how many additional fire personnel positions were already recommended in the budget.

Ms. McKeel said it was 12 positions.

Mr. Gallaway said there was the reorganization based on what was recommended. He said an additional five positions would get them to 17, if they didn't do the reorganization. He said based on what Chief Eggleston said about the current recommended funds available, the recommendation was to do the reorganization while adding 12 positions. He said they were not, therefore, reducing positions.

Ms. LaPisto-Kirtley countered that they were, because what precipitated was that the volunteer staff at Crozet asked the County for resources.

Mr. Gallaway pointed out that they were reassigning, but not reducing positions.

Ms. LaPisto-Kirtley said there would be no personnel during the day at Stony Point.

Mr. Gallaway said he completely understood this, but that they were not reducing overall staff. He said they are actually adding overall staff and reorganizing from a County-wide perspective. He said he was very particular about this because he didn't want it to sound like they were reducing positions in Fire personnel, overall. He said he was respectful of the point of what this means for Stony Point, but that the system is adding 12 positions to it.

Mr. Gallaway said last year, there was a place where the requests were not granted for Fire, and so they likely shortchanged Fire majorly that year compared to what is going on this year. He said getting down to the decisions, if they want to get into adding five positions to offset the \$300,000 or more, when they got their technical adjustments that week, the recommendation was to go with two police officers. He said it was a matter of staffing the five additional personnel, or the two police officers. He said this was just one example, and that there were other FTEs that were brought forward.

Mr. Gallaway said this was the point in the budget cycle where the Board decides that if they want to add in one area, they need to take away from somewhere else. He reiterated that he didn't want to make it sound like they were reducing Fire personnel.

Ms. LaPisto-Kirtley asked if the 12 positions were EMS.

Deputy Deputy Chief Puckett replied that the 12 positions are cross trained as firefighters and EMS.

Mr. Walker said they are being added in order to expand EMS services to 24-7 at Pantops and Ivy.

Ms. Palmer said she completely agreed with Mr. Gallaway, but that what was happening was they were losing volunteers and are trying to make this up with additional paid staff.

Mr. Gallaway said he understood and added that they are growing and have higher urban demand.

Ms. Palmer agreed, noting that she didn't know, if including the volunteers in the overall staffing numbers, if there is some reduction because of the loss of volunteers. She said they are trying to make up for the loss of the volunteers through moving the staff.

Ms. Mallek said she would like to go ahead and support making the shift now as opposed to waiting until next year because they have 29 people who have graduated and are being released in the Pantops program that will help to replenish and increase those volunteer numbers. She said 8,000 are in Crozet now, and that her problem is that they are struggling to staff two engines during the day because of the job needs. She said some people have retired while others are working out of town, and that it is hard to get both engines out during the day when they need to. She said the hot spot is in the growth areas there.

Ms. Mallek said she completely understood that when a station is closed 80% of the time, it is a real heartbreak. She said they survived for nine months in Earlysville, however, and that the stations will be able to manage by shifting things around. She said it would hopefully be a wakeup call to the community that there needs to be a new generation of Stony Point people to step up and have some volunteers to ride with one paid staff, for instance, to be able to spread things out.

Ms. McKeel said they saw all the data when Mr. Richardson showed the data regarding how busy the different departments were. She asked if Stony Point was getting 6 calls in 7 days.

Deputy Deputy Chief Puckett replied that Stony Point's first two areas run about 300 calls annually. He said Pantops is closer to some of the calls, so the calls could drop.

Ms. McKeel asked if they were getting, on average, about 6 calls in 7 days.

Deputy Deputy Chief Puckett replied yes. He said if they did hire additional staff at Crozet and

didn't reallocate, they still have a mismatch on their resources versus call demand. He said Pantops is where many of the calls are at. He said even if they saw Crozet from just a staffing point and hiring new FTEs, it still doesn't address the allocation for resources.

Ms. Mallek noted that it takes 18 months to get the resources on the street as well.

Ms. LaPisto-Kirtley reminded that the volunteers are usually just working on weekends and evenings, as the majority of them have day jobs. She asked if there were any volunteers that work during the day.

Deputy Deputy Chief Puckett replied that there are some, and that he wouldn't say that they are always available, but there are a number of cases where they do respond during the day, Monday through Friday, to provide assistance.

Ms. Mallek said that for 110, they have been all volunteer all the time, and that it was a major heartbreak for them to even come to this position.

Ms. LaPisto-Kirtley said she wasn't suggesting not staffing Crozet, as she knows they need it. She said that it was interesting near Stony Point, as there is basically one road in from the rest of the county, and then there is Barboursville coming down from the northern part. She explained that if there is anything that happens along that road, it cuts off access. She said there is also the bridge on Proffit that not all the trucks can traverse on. She said there is also the tunnel at Polo Grounds Road.

Ms. LaPisto-Kirtley reiterated her concern about the fact that they do not know what they are coming up against regarding medical needs with the Coronavirus. She said perhaps nothing will happen, or something will happen, but it was almost as if those people were not getting service or response time. She said she knew the chief had said that the response time would be 21 minutes. She asked if this was average.

Deputy Deputy Chief Puckett replied that 21 minutes is the adopted response time for 90% of the time. He said much of the area would have a response time better than that.

Ms. LaPisto-Kirtley said she would like to see them hold off on the reallocation for a year and see what happens with the Coronavirus, then perhaps look and reallocate if necessary. She said she wanted to protect the people in that area.

Ms. McKeel said her sense was that Fire Rescue would not have made the recommendation for the reallocation if they felt like one area was being left without coverage.

Deputy Deputy Chief Puckett said this was true. He said there was no way around the response times, and that the response time in the northern Stony Point area will increase based off where the staff is today. He said there is not a significant amount of call volume up there and so putting the resources closer to where the majority of the calls are at makes sense, system wide. He said they are able to improve response times more as a system than they were decreasing them.

Ms. McKeel reminded that there was the agreement with Orange County to help cover the area that is more difficult for the County staff to get to.

Ms. LaPisto-Kirtley said if the Stony Point fire station were staffed, and they had a truck that could cross the bridge going into the Bentivar/Hollymead area, that would assist the people on that side also. She said currently, service is being limited to the east side of the bridge and not extending it to the west side.

Deputy Deputy Chief Puckett said their resources are more concentrated along with the Route 29 area, and so he was not as concerned about trying to get resources from Stony Point in those areas, as there are already sufficient resources to back one another up. He said he was more concerned about getting resources into Stony Point, and that putting an engine at Pantops is a closer resource than they currently have available, from a backup standpoint. He said they are serving as a primary engine as well, and, if the volunteers are available, as a quicker second due.

Ms. LaPisto-Kirtley asked if there was a training group going through EMS or Fire, currently.

Deputy Chief Puckett replied that he sent out information that day. He said in the current Firefighter I and EMT classes, there were roughly 30 people in one of those classes. He said there were only a few from Stony Point and East Rivanna. He said as far as what the pipeline looks like, they went back a year, and that there are about 115 volunteers that come through the Firefighter I and EMT classes annually. He said there are five EMT classes and two Firefighter I classes annually. He said he didn't know how many of those stick around after the first year or beyond.

Ms. LaPisto-Kirtley asked if there were some graduating in the Stony Point area.

Deputy Chief Puckett replied yes. He said there were 3 or 4 currently in the EMT class.

Ms. LaPisto-Kirtley asked if it was not ALS.

Mr. Bowman said Deputy Deputy Chief Puckett sent an email just prior to the start of the meeting.

He said as far as active ACFR classes, there are 28 students in Firefighter I, without any from East Rivanna and Stony Point. He said regarding EMT active classes, there are currently 13 students, one from East Rivanna and two from Stony Point.

Deputy Chief Puckett noted that the active classes do not include the classes that are currently at the Western Albemarle Rescue Squad. He said the County funds those, but they actually run the class, and so they don't have those rosters available. He said he spoke with Chief Alibertis earlier that day and that in the current class, there were two or three students from Stony Point in addition to those mentioned.

Ms. Palmer asked if there were then five from Stony Point.

Deputy Chief Puckett replied yes, five total from both Fire and EMT classes.

Ms. LaPisto-Kirtley asked if they would possibly be able to work during the day shift.

Deputy Chief Puckett said he could not answer that.

Mr. Bowman said he would provide the full email after the work session.

Ms. LaPisto-Kirtley expressed that they should wait a year on the reallocation, as they do not know what is coming. She said it is very easy for a station to become infected themselves, and if this line of first defense gets sick, it wasn't as if they had a huge system anyway.

