

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
January 26, 2016

The Henrico County Board of Supervisors convened a special meeting on Tuesday, January 26, 2016, at 5:00 p.m., in the County Manager's Conference Room, Administration Building, Henrico County Government Center, Parham and Hungary Spring Roads, Henrico, Virginia.

Members of the Board Present:

Tyrone E. Nelson, Chairman, Varina District
Richard W. Glover, Vice Chairman, Brookland District
Thomas M. Branin, Three Chopt District
Patricia S. O'Bannon, Tuckahoe District
Frank J. Thornton, Fairfield District

Other Officials Present:

John A. Vithoukias, County Manager
Joseph P. Rapisarda, Jr., County Attorney
Joseph T. Tokarz, II, Deputy 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
Joseph A. Casey, Ph.D., Deputy County Manager for Administration
Jane D. Crawley, Deputy County Manager for Community Services
Timothy A. Foster, P.E., Deputy County Manager for Community Operations
Douglas A. Middleton, Deputy County Manager for Public Safety/Police Chief
Randall R. Silber, Deputy County Manager for Community Development
Tamra R. McKinney, Director of Public Relations & Media Services

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

Mr. Vithoukias briefly referred to the items listed on the agenda for this special meeting.

County Debt Update

Mr. Vithoukias recognized Gene Walter, Director of Finance, who in turn recognized Ned Smither, Accounting Division Director, and Brandon Hinton, Management and Budget Division Director. Mr. Walter noted Mr. Smither and Mr. Hinton were in attendance to assist him in answering questions from the Board. Mr. Walter narrated a slide presentation on this item. He began by providing an overview of the types of County debt issued and upcoming resolutions the Board will consider involving future bond issues. In response to questions from Mrs. O'Bannon, Mr. Walter and Mr. Vithoukias elaborated on the bond rating process. Mr. Walter continued his presentation by updating the Board on the radio communications system, an ongoing regional

project that will replace the County's current system. Mr. Casey and Mr. Vithoukas responded to questions from Mr. Glover pertaining to the County's designated and undesignated fund balances. Chief Middleton responded to questions from the Board concerning project costs, the local jurisdictions participating in the project, and the system's interoperability among these jurisdictions. Mr. Walter resumed his presentation by reviewing the Economic Development Authority lease revenue bonds that will help finance the cost of the project if the bonds are requested by the Board and authorized by the Authority. He, Mr. Vithoukas, and Mr. Foster responded to questions from Mr. Glover relating to the funding sources for the project. Mr. Walter returned to his presentation by offering a history of the County's lease revenue bond issuances; explaining a resolution that will be coming to the Board seeking authorization to issue such bonds for water and sewer projects, mainly the Cobbs Creek Reservoir project; and updating the Board on the project's timeline. There was discussion among Messrs. Glover, Vithoukas, Walter, and Public Utilities Director Art Petrini with respect to bonded indebtedness for this project. Mr. Petrini and Mr. Vithoukas clarified for Mrs. O'Bannon project costs attributable to the relocation of utility lines.

Mr. Walter picked up again with his presentation by reviewing existing water and sewer revenue bonds in the amount of \$75 million for which staff will be seeking authorization from the Board to refund. He also addressed a potential general obligation bond refunding, the recent history of bond refundings by the County, and the County's multi-year actual and projected gross bonded indebtedness and debt service as a percentage of general fund expenditures. In response to questions and concerns expressed by Mr. Glover, Mr. Vithoukas agreed to include data on the County's outstanding water and sewer bonded indebtedness during the legislative budget reviews in March. Mr. Walter concluded his presentation by highlighting the County's multi-year actual and projected debt per capita and gross debt as a percentage of assessed real property value and bond ratings assigned to the County's general obligation bonds and water and sewer revenue bonds. In summary, Mr. Walter advised the Board that the market continues to be very favorable for municipal debt, staff is confident that both the bond issuance and refunding transactions will yield positive results by minimizing the cost of new debt while achieving significant savings with the refunding, and the market will be monitored very closely for the appropriate time to move forward with these transactions.

Mr. Walter responded to a question from Mr. Thornton in regards to the County's bond ratings. Mr. Vithoukas assured the Board that Mr. Walter will be recommending a multi-year plan to fund capital projects at schools such as Tuckahoe Middle School and Tucker High School where facilities and grounds are in need of major improvements.

