

CIP Minutes
March 12, 2015

VIRGINIA: At a Regular Meeting for the Capital Improvements Program of the Hanover County Planning Commission in the Board Auditorium of the Hanover County Government Building, Hanover County, Virginia, on Thursday, March 12, 2015 at 7:00 P.M.

PRESENT: Ms. Claiborne R. Winborne, Chairman
Mr. Larry A. Leadbetter, Vice-Chairman
Mr. Jerry W. Bailey
Mrs. Edmonia P. Iverson
Mr. C. Harold Padgett, Jr
Mr. Randy A. Whittaker

ABSENT: Mrs. Ashley H. Peace

ALSO

PRESENT: Mr. David P. Maloney
Mr. Lee W. Garman
Mr. Dennis A. Walter
Mrs. Tiffany M. Burton
Mrs. Shelly Wright, Budget Division Director
Mr. Bryant Phillips, Budget Management Analyst
Mr. Frank Harksen, Jr., Deputy County Administrator
Mr. John Budesky, Deputy County Administrator
Mr. Kevin Nelson, Information Technology Director
Mr. Gary Craft, Public Utilities Deputy Director
Mr. Gregory Martin, Chief Public Safety
Mr. Greg Sager, Parks & Recreation Director
Mr. Mike Flagg, Public Works Director
Mr. Marvin Fletcher, General Services Director
Mr. Tom Sheply, Pamunkey Regional Library Director
Mrs. Lynn Bragga, Budget Development & Financial Reporting Director
Mr. Ed Buzzelli, Facilities Director (HCPS)

There were no citizens present.

Meeting Called to Order

Chairman Winborne called the meeting to order at 7:00 P.M. All members were present except Mrs. Peace.

Mrs. Iverson led the Pledge of Allegiance.

CIP Minutes
March 12, 2015

Chairman Winborne stated this meeting is to review the Capital Improvements Program. She asked Mr. Maloney to introduce Mr. Phillips for the presentation of the CIP.

Mr. Maloney introduced Mr. Bryant Phillips, Budget/Management Analyst of the Finance Department, for the presentation. He stated that Mr. Phillips would provide an overview of the CIP followed by representatives from various agencies, should the Planning Commission have any specific questions.

Presentation of Proposed CIP

Mr. Bryant Phillips presented an overview of the proposed FY16-FY20 CIP. He referenced the County's Funding Sources Chart that showed projects from all funds including the County, Airport, Utilities and Schools over the five year period of the program. The total for all five years is \$150.2M. The utilities funding comes from user fees and capacity fees; local General Fund funding accounts for 27% or \$40.3M; Long Term Debt is 17% or 26.5M and is inclusive with schools; State and Federal Aid at 12% or \$18.1M is comprised of \$12.6M for Airport grants and \$5.5M in County projects, which are primarily road improvements. Other sources at 6% include the use of fund balance assignments. Lastly, road proffers make up for 2% or \$2.5M of the total CIP. Mr. Phillips said looking at the expense side of the five year period, the largest portion is County Improvements at 37% or \$54.8M, followed closely by the Utility Fund at 36% or \$54.2M. The schools account for 19% or \$28.5M and the Airport at 8% or \$12.7M.

Mr. Phillips said the overview of County projects as represented in the table, details the projects by type for the proposed CIP totaling \$54.8M. The next chart details the projects by functional area with most of the projects in the area of Public Safety at 34% and Public Works at 27%. \$28.2M or 51% of the funding for the County projects comes from the General Fund. Other funding sources include the fund balance assignment, which is savings from prior years, debt reserved, long term debt, the State's share of road improvement projects, and grants.

CIP Minutes
March 12, 2015

Looking at the first year of those County projects, the proposed \$7.1M is primarily in the categories of technology, roads and Public Works combined and account for approximately 61% of the total. The projects break down into the functional areas of Public Safety, Public Works and General Government Administration.

The projects that fall under General Government Administration function are all technology related. Year one is proposed to be budgeted at \$1.7M and includes funding for ongoing technology maintenance and replacement expenses to support technology infrastructure. The proposed CIP is consistent with the current FY15-FY19 CIP.

Under the Public Safety function, year one is proposed to be \$3.1M and over the five year program total funding in this area is \$18.5M. Sheriff proposed Capital Program includes \$975,000 in funding for year one and \$1.4M in total funding over the five year program. Changes from the current plan include the addition of the 3D laser scanner and the replacement of the elevator cylinder in the Vaughan-Bradley Building, at \$750,000, has been moved to the Public Works CIP under General Services.

The Fire/EMS CIP includes annual funding for one fire truck, two ambulances, and patient diagnostic equipment for ambulances, which is consistent with the current CIP. New to the CIP are year four and five projects including station alerting at \$1M, fire training burn building at \$1.8M and traffic preemptions at \$250,000. Emergency Communications CIP has only one notable change. Emergency Communications determine the changes in the region are going to cause a \$2.3M increase in the radio replacement project.

The Public Works function is proposed at \$2.3M in year one with the majority of that funding allocated for reserve for future roadway improvements. The County Complex and Human Services repaving projects have been added to the program. The elevator cylinder replacement cost will increase \$75,000 from the project being moved over from the Sheriff's budget.

CIP Minutes
March 12, 2015

Most of the funding in the Parks, Recreation and Cultural functional area is in year five. It includes funding for land acquisition for a new District Park at \$2M and funding for a new Atlee branch library at \$8M. Both of these projects are proposed to be supported with debt financing.

Projects in the remaining functional areas have total funding of \$2.8M. Funding for the Community Development system replacement project was combined with the GIS based asset management system in this year's CIP. The total for debt capacity reserve of just over \$1M has increased from the Plan amount of \$549,000. New to the CIP in this area is the Land Records Management System for the clerk of the Circuit Court.

Presenting another table, Mr. Phillips stated that the table summarizes the funding sources that support the County projects in the CIP. The General Fund is contributing \$4M to \$7M annually to support County projects and maximize available outside funding sources.

The proposed Airport Capital funding is for additional ramp, apron and taxi way connectors on the East side to meet the demand for additional hangers and corporate hanger development. The largest General Fund contribution is \$79,000 in year two of the Plan to meet Federal and State grants.

