

Council Chambers, 25 West Market Street, 6:30 p.m. Vice Mayor Burk and Mayor David S. Butler presiding.

**Council Members Present:** David Butler, Thomas Dunn, Suzanne Fox, Katie Sheldon Hammler, Marty Martinez and Vice Mayor Burk

**Council Members Absent:** None.

**Staff Present:** Town Manager Kaj Dentler, Deputy Town Manager Keith Markel, Town Attorney Barbara Notar, and Executive Associate I Tara Belote.

AGENDA

ITEMS

1. **CALL TO ORDER**
2. **ROLL CALL:** Showing all members present
3. **APPOINTMENT/SELECTION PROCESS FOR MAYOR AND COUNCIL MEMBER**
  - a. Appointment of Mayor  
*On a motion by Vice Mayor Burk, seconded by Council Member Martinez, the following was proposed:*

***MOTION***

*I move that the Town Council publicly advertise an opening for the interim mayor for five business days on our website and any other available media. The town council will seek resumes from interested individuals to fulfill the duties of the mayor. After five days, the Council will convene a special public meeting on February 18, 2016 to review the resumes and select an interim mayor. This will ensure fair and transparent selection that allows all interested town residents to participate in the process.*

**Council Comments:**

- Burk: The reason I have asked us to do this – made this motion today is my concern that there are people in the community that don't know about how the process is going to work. So, we had one meeting where we started the process and we were not able to conclude it. Mr. Dunn made a motion to postpone discussion to the next meeting. But that next meeting was cancelled due to the snow and so this is the following meeting that we have had. This is the second meeting on this particular topic. Council Member Butler and Fox called for a special meeting and so that is why we are meeting here today. I think I have been on the record the whole time that we have been through this process that I do think it is important that the public have input and be involved. So, therefore, that is why I have moved this motion.
- Martinez: I know on our last meeting that we discussed this, I made a motion that we do this and it got shot down. I think that for those of us who ran our races, our campaigns, a lot of the discussion was open and

transparent and allowing the government, or not the government, the citizens to participate in our process and what we do. Now, open and transparency doesn't mean easy. It is when you have to make hard decisions and you know, involving the public even though there are mechanisms that we can push this thing through without any citizen input; without allowing the public to have some insight in our processes. There are mechanisms in place to do that. I don't think we should use them as easily as we are currently doing. This is not easy. We need to bring the public in. There are plenty of qualified candidates out there that we can review and can hold the interim mayor spot. The difference between my resolution and Kelly's is that she has a date certain on which we have to get this thing done, which I am totally in favor of. So, I believe that if we all agree that open and transparency mean bringing public input in – giving the public a chance to weigh in on the discussion, then you should support this. Any other thing says that you are willing to go ahead and bypass the process and not include the public or include our citizens.

- Fox: By having a special meeting, does that preclude the public from any input from this meeting? It does, so they have no say in it whatsoever but what they have seen in the papers and things like that.
- Butler: Point of order. We have no problem. We are all here. So, we can open up a council comments, or not council comments, public comments, if we wish. Since we are all present, we can actually in theory transact any business that we want to at a special meeting.
- Burk: True, but the public didn't know that we would be doing this, so they might have wanted to have been here if they could have known about it.
- Fox: I disagree with that. I have seen many members of the public say that there is a meeting tonight. They are aware of it and people should show up for it.
- Hammler: Just for the record. When I check the record, I believe that Tom Dunn and I both supported in December having a work session about this very topic. So, this really should have been done in December. It was decided that we did not, for whatever reason, as the will of Council was not to do it, so it is a little inconsistent relative to deciding after a special meeting is called that we have to reschedule and do another special meeting, but clearly there is validity in as much public input that the public would like to provide.
- Dunn: I have a long standing history of being opposed to just about any type of special meeting. I think we should conduct our business during our normal business hours and that there should be very little reason unless it is an emergency to call for a special meeting. I understand the desires of those who asked for this meeting of trying to select an interim mayor so we can start going forward with our regular meetings effective tonight with a work session and then tomorrow with our regular meeting with potentially a new interim mayor leading those. And I can

understand that. I would say to this motion that I would be for this if after our meeting now that we have actually drug ourselves out and these poor people that we should conduct some business other than just saying that we are now going to go back and punt and have another meeting later on. I would be fine with this, if we cannot come to a conclusion this evening for either an interim mayor and/or a potentially open council seat, but since we are here now, I would just say let's go forward and see what kind of business we can do or discussion we can have and then if we can't reach a conclusion, then I am all for doing what we said originally, which I think is still on the agenda. By the way I forgot to get my new book. I have got the old book from the other meeting, that we should be having a work session tomorrow night on this. From that work session, we should be citing what our process would be. So, if we can't come up with a decision tonight, we should be going to what our process should be tomorrow. So, I feel that this motion is still out of order because we haven't all agreed to that. There has been no discussion about, actually what is our process. By the way, there was some discussion over the phone today – I talked to Katie about that today that our process is we are not dictated by anything other than we either appoint someone or if we can't do that, the court will select someone or in certain circumstances, the court will select someone and there could be an election depending on what the seat is and the length of time, so there is no dictate as to how we would do that. It is up to us to decide how we do it and I am always very interested in hearing from the public but I think that since we are here now, we should just go ahead and see what type of business we generate. If we can't, then we should have a work session on it tomorrow to decide what the actual process will be – not just decide that on the fly with this motion.

- Hammler: Because Tom referenced a conversation we had earlier and I sent to Council, thanks to our Town Attorney, from my perspective and it seems logical and the citizens would expect that an interim mayor would presumably be the vice mayor. The vice mayor has been selected and we made that decision to serve as the mayor and absent the mayor being on the dais or any other function. It got rather complicated when Kelly announced publicly that she would not seek the interim mayor position so I was just checking the duties thinking at some point that is what the community expects from us, so it was pointed out to me today that technically according to our charter, we are not dictated by appointing, necessarily the vice mayor, but to me it seemed logical. Obviously for the record, I did not vote for Kelly last time because I was sort of taken up heart because she said she wouldn't take the seat and it requires special election so we had to do a little bit more research on how the special election would work. So, for the public's benefit what essentially happens is anyone running for council could, if the vice mayor were selected to be interim mayor would be able to run for the special election on the November ballot if that were the date of the special election because Kelly's term doesn't end until 2018, and could also run for any of the open

three staggered council terms. If somebody wanted both those seats, then we would be right back to where we started from needing to appoint someone given again the staggered terms. So, probably the thing that this Council has learned is when we chose a vice mayor that person should be willing and able to serve if the mayor determines he or she isn't going to finish her term given when that person's term ends. So, we are now back to presumably we will be looking towards a different solution and I would certainly support after this is all over having a better defined resolution that defines the continuity of Council operations because this has obviously been rather complex given how this has evolved. But that is a little background on why I had this discussion about, you know, ultimately are we bound, quote on quote, by any specific town charter verbiage.

- Dunn: Just to expand on it a little bit just so that the public is aware that again there is no dictate that we must chose the most senior council member. There is no dictate that we should choose the person who got the next closest votes to getting elected. There is no dictates that we – the vice mayor is automatically in that position. The only thing that it says is we must choose in some form or another. So, we are working well within the very liberal guidelines that have been set before us. By the way, I don't think it is proper for the vice mayor to have to take that position, especially since the vice mayor was not elected to that position by the people. The vice mayor was chosen by at least four people here on Council. Only council makes a vice mayor, the citizens do not. So, the next person in line, should not, in my view become mayor because meaning the vice mayor should not become mayor just by that position because the citizens had no say in that unless they don't like that decision, they can vote down those people who put that person in that position. So, yes, we have all the cards that we have been dealt. We are using them and it is basically select somebody from amongst yourself. If you can't do that, the court will do it if we reach a certain time frame and under certain circumstances, there could be an election depending on the position and the time that empty seat is open.
- Hammler: Point of order. Tom, were you tabling the motion by saying that you want to wait until later in the meeting. I was a little unclear.
- Dunn: Are you talking about last meeting?
- Hammler: I'm talking about this motion on the table. You said somehow we were going to have town business conducted, but now this motion is being called for a vote. Were you planning to vote on this motion or table it until later in the meeting?
- Dunn: I am planning on voting against this motion for the reason I mentioned earlier, which is we come out to conduct business. We have announced that. A lot of folks are here looking for us to do something. I would not have made this motion and however I am for expanding the process, which I was before the same reason I voted to postpone our last vote to our next meeting, which is tomorrow – well, it's tonight, actually. It is at our work session. I keep forgetting this is the night we are actually

having two meetings. So, yeah, technically if we don't get this decision made tonight, we should be having a work session on this tonight.