Mr. Gallaway asked if there was additional support for that thought.

Ms. Palmer said she would like to read more information and see the Orange County aid agreement. She recognized that Ms. LaPisto-Kirtley was bringing up a separate point about the Coronavirus. She said she didn't know how to respond to that, noting that perhaps be a matter to be resolved with the emergency fund, with one-time money.

Ms. LaPisto-Kirtley said this was why she asked before if they could use one-time money for one year, and then perhaps if the financial situation is different next year, they vote to actually fund that.

Mr. Gallaway said that while he appreciated the concern, whether the threat is Coronavirus or the massive flooding that happened two years ago, it is up to the County Executive to make sure his departments are ready for contingencies, and that there are contingencies built throughout the system for these types of things. He said the overtime and the amount of damage from the amount of rain that year was significant, was out of the norm, and was unexpected. He said the contingencies that were in place handled the overtime. He also mentioned the rallies of August 12, 2017 and that there were demands on the police and fire services.

Mr. Gallaway said there have been events that pose significant strains on the system, but that the system's contingencies worked, and that nothing was ever brought to the Board to have to go outside of contingency. He said they had what was needed to be able to absorb big hits like that, and the Coronavirus would fall into that. He said it is up to the County Executive to manage through a crisis with his resources.

Ms. Mallek said having sat through years of wonderful board meetings, she would never be in a position to make any kind of evaluative situation about what they are doing in a crisis. She said this was Mr. Richardson's and Chief Eggleston's problem. She said they would do the very best job they can handling this.

Ms. Price said she has confidence in County staff and in ACFR that if they have to make adjustments, they will do so appropriately.

Mr. Gallaway said if Ms. Palmer was asking for more information to understand what the costs would be, or hit the costs, then that is a different item. He said it is an operating line item, so if they are going to start exploring keeping this item on the list, someone has to start proposing ideas of where the funding will come from.

Ms. McKeel noted it would need more than one-time funding.

Mr. Gallaway said it was one thing getting the information about the agreement with Orange County, but it was another to start asking about considering the five additional positions that were not recommended. He said in this case, they would have to start thinking about how that would be paid for, and if there was any support for that.

Ms. Palmer said she knew there was a public meeting the next Monday where the very difficult situation would be discussed with the community. She said there is no agreement in place yet. She said they cannot make these kinds of decisions without the community weighing in.

Mr. Gallaway said this point was fair, noting that this was not a final decision being made in the present meeting. He said this would give them the chance for all six Board members to weigh in so that they are walking into the community meeting with the reality of where they currently stand versus it being up in the air.

Ms. Palmer said if there was no decision, she was fine with it, but that this was what she was concerned about. She said they had all been in this situation before, when there is something very difficult for a community to absorb and talk about. She said if they go in with decisions already made, this does not instill confidence and trust in the community they are talking with.

Mr. Gallaway said he didn't disagree with that point, but today, they were supposed to be solidifying information to go to the public hearing. He said they were doing this so that the community will know what the Board would be moving forward with instead of blindsiding them after a public hearing.

Mr. Gallaway said in most cases, when a matter comes up outside the budget cycle, he would agree with Ms. Palmer. He said in this situation, however, today was the day that they were supposed to be making those decisions so they can determine the tax rate that they can't go above, and later work within the constraints of that. He said it was also to tell the public where the Supervisors currently stand on issues for the public to come out and speak to, and then the Board can react and make changes after public comment, as the budget process continues.

Ms. McKeel said there was another public hearing scheduled.

Ms. Palmer said she didn't know where everyone else was but wondered if they should go to a slightly higher advertisement for a tax rate.

Ms. McKeel said she wasn't ready to have that discussion yet.

Ms. Palmer recognized this, but that she was putting that out there with respect to this discussion.

Mr. Walker said that discussion would be later that afternoon.

Ms. Palmer said Mr. Gallaway asking to how they would come up with the money.

Mr. Gallaway said he was saying that they have to start thinking of ideas to come up with the money. He said if the item will remain on the list, and they will have that exercise, then it was fair at that point that they would need at least three to four in consensus to be able to move that forward.

Ms. McKeel said she wanted to go back to the MOU because she heard that there are MOUs in place with surrounding localities, and that this would be no different. She said she understood that Albemarle has already worked with those localities in the past. She said it was not as if they were going to spend a year trying to create an MOU, but that this would happen quickly.

Deputy Deputy Chief Puckett said this was correct. He said the MOU was already in place.

Ms. McKeel said it was just a matter of reaffirming it.

Deputy Deputy Chief Puckett said they would be amending the mutual agreement with a specific request.

Ms. McKeel said there is a comfort level to assure the public on Monday that there is an MOU.

Deputy Deputy Chief Puckett said he would provide that mutual aid agreement and any other requested information to the Board.

Ms. Palmer asked if they had the cost on doing what Ms. LaPisto-Kirtley suggested (with the five additional personnel).

Mr. Bowman replied that it would be \$428,000.

Ms. McKeel noted that this would be ongoing, yearly.

Ms. LaPisto-Kirtley said there is currently \$250,000 in ongoing money. She said she knew it was not popular, but if they were talking about changing the tax rate to less than a quarter percent, it would provide the funding.

Mr. Gallaway said since there is a public meeting on Monday, it was fair for the item to remain on the list. He said other than offsetting cost, there would be a tax rate increase if they had to raise revenue to cover an expenditure. He said with regards to the ongoing piece, it is a reserve contingency, so they have to make sure they understand where they are going as that the available money is programmed to be a reserve for the very concern raised about the Coronavirus. He said they could keep this on the list to provide an opportunity to understand it further.

Ms. Palmer said they would have to make the decision whether to keep it open for discussion or not by the end of the meeting, depending on if there was Board support to do this or not.

Ms. LaPisto-Kirtley asked Mr. Bowman for the amount.

Mr. Bowman replied that it was about \$428,000.

Mr. Gallaway said they would leave the item there for now, encouraging the group to continue working through the list.

Ms. Allshouse said the next item was consideration of any additional funding to support the Community Development work plan. She presented a slide that was shown in the technical adjustment, noting that the Board had the work plan presented to it the day before.

Mr. Gallaway said this was an item that he had requested to be on the list, as his thought was that he would like to see that number get to \$500,000, with the rationale being that this is what CDD brought to the Board to stay at basically a 0% extra capacity level. He said an additional \$150,000-\$250,000 to get that up builds in some extra capacity so if something comes up during the year (e.g. Rio Corridor, wireless policy), they will have something to go to that is already set up for that purpose.

Mr. Gallaway said he would recommend they pay for this by using the \$1.8 million of the one-time money going into the Strategic Priority Reserve, and that they would take \$150,000-\$250,000 of that and revert it to CDD, bringing the reserve down from \$1.8 million to \$1.6 million.

Ms. Palmer said she would support this idea.

Ms. McKeel agreed, noting that CDD is challenged and many of the Board's concerns lie there, as far as infrastructure.

Ms. Palmer mentioned services that the County is trying to get into the urban ring, such as leaf collection and street sweeping.

Mr. Gallaway said his thinking was if they could get the fund to \$500,000-\$750,000, this would be reasonable. He said beyond ballparking it, there was no real sense of cost, and although something could come to the Board that could exceed that, it would at least open up some flexibility.

Ms. Allshouse asked Mr. Gallaway asked about a dollar amount.

Mr. Gallaway said he would like, at minimum, to get the \$356,000 number built up to \$500,000. He said this would give room to perhaps one item. He said if it went to \$700,000-\$750,000, it would perhaps give room for two items. He said this was about \$140,000-\$240,000 extra money that he thinks would be reasonable to divert from that \$1.8 million.

Ms. McKeel asked if the group wanted to settle on a number.

Mr. Gallaway asked about \$600,000. He said this would be an additional \$240,000, roughly, that would come out of \$1.8 million, bringing the total down to about \$1.5 million.

Mr. Walker reminded the Board that the four projects identified the day before had not yet been scoped, and that part of the challenge was not knowing what the projects would cost. He said in addition to that, the wireless policy also had to be scoped. He said outside resources will have to be managed by staff, and there will have to be additional conversation about priorities. He said he appreciated the Board's sensitivity to what they don't know and trying to make investments stick.

Mr. Gallaway said during the revenue adjustments recently, he was ready to ask for \$500,000-\$800,000, but when the fees were reverted back in, he thinks this was an excellent use. He said he would like to increase it slightly.

Ms. Mallek said this would come back to the Board multiple times, to determine what will happen and to talk about whoever they hire, to make sure there is accountability.