The schools' CIP is in facility improvements at 65%, equipment replacement at 17 ½ % and technology also at 17 ½ %. The schools' CIP is funded with a combination of the General Fund and Long Term Debt financing. In order to reduce that borrowing cost, the County has had a practice of consolidating debt fund and projects in larger bond issuances.

Mr. Phillips presented another table that showed the list of school projects. The schools \$2.4M Capital Budget in the first year includes \$400,000 of facility renovations, \$1M for technology enhancements and \$1M for school buses.

CIP Minutes
March 12, 2015

The \$54.2M Public Utilities five year CIP total budget includes both renewal and replacement projects at \$35.7M and system expansion projects at \$18.5M.

The slide on Life Cycle costs for County projects show anticipated increases in maintenance costs of up to \$571,000 annually by year five if all projects go forward as planned. However, by taking older software systems offline as a result of the replacements, the net change in maintenance may be lower. Life Cycle costs for the Utilities Projects start in the third year of the Plan are bringing large water and sewer improvements online.

Mr. Phillips concluded his overview of the CIP packet and stated Shelly Wright, Budget Division Director, was present if anyone had any further questions.

Chairman Winborne thanked Mr. Phillips and stated she had a question in reference to the CIP Projects Overview sheet in the packet. She asked for clarity on the section that states “The Courthouse project (\$42.8M) is funded through bond proceeds and is scheduled to be completed in FY17” in plain words.

Shelly Wright came forward and replied bond proceeds is a government word for financing. She said governmental borrowing of those funds was borrowed in large chunks to get to the total \$42.85M. Mrs. Wright said the scheduled completion date is FY17.

Chairman Winborne asked if the Commissioners had any other questions or discussion at this time. Seeing no one she asked the next presenter to come forward.

Mr. Gary Craft, Deputy Director of Public Utilities, presented the FY16-FY20 Capital Improvements Plan for his department. He opened by stating the operating expenses for the proposed FY16 is a little over \$21M. These expenses pay the bills, cover salaries, chemicals, and electricity to name a few. Mr. Craft said the totals for their CIP over the five year period is a little over \$54M.

The FY16 budget year has 18 entries with a budget of approximately \$11M.

CIP Minutes

March 12, 2015

CAPITAL IMPROVEMENTS PLAN FY16

	NO. PROJECTS	CAPACITY ENHANCEMENTS	REHABILITATION & RENEWAL
WATER	3	\$3,130,000	
WASTEWATER	1	\$63,000	
WATER	6		\$6,098,483
WASTEWATER	10		\$1,880,650
OTHER	1		\$65,000
TOTAL	18	\$3,193,000	\$8,044,133

Mr. Craft presented a slide outlining the line items for the projects from above. Mr. Craft explained the project in bold is a Capacity Enhancement Project. The money in 2016 is for the design of 3,200 feet of 16 inch waterline from Cedarlea Parkway to Brookhollow Drive and acquire easements. FY18 is to construction the waterline that will be designed in 2016.

WATER

	FY16	FY17	FY18	FY19	FY20
Air Park WST & WPS - Upgrade			\$34,000	\$290,000	
Air Park Water Tank Rehab		\$55,000		\$445,000	
Ashcake Road/Long Road WL				\$282,000	
Cedar Lane WL-Phase 1	\$208,000		\$826,000		
Cedar Lane WL - Phase 2		\$280,000			
Cedar Lane WL - Phase 3			\$359,000		\$1,196,000
Cold Harbor Rd. Overpass Rehab	\$60,000				
Cold Harbor Rd. WL					\$191,000
Dianne Ridge-Treatment Add'n		\$39,000	\$102,000		
Doswell WTP Carbon Feed System			\$54,000	\$300,000	
Doswell WTP Generator Fuel Tank Replacement					\$69,000

CIP Minutes
March 12, 2015

WATER

	FY16	FY17	FY18	FY19	FY20
Doswell WTP-Storage Tank Generator					\$98,000
Elmont WST & Pump Station		\$5,000,000			
Georgetown-Wellhouse Rehab	\$85,000				
Hanover-Richmond Contract-Joint Capital Cost	\$5,598,483	\$6,273,461	\$6,132,577	\$772,331	\$2,109,359
Harris Court Water Tank Rehab	\$20,000		\$75,000		
Henrico County Water Capacity Purchase	\$2,600,000				
I-95 Crossing at Long Rd. WL			\$141,000		\$581,000
Jackson Ave Water Tank Rehab	\$60,000				
Meadowbridge Rd. WL				\$172,000	\$701,000
New Ashcake Rd. WL	\$322,000		\$1,334,000		
Oak Hill Estates Hydro & Storage Tank Rehab		\$125,000			

Mr. Craft presented another slide showing water projects for Utilities CIP.

Water projects displayed in the slide above shows two capacity enhancement projects that are highly significant. The first is the Henrico County Water Capacity Purchase for \$2.6M in FY16. Currently Hanover has a water purchase contract with Henrico County that has up to 775,000 gallons of water per day. That water typically goes to serve the Tyson Poultry Facility on Route 301. Currently Hanover has a purchase contract with Henrico County. Rather than having capacity installments annually, the County has been provided the opportunity to make a lump sum purchase for this project. Mr. Craft stated that this seemed to work best for Hanover to lock the purchase and bind Henrico.

The other capacity enhancement project listed on the slide in bold is the New Ashcake Road Waterline. The plan is to design and acquire easements in FY16 and construct 5,000 feet of 24 inch waterline from the Sliding Hill area to Linderwood Drive in FY18.

CIP Minutes
March 12, 2015

The last slide showed only one project for the FY16. This project is to do some rehabilitation work to the water facility that serves the Courthouse and is located near the Regional Jail.

WATER

	FY16	FY17	FY18	FY19	FY20
Pamunkey Regional Jail Water Tank Rehab	\$275,000				
Pleasant St. Water Tank Rehab		\$20,000		\$75,000	
Sliding Hill Rd. & Ashcake Rd. WL				\$310,000	\$1,284,000
Waterline Repl.		\$75,000	\$75,000	\$75,000	\$75,000
Water Tank Rehab.					\$75,000
Water Treatment Plant Rehab.		\$75,000	\$75,000	\$75,000	

The wastewater projects are mostly all rehab renewal projects; nothing of the capacity enhancement nature. These projects consist of things such as replacing pumps and switchgears, and sewer line rehab.

