

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on February 25, 2011, at 10:00 a.m., in Room 241 of the County Office Building on McIntire Road, Charlottesville, Virginia. The meeting was adjourned from February 9, 2011.

PRESENT: Mr. Kenneth C. Boyd, Mr. Lindsay G. Dorrier, Jr., Ms. Ann H. Mallek, Mr. Dennis S. Rooker, Mr. Duane E. Snow and Mr. Rodney S. Thomas.

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Larry W. Davis, and Clerk, Ella W. Jordan.

Agenda Item No. 1. The meeting was called to order at 10:14 a.m., by the Chair, Ms. Mallek.

Agenda Item No. 2. Presentation on County Executive's FY 2011-2012 Recommended Budget.

Mr. Foley said that he is pleased to present the FY12 recommended operating and capital budgets. The budget process will complete on April 6, 2011 with adoption of the budget. There will be a number of work sessions and two public hearings between now and then; with the first public hearing being held on March 2, 2011, at 6:00 p.m.

The budget is just over \$301 million. This budget is balanced on the existing tax rate of 74.2 cents, resulting in a tax decrease for the second year in a row for the average homeowner. Mr. Foley stated that staff has held the line on overall operating expenditures. The bottom line of the operating expenditures have literally only increased by \$17,000. There are some increases in the budget for minimal capital expenses. There are no additional staffing expenses for General Government. Staff has continued the process of reallocating positions within existing funds and existing numbers of positions. This budget stabilizes the organization and focuses more on planning for the future rather than creating obligations that have to be dealt with in subsequent years.

Mr. Foley reported that there have been significant changes in the bottom line over the last several years in the County's financial situation due to the recession. Between FY09 and FY11, there has been a 7% overall decline in property values, sales tax have declined 21%, personal property taxes have declined 16.6%, a 9% decline in State revenues, and some significant obligations – such as Revenue Sharing to the City, which was up 30% over time. There have also been increases in other obligations - contract with the SPCA, fire and rescue, and some other public safety agencies. Mr. Foley stated that there has been a total \$41 million budget reduction over that time period and while it is inevitable to have significant impacts, staff has been able to respond to these changes and protect critical government services by relying on four key concepts: transformation, innovation, stewardship and partnership.

In terms of transformation, Mr. Foley said local government staffing is down to the FY02 per capita levels, with 66 eliminated or frozen positions in the budget – with 61 completely eliminated and six additional positions that were funded through tax revenues and now are funded through grants or capital program, etc. The organization has changed as a result of this staffing and the County is not operating on the idea that those positions will be replaced. Mr. Foley stated that the capital budget is down \$160 million, and 30% of Community Development staff is no longer on that staff – which has forced them to reshape how they do business. He also mentioned that the Social Services Department has been recognized for excellence in operation with an SPQA (Senate Productivity and Quality Award) certification - a recognition of organizational excellence. Mr. Foley added that the County also underwent a Resource Management Study with an outside consultant to consider efficiencies, and 84% of those recommendations have been completed. He commented that "transformation has clearly been how County operations have responded to this downturn.

Mr. Foley said that innovation has also been important, with staff reallocation through retraining to try to avoid the layoffs that other localities have had to resort to. He also reported that the County has looked for other revenue sources, such as EMS system revenue, sales tax collection, changes in building fees, and more aggressive pursuit of grants. Mr. Foley said that Access Albemarle has made significant progress and some other modules would soon be implemented as well to continue that improvement. He noted that Albemarle has been ranked in the top ten nationally for digital government over the past 10 years and the Family Support Program has received an "Alliance for Innovation" award.

Under stewardship, Mr. Foley reported that the tax burden on citizens has been reduced during the downturn - tax relief for the elderly and disabled has been increased – up to \$1 million. He stated that Albemarle's per capita spending remains below the average for Virginia counties. Albemarle is one of one of 3% of counties in the nation with a double AAA bond rating. Mr. Foley said that the County has focused on building energy efficiency, and energy consumption for local government. Buildings have been reduced by 20% compared to 2005. Despite a 30% reduction in Community Development staff, they have stayed focused and completed the Village of Rivanna Master Plan, Places 29, and have updated the Crozet Master Plan.

