

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on January 23, 2008, at 12:30 p.m., in the Lane Auditorium, Second Floor, County Office Building, McIntire Road, Charlottesville, Virginia. This meeting was adjourned from January 16, 2008.

PRESENT: Mr. Kenneth C. Boyd, Mr. Lindsay G. Dorrier, Jr., Ms. Ann H. Mallek, Mr. Dennis S. Rooker, Mr. David Slutzky and Ms. Sally H. Thomas.

ABSENT: None.

OFFICERS PRESENT: County Executive, Robert W. Tucker, Jr., Assistant County Executive, Tom Foley, County Attorney, Larry W. Davis, Director of Community Development, Mark Graham, Director of Planning, Wayne Cilimberg, and Senior Deputy Clerk, Meagan Hoy.

Agenda Item No. 1. The meeting was called to order at 12:34 p.m., by the Chairman, Mr. Boyd.

Agenda Item No. 2. Discussion: Pantops Fire Rescue Station.

Mr. Dan Eggleston, Director of Fire and Rescue, said that during the five-year financial planning work session in December 2007, the Board expressed a desire to further discuss the Pantops Fire and Rescue Station. Although at the Board meeting there was some discussion about the need for this station, most of the conversation centered on the staffing plan. To help clarify the issue, he wanted to use this meeting as an opportunity to review the need for the station and then transition into the methodology behind the recommended staffing plan. Mr. Eggleston said that during a meeting in May 2007, they discussed and provided the Board with information on the need for station. At that time, the Board moved on a vote of five to one to proceed with a temporary station during Fiscal Year '09 and a more permanent sub station in Year 2014.

Mr. Eggleston said the most significant factor for a Pantops Station is the need to provide basic level of service to the growing development area. This station will be providing urban type public safety services, which is a vital part of any growth management strategy. The Fire and Rescue Squad has confirmed the need of this with the citizens through a survey in which they (Fire/Rescue) asked "what would make living in development areas more appealing?" He said that most citizens stated that having quick responses to fire and medical services would be a strong incentive to living in this area. He said that the strategy to provide those services was included in the Pantops Master Plan, which, calls for a station centrally located in the Pantops area. The Comprehensive Plan calls for a five minute response time in the development areas and currently they are seeing an average response time in the ten minute range. That kind of service is what they strive for in rural areas.

Mr. Eggleston said that Pantops is not like an average development area but is the highest risk development area in the County. Currently Pantops has about 640 elderly care units and 27 percent of that population is over the age of 65. The daytime population of this area is about twice that of Crozet and the traffic volume is about five times that of Crozet. He said that the Pantops risk profile expressed the urgency for providing timely, dependable, and reliable service. Another contributing factor to this issue is replacement of City services at the end of the contract. Although the City cannot meet the five minute response time standard, the service that is being provided by the City is consistent and reliable. However, staff believes it is not cost effective to renegotiate the contract considering that it is likely that the cost will increase significantly, close to \$2,000,000. It is important to know that if these City services are not replaced at the end of this contract, there will be a decreased level of service, not just in Pantops, but the entire eastern portion of the County.

Mr. Rooker asked if when the contract expires if the County will continue to respond to some City calls and the City will continue to respond to some County calls, and if so, would there be a cost arrangement on a per call basis.

Mr. Eggleston replied "yes". The issue has been discussed with the City for some time. They are working towards establishing a mutual aid agreement, at the end of the fire contract, where the County would help the City and the City would help the County without an exchange of money. He added that with these additional stations the County will be in a better position to offer assistance to the City as well as receive assistance.

Mr. Rooker asked if this mutual aid agreement was established, would the City still respond to a call on Pantops. Mr. Eggleston replied, if needed; if it is a working fire or if there was a need for additional alarms are required, that would be set up where the City would respond. He said that this would be a priority type response versus relying on the City to respond to about the 600 calls that is received annually. He said that this would be set up on a need basis when the County is in need of additional personnel.

Mr. Rooker asked the difference between the current response that is being given today in that area and the response that would be given or received through a mutual aid agreement. Mr. Eggleston said that currently the City responds to every call on Pantops, either a fire call or an emergency medical call, which is about 500 to 600 calls annually in that area. He said that if the County moves to a mutual aid agreement, the City and the County would only provide services to each other if there was an urgent need. He said that this would not affect the response to basic normal everyday calls, but, again, if there was a greater need, they would rely on the mutual aid resources.

Mr. Rooker asked if there was an EMS call on Pantops currently, would not the Charlottesville-Albemarle Rescue Squad (CARS) offer the quickest response. Mr. Eggleston said that under normal

conditions that would be true, but with a fire first response, they get there first to stabilize the patient and then if an ambulance is available, it will respond to the call. They found this method works best because ambulances are very busy and may not always be able to respond quickly, and the response may not be coming from the CARS station. The response could be from the hospital or somewhere else in the County.

Mr. Boyd asked if there was not a Pantops fire station does he (Mr. Eggleston) believe that the City would still be agreeable to a mutual aid agreement without some sort of fee. Mr. Eggleston said that it is difficult to speculate, but he believes that the County would have a much more difficult time trying to set up a mutual aid agreement if things were out of tilt. He said that because the Pantops station would be a consistent reliable resource it would be attractive to the City to help them out on the eastern side. A Pantops station would put the County in a much better position to negotiate a mutual aid agreement and without it the County would find itself reverting back to a contract type arrangement.

Ms. Mallek said that her understanding was that this would be the first response from the Pantops Station and back up would come from Stony Point, East Rivanna or Monticello. This would be the quickest response and the fastest way to get someone on the site. Mr. Eggleston replied, that was correct, because most calls, outside of emergency medical calls or car fire, require additional resources beyond the single engine company. In terms of replacement of the City services, the County is not in the position nor does it have the capacity to make up this service from existing stations (Stony Point, East Rivanna or Monticello). He believes that this was a significant issue for the Volunteer Advisory Board and was a contributing factor for them to approve the staffing plan proposed for next year.

Mr. Eggleston said that another important issue for discussion is EMS revenue recovery. He said that there was a volunteer committee that researched this extensively and through their research found that the public was more likely to embrace the concept of EMS revenue recovery if the revenue was used to further enhance the system. He said that like most stations with career staff, the Pantops Station would respond with three people who were qualified and equipped to respond as an ALS (Advanced Life Support) company. Therefore, he believes that it is prudent to use some of the funds from EMS revenue recovery to not only enhance the Pantops area but also the eastern portion of the County. He reminded the Board that the need for the Pantops station has been reviewed by two independent consultants over the last ten years, as well as their Volunteer Advisory Board and they both reached the same conclusion that a station is needed to provide the basic level of service in the area.

Mr. Eggleston continued with his presentation with a slide showing the gaps in service and how a Pantops station would help fill that need. He presented a GIS map indicating areas that cannot be covered in the five minute response. A significant portion of the Pantops area currently is not covered or has that gap. His next slide indicated almost 100 percent coverage of the Pantops development area within the five minute response with the location of a station.

Mr. Eggleston said that as the Fire Chief it is his job to advise the Board on how best to protect the citizens. He has used his education and experience with a number of localities to research this heavily, and based on his research and feedback from citizens and area business owners, and the Board's policies on growth management, it is his recommendation that the Board proceed with the temporary station during FY '09 as approved by the Board in May 2007, and then plan for a more permanent sub-station in 2014.

Mr. Rooker asked the status of EMS recovery fee. Mr. Eggleston said they are still working with the volunteer partners to negotiate an agreement to move forward. They feel positive and that they are still on track for next fiscal year.

Mr. Rooker said the funding of a number of the planned expansions and services are conditioned upon the recovery system getting in place. Mr. Eggleston agreed.

Mr. Eggleston said before discussing the staffing plan in great deal, he wanted to provide Board members with a summary of volunteer recruitment efforts as it relates to results around the nation and around the state. He said that nationally there has been a one percent decrease in volunteers annually and this is related to the conflict with family demands and time required to volunteer. The State trends are worse. They surveyed like-size localities that track their volunteer fire and rescue personnel. Roanoke County, New Kent and Virginia Beach have all seen a significant decrease in the number of volunteers while Albemarle County is increasing its volunteer rate at about two percent annually. Currently, Albemarle County recruits about 150 volunteers on an annual basis, but about 135 leave the system.

Ms. Thomas asked if they do exit interviews or know why so many volunteers leave the system. Mr. Eggleston said they are in the process of working with the Volunteer Advisory Board to do that because they believe that if they can increase their numbers and decrease the numbers that leave the system, they would be better off. He believes that most of this turnover is related to the University, because there is a large student population of volunteers, so every four years there is a significant turn over in personnel. He is not sure how Albemarle's turnover compares with other localities.

Mr. Eggleston said that currently the system is short about 200 to 250 volunteers. There are currently stations that need more volunteers. It takes a volunteer an average of two years to reach a basic level of competence which adds to the complexity of this situation. It, also, makes it difficult to consider staffing a new station primarily with volunteers. Their staffing goal is to provide consistent and reliable service 24/7. It is also their strategy to supplement the system with career staff to ensure that the primary emergency units get out consistently and reliably. The 12 career staff for Pantops will ensure that that fire engine responds with a minimal of three people, an ALS trained and an equipped staff, 24/7. In addition,

they are planning to aggressively recruit volunteers for Pantops with the hopes of adding an ambulance in the future.

Mr. Eggleston said that he understands that the Board desires to maximize the use of volunteers for staffing the primary unit at Pantops, and while they believe options outside of hiring the 12 career staff would be extremely challenging, he does have an option for the Board's consideration. If they drop back from 12 career staff to ten, that would generate one vacant slot during the nights and weekends. In order to fill that slot, they would need between 11 and 15 volunteers to volunteer at Pantops. Although the County has been very successful with the volunteer recruitment program, as compared with others around the country, there is still a need for additional volunteers at existing stations. There are unmet needs they need to pay attention to at the existing stations. Based on the volunteers coming in and out of the County's system there is a net increase of about 15. Mr. Eggleston said that if the County went with this option they would end up redirecting volunteers from existing stations to help staff Pantops. He is unsure on whether that is good for the system overall. He added that often when a volunteer graduates from the academy there is an internship or a period of time before they are competent enough to perform their duties. If they go with this option, they may have to redirect some of the training resources to ensure that when the Pantops station opens up, the volunteers are ready to go. He said that while they do not recommend this strategy because of the negative impact on the current system, he wanted to provide the Board with an option for consideration and discussion.

Mr. Rooker asked if there was any great risk in pursuing the middle strategy, and seeing how many volunteers they get and then adjust accordingly. It seems somewhat imprudent to start with a presumption that the County will be unable to fill any slots with volunteers at that station. Mr. Eggleston said that they could use that option but he believes in the long run it would end up robbing from existing stations to fill Pantops.

Mr. Slutzky asked if data showing that the stations are picking up an extra 15 volunteers a year is a consistent trend and where are all the volunteers going. He asked if the rural area stations are currently still understaffed and if they end up reaching into the volunteer pool for Pantops, will they be taking away from the rural areas efforts to get caught up and provide the ten minute response time that has been promised. Mr. Eggleston responded, "yes". Based on their analysis, they are still understaffed and still need about 200 additional volunteers in the system. He thinks they could make this work with 15 but it will be at the expense of the existing system.

Mr. Rooker said he thinks what Mr. Eggleston is trying to say is that it is not possible to put on a "full court press" to get volunteers to this particular station. He asked if, at this time, they are recruiting or advertising for volunteers at this particular location. Mr. Eggleston said they are continuously on a "full court press" when it comes to volunteers and they never take a break from recruitment. They recruit County-wide for any volunteer and try to direct them to their local volunteer station. History proves that they are challenged when it comes to recruitment of enough volunteers to make this work. The Board can look back at Monticello and Hollymead for example. He said that because of the demographics of the Pantops area, it makes it very challenging to recruit and there are not many opportunities. Mr. Eggleston said that there has been some interest in volunteering at this station but because there is no station they have directed the interested parties to existing stations. He repeated that he thinks that this strategy will not work.