WASTEWATER

	FY16	FY17	FY18	FY19	FY20
Air Park WWPS – Generator Replacement		\$73,000			
Ashland WWTP- Chemical Feed Unit				\$165,000	
Ashland WWTP- Clarifier Isolation Valves			\$83,000		
Ashland WWTP – Two Generator & Fuel Tank Replacement				\$700,000	
Ashland WWTP – Polymer Control Panel			\$160,000		
Ashland WWTP – Second Automated Valve at EQ Basin					\$86,000
Ashland Sewerline Rehab Area 2		\$110,500	\$739,500		
Ashland Sewerline Rehab Area 3	\$202,000				
Ashland WWTP-Switch Gear Replacement					\$81,000

CIP Minutes
March 12, 2015

Ashland WWTP- Ultraviolet Disinfection System Replacement	\$482,000				
---	-----------	--	--	--	--

WASTEWATER

	FY16	FY17	FY18	FY19	FY20
Beaverdam Creek WWPS- Divider Gate Replacement	\$93,000				
Beaverdam Creek WWPS- Grinder Replacement				\$221,000	
Beaverdam Creek WWPS Pump Control Panel & Switch Gear Replacement			\$236,000		
Best Products Station Replacement				\$161,000	
Courthouse STP- Aeration Tank	\$350,000				
Courthouse STP- Generator & Automated Transfer Switch Replacement					\$183,000
Courthouse STP-UV Disinfection System Replacement				\$120,000	
Dabney Lake SL	\$140,000				
Doswell WWTP-Aeration Basin Blower Replacement				\$210,000	
Doswell WWTP-Clarifier Weir & Baffle Replacement	\$20,000	\$189,000			

WASTEWATER

	FY16	FY17	FY18	FY19	FY20
Doswell WWTP-Digester Blowers & Enclosures Replacement			\$126,000		
Doswell WWTP- Equalization Tank & Rehab	\$56,650	\$453,350			
Doswell WWTP- Magnesium Hydroxide Tank Replacement	\$175,000				
Hanover Lift Station Pump Replacement		\$119,000			

CIP Minutes
March 12, 2015

Mechanicsville Sewer Rehab.- Area 1				\$100,000	\$400,000
Mechanicsville Sewer Rehab.- Area 2					\$100,000
Mechumps Creek WWPS-FM Replacement					\$625,000
Mechumps Creek WWPS-Pump Replacement				\$265,000	
Pamunkey Jail Lift Station & Rotomat Replacement			\$282,000		
Pump Station #5 Rehab.				\$763,000	

There is one major wastewater project on the next slide in bold. This is the Shelton Pointe Upgrade. The plan is to upgrade the station to increase the capacity. The design work will be done in FY16. The actual work will take place in FY17 which consists of replacing the existing pumps with larger pumps and improving the electrics. That will increase the capacity of the station to about 5.75 million gallons per day.

WASTEWATER

	FY16	FY17	FY18	FY19	FY20
Shelton Pointe WWPS-Upgrade	\$63,000	\$450,000			
Shelton Pointe WWFM-Upgrade					\$1,622,000
Snead Street WWPS-Pumps Replacement	\$77,000				
Totopotomoy WWTP-Nutrient Improvements Phase 2					\$2,050,000
Totopotomoy WWTP-Influent Step Screen #2 Addition		\$250,000			
Wastewater WWPS-Upgrade Control Panels to 27 Stations	\$285,000	\$155,000	\$145,000		

The last slide shows the miscellaneous projects included in the five year period of the CIP.

CIP Minutes
March 12, 2015
MISCELLANEOUS

	FY16	FY17	FY18	FY19	FY20
Bruce Center Mezzanine					\$58,000
Bruce Center Painting & Carpet Replacement				\$88,000	
Customer Information & Asset Management Systems- Upgrades & Replacements			\$250,000	\$250,000	
New Lab Discreet Analyzer					\$60,000
Vehicle Replacement	\$65,000		\$290,000	\$236,000	
TOTAL:	\$11,237,133	\$13,742,311	\$11,519,077	\$6,075,331	\$11,644,359

Mr. Craft stated there has been mention of capacity fees. Capacity fees are part of the revenue for Utilities and what is typically used to pay for projects that increase capacity and enhance the system. Mr. Craft stated they do not propose an increase in capacity rates next year. Typically when a new customer wants to connect to Utilities, there is a program we use to determine the water meter size Mr. Craft said. The water meter size is used to determine which capacity fee the customer will have. Residential meter sizes are 5/8" & 3/4" and have a standard fee. The commercial fees vary depending on meter size.

Mr. Craft concluded his presentation of the Public Utilities five year CIP. He recapped by reviewing what the \$11.24M in FY16 will be used for. \$2.6M goes toward the capacity purchase for water from Henrico County. \$5.6M is an annual joint capital cost payment that Hanover pays to the City of Richmond pursuant to our long term water purchase contract with the City. When the City makes upgrades to its facilities that are used to treat and pump water to Hanover, we must pay our share of those project costs he stated. Also included are the three expansion enhancement projects of \$593,000; 15 rehab renewal project costing a little less than \$2.4M; and 1 vehicle replacement costing \$65,000.

Chairman Winborne thanked Mr. Craft for his presentation. She then asked what determines if a rate increase is needed for capacity fees.

CIP Minutes
March 12, 2015

Mr. Craft stated there is a rate model used to input data such as future projections of growth and project costs. The data then makes projects on the capacity fees and user fees.

Chairman Winborne stated she remembered last year Mr. Craft spoke about the agreement with Richmond and was curious in the year since did Utilities obtain any prorated bill for any improvements they made.

Mr. Craft replied yes we get one every year. He used the example of the Byrd Park reservoir of which some of that water is pumped to Hanover. Therefore Hanover has to pay their share to cover that reservoir.

Chairman Winborne then asked if things sometimes do not go according to plan when water rehabs are being done. Does a pipe burst or break that was not anticipated?

