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City of Fairfax City Council Meeting, Tuesday, March 24, 2026

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[00:04:47] I would like to call the regular meeting of March 24th, 2026 to order. Welcome, everybody. We've got a full chamber, and that's always great to see. If you are able and so choose, please rise for the Pledge of Allegiance. I'm now going to ask Reverend Emma Chatton, Metropolitan Community Church of Northern

[00:05:24] Virginia to come down for the proclamation acknowledging March 31st, 2026 as Transgender Day of Visibility, and I invite all those who would like to stand with us to please join us in the well.

[00:06:02] Absolutely. Come on down. Come on down. Come on. Short people in the front. Short people in the front. Everybody. Okay. We all good? Everybody in? Everybody in? Okay. We're very good. Whereas, on March 31st, 2009, transgender activist Rachel Crandall founded the International Transgender Day of Visibility to celebrate the achievements of transgender and gender

[00:06:38] non-conforming people and to raise awareness of the discrimination they face. And whereas, the City of Fairfax is committed to recognizing and supporting those in our community who identify as transgender, gender non-binary, gender non-conforming, and gender fluid. And whereas, Whereas the

City of Fairfax is a proud center of the Transgender Education Association, as well as their monthly meeting location, the Metropolitan Community Church of Northern Virginia Community Center.

[00:07:04] And whereas access to resources in healthcare, education, housing, transportation, and employment are essential to the well-being of the transgender community, along with the commitment of our law enforcement professionals to ensure we have safe public spaces free of harassment and discrimination.

[00:07:22] And whereas the passage of the Virginia Values Act, effective July 1, 2020, makes Virginia the first state in the South to enact nondiscrimination protections for LGBTQIA plus people, the first state in more than a decade to add both sexual orientation and gender identity to an existing nondiscrimination law, and the first state since 1993 to add a prohibition on discrimination in public accommodations, I got totally confused here, to the first state since 1993 to add a prohibition on discrimination in public accommodations where none existed

[00:08:01] before and whereas the city of Fairfax values our transgender children, youth, and the people who care for them, making it incumbent upon all of us to ensure that they are protected, celebrated, and allowed to live their lives authentically, shielding them from harm in their own hometown.

[00:08:20] Now, therefore, I, Catherine S. Reed, Mayor of the City of Fairfax, do hereby proclaim March 31, 2026, as Transgender Day of Visibility in the City of Fairfax, and call upon our community to recognize the inherent value, dignity, and humanity of all who reside here, and to strive to be an open and inclusive city where transgender people of all ages feel safe and welcome. And with that, Reverend Chatton. Thank you. With liberty and justice for all.

[00:08:55] With liberty and justice for all. I want to thank you, Mayor, City Council, staff. This matters. And to understand why this matters, you need to know what is happening to our friends and family elsewhere. The Kansas State Legislature revoked and invalidated the driver's license of the trans citizens in that state, all 1,700 of them, overnight and without any warning or recourse.

[00:09:27] That is not political. That is personal. It is just mean and cruel. It is also strange and irrational. Just as strange has Tennessee Legislature advancing a bill that would create a public list of the state's trans people. And Idaho proposing some of the most restrictive trans laws in the country, impacting all 7,000 trans residents in the state. These laws are vindictive, cruel, and irrationally disproportionate. This is why this piece of paper matters. It speaks

[00:10:05] of kindness, it speaks of empathy, and fortifies the best ideals of our democracy. It also speaks of the compassion for those who are different. For if we the people lose that sense of compassion and kindness for our neighbors, then we as a nation are doomed. This piece of paper may not seem like much to many, but to those who need it and to those who believe it, it is nothing less than tangible hope. And it not only reflects the courage, the courage of those who are willing to

[00:10:41] speak out, who are willing to live out the ideals of those words, but it is also a testament of courage for those who live out the truth of their lives. And that offers hope for the future for every single one of us. And that matters a great deal to all of us. Liberty and justice for all.

[00:11:05] Can you say it? Liberty and justice for all. Amen. And now a photo.

[00:11:28] A few people shorter than me. Day of visibility. Day of visibility. Come in a little, come in a little. And then some folks in the back that can't see you as well. Stand up on your tippy toes or move around.

[00:11:44] I still can't see just that person over there. Come forward, come forward. Come in the front. Alright, everyone ready? Big smile.

[00:11:59] can move to the adoption of the agenda is there a motion to approve the agenda I

[00:12:55] move to adopt the agenda as presented is there a second second motion has been made and seconded a roll call vote apologies we do not need the second closed meeting so if the maker is fine and the seconder is fine we can just delete that from the agenda. Okay, so are we just amending that? We're just acknowledging we are removing it. Okay, roll call vote. Council Member Amos? Aye. Council Member Hall? Aye. Council Member Hardy-Chandler? Aye. Council Member Peterson? Aye. Council Member Bates? Aye. Council Member McQuillan? Aye. Motion passed unanimously. We will go on to initial general public comment.

[00:13:34] I had 12 speakers sign up by 5 o'clock p.m. today, so I'm going to call the first person up first, which is Susan DeMania. I'm Susan DeMania, a Fairfax County resident who is here to encourage you to support the construction of the previously planned Sherwood Willard Center.

[00:14:02] I've been a member of the Green Acres Senior Center for 11 years. I've served on their advisory council. I've been an eager participant in the luncheon parties, the day trips, and especially indoor pickleball. First, you need to know that the staff at Green Acres does a remarkable job under less than ideal circumstances. The building needs a lot of work, as another speaker will tell you. Ann Chase and her team are creative as well as patient, kind, tolerant, and best of all,

[00:14:35] they're fun. Despite the many challenges of the less than optimal physical plant, the staff work very well with what they have. Basically, Green Acres is a treasure for both city and county residents. On any given day, the building is filled with activity. People playing cornhole, bocce, pool, ping pong. Others are at tables meeting for French and German conversation.

[00:15:03] And down the hall, the members of the decluttering club are sharing helpful tips. And there's always a good crowd for the current events group and the military history people. Seniors can come to Green Acres for tech help, book club, bingo, or line dancing. I look at you all, and I see that most of you are not old enough yet to rate membership at Green Acres. But unless something unforeseen happens, you will get there. Right now, you may not appreciate the value of the center, but it is

[00:15:36] a place that provides physical activity, mental stimulation, and friendship to hundreds of people each week. What will happen if you vote to squash the planned center? I've seen the projected cost tearing down and building something new at the location on Sideburn, or even trying to renovate the 62-year-old structure would actually cost more than the proposed Sherwood Willard Center.

[00:16:03] Now, I understand this proposed center isn't only for senior citizens, but I also know that the Fairfax City scores very high in the rankings on that many quality of life lists, and it's recognized for receiving a national gold medal for its parks and rec programs.

[00:16:21] So why not keep the streak of excellence going with a wonderful green building that includes facilities for both young and old, a senior center, preschool, health care, and more? Surely you all know

that the city's slogan is Live Life Connected.

[00:16:40] What could encourage connection more than a place such as the Willard Sherwood Health and Community Center? Thank you. Our next speaker is Deborah Sparkman. Good evening.

[00:17:07] My name is Deborah Sparkman. I appreciate the opportunity to speak with you on behalf of the Young at Heart Senior Center. I am currently a member of the Advisory Council. As identified in the 2023 Schools Facility Condition Assessment, the Green Acres facility does not meet expectations.