Ms. Palmer asked what Mr. Gallaway was suggesting would come out of the \$1.8 million.

Mr. Gallaway replied \$240,000, roughly.

Mr. Richardson clarified that the money coming from the \$1.8 million is one-time money that would be transferred over to Community Development for one-time external resource support for projects that need one-time contractors.

Ms. Mallek said this was because they do not have capacity expansion.

Mr. Richardson replied yes.

Ms. McKeel asked the Board if there was support for this.

The Board members agreed there was.

Recess. The Board recessed its meeting at 4:28 p.m. and reconvened at 4:42 p.m.

Ms. Allshouse said the next item was the Boys and Girls Club request. She said there were some questions about timeline and history, and so she included information about and the request on the

slide. She indicated on the slide to the history and timing of the School Division's involvement in the Boys and Girls Club.

Ms. Price asked for the value of the 40-year no-cost land lease.

Ms. Rosalyn Schmitt (Chief Operating Officer, Albemarle County Public Schools) replied that this was hard to determine. She said it is a unique piece of land on public property, so they conducted additional appraisals during that part of the negotiations, but it was too hard to say.

Ms. Price said there must be some way to come up with this. She said 40 years is a long time with no cost, and that this itself was a substantial contribution.

Mr. Gallaway asked if there was a way to put forth an approximate range.

Ms. McKeel asked Ms. Price to explain her thoughts.

Ms. Price said her thought was that the County contributed \$2 million to The Center, and that they had to come up with their own land. She said here, they were being asked for \$2 million. She noted she totally supported the project and that she didn't want her cost questions to be confused with that.

Ms. Price said the 40 years no-cost lease, by itself, was a substantial contribution. She recognized that it was School Board land, and that with the County funding the school systems, she presumed that somewhere along the way, the County money that has come in as a revenue has been transferred over and used for that. She said she was trying to get a handle on what the totality of this contribution on the part of County would be. She said she knew they were being asked for \$2 million spread out over three years, but that she would also like to know some sort of value of the free use of land for 40 years.

Ms. Schmitt said they could perhaps look at assessment values of similar properties, cautioning that it was difficult to predict the value of that land.

Ms. Price said she understood, and that there are other entities that may occasionally use or rent the County's spaces and that they pay a fee, so she thinks there could be some sort of range. She said it was important not to ignore the value of a 40-year no-cost lease.

Ms. Allshouse said staff could work with the schools and others to look into this.

Ms. Allshouse presented a slide, noting that it included the history of this project from 2018-2020 and the steps along the way. She said she felt this was important to share, as there were questions about the RFP and other things that had occurred.

Ms. Allshouse said the other slide presented was the actual request that came to the Board. She said the request is for \$2 million payable over three years to support the building project to support 300 youth daily and 500 youth annually. She said the Boys and Girls Club is raising \$22 million from private and public sources (90% from private, 10% from public) that cover the planning capital and at least 5 years of the operating costs. She said they desire to secure financial commitments by December 31, 2020, with a plan to break ground in summer 2020 and a goal to open the club by the start of the FY 22 school year.

Ms. Allshouse said additional information was placed at the Board's seats.

Ms. Palmer recalled when she talked with Mr. James Pierce (CEO of the Boys and Girls Club of Central Virginia) in the past, he told her that about half the kids are in another facility or school at this time, and that this would combine the organization's efforts into one campus, resulting in about 150 additional kids at this facility.

Mr. Pierce thanked the Board for considering the request. He said the point being made was about where the kids are now and where they would come from. He said currently, kids who are considered to be members at this new Boys and Girls Club attend Greer Elementary School, Jack Jouett Middle School, Woodbrook Elementary School, and Agnor Hurt Elementary School. He said just from Woodbrook and Agnor Hurt, currently the bus goes down Route 29 and the kids attend the Cherry Avenue Boys and Girls Club in Charlottesville.

Mr. Pierce said many kids have gone far out of their way to attend the after-school program. He said 4% of the kids who currently attend the County Schools' EDEP (Extended Day Enrichment) program (who qualify for free or reduced lunch), and that the Boys and Girls Club serve about 75% of those kids. He said there is an extreme need that has been identified, and that one point not on the list is the 2017 study by the schools, where they identified a big need for out of school time programming.

Mr. Pierce said his guess would be about 500 kids, which would be about 300 kids every day. He said they come from all over, and that the Boys and Girls Club would take the lead in the school system to partner with them. He said the vital programs of the Parks and Recreation program of the County, and the vital EDEP programs of the school system, cannot go away and are vital to the community. He said the Boys and Girls Club is trying to enhance and answer a need that has been identified by the County.

Ms. LaPisto-Kirtley asked if the club would be using the school bus services as far as getting the

children to the facility.

Mr. Pierce replied that they currently do, and the new location is important for that. He said identifying a spot on the most crowded high school campus is important because he has been told by his partners in VDOT and County Schools that all of those schools have a natural bus route past the new Boys and Girls Club proposed location.

Ms. LaPisto-Kirtley asked if schools were being charged for that.

Mr. Pierce replied yes.

Ms. McKeel said approximately 25% of all the children in Albemarle County Public Schools are on that campus. She said this was really the only campus that has an elementary school, a middle school, and high school there. She said thinking about Western, they have Henley and Brownsville across the street, but to have all the schools on one campus was unique.

Ms. Mallek said there seems to be a huge knowledge gap because the last time she read something in the newspaper, the building was going to go over where the driving range is, which would be an easy place to build compared to building on a slope, which would be millions of dollars more. She said she understood this would affect the cost and didn't know if the School Board was taking this into consideration.

Ms. Schmitt said she would attempt to speak on behalf of the School Board. She said ultimately, the site selected was to the left of Jouett, between Jouett and Ivy Creek School. She said in the School Division, they felt that this would provide them the maximum flexibility of uses. She said the location of the driving range (a flat area) was available, but the thought was that placing the site on the driving range would limit future flexibility in use of the overall campus. She said it was less intrusive and more flexible to go with the other location.

Ms. McKeel asked if this was a School Board decision.

Ms. Schmitt replied yes.

Ms. Mallek asked whether or not the relative costs were discussed by the School Board.

Ms. Schmitt replied the School Board understood there would be more cost to the club if that site was selected.

Ms. McKeel said this is where Mr. Pierce would address the \$2 million and how they arrived at that.

Mr. Pierce said the additional cost to the site was initially \$2 million, which is where the number came from. He said now that they have done further analysis, the number is \$3 million. He said on the edge of the decision on how to move forward, this comprises the number, which is why he was there with the request on behalf of the 500 kids they hope to serve in the club.

Ms. LaPisto-Kirtley said she knew that when the project was first started, they were receiving the land for 40 years for free, which was a huge contribution on the School Board's part. She said no money was asked for at that time. She said she knew the club was good at fundraising and is doing 90% private fundraising. She said with all the other County needs, although she is extremely supportive of the Boys and Girls Club, perhaps now would be too early to be asking for the money. She said she knew they were going forward with the project, no matter what. She said the County has a tight budget and many needs, even though they are fully supportive of the club.

Mr. Pierce said they are addressing a well-known need. He said looking at the number of kids who are served in the County Schools' after school programs, there is a largely unrepresented group that is not there who cannot afford to go. He said for 10 years, they have been figuring out what to do about this. He said they have partners at three locations and that currently in the County, hundreds of kids come to the club's sites every day. He said to call this a true private-public partnership, which is what the club always tries to do, they have to ask for some skin in the game from the County.

Mr. Pierce said it was a very generous lease. He said they offered to do many different configurations, and that they were most comfortable with the lease. He said there are many clauses in the lease that revert back to the schools. He said this is also a facility that will be regularly used, hopefully daily, by the County Schools, and so there is a lot of value coming back during the school day to the County.

Mr. Pierce said there has not ever been a Boys and Girls Club summer program on the campus, and that with this, they will be offering a program year-round. He said the facility will be usable when the club is not using it for any County Schools or Government use. He said they would find there is a significant value to the County, and that the club was asking for one-tenth of the funding from the County.

Mr. Pierce said asking builders, they also see this site as not the preferred site to build on. He said the biggest number that he just relayed to the Board is a significant cost. He said they were shown four options, and they had chosen a different one. He said they were thrilled to have the site, being proximal to kids, which will save families in transportation and allow for access in a much more significant

way. He said they were proud to be there, but that they would not be there if there were not a vast need that wasn't being met somewhere else.

Mr. Pierce said they are asking for a part, and that they don't think 10% is asking too much. He said they didn't want to raise the request to \$3 million and felt that \$2 million would handle their initial desire to be on one site with the School campus.