Regarding partnership, Mr. Foley reported that the County has continued its shared services with the School Division through the Legal office, Human Services, Finance Department, and Capital Program. He said that local government continues to try to enhance that partnership. Mr. Foley reported that the County saved approximately \$2 million of what would have been budgeted to put a new fire station in place for Ivy through a lease agreement with U.Va., They are also working on a fire station site in the Pantops area at Peter Jefferson Place. He said that the Board approved a grant leveraging fund to take

advantage of partnerships. The County has increased the total conservation easement acreage to 81,000 acres in 2010 through partnerships with VOF and the PEC. Mr. Foley noted that the Visitors' desk at the County building used to be served by County staff, but through a partnership with the Visitors Bureau they staff the entry area now.

Mr. Foley said that both in how County staff has responded to the economic crisis through the budget and how staff has continued to operate the County government has been demonstrated through these four key concepts – transformation, innovation, stewardship and partnership - which represent where the County has been and how it has responded. Mr. Foley said he would not shift the focus on where the County is today and where it is going as reflected in the proposed budget.

Mr. Foley said last year the budget process focused on significant reductions and repositioning as the County faced a second year of major revenue declines coupled with increases in mandates. This year many local revenue sources have stabilized – which is a far different thing from recovery. He added that a great deal of uncertainty still exists with state and federal funding, and the County and School budgets are conservative when considering State funding. Mr. Foley said that a great majority of service level reductions required by past budgets have not been restored in this budget. They continue to have reduced staffing and service levels, and the capital program also needs continued attention. He said that the County needs to look forward with a very focused approach on what it is trying to achieve.

Mr. Foley reported that staff developed four primary goals to help in decision-making and in proposed budget recommendations: funding basic obligations and core services, providing financial stability through careful fiscal stewardship, supporting the continued transformation of the organization, and continuing to look forward with innovation, high performance and economic vitality.

To overview all County funds, Mr. Foley stated that the largest portion of the \$301 million budget revenue continues to be property taxes, which together with local revenues account for 65% of revenues overall for all funds. Mr. Foley noted that State revenues are 21.9% and bond proceeds are 3.5%.

Mr. Foley reported that 60% of County expenditures are school-related – debt service, capital and operations, and 33.7% is General Government operations, with 6% going to revenue sharing. He stated that the budget represents an increase of 3%, or \$8.8 million – but \$7.6 million of that is from bond proceeds for capital projects, and when that is removed operating expenses have only increased by \$17,000 in a \$301 million budget. Mr. Foley stated that the proposed budget is balanced on the existing tax rate. He noted that state revenues are down 5% or \$3.4 million, with the majority in the School system. He said that General Government operations have increased 1.1%, primarily for public safety needs, and School operations have increased only .7% - which does not include the funding gap of \$3.8 million in their submitted budget.

Mr. Foley stated that the CIP is primarily a maintenance CIP. There are two critical capital projects recommended by the CIP Oversight Committee – the Ivy Fire and Rescue Station, and Phase II of the Greer Elementary School addition. He said that part of the bond proceeds that have been mentioned would go to that school addition. He added that there are capital reserves coming forward along with bond proceeds to pay for the CIP. Mr. Foley stated that the County had gotten to a point of being close to borrowing for maintenance, but that has since been sured up. He said that the fire station is being funded through liquidation of other projects, so there is no borrowing needed for that. He added that the majority of borrowing is for school projects.

Mr. Foley said that staff will now cover the three major funds to provide some perspective on totals – general fund, school fund and capital fund. Mr. Foley reported that general fund revenues are projected to be \$215,581,000, which is the core of fund accounting. He said that many sources are stabilizing, at least not declining, and this is reflected in the budget as: an increase in general fund revenues of 1.1% overall and a decline in real estate values of 1.25% overall, which represents a 1.6% decline in residential values. Mr. Foley stated that general property taxes, other local taxes, and state taxes are flat this year, with some positive signs in other local taxes due primarily to sales tax collections and projections.

Mr. Rooker asked Mr. Foley to explain what is not included in general fund revenues but is in the total budget revenues, as there is an \$85.0 million difference.