Mr. Craft replied all the time, particularly when the temperature is 20 degrees or below for many days. Often times the Customer Services workers in the department are responding to calls from homeowners because their pipes are frozen and they think it is a problem Utilities handles. It actually is not; however, Utilities turns the service off at the meter so the homeowner can repair the pipes.

Mr. Padgett asked how the nutrients and solid waste residue are disposed from the treatment plant.

Mr. Craft explained the process.

The Planning Commission had several operational questions that were answered by Mr. Craft.

Chairman Winborne thanked Mr. Craft for his thorough presentation and asked the representative from Information Technology to come forward.

Mr. Kevin Nelson, Director of Information Technology, came forward. He stated the items listed in the packet have reoccurring costs. The first is technology infrastructure. This money is for servers, networking equipment, security related issues, any mobile networking or wireless infrastructure. Technology infrastructure is the biggest cost for the IT department each year.

CIP Minutes
March 12, 2015

Chairman Winborne stated that last year he mentioned getting a new system. She asked him to provide further detail about the new system.

Mr. Nelson explained the proposed hardware changes.

Chairman Winborne asked if IT was pleased with the switching that has occurred.

Mr. Nelson said Hanover is going live June 9th with the Dispatch System that has been switched. He also stated the next area, Enterprise Licensing, is to pay Microsoft for the agreement that allows the County to get all the operating systems such as Office 2013, email and SharePoint to name a few. One of the key factors with this agreement is that Hanover gets support at any time during the transition from AS400 to Windows.

Mr. Nelson stated that the next area is Storage Area Network, is the data storage for the County. The County has 30 to 40 TB of storage and the cost is displayed in the CIP packet.

Mr. Nelson then explained the computer system replacement policy and proposal.

Chairman Winborne thanked Mr. Nelson. She then asked if the representative from Judicial Administration would come forward.

Mr. Kevin Nelson came forward and stated IT has been working with Frank Hargrove on the record system. Most of his records such as deeds, marriage licenses, wills, court orders, are scanned into a system and a subscription service is provided for citizens to gain access to these records. There is a fee for the subscription but it helps so citizens do not have to come to the Record Room. The system that Mr. Hargrove uses has been bought. There is a budget toward the end of the five year period of the CIP for a new system or to upgrade the current system.

Chairman Winborne asked if the representative from the Sheriff's Department would come forward.

Mr. Kevin Nelson spoke on behalf of the Sheriff's Department. He stated the major project in the Sheriff's CIP budget is the Law Enforcement Records Management System. The Sheriff's

CIP Minutes
March 12, 2015

Department is currently on an older technology infrastructure that will be upgrading in FY16. Any intelligence information or things that the detectives use is in a Records Management System. The proposal does expand the abilities of the Sheriff's Department with the mobile component that can be accessed in the Deputy's car. The system will allow the Deputy to have access to the CAD system and not have to radio Communications. The new system will also allow the Deputy to complete reports in the field.

Mr. Whittaker asked about the software in the Building Inspections Department. He asked will the inspectors be able to do an inspection on site by internet or smartphone.

Mr. Nelson stated there is money available in this fiscal year to allow the inspectors to have either laptops with small printers or another option that is web based. This is not in the CIP, it is actually funded now.

Chairman Winborne asked the representative from Fire/EMS to come forward.

Mr. Gregory Martin, Battalion Chief of Fire/EMS, came forward. He stated the Fire/EMS CIP has request categories. The first is the replacement for one of the fire pumpers. The cost for the replacement is \$500,000. Next, two replacements for the ambulance in our fleet totaling \$440,000. The last request is four life pack replacement units. The units are expected to cost \$149,000. In the life pack replacement proposal, Fire/EMS is hoping to get a grant to defer some of the cost.

Chairman Winborne asked for clarity on the traffic preemption.

Mr. Martin stated the traffic preemption allows Fire/EMS to make the intersection turn green as they approach it to allow traffic to move forward. This way there is less congestion when Fire/EMS get to the intersection. The cost listed in the CIP packet is to enhance the system throughout the County to existing infrastructure and future growth.

Mr. Padgett asked would preemption be on all 47 traffic signals in the County.

Mr. Martin stated yes.

CIP Minutes
March 12, 2015

Chairman Winborne thanked Mr. Martin and asked the representative from Parks and Recreation to come forward.

Mr. Greg Sager, Director of Parks & Recreation, came forward. Mr. Sager stated the Parks and Recreation CIP is listed on page 259. The newest project is acquisition and development of land for two new district parks. He stated what Parks and Recreation has discovered is they are slowly finishing out the growth of the existing parks. There is limited land space left to develop at these sites. What they have also experienced is driving time from the far edges of the County to some of the park sites can be a little excessive for park patrons. Therefore; Parks and Recreation is identifying the far eastern and far western parts of the County for the next two district parks. The parks will be multi-use parks with both passive and active amenities. The \$2M projected on the CIP would help get the first fields in place, walking trails, parking lot and some infrastructure started for the new sites. The second project identified in the CIP, and has been in the CIP for a couple years now, is the lighting at Courthouse Park and explained the need for replacement. He also explained other lighting projects.

Chairman Winborne asked if the County ever considered getting into the wedding venue business on any of the pieces of property we have.

Mr. Sager stated we have not chosen to dive into the wedding venue business.

Chairman Winborne thanked Mr. Sager and asked the representative from Public Works to come forward.

Mr. Mike Flagg, Director of Public Works, came forward. He stated one of the biggest sets of projects for Public Works is the roadway projects. The Roadway Improvements Fund represents a small amount of the total funding for the CIP. Each year there is an appropriation of both proffer dollars and general fund dollars. Also the State match dollars play a part in these roadway projects. He stated each quarter Public Works gives the Board of Supervisors a report about the road project status. There are roughly 28 projects on this report. Mr. Flagg invited the Commissioners to look at the report to get a

CIP Minutes
March 12, 2015

glimpse of the status of the roadway projects in the County. One of the other major topics in the CIP is stormwater implementation. The Regional Stormwater Implementation is a set of funds that was originally developer funds. Now Public Works is closing out our regional program and is using some of the residual capacity from the system to match State grants. Mr. Flagg stated the Watershed Improvements Fund is a series of general fund dollars that begin to be fused in, in the out years to help Public Works. The first five year permits about 5% treatment then it goes to 35%. In 15 years there has to be a 60% treatment and we are preparing for that now Mr. Flagg stated. There is a small project included for the landfill. This project is about continuing to work on remediation. Hanover has an old closed landfill that leaked in previous years. Public Works has pumped things like bugs in the ground to treat the area so it does not proceed off our property. The project would be an enhancement to that system next year. Lastly, there is some equipment replacements in the out years such as a new tractor, heavy duty loader, and a few trucks. One of the things Public Works does is cut down their old trucks and make road tractors out of them to make them go another ten years.