Ms. LaPisto-Kirtley asked if, with or without that \$2 million, they were going forward with the project.

Mr. Pierce replied he was hopeful, though it might be a different project. He said at this point, they were talking about size and scope.

Ms. McKeel said they would have to completely raise all the funds.

Mr. Pierce said this was correct.

Ms. Palmer asked when Mr. Pierce had this conversation with the School Board, who chose the site for appropriate reasons, why he didn't ask the School Board at that point to help with the cost difference.

Mr. Pierce replied that he was looking at precedent. He said he was familiar with counties, as they work with five counties, and that they seek and receive support happily from five governments to partially fund their programming. He said they are familiar with the process such that it was in the past, with approaching county government, and that with the schools giving the land, they wanted to approach County Government as a second partner.

Ms. Palmer said she happened to read the minutes from last August and was reminded of the group from Crozet who came in with a project that was providing a variety of athletic uses, but that it was also well over 300 afterschool spots. She said her response at that time was that the presentation was wonderful and professional, but that it was not the right time and was too late in the budget process, and that there was no process to deal with this. She said then, the Boys and Girls Club sent the letter last October, so she had a talk with Mr. Pierce and said basically the same thing.

Ms. Palmer said she then thought about how the Board had given money to The Center and the YMCA and wondered how these things should be ranked and compared. She said clearly, the Boys and Girls Club is wonderful and is a need that no one would question, but that there didn't seem to be a process in place. She said her feeling was that once the Board gave money to The Center, they would continue to keep having these requests without a real process in place. She said this was why she felt that this was somewhat premature, as she doesn't know how the Board is scoring these things.

Mr. Richardson said there were slides in front of the Board recently about a process, and to address Ms. Palmer's wish, they could look at what they talked about recently in terms of the framework.

Ms. Mallek said there may be much more discussion about what will need to happen over the next couple weeks anyway. She said perhaps this was a good introduction on this, but that she was not prepared to vote on this today anyway.

Ms. Allshouse said she could speak to this quickly. She noted The Center did come in during the CIP process, but it was during an amendment year, so there was some difference with it, but that The Center did apply through the old CIP process. She said what they talked about was utilizing the Advancing Strategic Priority Capital Reserve and adding the \$1.8 million to that, which could perhaps be used for community requests coming in.

Ms. Allshouse said the recommended process was incorporating requests into an annual budget process. She said she had put some of those requests on the screen before, such as the Boys and Girls Club, and that the question was whether or not this was the time to look at these for the annual budget process. She said prior to coming to the Board, staff would review and make recommendations using criteria such as how they are connected to the Strategic Plan, and if there are any other leveraging opportunities or considerations such as timing, safety, urgency, and connection.

Ms. Allshouse said the thought was whether this would come in for this budget process, or for the next one. She said almost as quickly as this process finishes up, they would start working on next year's process. She said it could come in now because they were having work sessions and conversations, or they could consider having it come into the budget next process.

Ms. McKeel said there was a letter dated February 4 that the Board received that was detailed as far as matching the Boys and Girls Club work to the Strategic Plan. She said this was answered very clearly in that four-page letter, noting that it was related to Climate Action, outdoor recreational parks, economic development, and school space needs.

Ms. McKeel said that with regards to school space needs, one of the wonderful things about this facility around the Lambs Lane campus is getting a community space, as this is desperately needed. She said there is no place there for meetings for the community as well as the School Division.

Ms. Mallek said one question that could be answered for another day was that it was mentioned

that the school would be using many offsets of this new building on a daily basis. She said to her, this raises the value of the most expensive purchase site because it is closer to the rest of the schools, and would reduce the cost tremendously if it could be built to its full design because of not having to “waste” money on digging holes in the dirt. She said she didn’t know if there was a way to get more information about this.

Ms. McKeel asked the other Board members if they felt they needed to speak to someone from the School Board as opposed to Ms. Schmitt.

Ms. Mallek said it may be unfair to ask them to reconsider forcing the decision for location, but that she thinks there was a tremendous benefit that they may not be appreciating, a much smaller building being built where the costs are not so high versus the potential future use of the space.

Ms. McKeel asked if Ms. Mallek was talking about the driving range.

Ms. Mallek said yes, noting that she understood that they wanted to save that land for future use, but that this is a building they could use right away, when they need it, and also provides tremendous money savings. She said there may be more benefits to it than they might consider.

Ms. Palmer said if they decided to use a different spot, they may get a much better building that they could better use.

Ms. McKeel asked if they could ask Mr. Pierce to address the design work that has already been done.

Mr. Pierce said the club is flexible and wants to be a good partner. He said as easy as it sounds, it is complex. He said they entered into a project before the RFP was in place with the previous COO of Schools and had started the process with that gentleman. He said they were going quickly down the path, and then some other events happened in the County. He said they then decided to do an RFP process, which cost them a year of time.

Mr. Pierce said they then got into the site selection phase, which was another year.

Mr. Pierce said they are creating an entire generation of kids now who will not be served, and so he was concerned about timing. He said he appreciated the perception that the club is good at raising money. He said they were very fortunate to be surrounded by people who respond to needs, and that they have been very generous.

Mr. Pierce said he was concerned that when they are trying to run a campaign where there are many variables, it doesn’t inspire confidence. He said when this site was selected, it was with the full knowledge that there were going to be more costs. He said it was a compromise and though it wasn’t the club’s first choice, they happily did that. He said one of the reasons they compromised was to hasten the completion of the project and get it operational.

Mr. Pierce said there are significant costs that have gone into the design of the facility. He said they know they can complete the mission and satisfy the School Systems’ needs and County’s needs by opening in this facility, but that a change would not be a copy of their original plan, architecturally, to simply pick up and put on the other site. He said he shouldn’t speak on behalf of Ms. Schmitt or the School Board about their perception, but that the club’s perception is that they are very far down a path, and that they would hopefully be breaking ground soon. He said the County’s infrastructure has been very supportive of this, to the extent that they can be.

Mr. Gallaway asked whose call it was to do this over three years versus four or five.

Mr. Walker replied that when he had discussed this with Mr. Pierce months ago, he shared with him the performance agreement with The Center as a model that the Board had become comfortable with, and that this was three years. He said it was provided as an example of an agreement that the Board had had some experience with.

Ms. McKeel said there would be milestones and at least a similar agreement.

Mr. Walker noted that they did not enter into any negotiations, but that this was provided as a template for the club’s understanding.

Ms. McKeel noted there were claw backs and other things.

Ms. Palmer asked if she heard correctly that the site was approximately \$1 million more in site work than was originally planned for.

Mr. Walker replied yes.

Ms. Palmer said it was \$3 million and the club had originally thought it would be \$2 million.

Mr. Gallaway said his understanding was that it was \$3 million more, total, than the other site. He said the pot was going to be \$2 million and turned into \$3 million. He said he had thought the site was going to be the driving range just days earlier.

Ms. McKeel said if the Board would like, they could ask someone from the School Board to come and talk to them about this.

Ms. Mallek and Ms. Palmer said they thought this would be a good idea.

Mr. Gallaway said he was sensitive to the timing of this.

Ms. Palmer said there were many meetings, and that they could see if Mr. Alcaro (School Board Chair) is available.

Mr. Gallaway said as far as his questions, the three years had been explained.

Ms. McKeel noted that they could move to four, as Mr. Walker had said.

Mr. Gallaway said there could be performance standards. He said as far as free and reduced lunch, Greer, Agnor Hurt, and Woodbrook are in the top five schools, with Greer being number one. He said from a diversity standpoint, they are three of the top four, with Cale Elementary likely being the fourth.

Ms. McKeel said the Lambs Lane campus has the highest level of diversity, and the highest level of poverty.

Mr. Gallaway said Woodbrook could be, as they had just expanded.

Ms. McKeel said looking at the numbers, however, Greer was still over Woodbrook.

Ms. Mallek said this project would serve the Woodbrook kids.

Ms. Palmer said next Wednesday, the Board would have their transit discussion. She asked if there would be enough time to go over this process again of how the Board is choosing these projects.

Ms. Allshouse replied that the transit meeting was currently scheduled for the full three hours, with the way they have the agenda set up. She said if the Board would like staff to look at changing that, they could make adjustments.

Ms. Palmer suggesting seeing when Mr. Alcaro would be available to come and talk.

Mr. Richardson said there is also time set aside for a meeting on March 17. He said if they were concerned about putting too much in on March 11, staff had held March 17 just in case something comes along where the Board needs time to deliberate.