Mr. Foley explained that the schools have a separate revenue stream from the state. The capital fund also has its own set of revenues such as proffer revenues, interest earnings, etc. Bond proceeds are also not in the general fund. He added that both the capital fund and school fund have their own revenues that do not come through the general fund, but everything that taxpayers pay locally goes into the general fund, and the Board decides how much of that gets allocated out.

In terms of the shortfall in the School budget, Mr. Boyd asked if that was based on the worst case scenario from the State. Mr. Foley responded “yes”; they used the Governor's budget.

Mr. Foley said that in January of 2010, the average home value was \$297,000 and that is now down to about \$292,000 – resulting in an average \$36 tax decrease. He stated that last year, values were down 3.96% for residential – and that meant a \$90 decrease in taxes.

Mr. Foley said that general fund expenditures are \$215,581,000 – with a 1.1% increase or \$2.3 million in additional funds. He emphasized that this budget reflects significant reallocation of funding across departments to support priority needs and core services, and there are negative numbers in functional areas of general government except for transfer to schools, public safety, and finance

administration. As has been the case in the past, the largest increases in general fund expenditures are spending to support the School system and public safety expenditures.

Mr. Foley reported that the first goal in the budget was to fund basic obligations and core services. This budget transfers 60% of new revenues to the School Division based on the funding formula and results in a \$1.2 million increase in funding for the schools – or 1.2% total. He said that it also reflects public safety cost increases for staffing, overtime and training costs to address critical public safety needs, and it provides additional funding to meet contractual obligations for public safety agencies. Mr. Foley emphasized that SPCA contract costs, Jail costs, ECC costs, and the City Fire contract have all increased as well as other obligations in debt service to pay for the program that was put into place a couple of years ago and for completing some school projects. He also said that the budget includes the \$18.1 million in Revenue Sharing payment to the City, and a 1% increases to community agencies.

In terms of the goal of assuring financial stability through careful fiscal stewardship, Mr. Foley said that the budget establishes a 1% stabilization fund, which is \$2.6 million in one-time money set aside in stabilization which is above and beyond the 8% needed for financial stability.

Mr. Dorrier asked if that is similar to a “rainy day” fund. Mr. Foley responded “yes”. He added that the 8% is needed to insure that the County can pay its bills from month to month when tax revenues are down; the 1% is what was added.

Mr. Foley added that he has set aside about \$750,000 in contingency funds for unexpected needs or further State downfall. He reported that this budget returns the vehicle replacement fund to a more sustainable level. This budget reflects anticipated state and federal budget impacts – which could be addressed through the contingency funded. Mr. Foley noted that staff is projecting to retain the 8% contingency to ensure the AAA bond rating. He also said that the budget decreases employer health insurance contributions, resulting in a \$274,000 savings that allows for reallocation into the 1% salary raise. Mr. Foley emphasized that the employer contribution has been reduced to reduce overall benefit costs, as there were adjustments made via recommendations of the Healthcare Advisory Committee based on the comparative market. He added that the employer contributions are going down because County reserves were stronger than they needed to be based on positive claims experienced over the last few years.

Mr. Snow asked how the Obama healthcare program has affected the County's program. Mr. Foley responded that he would need to have Human Resources staff address that.

Ms. Mallek noted that it wouldn't impact the County too much because the employees are already covered.

Mr. Foley said that the budget repositions staff to support core services with no net increase in personnel and staffing costs, eliminates three additional positions for a total of 66 positions, unfreezes two police officer positions, unfreezes the Assistant Director of Social Services, and unfreezes an account clerk position in Finance, in addition to reallocating a position from the County Executive's office to work in Finance. Beyond that, he said, the Housing Director who works a lot with grants is going to spend one-half of his time overseeing and managing grants through the OMB office. He noted that they were able to eliminate Mr. Bill Letteri's former position, which essentially ended up being a shift in a management position going over to Social Services.

Mr. Foley said that the Community Development Department has decreased dramatically in staffing, and some of those positions have shifted over to Social Services as their caseload was skyrocketing. He stated that the Assistant Director position was always needed, and now staff has unfrozen it in this budget due to changes in that Department and a need for succession management planning in anticipation of upcoming retirements.