Chairman Winborne asked if Mr. Bailey or Mr. Whittaker wanted to share any comments from their meeting with Mr. Flagg.

Mr. Bailey said Mr. Flagg mentioned the cost on the waste being \$42 a ton. He asked Mr. Flagg to comment on that for the benefit of the other Commissioners.

Mr. Flagg stated one of the things Public Works does is called full cost accounting of our whole waste stream to determine what the cost is to dispose Hanover's solid waste. Right now it is in the range of \$42 a ton. Public Works pays about \$29 to actually dispose of it.

Mr. Whittaker thanked Mr. Flagg for meeting with him and Mr. Bailey. He also stated he would like to meet back up with Mr. Flagg to tour one of the facilities mentioned during their meeting.

Chairman Winborne had a question about page 3 of 5 of the CIP projects overview. She asked was that a list of the road projects.

CIP Minutes
March 12, 2015

Mrs. Wright stated it is a report prepared for the Planning Commission and is not something the department heads had the opportunity to review ahead of time. She reviewed the page Chairman Winborne was asking about with Mr. Flagg.

Mr. Flagg stated this represents a number of the active road projects for Public Works. It establishes the financial status of the particular projects as of December 31, 2014. He stated it is a subset of the projects that are actually run through the budget. There are other projects that Public Works oversees with VDOT that are on the quarterly status report that are not reflected on the CIP overview.

Mr. Padgett asked Mr. Flagg to give an update on the Atlee Road Extension project.

Mr. Flagg gave an update.

Mr. Padgett said it sounds like that is several years off.

Mr. Flagg replied they are hoping it is not several years but hope within one to two years it will be going to bid. This is primarily dependent on navigating the last property acquisitions. It will probably take about 18 months to build the expansion.

Mr. Padgett said now that there is a traffic light for Walmart on Sliding Hill, what about the one for Airpark.

Mr. Flagg said that project has been delayed because some utilities level three communications is in the way. There has been a struggle with the weather to relocate those utilities but as soon as it dries out Public Works is going to finish that project out this spring. He said by early summer they expect that light to be functioning.

Mr. Padgett asked if there was any truth to the rumor of the roundabout at Studley Road and Rural Point.

Mr. Flagg stated it is not a rumor. The project is probably 60% designed. Public Works is close to holding a public hearing within the next couple of months. Mr. Flagg said they feel it is a perfect

CIP Minutes
March 12, 2015

location for that roundabout and received a lot of positive feedback from the community after the public information meeting.

Chairman Winborne asked will this roundabout look like the ones in New Kent.

Mr. Flagg said it will be similar in a lot of regards but will not be exactly like those. It should maintain a rural feel.

Chairman Winborne asked when it would come online.

Mr. Flagg said the project is about two years away from the bidding stage.

Mr. Whittaker asked if Mr. Flagg knew anything about Route 360.

Mr. Flagg stated there are two phases or projects on Route 360 and went on to explain the project status.

Mr. Whittaker said it looks as if they are continuing to move on with the project.

Mr. Flagg said yes they are doing utility relocations and are just waiting for a successful bidder being that it was a little over budget.

Mr. Whittaker asked Mr. Flagg if he knew anything about the bridges.

Mr. Flagg said the bridges are scheduled to be completed later this summer. They are well underway with the last phases of the bridge construction.

Chairman Winborne thanked Mr. Flagg for his overview and asked the representative from General Services to come forward.

Mr. Marvin Fletcher, Director of General Services, came forward. Mr. Fletcher stated this year their request for CIP is fairly simple. The first item is general government vehicle replacement. This is the same funding that is in the current year budget that General Services is looking to do next year. These vehicles are not Sheriff, Fire/EMS or Public Utilities vehicles. He further explained his proposed CIP.

Mr. Whittaker questioned about vehicle replacement and Mr. Fletcher responded.

CIP Minutes
March 12, 2015

Chairman Winborne asked if the maintenance takes place in Winding Brook.

Mr. Fletcher said yes it is in the fleet services location.

Mr. Whittaker asked does that include school buses as well.

Mr. Fletcher replied yes.

Chairman Winborne thanked Mr. Fletcher for sharing his overview. She then asked if the representative from the library to come forward.

Mr. Tom Sheply, Director of the Pamunkey Regional Library, came forward. Mr. Sheply said there is a request this year to replace the Atlee Library. The storefront library Atlee is currently occupying has been in place since 1997. There is a need for additional space for this library and we would like to update and add to the space component he stated. Virginia has a planning document called Planning for Library Excellence that has standards for a successful library system. Updating the library will provide areas for meeting rooms, small study rooms, and areas where people can interact in addition to other library services.

Chairman Winborne asked if there was a location selected for this library.

Mr. Sheply stated there was property that was proffered as part of the Rutland development and it is on the list for consideration. Everything right now is very preliminary, it is set for FY20 in the out years. Nothing has been settled or decided upon at this point he stated.

Mr. Padgett said the Atlee storefront location has been around for almost 20 years and is looking forward to the new location.

Chairman Winborne thanked Mr. Sheply for his overview of the library. She then asked the representative handling the airport to come forward.

Mr. Flagg came forward.

Chairman Winborne asked Mr. Flagg if the County owned the Airport.

CIP Minutes
March 12, 2015

Mr. Flagg replied yes it does. It is heavily leveraged by Federal and State grants from both the FAA and Virginia Department of Aviation.

Chairman Winborne stated it looks like the airport is scheduled for some improvements from the CIP packet.