The Board agreed this was a good idea.

Mr. Gallaway pointed out that The Center was a critical project, and that when the Supervisors are invited to their grand opening coming up, they will be reminded that one of the reasons for the ask of The Center was that their primary donors encouraged that if the City and the County got involved, this activated some additional donor activity. He said the County's investment and engagement allowed them to succeed in what their fundraising pieces were going to be.

Mr. Gallaway said process-wise, he understands defining processes for things, but that the process is that people come to the Board to ask for things, and the Board figures out how to consider it.

Ms. McKeel said her understanding was that this was not far outside of what the Board's normal process is.

Ms. Price said she thinks about \$2 million that went to The Center, and that money also went to the YMCA. She said the Boys and Girls Club, along with these, were all good programs, and that her comment was not in any way to take away from the good that they do.

Ms. Price said she comes from Virginia Beach, which is a much larger city. She said there are about a dozen city-owned recreation centers there, and that they did not have any county recreation centers. She said all the recreation centers have Olympic-sized pools so that all the schools can have their swimming and diving competitions there. She said the city has multiple indoor basketball courts and fitness centers. She said there is a fee to have access to those. She said that those are city facilities and that she has yet to see any comparable County-owned facilities. She said they are continually making their money go towards outside groups and that she didn't know they would ever have County-owned comparable facilities.

Ms. Mallek said that long before she came onto the Board, the policy was made that the County would not invest in pools because of the high maintenance involved in operating pools. She said they would focus on lakes, and on partnerships with others for that leveraging ability. She said the Chairman of the Board in 2008 was one of the proponents of the investment in the YMCA, and that he took a lot of flak for it from his colleagues. She said in many instances, the County has partnerships throughout the community which provide services (e.g. The Center) that replace \$6-10 million in operating expenses. She said the recreation department in Virginia Beach likely costs in the millions each year.

Ms. Mallek said the goal long ago was to focus on outdoor natural experiences that can be done with summer staff and keep it simple. She said she didn't know where they would put a facility that they would own.

Ms. McKeel said they would spend much more than the \$2 million if they were trying to build their own facilities, maintain and operate them. She said it would seem that the County's investment in the YMCA, The Center, and Boys and Girls Club, while it sounds like a lot of money, pales in comparison to what they would be spending in taxpayer dollars if they were trying to do it themselves.

Ms. Price said perhaps this would be for a different conversation, but that South Albemarle County had nothing to offer, in this regard.

Ms. Palmer said the group from Crozet was another private group requesting \$2 million of seed money to put in a recreation center that also had an afterschool program.

Ms. McKeel reminded Ms. Price that there is a Boys and Girls Club in Scottsville.

Mr. Gallaway said if they were doing this, they would have to request for a School Board member, and that Ms. Price's question about figuring out a value for the land was reasonable.

Ms. Palmer said she was interested in a scoring mechanism of looking at these different projects so that when the next one comes before them, the Board knows how to make the decision. She said there had been information about this before that she couldn't recall.

Ms. LaPisto-Kirtley asked if with regards to scoring, they were talking about larger projects. She said she had a constituent who wanted to run a program during the summer and wanted some money from the County. She asked if this would be something that would be scored, or if every time there is someone who wants to hold an event, the person has to ask the County for the money as these things come up.

Ms. Allshouse replied that they encourage things to come in at the same time so that there can be a group of things to review. She said whatever is done, the thought was to line it up with their existing processes. She said with regards to the scoring piece, there was information on a slide from February 26 showing where the projects would have connections to strategic priorities. She said as far as scoring with a specific point system, they used to do this with CIP projects when they had the Technical Review Committee, and that they could bring back this type of mechanism.

Ms. Palmer said this was like the ABRT process. She expressed the need for a way to evaluate all the requests coming forward so that there is consistency.

Ms. McKeel said this was a discussion for another time, but agreed that this was a need, going forward.

Ms. Allshouse said there were many other items to discuss, as well as the motions for the tax rate and advertising the budget for the public hearing. She asked if the Board was comfortable with staff continuing on.

Ms. Allshouse moved on to the next item, noting it was a conversation from the first work session about the CIP.

Ms. Palmer said there was a conversation about a proffered piece of property, and that there needs to be much more study on it, as they are not sure if it would be right for a convenience center or other things. She said they have identified County-owned properties in the southern part of the County that were evaluated in the past in the context of this. She said if the Board was to decide to move forward with one of those, they would automatically be taking the \$300,000 that was property acquisition out of this formula. She pointed out that this would lessen the number substantially if they were to acknowledge that a northern location was not in the cards for the next fiscal year or thereafter.

Ms. Price agreed. She said candidly, this was the one thing she wanted to see come in to the southern part of the County. She said she would put this as her top priority. She said if they reduced the cost of acquisition, it drops it down to about \$120,000.

Ms. Palmer said perhaps Mr. Stewart would have to talk about this at some point, but that this may mean that there is less in 2022, and more than the \$120,000 in 2021. She said if they acknowledge they have done some of the work already, then that timeline may shift.

Mr. Lance Stewart (Director of Facilities and Environmental Services) concurred with Ms. Palmer's assessment about the \$300,000 element for property acquisition built in. He said of the two sites that were previously publicly discussed, he has reviewed the studies that were done at that time and refreshed them in terms of cost acquisition. He said he reviewed the scope assumptions of those and was comfortable that they would be able to fit either of those sites within the budget identified, less the \$300,000 for property acquisition. He said there would be some public process, design process, and procurement all figured into the timing.

Mr. Stewart said the design money of the \$120,000 in 2021 is appropriate and would more likely

be July of 2021 and that when the beginning of the FY 22 budget would hit, they would likely be executing a contract.

Mr. Henry said he appreciated Mr. Stewart's input, and that the studies that were done many years ago were not done at a design level. He said he thinks the \$780,000 is a good plug number but wanted to go on record that they would actually need to dig into the site and design and understand existing conditions to ensure they meet the program accordingly for those sites.

Ms. Mallek asked if there was Phase I environmental work done on those sites 6-7 years ago.

Mr. Henry said this was when the County received the properties.

Ms. Palmer said one of them was 30 years ago.

Ms. Mallek said the one that was done 6-7 years ago was for the \$300,000 budget to put in the small site with the compactors.

Mr. Henry said yes. He said another one would be what was happening at Ivy.

Ms. Mallek noted that the compactors in Nelson County were a good model.

Ms. LaPisto-Kirtley asked if the convenience center would include both waste and recycling services.

Ms. Mallek said yes, there were compactors for everything.

Ms. LaPisto-Kirtley said there is currently either a choice of driving 30 miles to dispose of waste, or to throw it in the road.

Mr. Gallaway asked about the number they were thinking about.

Ms. Price replied it was \$120,000.

Mr. Stewart said for FY 21, it would be \$120,000 for design. He said as Mr. Henry pointed out there was a placeholder amount for FY 22 for construction, which he felt this was a strong number. He said the operating budget could potentially slip in sooner, depending on the construction timeline, in 2023. He said they would probably know by the end of the design process and be able to answer both of those questions.

Mr. Stewart said he had a conversation that morning with the budget director of the Rivanna Solid Waste Authority (RSWA) and Mr. Phil McKalips (Director of Solid Waste) about operating cost estimates. He said they feel like they need to do some more work, as it may be somewhat high.

Mr. Stewart said that over the course of FY 21, if they had clear direction on the site, they would be able to confirm that number, but the basis of that opinion is on the new projected cost, and now known cost that RSWA is putting in their budget for the convenience center at Ivy (\$300,000). He said the main factor they have not considered are the additional hauling costs that they would have for solid waste services to the transfer station, as well as the cost of going from one part of the property to another. He said this is something they will need to look at in terms of the revenue that is generated by the tag-a-bag trash program and the cost of the hauling. He said he was not as comfortable with that number as he was in the fall, when this was first submitted.

Ms. Palmer asked if Mr. Stewart thought it may be less than what is on the paper.

Mr. Stewart replied that it may be less.

Mr. Gallaway said what they were trying to accomplish right now was getting the \$120,000.

Mr. Stewart replied that this gets their foot in the door.

Mr. Gallaway said he would make a similar point for a few other items coming, which was a point he made when this came up last time. He said to him, this conversation is a direct thread to the Strategic Priority Reserve. He said they could pursue it, and it would come out those funds, where there is money available now and where the Board is considering adding money. He said the alternative would be that from the now \$1.55 million for CDD, they could take the \$120,000 out of that and lessen the money that goes into the very reserve that this could come out of to begin with. He said next week, they could discuss it that way.