[00:17:27] The Green Acres building sits lower on the street. The building sits lower than the street in the parking area. And access to that building means you basically have to walk down a full set of steps or walk down a steep slope that sometimes is very slippery.

[00:17:47] There are five sets of double doors that provide access to the various rooms used by the seniors. These double doors are heavier than typical interior doors and not easily opened by persons using a walker or even a cane. These doors do not have automated door openers.

[00:18:04] These doors must remain open at all times for access to the various senior center rooms in the facility. At least three sets of these doors do not have functioning doorstops. The heavy-duty rubber doorstops that we put in them do not keep the doors open.

[00:18:21] Frequently, the door still is not open wide enough for one of our senior members to walk down to play cards or attend the military history meeting. The mechanical, electrical, and ventilation systems are all past their service life, making it difficult to service and make repairs.

[00:18:40] A huge freestanding fan is used to circulate the air in the waiting area for the pickleballers. Windows are open to circulate the air in some of the rooms. In general, the windows need to be replaced. They do not close properly, and they cannot be locked.

[00:19:01] The fitness area consists of two adjoining rooms. The cardio and weight machines are in the back room. One enters the fitness area through the narrow room that has free weights, stability balls, and BOSUs. This area is so narrow that when using the equipment or just simply stretching, the person basically blocks access to the cardio and weight area.

[00:19:24] The rooms for cards, meetings, ping pong, pool, and other games are through a set of non-compliant ADA double doors. The nearest emergency exit for those rooms is down six steps. During an emergency, those steps are not easily navigated by our seniors, and clearly not by people who own a walker or using canes.

[00:19:42] The proposed Willard Sherwood Center is approximately \$700,000 less than demolishing and rebuilding green acres. And it's \$3.6 million less than making the repairs and bringing green acres up to code. I urge the city council to approve the Willard Sherwood Health and Community Center.

[00:20:04] Earlier tonight, on behalf of the Young at Heart Senior Center Advisory Council, I submitted a petition in support of the proposed Will Yochirwood Center, signed by nearly 200 members. Thank you for your attention. Our next speaker is Mike Fabio.

[00:20:25] Good evening. Mayor Reed, City Council, Mike Fabio, Chain Bridge Road. What would you say if someone came up to you and said they would give you a valuable piece of property in affluent Fairfax County for free?

[00:20:48] And he further said that he would pay for over half the cost of placing a building on that and claimed he had figured out a way that the cost of construction stayed on target once the project was started. But one condition would be that in that building, he reserves the right to continue to provide you with public health care, women, infant and child services, dentistry, immunization and vital records.

[00:21:19] You would naturally be skeptical. What's the catch? What would you have to pay something valuable in return? Perhaps trade another property? He says, no, you keep your property.

[00:21:36] Do whatever you wish with it, no strings attached. However, there's one catch. After 99 years, I'm going to take the property back, unless you pay me a dollar. That's the situation we have right now with the Willard Sherwood project.

[00:21:53] Yet there are real concerns that city council will turn this deal down. It's wasted money to continue to repair green acres with no plan in sight. When the time comes that the new building is the only choice, how long will it take for you to plan, get public support for that project?

[00:22:17] Another 10 years? And what will it cost? Certainly much more than it's on the table right now. Don't look this gift horse in the mouth. Vote yes for the Willard-Shilwood project. Thank you. Our next speaker is Barbara Carey.

[00:22:38] Good evening. I'm Barbara Carey. I live and own property at 3695 Blenden Boulevard. First, I'd like to thank Mayor Reed for her hard work and dedication to our community.

[00:22:55] Also, I want to thank all of the current council members for their dedication and hard work. I'm speaking tonight to convey my support for the Willard Sherwood Center. Our community has been blessed with great mayors and council members. I want to applaud two of our former mayors, Dave Meyer and Scott Silverthorne, and the previous council members for their hard work planning research and especially for listening to the citizens regarding their wishes for the planned Willard Sherwood Health and Community

[00:23:30] Center. I have been speaking about this project for many years with many people. Among the people that I have spoken with, the consensus is that they want the Willard Sherwood Health and Community Center to be a first-class modern facility where the citizens can exercise, gather, and enjoy all of the many services that will be offered at the center. These citizens truly believe that the Willard Sherwood Center is exactly what is needed in the city of Fairfax. Furthermore, there are

[00:24:04] nothing but positives about the center because of its location, walkability, and access to the queue and metro bus, the services that will be offered, and the many citizens who will benefit from the center and services. Of course, you pay for what you get, and myself and the citizens that I've spoken with are aware of the costs and they want the council to move forward and have the planned willard sherwood health and communication center come to fruition please make this happen

[00:24:35] with your vote again thank you our next speaker is jane kelsey good evening i live at 4041 autumn court fairfax city virginia in the autumn woods subdivision and i'm here to ask you to support

[00:25:10] the new community and health center. When I first heard that there was some opposition to this proposal, I was very upset, and I still am, because I'll tell you the personal reason, but I think it also should be something that the entire city would be concerned about.

[00:25:34] I stopped going to Pilates class because the floors were so dirty, it was difficult, if not impossible to clean them with the wipes that the city provided and the reason for that is because the night before that gym was used to play basketball with all these little feet running around in the tennis shoes how could it not be dirty and there was no time afterwards because I guess the cleaning people had gone home or before the classes began the next day

[00:26:09] of which ours was, I believe, at 10 o'clock. It wasn't the first one, to clean those floors. So I had a seriously ill husband at home, and I needed to not bring any more germs into the home because he would even get sicker. Space was another reason. The Pilates class was scheduled at 10, the next class at 11. There was no time not even five minutes for us to remove our mats put them

[00:26:42] in place and then the next class coming in for chair exercises. So the instructor had to keep the schedule so she started the classes before we were even out and the next class in. I just feel that Fairfax City needs something better than Green Acres. I think it is a disgrace to our beautiful city to have a dilapidated building, such as it is, for our older citizens primarily and other people who might wish to use it, who could use it. That is why I think and I hope that

[00:27:19] you will support it. The project I know concerns the health, which is a good issue to have in conjunction with the community center. I believe I'm running out of time, so I will just ask you to support this very needed community center. Thank you. Our next speaker, Sandra Slappy.

[00:27:48] Good evening. I'm Sandy Slappy-Brown, and the clerk has my address. I'm also here about the Willard Sherwood Center, and I'm concerned about the uncertainty around the April 28th vote.

[00:28:04] Continued uncertainty isn't good for our city. While I wholeheartedly support this project, I understand that others have continuing questions and concerns, and I'd like to better understand them in the hopes that we can find a path forward that we can all agree on. One of the biggest questions I have for those who are considering terminating the project is what alternatives are being considered. The information I've heard from city staff tells me that the possible alternatives are more expensive, less environmentally sound, and less aligned with our transit goals. Green Acres is nearing the end of its life cycle, as we've just been hearing. If we don't proceed with

[00:28:42] the Willard-Sherwood construction contract on April 28th, are we accepting that the city will no longer offer a senior center, a rec center, the Main Street Child Care Center, and a health clinic? City residents would have to travel farther away into Fairfax County to receive those services, and that doesn't align with our commitment to equitable service delivery.