Mr. Snow asked if there are still three police officer positions that are not filled. Mr. Foley explained that the open positions have been filled and they have been able to add two more.

Mr. Bryan Elliott, Assistant County Executive, said that the Board has authorized a strength of 123 officers, and with the five frozen positions that took it to 118. He said that there was difficulty filling those positions, but those officers are in academy and would soon be on the streets. Mr. Elliott added that what is being proposed for next year is to take that 118 up to 120, which although is closer to the 123, still a few short.

Mr. Rooker pointed out that the target of 1.5 officers per 1,000 would put the target number at about 150 officers. Mr. Elliott responded that that was correct.

Mr. Foley said that this budget restructures the County fleet management operations, which will eliminate a minimum of 10 non-public safety vehicles in the first year. This program will be staffed with three-quarters of an FTE position funded with department savings reallocation. He said that the County has looked at best practices and has visited some other localities to evaluate how it is done in other areas, and this will mean some shifting around of vehicles between departments with a reduction of 20 vehicles possible eventually.

Mr. Boyd asked if the budget accounts for anticipated increases in fuel costs. Mr. Foley responded that he would need to ask Budget staff, as a lot of the increases have happened very recently.

Mr. Dorrier asked if the County had switched over to some hybrid cars. Mr. Foley replied that there are some hybrid vehicles in the fleet, but some models do not pay for themselves. He does not think staff will be totally replacing the fleet with hybrids unless it makes sense and the payoff works.

Mr. Foley said that the budget continues expenditure reductions in operational areas including Community Development and Parks & Recreation, based on shifting workloads.

In terms of the fourth goal, Mr. Foley said the budget looks forward with innovation, high performance and economic vitality, and shifts the focus to the future to look at operations from that perspective. Mr. Foley said that this budget reserves funding to operate the Ivy Fire Station, which is anticipated to open in FY13 as a core public safety commitment and the first year of operations (FY13) has been set aside in a reserve. He added that the station has been funded at about eight firefighters and volunteers will be needed, but in FY14 the City Fire contract will not be needed at the same level and staff hopes to offset some of the new costs.

Mr. Foley reported that this budget streamlines work functions by funding online systems for Parks and Recreations reservations, renting conference rooms, and work-order processing.

Ms. Mallek asked if customers will also be able to make reservations using paper forms. Mr. Foley responded, "yes".

Mr. Foley said that the budget continues to support the Economic Opportunity Fund and adds funding for a Target Industry Study, both of which are set aside in a one-time \$250,000 fund. This budget does anticipate replenishing the funds if any are used.

Ms. Mallek asked if there is a budget for the Target Study. Mr. Foley responded that staff has budgeted approximately \$225,000. Staff will also be working with TJPED to make sure that partnership is fully utilized. The scope of work for the Study will be coming to the Board for its review.

Mr. Foley also stated that the budget funds program support some marketing-type materials to implement the Economic Vitality Action Plan. He said that the budget continues partnerships in funding for the Chamber of Commerce, Visitors Bureau, TJPED, and the Piedmont Workforce Network. This budget reflects reallocation of staff from Community Development to the County Executive's office to provide greater focus on economic vitality priorities. Mr. Foley stated that because of the focus on high performance, there must be a well-qualified staff – so this budget provides a 1% increase for employees for the first time in three years.

Mr. Foley stated that the total School Board budget request is \$145 million, or an increase in the transfer of \$1.2 million or 1.2% - a total of \$97.2 million in transfer from the General Fund. Mr. Foley said that the funding gap is approximately \$3.8 million, with some State money hopefully coming through. He stated that the Board would have a discussion with the School Board about an appropriate amount of one-time fund balance money to use, or if there would be additional local funds the Board provides. Mr. Foley said that he has put a cautionary note in his submittal letter about going too far in using one-time monies for ongoing expenses because the revenue will not be available to replace those funds in FY13.

Ms. Mallek asked if the \$3.8 million gap reflects the Schools' original plan to give teachers a 2%+ increase, or if it is a 1% only. Mr. Foley responded that he is not sure, and they will have to establish how they want to make adjustments in the process going forward.