Mr. Slutzky asked if they are currently finding that the East Rivanna station is down in volunteers and if this is the case, is it impacting their ability to respond. Mr. Eggleston said that East Rivanna, as well as every other station, could always and currently needs more volunteers. He said that usually with a volunteer organization the workload falls on a very few and he thinks that is probably the case around the County.

Mr. Slutzky asked if the volunteers being recruited for the Pantops station are going to be in competition with the East Rivanna recruitment efforts, which are out of the same pool of volunteers, and if so would they more or less go to either one of those stations. Mr. Eggleston said that was a good point because that is what they experienced with the Hollymead and Monticello stations. There was a concern with Seminole Trail in Earlysville that Hollymead would compete with volunteers for their station, given the need at all the stations. They reached an agreement to focus their volunteer efforts in a small geographical area and then redirect anyone else who lived in the community to the particular stations.

Mr. Slutzky asked if the East Rivanna station is currently able to keep up with the rate of calls that it is experiencing. Mr. Eggleston said that he thinks they are challenged across the board in some cases to meet the demands. The demand is growing and although the volunteer numbers are increasing, he thinks they will always have a situation in which they are challenged.

Ms. Thomas asked how it worked out with Monticello, because she knows that there was a certain community member who worked very hard to recruit volunteers. She asked how many volunteers are permanently at Monticello. Mr. Eggleston said that there are currently about ten volunteers at the Monticello station and getting that amount was difficult. At one time there was less than 12 budgeted and he had to come to the Board and ask for additional career staff in order to open up the station. He added that even though they are still challenged at Monticello they have expanded service at the station. They have added a first response vehicle, as well as a tanker. He thinks Fire/Rescue could possibly be in the same situation with Pantops if they plan for less than what is being recommended, and that he may find himself later on coming back before the Board, before the end of the budget period, requesting additional resources.

Mr. Eggleston said their recommendation remains to move forward as planned. He does not think this goes against the grain of supporting the volunteer system. They will continue to work hard in recruiting new volunteers as well as enhance the program that is currently in place now. He said that they are talking about opening this station during the next fiscal year and creating a consistent and reliable service.

Mr. Boyd asked if this had already been planned in the upcoming year's budget.

Mr. Foley said, as part of the next agenda discussion, there is a scenario that suggests if the Board reduced one person at each of the two stations, it would help to balance the five years. There has been discussion on how to mitigate that if the Board approves the 12 for Pantops. It would give them a head start to work on Ivy, as hard as they can, so if there were 12 hired and they were successful then maybe they would be able to recruit some volunteers to help offset that cost. With two stations coming on line, two less people is something that could be worked into the plan, but with Pantops, staff is recommending that the Board approve the 12 and see what can be done later with Ivy, to get that two person savings. He said that next year staff will be looking at this again in the five year plan and at that time they will be able to see where the recruitment efforts are going, and based on the status, the Board can make adjustments.

Mr. Boyd asked about the capital and recurring costs for the Pantops station. Mr. Eggleston said that he did not have the figures for the permanent sub-station, but the temporary sub-station, with material, would be approximately \$100,000, and the additional cost for staffing the station with personnel.

Mr. Boyd asked if equipment was added into the \$100,000 figure. Mr. Eggleston said that the cost of the equipment needed would be around \$500,000. Mr. Boyd said that it would take approximately \$600,000 in capital outlay, and then asked about the cost for 12 full time employees. Mr. Eggleston said that it would be around \$650,000 but, that price also ensures the replacement of City services and also a quick response time in Pantops.

Mr. Boyd said that potentially in 2010 if the County had to renegotiate with the City they may be looking upwards of \$2.0 million in cost. It looks like this idea could be an even swap and may in fact save the County some money.

Mr. Rooker said that the current payment to the City is about \$650,000 and this would add an increase of \$1.4 million a year.

Mr. Eggleston added that if the County is going to continue to invest in the system, either with the City or with County resources, staff recommends the resources go in a location that will help them achieve the five minute response time.

Mr. Slutzky said that was an important point. There is already a 10 minute response time in the Pantops area. If the County curtails its access to City services, when there is no specific reason to believe there will be an abundance of staff and volunteer support in East Rivanna, then there is going to be reason to anticipate a decline in response times. He is concerned with this growth area, particularly since it has a large percentage of the elderly population. He is supportive of the proposal even though he does not want to spend that amount of money. He also thinks that the County has little choice in doing so.

Mr. Boyd said the staff had started to move forward assuming that the Board had already decided to move forward on this plan. In fact he attended a citizens meeting where there had been talk about the new station. If there is a majority in support, he believes that the Board needs to approve moving forward.

Mr. Slutzky said he is convinced that the Board needs to move forward with this as they have already said that they would.

Mr. Rooker said that the Board had already voted to move forward with this plan. In addition, he met with Mr. Eggleston to discuss the plan. It is important to note that presently the East Rivanna station is the primary back up for several other stations, including Stony Point. Currently East Rivanna is having difficulty responding to all the calls. There are a number of calls that are not being responded to, where they are suppose to be the second responders, because they do not have adequate personnel at all times despite last year the Board adding a number of professional personnel. He voted against moving forward with this plan, but presently he does not see that there are any good alternatives for providing coverage in the Pantops area and providing secondary response that is needed in order to have adequate and reasonable coverage. Mr. Rooker said that although this is a lot of money he does not see any other alternative. He added that this plan has been geared down from being a full station to having a temporary sub station and then a sub station which has substantially reduced the initial capital expense and the projected operating expense.

Ms. Mallek said that this was as far as she was willing to go right now as an experiment to see how it develops. She thinks that it gives the County a cushion for a couple of years to find out what kind of success the County is going to have with a more door to door approach in that high density area. She said that if they are sitting and waiting for people to come to them that may not be enough. Staff may have to take a more active role to find service oriented people who live in the neighborhood. She said the businesses and high risk companies who are currently there will more than likely make a significant contribution to this effort as it moves forward.

Mr. Slutzky mentioned Mr. Eggleston's earlier comments about finding out why people leave the volunteer system and what attracts them in the first place. He would be interested if Mr. Eggleston came

back to the Board with an analysis of his findings. As the County is urbanizing with increased pressure to provide services, it is relying heavily on the volunteer system which has historically been an effective system. He asked if it is realistic to continue to anticipate either staying even or getting ahead with a certain number of volunteers every year. Mr. Eggleston informed the Board that the County is down a couple hundred volunteers from where it should be and he, himself, finds that to be a little frightening. The needed numbers is to get to an optimal level of service and anything less than optimal should only happen occasionally. It is good that the County is relying on 15 new volunteers a year, but that is also bucking a national trend. He asked if the basis for the trends could be isolated, what would make the County continue to believe that it is going to go the opposite direction of national trends, or if the County believes that the national trends will go with the County. He added that a needs profile of the County is important while going through this five year planning process.

Mr. Eggleston said that he believes their data systems are in better shape than they have ever been. They also have a well-engaged Advisory Board that has been concentrating on this effort for a long time. There have been discussions about some incentive programs that will help to improve the retention numbers. There are a lot of people on the Advisory Board who have experience and can help the County with bucking this national trend. Their ultimate goal is to develop a system that can continue to meet the demands of a combination system.

Ms. Thomas said Mr. Slutzky said many of the things she wanted to say. If they are really depending heavily on University students, it makes sense to have this conversation with the University. There may be incentives for the students. The Board needs to know a lot more about this and what is causing the volunteers to leave. If it is just graduation then the County needs to take a different tact.

Mr. Eggleston said that he and the Advisory Board would like to know the exact reasons for the volunteers leaving the system. This has been discussed at great lengths with plans for the exit interviews. He added that one program they are excited about relative to the Hollymead station is Live in Program. The station is due to open soon and they already have had a number of applicants interested in that dorm type of arrangement. This is the first type of arrangement in Central Virginia that he is aware of, and it is a great use of University students. He believes this will help maximize the use of the volunteers. He hears what the Board is saying, and that he hopes to come back before the Board, in the not to distant future, and provide more details about the system.

Mr. Boyd said that unless there were any other questions, the Board is supportive of moving forward with the plans as discussed. He asked Mr. Eggleston to confirm that this station is intended to be a sub-station, not a full station.

Mr. Rooker said that this project had been significantly scaled back to a sub-station which substantially cut the operating expense and the initial capital expense.

Mr. Foley said the primary issue is that the ladder truck will run out of Monticello, not from this station. Mr. Eggleston agreed that this has been scaled back dramatically to a sub-station.

Mr. Rooker said that the scaling back cut the capital cost more than one-half.

Ms. Mallek commented that the original number was \$5.0 million and now it is approximately \$2.0 million.

Mr. Boyd said that it is not anticipated that this station will be at the level of Monticello or Hollymead. Mr. Eggleston said that that was correct.

Agenda Item No. 3. **Work Session:** Five Year Financial Plan (continued discussion).

Mr. Foley said that the Board has had two work sessions on the Five Year Financial Plan, the first in November and the second in December. At that time staff reviewed projections on revenue and expenditures and reviewed a set of assumptions on priorities that the Board had set in the past. The staff had asked for the Board's confirmation or redirection on those assumptions so that the Plan would better reflect the Board's priorities looking five years down the road. They have been through this process and at the session in December the Board directed the staff to make a few changes to what was presented to them. Mr. Foley said the purpose of today's review is to look at how staff has incorporated the direction that they believe the Board gave to them into the Plan and to work towards final adjustments that will end with a balanced Five Year Plan. It is important, as staff has emphasized in the past, to remember that this five year financial plan is a plan. It is a plan in process; this is not a five year budget. Mr. Foley said that staff is not asking the Board to adopt a tax rate or do anything like that as a part of this plan. In any good financial planning both the revenue and expenditure sides need to be incorporated to reflect the Board's priorities. Staff believes that this plan is designed to clarify those priorities and reflect them in a realistic balanced five year picture with any final changes that the Board deems necessary or appropriate to make. He said that staff will be looking at this plan on an annual basis to make sure that it continually reflects the Board's priorities within that realistic financial picture. Today he plans to go over the changes that staff has put together, which have been based on the Board's input. They want to see if the changes reflect where the Board would like to go with this plan and, if, so staff would like to get the Board's approval for this as a planning document to create a frame work for future budget processes. Mr. Foley said that again it is important to make the distinction between an actual budget process and this planning process.

Mr. Foley said that staff has provided the Board with a one page attachment (set out below) that breaks down all the proposed changes.

	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	Comments
Revenue Adjustments						
Stormwater Fees	-	400,000	400,000	400,000	400,000	\$6 annual fee per ERU (Equivalent Residential Unit) to offset GF operating; \$19 annual fee needed per ERU to offset operating and capital
Increased Real Estate Taxes @40%	-	700,000	730,000	790,000	850,000	Increase of 1¢ in FY 09/10 split 60/40 with the schools; 1¢ increase in FY10/11 already included in the plan
Total	-	1,100,000	1,130,000	1,190,000	1,250,000	
Expenditure Adjustments						
Transit	(100,000)	(200,000)	(300,000)	(400,000)	(400,000)	Increase by \$100k per year in years 1-4; no increases in transit in year 5
Affordable Housing	(100,000)	(200,000)	(300,000)	(400,000)	(400,000)	Increase by \$100k per year in years 1-4; no increases in affordable housing in year 5
Environmental Initiatives	(50,000)	(65,000)	(75,000)	(80,000)	(80,000)	Includes Environmental Mgt System (EMS) for local government only; study & BOS direction needed for climate change initiatives, etc.
Other New Initiatives	(250,000)	(500,000)	(750,000)	(1,000,000)	(1,000,000)	Includes \$250k in new initiatives each year in years 1-4; no new initiatives in year 5
Add back 1% salary increase in yr 2	-	(350,000)	(350,000)	(350,000)	(350,000)	Increases year 2 to average of past 3 yrs (4%); yrs 3-5 already at average; Board of Supervisor/School Board direction needed
Reduction in Fire/Rescue Station Staffing	18,000	70,000	140,000	140,000	140,000	Hire one less firefighter for Pantops & Ivy stations
Reduction in Police Staffing (net)	70,000	140,000	210,000	280,000	350,000	Hire one less officer per year
Utilize Board Reserve	300,000		95,000	120,000	190,000	\$300,000 in reserve funds was planned for each of the five years
Total	(112,000)	(1,105,000)	(1,330,000)	(1,690,000)	(1,550,000)	
Net Change in Revs over Expend	(112,000)	(5,000)	(200,000)	(500,000)	(300,000)	
Previous 5 Year Financial Plan Balance	*	300,000	200,000	500,000	300,000	
Amended 5 Year Financial Plan Balance	(112,000)	295,000	-	-	-	
To avoid tax increase shown above						
Transit		200,000	300,000	400,000	400,000	Utilize CIP Transportation funding for transit
Additional Reduction in Fire/Rescue Station Staffing		70,000	140,000	140,000	140,000	Reduce an additional firefighter to a total of 10 at each station
Additional Reduction in Police Staffing (net)		140,000	210,000	280,000	350,000	Reduce an additional officer to a total of 2 each year
Affordable Housing		100,000				Reduce housing initiative in year 2
Other New Initiatives		190,000	80,000			Reduce funding for new initiatives in years 2 and 3
	-	700,000	730,000	820,000	890,000	Creates funding to avoid tax increase in yr 2
* Assumes balanced budget in year 1, however, FY 08/09 revenues estimates have not been finalized						

Mr. Foley said staff is asking the Board to accept the plan and approve the changes. He then proceeded to review the proposed changes and asked the Board for any direction to staff so that they can finalize the five year picture. He said that at the time the Board reviewed the plan they said that there were some priorities that they thought were important to include in the plan and that they were willing to consider some revenue adjustment/enhancements; not just the real estate taxes, but some other fees that may help with the plan.

