

**COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
July 12, 2016**

The Henrico County Board of Supervisors convened a special meeting on Tuesday, July 12, 2016, at 5:30 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 (*arrived at 6:09 p.m.*)
Thomas M. Branin, Three Chopt District
Patricia S. O'Bannon, Tuckahoe District
Frank J. Thornton, Fairfield District

Other Officials Present:

John A. Vithoukas, 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
Timothy A. Foster, P.E., Deputy County Manager for Community Operations
Randall R. Silber, Deputy County Manager for Community Development
W. Brandon Hinton, Assistant Deputy County Manager for Community Services
Benjamin A. Sheppard, Assistant Director of Public Relations & Media Services

Mr. Nelson called the meeting to order at 5:35 p.m.

Mr. Vithoukas referred to the items listed on the special meeting agenda.

Dominion Virginia Power State and Local Affairs Update

Mr. Vithoukas recognized Mr. Foster, who introduced James Beazley, Manager of Regional, State, and Local Affairs for Virginia Dominion Power. Mr. Beazley replaced Jen Kostyniuk on July 1 after the company promoted her to Director of Dominion Energy Communications. He joined Dominion's State and Local Affairs team in 2006 with six years of state government experience.

Mr. Beazley briefed the Board on the effect of the June 16 thunderstorm on Dominion customers. At the height of the storm, approximately half of Dominion's customers in Henrico County were without power. Most of the outages occurred in western and central Henrico, and Dominion

restored service to everyone in these areas during the three days following the storm. Mr. Beazley will be meeting with County officials to assess Dominion's response to the storm.

Mrs. O'Bannon pointed out she has been working with Dominion for some time on service reliability issues affecting residents in the College Hills and University Heights subdivisions. She acknowledged Dominion's efforts to achieve system redundancy and install underground lines to improve service in those residential areas and others near the University of Richmond. Mr. Beazley noted Dominion is still making progress on its Strategic Underground Program.

Mr. Branin asked Mr. Beazley to provide the members of the Board with his business card. Mr. Nelson noted that there are also service reliability issues in the Varina area and that he is looking forward to working with Mr. Beazley in the future. He welcomed Mr. Beazley to Henrico on behalf of the Board.

The Board recessed for dinner at 5:41 p.m. and reconvened at 5:47 p.m.

PGA TOUR Champions Dominion Charity Classic Update

Mr. Vithoukas referred to large number of preparations underway for this golf tournament and recognized Mr. Foster, who noted the tournament will be held in Henrico County this coming fall as the first year of a four-year commitment. Mr. Foster recognized the members of the County's command staff for this event, which include Lt. Albert Merz and Capt. Tony Gordon of the Police Division's Special Operations Group, Police Chief Humberto Cardounel, Battalion Chief Bryan Miers of the Division of Fire's Human Resources and Professional Development Section, and Assistant Fire Chief for Professional Services Mike Cox.

Lieutenant Merz began narration of a slide presentation on this item by pointing out the Professional Golfers Association of America (PGA) announced on September 4, 2015, that it would conduct a PGA TOUR Champions golf tournament at the Country Club of Virginia's (CCV) James River course from October 31 to November 6, 2016. In summarizing the event, Lieutenant Merz informed the Board that the tournament is estimated to have a local economic impact of \$10 to 15 million annually; attract 7,500 to 10,000 spectators on November 4, 5, and 6; and draw 54 competitors who are golf professionals aged 50 and above. ESPN Golf will broadcast the tournament. During his presentation, Lieutenant Merz showed an aerial map of CCV's James River course; identified primary event objectives, the County's command and general staff assigned to the tournament, and County departments that will collaborate on the event; explained the spectator shuttle service that will be offered; provided parking information and the design of a barricade sign that will be used to control parking; and reviewed community outreach efforts that have been planned.

Following his presentation, Lieutenant Merz assured Mrs. O'Bannon that PGA officials are now aware the tournament is being held in Henrico County rather than the City of Richmond. Mr. Vithoukas reminded the Board this event will occur close to the presidential election in a swing state. Chief Cardounel informed Mr. Nelson that the Police Division will have a Plan A, B, and C to address security and public safety issues and concerns.

