



Town of Vienna

Charles A. Robinson Jr.
Town Hall
127 Center Street South
Vienna VA, 22180

Meeting Minutes Town Council Work Session

Monday, September 19, 2016

8:00 PM

Charles A. Robinson, Jr. Town Hall, 127
Center Street, South

Work Session

1. Regular Business

Present: Mayor Laurie A. DiRocco
Council Member Linda J. Colbert
Council Member Pasha M. Majdi
Council Member Douglas Noble
Council Member Carey J. Sienicki
Council Member Howard J. Springsteen
Council Member Tara Voigt

Staff present: Mercury T. Payton, Town Manager
Lynne DeWilde, Public Information Manager
Michael Gallagher, Acting Director of Public Works
Hyojung Garland, Planning and Zoning, Deputy Director
Leslie Herman, Parks and Recreation, Director
Bradley Macomber, Public Works, Construction Project Manager
Jim Morris, Vienna Police Chief
Patrick Mulhern, Planning and Zoning, Director
Gwen Riddle, Budget Director and Acting Deputy Finance Director
Marion Serfass, Finance, Acting Director
Carol S. Waters, Legislative, Deputy Town Clerk

A. Capital Improvement Plan (CIP) through 2034

At 8:00 p.m. sharp, the Town Manager opened the annual September CIP (Capital Improvement Plan) work session meeting. Before getting into it, Mayor DiRocco recognized two Boy Scouts in the audience who were working on their Citizenship in the Community Badges. A thirteen page paper copy of the CIP, revised with the latest figures to date, was provided to each meeting participant by Acting Director of Finance, Marion Serfass. She thanked Gwen Riddle for being instrumental in putting together the package of information, and noted that Mrs. Riddle is currently the Acting Deputy Finance Director as well as the Budget Manager.

Mrs. Serfass recapped the 2012 Bond Fund and detailed the dollar amounts spent on specific projects and the dollar amounts left over. Most projects from the 2012 Bond Fund have been completed. She straightened out a previous misconception by advising that it is 85% of an original bond amount which must be appropriately spent by the deadline of three years from the bond issuance date. Mrs. Serfass assured Council that the spending criteria have been met for the 2012 bond issue and no funding would be lost on account of that. Staff answered questions from Council Members. The Acting Finance Director moved on to review the 2014/2016 Bond Issue projects and their various states of completion. She pointed out that a lot of the money for the 2014 Bond Issue and most of the money for the 2016 Bond

Issue is for the Vienna Community Center renovation project.

Mrs. Serfass explained Arbitrage Funds and their allowable uses. Council Members recognized and expressed their appreciation that staff had done so much work to secure grant funding and worked so hard to identify and repurpose unused bond funds. The Acting Finance Director verified that the Town has about \$94,000 available from completed projects that can be reallocated, most likely to go to sidewalks or water and sewer projects. She went on to report that the Town has been selling their bonds at a premium. Mrs. Serfass recounted, "we might go out for 6.4 million dollars in bonds but we get more than that because of our AAA rating and that sort of thing, and so we have some extra funds available from the 2012 and the 2016 bond that can be repurposed to different projects; and we are scrubbing some projects here; I think they are in pretty good shape but if you look at the details a little bit more there are a couple that are negative. I think we have in the neighborhood of about \$300,000.00 to \$350,000.00 in extra funds."

Mr. Payton mentioned that some Council Members had let him know that they would like to begin action on the Freeman House Bridge with some of those extra funds, and he agreed with that idea, too. The Freeman House Bridge needs to be redone to provide handicapped access to the Freeman House. That bridge project would be about \$93,000, and it is presently included in the 2018 bond. The Mayor expressed her opinion that the bridge would be a good use of funds, but the Community Center is not yet completed and she would like to get through that project. Acting Director of Public Works, Michael Gallagher, announced that the Freeman House Bridge project might qualify for 80/20 VDOT grant funding, or possibly even 100%. When asked, he confirmed that the Town's grant application could be written to include design and build funding, but to get the design process funded it would have to wait until grant approval, after July 1, 2017. Some Council Members indicated that they want that bridge design work to move forward as soon as possible. Mr. Gallagher said he would prepare a Resolution for Transportation Alternative project funding for the Freeman House Bridge for the October 3, 2016 Council Meeting. After approval of the resolution, the application will be submitted by the deadline of November 1, 2016.

Mrs. Serfass laid out the assumptions used for Finance Department planning purposes going forward from 2018 to 2034. Finance assumes debt issuance every two years and an interest rate of four percent on the debt, which is higher than the current rate but Mrs. Serfass said they wanted to be conservative. Also on the conservative side, she said, meals tax revenue is projected to grow every year at 3%. Mrs. Serfass disclosed that if they increased the meals tax rate from 3% to 4% for 15 years starting in July of 2017, they would raise \$10,000,000 for a parking garage.

Council Member Sienicki noted her concern that a 20% contingency on projects is huge and she had a problem with that. Council Member Noble added that contingency costs should be estimated on a project by project basis, based on the risk of that given project. Construction Project Manager Brad Macomber suggested that a 15 to 25% contingency generally could be good for renovations, but if you are starting with a brand new structure, it could be 6 to 10 or 12%.