*The motion failed by the following vote:*

*Aye: Butler, Martinez and Vice Mayor Burk*

*Nay: Dunn, Fox and Hammler*

*Vote: 3-3*

*On motion by Council Member Hammler, seconded by Vice Mayor Burk, C. Terry Titus was nominated for interim mayor.*

Council Comment:

- Hammler: I would just like to mention that we have, I think a lot of the public was aware of what we were doing and in fact probably expects us to act tonight. Terry was willing and able to serve in the interim position previously. He has served on Council and has had many leadership roles for decades within Leesburg and Loudoun County.

*The motion failed by the following vote:*

*Aye: Hammler, Martinez and Vice Mayor Burk*

*Nay: Butler, Dunn and Fox*

*Vote: 3-3*

*On a motion by Council Member Hammler, seconded by Council Member Fox, Council Member Butler was nominated for interim mayor.*

Council Comment:

- Hammler: I believe we didn't officially have a vote, but we certainly had enough discussion at a work session – other avenues that it is certainly a benefit to have somebody on Council serve as the interim mayor and ultimately Dave has served as Vice Mayor and he has served on Council for eight years. I personally tried to find votes for in order of seniority on Council, could not get that in terms of Vice Mayor Burk, Marty Martinez, even myself, who is next in line – I think Dave would be a very effective interim mayor and I hope we could break the stalemate.
- Burk: I will not be voting for Mr. Butler for reasons that I stated before. I feel very strongly that this should be someone who has not declared that they are running – that this shouldn't be a position that gives an unfair advantage to one person over another. I believe that there are many people out in the community that would obviously be willing, able and very talented to serve. So, for that reason, I will not be supporting this motion.
- Martinez: I supported Terry because he set a precedent in helping us with the Council previously when we had a vacancy. I believe he is one of the most non-partisan, community oriented people. I am sorry that we didn't vote him in. Though, personally I would rather this go through public input where we do a candidate search. I think that a lot of the arguments

about having to have somebody on Council be mayor is really – it is – there are a lot of people come onto this Council that haven't had any experience that do a fine job and with Terry or others – there are a lot of qualified people out there that could step in and do just as well. I don't think it's necessary and I also believe that anybody who is running for any kind of office should not be interim mayor. It ends up being a political free for all when that happens so I can't support having anybody on Council and that includes the Vice Mayor. I would not vote for her.

- Burk: I am crushed.
- Martinez: I know you are crushed, but we talked about this before.
- Burk: I am only kidding.

*The motion was approved by the following vote:*

*Aye: Butler, Dunn, Fox and Hammler*

*Nay: Burk and Martinez*

*Vote: 4-2*

Council Member Butler was sworn in as Mayor by Clerk of the Circuit Court Gary Clemens.

*On a motion by Council Member Hammler, seconded by Vice Mayor Burk, the following was proposed:*

***MOTION 2016-003***

*I move that we publicly advertise an opening for interim council member for five business days on our website and any other available media. The town council will seek resumes from interested individuals who can fill the duties of interim council member. After the five days, we request that staff coordinate with all members of Council to find a date the week of February 15 that works for all council members for that special meeting to select the interim council member.*

Council Comment:

- Dunn: Again, I think that there was three council members who were in favor of Mr. Titus being on Council. I would be willing tonight to go ahead and join those three in voting for Terry to take the empty seat and not belabor this issue.
- Burk: This obviously is the same motion that I made in regard to the Mayor's position, so obviously I am in support of it. I think that, again, the public needs to be aware of the process and what is going on and taking five days to notify the public, I think is the least that we can do. So, I most certainly will be supporting this.
- Martinez: I echo Council Member Burk's comments. You know there is no disrespect to you, Mr. Titus. I respect everything you've done. I just feel that we need to be open and transparent about what we are doing for selection and I do respect – and I really appreciate you coming down here and willing to step in.

- Fox: I think I agree with opening up the process and giving a little bit of time for resumes to come in. I think the mayor should have come on record of that and there are several reasons for that and it can be agreed with or not agreed with, but when it comes to Council and opening it up, I do agree with that.

*The motion was approved by the following vote:*

*Aye: Burk, Dunn, Fox, Hammler, Martinez, and Mayor Butler*

*Nay: None.*

*Vote: 6-0*

**4. ADJOURNMENT**

*On a motion by Council Member Martinez, seconded by Vice Mayor Burk, the special meeting was adjourned at 7:20 p.m.*

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David S. Butler, Mayor  
Town of Leesburg

ATTEST:

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Clerk of Council

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Council Chambers, 25 West Market Street, 7:30 p.m. Mayor David Butler presiding.

**Council Members Present:** Kelly Burk, Thomas Dunn, II, Suzanne Fox, Katie Sheldon Hammler, Marty Martinez and Mayor Butler.

**Council Members Absent:** None.

**Staff Present:** Town Manager Kaj Dentler, Deputy Town Manager Keith Markel, Town Attorney Barbara Notar, Director of Finance and Administrative Services Clark Case, Captain Vanessa Grigsby, Assistant Town Manager Scott Parker and Director of Planning and Zoning Susan Berry Hill and Executive Associate Tara Belote.

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**AGENDA****ITEMS****1. Items for Discussion**

- a. **Financial Overview: David Rose, Town's Financial Consultant**  
Kaj Dentler this is the first step in the budget process, which gives an overview of the town's financial picture.

David Rose, Davenport and Company, presented the annual comprehensive financial overview.

**Key Points:**

- \$47 million dollar financing was accomplished in the spring of 2015 to be used for both the general fund and utility enterprise fund.
- Town was upgraded to AAA by Fitch and Moody's, as well as reaffirmed by Standard and Poors.
- These three rating agencies are the only ones that rate local governments.
- \$7 million are identified in the Capital Improvements Program for future capital borrowing over the next five years.
- Rating is a four part process:
  - Management – staff and Council.
  - Finance – budget versus expenditures.
  - Debt – how funded.
  - Demographics.
- AAA rating reflects policy, planning and management.
- Over the next 10 years, the town will pay off nearly 70% of the principal debt.
- The Town's debt as a percentage of assessed value, is well below the policy level and projected to not increase.
- Possibilities exist for refunding to achieve lower interest rates on some debt.

- Requesting permission to move forward with the Virginia Resource Authority to investigate refunding the Series 2011 Bonds, which could result in approximately \$485,000 in net savings.

Council Questions/Comments:

- Butler: On page 20, it says application is due by February 5. It is past February 5. Did we already apply just in case or is the date a little wiggly.  
Consultant answer: The date is spongeable for us. We talked to VRA and said that there is going to be a Council meeting this evening and asked if we could hold off submitting it until such time as we just had a general concurrence and they are fine with that. We don't really need anything truly formal, but we thought it would be the most sensible thing to let you, as a council, see that we are thinking about this.
- Butler: And this is not any new debt? This is just a refinancing of current debt?  
Consultant answer: It is a refinancing of current debt solely to bring down the interest rate – no extension of the final maturity at all.
- Butler: Okay. And so you don't need any formal resolution or anything. All you need is four head nods from Council?  
Consultant: Yes, sir.
- Dunn: And that is the program that does not have any cost to refund it?  
Consultant answer: Yes, sir.
- Martinez: One of the questions I have is on the 2011 series, it says there are different vehicles in which different interest rates. Are you looking to combine all of those and are we looking to combine different vehicles under utilities [inaudible] are we going to combine them into two buckets or are we going to combine them into one bucket?  
Consultant answer: What typically happens is that issue already has those two pieces combined. That is why 2/3 are utility and a third is [inaudible] so what happens is when it comes to the actual accounting of that, our staff will know that if there is, let's say, \$20,000 of savings – you will know that a proportionate share goes into the general fund savings and a proportionate share goes to utilities. Just like right now, you have a bond issue, you a proportionate share debt service on both of those.
- Martinez: When you are talking about combining the packages, you are now talking about combining the different interest rates into a single interest rate?  
Consultant answer: No, actually what we are talking about is you have a range of interest rates from 3.75 to 5 percent
- Martinez: Where that vehicle is located depends on [inaudible].  
Consultant answer: I am just giving you collectively, if the next series of interest rates do not produce a certain absolute level of savings, then you would not get them.