Mr. Foley said that there were basically two adjustments on the revenue side. Currently the general property taxes are paying for County's storm water program. Staff has shown in the model that it is possible to offset the General Fund expense by adding storm water fees. Assuming that in year two the County established a storm water fee that was \$6 per year per equivalent residential unit; the \$6 per year would offset the \$400,000 that is currently in the General Fund. The \$400,000 could then be applied to other Board priorities.

Mr. Foley said the attachment shows a tax increase in year two that could generate \$700,000 in additional revenue for other Board priorities. That reflects 40 percent of how much a penny generates since 60 percent automatically goes to the School system. With some growth in value of the penny, the attachment shows the changes in additional revenues in the five years. It starts off with \$1.1 million and grows to \$1.25 million by the fifth year. Mr. Foley said that last year the Board made some revenue adjustments related to decal fees and so forth. Last year staff looked at any revenue adjustments that could be made including property taxes and other types of fees.

Mr. Slutzky asked what is being assumed as the rate of increase or decrease in property values that would translate into the tax rate (68 cents this year) to bring in these revenues. Mr. Boyd replied that it is 1.5 percent in year two and then five percent thereafter.

Mr. Slutzky asked if those assumptions have been reviewed over the last few months. Mr. Foley said they have actually been reviewed in the last 18 hours. He added that there are going to be adjustments. They used the October estimates as the base and they have not changed this as they go through this process since it is not a budget but a planning process. Staff has not changed the assumptions in the model but they have changed them for the budget process. He said there are two real estate reassessments that go into place now in every fiscal because of the annual reassessments. He said that staff is expecting a little better in the current year based on the values but a little worse in the second half of the coming fiscal year. Staff will be going through all that information with the Board in the next couple weeks while going through the budget process.

Mr. Slutzky said the five year process is based on an assumption that if the economic realities needed to be revisited then staff would make a reciprocal adjustment in its recommendation for the rate just to make sure that the revenue stream is the same.

Mr. Foley said that they would also look at some expenditure adjustments and those two options would be looked at if the reassessments are not what they expected at the time they were put together. He said that this is the basis of where they are working today and staff does expect some adjustments but just how much is what he will be talking to the Board about in coming weeks.

Ms. Mallek asked if the \$19 annual fee was considered and disregarded previously by the Board.

Mr. Foley said that it was reviewed by the Board a couple of years ago and no final action was taken. Staff is planning a more extensive review in the next couple of months. The \$6 fee does offset the increase in the General Fund and increasing the amount to a \$19 yearly fee would also offset the amount going into the Capital Fund to pay for storm water projects. In the case of the formula for Capital funding that would free up more money to go to other Capital projects. If there was a fee established in the future, it could free up as much as \$1.0 million in the Capital Fund to pay for some other priorities such as infrastructure, roads or other things that are not adequately funded.

Mr. Slutzky asked if the Board were to tax residential units directly for storm water projects, how would commercial properties fit into that. Mr. Foley said they would have more than one equivalent residential unit. For instance the Fashion Square Mall might be charged however many equivalent residential units, but staff would have to go out into the field in order to calculate the amount.

Mr. Rooker asked if this was based on impervious surface. Mr. Foley replied, "yes".

Ms. Thomas commented that other communities are already doing that. Mr. Foley said that "equivalent" is key and there must be a basis for assessing the charge. It is a typical single family residence and the amount of impervious surface.

Mr. Boyd said it is important to note that they are working with the County's budget now, and the County needs as opposed to the School needs. He added that with every penny that is raised, the County loses 6/10 of a cent and that is something that the Board should give consideration to especially since the School system seems to be a little bit more favorable when it comes to their State funds. If we need to raise money we only receive \$40 of the \$100 raised. The Board does not have to say that this 60/40 split applies across the board when it needs to raise revenues for the local government.

Ms. Slutzky said that he does not agree with Mr. Boyd's point of view.

Ms. Thomas said the 60/40 split is a policy, not law, and could be changed at any time. She added that when the Board held its work session, no one put a "sticker" by that option.

Mr. Boyd said that was before the Board started discussing raising taxes. It is something that some thought needs to be given. He questions why the Board would increase the burden on the citizens. They are discussing rising this money because of the needs of local government.

Mr. Rooker said that he thinks that every assumption is subject to review. The tax rates are subject to review every year. The Board may or may not adopt these particular tax rates during a particular year. This just shows, based on current assumptions, how the Board can achieve a relatively balanced financial picture going forward over the next five years which he believes is important. He thinks that if the Board is going to talk about changing the formula with Schools, it needs to have a very lengthy discussion with them about how that would impact them.

Mr. Boyd said he thinks the Board should do that. There is this policy where 60 cents of every new dollar goes into the School system. In the current process when money needs to be raised for local government, the Board is putting the added burden on the taxpayer.

Mr. Rooker said that staff is building this plan based upon current policy. The Board has not voted to change that policy. He thinks that there should be a whole process that the Board goes through if they are considering changing its policy. In the absence of it not being done staff has to assume that the current policy is in place.

Mr. Boyd said that there are current exceptions to policy now where certain items are taken off the top. The Board does not necessarily have to change the policy.

Mr. Rooker said that capital has always been taken off the top, as has revenue sharing. He is not saying that that the policy has to stay the same forever, but staff cannot go about assuming anything else until the Board changes its policy. He again stated that changing the policy would involve a process.

Mr. Boyd asked for the Board to assume that the County had a fully funded School system based on what they needed. If the Board needed to pick up extra money for the County government would the Board give the School system a windfall of \$950,000 so that it could pick up \$700,000.

Mr. Slutzky said an alternative way to look at this is that the things that may need to be added into this budget planning process are the things that result from the evolving conditions the County is confronting. Those things include increased fuel costs, population growth and urbanization. He added that a lot of those same variables will have a reciprocal impact on the School Division. What the Board is talking about in potentially having to increase revenue will also be experienced by the School system. Once the Board goes into that conversation it may decide that the algorithm is in some way defective and maybe there should be more money given to the Schools or it might be less. He does not think that it is appropriate to consider in the confines of the five year budget process. Until there is a process to change

the 40/60 split, he thinks the Board has to allow staff to provide the five year planning process the way they are presenting it now, which leaves some of the fundamental assumptions in place.

Mr. Boyd said that based on the current policy in order for the Board to raise 40 cents for local government needs, they would need to raise \$1 give 60 cents of that \$1 to the School system whether they need it or not, recognizing that they would always need it.

Mr. Slutzky said that the reasons why the Board needs to raise 40 cents could apply arguably to the Schools as well.

Mr. Foley said that one of the essential assumptions in the current five year model is the different formulas. That process is already in place so if there are issues that the Board wants to reconsider they can tell staff.

Mr. Slutzky said that when the Board was previously having its discussion he did not entirely agree with the base line assumption of the tax rate remaining the same because he felt that there were a lot of conditions in the community that suggested under funding, i.e., infrastructure and so forth. The Board decided for this five year planning exercise that it was inappropriate for deciding the tax rate for the next five years now. He believes that the Board needs to start with a base line assumption that is logical and reasonable, knowing that is just an operating assumption. He said there is a point in a five year planning process when you are unable to make the five year out decisions on the front end, and instead work with logical assumptions that get the relative expenditures and the relative revenue.

Mr. Boyd said that he agrees with Mr. Slutzky but he does not think that the Board should make this process something that is not realistic. He thinks that the School Board should take this five year projection and doing the same with their long range plans. He said that the Board cannot simply say that they are going to do this but that it will change every year depending on what is needed. The County has too many things that they need to carry year to year that have to be planned for on a long range term basis.

Mr. Slutzky agreed and said the Board should have started this process when the tax rate was 74 cents.

Mr. Foley said that he thinks that this process has worked out fairly well. It is the first year that it has been done and it is being used for planning. The School system is also using this process for planning. He added that this does not mean that next year when the Board takes a look at the things that have changed that it will not have to take another look at the Plan. Right now it is a realistic picture and if the Schools want to change the numbers for their purposes, they will need to come to the Board. He pointed out that the plan already proposed a one cent increase in the real estate tax rate in the third year; it now includes a one cent increase in the second year as the base line. He said that this will provide extra funding for the schools.

Mr. Boyd commented that this does not mean share 60 percent of the stormwater management fee. Mr. Foley said that fee is not subject to the formula split with the School system. Mr. Boyd said that it could save the taxpayers more by raising the amount by another 12 cents. Mr. Foley said the Board would have to change its policy on how much it transfers to Capital.

Mr. Rooker asked if amounts raised beyond the \$400,000 would have to be spent on stormwater programs and go into Capital. Mr. Foley said that was correct.

Mr. Boyd said that there is currently no policy that says the Board needs to spend those dollars from operations on stormwater management; the Board just needs to make up the difference.

Ms. Mallek said there are also plenty of projects to use the total amount that the County would save and if the Board does not put as much General Fund into Capital because of this, then that might be a consequence.

Mr. Slutzky asked Mr. Boyd if he was open minded to the \$19 fee versus the \$6 fee. Mr. Boyd said he would if a case could be made that it would be less of an impact on the taxpayers.

Referring to the above chart, Ms. Thomas asked what the parenthesis indicated. Mr. Foley said that means it is more expense than currently in the model.

Ms. Thomas asked if the \$100,000 for transit is the same as what the Board put in this year. Mr. Foley replied, "no", that is an additional \$100,000 of cost.

Mr. Foley said currently they are putting approximately \$700,000 into transit and this (referring to the list) is saying to add another \$100,000, which is another expense.

Mr. Slutzky said he assumes these funds are based on the assumption that if the County was to take on a more substantial commitment to transit associated with a Regional Transit Authority, there would be different funding mechanisms. The base assumption here is that if there is no RTA and no expanded transit system, the County would still be providing these revenues as an increase in transit in the near term. Mr. Foley agreed from the current amount of revenues that is generated in the General Fund.

Mr. Boyd said the five year projection is \$700,000, but those projections are far short of the \$3.0 million to \$5.0 million cost.

Mr. Slutzky said that cost includes an expanded transit system. He would like to see the Board committing to funding that system even though it has not gone through the decision-making process. Although the County is heading in that direction, there is a process that needs to take place. He thinks it is reasonable for staff to include these funds as a place holder assumption.

Mr. Boyd agreed with Mr. Slutzky, but those numbers cannot be determined in a vacuum. He added that it would take a sizeable increase in the County's operating budget to fund an additional \$3.0 to \$5.0 million in transit which would throw the entire five year off kilter.