[00:29:02] I'm not sure what the viable options are, and I'm wondering if there's options I'm not aware of. I also understand that finances are an area of concern, and I get that. Everything is costing more than it used to. I believe in making financially, fiscally responsible decisions for our long-term vision of the city, and I understand there are many factors to weigh in doing that. I'm concerned that if we don't move forward on April 28th, whatever option we do choose will cost us more, unless we choose to move the services out of the city, but I don't think that's what the people want. So how do we ensure fiscal responsibility in managing construction

[00:29:38] and operating costs in a way that keeps us moving forward? We've heard there are concerns that people have not been educated adequately about the process and I understand how challenging it is to communicate with thousands of city residents. Is there a path forward that includes better education of

our residents? Reviewing the city's comprehensive plan, the Willard Sherwood Center is fully in alignment with our Parks and Rec Goal 2 that talks about high quality facilities and services that produce revenue to offset operating costs, improve the tax base, attract businesses, and

[00:30:13] increase property values. While the project will cost money, it is likely to make money for the city in the long run. This is a major decision and I would genuinely like to understand the concerns of those considering termination. Based on the information I've seen, I believe at all points to yes. Yes to moving forward with a health and recreation center that is built and managed responsibly to provide vital services to our city residents in the heart of our city. And that is

[00:30:42] the legacy that we want to have with the vote. Thank you. Our next speaker is Doug Cox. Doug Cox, Fairview Drive, Fairfax, Virginia. You know, I'm actually coming around on the Willard Sherwood, which I know is abrasive as I am, most people be shocked about, but I am. But let's be honest here.

[00:31:12] It's not because Green Acres has fallen down. Most of the schools in this area from Robinson, Fairfax, my old Edison, they were all built in the 60s, guys, just like Green Acres. The problem with Green Acres is our politicians for many, many years decided they didn't want to do anything. Plain and simple. Didn't maintain it. And that's how we got here. And let's also be very, very clear. We're all talking about this \$50 million bill hanging over the head and all that. Dude, I am cheap as can be and hate that. Hate it, hate it, hate it. But again, let's be honest how we got here. Fairfax County back in 2020 put out a bond. It was called the Community

[00:31:52] health and human services bonds and their voters paid or agreed yep we'll support that bond for fairfax county's part 58 million dollars fairfax city politicians decided 2020 2022 2024 they don't care what we think is residents they have the answer so what we ended up doing is we put the The equivalent of putting a \$5,000 down payment on a \$55,000 car with no way to pay for it until here we are.

[00:32:27] All right, number one, please, let's make ourselves better. Put guardrails in. I hate to say it, guys. I've seen colluded votes go on up here for many, many, many, many years. Got to stop doing it. All right, so we need guardrails in place, which is to say there needs to be a price that says the project goes to referendum.

[00:32:47] Because right now, as much as anyone hates to hear this, this group could go ahead and do a firehouse, Willard Sherwood, property yard, sign up the voters of Fairfax City for, oh, I don't know, \$350 million and just tell us, tough, no referendum.

[00:33:05] They'll just finance it because that's where we're at. So let's do that. Next, let's get the big politics out of Fairfax City. That's another part of the problem. Again, colluded votes. I hate to say it, when Davies property went from zone for, what was it, nine units per acre and was approved at 102, I started looking around at VPAP.org to see if any developers had paid politicians.

[00:33:32] The answer was no. But I'll tell you one interesting thing that stinks to high heaven, and I know this is going to get a lot of, ooh, duh, Mr. Bates. Your number one contributor was Fairfax City Democrat.

[00:33:50] at. Number two was Mayor Reed. Number four, Mayor Reed. Number 10, Mayor Reed's husband. Conflict of interest. Stop it. Our next speaker is Rebecca Rager. Good evening. I'm Becky Rager. I've lived for 31 years at 4141 Evergreen Drive in the city. I'm one of your members at large on the Fairfax

[00:34:26] Village in the city advisory board also. I'm here to express my support of the Willard Sherwood Health and Community Center. First, let me say I understand your concerns. There's a tax impact. A major driver of the real estate tax increase is the Willard Sherwood Center, and that affects me directly. Will overspending on this project affect other major projects, including the property yard redevelopment and the fire station three? Is this project an overreach? Is Fairfax City taking on a

[00:35:02] big city debt for a small city footprint. Do we have that problem? In spite of those concerns, I believe we must look to and invest in the future. As everyone said, Willard Sherwood will replace the aging Green Acres that was built in 1961 and the Willard Health Center built in 1954. I myself took a class at Green Acres and it was raining outside. I fell flat in the class because the tiles in the gymnasium were so sticky that my feet stuck to the floor.

[00:35:41] In addition, the health center has already relocated. Hatching these facilities, I believe, would be a sunk cost, and that cost would continually increase as the years go by. I do believe that the new project could be successfully managed to budget.

[00:36:00] I also understand that the city relies on the county for a number of services. And not doing a joint project that has been planned for many years may irreparably damage the city's relationship with the county.

[00:36:19] I won't repeat all the benefits of a consolidated services and energy savings. You've heard that umpteen times in the past. What I will say is I believe the cost of a new facility with all the enhancements it provides is a necessary burden to move on from aging infrastructure.

[00:36:40] and invest in providing modern, equitable services for the entire community. Voting in favor of this project could be your lasting legacy to the City of Fairfax. Thank you. Our next speaker is Rusty Russell.

[00:37:03] Good evening. I'm Rusty Russell. Tonight I'm speaking to you as a member, as a resident of the City of Fairfax, a place where my wife and I have chosen to spend our retirement. And I'm speaking in support of the planned Willard Sherwood Community Center, a collaborative project between the City and the County of Fairfax.

[00:37:26] I want to highlight why the replacement of the Aging Green Acres facility is not only a long overdue investment in our residents of all ages, but also an environmentally superior replacement for a building that has reached the end of its life.

[00:37:43] Our current facility was never designed to serve as a modern community center. Its reliance on fossil fuels, its outdated mechanical systems that waste energy and drive up operating costs year after year, And it's plumbing, which is prone to leaks and inefficiencies, all limit the renovation options, increase maintenance costs, and pose long-term health and liability concerns.

[00:38:08] And the site has no stormwater management features whatsoever, meaning every raindrop that comes down on that property will run off into our local waterways. In contrast, the proposed Willard Sherwood Community Center represents a generational step forward.

[00:38:25] It will be the first LEED Gold certified resiliency hub for the City of Fairfax that will provide trusted community facility that is specifically designed to support residents, build cohesion, and coordinate resource distribution during natural disasters and extreme weather events.

[00:38:43] A major achievement that reflects both environmental leadership and practical preparedness. The Willard Sherwood Community Center provides a high-performance building envelope, all-electric systems, that will reduce energy costs and eliminate our current dependence on fossil fuels.

[00:39:02] This means lower operating costs for decades and a smaller carbon footprint on day one. Stormwater controls include bioretention, permeable surfaces, green infrastructure, solar-ready design, and backup power allow this building to function as a true resiliency hub.

[00:39:21] Efficient lighting, HVAC, and water systems reduce long-term utility costs and free funds for programming rather than repairs. Green Acres does not meet these standards, not structurally, not environmentally, and not safely.

[00:39:39] These are our community expectations in the 21st century. Green Acres does not meet these standards. The proposed Willard Sherwood Community Center is a commitment to environmental stewardship, public health, and fiscal responsibility. I urge you to support this investment in our city's future.

[00:39:57] Thank you. Our next speaker is Jennifer Rose. Good evening, Mayor and members of Council. Jennifer Rose, Executive Director of the Central Fairfax Chamber of Commerce.

[00:40:15] I'm here this evening to express the Chamber's support for the Willard Sherwood Community Center project, not just as a community amenity, but as a strategic investment in Fairfax's long-term economic strength. From a business perspective, this project is about workforce competitiveness and stability.