Fair Labor Standards Acts (FLSA) Changes

Mr. Vithoukas recognized Paula Reid, Director of Human Resources, who narrated a slide presentation on this item. Mrs. Reid began her presentation by offering a brief history of FLSA, which was enacted in 1938. FLSA introduced the 40-hour workweek, established a national minimum wage, guaranteed "time and a half" for overtime in certain jobs, and prohibited the employment of minors in "oppressive child labor." A significant change to the Act in 2004 required a three-pronged exemption test and increased minimum salary level for exempt employees to \$485/week (\$23,600 annually). The U.S. Department of Labor began to review the current law and draft recommended changes in 2014 and in July 2015 published proposed changes in the Federal Register. The final rule released on May 18 of this year updated the regulations for determining whether white-collar salaried employees are exempt from FLSA's minimum wage and overtime protection. Effective December 1, an employee who falls under the white-collar exemption tests must now be paid more than a specified weekly salary level, which is \$193 per week, or the equivalent of \$47,476 annually for a full-year worker. Future automatic updates to these thresholds will occur every three years beginning on January 1, 2020, to an estimated \$51,168 annually. The County is responding to these changes by updating all job classifications, comparing each updated class specification to the FLSA duties exemptions test and the new salary threshold to determine correct exemption status, and collaborating with County departments to communicate any-needed changes locally and to determine their impact.

Mrs. Reid clarified for Mr. Branin that the changes were enacted by a presidential order rather than an act of Congress. In response to a concern expressed by Mrs. O'Bannon, Mrs. Reid informed the Board that she is working with the County Manager and Henrico County Public Schools to study what effect an economic downturn could have on future implementation of the new FLSA rule. Mr. Branin requested a copy of Mrs. Reid's presentation, which she agreed to provide to the Board. Mr. Vithoukas acknowledged this is a hot topic and is being discussed at Henrico Business Leaders meetings and by human resources officials throughout the country. Mrs. Reid estimated the financial impact for the County at \$300,000 but expressed hope that some of this cost can be mitigated.

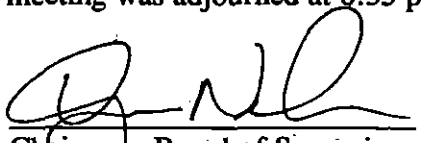
At this point in the meeting, Mr. Vithoukas announced to the Board that the Speaker of the House of Delegates has appointed him as a non-legislative citizen member of the Virginia Commission on Employee Retirement Security and Pension Reform. The committee is charged with studying the financial soundness of local and state government retirement plans. He noted the Commonwealth has not met its revenue projections and showed the Board a slide titled "State Revenues and Need for Continued Caution" highlighting revenue variances between what the Commonwealth budgeted and what was received. He assured the Board this shortfall would not negatively affect the County because of the County's conservative revenue projections and practice of not recognizing state revenues until they are actually allocated to the County. Justin Crawford, Management and Budget Division Director, commented that a press release from the Governor's office attributed the shortfalls to larger income tax refunds and lower sales tax receipts than anticipated. There was discussion by Mrs. O'Bannon, Mr. Gloyer, and Mr. Vithoukas regarding the Commonwealth's poor track record in projecting revenues versus the County's much more prudent approach.

Regular Meeting Agenda Items

Mr. Vithoukas reviewed the agenda for the 7:00 p.m. regular meeting, beginning with his one comment for the evening pertaining to the recent appointment of two department heads to statewide boards and commissions. He referred to the seven rezoning cases and two provisional use permits that were advertised for public hearing. In reviewing the four additional public hearing items, Mr. Vithoukas advised the Board that staff would be requesting withdrawal of a proposed quitclaim of a utility easement in the Three Chopt District because of an error in the advertisement. He then moved into the general agenda and explained the major components of the resolution introducing amendments to the Fiscal Year 2017 fiscal plan for the month of July.

With regard to the second general item, an introduction of ordinance relating to a tax exemption for pollution control equipment and facilities, Mr. Vithoukas asked Assistant County Attorney Andrew Newby to provide the Board with background information. Mr. Newby explained that this item would remove a section of the County Code that is no longer necessary because it has been superseded by state law. Mr. Rapisarda clarified that the exemption will continue under state law but maintaining it as a local ordinance would be redundant. At Mr. Vithoukas' request, Recreation and Parks Director Neil Luther elaborated on two general agenda items that would award contracts for the first phase of Greenwood Park. Mr. Luther provided information on the contractors, noting that staff expects construction will begin in August and be completed by October 2017. Mr. Lawrence confirmed for Mr. Vithoukas that although no citizens had signed up to speak during the public comment period he did receive a telephone call from a citizen who indicated an interest in addressing the Board on a non-agenda item.

There being no further business, the meeting was adjourned at 6:35 p.m.


Chairman, Board of Supervisors
Henrico County, Virginia