- Martinez: So, in other words, if I took a loan out for a car and a loan out for a boat from different banks or whatever, and there are lower interest rates – you are working to lower those interest rates, save money on the payment, but they are still going to be allocated to those different banks.

Consultant: Absolutely. That's right.

- Martinez: That's what I want to make sure. Now, since you are doing it at different areas, are we sure the closing costs would be covered in any savings?

Consultant: Let me give you some good comfort on that. Whenever we do a refinancing – not only do we have to certify as your financial advisors, but more importantly than ourselves, what happens is there is an independent accounting firm that certifies all of the numbers, if you will. And so, that firm, would – it is called verification agent – and that verification agent prepares a report and that report is part of the overall final documents, so therefore, you don't have to take my word for it for the underwriters. That is how it is.

- Martinez: what I am doing, is I am trying to put it in words that our citizens can understand. I know you make an assumption that you do your due diligence, you wouldn't be proposing these if we didn't really actually see savings, but I guess I just wanted to put on the record that is what we are doing. In fact, we do have different vehicles and each vehicle has its own interest rate. We are looking to lower each interest rate for an overall savings. It would be different if I was trying to refinance five different things and all the closing costs accumulate. It doesn't really save me a whole lot and it may not even be worth the effort, but I am trying to just say is that it is worth the effort – even though there are different vehicles and interest rates are lower. We are still going to save even though there are four or five different things we are looking at. The overall savings is still enough that we should do this.

Consultant: And if it is not enough, then what will happen simply is when VRA does their financing, because that financing includes not just you, but maybe 20 or so other parties. You are not going to be alone. You will also be looking at folks who want new money [inaudible]. So, as a result, what will happen is basically right around the day of that sale, it will happen on a certain day.

- Martinez: That's the call date or the cut off?

Consultant: That's the sale date. So, on the sale date, right before the sale date, the actual underwriter's and ourselves would take a look at the marketplace and if we determine that we would not meet that threshold savings, then your piece of the pool, if you would, simply gets dropped out. That's what happens.

- Martinez: Then the question then is – I am looking at that. The call date is the date in which you can seek refinancing with no penalties. Is

that correct? And so, the assumption is that the bond has met the call date. I guess that is what I am getting at.

Consultant: Let me just clarify. The call date is basically a demarcation date at which time there are certain triggers depending on the bond issue. So, for example the one that is actually due – final maturity of 2020, the call date is not until next fall. So, if we are to go to the marketplace, and I will talk about that in a minute, we may find that because it is prior to the call date, we would have to borrow or refinance what is called a tax [inaudible]. Now, at the call date or just a few months before the call date, we are able to refinance that on a tax exempt basis. That has to do with how we issued [inaudible]. But the point is the call date is a critical date. Now, that doesn't mean even if the call date, that there may not be some penalties, but that has already factored in, so when I go back to that concept of outsiders like ourselves making sure that this does or doesn't work – we are required, if you want us to, to make sure that there is no hidden fees, no surprises, no hidden costs. If you factor all that in, right now, what we are saying is we think it is worthwhile to put the application in. It is borderline right now, if it even warrants. So, we will see.

- Martinez: The last thing I am going to mention because I know there are certain council members that are falling asleep at our discussion, but I kind of like it myself. But, [inaudible] to note when you talk about different vehicles, we are talking about the loan – the mechanism which we get the loan. So, using my analogy of the boat and the car – the car may be five years. The boat may be 10 years, but we are not talking about lowering the length of the loan, just the savings of the loan. Later on, we can talk about maybe putting a little more cash up front to shorten the date of the loan, if we have that capability.
- Burk: Could you answer the question on the bonds. Are there ever any salaries as part of the bonds? In the bonds themselves, is there ever a salary associated into a bond?

Consultant: When you say salary, I am not sure I know what you mean.

- Burk: Let's do an example of a utility. They have a project. They have put out the bond and they get the bond. But in that, do they – is there any inclusion of salaries in that?

Consultant: Operating salaries? No, no. Typically when it comes to a bond issue to meet tax exemption, which is how bonds are issued, what you find is they are for capital purposes to have a life expectancy to be equal to if not longer than the actual bond issue itself. So, not typically will you see salaries in there.

Clark Case: That is part of the cost of building objects so our project management costs have been [inaudible].

- Burk: Are these salaries?

Clark Case: [inaudible] managing the projects.

- Burk: So, in some of these bonds, we are putting salaries and the bond can go 20-30 years and we are including the salary in there?  
Clark Case: It is part of the cost of building a project. [inaudible] 80% of those [inaudible] costs are the costs of building a project. It shows in the CIP – if you look at the CIP document. To answer your question, yes. Management costs are capitalized in with the project. That is not what he is talking about here [inaudible] in this case all we are talking about doing is going to market and refinancing at a lower rate of interest. That money has already been spent and capitalized.
- Burk: So, I'll bring this up as we discuss other things.  
Clark Case: That would be correct. It would be part of the budget process.
- Fox: I just had one quick question about the interest rates. You said the federal reserve was actually thinking about – you know, there is some indication that they may raise them at some point in time. These interest rates that you are talking about are just particularly locked in as fixed and not variable, correct?  
Consultant: Correct. The only thing we are talking about here for both of these potential refinancings is locking it in to the final maturity so you have no interest rate exposure once the debt is issued. That is correct. So, the second piece I alluded to earlier is the series 2006Bs. They have been refinanced before. We see again possible activities. Again, the final maturity is out at 2020. One of the things we are talking about – the approach is something we have done before with the town, and that is the ref bank loan approach, which we would actually go out to the local or regional banks with your good credit and see if there is an interest on their part to give us an interest rate that is low enough that it would again meet that threshold of 3% or higher. Once again, our thoughts here as we talked to staff was nothing ventured, nothing gained. I am not here tonight primarily about refunding. My focus really this evening was to talk about how the town looks, what the capacity is going forward, but again because rates are so favorable, we wanted to sort of kill two birds with one stone and be here tonight to talk about this as well. So, this is another possibility – we will continue to monitor this. We know that some of the local banks might be [inaudible]. We have seen that in the past. We are asking them to consider an interest rate that we think would be very aggressive. I won't specify that – only to them. But hopefully we will see where we go with this with your blessing. So, again, this wasn't a formal application – this just is an action that we collectively would take with staff. So, that's our focus on that. Happy to [inaudible] with some details.
- Fox: I did have one question – back on the debt capacity page – I believe that's page 16. You were saying currently our debt capacity is \$7.3 million, correct?  
Consultant: That's for the next five years.