[00:40:35] Today, employers are not just competing on salaries, they are competing on quality of place. Families choose communities where they can access youth programming, wellness opportunities, and services that support daily life. When those supports exist, workforce participation increases.

[00:40:54] When they don't, businesses feel the impact through absenteeism, turnover, and difficulty attracting talent. This project helps address that. It also drives economic activity. Community centers generate foot traffic, bring families into our commercial corridors, and create opportunities for local businesses from restaurants to service providers to benefit from increased visitation.

[00:41:21] Now, we have the concern raised about operating costs. It is a very valid concern. As business leaders, we evaluate ongoing costs carefully, but we also evaluate return on investment. With transparent financial planning, diversified revenue streams, such as program fees, rentals, sponsorships, all things that have been proposed, clear performance accountability, this facility can be operated in a fiscally responsible way. We encourage the city to put those guardrails in place, multi-year projections, annual reporting, periodic review. That is sound governance. But

[00:42:00] operating costs alone should not prevent us from making strategic investments that strengthen our community and economy. There is also a broader issue to consider, one that extends beyond this project this is a partnership with Fairfax County and in both business and government reputation matters being seen as a reliable partner one that follows through on commitments is an asset it affects future collaboration cost sharing opportunities and is how both regional partners and businesses perceive Fairfax as a place to invest reversing course at the stage could have

[00:42:36] ripple effects beyond the single decision the chamber believes that fiscal responsibility and partnership reliability go hand in hand. They are not competing priorities. They are both essential to a strong, stable economic environment. Fairfax is competing within a dynamic region. Communities that invest thoughtfully in quality of life infrastructure and that demonstrate consistent, reliable leadership are the ones that succeed. We encourage you to move forward with this project and with the appropriate financial safeguards in place. Thank you for your time and leadership.

[00:43:09] Our last speaker under this agenda item is John Cho. Good evening. I'm John Cho. I live at 3421 Preservation Drive, the community of Pickett's Reserve. And on behalf of Dick Cardinale, the president of our HOA and the 88 HOA members, I am delivering a simple message, and that is a thank you.

[00:43:32] Thank you for your leadership, and thank you for prioritizing safety. About a month ago, we had two council members, not in my community, but in the community right across the street at Sutton Heights. And we also received some information from Barrister's Keep, who's across the street, very interested in ensuring that Pickett's Road is safe for children, for anyone walking.

[00:43:56] We understand that soon-to-be softball park will be down below and that there is some changes afoot with a refinery. But we know that through Uyana's vote that you decided, there is a charm to proceed with reaching out to the county and hopefully we'll get the \$80,000 for this regional study. I do ask, and we've discussed this as a community, to consider something as a cardiac surgeon. We often say, and I learned at Mayo Clinic, to measure twice, cut once, and that if you're able to get the money in fiscal year 27, that it be done early

[00:44:36] in the year of the study is completed and that you do consider a moratorium on any development or any changes in that refinery until that study is completed and the changes required are taken care of before any development or further development or transition at that refinery occurs.

[00:44:54] Thanks for your consideration. Thanks again for your leadership. Great job. We can move to the consent agenda. All right. The question on the consent agenda. Are there any questions on any of the items on the consent agenda?

[00:45:10] Looking to the left, looking to the right. Are there any items council would like pulled from the consent agenda? To the left, looking to the right. Okay. Is there a motion to approve the consent agenda?

[00:45:25] Council Member Hardy-Chandler. I move to approve the consent agenda items 6A through D as presented and the accompanying motions in the staff reports. Is there a second? Second. A motion's been made by Council Member Hardy-Chandler and seconded by Council Member Peterson. A roll call vote.

[00:45:41] Council Member McQuillan? Aye. Council Member Bates? Aye. Council Member Peterson? Aye. Council Member Hardy-Chandler? Aye. Council Member Hall? Aye. Council Member Amos? Aye. Motion passed unanimously. We will go on to public hearing. Our first public hearing is a public hearing in consideration of an ordinance amending and reenacting Chapter 38 in Parens Environment, Article 2 in Parens Noise of the Code of the City of Fairfax, Virginia, pertaining to noise mitigation and the regulation of loud, disturbing, unnecessary noises. I'm going to recognize Brian Lubkerman, our city attorney, to provide the staff

[00:46:15] report. Thank you. Hello, Mayor and Council. This is the fifth time we've been chatting about the noise ordinance, and tonight is the scheduled public hearing on this item. And as you're aware in some conversations we had, we have finally started receiving comments and suggestions from the public despite

these many months passing and so the recommendation this evening is going to be that we open the public hearing we allow any folks that are here to testify but that you continue the public hearing to May the 12th after the budget and we will come back with some changes and if we have

[00:46:54] any additional suggestions from the public we will certainly do that as well so the second part is the written comments that we have received they will all be made a part of the record to the extent that they're not incorporated and would again encourage members of the public who have an interest in this topic to please weigh in there are ample opportunities to do so and the more comments that we receive the better so with that just a brief staff report we have presented this previously as well but I'll go over some of the high points currently the city's noise regulations are spread both in the city code and in

[00:47:29] city zoning ordinance and so one of the goals of this this redo would be to consolidate as many of the regulations as possible into a single single area within the within the city code the noise regulations for the city were last updated in the in the case of the city code back in 2010 in response to a Virginia Supreme Court case that essentially required many jurisdictions of Virginia to modify their noise ordinances the city zoning ordinance was was updated in 2016 and that has primarily the performance standards the maximum permissible noise levels between boundaries but again that will all be included within the city code so what this is and what this isn't and some of

[00:48:09] the comments seem to reflect a misconception that the noise ordinance noise regulations were being rewritten essentially to criminalize or create violations out of items that were not previous violations and that simply is not the case and some of the confusion may have been by what I just mentioned that we had elements in different areas and city zoning ordinance city code but many of the activities for which there were concerns were already could potentially be issues under the current noise ordinance and we can certainly get into that as we move forward in in May and considering approving the the

[00:48:46] revisions of the noise ordinance what this also does what this primarily does is to clarify authority over enforcement and administration this would centralize enforcement of noise violations under the office of the city manager the city manager's office would work with city departments to implement procedures for proper enforcement but at its heart enforcement of noise regulations requires that city staff observe the violation and we've talked about this before many noise issues are transitory the backfiring muffler the

[00:49:23] the loud music the fireworks those type of events so they are difficult to enforce and so what this is is attempting to put a structure in place for the most egregious violation sort of a set of standards for people to follow but understanding that there's always going to be noise we live in a suburban setting as everyone knows and there's a certain level of noise that everyone has to tolerate if you're going to live in a suburban setting so there's some clarifications in here and I'll go down this done this as well as

[00:49:58] we did in 2010 we're continuing to attempt to reduce the subjectivity of the noise regulation so you know we used to have a reasonable person standard that was what was struck down by the Virginia Supreme Court in 2010 it used to be that most noise ordinances around the Commonwealth essentially said that, you know, if a reasonable person would find this objectionable, it must be a violation.

[00:50:21] But as we all know, you ask 10 people what's reasonable, you'll get 10 different answers. And certainly today that's even more the case. We also, and this has been the subject of a couple of comments that we've received, we have added a criminal section to the noise ordinance, and that's created some confusion.

[00:50:38] So a violation of noise regulations can be a Class III misdemeanor, which does not involve any imprisonment, but it can be a fine of up to \$500. But the revised noise ordinance goes on to say that there is also a civil component.