Mr. Flagg stated they have begun the process of filing paperwork with the Planning Department to move forward with the Eastside Expansion project. There is funding shown in the CIP to begin to design the Eastside and also start to construct it. What that does is allow us to build some hanger space for larger corporate aircraft he stated. We are not changing the use of the airport or expanding the nature of the type of aircraft that comes in the airport, but it will provide the business capacity on the Eastside that does not exist elsewhere he said.

Chairman Winborne asked if the changes would come before the Planning Commission.

Mr. Flagg said yes. We need another zoning classification, a Special Exceptions permit for a fence, and also a Conditional Use Permit he stated.

Mr. Whittaker asked Mr. Flagg how much of the money in the CIP is FAA?

Mr. Flagg replied 90% of that is FAA money, 8% is State money, and the local share is 2%. Of our Capital Program it is a really good deal for our general fund dollars he said.

Mr. Whittaker stated he thought he remembered seeing a couple years ago where of all the money needed would only cost the Hanover taxpayer \$60,000.

Mr. Flagg said yes in fact Mrs. Wright mentioned that of which you see in the five year plan, a number in the range of that is general fund dollars to match Federal dollars.

Mr. Padgett asked if the County makes any money off the Airport.

Mr. Flagg said around \$20M a year revenue is generated as a result of airport activities. That is based on things like the number of flight operations in and out as well as extrapolations on impacts to hotels and business activity. The money made is actually an extrapolation into the business economy.

CIP Minutes
March 12, 2015

Mr. Padgett asked if the maximum size aircraft design is 40,000 pounds.

Mr. Flagg said yes that is correct. A small passenger jet is basically the biggest thing that comes in and out of the Airport.

Chairman Winborne thanked Mr. Flagg and asked the representative from schools to come forward.

Mrs. Lynn Bragga, Budget Developer Director for Schools, and Mr. Ed Buzzelli, Director of Facilities for Schools came forward.

Chairman Winborne passed out a packet with the Capital Improvement Plan prepared by the schools for the Planning Commission.

Mrs. Bragga directed the Planning Commission to page 1 of the packet that shows the Capital Realities which are the things impacting the schools the most. She stated Hanover County is experiencing a decline in student enrollment that is expected to go through at least 2023. This impacts the State money and capacity at the schools. Because of the declining enrollment, no new schools are planned and no additional seats are planned for the existing schools. Mrs. Bragga said their Plan does align with the County's Comprehensive Plan. The big push for the School Board is to maintain and maximize the use of the existing facilities. Mrs. Bragga asked the Commissioners to turn to page 9 in their packet. She referenced in FY16, there is a plan to spend \$2.4M. \$1M goes toward buses, \$1M goes toward technology enhancement, and \$400,000 will be used for painting and roof repairs. In the out years, there is an increase in FY17 and FY20 for HVAC and electrical upgrades. She stated because of how the County borrows money, the bigger projects occur basically every other year.

Chairman Winborne asked if the information Mrs. Bragga was presenting corresponded with the information in the Commissioners CIP packets on pages 268 to 279.

Mrs. Bragga said yes it does. Page 270 and 271 are exactly the plan for FY16.

CIP Minutes
March 12, 2015

Mr. Padgett asked for clarity on the challenges at Washington Henry Elementary School but having no money to repair it.

Mr. Ed Buzzelli stated as of right now there is no plan for renovation of Washington Henry. He said when the time comes the question will be should it be renovated or should a new school be built. There are a lot of infrastructure challenges and ADA requirements are difficult to solve cost effectively in this school. This is why there would be an option to consider rebuilding the school from scratch.

Mr. Padgett asked if the school is rebuilt, would it be on the same site.

Mr. Buzzelli said ideally it would be possible to do that. The new school could be built while the other is occupied and then transition over.

Chairman Winborne asked would there be any use for the old building or would they just tear it down and have the playground.

Mr. Buzzelli stated it is difficult to answer that because there is some historical significance to the building. He stated the school is functioning well, the heat works fine, it is comfortable inside, the roof is intact and the school can house children day to day.

Mr. Whittaker asked if they replaced some windows at Washington Henry.

Mr. Buzzelli stated windows have been replaced at four schools, Washington Henry was not one of them. Washington Henry and Battlefield Elementary will be the toughest schools to replace windows in because it involves carpentry work on the inside.

Chairman Winborne asked if the schools had any particular problems with the freezing cold weather.

Mr. Buzzelli stated the only problem they faced was spending money to plow and then the schools were closed. There were no broken water lines or heating issues. A little repair work is needed due to pot holes from plowing but no major issues.

Chairman Winborne asked if there were any problems with snow on the roof.

CIP Minutes
March 12, 2015

Mr. Buzzelli said there was a case at Lee Davis High School where some of drains in the roof got jammed up with ice. The roofs themselves did not leak but the water spilled over the perimeter of the roof and came in through the block wall.

Mr. Padgett said when the Board of Supervisors eliminated the cash proffers, one thing they mentioned was they would establish a reserve for replacement that would be equal to the debt service payment for the schools. He asked Mrs. Wright does such a reserve exist.

Mrs. Wright stated yes it does exist. She stated that in the plan it is labeled as a project but it is the Debt Capacity Reserve. The cap for that is roughly \$20.4M between the County and the schools she stated. She stated you will see throughout some of the projects Fund Balance Assignment Debt Service Capacity. This is where we have taken the money that is the difference between the \$20.4M and what we spend in debt each year, the remainder went into the reserve. She said it is then appropriated out to help with the pay as you go funding. It is used to fund the entire CIP. There is a whole model that tracks this process very carefully to account for the funding.

Mr. Padgett asked is it the Non-departmental category on page 212.

Mrs. Wright stated yes this is the place where we appropriate any year in which in that particular year between the debt and pay as you go projects, there is still residual up to that capacity. It ensures that any and all that capacity is not reabsorbed into any operational costs or personal costs ongoing. She referred to page 216 in the last table labeled Detail of Other Sources under County Improvements Fund. She pointed out that the Commissioners would see Fund Balance Assignment-Debt Reserved as a source in this case.