- Fox: For the next five years. And the jump in almost seven fold over the next decade. Could you explain that a little bit more to me?  
Consultant: The best way to see that – if you take a look at page 11. You will notice there, if you will, Council Member Fox, that between 2017 and basically 2021, you’ll notice we don’t really have a whole lot. But then, if you think about the next five years – think about that – that’s what you are looking at right there. A whole lot larger amount of capacity because that debt is dropping down.
- Fox: And that’s projected because of the policies we have in place right now?  
Consultant: Yes.
- Fox: If we don’t make changes whatsoever?  
Consultant: It goes back to that right here. You are paying off a considerable amount of debt over the next 10 years. So, it puts you in a position for the subsequent 10-20 years to take on a good amount of debt.
- Hammler: Thank you for the annual report. It is always great having you back, David. Just to kind of net out as we are preparing to enter the budget cycle. If I look at only having \$7 million in debt capacity for the next five years, basically, that’s not very much considering the cost of any projects so we need to just bear that in mind as a Council that we are certainly not going to be in a position to add any new capital project. But, I know that we had identified some extra cash funds that could go towards those projects. Those sorts of numbers would be helpful if any Council member wanted to prioritize, you know, what might be the potential projects this year or the next five years. Otherwise, I think we are doing a lot of belt tightening.
- Martinez: Get ready to fall asleep. You mentioned our debt ratio is dropping. In other words, the relationship between the amount of debt we have to the amount of revenue we generate is going to be – the amount you need to borrow is less. In other words, the ratio – the common thing you said that’s everything is our debt ratio is dropping. I am assuming what that is saying is that instead of 12 percent debt ratio to our revenues – we are really dropping to 10, 11, 12 or 10, 11, 8, 9, that the ratio is actually dropping. Is that the right way to look at that?  
Consultant:[inaudible], if you go to page 13 here – or 14 might be better. So, if you go on in 2017, you notice there that you’ve a small amount of debt capacity to stay under that 15%. Well, the good news is that [inaudible] ever so slightly over the next couple of years. So, what that does is it gives us additional capacity without approaching the 15%. You’ll notice that [inaudible] is that \$7 million. That’s a quarter million to 3 million that I am talking about. So, we layer that in. So, what we are seeing is this right here is that additional capacity over and above what you have planned. So, you’ve got what your council colleague just said, a modest amount of additional capacity for whatever reason and then it raises considerably.

- Martinez: Right, and I guess the point I am getting at is you've had some expenditures out there - \$3 million or somewhat out there and my thought was if our debt ratio is decreasing and we are borrowing more money, why are we having to borrow? Is it because the amount of money we need to borrow – we need to space out over a bond over 20 years because we can't afford to borrow that money and you know, or we can't afford as a town to pay off that money in one lump sum?  
Clark Case: The town has imposed on itself a 15% of general fund expenditures limit on debt. That is one of the things that has helped us to get triple A bond ratings. So, that's our fiscal discipline. It is where we have drawn the line and said this is the appropriate level if we want to keep high bond ratings. High bond ratings are really important because that allows us to borrow at 2.6% instead of at 5%. So, it helps the town financially a very great deal. But we bump right up against that limit, the additional debt issuance is what is necessary to fill out the CIP that I currently have before the Council. So, that money was programmed in assuming that we stay close to that 15% level.
- Martinez: When you see the gap that is in the outer years growing, that doesn't mean it is going to stay that way.  
Consultant: Correct, but what it does is it puts you in a good position.
- Martinez: To add more capital projects, do more infrastructure stuff. The question there is, is our town growing? Right now, all this is projected in 50,000 or are you taking into consideration the increase in population?  
Consultant: If you look at the footnote there. We have assumed expenditures of 2.5% annually.
- Martinez: So, we have to keep our expenses under a 2.5% increase every year?  
Consultant: That's the option. If your expenditures grow past [inaudible] then this actually gets better.
- Martinez: Oh, I see. I get it. I know I've got a couple more questions, but I want to see how long it takes to get Kelly [inaudible]. The only thing else I got is the reason you got such great ratings and interest rates [inaudible] is because of processes we currently have in place. So, this question is two-fold. What can we do to improve it, if we can – what could, you know, to lower it – to hurt our financial rating – what would we have to do to do that. In other words, if we sat there and we said our general fund – our rainy day fund – we are going to just spend it out and not have one.  
Consultant: Let me give you a first [inaudible]. What can you do better? I really think in fairness, you are doing things very, very well. Otherwise, all three agencies wouldn't give you triple A. If you got one and the others were outliers, no. So, that's first thing.
- Martinez: So, there is very little margin for improvement, is what I am trying to get out.

Consultant: I think the margin for improvement in any entity, I suspect anyone [inaudible]. But that said, I think really what I am focusing on is your second question. And that is, what do you do or what could happen to exceed that or erode. Erosion could occur if you do several things. One of several things or a combination. One is, you broach your policies. Broaching your policies – and I don't mean for one particular year, you go slightly above it – that's not what I mean. You basically, fundamentally, systematically broach that penalty – broach that and you'll be penalized for it. The second thing is if you do not produce in subsequent years a balanced budget. If you produce balanced budgets, that's going to be critical. You want to make sure that annual revenues are sufficient enough to meet annual expenditures. I think the third thing they care a lot about, which is why we addressed that last January, was that unassigned fund balance. You make sure that your rainy day fund is not [inaudible] but you enhanced it. So, if you were to ask me this question a year ago and we talked about this – what can we do to be better, I think that may have been the question some of you asked – the question would have been answered by us – we would like to recommend that you move to 20% over time with your [inaudible]. And you as a Council did that and that was cemented by the rating agencies. So, again, they gave you the benefit of the doubt because they like what you do. Go the opposite way and you'll hurt yourself. The only thing else I would add – [inaudible].

- Martinez: When you are looking at these ratings – are they not just looking at the dollars? Or they also looking at the operational processes in place for the different departments, so if we were as a council to alter any of those, that could also impact our rating? Is that true?

Consultant: They look at management and so part of management is they expect you to demonstrate that over the next five years, all those collective departments that constitute the town's operations would be operating in a manner that is, again, self-supporting. Operating and meeting all these. So, they don't drill down [inaudible].

- Martinez: They are just looking at our processes and making sure that – their rating is based on our ability to maintain those management processes over the next five years so if we started instituting policies to change that, that could impact our ratings. And that is what I am trying to get at.

- Dunn: On page 16, why did the debt capacity go from 14 in 25 to 5 in 26?

Consultant: Okay, because what you look at is what we said was is each particular year, we were at as much debt as we possibly could to get up to that line and next year, the debt is starting to be paid off we get a little more pop. That's just the way it works. We could have made it simpler for you and just said over five years is \$45 million, but each particular year, that's how the debt drops down.

- Dunn: Okay, I notice it is rising each year?

Consultant: Yeah, in some ways. 22 and 23 are about the same. It goes up in 24 and 25, but then again 26, it drops down. That's because again we have added a whole lot of debt, theoretically in 2025. So, it is the way the debt is structured.

- Dunn: But we don't know – this is hypothetical.

Consultant: This is totally hypothetical.

- Dunn: That's what I was getting at. I'm like, okay what action is taking place that is causing this. There is none.

Consultant: The only action...

Clark Case: You are paying off the debt and not replacing it with new debt. So, if you want to borrow again, this is what would be available during those periods.

- Dunn: So, the action that is taking place between 25 and 26, is our debt is forgiven at that point. But at least \$9 million worth of it. Is that actual or is that still hypothetical?

Consultant: It's actual. It's here on this page. Look at the principal in any given year. In 2025, you will be paying off \$3.8 million in 2025. In 2026, you'll be paying off another \$3.7 million. These are all actuals. So, what we did, working with your staff, we said hypothetically if we were to now add debt in those given years, how much do we do in one given year. We would not come back to you and show you something that suggests [inaudible]. That's not how we work it.

- Burk: Where can the public get this? Is this going to be on our webpage?

Consultant: From our perspective it is a public document. We are happy to...

Dentler: It will be in your council packet information – council information, and available through the website. We would just attach it tomorrow. We just got it today.

- Butler: I just have a couple of quick questions – actually one is not a question, but I think congratulations on having Leesburg had the highest bond ratings that we can. I think that is a testament not only to the Council's fiscal responsibility, but also to town's management. I know that we all appreciate it. It also helps relieve interest rates for other things. Actually, I was kind of surprised at the \$7.3 million was as high as it was because as some of you recall last year, we were right at the limit. Not that I want to run right out and spend \$7.3 million, but it does sound like we have a little bit of head room and I think, Tom, what it means in the short term for us, on page 16, is if the Council goes hog wild and spends \$3.5 million in 2017, \$2.2 million in 2018, \$2 million in 2019, that we are not going to be able spend anything in 2020 for capital projects, so it behooves us to be – to continue to be fiscally responsible. One question – 2010, there was a real dip in the fund balance. Did I miss why that was?