[00:50:53] And the preference and the default in most cases is going to be for civil penalties. That's a more reasonable way of dealing with it. Actually, the default is going to be to try to diffuse the situation and get the offender to simply stop making the offending noise.

[00:51:09] Many times people don't realize that the noises that they're generating are, in fact, disturbing other individuals. And simply citing them and creating issues is not the best solution. We're trying to encourage neighbors to get along with neighbors. There's also a reflection that most of us know that since the pandemic And since the advent of AI and the change of job situations, individuals, neighbors are home more.

[00:51:35] People are working from home. The days where people left to go to jobs almost invariably is changing. So the regulations need to reflect that, and we're attempting to do that as well. We have added a more clear process for the city manager to waive under certain circumstances elements of the noise regulations. The example that came up most recently is there were several complaints about individuals that were blowing snow at odd hours during the, I don't know what we're calling it, Ice-Mageddon, Snow-Mageddon, whatever it was. And so those are the type of

[00:52:13] things that I think most would agree might call for a waiver under certain circumstances. In light of some of the additional comments that we've received before we come back in May, we may expand or suggest the expansion of the city manager's authority for waiver for certain longer-term activities, again, subject to guardrails, but we'll talk a little more about that as we get into May.

[00:52:37] We've updated the maximum permissible sound levels in the various zoning districts. Another misconception was is that this is new. No, the noise regulations have always had maximum permissible sound levels, and this is the sounds that go between various zoning districts. This just clarifies that we have bifurcated it into sort of what the acceptable noise levels are, daytime versus nighttime, and we define daytime and nighttime in the proposed revisions.

[00:53:05] Animal noise, this is always one that causes trouble. The decision that we made was essentially to make it reflect what the situation is in Fairfax County, sort of have a different level of noise depending on the time of the day, and also provide some clarity regarding the most common animal complaint.

[00:53:21] And as you can imagine, it's not chickens clucking, it's dogs barking. So we have some language in there that we think makes it clear and able to be enforced, again, in the most egregious circumstances. Most folks fully understand that having their dogs bark at 2 in the morning for a half an hour is a problem.

[00:53:40] Having your dog bark for a little bit at 10 in the morning is a different situation. So we're attempting to strike a balance in doing that. Loading and unloading of vehicles and related matters currently is restricted to the prohibition after 10 p.m. daily. And then we're proposing we change that to be if the noise is plainly audible by persons in any residence with the doors and windows closed across property boundaries and having that restriction start at 9 p.m. daily.

[00:54:06] So the vehicles, the commercial vehicles that unload at businesses late at night would have to consider if they're nearby residences and adjust accordingly. And again, not huge situations, but we want to be able to address the repeat offenders. Trash collection, we actually made very few changes to.

[00:54:24] We actually have some of the strictest restrictions on trash collection in the region, so we're not proposing any changes. We are adding language regarding the emptying and moving of trash dumpsters during prohibited hours because sometimes the banging of trash dumpsters can be a problem.

[00:54:41] So I think I'll stop there if you all have any questions. Otherwise, as we get additional comments from the public, whether there are any individuals here who want to talk this evening, or as we get more comments from the public as we move forward, the thinking also when the council decides to enact this is there would be a public education component to this once it's enacted.

[00:55:03] So we will probably be suggesting a somewhat of a delayed effective date so that we can provide effective communication to residences and businesses as to what the changes might be. But more importantly, just remind people what the current obligations are, that this isn't a huge change.

[00:55:19] It's just a clarification and a way to move forward. So with that, happy to answer any questions. Questions for Mr. Lubkerman on this. Councilmember Peterson. Just to build on the last point on the education component of it, what is the thinking and planning around continuing and perhaps even enhancing the education underway right now between now and the time that we actually take action on this?

[00:55:44] Are we contemplating anything in particular? We have received, so the recent comments received, we received at least one from a homeowners association or civic association. We've received comments from at least one of the community pools.

[00:56:00] And so one of the things that I've been contemplating doing is reaching out perhaps to the HOAs and reaching out to the pools and reaching out to some of the athletic users to sort of, well, twofold. clarify that many of the activities that are currently happening, and this goes to the enforcement and the sort of the ability to have waivers, some of the activities that occur on a daily basis are technically violations under the current noise ordinance.

[00:56:28] But we either choose not to enforce them or there aren't any complaints. This is complaint-driven. It's by necessity. We don't go around the city looking for noise violations. We don't have the staff to do that. As I've mentioned many times, and as the city manager would note, we have one zoning inspector for the entirety of the city.

[00:56:47] And due respect, although noise is important, the health and safety violations and the zoning violations are much more important to deal with than noise violations. So not actively enforcing, but we also want to make sure that we're not just looking the other way on violations, that we have a process for businesses or pools or others that have sort of regular activities that might technically be a violation to perhaps have a permit or something in place to allow them to operate legally.

[00:57:18] And I'm using air quotes around that. i would strongly support that i think that being proactive and being systematic with the hoas with recreation facilities is a really important and helpful thing to do and i think it'll be greatly appreciated and for you in particular to be involved in that to answer what are some pretty complicated and potentially confusing issues i think would be really really helpful any other questions uh council member hall thank you um i appreciate all that you've done on this i know some are probably disappointed that we're going to be delaying the conversation even further, but

[00:57:54] I think public hearings are also really important to hear what people have to say so that we can decide are there other tweaks or changes that we need to make. So thank you for doing that. But to your

last point about the HOAs and the education, I would actually suggest that we start doing that now, not just the ones that have reached out to us, but to the things that we think might be civic associations HOAs pools like you said you know just try to be proactive in it now so that when they're told that it's actually enacted that they've already been able to ask additional questions or think through maybe some other things that might be a concern I had to chuckle tonight

[00:58:30] when I was getting ready for the council meeting and I was drying my hair and I turned off the hair dryer for a minute and my husband was out like cleaning off the grill and my doors were closed my windows were closed I could still hear my husband outside and we have good windows but it was just because it was you know he was right there on that side of the house but i was like okay but then i also know that we have a resident who has someone who does church sermons on sunday afternoons and has a pa system going so we're not going to be able to get all of the things in here but people should be able to enjoy their homes at most times of the day and that's a good point

[00:59:07] and the one thing i neglected to mention in the report was it's also important for everyone to understand we do not have a huge noise problem in the city of fairfax we really don't based i mean we have a a number of complaints that come into the police department and i also forgot to mention we do have some folks here from the police department to the extent there are any any questions but compared to many jurisdictions my personal view and i've actually looked at some of the other jurisdictions we don't have a huge problem what we do have are a few situations where there's sort of repeat violations and we attempt to deal with those as much as possible but overall i think most people agree we do not have a big noise problem in the city so again this

[00:59:47] is this is designed to deal with the worst offenders this is designed to give folks guidelines it is not designed to eliminate all noise that's just an unreasonable expectation and an unreasonable standard councilmember peterson just to follow up when you contemplated outreach to the hoas and schools and recreation associations uh i had understood you were suggesting that in terms of a before the fact effort before we take action am i correct correct with that that's what you and i

[01:00:24] were talking about and what council member hall reinforced that's that's not a waiting actually i i think we sort of envision a two-step do some before do some after it's enacted fantastic any other questions? Okay. I will ask, I will open the public hearing. Ms. Shinneberry, has this public hearing been properly advertised? Yes, it has. I had five people sign up prior to the start of the meeting tonight, and I will call those five speakers up, and then if there's anybody else in the room that would like to speak, they can come forward. So our first speaker is going to be Sherry DeFronzo.