Mr. Slutzky said the MPO is trying to get enabling legislation for funding a RTA. They are far from having a clear sense of a funding mechanism and the actual operating and capital budget for expanding transit. He wants to make sure that the City does not see the County's five year budgeting process not taking into account the RTA. He also wants to make it clear that that is a separate issue.

Mr. Rooker said the \$100,000 in FY 08/09 would represent a minimal increase for part of a route for the year. That is not a huge increase in transit. At its last meeting the Board spent a lot of time on a transit proposal and some of those increased service alternatives would result in substantial increases in expenditures. He thinks that a couple of Board members said that they tie that hopefully to legislation that gives the Board the ability to raise money other than on property taxes.

Mr. Foley said the \$100,000 in transit does not reflect the \$70,000 in grant match that the Board approved at its last meeting. Staff is assuming that amount is already in the budget so it is actually a \$170,000 increase.

Mr. Slutzky said when the Board approved Treesdale, there was discussion about the need to fund transit that would service that corridor. The estimate from CTS was approximately \$475,000 per year as opposed to \$100,000. He would be amendable to increasing the transit allocation to an amount higher than \$100,000.

Mr. Rooker said that he does not expect the Treesdale project to be built and occupied until 2010. At that time, the Board can make a decision about transit.

Mr. Boyd said that if there is a willingness on this Board to put more than \$100,000 into transit based on things that are already being anticipated to happen, then it should be looked at. He does not think the Board should fool itself and make this a "fun" document. He wants this to be a document that is a true planning mechanism.

Mr. Rooker said that he agrees, and he does not view it as a fun document. He pointed out that this is a microcosm of the entire document in the sense that these are items that were pulled out to look at today. There was some money included for general initiatives, other new initiatives and there is nothing that prevents the Board from doing that. He added that Mr. Elliott has indicated that he did not think Treesdale would be built until 2011. Mr. Elliott said Treesdale needs to get tax credits and they are looking at CDBG funding. Mr. Rooker said technically there is enough money built in to fund that route if that came up. If there was some money built in for some other initiatives, the Board could decide that the money could go to transit if that is a wise decision at that time

Mr. Foley said that another option is that some of the transportation money that the Board is setting aside could go to transit. He thinks one of the main challenges is that staff does not have all the answers to all the things that are currently being studied, or have final numbers and final approvals by the Board. Staff did not feel that without more direction from the Board on the RTA, that it could go a lot further. There needs to be much more discussion on the priorities. Mr. Foley said that he is also adamant about making this a real exercise, so that the Board knows realistically what it is going to take to achieve its' priorities. He added that there are a lot of studies going on so it is hard to make an assumption.

Mr. Boyd said he would like to be able to put in certain amounts into the formula and see what it does to the five year projections.

Mr. Dorrier said that he thinks the Board needs to look at how transit fits in with infrastructure needs and affordable housing because those are the main issues.

Mr. Foley said that this is an annual exercise and that is why it is important to include these new things so as to have a realistic picture.

Mr. Boyd said the items need to be dropped in during the Board's discussions on transit, and not in a vacuum and not just annually.

Mr. Rooker said that he agreed with Mr. Boyd except with respect to transit when the Board talks about a significant increase in the system and the need to discuss other funding sources. He added that the Board has not discussed whether transit should be funded using current revenue sources.

Mr. Slutzky said revenues also have to be looked at. For the planning process, he agrees that the Board should move forward acknowledging that those things are sort of extra.

Mr. Foley said that the Board now has a point of reference for the future for whenever a large expenditure comes forward. The five years do not include a lot of excess.

Mr. Rooker said that currently there are 16 frozen positions in the budget and he thinks that there are some departments that are being significantly impacted by those frozen positions. There are certain things that the Board expects staff to do but are not being accomplished because the people are not there. A new initiative could be to unfreeze some of the frozen positions so that things that are not being done could get done.

Ms. Thomas said that she thinks it comes down to what the Board defines as core. She previously asked that question; exactly, what are core services? She just learned that seven positions in Community Development that were dropped are not considered core which is a major cut back that is not covered. If members of this Board do not have the same concept of core services, as the staff that put this together, then the Board will not only mislead itself, but also the public.

Mr. Foley said that he believes that four of the seven positions are considered to be core and they are at the top of the list when an enhanced position becomes available. Staff will fill those positions (two inspectors, two planners, and an erosion and sediment control person) because they are considered core. Mr. Foley said there is also another planner position that is not considered core, but it is an enhanced position. The Board can certainly move that planner position to the top of the list. He added that on February 6th, Mr. Graham will have a proposal, as part of the Community Development Work Plan, on some revenue enhancements and fee increases in an attempt to accelerate the pace of getting those planner positions filled to work on some of the Board priorities. There is a process that states what they believe to be core and enhanced positions.

Ms. Thomas asked Mr. Foley to share that information with the Board.

Mr. Foley said that he would be glad to do that. He believes the Board directed Mr. Tucker to make some decisions on that but obviously there are services that the Board is concerned about, and staff plans to have that discussion during the February 6th work session. Staff also plans to provide some solutions to help fill some of the important positions.

Mr. Slutzky said he thinks the Board's use of the word initiative in its budgeting process may be misleading to the public. A lot of the initiatives, in terms of staffing and other things, are not necessarily a new idea; they are fulfilling a commitment that the County created. Examples are some of the planning positions when the Board adopted the Comprehensive Plan that contemplated protecting the rural area and creating a growth area and all the dynamics that it takes to enforce that kind of distinction. Some of those positions are a natural result of those decisions made a long time ago.

Mr. Rooker said that his top initiative is getting back to filling some positions that have gone unfilled now for a period of time.

Mr. Foley said that he understands the misperception associated with that word and said that staff will take a look and see if there is a better way to term that in the future.

Mr. Foley said now he plans to work through the expenditures and answer any questions. He referred to his earlier comments about adding back the one percent salary increase in the second year. In the first two years of the Plan, the salary increase was scaled back from 4.35 percent to 3.35 percent. He said that the Board confirmed that it would remain with the 3.35 percent in compensation for the next fiscal year. Staff has also done that in the second fiscal year and then bringing it back up to 4.35 percent in the third, fourth and fifth years. He said the reason that was done was because of the anticipated down turn in the housing market that would diminish the County's revenues in those two years. Mr. Foley said that based upon the discussion that the Board had with the School Board and since staff did not have any clear direction or policy beyond year one, staff ran a scenario so that the two Boards can give some direction. Mr. Foley said that currently there is no strategy going beyond year one but something needs to be done so that the model works because compensation is a big number. He added that this means that all of the four out years, beyond the first year are at 4.35 percent in this model, pending some direction from the Board.

Mr. Rooker said they are trying to meet a compensation goal which is objectively determined. In his opinion all of these numbers are subject to change based upon what the market actually does. In this regard, they are just plugging in numbers. They are assuming that three years from now the market will be either 4.35 percent or 3.35 percent. This is determined in an objective process, not a vacuum.

Mr. Foley said staff believes that in the year ahead the salary increases are going to be lower across the board in the current market and, therefore, the 3.35 percent is an appropriate number. It is a little more difficult to predict two years out in the plan so they are using that average to predict the second year until they get different direction from the Board. He said that if the Board disagrees with this approach, staff will adjust it back out.

Ms. Thomas said at the joint work session with the School Board, she stated that one reason the teachers seem to be getting a higher pay raise was because staff had done a lot of work with a peer group and knew who they wanted to compete with for those teachers' positions. The county has not done something similar for the classified positions, which is most of the non-school, non teacher employees. She would be interested in having a discussion about comparison of County classified positions, whether the County is demanding more of and if the non- teacher positions should be compared with a different peer group. She would like to have this topic on a subsequent agenda.

Mr. Slutzky said that he agrees with Ms. Thomas. He thinks it will provide potentially helpful information for future five year budget exercises.

Mr. Boyd said he thinks that is a major undertaking and if the Board is going to go down that route then there should be discussion about reconstituting a task force or something. There was a lot of studying, deliberation, and input from the public and staff. There is currently a peer market group and it is not as simple as the teachers. With this group they have to check the secretaries, custodians, engineers, planners and all the other categories or jobs. It is a major undertaking and he thought that Human Resources was already comparing the County's competitiveness on an annual basis.

Ms. Thomas said that the School system has said that it is a top quartile school system and therefore the County should compare itself with that group. The results are pretty dramatic this year, with the teachers being proposed for a four percent increase while classified is not. She thinks it is a conversation worth having and if staff says it is impossible then so be it, but it seems like it is very doable for the teachers.

Mr. Boyd said he thought Ms. Suyes had already told the Board that the County has recognized over the years that there are certain categories of jobs that need to be looked at differently. Ms. Thomas said that it is very limited and is for a position like the Deputy County Executive that needs to be recruited nationally. Mr. Boyd said it is based on how County needs to recruit and to maintain a low turnover rate.

Ms. Thomas said she thinks it would be information that some of the Board members would find useful. Mr. Slutzky said he would welcome the information.

Mr. Rooker said that he thought that everyone agreed that the County would try to target teachers in the top quartile of the competitive market. That does not amount to changing the competitive market or changing the peer group that the County looks at. This may mean changing the target for classified employees to somewhere other than the median which is where it is now. Mr. Rooker said that the Schools are at their median with respect to their classified employees. It is only the teacher group that is targeted at the top 25 percent; it is not the entire School system.

Mr. Boyd said the decision about the teachers was driven by the fact that the County was having trouble recruiting and keeping teachers. Ms. Thomas asked if he had noticed the turnover in the Community Development Department lately.

Mr. Slutzky said that he is supportive of the Board discussing our peer community and target criteria as to whether we want to be in the midpoint or higher. The nature of the County's staffing has evolved in the last few years. It may or may not be appropriate to drop some of the peer communities off and add some other.

Mr. Rooker said there are really two different things here. The first is changing the whole approach in the peer community that is been looked at. There was a task force to do that and they went through a long period of meetings and ultimately made a recommendation that the Board and School system adopted. He is not comfortable with just saying "now we will just unilaterally start changing that peer group that was arrived at by a process". It is okay with him if the Board wants to go through another process to develop another peer group, but he thinks it is different to say where do we go within that peer group and target compensation. He thinks that would be a good conversation to have periodically. He thinks that we need to give Human Resources some lead time to let us know where we are having turn over and where we are having difficulty obtaining applications for positions. That is the same information that the County examined when the decision regarding teacher compensation was made.

Mr. Slutzky said it might be interesting to have staff take a quick look at the criteria that was used during the last process to determine our peer community and look at whether any of those communities have changed in some way that makes them inappropriate. Then, if it seems that it is appropriate, leave it alone, but if there seems to be enough change, the Board may decide to take another look at the larger process. He is not convinced that the Board has to do it but he would like to look at it.

Mr. Rooker said he thinks it is a much shorter process to look at where you target employee compensation within the peer group than it is to look at changing the whole peer group.

Ms. Thomas said that was pretty sacrosanct after the balancing act that it took to create the group.

Mr. Slutzky said that if there is no will to do it then the Board should move on.

Mr. Foley said that staff has a general picture of the discussion and will come back to the Board with additional information as it becomes available.

Mr. Boyd said the question Mr. Foley previously asked was how comfortable the Board felt about adding back \$350,000, starting with the FY 09/10 budget.

Mr. Slutzky said that he was fine with it and he thought the logic for doing it made sense. It is not a commitment to spending that amount.

Mr. Foley said there is a challenge in doing this process with the School Board hearing about some things, but it is difficult for staff to not start with the Board and get input on things that concern the entire County budget. Staff will look for the Board's direction if it thinks the process should change in the

future. He said that staff put this together and proposed it to the Board based on assumptions. Mr. Foley said that currently salary will not create an issue because staff has tried to take it off the table, and staff is using the 60/40 split, and staff is not changing those assumptions. There is still an idea among some School Board members that they should be involved in that process, however, it is difficult for staff to involve them in the process before they involve the Board. This process leads staff to needing to identify the things that the Board wants to talk about in the longer term.

Mr. Rooker said that, as far as he was concerned, the money put in for salaries should be the most realistic number, based on objective information Human Resource received by looking at the market and determining future increases rather than just picking out some numbers. He would like to receive Human Resources input because the number is actually irrelevant.