Mr. Foley said that the FY12 Capital budget of \$18.1 million is funded primarily by loan proceeds and capital reserves because so much has been reduced in the transfer from the General Fund, so it really only covers maintenance and debt service.

Mr. Foley stated that when this presentation was started he talked about the concept of transformation. The approach over the past two to three years has clearly been transformation, stewardship, innovation and partnership. The organization has transformed which has resulted in the actions presented to the Board. He said that staff is particularly committed to embracing high performance. Mr. Foley said staff feels that this budget does a good job of meeting established goals, basic obligations and core services. Mr. Foley stated that it provides financial stability through careful fiscal stewardship and for the second year in a row has a tax decrease for the average homeowner, with no new personnel or staffing expenses for local government. This budget supports the continued transformation of the organization, creative repositioning and reallocations to stabilize the organization and it focuses on core services with a total of 66 positions eliminated in addition to the reallocations. He added that the budget sets aside money for future projects like the Ivy Fire Station, and also supports the Economic Vitality Action Plan going forward.

Mr. Dorrier asked what County government was "transforming into."

Mr. Foley responded that question should be discussed more at the strategic planning sessions this summer, with the Board and staff reevaluating the five short-term goals they set last year. He said that they would want to consider what the Board's strategic vision is for the future. In his opinion this is a lean, well-run, fiscally conservative organization and staff has been very responsive and acted responsibly. The per-capita expenditures prove that the County is running responsibly as an organization without sacrificing excellence – but there are some tough decisions going forward with very slow revenue increases in the future depending on what the Board wants to achieve.

Mr. Dorrier commented that this implies the County was not this way beforehand.

Mr. Foley stated that the Boards over the previous ten years had certain priorities, especially related to Community Development, but revenue declines did not provide that option.

Ms. Mallek mentioned that the action also declined, and that would not stay the case forever.

Mr. Boyd added that it is important to delineate which items the County is mandated to do versus those it has chosen as a community to do.

Ms. Lori Allshouse, Director of Budget and Performance Management, said that the Board has a public hearing on the budget on March 2, with work sessions scheduled March 7-16, to go over General Government, Schools, CIP, and a final meeting, if necessary. She said that March 30 is the official public hearing on the Board's budget and tax rate with proposed adoption on April 6.

Ms. Allshouse then went over all the documents included in the Board's budget. The budget begins with a Table of Contents, followed by the County Executive's budget message and then the Budget Process and Policies. The Budget Summary chapter includes a summary of all funds and includes financial trends and comparisons. The Non-Departmental chapter includes information about revenue payments to the City of Charlottesville, transfers to schools, contingencies, stabilization fund, etc. The Program and Service Inventory chapter includes an alphabetical inventory of every program and service offered by General Government – with information about the program, number of employees, and actual cost. She added that it ties to the current budget with mid-year changes already reflected. Ms. Allshouse said that next week staff would bring forth information on which items are mandated, which are discretionary, which are core services, etc.

Mr. Foley added that the Board may feel differently about what "core services" are, and they will have the opportunity to discuss those things.

Mr. Boyd asked if it was mandated for the County to administer the Food Stamp program.

Ms. Mallek said that the State's share of support for that program is what's missing.

Mr. Davis commented that if the County does not receive and administer it, it would lose the funding and the program. He added that Ms. Ralston could provide a list of which programs the County could elect not to do.

Ms. Allshouse noted that Fairfax County has a website on mandates that does a good job about delineating which are funded and which are not.

Mr. Snow asked what options the County has on unfunded mandates; could it choose to just not do the program.

Mr. Rooker said the County does not have a choice.

Mr. Davis said the consequence is that the County would not be in compliance with State law.

Mr. Boyd said maybe the County could elect not to do the program and just give up the funding.

Mr. Rooker said there are huge amounts of flow through dollars that go through Social Service to the citizens. He pointed out that it would be somewhat foolish to cut out two FTE positions and sacrifice \$6 million in benefits that would get spent here. It is an unfunded mandate but if the services are to get to the citizens, it is a reality the County has to deal with.