[01:01:06] Good evening, Honorable Mayor, members of the City Council. My name is Sherry DeFronzo, and I reside at Sutton Heights Circle in Fairfax. I'm here this evening as a representative of the Sutton Heights community to again endorse the approval of the ordinance to amend Chapter 38, Article 2 of the Code of the City of Fairfax pertaining to noise mitigation and the regulation of loud, disturbing, and unnecessary noise.

[01:01:33] Sutton Heights is a townhome community located on the western side of Pickett Road and directly north of the Pickett Road tank farm. In 2025, a plan was approved to replace 10 fuel tanks with two large warehouse buildings totaling over 300,000 square feet. These warehouses will occupy the northeast quadrant of the tank farm, which is the closest to our community.

[01:01:54] Additionally, the communities of Barrister's Keep and Pickett's Reserve sit nearby along Pickett Road and are also deeply concerned about the increased traffic and noise the warehouse development will bring. Developers estimate 100 to 150 trucks per day will service the warehouses, matching the current tanker volume.

[01:02:14] However, unlike tankers that arrive empty and leave full, warehouses require separate inbound and outbound logistics. This will likely result in a much higher volume of tractor-trailer traffic than currently exists. The proposed amendments to maximum noise levels in industrial districts are essential to protecting the health of residents.

[01:02:35] Experts are increasingly recognizing the dangers of loud noise, not only as an environmental pollutant, but also as a serious health risk. After air pollution, noise is the second largest environmental cause of physical and mental health problems, according to the World Health Organization.

[01:02:53] Research from UCLA Health and the Journal of Exposure Science and Environmental Epidemiology indicates that exposure to noise pollution activates the critical systems that regulate the release of stress hormones, cortisol, and adrenaline. This increase in the stress hormones affects the central nervous system, and the resulting inflammatory state may also increase the risk for mental health conditions, including anxiety, depression, and behavioral issues. The current noise levels along Pickett Road already exceed healthy limits. The addition of significant tractor-trailer traffic will only worsen this

[01:03:28] issue. Idling diesel trucks emit approximately 85 decibels. Under the proposed ordinance, noise levels from an industrial zone would be limited to 72 decibels during the day and 60 decibels at night. This change, along with the clear definition of day and night, is vital to mitigating the impact of constant truck traffic at the current tank farm and more significantly at the proposed warehouse complex. In conclusion, we strongly endorse the proposal to limit maximum permissible sound levels to protect the health and well-being of our citizens. Thank you for your

[01:04:04] time. Our next speaker is Carl Tamaro. Carl Tamaro, Park Lane Road. Good evening, Mayor and council members. I'd like to first thank you as well as staff for your support and all the amending and reenacting the noise ordinance. Most all city residents are considerate neighbors and self-monitor their noise. Unfortunately, we have experienced repeated loud music and parties

[01:04:40] in our neighborhood and have been unsuccessful in resolving the issue through neighbor discussions. These types of disturbances negatively impact the quality of life in effective neighborhoods. And everyone is just one inconsiderate neighbor away from this happening in your neighborhood.

[01:04:58] So I support the proposed updates, but I have a couple of concerns and questions. First, a weakness of the current regulation is gaps in enforcement resources during non-city business working hours.

[01:05:14] So, for example, who do you contact at 9 p.m. on Friday or 4 p.m. on the weekends? is this a police activity that will happen or the city manager for amplified sounds the threshold is if you can hear the sound with windows and doors closed a question i had is will the decibel levels for daytime and nighttime also apply to amplified music and excuse me and it's good to remember that

[01:05:48] during nice weather many people are outside enjoying their patio deck or yard or have their windows open so the proposed threshold does not does not seem to consider this so thank you for your time our next speaker is zach burrows thank you for your time i've had an opportunity to actually speak

with a number of you previously i'm also with sutton heights one of sherry's neighbors and lead the hoa there i've also spoken with a number of the other communities around

[01:06:24] barristers keep and pickets reserve i'm here to support the noise ordinance especially the change and the amendment to allow the industrial unloading and loading of trucks to be applied to any residential area that can hear the noise.

[01:06:43] I think that's a great addition. I'd like to add on to that that some of our concerns, as Sherry expresses, the amount of traffic and noise that is up and down Pickett's Reserve. The concern is not the daily traffic during business hours.

[01:06:58] It's the evening hours that we would potentially have you look at. Similar to the unloading and offloading of trucks, the same type of traffic, the large tractor trailers going up and down pickets reserve at 2 in the morning, 3 in the morning, can have a similar effect as the unloading and loading of trucks.

[01:07:17] We all know that most of that traffic is going to the adjacent property. So we would look to see if there's maybe, similar to Mr. Cho's comments earlier around the traffic study, If there's a way to amend or at least look at the noise ordinance to potentially reduce the impact of that massive amount of truck traffic on that road during overnight hours when it could have delirious effects on the residential communities that border that property, I think that would be very advantageous for both potentially the study of that traffic, the traffic study, and the communities surrounding.

[01:07:56] so it might be a different mechanism to address that same concern um i don't know how that that that's that also is coupled with the i don't this is a separate topic but a lot of the racing and loud cars that go up that road it's i think a separate item um but i think it can potentially uh reduce the impact to both of those items thank you our next speaker is mazy landis

[01:08:23] Sorry, I have terrible handwriting. It's Mary Landis, but thank you. I spoke when it was the public hearing, whatever it was before, I apologize, the work session. And thank you for listening to me then. And I just want to thank you for looking at this and taking the time to rewrite the noise ordinance. I do support the changes in the noise ordinance. As I said previously, I really do feel like it's an equity issue, kind of what was alluded to, the idea that

[01:09:02] a nine-to-five job Monday through Friday is just antiquated. People have different needs at different times of the day. And as the previous speaker said, you know, one inconsiderate neighbor can really make your life very difficult, regardless of the day or the time of the day.

[01:09:20] So I'm in full support of it, and I thank you for taking the time to look at it. Thank you. Our next speaker is Ross Landis. Thank you, Mayor and Council.

[01:09:39] This just seems like a no-brainer to me. Peace and quiet in your own house seems pretty basic. Right now, I don't know the exact hours. Is it 7 to 11 or 7 to 10? It's a free-for-all. You could have an atomic bomb go off and you call the police and they say, well, we're within those hours.

[01:09:57] There's nothing we can do. They are as kind and as courteous and patient as they can be, but they have no authority during those hours. If you want to, you know, put your young child down for a nap, if you want to have a conversation with your friend, if you want to have a work call, God forbid you just want to sit and quietly read a book, you're at the neighbor, you're at the mercy of your neighbors and the

trucks and the loud music and God knows what. I think this is so long overdue i stood up here in 2022 when we had mayor meyer and i said that we needed to revise

[01:10:33] this ordinance i don't know honestly what's taken so long um i thought this was going to come back in september um here we are in march and i hear we're going to defer it again i'm just at a loss as to what the what the issue is here it seems pretty basic to me thank you is there anybody else in the room that would like to speak on this yep come forward kelly o'brien 10213 sagar avenue I appreciate what the ordinance is trying to do.

[01:11:08] I still think there's some conflicting regulations, you know, whether it's discernible noise or the sound decibels. And even within a multi-use property, if it's audible from within the residential property and the same property, it's just some things that are still a little working on.