Mr. Slutzky said he got the impression from School folks that there was not unanimity within HR about the ultimate correct number. He does not know that the Board should be going with a number that has not at least been discussed with the School Board because it is preemptive of a consensus of the two bodies which resulted this year in two different pay rates, and that is problematic.

Mr. Rooker said that it has not resulted in two different pay raises and he thinks that ultimately the School Board will adopt the one that the Board adopted at its meeting because he thinks that they will objectively make that determination. If there is a raise given that's too high, based upon the objective criteria one year, the next year the Board might find itself giving no raise because the market might not have moved. Mr. Slutzky said that the reciprocal of that is true too.

Mr. Rooker said that they need to be careful about not putting themselves in a position where the Board is giving a raise that is out in front of the objective criteria. Mr. Slutzky said that the exact opposite is also true because if you were to undershoot what the market ultimately does through attrition you could end up being in a worse spot. He agrees that the Board should be using the most reliable number, which it sounds like staff is suggesting that for the out years.

Mr. Foley said that WorldatWork does not project beyond year one and there is no good data for that so staff's assumption is that they will use the average of the last three years which has been the 4 percent. He said that for now that is probably the best that they can do in this exercise and the Board could revisit this topic as they talk about salaries and projections in the future.

Mr. Slutzky said that he was not on the Board when the peer communities were determined and he would like information so he can understand the process a lot better. Mr. Foley said that staff could provide Board members with information on the process, etc.

Mr. Foley said that the Board asked staff to put some money into transit, affordable housing and environmental initiatives. Staff has also included some foot notes about how they arrived at the amounts. He pointed out that for the environmental initiative, the true cost of climate change initiatives are not incorporated into the information. Some of the staff have done some projections which lead to some significant numbers but he thinks those numbers need to be reviewed a little further. Mr. Foley said that staff also needs to get more clear direction from the Board on how to implement the Cool Counties Program, which does have community-wide impact, not just County operations, but staff at least wanted to capture the County operations conversion as a starting point. Staff put in the \$250,000 a year in for new initiatives. The Board is able to see the cumulative effect every year as you add to that. To balance the model, as discussed earlier, it shows a reduction of one fire rescue firefighter and one police officer. He added that this can easily be adjusted based on the Board's discussion today and in anticipation of volunteers in the Ivy station to ensure that the model is balanced. Mr. Foley said that again in the first year, it is \$18,000 because it is not a full year impact.

Mr. Slutzky said that the Board had determined at some point, based on a somewhat objective standard that it would attempt to add a certain number of new police officers every year plus the necessary police officers to offset the increase of population. That led to an expected number of four to five. Mr. Foley said to clarify that it is not four plus one; it is based upon 1.5 officers per thousand projected out which led to the need for four to five per year.

Mr. Slutzky asked if the four to five new offers per year was based on getting caught up or based on a no population growth. Mr. Foley said that the number was based on achieving the standard and projecting the population. Mr. Slutzky asked if it also included the expectation of growth. Mr. Foley replied, "yes". Mr. Slutzky asked if this included reducing the numbers by one officer. Mr. Foley responded, "yes".

Mr. Boyd asked if the recommendation was based on staff reconfiguring the County's needs. Mr. Foley said that was actually based on not achieving the goal because the funding is not available.

Mr. Boyd said that he does not remember the Board voting on that. He asked if that was something that was just brought up or did the Board vote the last time to eliminate one officer.

Mr. Rooker said at its last meeting the Board requested staff to make that adjustment of one officer. This is actually a reduction in the increase.

Mr. Boyd said that he has a tendency to frame this a little differently in saying does the County need \$250,000 in new initiatives or another new police officer. He would maybe reduce the \$250,000 by the police officer.

Mr. Foley said the Board has that option.

Mr. Rooker said the Board always has the option that the new initiative for that year could be to add an additional police officer.

Ms. Thomas said that she constantly receives inquiries from people as to why the County is not doing a better job at recycling. The County used to require the trash haulers to recycle.

Mr. Foley said these changes best reflect the direction that the Board provided for staff previously. He emphasized that this is a plan based on the best information that staff currently has. The Board will be looking at it each year. If there are some things that do not reflect the Board's priorities, this would be the time to address them. Part of him wants to say, do not get so wrapped up in this as if it is a budget that the Board is adopting, like the one that is going to be adopted in a few months. At the same time, if there are any real concerns about some of these things he and staff would certainly need to know that. Staff is going to get better at this every year; this is the first year of the plan. Mr. Foley said that staff will also have better information as this process moves along on some of the other initiatives that are floating around from the community and so forth.

Mr. Boyd said he was a little confused about the numbers in the parenthesis. Referring to the adjustments handout, he asked if this was a net total or if it was the total expenditures.

Mr. Foley said staff has combined the revenues and expenditures, and from that the Board can see the net impact. Even with these adjustments the County is short \$112,000 in the first year.

Mr. Boyd asked if it would be \$1.105 million the second year or \$295,000 to the good.

Mr. Foley said that at three years the plan would be completely balanced after using the Board's reserve to wipe the shortfall out. They would actually be in a plus situation in year two and just a little bit short in year one. He said staff considers this to be a balanced plan because year one is going to be adjusted with the changes in revenues. Staff believes that this reflects the Board's new priorities in a balanced way, however, the Board's reserve is needed to balance it out.

Mr. Boyd said in reality this is saying that the \$300,000, that was previously called the Board's reserve, is now going to be called money for new initiatives since it is being shifted from one place to the other.

Mr. Foley said that it is a balancing line and if the Board is not comfortable with that staff can do something different. He said that these are the Board's priorities.

Mr. Boyd said that he is concerned that for the past couple of years, the County has always had huge surpluses at the end of each year which has gone to help with some initiatives and capital improvements. It scares him that the surpluses appear to have dried up. He said there may be more need for a Board reserve in times when the County does not have the surpluses.

Mr. Slutzky said that in years past the surpluses resulted in an ever increasing property tax base because of the unanticipated boom in the real estate market. He said that some localities choose in those times to maintain their tax rate and set aside money. Last year this Board opted to get rid of the entire wind fall and reduce the tax rate by six cents. That is part of why the County is in this predicament because now that the revenue side is challenged there is no excess. He does not think that the excess money was used irresponsibly because there were plenty of unmet needs, even with those budget surpluses each year. He is not sure that staff has done anything different than the Board's wishes for the five year planning exercises. The more difficult decisions about what kind of reserve fund and where it is going to come from are really the Board's decisions when it comes to setting the tax rate.

Mr. Rooker said that one of the presumptions in this plan is to remove a penny that is presently going to the Capital Fund which equates to approximately \$1.7 million. He personally does not think that is good long term decision.

Mr. Slutzky said that he does not even think that it is a good short term decision.

Mr. Foley said that these are unusual times in terms of the County's revenue projects and is reflected in some of the changes.

Mr. Rooker said the Board, from time to time, has talked about establishing some type of objective criteria to utilize for increases in the budget. He thinks that it would be a long process to get there but, he would be in favor of starting on that process soon. He said that includes tax rates based upon objective criteria related to growth in the community and inflation, and recognizing that there are certain factors in the budget that are not CPI responsive. In addition there are increases in areas like fire and rescue that are beyond inflationary factors because of the needs. He thinks that it is the difficulty of every local government to try to budget based upon the windfalls based upon the increases or decrease in the real estate property base. It would be an easier process for the County if it developed an objective criteria system that would basically dictate the tax rate much like how the County deals with compensation.

Mr. Slutzky said that he is in complete agreement that that is becoming increasingly appropriate for the Board to do. The process would give the Board a deeper insight into the variables of decision

making that it is confronted with each year. Mr. Slutzky asked how the Board would go about moving forward on that suggestion.

Mr. Rooker said that staff needs to provide the Board with some recommendations on how it might create a task force that would consist of Board members, a School Board representative, a Planning Commission representative and members of various segments of the public.

Mr. Boyd said he has been advocating that for that for years.

Mr. Foley asked if that was a request from the Board for the staff to develop something to bring back to the Board.

Ms. Thomas said she does not object to that but it is hard when the Board keeps freezing positions yet continuously adding more work for the staff. She believes it would be useful.

Mr. Slutzky supported moving forward.

Mr. Boyd suggested staff come back with a recommendation about how the Board might achieve that objective.

Mr. Foley said he believes the changes before the Board reflect what has been said, and if there are some adjustments staff can make them. He asked if there were any major concerns that are being reflected.

Mr. Boyd asked Board members if they believe these are adequate planning dollars. He knows that everybody has different interests such as transit or affordable housing or something else.

Mr. Rooker said he thinks the first two years are realistic but beyond that it is based on assumptions about revenue that may or may not come true. He is willing to revisit the revenue side this year because he is still not convinced that there are adequate reserves built in. Maybe the best time to do that is when the Board looks at the County Executive's budget proposal.

Mr. Boyd said he thinks the Board is establishing a baseline and once this baseline is done, and as adjustments are added in future years, the process will get better. He thinks this is a learning curve.

Ms. Thomas said that she thinks this has been a really valuable exercise. It is very useful because it brings in the realities. She is comfortable with it being a plan as it is not the actual budget. She is interested in finding out what is defined as core services.

Mr. Rooker said that he is not going to be comfortable with a budget that basically shows no reserve. It is unrealistic to have a \$200+ million budget based upon an assumption that there will be no need for a reserve. The Board has seen year after year the Comprehensive Services Act expenses increase \$400,000 to \$600,000 which the County has no control. The County has no control over the Jail expense which is based on per diem. The Board needs to recognize in a budget of that size, there needs to be a reserve. For budget purposes a reserve needs to build in each year. He does not know if that affects the broad assumptions of the five year plan.

Mr. Slutzky said that he is comfortable with the five year process and he is also comfortable with what staff has presented to the Board today with the following caveats. He agrees with Mr. Rooker in that it is appropriate when the Board reviews the County Executive's budget, and makes decisions about the revenue side and the expense side, that it isolates the specific things that it wants to have that would be variant from this plan and how to fund them. This is probably an appropriate base line and he assumes next year if there was to be an increase or decrease in expenditures and revenues, accordingly, that next years' exercise would be adjusted to reflect that new information. He thinks this process is successful and is valuable.

Mr. Foley reiterated his understanding from these discussions. One is a need for stronger reserves in the future as this process moves forward. Staff needs to take a look at the approach to salaries and maybe look into some defined market targets. Lastly, the establishment of a budget committee with staff to come back with some more information on the process that might work.

Mr. Dorrier asked if consideration had been given to a bond issue and integrating that into this budget.

Mr. Foley said that this plan relies on some financing for capital projects but how that is done, whether a bond issue or through some other method, is something that staff is going to talk to the Board about in the next few months as a part of reviewing the Capital Plan.

Mr. Boyd said he would encourage that to be a high priority item. Mr. Foley said there will be a budget work session dedicated to Capital.

Ms. Mallek reiterated the concern about a Board reserve.

Mr. Foley said there are reserves that do not show in the plan; those reserves are stronger than the \$300,000. There are cash reserves set aside, but there is no designated contingency fund. This can be discussed further.

Mr. Slutzky asked if the reserve amounts are sufficient to maintain the County's AAA bond rating.

Mr. Foley said that the County has very strong capital reserves and if the County was ever to get into a crisis situation, those could be temporarily used. He clarified that there is no financial instability at all. Mr. Foley said that the capital reserves are very strong and the cash reserves are probably stronger than they have to be. The County is in good financial condition.

Mr. Boyd said he thinks the School system always prepares a needs based budget without regard to the amount of money that they are going to get because that is their philosophy and they feel they are right. When the Board needs to raise capital for operating expenses, there should be some sort of mechanism in the policy that does not just allow a windfall for the school system. He thinks that the School system needs should stand alone as something that they would bring forward to the Board as needing more money for X amount of dollars.

Mr. Slutzky asked if the School system makes their budget decisions based on what they need independent of the revenue reality. He asked if the Superintendent gets a budget projection from Mr. Tucker that she has to work off of. He also asked if she is being constrained by what she can reasonably anticipate being given.

Mr. Foley said that the budget that is proposed is generally beyond the amount of revenue that staff has indicated will be provided under the formula.