Mr. Boyd said it is a good idea to make all that information available.

Mr. Foley said that the way staff has done this will be even more helpful than Fairfax's approach, as it explains specific programs and services that are mandated or voluntary – rather than naming the funding source.

Mr. Rooker stated that the biggest item in the budget is technically voluntary – Police services – and many localities in the State simply allowed State police to cover their area along with the local Sheriff's Department.

Mr. Rooker also asked if there was anything different in the School Board's budget book than in the Superintendent's budget. Ms. Allshouse responded that she thinks it is essentially the same, with a forward that includes a budget message from the Chairman of the School Board.

Mr. Dorrier asked if County staff analyzes the budget and attempts to find out if there are any private sector initiatives that overlap or work with public-private partnerships in different areas. Ms. Allshouse said County staff works with a number of partnerships and are constantly looking for them.

NonAgenda. Mr. Rooker said that in light of City Council's recent action regarding the water supply in which they have come a huge distance in approaching where the Board has asked them to be – and their reluctance to not take the dam higher than necessary and to first build to accommodate the 30-foot pool. He has long expressed the preference to build the dam to the full height, he thinks it is time the Board made a compromise and embraced going forward with a dam that might be built in stages, would be built initially to accommodate a 30-foot pool, and then putting in place objective criteria for when it

would be increased in height if necessary. Everyone has discussed the importance of moving forward with this expeditiously and he thinks that part of moving forward is to eliminate dangling issues so that the community knows there is an agreement. He said that he spoke with Mr. Tom Frederick this morning to see if the RWSA could prepare a resolution for the Board next Wednesday to thank City Council for their movement on the water supply issue. The County is not necessarily getting everything it would like to see, but it is getting most of what it wants to make certain there is a water supply plan the community can live with. Mr. Rooker stated that he tried to reach all Board members, but Mr. Boyd was not available, and all other members were in favor.

Mr. Boyd stated that he cannot be supportive of that, noting that, Mr. James Colbaugh, at the ACSA meeting last night brought out some very pertinent engineering design problems with building a dam that has towers – which would be required to take it to a 42-foot height. He said that Mr. Colbaugh also mentioned the clean material that is available before it's flooded that won't be available if you come back and have to add it later on. There are some engineering problems with not building the dam to the full height which he does not think City Council or the Board is aware of. He also thinks that issue needs to be flushed out and he would like to get some information on what it means.

Mr. Rooker said that the same question was asked of Schnabel before, and they indicated they could build the dam to 30 feet and accommodate a rise – and even gave a cost estimate of \$1.5 million - \$1.7 million in the future if it had to be done.

Mr. Boyd said that he would like to have that conversation with Schnabel regarding the technical engineering aspects that would have to be done. He thinks this is the most impractical approach to this dam that he has ever heard. It does not make any sense financially. It does not make any sense environmentally. He does not know what the City's problem is with a 42-foot dam if they only fill it to 30 feet.

Mr. Rooker commented that he understands that point, but it is abundantly clear that City Council will not get three votes to accommodate a 42-foot pool.

Mr. Boyd said that it upsets him to no end that the County always ends up having to "kowtow" to the City on things like Meadow Creek Parkway, the Jail, the Juvenile Court, etc. There is a long list of things. He is tired of bending to the City.

Mr. Rooker pointed out that the same position is held in the City, as they have been barraged with people coming into meetings screaming at them for being "traitors" because they are caving into the County on every issue. He is thankful that the Board has not been subject to the same kind of abuse throughout this process that City Council has.

Mr. Boyd responded that it is a handful of people in the City; the same people that object to anything that is done in the City.

Ms. Mallek said that it is a dilemma for them though, and the Board has been lucky to have lots of support from citizens for the decision it has carried forward. She said that she thinks City Council has come quite a long way to accommodating all the information that the County has provided to them and the engineers have provided to them about the benefits of the earthen dam. She said that she is very glad that they made that choice on Tuesday and it is certainly a step in the right direction.

Mr. Rooker stated that expediency in eliminating that lingering issue is really important. He thinks that if the County digs in its heels, there will be no agreement and no water plan. He said that while he prefers the originally approved plan with the full rise, the plan to raise the dam later does not involve such an outlandish cost that it should make the County back away from the deal.

