

COUNTY OF HENRICO, VIRGINIA  
BOARD OF SUPERVISORS  
SPECIAL MEETING  
April 28, 2009

The Henrico County Board of Supervisors convened a special meeting on Tuesday, April 28, 2009 at 5:00 p.m. in the County Manager's Conference Room, Administration Building, Henrico County Government Center, Parham and Hungary Spring Roads, Henrico County, Virginia.

**Members of the Board Present:**

David A. Kaechele, Chairman, Three Chopt District  
Patricia S. O'Bannon, Vice Chairman, Tuckahoe District  
James B. Donati, Jr., Varina District  
Richard W. Glover, Brookland District  
Frank J. Thornton, Fairfield District

**Other Officials Present:**

Virgil R. Hazelett, P.E., County Manager  
Joseph P. Rapisarda, Jr., County Attorney  
Barry R. Lawrence CMC, Assistant to the County Manager/Clerk to the Board  
Tanya B. Harding, Administrative Assistant/Deputy Clerk to the Board  
George T. Drumwright, Jr., Deputy County Manager for Community Services  
Leon T. Johnson, Deputy County Manager for Administration  
Mr. Robert K. Pinkerton, P.E., Deputy County Manager for Community Operations  
Randall R. Silber, Deputy County Manager for Community Development  
Jennifer K. Acker, Assistant Director of Public Relations & Media Services  
C. Michael Schnurman, Jr., Legislative Liaison

Mr. Kaechele called the meeting to order at 5:06 p.m.

Mr. Hazelett briefly reviewed the two items on the special meeting agenda.

**Proposed Plan of Development for Varina Elementary School**

Mr. Hazelett recognized Leslie News, Principal Planner for Development Review and Design, who reviewed several slides relating to this item. The proposed plan of development (POD), which would revise POD-32-87, addresses additions to the existing building and relocation of the existing parking area and bus loop. The renovated school will have capacity for 750 students and will include 12 additional classrooms as well as new space for a media center, the administration, and music and art rooms. Ms. News reviewed slides depicting the current layout and zoning of the site and the proposed additions and site concept. There was some discussion by Mr. Donati, Ms. News, and Mr. Pinkerton regarding the location of a future bike trail on this site.

Ms. News introduced Doug Westmoreland of Moseley Architects, Project Architect, who recognized John Brooks, Capital Projects Manager for Henrico County Public Schools (HCPS). Mr. Brooks introduced Steve Raugh of the Timmons Group, Project Engineer, who narrated the first portion of a Power Point presentation on the project. Mr. Raugh reviewed the project design committee and vision statement; elementary school building program; existing site and building; proposed site concept, floor plan, library/administrative buildings/main entry, bus loop entry/classroom addition, student entrance, library, and project schedule. He recognized Al Ciarochi, Director of Construction and Maintenance for HCPS, who continued the presentation by reviewing project funding. Mr. Silber distributed a copy of the project funding slide to the Board. Mr. Ciarochi responded to a number of questions from the Board and Mr. Hazelett concerning the school's current and proposed functional capacities, the cost of the proposed 23,000 square foot additions, the location of restrooms, funding of the future bike trail, the school's pupil-teacher ratio, the status of community meetings on the proposed renovations, how the project will be phased to minimize disruptions during construction, future plans for the currently dormant storage building, and the project's construction schedule. Mr. Ciarochi clarified that the library and administrative addition and renovations are scheduled to be substantially completed by September 2010 and the new classroom addition is targeted for substantial completion by September 2012.

Mr. Hazelett noted that funding for this project was approved as part of the 2005 General Obligation Bond Referendum. He further noted that the Board will consider approval of the POD at its May 12, 2009 regular meeting. He and Mr. Pinkerton responded to questions and comments from the Board pertaining to project costs, the possibility of giving preferential treatment to United States manufacturers in purchasing construction materials for this type of public project, differences in the procurement processes followed by public agencies and private companies, trends in the costs of road construction projects, and the use of federal stimulus funds for school construction projects.

The Board recessed for dinner at 5:49 p.m. and reconvened at 5:56 p.m.

#### **Update on 2009 Real Estate Tax Levies and FY 2009-10 Fiscal Plans**

Mr. Hazelett recognized John Vithoukias, Director of Finance, who distributed a spreadsheet to the Board listing Calendar Year 2008 and 2009 tax rates among Virginia's largest localities. Mr. Vithoukias advised that a two cent real estate tax rate increase would be required to make the County Manager's recommended FY 2009-10 budget revenue neutral and that the County's tax bills this year will reflect a decrease in absolute dollars. Mr. Vithoukias and Mr. Hazelett responded to questions from the Board relating to County real estate assessment trends and the impact of the economy on real estate assessments in northern Virginia localities. Mr. Hazelett pointed out that the proposed budget did not recommend an increase in the County's water and sewer rates.

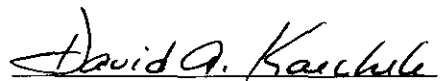
Mr. Vithoukias briefly touched on the County's personal property tax rates. He and Mr. Hazelett responded to questions regarding the Commonwealth of Virginia's personal property tax reimbursement rate for localities, automobile depreciation, and personal property tax revenue

projections. Mr. Hazelett commented on the economy and fixed cost increases in the County's FY 2011 budget and responded to a question concerning the current levels of outstanding debt service owed by the County's community development authorities. Mr. Vithoukas reviewed how the County is achieving savings through bond refunding and refinancing. There was discussion by Mrs. O'Bannon and Mr. Hazelett concerning how the County is preparing for fixed cost increases in the FY 2011 budget. Mr. Vithoukas reviewed a slide showing projected shortfalls in the FY 2011 budget due to fixed costs. Mr. Hazelett shared concerns about rising health insurance costs. He and Mr. Vithoukas responded to further questions from the Board pertaining to anticipated reductions in State revenue and the timing of a future bond referendum. Mr. Thornton complimented Mr. Hazelett on his pragmatic approach to the budget and how it speaks to the prestige of the County.

Mr. Hazelett offered assurances to Mrs. O'Bannon that the County is prepared to respond to a Swine flu outbreak should this situation occur locally. Mrs. O'Bannon commented on health care in Germany. Mr. Hazelett commented on how other localities in Virginia are balancing their budgets during this economic downturn. Mr. Hazelett and Mr. Vithoukas responded to questions from the Board relating to how other local jurisdictions are funding retirement cost shortfalls and the entities responsible for overseeing Government Accounting Standards Board GASB mandates on local governments for postemployment benefits. Mr. Vithoukas alerted the Board that County staff would be participating in conference calls with bond rating agencies later in the week. He and Mr. Hazelett responded to further questions from the Board regarding the status of the County's investment portfolio, the impact of the current hiring freeze on the County budget, the cost of providing health insurance to County employees, how much the County is paying Moody's Investor Services for advising the County on bond refinancing and refunding matters, the current level of the County's sinking fund, and the format of the tax rate public hearing scheduled for the evening meeting.

Mr. Thornton noted that factual data had come to light exonerating the Board from questions and statements previously directed toward the Board by persons and groups questioning the Board's due diligence in funding the design of the proposed eastern area high school. Mr. Hazelett expressed concern that the School Board may request construction funds for this project in next year's Capital Improvements Program.

There being no further business, the meeting was adjourned at 6:51 p.m.

  
Chairman, Board of Supervisors  
Henrico County, Virginia