Consultant: I'll go back and see if I can recall. I remembered that at one point in time. I don't want to speculate, so I'll hold off but you do remember, that was a difficult time in terms of the environment.

- Butler: Ah, yes. Okay. I remember now that we had to dip into that to keep things on an even keel in the town.

Consultant: I could go back to my old notes and find [inaudible] one time capital, but I don't remember at this point. If I remembered the combination, I would be speculating.

- Butler: I do remember that now. I think that's all my questions.

*There was consensus of Council to move ahead with investigating refunding options.*

b. Leesburg Police/County Sheriff: Potential Efficiencies

Kaj Dentler stated this is an opportunity for Council to define what topics will be covered by a potential task force and to select two representatives to serve on the joint task force.

Key Points:

- Possible discussion items include: Supplemental traffic enforcement, office space (moving officers out of the airport), storage space, sharing of CAD system and records management, colocation of dispatch and communications services, access to the County's future firing range.

Council Comments:

- Dunn: I'd like to add to get the SROs fully funded by the county. The county – and my numbers might be off a little bit, but county officer costs \$125,000. A Leesburg officer costs about \$85,000. Does that sound about right, Kaj? With squad car. I couldn't remember if it was \$85 or 93. It has got to be close to that though. But, if you take – right now the county is only refunding us at 75% of our costs and if you actually took our total cost for officers, it is still 68% of what the county pays. So, even us being fully funded is still well below what the county is costing for them to have SROs in the Leesburg schools where we have our SROs. I would suggest seeking the county for fully funding our SROs. If that is not....
- Butler: So, in other words, increasing the amount of money that the county pays us. Keeping the SROs as Leesburg police.
- Dunn: At this point, yes. I would not be opposed to county sheriffs serving as SROs in our county schools that are located in Leesburg, but barring that, it should be fully funded by them at our full cost because also our SROs do serve in that capacity year round and not just 75% of the year. The other is a more formal shared response policy in that we know that the sheriff's department and the Leesburg police are definitely working on providing certain services that the town does not have and that be established and we know exactly where we can count

on future services from the Sheriff's, not on an ad hoc basis, but an established policy. The other is a – they may be doing this. Kaj you can jump in if you know. If we can do anything that helps reduce our cost by having a shared policy for the training of new officers or ongoing training of our officers that we can partner with the county versus having to pay for it solely ourselves. There may be certain training that we can join with them that helps to reduce our costs. Lastly, the only question I had was, we are looking to establish this committee. My understanding is that right now, there is no county task force, we are looking to create that. Is that correct?

Dentler: Right. The county has agreed to this. Now it is incumbent upon us to select our two representatives – then I can coordinate the meetings.

- Burk: We have the captain in the audience here. Is there anything that you could add, that obviously as an officer, that you would like to see us discuss.

Grigsby: Kaj was in a meeting with us and those were some of the items that we discussed as a group.

- Burk: Thank you. Most certainly the SROs would be something that needs to be discussed and I think moving the police out of the airport is a great idea. I am glad to see that on the list. But those are the – I think everything else has been mentioned that I would be concerned about.
- Martinez: I have no other questions other than I think I would like to see Kelly on that committee and anybody else who would like to join. I would like to be on the committee myself, too. But, I'll leave it at that.
- Hammler: I, unfortunately, was unable to connect with Deputy Spurlock who has offered to provide suggestions because he has the unique experience of having worked at both the police department and the sheriff's department. So, we look forward to sharing, as soon as I hear from him, what his ideas are, but I think from a process perspective, if we could seek as much input as possible from any number of sources – I know we had this great new online resource to ask the community to comment on things, so maybe we could put this out because I am sure other people have great ideas. Perhaps there can even be an anonymous way for anybody within the police and sheriff's department to submit ideas. I think at this point, just you know, you never know where a good idea is going to come from. I think we need to look at that process. In addition to the things that have already been mentioned, I certainly would be interested in exploring if there are ways we can leverage the sheriff's department to support what appears to be a great deal of resources required to deal with shoplifting at the outlets because they have mall operations at the Dulles mall. There may be ways that we can figure out how to scale those types of operations and of course, looking at our hot spots to see where and how we can get additional support in those types of areas. But as I have said, and I know we have already discussed, I absolutely would appreciate being

appointed to the committee. This is something that I am glad we are working to actually implement because we delayed it for a long time because of the election.

- Fox: One quick question – has the county selected their members for this. You said that they have agreed to it, but have they selected members?

Dentler: Yes.

- Fox: I'm not sure this falls under county, but somehow I feel like it does. I am sure this falls a lot more under state, but this past snow storm, we had some issues with some snow removal and some VDOT access. We had no access to VDOT, whereas the County did have some access to VDOT equipment. I just didn't see – I saw us working together as much as possible and, you know, where as much collaborating could be done as possible; however, equipment was separate. So, I wanted to find out how can we work with the county more when we have a major snow storm like this. How can we access that equipment when we call a state of emergency.

- Butler: Who did we talk about last time as for members of this committee. I think it was Katie, Tom and Kelly were all brought up. Who did we end up with?

Dentler: Your position was to wait until the topics were confirmed. At one time it was Katie and Tom. And then I think Suzanne, you might have been the third – you or Kelly, but there was no confirmation. You wanted to talk the topics to see if people were interested in serving once you knew what topics were.

- Butler: So, I have the topics as the five that you had in your memo plus I have the SROs fully funded by the county, shared response policy, shared training and shared mall operations. We do have some interest in Kelly and Katie. They have both shown interest. Is anyone else interested in being on this committee?
- Butler: I guess this is on the agenda tomorrow. I think what might be helpful is if we have a resolution, instead of just making a motion to pick two, would it help if we had a resolution and included these nine items in there? Is that possible and add whatever else the commission comes up with, I just want to make sure that these nine are formally captured as things that should be looked at by whoever is on the committee. Does that make sense?

c. Annexation: Joint Land Management Area

Susan Berry Hill stated this item is in response to a request from Council to bring back information about annexation goals.

Key Points:

- Town Plan identifies the Joint Land Management Area (JLMA) as an area that both the town and the county anticipate might be annexed by the town at some point in the future.

- JLMA is jointly planned by both the town and the county.
- Number of properties have been developed in the JLMA including River Creek, Potomac Station, and most recently Tuscarora Crossing and the Goose Creek Club.
- Crosstrail property – now known as Compass Creek is the future site of the Walmart development.
- Occasionally there are requests for annexation outside the JLMA area.
- Boundary line adjustment is the most simple way to bring a property into the town.
- Annexation goes through the Commission on Local Government.
- Voluntary annexation is by agreement with the county.
- Goals that are stated in the Town Plan show the JLMA as the area that is anticipated for annexation, but there may be other properties Council wishes to discuss.

Council Comments:

- Butler: So, rather than make this too open ended of a discussion, why don't we limit it to two things – one the process that is presented in the staff report and then two – anyone who might be amenable to looking in a little bit more detail at the annexation. I know that a couple of years ago, we looked at specific areas – I don't remember if they are A, B and C or whatever and they had financial attachments for analyses with them and so they are probably outdated. So, I don't know if we can make any decisions on annexation, so I guess primarily are we interested? Would we at least be interested in looking at some of these sections. So, I think if we limit that, it would be a reasonable discussion.
- Fox: I have one question – how many formal requests for annexation do we currently have?  
Staff answer: We have no formal request for annexation at this point in time.
- Fox: Okay, so nobody has approached the town wanting to be annexed into the town.  
Staff answer: There have been informal requests. One request that came through staff was for the property that is at the southwest quadrant adjacent to Woodlea and I believe a church owns a parcel of land that is at the southwest corner of Woodlea Drive and Rt. 15, or South King Street. They were interested in knowing is the town interested in annexing or incorporating that property. That came through staff and it was an inquiry. I don't know where the applicant is on that. We had provided some information to them and I don't know where they stand on that. Other properties south of Heritage High School – we have had informal requests on the property owners representative that they are working with and they have been interested in knowing whether or not the town might incorporate those properties. Again, both of those are outside of the JLMA so the staff's response is if

it is outside of the JLMA then it is not an area that we would anticipate being annexed into the town, but it doesn't mean that the council can't consider that. So, those were informal requests. We have no formal requests before you right now.