Chairman Winborne stated when the voluntary cash proffers were eliminated, the schools had about \$360,000 in that line. Due to declining enrollments, we are not in that capacity building mode and that amount has carried over throughout the years. She asked what happens to that money.

CIP Minutes
March 12, 2015

Mrs. Wright stated it is continuing to sit in the status it is currently in until such time where the schools find they are back in that growth mode.

Chairman Winborne asked was there a timeframe where if you did not use it the money had to be returned.

Mr. Maloney stated yes there is. There is a timeline by State Statute and it is twenty years. He stated we have never been in a position where proffer funds had to be returned. The funds as they came in were expended well within that twenty year period.

Chairman Winborne stated if the schools are projecting declining enrollments through 2023 potentially some of that money could be twenty years old.

Mr. Maloney said potentially it could be however, he is fairly confident that any funds will have been expended by 2023.

Mrs. Wright stated it is close to \$313,000 so even using current projected enrollment, it would only take one project within the twenty years to utilize the money. If the amount were in the millions, it would be alarming but this amount will stay in its restricted status.

Mr. Whittaker stated the enrollment is down in schools this year. What is the figure he asked?

Mrs. Bragga stated student enrollment is measured from September 2013 to September 2014 and we are down 218 children. Another measure is done in March and this is how the schools receive State funding. This count is projecting a decline of another 116 children between 2015 and 2016. This impacts our State money she said.

Mr. Leadbetter stated he had a list of questions on the last page of the packet that were inspired by the meeting he and Chairman Winborne had with Mr. David Myers, Assistant Superintendent. He

CIP Minutes
March 12, 2015

stated the questions were provided ahead of time to provide them with the opportunity to research the answers if needed. Mr. Leadbetter began and asked that the questions be recorded in the minutes:

Question 1

Do you have the statistics on student population as to increase or decline in last year and how many schools decreased in population and how many increased?

Yes. The school divisions projected enrollment for the FY16 school year is 116 students lower than the actual September, 2014 student count. 6 schools increased and 17 schools decreased.

Question 2

Does this have a financial impact on the school budget and if so please explain.

Yes. The school division receives approximately \$4,500 per student from the State each year. As enrollment declines, there is a significant impact on State funding. If we lose 116 students that equates to about \$522,000 impacting the budget in FY16.

Chairman Winborne asked when you say impacting the budget does that mean you have to give it back.

Mrs. Bragga said that means that State would not appropriate it from the start.

Mr. Leadbetter asked is that for a period of one year.

Mrs. Bragga stated yes. The State budget is on a bi-annual basis and FY16 is the second year of the biennium. Since we are losing children, we are seeing a reduction between what the appropriation was for FY15 verses FY16.

Mr. Leadbetter stated he saw a figure that was \$1.5M and he thought that was the figure from that State. He said Mrs. Bragga stated it was \$522,000.

CIP Minutes
March 12, 2015

Mrs. Bragga stated the \$1.5M is where we started FY15 and that budget was based on a much higher number. When the realities came and the student count in September was known, that is where the over million dropped and is in the current fiscal year. The additional 116 children will move to FY16.

Question 3

Are there any studies or future projections of student population, and if so, how were they derived?

Yes. We have a through process for projecting future student enrollments based on:

- *Cohort survival- (3 year rolling average)*
- *Live births in Hanover County Approved residential projects in the County*
- *County's Comprehensive Plan*

Mr. Leadbetter asked are these the same projections that are used to predict the decline until 2023.

Mrs. Bragga said yes. She stated right now a Cohort Survival Method is used with nothing adjusted for the first five years. Even with the County's Comprehensive Plan the next five years assumes a 1 ½% growth rate and that is factored in the equation as well. She stated they chose to just go by the Cohort Survival Method and that is just based on what has been seen over the past three years.

Mr. Leadbetter asked is the 2023 decline projected because that is as far as they go.

Mrs. Bragga stated yes. When the next year is done, another year is bumped out as we move forward she stated.

CIP Minutes
March 12, 2015

Question 4

When we met with Mr. Myers last week, he indicated that the Townhomes at Rutland had produced only 4 students. I had asked Mr. Garman if he could pull the projections from the rezoning which was approved in 2012 and that projection was 75 students from the 138 townhomes. My question is two part:

A) Have we missed something obvious in this report?

We are not familiar with the projections referenced, however, the school division projects 1 student for every 2 new homes built. The distribution of that yield is 50% elementary, 20% middle and 30% high. This is used as an average. Actual yield by neighborhood will vary greatly. Clearly, the yield in Rutland Townhomes is significantly lower.

Mr. Leadbetter stated that was just one project that was mentioned during the meeting and he is sure there are some that were in the reverse. He said he thought that was a red flag that something is odd with those numbers.

B) In your opinion, what are the impacts of a declining student population on our school system as well as our community in general?

Certainly there is fiscal stress from reduced State funding. Additionally, sustained student enrollment declines create excess school capacity in some schools.

Mr. Leadbetter asked do you see a solution to increasing the student population.

Mrs. Bragga stated Hanover is a great place to be with awesome schools. It would be wonderful if people would start moving back to Hanover. What we are seeing is there are more children leaving at the 12th grade level than are coming in at the Kindergarten level. She said we need more young people coming in that want to have children and send them to our school division.

CIP Minutes
March 12, 2015

Chairman Winborne stated the correlation between housing, planning, and schools are intrinsically linked. She said perhaps some of the data discrepancies Mr. Leadbetter pointed out would be a good time for some collaboration amongst departments to look at national formulas. She stated we may be relying heavily on national formulas and should try to create some Hanover data that would help guide us as to how to encourage people to come back to Hanover County.

Mr. Leadbetter stated the concerns that the Planning Commission has, if you come to one of our meetings, is we are overcrowding the schools. We have information here that shows that is not happening. He stated he is not sure how we get this information out in the public other than at a Planning meeting.

Chairman Winborne stated there is definitely some disconnect between what the public believes and what the reality is.

Mr. Leadbetter stated does this mean we are better off as a County not to have the school population to increase or do we want it to increase.

Mrs. Bragga stated the school division is one of the biggest draws for families and Hanover has a successful, strong school division. Schools should be one of society's top priorities. She stated as a community we need to grow.