Ms. Vinzant said they would not be programming construction in the plan, is what she thought she was hearing.

Mr. Gallaway said they would appropriate use for one-time money, then it is appropriate for the Strategic Priority Reserve, where the money is already programmed. He said he was looking at two other projects that he would say the same thing about. He said they could do it that way, by reducing the General Fund fund balance that they were programming, but then they are almost delaying the conversation about it from a current reserve that is sitting there for that very purpose.

Ms. Palmer asked if there was a deal with VDOT, if Mr. Stewart was sure that \$120,000 is enough over the whole year.

Mr. Stewart replied that he believed it was a safe number.

Ms. Palmer expressed her concern with it. She asked where it would come out of.

Ms. McKeel said she recognized what Ms. Price had just said. She said her top priority was the lives of 300-500 students in the urban ring. She said she is perfectly willing to agree with this, as long as she has an understanding from the Board that they have not completely taken off of their radar screen the Boys and Girls Club in the urban ring. She said what she was hearing was, "This, instead of..." and that this was frightening her.

Ms. Price said this was not what she meant.

Mr. Gallaway said his point was that he almost sees it as two completely different sections of money that they have carved out, so he didn't think they were competing for the same resources. He said this has been his point about the Strategic Priority Reserve that was set up last year. He said that can make a direct line to the Climate Action Plan, which is the number one Strategic Board priority. He said that money is already there for programming, and that they could have the conversation anytime they want. He said there is \$2 million there that the money could come out of.

Mr. Gallaway said the request for the Boys and Girls Club is an appropriate conversation of saying, in year one, is the \$1.5-1.6 million include monies that goes to the Boys and Girls Club, and limit what goes into that reserve as backfill.

Ms. McKeel said she had to get her concern on the table for the public and for Mr. Pierce, as they were talking about 300-500 children's lives to be impacted.

Ms. LaPisto-Kirtley pointed out that it was going to be built anyway. She said her understanding was that this was not a deal breaker, adding that she was very supportive of the Boys and Girls Club.

Mr. Pierce said there was mention about how inspiring the project it was and standing with the people of the County, and that this was absolutely a talking point when the club goes out to talk with donors. He said they know that this is part of the model and are very much inspired by the Board's leadership when they campaign with this. He said they haven't broken ground, and that they want to have the public part of this public-private partnership as well.

Mr. Gallaway said they didn't have to make that decision right now, but that he didn't want to start having things feel like they are competing against one another.

Ms. Palmer said she completely agreed. She said it was related to Climate Action, and that they should go ahead and do the \$120,000 out of the \$2 million.

Mr. Gallaway said this was a different conversation for budget because that is current fiscal year money, not projected. He asked Ms. Palmer if she would rather see it come out of the \$2 million than reduce the backfill for next year.

Ms. Palmer said she was fine with it, as long as they are getting it. She said the distinction was not as important to her, and that she understood where Mr. Gallaway was coming from and was not belittling the distinction.

Mr. Gallaway said this was something they set up just a year ago and that they haven't done anything out of it yet so all of the Board members would be muddling through the first project together.

Ms. Palmer asked if they would need to come back and make that decision at another time.

Mr. Gallaway said there is a current reserve, currently available to the Board in the current fiscal year that the Board can make decisions about, as long as they meet the criteria they set up (e.g. drawing the thread to their strategic priorities). He cited the Earlysville Road/Reas Ford Crossing intersection project as an example. He said this is a transportation concern, and Transportation Leveraging is exactly one of the Board's priorities. He said right now, he sees that he could be having that conversation to get that funded through the Strategic Priorities Reserve, and that it has nothing to do with that year's budget.

Mr. Gallaway said his ongoing concern is that if they start spending down the \$2 million, they want to make sure they fill it back up, which is what next year's consideration is for the \$1.5 million.

Ms. Palmer said this was fine, but what she was trying to understand was at what point the Board has the conversation to take the \$120,000 out of the current \$2 million.

Mr. Gallaway said this was a good question, and that they had not actually answered that because they had not discussed it as a Board. He said if a Board member requests it to be on the agenda and it is scheduled, they could discuss. He said this was for the Board to decide, as it is a Board reserve and decision.

Ms. Palmer said she would like to formally request that go on the agenda for a future Board meeting.

Ms. Palmer said she didn't know how Ms. Price felt about the process there. She asked if Ms. Price was okay with putting this on the agenda at a later date. She said it seemed as if there were at least four people there who would agree to put it on the agenda.

Ms. Mallek asked if money were available sooner than July, they would be able to move along with the project.

Mr. Stewart replied that they were beginning to come under contract to do the design. He said he thinks they would need to have some idea of what that would look like first.

Ms. Allshouse said the next item was part of a conversation they had at the last meeting, which was funding for Phase II study of recommendations that come out of the County's Facility Master Plan. She said this was the one they discussed that was about \$500,000 a year that Mr. Stewart had asked for as part of the CIP process they went through. She said Mr. Stewart estimated \$100,000 for this immediately, and that it could provide some type of a facilities study on top of the other study.

Ms. Palmer said the document said, "Opportunities for co-location of potential facilities (may include known needs for Albemarle County Public Schools)." She asked for examples of this.

Ms. McKeel said she believed this was referencing what they were talking about in terms of partnerships with Albemarle County Public Schools on the proffered land that was jointly proffered to both the Schools and Local Government.

Ms. Palmer noted that she now understood.

Ms. Mallek asked if this was of the size that they would need to set it aside as a separate bucket, or if it was something that the County Executive would approach the Board to determine what pocket of money it would come from. She said she loved this idea and she wanted to know they were going about this the right way when the time is right.

Mr. Henry said this was a response to the discussion they had a couple days ago. He said there was an opportunity that if the Board wanted to reserve an estimated amount of funding now to move this land into design once they receive a Master Plan, it is at the Board's discretion. He said otherwise, the Master Plan will reveal opportunities where staff could come to the Board and say they think, given the Master Plan, they might want to focus on design at the site and bring forward a new budget. He said this new budget could then be appropriated if the Board decided to do so. He said his answer was that they could reserve something now, or they could bring it forward as they bring the Master Plan back in the early summer.

Ms. McKeel said that while \$100,000 seems like a lot of money, in respect to what they are talking about it is not. She said to be honest, they were just guessing what it might be.

Ms. Mallek said whatever the Board agrees is fine.

Mr. Gallaway said it was certainly of a dollar amount that they would be able to find the money when the final number was brought to the Board.

Ms. Palmer asked about the proffered land and if they have to make some decision with respect to whether they want it or not.

Ms. McKeel said Ms. Jodie Filardo (Community Development Director) was working on that.

Mr. Gallaway said it was a matter of the timing and when they have to decide if they want the proffered land or not.

Mr. Henry said there were a couple different things they were talking about. He said the Facilities Master Plan is looking at staffing projections and the property for potential uses. He said that is one element of the work. He said the question they had that was specific to a certain property that had restrictions on it was something Ms. Filardo was going to talk to.

Ms. McKeel said Ms. Filardo was looking at it because there was some confusion over the proffer itself.

Ms. Filardo said there was a question that Ms. McKeel had raised about whether or not the Brookhill proffers expired. She said based on research staff has done, they haven't found that expiration date in any of their documents, but Ms. McKeel provided a contract that she had a copy of, and staff would go through this as compared to what they have to make sure they are operating off of the correct document.

Ms. McKeel said her document had come from the School Division.

Ms. Filardo said they were researching this.

Ms. Palmer said her concern with the property was that there are obviously many things to use that property for, and that different groups will want to use it in different ways. She said she thought this would be an interesting place to see if they could put the northern transfer station or convenience center in years to come. She said Ms. McKeel had brought up parking so they can better use the land at the schools.

Ms. McKeel said there is very valuable land on Lambs Lane that they currently use as a bus facility.

Ms. Palmer said Ms. McKeel has good reasons to want to move that to a different place. She said what she was hoping to try to figure out is how they were going to use that land, and then it came up that they might have to make a decision on it, or lose it, which was her concern.

Mr. Henry said the study and further information from Community Development will inform scope and timing. He said he didn't think there was any kind of urgency.

Ms. McKeel asked Mr. Henry if he didn't feel like the \$100,000 was urgent.

Mr. Henry said this was just responding to the Board's discussions.

Ms. McKeel said this was likely something they could let go right now. She said it didn't have to have a pot of money immediately.