[01:11:25] I applaud and appreciate the outreach and the education. I definitely think that needs to happen now, especially for businesses, too. I don't know that the businesses understand what implications this could have for them. There's some concerns about, you know, even getting dumpster pickup. You know, if they're all competing at the same time, what are the effects if we're constraining that time?

[01:11:45] Are you putting more pressure on our traffic during that time? So there's some things I just want to make sure the business community is aware of and knows how that's going to affect what their processes are now. And there's some 3815 has some internal reference that it's a new number. I'm sure Brian's got that. But, yeah, I applaud and appreciate the education aspect and highly encourage before it's adopted to make sure everyone's aware.

[01:12:06] So, thank you. Anybody? Okay. Good evening, Mayor and Council. My name is James Sessory. I'm here representing the Mosby Woods Pool at 3136 Fairwoods Parkway, Fairfax, Virginia.

[01:12:28] Most of what I'm going to say, I'm just going to put to the side, considering it's been discussed as far as further engagement and everything else. I'll just say as a unique pool within a residential zone, a commercial entity trying to operate, one of three within Country Club Hills, Fairfax Frogs. We all try and work well within the community to find that balance of noise and regulations and also engaging the community and having events and other activities. I do understand that some of them may have been on the borderline of noise, ordinance, and everything else. So I

[01:13:05] look forward to engaging and talking with you as far as how we can put together the ordinance such that these unique entities can operate, still have the activities that we're looking for. So, thank you.

[01:13:22] Anybody else in the room that would like to speak on this agenda item? All right. With consensus of the council, do we agree to leave the public hearing open until May the 12th?

[01:13:38] Is there a motion to that effect? Council Member Hardy-Chandler, wing it. I move to leave the public comment period open until, what's the date? May 12th. May 12th. Just a slight modification.

[01:13:53] Continue the public hearing and defer council action to May 12th. Continue the public hearing and defer council action. Thank you. Until May 12th. Do I have a second on that? There we go. We have a motion and a second. Is there any discussion on this motion? Council Member Bates. I just want to thank the city attorney and city staff for all their work on this.

[01:14:14] I know that there are a lot of people out there who, I mean, of course, as was mentioned, this is certainly not a real widespread issue, but also, as was mentioned, for those who it is a significant issue for,

it can be pretty significant, and that's why we need to step things up and why we're doing this.

[01:14:37] But we also want to get it right. And so, again, want to thank the city attorney and city staff for all their work on this. And, you know, also want to comment on a comment that was raised earlier, the that not everybody works nine to five in the city.

[01:14:58] And, you know, we have representatives of our police department here who, of course, many of them don't work a standard nine to five shift. We've had at least one police officer in my neighborhood, right? You know our block or the next block over pretty much all my life and and we've also had noise issues in our neighborhood So we want to make sure that we're also You know that they're able to get the sleep that they need to be Defective as effective as they can be and not have to worry about getting a good night's sleep when they come home

[01:15:32] Thank you other comments councilmember Hall. Thank you just to kind of follow up on some of the comments that were made. And I expect that you will be doing this already. But I think it's, we need to be very clear to some of these communities what this noise ordinance will be and what it won't be. And I know that you said that, but I also know that some of these areas like residential next to industrial creates its own challenges. And I don't know if we're able to reduce traffic on a road or, you know, mitigate hours at which trucks can go down.

[01:16:08] What I will say to our police department is that I think that area is continually ripe for drag racing and street racing and enforcement. And I bet the money you could make in a weekend would maybe be enough to do some really fun things. So I think there's certainly areas that we can work on, but I think the legal answer of what we can't do and whether we can or cannot delay a by-right development, I just think that that information would be helpful to be shared to the appropriate people.

[01:16:41] so thank you councilmember Amos thank you excellent work greatly appreciate your efforts on this when I work for Fairfax County unfortunately one of my topics was noise and it's one of the most difficult things to enforce in any local jurisdiction primarily because we don't have a lot of enforcement mechanisms to work with typically what was recommended was especially if it's late at night post business hours contact the police that we at least there's a record to track that there has been continual disturbance but part of it part of what's going into this is to expand our enforcement capabilities to the degree

[01:17:19] that we can so we can at least do a better job and have more consistency moving forward and I concur I wish it didn't take so long there's things that we asked for last year a couple years ago and sometimes unfortunately that's just the government process but there's draft language that goes into it and then recently we received a number of comments as people people tend to find things out a day or two right before we have a public hearing and so making sure that we have the utmost consideration for everyone involved because there are still a number of questions and I think to the city attorney's point the goal is to probably review this at least a little bit more frequently that what

[01:17:55] what gets passed or doesn't get passed that's not going to be the mainstay for the next 20 30 years things are constantly changing and we need to keep up so whatever gets enacted that's not the end of the road thank you councilmember Bates just one more follow-up question also in response to something that was raised in the public hearing even either for the city attorney or police department if you could comment on how enforcement works after

[01:18:28] hours you know when the zoning inspector is not the one doing it and how that That might change or might stay the same going forward or, you know, whatever you have to share on that. And the PD certainly can comment.

[01:18:44] I mean, obviously, without zoning and most other staff available, the onus on after hours enforcement ends up being with the police department. That certainly is not likely to change barring a significant increase in enforcement staff, which is, you know, unlikely, I would imagine.

[01:19:02] So and every jurisdiction has this issue. So, again, it is not for lack of having ordinances, rules, and regulations in place. It's the ability to enforce that becomes difficult.

[01:19:18] I did, in further response to your question, the one thing I omitted in my staff report, we did add a provision, I think it's kind of an interesting provision, that does allow in egregious cases for residents to actually go to a magistrate and attempt to swear out a warrant, which would only be reserved, I would assume, in very difficult cases.

[01:19:36] But, you know, if you're just not able to get enforcement by the city for whatever reason, primarily it's because there won't be staff or the city doesn't observe it, in really bad situations, residents certainly will have that ability to try to convince a magistrate to issue a warrant.

[01:19:52] And sometimes that can achieve compliance and enforcement as well. Councilmember Peterson? So just to be sure, I get one of the bottom lines here.

[01:20:07] If you could correct me if I don't get this right, it's my understanding that part of the byproduct of this is to put in place a stronger structure for the most egregious violations that might take place.

[01:20:22] But at the same time, procedurally, try to resolve things at the lowest level of conflict and the highest level of cooperation possible so that we're not defaulting to the highest level of stringency. but it is there as needed along with graduated points at which the issues can be engaged.

[01:20:41] Is that kind of a fair structural summary of what's going on here? Absolutely fair. Great. Thanks. Any other questions or comments? Well, I appreciate the work that's gone into the ordinance and why we are trying to put guardrails and avenues for resolving the most egregious problems.

[01:21:01] You cannot legislate how people behave. You can't legislate people being thoughtful or considerate. or making the right choice you can't ask you can't legislate or create an ordinance that says maybe if you're a good neighbor you'll have good neighbors and maybe everyone will live peaceably so before we take this roll call vote I just want to thank my neighbors in Fairchester Woods all of the people on Jancy Road Woodhaven and Fairchester because you're amazing neighbors all of you and I appreciate you and with that a roll call vote councilmember Amos aye councilmember Hall aye Council Member Hardy Chandler.

[01:21:35] Council Member Peterson. Aye. Council Member Bates. Aye. Council Member McQuillan. Aye. Motion passed unanimously. We will go on to the next public hearing, which is the public hearing on the proposed FY27 budget. This is the second public hearing of the proposed FY27 budget. The city manager presented on February 24th, 2026.