The Acting Finance Director discussed an outstanding 1.5 million dollar bill from Fairfax County Sewer Department. She described how, since 1980, Fairfax County had occasionally surprised the Town of Vienna with major capital improvement project bills on relatively short notice. Mrs. Serfass reported that Vienna uses 1.87 percent of Fairfax County's sewer system services. Consequently, Vienna is

responsible for payment of 1.87% of Fairfax's total sewer rehabilitation costs. Mrs. Serfass told Council that Vienna has opened the lines of communication with the County and has determined that Vienna will finance the current \$1.5 million bill through them. Mrs. Serfass further disclosed that in order to pay their own sewer rehabilitation costs, Fairfax County has chosen a pay-as-you-go model for themselves. Fairfax has also provided Vienna's Finance Department with a sewer capital improvement cost forecast for the next five years. Our Finance Department will be working on optimal methods to finance Vienna's portion of those costs in the future.

Plans for the future Police Station buildings had been drawn by Brad Macomber. He also came up with a very rough cost estimate of \$17,000,000. Police Chief Morris shared the plan drawings and spoke on Police Department needs. He indicated that some large changes will need to take place to make that a secure facility. The Chief disclosed that he and his Deputy have started meeting weekly with Mr. Macomber to review how every space in the existing police facility is used. They intend to keep working on a plan so that when the time comes, they are prepared to tell the architects exactly what they need.

Chief Morris said that relocating the Police Department during construction would cost roughly about half a million dollars, but they are looking at staying on site until the new section is finished, then moving into that while the old section is renovated.

Leslie Herman, the Parks and Recreation Director, went over ideas for shared spaces within the future police department buildings. The Police Department would need these spaces, but would not use them all the time. They could be converted as needed into an emergency operations center, a place for roll call, and so on. Mrs. Herman suggested that a senior center could be designated in one area Monday through Friday from 9:00 a.m. to 3:00 p.m. Mrs. Herman also suggested that a future Police Department building could host such things as a cultural center, seminars, health and wellness programs, nutritional programs, book clubs, computer classes, AARP meetings, language classes, Mahjong, scrabble, bingo, cooking classes, special events and luncheon celebrations. As she noted, this would free-up space at the Community Center for things like tumbling classes and other classes for toddlers, for which she said there is a huge need.

At 9:38 p.m. the Director of Planning and Zoning started talking about a proposed parking garage in Town. He said they have estimated the cost at \$10,000,000, depending on the location. Mr. Payton mentioned that they are not certain whether property will have to be acquired. The Town Manager revealed that there were four or five potential sites and two somewhat serious potential partners. He and the Mayor both stipulated that the proposed parking garage would have to be within easy walking distance of Church Street. Mayor DiRocco stated that a parking garage is needed for the long term benefit and viability of Church Street. She also said that new meals tax revenue is planned to fund the parking structure. One Council Member wanted to review the meals tax and how the public would perceive it. A second Council Member noted that 2021 is 5 years down the road and that Vienna cannot stand still, given all of the places around it. As he conveyed, "if we want Vienna to be like a small town place, we need a parking garage so that our businesses can stay viable; if they are not viable as businesses and there is no traffic on 123, then businesses don't have customers; if businesses don't have customers, we have no taxes; so, building a parking garage is a long term approach to making our community sustainable as a small town in Northern Virginia."

Group discussion followed on the lists of Capital Improvement Projects for the years 2022, 2024, and 2026. Council Member Springsteen spoke on the importance of putting money into water and sewer infrastructure every year. It was noted that flooding in the area of Church and Center Streets has been going on for a long time and has caused a lot of problems, including water in those apartments there. The Mayor recommended moving the Center Street, North drainage improvement project up on the CIP from 2026 to an earlier year.

Council Member Noble mentioned that most of the bond in previous years have been around the six to eight range, going for nine in 2018, but when you get to 2020, that is almost 25 million dollars in bonds. He commented that is almost 2 ½ times as much as we normally bond in one issuance. The Acting Finance Director said that it is all proportional, the state code limits the amount of debt the Town can have to 10% of its assessed real estate value, which is about \$400,000,000, and we will never be close to that figure.

Leslie Herman said that she supports moving the Parks and Recreation crew to Northside. She commented that her crew goes to Northside often to share equipment and resources so it would save travel time to come out of the same location, and they often work together, coordinating with general maintenance to get things done (like snow removal and leaf collection). Council Member Springsteen noted that more structures would have to be built at Northside and it would be a politically sensitive issue with the residents. Michael Gallagher added that only Phase 1 of the original plan has been completed at Northside.

Mr. Payton reported that it would cost about four million dollars to get rid of the Dominion Power substation next to Town Hall. As he recalled, a Dominion Power representative told him that four of the small green box units could generate the same amount of power as that substation.

Recommendations: A request for approval of the updated CIP projects and the multi-year CIP budget will be on the agenda for the Regular Council Meeting of September 26, 2016. Public Works will prepare a Resolution for Transportation Alternative project funding for the Freeman House Bridge for the October 3, 2016 Meeting.

2. Meeting Adjournment

The Town Council Work Session of September 19, 2016 adjourned at approximately 10:40 p.m.

Mayor Laurie A. DiRocco

Signed / Dated: _____

Attest: _____
Deputy Town Clerk

THE TOWN OF VIENNA IS COMMITTED TO FULL COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT STANDARDS. TRANSLATION SERVICES, ASSISTANCE OR ACCOMMODATION REQUESTS FROM PERSONS WITH DISABILITIES ARE TO BE REQUESTED NOT LESS THAN 3 WORKING DAYS BEFORE THE DAY OF THE EVENT. PLEASE CALL (703) 255-6304, OR 711 VIRGINIA RELAY SERVICE FOR THE HEARING IMPAIRED.