Mr. Boyd said that during the years that he was on the School Board there was a policy decision made that they would base their budget on needs rather than revenues.

Mr. Rooker said that the difficulty is that the School Board typically submits a budget which exceeds revenues and often they have to pair down their budget. It is difficult for them to view any additional money that may coming in as a windfall; they see it as making up a deficit in their budget. He thinks that is a conversation they need to have with the School Board.

Mr. Foley asked for Board approval to move forward with this as a planning document.

Mr. Rooker then **moved** approval. Ms. Thomas **seconded** the motion. Roll was called, and the motion carried by the following recorded vote:

AYES: Mr. Boyd, Mr. Dorrier, Ms. Mallek, Mr. Rooker, Mr. Slutzky and Mr. Thomas.
NAYS: None.

Mr. Boyd commented that while Board has approved this five year plan and projected process, it does not tie the Board to a tax rate or any revenue decisions. Mr. Foley agreed.

Mr. Foley handed out an attachment pertaining to the budget process. As the Board is aware, the General Assembly passed a law this year which accelerated the pace of the County's consideration of setting the tax rate for the coming fiscal year. Staff has adjusted the budget calendar to reflect that change. The public hearing on the Board's proposed budget is April 2nd. This new law requires that 30 days before the public hearing the tax rate has to be advertised; therefore the Board needs to approve the tax rate it wants to advertise by March 2nd. Based on the calendar that the Board previously approved, staff scheduled the Board to make that decision on February 26th, 2008. Staff has planned two preliminary work sessions because the Board will not have the recommended budget in full based upon the schedule that was put out. Because of that there is going to be a preliminary review of the operating budget and a preliminary review of the School's proposal so that the Board can have an idea of what is going to be in the County Executive's proposed budget, before setting the tax rate. The one thing that was not included to the revised calendar was a public hearing before the Board was required to set a tax rate. Staff is suggesting a public hearing be set on the afternoon (February 20th) of the work session on the School's budget prior to setting the tax rate on February 26th.

Mr. Boyd expressed support.

Mr. Slutzky commented that there is a MPO meeting that afternoon so if it is possible to reschedule that meeting, he has no problem with scheduling a public hearing that night.

Mr. Rooker suggested rescheduling the MPO meeting to an earlier time.

Mr. Boyd suggested looking at the schedule and see if it can be worked out.

Mr. Foley said staff will plan for the public hearing on February 20th and work on the time.

Agenda Item No. 4. **Consideration of Proposed Ordinance Amendments:**

- a. **WPTA-2007-001.** Water Protection Ordinance; applicability of erosion impact area; agreements in lieu of plans; stream buffers on other rural land.

- b. **ZTA-2007-003.** Zoning Ordinance; safe and convenient access.

- c. **STA-2007-002.** Subdivision Ordinance; family divisions; contour intervals; individual lot grading.

Mr. Boyd said that he believes it is important to have as much public input on these items as possible and with that being the case he is going to propose that the Board open this meeting up for public comment. There is a sign up sheet on the table for anybody who wants to speak on these three items. He then suggested the Board take a ten minute break.

Mr. Rooker said the public hearing on these items were opened and closed by the Chairman. These are ordinances that have a couple of technical changes that are a result from input received from the public at the last public hearing. There has been some comment that there is a rush to making a decision. This process has gone on about six years with trying to adopt some of these rural area provisions that are included in the County's Land Use Plan. There have been more than 70 meetings held dealing with these and other recommendations that are in the Rural Area Plan, along with numerous Planning Commission and Board of Supervisor work sessions. He believes there have been more than 20 Board meetings that have dealt with these issues including a number of joint meetings with the Planning Commission.

The Board's October public hearing on these items lasted more than six hours. Just about every idea, thought and opinion that could be expressed on these ordinances has indeed been expressed. Perhaps if the Board had voted that night, at 1:30 a.m. in the morning, which it could have, the Board would have gotten a comment that the decision was rushed by voting immediately following the public comment. Now having closed the public hearing and having had plenty of time to think about the public comment, respond to those comments and bringing back parts of the ordinances that Board members think are appropriate, there is again the claim that the Board is rushing ahead with something. He thinks that the characterization of this by certain Board members and the media is completely inaccurate. After this long period of deliberation, which is now two and one-half months since the public hearing was closed, the public has the right to have a decision. He thinks that there is some strategy involved with simply thinking that this can be strung out forever. Whether this is voted up or down, he thinks that the public is entitled to a decision on something that has been pending now for as long as it has been.

Mr. Rooker said that when we talk about public input, reading from the ASAP newsletter which accurately characterizes something that took place earlier, it says "with no advance warning to the community, with no public hearing, with an apparent disregard for residents concerned about the impacts of relentless population growth, Mr. Boyd proposed that \$200,000 be earmarked to attract new businesses to Albemarle County". He said that four of the Board member's voted to approve this new Economic Opportunity Fund. Mr. Boyd then moved that the County become a member of the Chamber of Commerce, which is the most powerful lobbying group in the area and a frequent advocate on issues that the Board is expected to consider without biased. Mr. Rooker said that he gets a little perturbed to see Mr. Boyd talking about public input when in fact, in the past, he has made motions like the Chamber of Commerce situation. That was a situation where this Board, over the years, held public hearings and voted not to join the Chamber of Commerce, for what he thought were valid reasons. One evening at the end of a meeting a motion was made to join the Chamber without any public input or public hearing which was a significant change in the Boards policy simply because Mr. Boyd had a fourth vote. As a result the County joined the Chamber. He added that this situation has been handled entirely differently. After the October 29th hearing at any Board meeting any Board member could have made a motion for approval of these ordinances. Those Board members who think it is wise to move forward, in some form with some of these concepts, did not do that. Instead a motion was made to put it on an agenda, and that is this agenda. At the end of this meeting, the Board can certainly take whatever action is appropriate with respect to those ordinances. He does not relate to the initial characterization that was made of this.

Mr. Boyd said he thinks that the appropriations of \$200,000 and the \$12, 000, which the Board does all the time without a public hearing, are not as significant an issue as the impact of these three ordinances on the County's citizen.

Mr. Rooker said that is why the Board had a six hour hearing at which time people aired their opinions one way or another.

Mr. Slutzky said he does not agree with the characterization of the votes to join the Chamber of Commerce, to set aside some money, not to spend the money. It reminds him of Mr. Rooker's initiative to fund ASAP with a \$25,000 investment. Mr. Rooker did not suggest that be subject to public hearing because it was not necessary or appropriate. He thinks that was comparable to the other two items that Mr. Rooker raised. He thinks this is a significantly different issue and it is clear to him that the public hearing process has been significant and exhaustive. He agrees that these particular issues have a significant impact on the community. There has been a lot of opportunity for public input and as the Board chose not to vote late that night, after the public hearing, because everyone was tired, they wanted to absorb the public feedback, and they did not want to vote late at night when most people had already gone home and would not have been able to hear the discussions or deliberations. The Board has had the

opportunity to absorb what it heard that night and all of what has been stated over the years. He thinks that everyone has developed a clear sense of the pros and cons of the proposals. He thinks that Ms. Thomas correctly introduced the motion last week in a way that recognized that there is some scaling back of the extent to which there seems to be support for doing what was in front of the board in October. He thinks that it was productive to have that put into the record for people to consider. He is sympathetic to taking some comments from folks who came out to this meeting as long as it can be done within the time constraints of this meeting. He is not supportive of going any further than that.

Mr. Rooker said that he does not disagree with Mr. Slutzky. He thinks that the Board needs to set some reasonable parameters. He said it would be helpful with the new changes. For instance, the Steam Ordinance has been only about ten lines of type that have been added to the ordinance that has been in place in the County for years.

Mr. Boyd said there has never been an adequate discussion on the ordinance. It was taken directly to a public hearing without any kind of real discussion with staff. In fact, the night the Family Subdivision was taken to public hearing, there was three sets of ordinances in front of the Board, one handed to them that evening. This has been an evolving process, it has been continuously changing, and the impacts have not been flushed out. He does not think that the Planning Commission did their due diligence on this project and they never really investigated them to the extent that they should have.

Mr. Rooker said the Planning Commission held many meetings and a very long public hearing.

Mr. Boyd said he wants to give the public time to speak. The Board has always aired in favor of too much input from the public as opposed to not enough. He said people who want to sign up need to do so during the break.

Ms. Mallek said it needs to be recognized that there are people who might have come today that did not know they were going to be given the opportunity.

Ms. Thomas said that maybe the Board should also allow for public comment at its next meeting before the vote is taken. She thinks that it would be good for the Board to have discussion because on these ordinances they have not done so. She suggested that the Board allow comment at either this meeting or the next meeting, not both occasions.

Mr. Boyd agreed with Ms. Thomas in that it may not be appropriate for the Board to have discussion today and then allow public comment at the next meeting.

Mr. Rooker suggested scheduling these items on the Board's February 6th agenda.

Mr. Slutzky suggested February 13th since that is a regular night meeting.

Ms. Thomas said that there should be time on the February 13th for public input. She said does not think that there has been time for people to absorb the information and get some questions answered.

Mr. Dorrier said that in October the County sent out notices to 14,000 parcel owners of property in the County and he asked if those same 14,000 parcel owners are going to be notified.

Mr. Slutzky said that there was a public hearing in which those 14,000 property owners had the opportunity to weigh in. He believes it is appropriate to invite further remarks from those people if they want to; it is not reopening the public hearing, but inviting the public to comment before the Board takes an actual vote. He thinks that is reasonable and appropriate.

Mr. Rooker said that one of the things that are no longer in front of the Board is the critical slopes ordinance.

Mr. Dorrier said that anyone who owns property with a perennial stream running through it is going to be affected and he thinks they should be notified.

Mr. Slutzky said those individuals were notified when the Board unanimously amended the Watershed Protection Ordinance last year, and that extended the same stream buffer to an increased portion of the County. This ordinance proposes to extend it to the rest of the County. He thinks there has been a lot of opportunity for public comment. He thinks that most of the controversy relates to the provisions the Board chose not to bring back.

Mr. Foley commented that the February 13th meeting appears to be lengthy with other public hearings. He suggested extending the February 6th meeting until the evening.

Board members concurred with scheduling the meeting on February 6th at 6:00 p.m.

At 2:47 p.m., the Chairman called a recess. The Board reconvened at 2:59.

Mr. Cilimberg presented a slide presentation summarizing the proposed changes. With regard to the water supply protection area, the existing ordinance has two areas of which buffer applications are different; one is for the water supply protection area and the other for rural areas where only perennial streams and non-title wetlands contiguous to those streams and floodplains are covered. The proposed ordinance that was previously recommended by staff and the Planning last year in October, had all the rural areas covered by the 100 foot wide stream buffers for both perennial and intermittent streams, for

nontitle wetlands and no less than 200 feet wide from the floodplain of public water supply impoundments. New and different today is how a perennial stream is defined. It has been revised for more specificity. In addition to the solid blue line on the USGS topographic map another reference is where location is to be determined by guidance that is provided by the approved Chesapeake Bay Local Assistant Department published options. Therefore, the determination of streams has another source.

With regard to critical slopes and safe and convenient access, Mr. Cilimberg said there was a requirement for the restriction of driveways across critical slope. Based on the Board's action was last week, that has been removed and is no longer included for consideration. The other access regulations for public safety vehicles are the same as they were in 2007. There is also the provision of not applying the regulations to establishing the first single family dwelling unit on an existing lot, if the County Engineer determines that requirement would practically prohibit that development. He said that questions have been raised as to what building permits get covered under this. He thinks there is a clarification matter of making sure that it is only being applied to the new dwelling rather than all building permits. There is also the question of appealing the County Engineer determinations which Mr. Graham will discuss.

Mr. Cilimberg said that for family divisions there is currently no years of ownership required before and two years after, by the family. There was an alternative discussed last year, five years before and five years after. The Planning Commissions recommendation was for a cumulative 15 years before and after, with a minimum of five years after. Last week the Board decided to consider four years before and four years after. The origin of this was not being based on current abuses. The analysis over the years is that there is no evidence of great abuse occurring in the creation of family divisions but originally it was proposed as part of the phasing and clustering ordinances when there was going to be exemptions for family divisions. He said that there was concern that there could be abuse of the family division provisions so this is proposed in anticipation of any possibilities of abuse that would result from other future ordinance changes.