- Fox: And those are the only two informal requests at this point?  
Staff answer: I believe so.
- Hammler: Could you remind us what two council members are part of the Annexation Area Development Policy Committee?  
Staff answer: The policy committee is often referred to as the AADP committee. The reason it is called the AADP committee is back when the town incorporated or had a voluntary annexation to incorporate all the area outside of the bypass which is currently in our corporate limits, there was an agreement between the town and the county and it had a set of policies, called the AADPs, annexation area development policies. There was a committee established to jointly review service delivery within that area. Now, the AADPs are sunsetted. They are done, but the name for that committee kind of lives on. The County Board of Supervisors still has that committee listed on their committee roster. I believe that Supervisor Umstatted and Supervisor Higgins are assigned to that committee. From our town organization, I believe – trying to remember who is on that committee.  
Notar: Former Council Member Kevin Wright and Katie Sheldon Hammler.
- Hammler: So, we never updated that when Kevin – there must be a more recent one.  
Notar: I don't think so. I don't think we've ever updated it.
- Burk: I thought we did.
- Dunn: Yeah, I thought at some point I was on that committee. I thought Dave was.
- Hammler: You might want to just check the records. You should find out.
- Hammler: You can tell us later, Kaj. You don't have to figure it out tonight, but thank you. Okay, that would be helpful just so we could look at the policy hopefully to initiate moving forward with the county. I certainly would support looking also at the north end of town comprehensively. So, I would like to put that on the table. If we could get a copy – I know we have a – I can't remember what year it was. Occasionally we look at this topic. Unfortunately we haven't made the kind of progress that I do think we need to start making. Certainly all we need to do is reflect back on that lengthy list of parcels that were rezoned by the county, rezoned by the county, rezoned by the county. Ultimately you start looking at the history of all the area that was meant to be for our long term commercial development, which unfortunately for instance, the area that is literally now owned by the county was supposed to be something that we were going to control in terms of different uses such as over by the airport, which is any now

number of government functions. So, I think it is important that we clearly look at the numbers because the main goal would be to increase revenues and be able to bring in more commercial revenue to the town and of course if there is any additional areas, increased benefits in whatever ways that those might be. I know at the town, we are clearly looking at the risk of a by right issue with the 40 acres that is adjacent to Ida Lee, that I would like to figure out if there is a way to ultimately ensure that does not turn into houses. So, again, look forward to finding out who is on that committee and hopefully getting support from Council to move forward. I would like to start making some progress on the research.

- Dunn: There is a few things and it may be with – Kaj what you had already alluded to. We had some folks that were talking to us – they had concerns over on Evergreen Mill at Miller Drive. They came to us with some water issues and drainage issues and one of the things that was thrown out was the possibility of providing them with town water and there may be an issue there with them seeking annexation. I think there are some other property owners further down the road on Evergreen Mill that would be interested. We also had, I believe a number of citizens that came before us at one point saying that actually the entrance to Woodlea is in the county and it would seem like it would tidy things up a little bit for our road maintenance if the entrance to Woodlea was actually brought into the town versus that one piece that seems to be hanging out there. It seems like the county road folks don't remember that is actually their job and I think we are actually picking up some of the work load there. Are we doing that? Okay, there you go. If we are working for it, we might as well own it. It would satisfy the citizens there too. I don't know that and this is something that discussing this I think is important that we actually look forward to deciding what Council wants to do and move forward a meeting with the county. We have had this JLMA out there for a while. I am willing to consider any areas in the JLMA for annexation provided that it is not turning to an involuntary situation with those citizens who live in those areas. I will point out that the land west of the airport and east of the Greenway is now being developed and we got zero say on what goes on in that project that is going to be where super Target is getting ready to be headed and it is going to be a major issue on Battlefield Parkway at that intersection because there is one entrance to that. Because we did not take action to annex that years ago, we got no say in it and we are going to be dealing with all of the traffic that is coming out of it. There is also some areas in the past where people had considered that it might be the JLMA area that is just off of Woodlea – folks that I think live up on the hill there that had considered trying to be brought into the town. But I would be also interested in petitioning the public of those people who live around Leesburg to find out if they are interested in receiving town services and

it works out financially for them to get the town services versus those they have to pay through either their HOAs or private service providers. The area north of town has been something that is a possibility. I know that I am not in favor of taking somebody's land and using it as a "buffer" for Ida Lee and taking their land from them and using it as a bargaining chip to get them to come into the town and I would be interested in working with them and actually letting them use their land the way that they see fit. I find it interesting that there are those that would consider bringing land in north of town that were opposed to doing things because they didn't want to provide water to – what's that community, Dave? North of town who had the water issues? Raspberry Falls. They didn't want to act on anything for Raspberry Falls to help those folks get clean water, but now are willing to negotiate land swaps for empty space near Ida Lee. That, I would not be interested in taking somebody's land for that purpose, but I would be interested in allowing them to do what they wish with their land. The other area was as I said, petition those areas within the JLMA to see what the interest is and petition those other areas that are within a certain distance of the town to see if they would be interested in annexation. With that, I would definitely recommend as a council, we decide what policy we want to take forward to the county and I would recommend moving forth with that very quickly and maybe come to a conclusion on what we are going to deal with as far as our JLMA goes. Dentler: Hammler and Dunn.

- Butler: From my standpoint, I just want to mention, yeah I would be interested in updating the financial analysis on the entire JLMA as well as the north end. One thing I would like, is I much prefer a BLA. I see no reason to do a traditional involuntary annexation at this point on any of the areas. I guess we could, in theory, end up with some area that would – where we would have an annexation because then we could have conditions and all of that, but generally if we could do a BLA, I think that's definitely preferable. It is simpler, it's cheaper, it's easier and nobody gets put into the town that doesn't want to be. Are all those things correct?

Staff answer: Yes.

- Butler: The other thing that is sometimes confusing about annexation or BLA is that it does not mean growth. Like for instance, obviously it means growth for the town, but it doesn't mean growth overall. It doesn't mean more houses or more stores or more office buildings or more anything. What we are really talking about is a change of control from the county to the town. So, for instance, if we annexed – let's say all the residents agreed and we annexed the entire residential area up above Route 7, there on the map. Let's just say in theory that we did that. There would be no more houses being built. There would be no change in the financial impact to the county. They would all still pay county taxes and everything else. The only difference is, you know,

they would pay town taxes and the town would provide them additional services and their water rates would go down. There is some financial analysis, but it does not mean – it means that the town is growing, but it doesn't mean growth. So, with that, what I would like to do is see if there is – I know there is only six of us but I want to see if there is four of us that are willing to ask staff to update the financial analyses of these areas and I will ask it in two parts – one is the JLMA which was done before which is in a couple of different sections and also the north end of town – while we are not discussing the disposition of the north end of town, just should we do a financial analysis of that to see if it makes some sense. Tom, I heard you are good about the JLMA.