The Board recessed for dinner at 5:55 p.m. and reconvened at 6:07 p.m.

Innsbrook Redevelopment Overlay and Urban Mixed Use Ordinance Revisions

Mr. Vithoukas recognized Joe Emerson, Director of Planning, who narrated a slide presentation on this item and had staff distribute proposed ordinance amendments to the County's Urban Mixed Use (UMU) district and Innsbrook Redevelopment Overlay District. Mr. Emerson began by reviewing the history of this item, which was discussed at a special meeting of the Board on November 10, 2015, and initiated by the Planning Commission on November 18, 2015. He cited

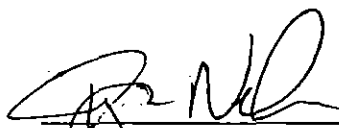
the goals of this item as limiting potential changes to properties associated with the Innsbrook Study Area by some special method, reducing minimum acreage requirements for mixed-use development in Innsbrook, and analyzing the need to submit certain impact analyses for new projects in the Innsbrook area. During his presentation, Mr. Emerson elaborated on each of these goals and identified the overlay boundaries within the Innsbrook Area Land Map. He advised that the Planning Commission recommended creating an Innsbrook Redevelopment Overlay District, modifying development standards in the UMU district for properties within the district, and removing the requirement for submitting development impact statements.

Mr. Branin expressed concern that the proposed ordinance revisions, if adopted, could result in rezoning cases being approved without developers having to contribute to the incremental cost of public infrastructure improvements such as public utilities and roads necessitated by their developments. There was extended discussion by Mr. Branin, Mr. Emerson, Mr. Foster, Mr. Glover, and Mr. Petrini pertaining to existing sewer capacity in Innsbrook, the impact of future development on this capacity, and the location of sewer pipes and pump stations in this area of the County. There was also discussion between Mr. Branin and Mr. Glover relating to the Board's authority to deny rezoning on the basis of inadequate public utilities or to require developers to contribute to infrastructure improvements when considering rezoning requests. In response to a question from Mr. Nelson, County Planner Ben Sehl clarified the public hearing requirements and schedule should the Board wish to proceed with a public hearing on the proposed ordinance revisions at its February 23 meeting. Mr. Branin stated he would prefer that the Innsbrook Owners Association reach agreement on how to pay for future improvements to public utilities and roads before the Board holds a public hearing on the proposed changes. Mr. Vithoukas pointed out the County expects to participate in the cost of constructing a parallel sewer line that has been proposed along one of the lakes in Innsbrook. He and Mr. Emerson suggested staff bring this item back to the Board after staff has an opportunity to meet again with the Innsbrook Owners Association and reach agreement on a cost sharing arrangement for future infrastructure improvements in Innsbrook. Mr. Vithoukas indicated these commitments will be shared with the Board by letter. There was general agreement by the Board on this approach.

Regular Meeting Agenda Items

Mr. Vithoukas reviewed the agenda for the 7:00 p.m. regular meeting, beginning with the rezoning case and three other public hearing items. He advised the Board that several individuals were signed up to speak during the public comment period on the proposed metropolitan-wide rapid transit system that is currently awaiting action by the Richmond City Council. There was brief discussion by Mr. Vithoukas, Mr. Nelson, and Mr. Rapisarda regarding the Board's public comment procedures. Mr. Vithoukas then highlighted the items on the general agenda. Real Property Director Jon Tracy and Mr. Foster responded to questions from Mr. Glover relating to Agenda Item No. 32-16, which would authorize execution of deeds of easement conveying underground electric line easements to Virginia Electric and Power Company for the installation and maintenance of electric line facilities across three lots on Manor Circle owned by the County. Mr. Glover advised he was not briefed in advance on this item and was not in agreement with granting an easement that could potentially inconvenience future residents of the property. Mr. Nelson pointed out it was helpful for Board members to receive advance notice from staff on

items within their districts that are coming before the Board. Mr. Rapisarda clarified for Mr. Glover that this item could be withdrawn from the agenda, but only after a vote by the Board. There being no further business, the meeting was adjourned at 6:56 p.m.



Chairman, Board of Supervisors
Henrico County, Virginia