Mr. Boyd said that he does not understand why the County is doing this now for the future when it seems to him that they should address it at that time rather than now. Mr. Cilimberg said that is for the Board's discussion among themselves. He added that the Board decided last week that they would make this change from what occurred in 2007.

Mr. Cilimberg said staff wanted to give the Board the most recent information that they have on the required time for holding family divisions. There are many different types of approaches taken by different counties and this is the most the current information on the surrounding counties for the Board's reference.

Ms. Thomas said that she understood that Shenandoah County has five years before and five years after.

Mr. Cilimberg said the staff and the Planning Commission recommended approval of the ordinance amendments in 2007. The considerations today remain consistent with the recommendations that were made in 2007.

With regard to the appeal issue, Mr. Graham said this came up under part C of the Zoning Ordinance change where it speaks to the County Engineer having the ability to allow modification of the driveway grade. As he indicated earlier the reading of that says that an appeal of that decision would go to the Board of Zoning Appeals. There has been a question as to whether that would be more appropriate to go to the Planning Commission primarily because the Commission already deals with private road waivers and they are more experienced road issues.

Mr. Slutzky said that would be his preference.

Mr. Rooker and Ms. Mallek, also, said that would be their preference.

Mr. Boyd agreed.

Mr. Graham added that if they wanted to apply this to building permits where a new house is being created there would be a need to add the word "new" in front of dwelling.

Mr. Slutzky commented that people could do renovation work and not be subject to having to redo their driveway. Mr. Graham said that was correct.

Mr. Slutzky said that he would support that modification as well.

Ms. Mallek asked if a motion was necessary for that action.

Mr. Davis said that if there is a consensus among Board members, staff will have that reflected in the amended ordinance available for the February 6th agenda.

Ms. Thomas said that the County already has safe and convenient access as a requirement for getting a building permit. It defines a driveway grade; it is not 16 percent. That is the main change that is being made. She suggested sharing with the public the fact that there are already those requirements for getting a building permit. This is not something that the Board has ever done before.

Mr. Graham said that is true; before the issuance of the Certificate of Occupancy, the Zoning Administrator has to determine that there is a safe and convenient access. He agreed that it is very late in the process.

Regarding the stream setbacks, Mr. Boyd said that he has been doing some investigation with some people who are published on this topic and they seem to indicate that increasing it from 50 feet to 100 feet is not going to be that much of an increase in either the sediment or the nutrient control. In fact there is some published material coming out in the near future to that. Mr. Boyd asked if this had been discussed and if scientific data had been presented to the Commission or Board.

Mr. Slutzky said there had been a presentation of that made to the Board where they stated that it was not easy to find scientific or peer review journal articles that were supportive of going from 100 feet to 200 feet, but it was kind of pervasive in the literature that the 100 foot set back was necessary and appropriate.

Mr. Boyd said that he is finding some scientists who disagree with that based on research.

Mr. Graham said the Board's authority to create the stream buffer ordinance comes through the Chesapeake Bay Preservation Act. Seventeen years ago an enormous amount of time and energy was spent trying to determine the appropriate stream buffer width and the decision after almost a year of deliberation was 100 feet was the appropriate measure. If Albemarle was east of I-95, located in one of those counties, the resource protection areas are mandated to have a 100 foot buffer. The 100 foot buffer is a very well known state established state standard and that is what the County is going with.

Mr. Slutzky said the Board voted 6-0 in the last two years, with the updated Watershed Protection Act, to implement that same stream buffer requirement on a significant portion of the northwest part of the County. At that time the Board looked at the 100 foot setback and was satisfied that it was reasonable and appropriate. He is not sure why the change in opinion.

Mr. Boyd said that he now has new information that was not available at the time.

Ms. Thomas said she thinks that an ideal buffer that is planted to perfection might in some scientific study come out as a wider buffer that is just allowed to exist. You then need to take into account that areas with clay soils should have bigger wider buffers. Albemarle County has clay soils and steep slopes that should not count. There are a lot of ways in which the Board can fine tune this, a scientist in their study can fine tune this, but for a buffer in Virginia to match what is already being done in a dozen counties, and to then be using enabling legislation, she thinks that the 100 foot buffer is totally defensible.

Ms. Thomas said that it was mentioned this morning that the Department of Forestry people are looking to see if they can come together with information for a smaller buffer. She highly values the forest, but she does not know how to feel about the Forestry Department because they are in the business of trying to harvest a maximum number of trees and they are not known for being very good about the erosion control. She thinks that legally and scientifically the Board should continue doing what it is already doing in half of the County.

Mr. Slutzky asked if the Mountain Overlay District considered a 200 foot set back. Ms. Thomas replied, "yes".

Mr. Dorrier asked if a perennial stream is a flowing stream. Mr. Graham said it is a stream that is shown as a solid blue line on the USGS map or that meets the Chesapeake Bay Local Assistance Department criteria.

Mr. Dorrier asked if intermittent streams have a broken blue line. Mr. Graham said that is correct. Mr. Dorrier commented that Albemarle County is full of intermittent streams. He asked if these regulations would apply to all intermittent streams. Mr. Graham said, "yes", it would take what is already applied to the intermittent streams in one-half of the County and apply to the remaining intermittent streams.

Ms. Mallek asked, for clarification, if this was mostly talking about structures and construction of buildings. Mr. Graham said it would apply to construction of structures or any other disturbance of those buffers associated with development. This does not impact agriculture except for row crops located within 25 feet of the stream. It does not impact forestry operations because those are specifically exempted.

Mr. Boyd said that Board members received a letter from a land surveyor regarding the impact and he asked how this impacts stream crossing. Mr. Graham said that staff has been enforcing the existing ordinance. There is a section in the existing ordinance that speaks to "no disturbance of the buffer except where necessary to establish a use on that property not to establish any use". In other words, if there is a building site that would not require crossing the stream versus using another building site on the same lot that would require crossing the stream, staff is not authorized to do a modification to allow a mitigation plan to allow that disturbance of the buffer.

Mr. Boyd said that from the letter he understood that staff can accept a mitigation plan in order to do a stream crossing. Mr. Graham replied in certain circumstances that is true but not in the circumstance where there is use of the property without crossing/disturbing the stream.

Mr. Boyd asked what if there was not a use of the property or suppose the only way to get to the property was to cross the stream. Mr. Graham said in those circumstances that they would use a

mitigation plan to offset the impacts of that buffer. Mr. Boyd asked if that would continue even with these new regulations. Mr. Graham said absolutely and that there is no change under this proposal for that section of the ordinance.

Mr. Rooker said that what would be applied is exactly what is being applied in one-half of the County currently. There has been a discussion of property values but he does not think that it has any diminution in the value of the properties that are part of the County that are already subject to this ordinance. He would guess that the property values in that part of the County might be higher than in other parts of the County.

Mr. Boyd asked the cost for enforcement, for staff to do this either in lost project time, or for additional staff. Mr. Graham said they are not anticipating any additional staff time for the water protection ordinance. In some ways it simplifies their work in that they will no longer have to figure out whether it is in or not in the water supply area.

Mr. Boyd asked if they have to go out and look at a lot of intermittent streams to determine their impact. Mr. Graham said they would if asked by the property owner to make an examination, but in the past they have not received many requests.

Mr. Boyd asked they would be asking for more staff to implement these three ordinances. Mr. Graham said they are talking about the water protection ordinance. From staff's perspective, the correct way to enforce the driveway standard would be to require a grading plan in association with the building permit. To have that grading plan, to review that grading plan and then to inspect the driveway after it is constructed, would take additional staff. He thinks it would take an additional engineer planning reviewer/inspector.

Mr. Boyd asked for costs for the additional staff. Mr. Graham said it would be approximately \$50,000 per year.

Mr. Rooker said that the problem is that the County has a steep slope ordinance that without a grading plan, staff cannot adequately enforce because they do not have a plan to make a determination of whether or not steep slopes are being invaded. This is really necessary to enforce current ordinances.

Mr. Boyd asked if the information on the County's GIS will change significantly when they receive the new US Geological Survey information in April. Mr. Graham said people will see a better resolution on critical slopes and other areas. Right now there are ten foot contours and by mid year they will have four foot contours throughout the County.

Mr. Boyd asked if, during the next two weeks, staff could publish on the website a list of commonly asked questions and responses. Mr. Graham responded that could be done.

Ms. Thomas said there should also be information on how to access Albemarle GIS.

Mr. Slutzky said he had a number of people question the 16 percent number for the safe access. He previously asked Mr. Graham where he could experience a 16 percent slope or a 20 percent slope. Mr. Graham described the County Office Building driveway in the back that goes next to Bodo's, as being 20 percent slope. He asked if Fire and Rescue personnel find that to be too steep, such that the 16 percent is essential. He asked if 16 percent is more restrictive than it needs to be.

Mr. Graham said that Mr. James Barber from Fire and Rescue is at the meeting and he can answer with respect to their equipment. As Ms. Thomas noted there is already a safe and convenient access requirement in the Zoning Ordinance and as a rule of thumb staff has routinely used 20 percent as what they thought possible for the maximum slope.

Mr. Barber, Assistant Chief for Fire Prevention, said that fire rigs are designed with VDoT standards in mind in that this is considered rolling terrain which is what a 16 percent grade is designed for. There are exceptions for a specific linear foot and that that can be exceeded up to 20 percent under certain circumstances. Basically, 16 percent grade is something that would be considered, with the design of their apparatus, as a maximum with those exceptions in mind.

Mr. Rooker said that the ordinance allows staff to grant a waiver based upon the length of the grade that would exceed 16 percent. Mr. Barber said that was correct and staff would look at the needs of each case and either approve it or make recommendations for change.

Mr. Slutzky asked if the exceptions are set out or should the Board incorporate them into the ordinance. He asked why there are just saying 16 percent if there are going to be predictable instances where a steeper grade would be appropriate from the safe access perspective.

Mr. Barber said that the 16 percent is not an arbitrary number, it actually comes from VDoT standards, for rolling standards. There are some predictable standards that could be published but each the waivers are looked at on a case-by-case basis and either approved by staff or not.

Mr. Graham said that the criteria by which they would consider a waiver is set out in Section C.

Ms. Mallek asked if the 16 percent is based on icy roads, dry roads, or best case scenario.

Mr. Barber said that it is the VDOT standard and it takes into account all sorts of weather of all sorts. There are some other questions with respect to icy road surfaces but not so much with a private residence. He said that, with commercial structures, they get a little more involved into who maintains the roadway and if there are more than three houses built in a subdivision, who is responsible for clearing the roadway. If a private citizen wants to build a residence on their property these are still concerns for them but there is not the same requirement for them to maintain their driveway.

Mr. Slutzky said the purpose of this ordinance is to ensure safe access and he is trying to figure out if they need to be as aggressive with the 16 percent slope or if 20 percent makes more sense.

Mr. Graham said he is comfortable with 20 percent for passenger vehicles. He thinks the real question is emergency vehicles.

Ms. Thomas said it is also emergency situations. The chances of there being a fire from a fire place or woodstove are in direct proportion with how bad the weather.

Mr. Boyd asked how often Fire and Rescue runs into cases where they cannot gain access. Mr. Barber said that it happens very frequently and especially with driveways, more so than private roads because of their enforcement authority.

Mr. Boyd said that he meant not being able to get to an emergency or fire situation because the road is too steep. Mr. Barber said they would continue their effort until they get to the fire or situation, but it does slows them down. He is unable to point to a specific occasion and say here is one that they could not get to.

Mr. Slutzky said he lived next to Peavine Hollow and had to watch a friend's house burn to the ground because the fire truck stood on the road and could not get to the house. That was his first personal experience with safe access and it made him more interested in pursuing this ordinance even if it is somewhat restrictive.

Mr. Rooker said that Mr. Barber started out by saying that the current equipment that they use is designed to be useable in the VDOT rolling terrain standards, which allows 16 percent.