- Dunn: Yes. And I guess my question is what – how much north of town are you talking about?
- Butler: That's a good question. I guess how far north of town would you be interested in looking at? What is reasonable? Could we just start with the areas just north that surround Rt. 15?
- Dunn: I would say that I know that obviously the most recent attempt – I am not real big on the BLA – I understand where you are coming from. That's an easier process. I think that it also can be one that might be too casual for our own good. If we are actually going to do annexation, I would recommend sticking with the annexation process. I know it is a little more cumbersome, but the last BLA we tried to do is the one involving Morven Park. I know Council Member Wright was in favor of that and that had a potential cost to us of nearly a million dollars per year in additional costs. How far north are you talking about? I guess that's the issue.
- Butler: I guess I would say at this point, something that is – basically taking in the O'Connor properties etc. and south of Raspberry Falls. I think Raspberry Falls is a whole other thing.
- Dunn: But not including Morven Park?
- Butler: No, I wasn't talking about Morven Park. That a whole other thing.
- Dunn: Yeah.
- Butler: Financial analysis of that?
- Dunn: Yeah.
- Butler: Katie, you seem to be in favor of the north?
- Hammler: Yes, and for the record, I have never used the words taking land. Just really given the conversations that we have had north of town, it would be creating a win-win to be able to focus in on what was identified as the number one goal and we had the bequeathment money that ultimately was rerouted and not available for the land because that was cited as obviously the passive nature of that park would be greatly disrupted. So, yes, I would support that. We have done analysis certainly regarding the JLMA, so that should be available. My question, before I answer your question, Dave, is, you know, do you

need more time, Kaj, to figure out kind of what the scope is to be able to advise council about what it is going to cost to even come up with the cost analysis?

Dentler: Well I was going to jump in at some point. I was going to let you finish. But, we certainly need some time to try to confirm what we think your scope is and then to tell you what our approach would be – what we recommend we can do and what we can't do. I certainly am greatly concerned with our capacity, which for staffing is zero unless we are going to move some things around. We have added a lot of things over the last several months and so we would like to have the opportunity to come back, provide you the scope, show you what the work plan is and maybe how we can handle it and let you react to that. Whether that means we are adding additional resources one way or another – contractually or we are moving projects around, but I would just be concerned with our ability to just in and do it. I never want to mislead you without letting you know what we think the scope is and what our concerns are with resources. That's all.

- Hammler: I would support directing staff to do just that so we could get that information before we make any specific decisions. Thank you.
- Butler: Yes, definitely and all we are talking about for the main JLMA is updating the financial analyses that were done a couple of years ago. That may still be significant effort and you can come back and tell us that, but I think I don't want you to – we are not talking about okay here is the big plan. You say go and we are annexing. Kelly, you are a firm no on both?
- Burk: I had a question for Susan. Is there – in the northern part – is there a developer that is looking to develop that land?  
Staff answer: I will put it this way. Nobody has approached staff about this.
- Burk: And what, I think I am directing my question as much to Kaj – what – you know we just had a thing from the planning commission asking us to prioritize all the stuff that we have given staff to do and we haven't even touched that and now we are looking at adding something. I would assume this is a pretty significant project.  
Staff answer: I think this was noted – we had hired a consultant to look at – provide a fiscal analysis of the JLMA where it was broken down into three areas. What I think it would involve – what I hear Council saying tonight is they would like updated numbers for that. So, we would have to go back to that consultant and find out what that would cost, what the time frame would be for producing that information. So, if there are areas outside of what they looked at – they looked at primarily the JLMA and I think they looked at the area which is just west of the JLMA, if I remember.
- Butler: Yeah, the southwest, just outside the town limits.  
Staff answer: So, we would need to just see if that is what...

- Burk: But now you are adding additional – aren't we requesting that you add additional land to evaluate also?  
Staff answer: Yes, I believe so. We are looking at the north of Leesburg – to the north of our corporate limits.
- Burk: No, I'm really not interested to – we have so much on our plate right now. We need to take care of those things. I am concerned that this is really being driven by development and I don't see it as being beneficial at this point.
- Fox: When it comes to annexation and annexation goals, one of the things that I keep in mind is when it comes before us it will be on a case by case basis – we need to decide those things. What I wanted to know from staff is if we were to go forward with some sort of financial analysis, would it be easier to do it on a case by case basis, would it be less stressful for staff to do it that way, or would it be better to do it the way Mayor Butler is proposing?  
Staff answer: When you say case by case, we have no official requests for annexation at this point in time. We could do so if we received one.
- Fox: Would that be easier for you to do or would it be more cost effective for the town to do it that way.  
Staff answer: It would be probably more focused than a broader study, so it depended on the scope of that property.
- Fox: Then, that's what I would probably support.
- Butler: Okay. So, it looks like we have three votes for each section. As far as now, there are only three head nods, so I don't see any direction for staff at this point in time.

## 2. **Additions to Future Council Meetings**

Council Member Dunn: It is not really necessarily in additions, but I would like to know from staff when we can get the results for what I thought was a pretty easy request to look at putting dining tables in convenience stores like Sheetz and Wawas and things like that. I think that is coming up with the planning commission at some point, but I think we brought this request and it sounded like all of council or a super majority of Council was in favor of it. That was in December and now we are in February and it still hasn't gotten to us.

The other thing was, again, one of our priorities, that we placed years ago was working on the H-2 and the direction at the time was leaning more towards really getting rid of the H-2 – not a rewrite of the guidelines that we continue to have – what has been a failing policy. I can't help but think that has been dragging its feet due to staff's reluctance and Council placing other priorities ahead of that. We are getting ready to head into an election and I would like to see that taken care of before the next election.

Susan Berry Hill: Council initiated the zoning text amendment for convenience stores and allowing dining within convenience stores. That was initiated on December 8 of last year. It is in progress right now with staff. It is targeted to get

to the planning commission for public hearing on April 7 and to the Council on May 10. That is in the work plan.

Butler: The H-2 item is on the work plan somewhere. From the planning commission, is that going to be coming back to Council to prioritize?

Berry Hill: The Council had approved a motion back in 2013 to look at the H-2 as well as the East Market Street corridor and do an area plan on that area. So, we have started that. I am happy to announce that we started work on the small area plan for East Market. A part of that will be looking at the H-2 Corridor, the H-2 design guidelines and deciding within that planning process whether we should get rid of the H-2 and replace it with something else or if we update the H-2 or whatever and we will have a very public process on what to do with that coming up in the spring.

Dunn: Just real quick, again on the tables. Something that is sent down in December and I know that the verbiage for the text for that has already been provided to staff – to see that take from December to April when we have businesses that – corporations that are looking to recruit new businesses to town based on that, it is taking too long. I think, again, just being delayed especially when you have a directive from Council to move quickly on it and almost all the tools have been provided for you on that – that is taking way too long.

Vice Mayor Burk: There is a structure off of Sycolin Road. I don't know the address of it. But Beauregard Estates has asked if there is something we could do to kind of confine that structure. There is a lot of activity going on in the old house that is falling down, especially in the summer times and nice weather. So, they were wondering if there wasn't something that could be done to put a fence around it or something like that to take care of that. I also wanted a discussion on the URAC committee. We haven't called it together for many years now and a number of people have asked are we will members of the committee? What is going on with it? Are we ever going to meet again? So, if we don't need it, we should do away with it at this point. I would really like to have those priorities that the planning commission sent down to us and asked us to prioritize. I would really like us to do that. If I need to ask for four votes, I would do so because I think it is important if you have the commission that is busy trying to get all this planning stuff done and we don't give them direction on what to do, they are left trying to figure out – trying to read our minds. So, I would really like to get that on the discussion point as soon as possible and if I need to have four votes, I'd ask for four votes?

Dentler: I don't think that's on the schedule.

Berry Hill: It is an information item that will be in your packet next time and it is based on the presentation that I made at the planning commission in December regarding work priorities. So, I think that was the intent – to do that as an information item.

Burk: But, I think we need to take some positions on it if we are going to tell the planning commission what we want them to do and what we want them to work on.

Dentler: You got your wish. That's fine.

Butler: So, would you like to change your information item to a work session item?

Burk: Yes, I would.

*There was consensus to have a work session item on planning work plan/prioritization.*

Berry Hill: We did hear about a complaint about the house down from Beauregard Estates. I have asked the project manager for the Montfaire to look into that with the applicant to see if there is something they can do.

Burk: The last thing was, I am making an assumption – I want to make sure I am correct that now you will take over the planning commission position, since traditionally it has gone to the mayor.

Dunn: No.

Butler: The mayor wanted it. It wasn't always with the mayor. There was a couple of years when Council Member Wright...I would be happy if you don't want to serve as the liaison for that anymore, you are certainly welcome to. If you'd like to have a different Council Member, then we could do that.