Mr. Boyd said that the City is saying that they are not going to pay for any more capacity, as they say they don't need it, so they are not even recognizing they will need more water and that is ridiculous because the trigger will be based on what is happening in the County.

Ms. Mallek stated that they would have to increase capacity to meet the U.Va. demand.

Mr. Rooker said that the cost-sharing agreement would have some flexibility with respect to who is actually using the water. He stated that from the City's perspective they feel they have moved significantly to accommodate the County, and don't think that even given the County's projected needs the dam would need to be increased in height in 50 years. Mr. Rooker emphasized that this is unknown, and the City does not want to build a higher dam and additional cleared area in the event it may not be needed.

Mr. Thomas said that he was asked by a City Councilor if the Board would be willing to keep it at 30 feet with legal language triggering devices. Mr. Thomas added that he would be able to support it if the proper triggering mechanisms were in place.

Mr. Foley asked if the Board is looking for some kind of condition that would say this is a guarantee, not some legislative matter that would go back to City Council. Mr. Rooker responded "yes," and that the RWSA would have the authority to move forward at that point.

Mr. Boyd asked if the easements would be granted up to 42 feet.

Mr. Foley explained that the question is whether the easement is the mechanism to guarantee this option.

Mr. Rooker stated that you could put a stipulation in that says a full easement cannot be utilized until the trigger points are hit.

Mr. Foley noted that the attorneys would get together and iron out the language and details.

Mr. Thomas asked if language could be included that the easements be done prior to a certain date. Mr. Rooker responded that he does not think City Council would agree to a date, as it must be need-driven.

Mr. Boyd said that the current permit will expire in 2023.

Mr. Rooker said that he asked Mr. Davis if the permit could be issued in a way that it accommodates a further rise.

Mr. Foley noted that Mr. Frederick would be asking about that as part of the permit modification, if taking care of all mitigation would preclude needing another permit in 2023. The key issue is whether in principle the Board is in agreement about accepting that initial construction to achieve a 30-foot rise.

Mr. Boyd said that he can find no logical reason to proceed with the City's request, and it makes no common sense or fiscal sense to him to do this.

Mr. Rooker responded that one logical reason is that without a partner, nothing can move forward. He said that the County could say "it is our way or the highway" and not do anything, and a second logical reason is that the additional capacity may not be needed.

Mr. Boyd said if the lake is a little larger than needed, what is the harm.

Mr. Rooker said from City Council's perspective, they do not want to build it.

Mr. Snow said that while he agrees with Mr. Boyd's concerns 100%, the issue needs to be moved ahead from where it has been for 30 years.

Mr. Dorrier said that he sees no problem in sending a letter clarifying what the County is in favor of and what it is not.

Mr. Rooker said that the idea here is to get a resolution prepared for next week.

Mr. Thomas said he can also support that as long as there is a trigger device.

Mr. Foley said that the Board would still decide next week whether or not to approve it.

Mr. Rooker then **moved** to direct staff to draft a resolution for the Board's consideration on March 2nd, to acknowledge and thank City Council for its' decision to support construction of an earthen dam and for the Board to agree to construction of an earthen dam to accommodate an initial pool height of 30 feet. Mr. Snow **seconded** the motion.

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

AYES: Mr. Dorrier, Ms. Mallek, Mr. Rooker, Mr. Snow and Mr. Thomas.

NAYS: Mr. Boyd.

Mr. Thomas added that he does favor the 42-foot level.

Ms. Mallek said that there should be a sentence included in the resolution that establishes the Board sees the eventual need for that fill level but is making a compromise with the City in order to move forward.

Mr. Snow said this is also saving a lot of money, and if it is what is necessary to move forward, then that needs to be done.

Mr. Snow then thanked the County Executive and staff for their hard work on this the County budget.

Mr. Foley recognized staff members for their contributions.

Agenda Item No. 3. Adjourn.

There being no further business, the meeting was adjourned at 11:48 a.m.

Chairman

Approved by Board
Date: 09/07/2011
Initials: EWJ