Mr. Boyd said that there were six people who signed up to speak to this issue. He then opened the public comment portion of the meeting.

Mr. Mark Keller thanked the Board for the opportunity to speak. He does not own any land that can be subdivided in the County. He does not own any land that has a perennial stream or otherwise. He has no personal interest in any land development projects. As a land use consultant, he is impacted by these new regulations and the current regulations. It is important for him, and other members of the public that are going to speak, to clearly understand any new regulations that the Board wishes to impose and that they can interpret them in an objective manner.

Mr. Keller said that relative to the lot access requirement he suggested the Board consider rewording the partial phrase "rectangular zone super-adjacent". He said that a regular person, who is not in his industry, would probably not understand what that means. Relative to the subdivision of land family subdivisions, the rewording has gotten so lengthy and restrictive that, in his opinion, the intent of the ordinance has been lost. It appears that the language is trying to close a loop hole for developers and the spirit and ability of landowners is lost. Mr. Keller said the ability of farmers to retire debt, settle estates, offset cash flow deficiency or avoid foreclosure may be severely impacted by this change. The last statement under Paragraph 12 states "clearing and all other lot improvements" and he thinks it would be impracticable for himself or any of his clients to tell the Board what kind of impacts or improvements comprehensively would happen on that.

Mr. Keller said he supports water protection but as a consultant, they need to know that in the beginning. He said they do a lot of plans with rezonings that take two to three years to get Board approval, and if the new determination of the stream changes, then it is important to consider vesting language.

Mr. Rooker said these only apply to the rural areas, not the development areas.

Mr. Keller said Ms. Tamara Ambler and Mr. Mark Graham confirmed that it does apply in the development area if the stream has not currently been compromised. This wording can be read under definitions. He thinks that everyone needs to understand completely what is meant by that. He said that the vesting of that is important for people who have already invested years in developing a plan and it then might have to change which would require revisiting the rezoning.

Mr. Boyd said he thinks grandfathering needs to be clarified.

Mr. Davis said that the approved plan would be vested. The perennial stream definition is the clarification of perennial stream definition throughout the County. It does specifically address, in the development areas, certain streams that no longer resemble a stream.

Mr. Rooker said that the proposal to apply the ordinance, to the other part of the County, is a proposal to apply it to the rural part of the County. It is not a proposal to expand the ordinance; it does not apply in the growth area today and it would continue not to apply in the growth area today.

Mr. Davis said that was correct unless this definition of a perennial stream expands what is determined to be a perennial stream within the County.

Mr. Graham said the definition has already been set. Using Willow Glen as an example, they looked at the stream buffers as part of the re-zoning application so that one is pretty well set.

Ms. Linda McRaven said that one of the things that Board members have expressed concern about is that there has been six years of hearings dealing with this issue. She, as well as the audience, thinks the Board has not been listening for six years because those who live on two acre lots in subdivisions have no idea what she has to do living on 22 acres up against green mountains in northwest Albemarle, and how these decisions will affect her. She has five children, 22 acres, and five building rights, which are part of her children's heritage. The Board is essentially telling her that she cannot share what she has invested since 1978 with her children. She could locate all five houses on the property and none of them would be seen because of the configuration of the land.

Ms. McRaven mentioned that the Board is going to pay ASAP \$25,000 to do a study. That is a large amount of money to go to an organization that has a very clear agenda. Monticello would never have gotten built with a 16 percent slope. There is no place on her property that has a 16 percent slope and that puts a severe limitation on her. She said the Board is making decisions on projects like Avon Park, Hollymead, Crozet, that are affecting directly a very small percentage County residents. She has asked how the County could allow the houses on Avon Park to be built on that hillside slope. Ms. McRaven said that she does not know what the Board's agenda is and she does not understand why the people in rural areas are being targeted like this because the farmers are not the ones guilty of doing harm to Albemarle County. She believes they are good stewards of their land.

Mr. Jim Morris said he owns a small piece of land that has five streams on it. He said the Board needs to start calling its buffer 200 foot because it really is a 200 foot buffer because a stream has two sides to it. He said that a small parcel of land with five springs and streams running off into the Reservoir like his property is protected. He cannot do too much with 200 feet on each side. If he wants to build a small road to get to his house and where he hopes to have a cow someday, it will require him going through a site plan process that is already cumbersome because of the rules and ordinances. Mr. Morris said that years ago he was involved in the River Bend project, and it was appalling as they were trying to protect the 100 foot buffer on their side of the Rivanna River, to see that the County had built a sewage pipe through there about three to four feet tall and within 25 feet of the River. He knows that the County has to consider the public good and protect the Chesapeake Bay, but he believes that installing that sewage line did more damage than all the cows and fences that people have built. He asked for the County to observe some of their own rules and some the binds that it puts people in when they are trying to accomplish some specific things. He objects to tightening these restrictions.

Mr. Graham Adelman said that his family lives on about 300 acres in Boonesville, most of which would be impacted directly by these proposals. With respect to the four year holding period requirement, he asked why there are no exceptions for estate sales. Transfers by devise or decent are addressed but not by the executor or administrator of the estate of a person who dies within four years after a plat is recorded. It seems that the ability of an estate to be able to generate liquidity to pay estate taxes should not be limited by the Board of Supervisors. He asked why retain the USGS blue-line test in view of the proposed additional language. In other words why should a stream be considered perennial if Program Authority finds it not to be using the sighted of guidance. In many cases the USGS information was wrong when it was created or have become wrong because streams meander, stream courses move and in the rural areas the stream courses have been affected for many decades by agricultural use. He said that many landowners see the 16 percent driveway limitation as a cynical means of accomplishing a conservation goal under the cloak of public safety. He asked that before the Board decides on committing themselves to support this measure that at least answer the following questions for their constituents: Has the Board asked the County Sheriff or the Dyke, Crozet, or Earlysville rescue squads if they require this protection? They may say that they have been able to safely perform their services for generations without it. Why is this only a safety concern only in the rural areas? There are many lots in the suburbs with rolling or hilly terrain with steep access and it seems to him that in some part the Board is saying that it is okay to be unsafe there. What public safety or engineering studies have been given to the Board by County staff that supports a 16 percent slope or any particular slope? If such studies have been given can the Board make them available to the County residents because these studies may be persuasive? He hopes that the Board will tell the citizens if the ultimate effect of these programs are to put rural land and mountainous areas in much the same development position as if they were placed under conservation easements which obviously cost money today to be able to obtain and also the landowners derive tax benefits from them.

Mr. Daniel G. Van Clief, Jr. said he and his family are landowners in Southern Albemarle County. His comments are directed more towards the application of the current ordinance than the proposed amendments. His family is currently in the process of working through a land plan for family purposes and they have been dealing with a surveyor/land planner as well as an appraiser over the last 18 months. It was brought to their attention, within the last two weeks that the application of the current water protection ordinance is being handled in such a way as to be extremely inhibitive in terms of their family's goals and their land value. He said that they are being told that the Planning Commission staff either has been directed, or is of their own accord, routinely and consistently disapproving the application for stream buffer mitigation plans. If that is the case, their concern is that such application would have the unattended consequence of wiping out the development value based on current development rights under County law and under the recent research that they conducted and the determination they received from the County. If those rights are wiped out, by the way that this ordinance is being applied, it would greatly reduce or eliminate any incentive to put land under easement because of the damage to the value of the tax

incentives. They are being advised that the application of this ordinance inhibits them from locating family homes, which would be on large tracks. If the value of the rights are wiped out by the application of the ordinance, then the land value will be reduced significantly overall. He said that their current concern is not so much the amendments proposed but with the current application of the present ordinance.

Ms. Clara Belle Wheeler said she opposes all of the proposed amendments. She said that her background is that of a scientist and she has spent many hours and years collecting scientific data. She thinks the appropriate thing for the Board to do before passing any of the amendments is to get scientific data. She thinks that the scientific data for each of these proposed amendments is lacking and even right now there has been a discussion of two different members on the Board citing different scientific data and coming up with two different answers. She said that if the Board is going to put restrictions on an individual's use of their own private land then the Board needs to have the science done right. She said that if the Board is trying to not build a road, access or house then they need to have the scientific data to support that. She said that the subject of critical slopes is purely imaginary because 16 percent is nothing considering how this County is in the Piedmont and Piedmont is defined as rolling hills. If someone chooses to build a house where a fire engine cannot get to it, then that is a personal choice. If their house burns down because the fire engine cannot get to it, it is their decision. She said that there is nothing to say that a 16 percent, 20 percent or even a 25 percent slope cannot be maintained with good land management.

Ms. Wheeler said she has no precedents but there are those who do and when they own land and pay taxes on it, they should be able to disperse it anyway which they want to. She believes that developers seem to get free reign to build anywhere that they want to on any slope next to any stream. There were no restrictions when the Board allowed the developers to build North Point on the Rivanna River. There were only two Board members who did not approve the proposal, and one was Ms. Thomas, because of the environmental impact to the Rivanna River. The developers seem to be able to do anything they want to, but individuals have to stand up and beg for what they want. She asked for the Board to take these things into consideration and get the scientific data before they make a decision.

Mr. Boyd said that the Board heard some good suggestions from the public today. He thinks that it is a good place to start with the County's commonly asked questions and answers. Mr. Boyd asked about clarifications to the language that may be addressed.

Mr. Davis said that he believes that the clarifications that were discussed earlier need to be included in the ordinance. He said that when reading the entire sentence about the "super adjacent space", the meaning is clear. He thinks that they could explain the same thing in a paragraph but he is not sure it would end up improving the ordinance.

Mr. Rooker asked about estate transfers. Mr. Davis said that the current ordinance allows for that to happen.

Ms. Thomas said that because these ordinance proposals are affecting the rural area, she thinks that the citizens are getting the idea that the Board is letting the development area go scot free and that the Board is only focusing on the rural area. However for the last 12 years the Board has been tackling the development rules in the development area. There have been many hours of Board meetings, the Development Area Initiative Steering Committee, and various focus groups. The County has somewhat unique rules that developers have to go through in the development area. She said that those rules are constantly being refined. As has been pointed out she does not always agree that the developers come up with the best product. She said the Board does have tight rules for what can go on in the development area.

Mr. Rooker said he remembers when the Board originally adopted the Neighborhood Model and there were a number of developers that said it could not be done, that it would be impossible to sell a house in a mixed pedestrian friendly-type area in Albemarle County. He said that virtually every development that the Board has approved within the last four years has been just this with an effort to try and reduce car trips by trying to allow people the ability to walk to things that are close to them. He said that there are people here that would attest that the development community does not think the Board has been easy on them over the last couple of years. He said that the people who are at the meeting today are not typically here when the Board is proposing regulations that affect the development community, but that issue has come up many times.

Mr. Slutzky said that the comments today have been extremely useful to him and that he is looking forward to more discussion on this and more comments from the public on February 6th.

Mr. Boyd said he would like to see answers to those things that were posed as questions.

Mr. Slutzky said that if there is an estate exemption it needs to be clearly highlighted so people could understand that, because he has had a number of people corresponding with him on that issue.

Ms. Thomas said that also the regular subdivision is not being effected in any way by anything that the Board is saying about the family subdivision and the family subdivision's main use is to cluster some houses with inadequate roads access; that is its main value and if someone wants to give a gift to their child, they are not going to put in an inadequate road and hope that their child can sell it some day.

Mr. Dorrier said that he would like staff to comment on whether or not it is typical for certain stream buffer mitigation plans to be disapproved.

Mr. Graham said that it is a totally separate issue from these ordinance amendments. He said there is an appeal, under the ordinance, to the Board of Supervisors, and that they have yet to have anyone appeal this to the Board. If individuals think he or staff is interpreting the ordinance wrong, they would welcome them to appeal that decision to the Board.

Mr. Boyd said he would encourage everyone to look at the County's website, and call staff with their questions.

Agenda Item No. 5. From the Board: Matters Not Listed on the Agenda.

There were no other matters from the Board.

Agenda Item No. 6.

Adjourn. At 3:58 p.m., there being no further business to come before the Board, the meeting was adjourned.

Chairman

Approved by Board

Date: 08/13/2008

Initials: EWJ