Ms. Palmer said when they were discussing all this the day before, there was a question of whether FES might need some money for things that might come up, and that she didn't know what those things might be. She said this project was not an urgent need. She said with CDD, the Board clearly sees that they need to put money aside for them, as they keep asking them to do more things. She said they are sometimes asking FES to do more things, and she assumed that this was why they asked for the planning money.

Mr. Henry said looking at the Master Plan study, the report will provide a potential roadmap. He said they will work through the list of work to see what that looks like, and then can make decisions out of that as far as how the Board wants to program money for FY 22. He said there may be things that come out of this where they decide to use some money now in FY 21 to move things forward.

Mr. Henry said early on in the CIP process, they plugged the numbers from over the last few years, anticipating what the study would say, and that it wasn't specific to anything.

Ms. Palmer asked when it was supposed to be complete.

Mr. Henry replied it would be early summer. He said there will be a couple of sessions with the Board on it.

Ms. Allshouse said the next item was about additional funding to support the affordable housing policy housing fund. She presented information that staff provided to the Board in the last work session on the current housing fund as a reference.

Mr. Gallaway said he could go either way for him, either tie this to the Strategic Priorities and pull from that fund or using some one-time funds out of the General Fund. He said he was trying to get some money increased (with currently at \$500,000). He said there are other tools available to the Board, but that once the housing policy is in play, or other projects come up for affordable housing, \$500,000 was not a lot to work with based on some other things that have been done.

Mr. Gallaway brought up a point he made recently when the Board received the last update on the housing policy was that this will be done over the summer. He said Regional Housing Partnership is aligning their timing with that policy update to get what they are trying to accomplish done and raise some funds for, to hit the ground running based off of the Board's schedule now, and that it sounded like they were trying to move ahead of some others.

Mr. Gallaway said his idea was about having some additional funds available to the Board. He said he didn't think he would be able to make the argument to get the support for the Board to get ongoing money set up for this policy until the policy is in place. He said he did think they are going to see, just because of the way affordable housing is going, that they would have to start committing operating costs to this type of policy, and that the housing policy will help to inform that.

Mr. Gallaway said that in the meantime, he was uncomfortable knowing how everyone prioritizes affordable housing, that leaving just that \$500,000 (knowing how the other ones can be limited) puts them to a disadvantage if they have an opportunity, once the policy is in place. He said he could think of one particular project that would take \$300,000 for some permanent affordable housing units. He said it was not time to put that on the table, but that \$300,000 could be put in place for 5-6 permanently affordable units for 40-60 years.

Mr. Gallaway said he was comfortable making his argument about the Strategic Priority piece and bringing this to the Board, if something came up for affordable housing. He said if he were to build that reserve up, he would be asking to take this out of the General Fund fund balance. He said he was not ready to get everyone to commit to that because the Boys and Girls Club would have to compete for that

money. He said if they were targeting the remainder of the \$1.8 million, the amounts could be argued.

Mr. Gallaway said he had talked to Ms. Pethia about how they have spent this down, because it was up to a certain amount, and with Southwood and others, it's been spent down to \$500,000. He said he was perfectly comfortable being able to draw this to the Strategic Reserve Fund as well, which takes it out of the competition for some other worthwhile projects.

Ms. Mallek asked how the \$1.03 million fund balance at the bottom of the screen relates to the \$500,000 at the top.

Mr. Bowman said when the \$1.03 million was appropriated by the Board early that fiscal year, it included funding for the EHA Parks Edge project (\$325,000). He said it also included a housing reserve at that time that was larger than \$500,000.

Ms. Mallek asked for further clarification.

Mr. Bowman replied the amount of undesignated funds and that of the housing fund is \$500,000.

Ms. Mallek said the bottom of the slide said \$1.03 million and asked if it was actually \$500,000.

Mr. Bowman replied said the \$1.03 million, in combination with the two bullets above that, are funding all of the three items up top.

Mr. Gallaway said this reserve is low, and that he would like to get some money to backfill it in. He said he thinks that reserve money there could be used for the housing policy. He said they have had constituent groups coming to the Board asking about a trust fund, and that this would be one tool and an ongoing commitment that would build a reserve. He said there are other ways to replenish the trust fund, and not by appropriating monies. He said they can have proffered cash contributions going to a housing fund. He said there are other ways to get that fund going.

Mr. Gallaway said that in the meantime, however, it is a way to get this queued up for the housing policy update so once it is there, the Board is ready to act for some of the recommendations that will come out of it.

Ms. Palmer said one of her concerns is that they do not have the Climate Action Plan yet, either, or what they will do about this. She said she felt the same way about that, as she doesn't know what they will decide they want to do. She said the Strategic Priority project's emerging needs is what she has been thinking they were going to address. She said the Climate Action Plan also doesn't have a very large reserve.

Mr. Bowman said the Board has already appropriated \$500,000, and that the recommended budget suggests taking an additional \$250,000 earmarked for AHIP (Albemarle Housing Improvement Program).

Ms. Mallek said this relates to work on climate change as well.

Ms. Palmer said it was still in the same basic ballpark of a range. She said she didn't know what they were going to decide to do, and that she still personally felt that it was low.

Mr. Gallaway recognized that they have the flexibility in the reserve they have set up to be able to attack the reserve balance. He said he was comfortable making that case with the idea that whatever they keep putting into a reserve, they may have to start thinking about annual money to support that cause.

Ms. Palmer said they could decide that part of the \$1.8 million, as Mr. Gallaway had said several times, could go into that, knowing they have the FES study, the Climate Action Plan, affordable housing, and several things they will be making decisions on. She said having the extra money was smart to have.

Mr. Gallaway said he put an "SP" next to the item for "Strategic Priority" with the thought that this could come out of the reserve. He said he thinks they can most appropriately target that to get some of the funding.

Ms. LaPisto-Kirtley asked when the affordable housing policy was coming forward.

Ms. Pethia replied that the Board would see the very first draft at the end of April. She said on April 29, there will be a joint work session with the Planning Commission. She said once that is complete, staff will incorporate comments and any changes. She said she planned to have the draft come to the Board sometime in August or September.

Ms. McKeel said this was in time for funding the next year.

Mr. Gallaway said \$500,000 was not a lot to work with.

Ms. Pethia said she knew there had been at least two requests for funding for housing projects that have come before the Board already since it was announced that the \$1.8 million was extra that year. She said there is a lot of need out there, and she did ask for the time about when they would have a

housing fund. She said she would guarantee the Board that this was one of the recommendations that came out of the stakeholder group. She said they have actually offered to start now, since their recommendations are finished, looking at different ways that a housing fund could be structured, and ways to fund it.

Ms. Pethia said the extra \$500,000 to put the fund at \$1 million was not a huge amount, but it could be used to possibly leverage other money coming into a fund, if it is created. She said it also gives them somewhere to start as far as looking what to fund in the future and sets a ground level. She said if they come up with the list of priorities that they want, and an application process, they can come up with ways to evaluate the applications as they come in. She said there would actually be a points or ratings system to help make those decisions on what to fund.

Mr. Gallaway said the next item (Earlsville/Reas Ford Crossing) was a project that they spoke to the prior week, and that it tied directly to the Strategic Priorities. He said he was not waiting until budget time. He said all they were doing was waiting on numbers from VDOT for the mini roundabout to come out. He said there were some signs that were funded through the secondary six-year plan, and had they not, he would have already been to the Board asking to fund it from that.

Mr. Gallaway said the next piece was about scoping the mini roundabout and trying to figure out a number. He said he and Ms. Mallek had strong memories about a projected number that didn't seem too unreasonable to them a year ago, and that they were making sure VDOT doesn't try to explode that number on them to something that makes this unfeasible. He said they were going to stay on this, as it was right in line with other projects they are looking at, money wise. He said he was waiting on a final dollar amount for that.

Mr. Kevin McDermott (Transportation Planner) said they did not have an updated number, currently. He said VDOT has gone back a number of times to try to rework what they had given the County, which was a \$2 million estimate. He said what they realized is that the design firm will not bring this down to a reasonable cost. He said it was fair to say that they do this because of the fact that they had stamped this with an engineering approval, and if they say they recommend things that don't meet standard and something happens, it goes back to them. He said they were not willing to do that.

Mr. McDermott said what was currently happening was that VDOT was using some internal staff to look and try to identify if they can come up with new right-of-way lines, or a right-of-way plan to be able to get this in, in which there could be potential donated right-of-way (which was on the table). He said VDOT would then say that they could do the project with State forces, and it would be a much cheaper way to go about this (lower than \$2 million). He said he didn't know exactly what this would come out to be.