Mr. Whittaker asked as far as enrollment, which schools are down.

Mrs. Bragga stated she would tell the Commissioners the ones that are up. The six schools are Elmont, Gandy, Chickahominy, Liberty, Atlee and Hanover. The other 17 are down.

Mr. Maloney stated he thinks one of the challenges Hanover faced was the downfall in the housing market. He stated housing is the driving force for school population. Mr. Maloney stated the challenge is trying to better predict the timing of the increase in population. The zoning process has

CIP Minutes
March 12, 2015

improved over the last year for Planning. He stated at some point the market demand is going to catch up with the supply and at some point in the future there will be a fairly rapid increase in school population that is not captured in anyone's projections. He said in the coming months, there will be closer dialog between the School Board staff and County staff to look into the projects and help better predict the figures.

The Commissioners continued to have discussion about the decline in enrollment.

Mr. Leadbetter asked for clarity: we just do not know when the influx of student enrollment will take place?

Mr. Maloney said that is correct.

Mr. Leadbetter asked Mrs. Bragga is the decline similar in other counties.

Mrs. Bragga stated the only schools she follows are the City of Richmond and Henrico and they seem to be growing.

Chairman Winborne asked what the total decline was for the past ten years.

Mrs. Bragga stated it looks like it peaked in 2007 at roughly 18,700 children and now we are at about 17,700 so about 1,000 children.

Chairman Winborne thanked Mrs. Bragga and Mr. Buzzelli for their detailed overview of the schools. She then asked if the Commissioners had any further questions or discussion.

Mr. Bailey asked Mrs. Wright about the first slide presented on the overall CIP about revenue. He stated since there has been such a reduction in proffers, how does the 2% revenue generated on the slide compare to years past.

Mrs. Wright asked was he referring to the pie chart on the slide.

Mr. Bailey said yes.

CIP Minutes
March 12, 2015

Mrs. Wright stated she would have to go back and look in terms of past years. She stated a better way to show that would be to go back and look at in terms of dollars because the percentage include the total of the overall CIP.

Chairman Winborne thanked all the staff who came and presented their overview of the CIP. She then opened the public hearing. She asked if any citizen wanted to speak about the CIP. Seeing no one come forward, she closed the public hearing.

Chairman Winborne directed the Commissioners to the draft Resolution at their seats. This draft has a clarification at the end she stated. She asked Mr. Maloney to explain the draft.

Mr. Maloney stated the on page 209 of the Capital Improvement Plan, the language of the proffers is no longer relevant and out dated. Mr. Maloney stated therefore, he prepared the draft Resolution that the Commissioners have at their seats. He said the Resolution now states “Now, therefore, be it resolved by the Planning Commission of Hanover County that the FY 2016 through FY 2020, Capital Improvements Program, as proposed by the County Administrator, is recommended to the Hanover County Board of Supervisors. Be it further resolved that the Planning Commission recommends the following language modification regarding cash road contributions found on Page 209:

Road Proffers: The Board adopted the *Business and Residential Development Road Improvements Transportation Policy* in March 2013. The policy supports the implementation of a road impact cash contribution for road improvements. Revenues received from the contribution are used to fund road improvements to address the increased traffic demand arising from residential development. The cash contribution is only negotiated for residential zoning requests, and the actual value of the cash contribution is based on the *Road Improvement Cost Assumptions.*” He said this language currently reflects our current policies and process for negotiation. The language has been reviewed by Finance and County Administration, therefore staff would like to recommend the amended Resolution for the Commission’s consideration.

CIP Minutes
March 12, 2015

Chairman Winborne asked for a motion.

Mr. Padgett made a **MOTION** for the Planning Commission to adopt the Resolution of the Five Year Capital Improvements Program as amended for FY 2016 through FY 2020.

Mr. Whittaker **SECONDED**.

The Planning Commission voted **UNANIMOUSLY TO RECOMMEND THE APPROVAL OF THE FOLLOWING AMENDED RESOLUTION FOR THE FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM FY 2016 THROUGH 2020:**

WHEREAS, the Hanover County Planning Commission is charged by State Law and County Ordinance with responsibility for advising the Board of Supervisors on matters dealing with growth and development of the County; and

WHEREAS, the Board of Supervisors adopted a Comprehensive Plan Update on September 11, 2013, guiding the role of development in the County and the provision of public utilities; and

WHEREAS, on April 9, 2014, the Board of Supervisors adopted a Five Year Capital Improvements Program for FY 2015 through 2019, to provide a guide for implementing County development policies; and

WHEREAS, in accordance with State Law, a Capital Improvements Program document for FY 2016 through FY 2020, has been drafted by the County Administration and has been presented to the Planning Commission for its consideration and advice; and

WHEREAS, the Hanover County Planning Commission has considered the recommended Capital Improvements Program, at a public hearing held on March 12, 2015;

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of Hanover County that the FY 2016 through FY 2020, Capital Improvements Program, as proposed by the County Administrator, is recommended to the Hanover County Board of Supervisors.

BE IT FURTHER RESOLVED that the Planning Commission recommends the following language modification regarding cash road contributions found on Page 209:

Road Proffers: The Board adopted the *Business and Residential Development Road Improvements Transportation Policy* in March 2013. The policy supports the implementation of a road impact cash contribution for road improvements. Revenues received from the contribution are used to fund road improvements to address the increased traffic demand arising from residential development. The cash contribution is only negotiated for residential zoning requests, and the actual value of the cash contribution is based on the *Road Improvement Cost Assumptions*.

CIP Minutes
March 12, 2015

BE IT FURTHER RESOLVED that the Secretary shall transmit this resolution to the Board of Supervisors and the County Administrator along with a copy of the minutes the Commission meeting.

The vote was as follows:

Ms. Winborne	Aye
Mr. Leadbetter	Aye
Mr. Bailey	Aye
Mrs. Iverson	Aye
Mr. Padgett	Aye
Mrs. Peace	Absent
Mr. Whittaker	Aye

The motion carried.

ADJOURNMENT

There being no further business Chairman Winborne adjourned the meeting at 9:05 P.M. The next meeting is Thursday, March 19, 2015 at 7:00 P.M.