Burk: That's fine. In the last number of years, it has been the mayor and I think that's what their expectation is that the Mayor would be the person there on the planning commission, so that's why I bring it up.

Butler: We could discuss that off line. In the meantime, we can leave it as it is. Back to your URAC question – would it be reasonable to have a brief staff memo as to what it perceives as the status of the URAC and what is disposition ought or ought not to be.

Dentler: I can provide that now. At this point, our position is we do not feel there is a need for URAC to be involved. We just sent down our rate study. We moved into that direction – when the time comes, we get closer that we need to review our rates, then that is your decision point if you want to reengage URAC, but at this point we don't see that there is a function for them unless that is something you wish for them to do.

Butler: So, basically the summary is the URAC committee is in abeyance until the time when we need to revisit the rates when the five year plan or something is up.

Hammler: I agree because obviously we just finished our rate study but the added benefit is we have two members on that committee who represent customers who are not citizens of the town. To the extent that we may just want to keep the committee in its kind of form in case they feel, or any member, feels a need and requests of council to reconvene for any reason. That would be my recommendation. But at least getting input from them before we make any decision and of course the broader community.

Butler: So, your recommendation is to keep it in a state of abeyance until somebody feels the need to reconstitute it.

Hammler: As an opportunity to solicit feedback, should we need it on any number of issues – not just rate related, but customer relation issues or any other thing.

Butler: Or any other thing. So, that's the current state. Do I see four head nods to change that state to something else. Okay, I'm not seeing any enthusiasm at all on that.

Council Member Hammler: I have three items please. The first is formally requesting a debrief from our blizzard/snow storm operations. Overall costs, reimbursements we can expect because we had a state of emergency. If we could get information on who we actually had mutual aid agreements with in place because ultimately that directs whether we can get reimbursement. I know we had sort of brainstormed could we seek other municipalities around the state that may be able to lend us equipment or any number of things. Those mutual aid agreements have to be in place. If I could get support – it could just be a memo. But, ultimately a debrief memo.

Dentler: It is coming before you anyway because I will be making a request for Council to provide funds from the unassigned fund balance to reimburse the costs that are well above what we budgeted. That has been our approach. That is coming before you very soon. Either the next meeting or the one after that.

Hammler: Any issues, Kaj, with the specific things that I had requested but we can take that off line some. That's great. The other two, is requesting that Council receive the same briefing that we received at the Loudoun County Economic Development Advisory Committee and also a copy of the full retail study report that was presented that the County ED department commissioned. It is a really good report and ultimately we would probably want to include some key stakeholders, the downtown business association, you know, obviously any other retailers but key stakeholders that may be interested in that briefing with us. And then finally, if you haven't already heard....

Butler: That briefing – how much effort will that take you or is it something you can just like copy and send it?

Dentler: We have already sent you – I think Council Member Hammler has already sent you the copy. We can resend it.

Hammler: I didn't get the full report. I just sent the handout.

Dentler: We are waiting for the full report. Once we get that, we will certainly forward that to you and then you can tell us what you want to do with that.

Hammler: I tee'd up through Buddy how we formally request that through the county. But finally, Tuscarora's football coach, Coach Burnett, was awarded the Don Shula High School coach of the year award, which is a very big deal. It was a \$25,000 cash reward - \$15,000 going to the school. He was sent to the Super Bowl. I would love to see us bring him in and congratulate him formally from the town council and I will mention it in my comments tonight because he is also a phenomenal teacher. I can only speak from my son's perspective – he has him for AP Econ – just one of the best teachers he has ever had. He is just a wonderful source of inspiration for kids on so many different levels, so I appreciate that certificate for him.

Martinez: I forgot to mention that I will be unavailable for tomorrow night's meeting.

Council Member Fox: As far as the debriefing is concerned, will part of this debriefing what we can do to help ourselves in future storms with respect to VDOT. I would like to know how Leesburg as an entity of this county and as an entity of the state paying taxes to both can access VDOT equipment when there is a state of emergency.

Dentler: We are already working on that. But yes, we will provide that.

Fox: That will be part of the report?

Dentler: We are working through that now. Whether we have it all at the exact time, but we are working through that so we can provide you some detailed information. It is an important part for us as well.

Dunn: If I could add to that, Dave. I had asked Kaj for this in an email a week or so ago. If anything can be provided us prior to the meeting so that we can ask questions and staff is not saying we don't have that information – so if we could come to the meeting knowing they have it or not.

Mayor Butler: I have three items – one is it seems like the webcast, the sound is pretty much non-existent. You really need to crank up the sound on the video. I have had a couple of people mention that. For most people, you need to crank it up.

It used to work fine. There used to not be a problem with the webcast volume at all. In fact, I have listened to some of the webcasts while I was remotely participating and it was wonderful, but it seems like the last few, almost impossible to hear anything. I just wanted to check on that. Second thing is, the NVT A meeting that I volunteered for the last time, that I thought was immediately prior to the meeting that I am already going down to Falls Church for on Thursdays is now a different Thursday. I really can't attend that. I am already going down to Falls Church once a month for this. To make it twice a month is a little bit too much. If there is anybody who would to volunteer to be the representative...I think it is the second Thursday now. I'll get you the information.

Hammler: If you could distribute that to us, that would be great.

Butler: The third thing is, this is based on a request that was made a couple of months ago by Marty, which I thought was a great idea. He proposed that the Council have essentially like an off-site meeting for a couple of hours on Saturday without staff to kind of hammer out what Council's priorities would be for the next year. Or some kind of vision going forward. I thought that was a wonderful idea at the time. I still think it is a wonderful idea. I was wondering – obviously after February 18, but as close in as possible. I was wondering if you could ask council members what dates or times may be available. When do you anticipate having like the off-site budget meeting?

Dentler: I present the budget at your next meeting next Tuesday and I have – I'm not sure – let me see – your public hearing is on March 8. I do have budget work sessions that are for March 28 as well as March 7. So, basically I am beginning to load up your calendar on every available date to see what we need to do.

Butler: Would you look somewhere like the 20<sup>th</sup>-27<sup>th</sup> – sometime on the weekend. Saturday mornings is when we have traditionally done it. I know that you may or may not have weddings then, but in any case if you could query Council, I would like to do that before we do the budget discussions because where Council decides it wants to go would be good input, I think, to the budget. So, I would rather do that first rather than have all the budget discussions and then start to talk about it later.

Hammler: For the record, I am not available the weekend of the 20<sup>th</sup>.

Butler: Let's do the best that we can. We don't necessarily need every single Council member. I'd like to have the whole council, but if it has to be the 21<sup>st</sup> or the 28<sup>th</sup> or an evening, anyway just try the best that you can.

Notar: One of you would have to take minutes. It would be a public meeting.

Butler: We will figure it out. Once you get some time, yeah, it would be a public meeting. When we say no staff that doesn't necessarily mean zero staff. A staff member to take minutes would probably be wonderful.

Dunn: Do we have four people that want to do this?

Butler: Whether or not, it is a special meeting. Let's find out if Kaj can ask and find out what the response is.

Dunn: If we don't have four council members that want to do it, then staff doesn't have to do any work toward preparing it.

Butler: In theory, I could hold a special meeting and just say whoever wants to show up, show up and we will do the best we can with whoever shows up. Okay? I'd rather try it and see what we can do because I think it is a necessary prequel to the budget discussions.

Dunn: I'd rather not do it personally and without staff there, there may end up being more empty council seats. Some people may not survive without staff intervening.

Butler: We can bring a sergeant at arms. I think Marty's intent was basically that staff wasn't the one who drove it. It wasn't staff presenting and Council reacting to it. It was Council figuring out what they want and then give Staff a chance to react at a different time. It doesn't necessarily mean – we'd still have snacks and stuff.

Dunn: Oh, then I'll be there.

*On a motion by Council Member Martinez, seconded by Vice Mayor Burk, the meeting was adjourned at 9:25 p.m.*