Mr. McDermott said the short-term intermediate recommendations were underway, such as signs and other things. He said he appreciated Mr. Gallaway's concern with the intersection and safety there, but they could continue to move on this short-term path to see where this gets them. He said potentially, what they have already done may address some of the problems, and the roundabout could sit in their back pocket until they determine it's needed.

Mr. Gallaway said they could study and analyze as they go, but he still wanted to see the final number.

Ms. McKeel said she knew there wasn't anything in writing but wanted to know if they had a commitment for right-of-way.

Ms. Mallek said she hasn't seen one yet because they are waiting for the number of feet needed for the roundabout.

Mr. Gallaway said it was a matter of timing and, when they have the right information, he would be coming back to the Board with a request for funding.

Ms. Mallek said they are building on the corner and pulled back on the corner about 12 feet.

Mr. McDermott said they could try to pull the money out of the reserve fund, if that's what the Board wants to do with it, and do the right-of-way study themselves. He said this has been a slow process, and he understood the frustration.

Mr. Gallaway noted there has been progress on this, though it was not as fast as the residents would like. He said once they have information to bring to the Board, he didn't see tying it up, as the money that goes back into the Board will be the same bucket.

Ms. Allshouse noted it was 6:00 p.m., and that she was hoping the group could stay longer in order to get to the necessary motions. She said there was one more topic to discuss quickly.

Ms. Allshouse said there was a request to put these on the list for any additional transit-related reserve. She said there will be a work session on March 11. She said there is currently a contingency in the budget.

Mr. Gallaway said he asked for this to be on the wish list, and that he was happy to reserve it until the transit meeting. He said he had the idea that in addition to this, they may want to have a little extra to

be ready after that meeting.

Ms. McKeel said they have a contingency of \$388,000, thanks to what Mr. Richardson has done. She said she wouldn't have any idea until they have the meeting on March 11 of what to recommend.

Ms. Allshouse said she wanted to take a moment to summarize what decisions were made. She said it sounded like there was some kind of amendment.

Ms. Vinzant said there was \$243,701 taken from \$1.8 million reserve to support the CDD work plan. She said that brings the support for the CDD work plan to \$600,000. She said that leaves \$1.556 million in the undesignated reserve.

Ms. Allshouse asked if there was anything else.

Ms. Allshouse said there is now \$120,000 that was undecided that day, but that it would be part of another conversation.

Mr. Gallaway asked if one of the items was removed.

Ms. McKeel said they took away the pay per performance item.

Mr. Richardson said the Board also asked staff to utilize the March 17 work session, with an invitation to the School Administration and School Board for the purpose of discussing item 4.

Ms. Mallek said that thinking about simple numbers, if they give the Boys and Girls Club funding over five years after they had raised the 75%, she could wrap her head around this better than one big number.

Ms. McKeel said they could take more than three years for what they could look at whatever they needed to do.

Ms. Allshouse said she wanted to move through the motions.

Ms. LaPisto-Kirtley asked if funding for Fire Rescue was a no-go.

Mr. Gallaway said this was an operating cost question, so what it sounded like what they were going to do was they would have the public meeting on Monday, and that things were still coming back. He said the conversation she will have to get ready for is figuring out how to pay for it. He said there was the mention of the tax rate, and if this was not the answer, then competing costs have to be reduced. He said it was still on the table for consideration.

Ms. McKeel clarified it needed ongoing funding, not one-time.

Ms. LaPisto-Kirtley said it was using a one-time funding for a portion of it, for that year and that next year, they may need to increase the tax to be able to pay for the whole thing. She said she didn't know if this was permissible.

Mr. Gallaway said in his own opinion, this particular matter was not something he would be going for in terms of using one-time money to set up operating costs, as it has not been done that way. He said this would be an ongoing conversation if they want to make decisions on it.

Mr. Richardson said on the operating side, Mr. Gallaway said this Board was about to set the tax rate ceiling for the coming year. He said this is one thing that needs to happen that day. He said if they set it at the current tax rate, per the recommended budget, then this would signal to the staff that when the Board does have future conversations during the March 11 and March 17 meetings and public hearing, that they will be looking to resolve any questions for funding of additional items with the existing recommended expenditure structure that they have. He said, in that situation, they would go through some reprioritization. He said at the recommendation of the Board, staff would go back and find the funding and come back with recommendations.

Ms. Allshouse said the motions could be done two different ways. She said they could either make a motion on the tax rate or adopting the proposed budget first.

Ms. Allshouse presented a slide with some background about the current tax rate. She said the effective tax rate will be in the advertisements, as required.

Ms. Allshouse said the current tax rate was placed in the motion and that any changes could be made.

Mr. Gallaway asked Ms. Palmer if she would be entertaining changing this.

Ms. Palmer replied she was bringing that up to cover the cost that Ms. LaPisto-Kirtley was talking about (Fire Rescue).

Ms. Vinzant said 0.2 cents on the tax rate generates \$450,000.

Ms. LaPisto-Kirtley said this would cover the cost.

Ms. Palmer said this would be 0.856 rather than 0.854.

Mr. Bowman said 0.2 cents, normally by the Board policy, would be split among Schools, CIP, and Local Government. He said in order to get 0.2 cents to get to the value of that, they would need to direct that to be dedicated entirely to Local Government, which would be a different process than normal.

Ms. Mallek said this would be the same as they had previously done for the 0.7 cents for the storm water.

Ms. Palmer said if Ms. LaPisto-Kirtley wanted to make that motion, she would second it. She said she didn't know if the rest of the Board would want to do this. She said she was okay with advertising the tax rate for discussion.

Ms. LaPisto-Kirtley said they were not agreeing on it that day, and that it would be for advertising.

Ms. Price said she was not in favor of proposing a tax rate increase at this time.

Ms. McKeel said she was not, either.

Mr. Gallaway said he stated his position, that he was not in favor of it either, but it was more for the fact that they just did a technical adjustment and found additional revenue in addition to the surplus that they carried. He said there is the fact that the School Division brought the Board a needs-based funding request, so he would have a hard time asking for a tax rate increase. He said if they were to have a conversation about what that would be used for, he thinks they need to have the hard conversations about what would have to move around, and then Board members could state their positions.

Mr. Gallaway asked if there were any other conversations about the tax rate.

Ms. Palmer said she did not want to lower it.

Ms. McKeel **moved** that the Board advertise the following rates for public hearing for the 2020 tax year: \$0.0854 per \$100 of assessed value for real estate, public service property, and manufactured homes; \$4.28 per \$100 of assessed value for tangible personal property; \$4.28 per \$100 of assessed value for miscellaneous, incidental, tangible personal property, employed in a trade or business that is not otherwise classified as machinery and tools, merchant's capital, or short-term rental property, and that has an original cost of less than \$500; and \$4.28 per \$100 of assessed value of machinery and tools. Ms. LaPisto-Kirtley **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel, Ms. Palmer, and Ms. Price
NAYS: none.

Ms. McKeel **moved** to authorize staff to advertise for public hearing the FY 21 proposed budget, which includes the County Executive's Recommended Budget and the amendments made by the Board of Supervisors. Ms. Mallek **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel, Ms. Palmer, and Ms. Price
NAYS: none.

Ms. Allshouse said the next step was the March 11 work session on transit. She said they would also use the March 17 meeting placeholder for the next discussion. She said there will be the public hearing about the tax rate on April 13, and they will set the tax rate and adopt the budget on April 20.

Agenda Item No. 3. From the Board: Matters Not Listed on the Agenda.

Ms. Mallek mentioned a nurse who had spoken to her at the Boy Scout lodge and she said to make sure the first responders in our community receive training in how to protect themselves when they go to help somebody. She said this nurse stressed to her the importance of this training for first responders with regards to the Coronavirus.

Deputy Chief Puckett said the 911 center has screening questions they can use so that dispatch can help determine the risk before first responders are on scene.

Ms. Mallek said citizens are asking for more concrete information other than washing hands and going to the CDC website. She said they want to know what they should do if they are feeling bad. She said the hospitals may not want them to come, as the waiting rooms could overflow. She said they do not know what to say or who to send people to. She said people would be more assured if they had more of a plan.

Agenda Item No. 4. From the County Executive: Report on Matters Not Listed on the Agenda.

There was none.

Agenda Item No. 5. Adjourn

At 6:14 p.m., the Board adjourned its meeting to March 11, 2020, 3:00 p.m., in Room 241, Second Floor, County Office Building, McIntire Road, Charlottesville, Virginia.

Chairman

Approved by Board
Date 10/21/2020
Initials CKB