[01:21:55] I have three people who had signed up prior to the meeting, and then once those three people speak, we'll open it to the floor if there's anybody else in the room. So I will call the first person up, which is Pradeep Chilka. Good evening.

[01:22:14] My name is Pradeep Chilka, and I reside at 10412 Whitehead Street. I'm also the vice chair of the Environmental Sustainability Committee. In order to make Fairfax City a more affordable place to live, we must prioritize smart investments made by the city. And to that end, I would like to recommend that the city invest in a permanent, full-time climate and energy manager.

[01:22:38] And here are my top three reasons for this recommendation. So reason number one, affordability. A climate and energy manager would drive critical energy efficiency and conservation projects that not only significantly lower our city's operational costs, but also save resident utility costs.

[01:22:57] As an example, we were able to save approximately \$150,000 per year with our LED streetlight conversion project and also bring in roughly 180K EECBG grant for residential home energy efficiency upgrades. My reason number two is resiliency. So we all know that we are currently facing an unprecedented data center load growth problem, specifically in our region, which poses not only an affordability risk, but also a reliability risk.

[01:23:29] Fortunately, we have a tool in our toolkit, and it's the green building policy. While the green building policy has the potential for much larger cost savings through higher energy efficiency building standards for both public and private developments, It also improves our community's resiliency against the strain of unconstrained data center load growth.

[01:23:51] So what we need to do now is simply adopt the green building policy. And to do that, you're going to need to fund the staffing required to implement it and the shoring up our city's resiliency. And last but not least, climate action.

[01:24:07] We are behind the eight ball in the area of climate action planning compared with all our neighboring localities. localities. And this staff position would be critical in jump-starting this effort so that we are not caught unprepared when the next climate-driven extreme weather event ravages our city. So in summary, I'd like to respectfully submit that funding a full-time climate and energy manager is a direct investment in the city's financial health and long-term affordability and reliability and resiliency. Thank you. Our next speaker is Kia Chilka.

[01:24:54] Hi, Mayor Reed and city council members and remaining neighbors. Over here, I'm Kea Chilka. I live over at 3912 Keith Avenue, and I've been enjoying living here for 15 years. I'm also a master of public health graduate student down at George Mason University.

[01:25:12] And so I'm speaking also in support of funding a permanent climate energy manager in the 2027 budget. I'm worried about how climate change is impacting our community's health. We can see the effects like extreme temperatures, the fluctuating temperatures that we've been experiencing these past two weeks, worsening air quality, increased illness. They're all very visible.

[01:25:35] And we have evidence of the local issues from Fairfax County. There was a 2021 partnership between NASA and Fairfax County that found that our built infrastructure, like our roads and buildings, trap heat and turn Fairfax into a major urban heat island. You probably all know this, but the county's risk assessment looked at areas of high urban heat island exposure, which is nine degrees or hotter than the surrounding countryside, and found that 100 percent of our hospitals, police stations, fire stations, transit, 98 percent of human health and human service facilities are in the high heat zone, as well as 73 percent of households.

[01:26:14] so the extreme heat it's not just uncomfortable it's a severe public health hazard nationally heat causes more deaths than any other severe weather event the extreme heat can cause heat stroke and dehydration it also makes conditions like heart disease and lung disease and kidney disease worse which is alarming because heart disease and cancer are already the leading causes of death in Fairfax I think it puts everybody at risk especially vulnerable populations like young children and older adults, pregnant individuals, outdoor workers, and also from the health equity

[01:26:50] standpoint, 91% of the households that are socioeconomically vulnerable are in the high heat zones. So a thoughtful climate action plan could help ensure that socioeconomically vulnerable households don't have to unfairly bear the brunt of these extreme heat events.

[01:27:07] And so the local action that we need would help to address the heat risks. It would strengthen our infrastructure and it would protect all of us. You know, I have cousins here and I want to make sure they can play safely outside at recess. My dad is a senior. I don't want his health to suffer when the next heat wave hits. So I think funding a permanent climate and energy manager in the 2027 budget, it will help provide the leadership on the climate action plan that we need. And it will work to promote adaptability and infrastructure resilience that is going to be beneficial to public health in the long term. So thank you for your time and for listening to me.

[01:27:46] Our next speaker is John Farrell. John Farrell with the Southern States Police Benevolent Association. Good evening, Madam Mayor, City Council and City Manager. Two weeks ago, the City of Fairfax Police Association President Jesse Thornton addressed you regarding compensation and retention challenges within the police department. I represent the SSPBA for the department. I would like to expand on his comments. An internal survey revealed that 65% of police

[01:28:22] officers and staff are exploring other employment opportunities and 64 percent would not recommend the city of Fairfax Police Department as a place to work largely due to compensation issues. Over the past three years, 21 officers, cadets, or academy recruits have left the department. Six of these individuals were either about to begin the academy, were in the academy, or did not meet standards during field training. Fifteen were fully certified or lateral officers who left for other opportunities. Of those 21 individuals, 10 went on to other policing roles or investigative government positions with other agencies. The cost of recruiting, hiring, and vetting a candidate is substantial. While many apply, few successfully pass the rigorous physical, psychological, and

[01:29:01] polygraph testing required to ensure that we select the best candidates. It can take well over a year from the time a candidate is hired until they are able to work independently on patrol. Staffing challenges in public safety cannot be resolved in a matter of weeks or months. The most effective and traditional way to build a strong police department is by recruiting, developing, and retaining a diverse and talented workforce, while occasionally hiring lateral officers to meet specific needs. Officers are leaving for better compensation, and recruitment is increasingly difficult when our compensation packages lag behind those of regional competitors. Based on publicly available data, Arlington's starting salary is \$90,000, Alexandria's starting salary

[01:29:39] is \$75,000, Herndon's starting salary is \$73,000, and Loudon's starting salary is \$67,000. Among 20 local and federal jurisdictions, our starting salary ranks 18th. Additionally, 12 of those jurisdictions offer hiring bonuses. Currently, our starting salary is \$64,466, and we do not offer hiring bonuses. Through collectively bargained agreements, many competing jurisdictions also provide more competitive leave

packages, emergency pay, stipends, specialty compensation, and other fringe benefits that exceed what our department currently offers. That being said, I want to emphasize the one significant advantage the City of Fairfax Police Department has over other

[01:30:18] jurisdictions. The community we serve. We are privileged to police a vibrant, diverse, and supportive community. The relationship we have with our residents is deeply valued by our officers and our agency. From the strong presence of the mayor and council members at our events to the volunteers who bring meals and support us, this community's appreciation does not go unnoticed.

[01:30:37] To continue providing the level of service and professionalism that our community deserves and expects, we must be able to recruit and retain the very best officers. I respectfully ask the council to keep this in mind as you move forward in the budget process i've provided a copy of a handout that i'll leave with the clerk if you're interested in some of the comparisons that we did thank you is there anybody else in the room that would like to speak on the budget we'll move to

[01:31:09] the second general public comment is there anybody else in the room that would like to speak on any general public comment items well all right then i will now recess the regular meeting to go into a work session we will stay in council chambers all right our first work session is a review of the capital improvement program storm water utility fund and wastewater fund i'm going to recognize jc martinez chief financial officer to provide the staff report thank you

[01:31:47] mayor council uh tonight we have davenport specifically mr lux and mr sachs will be presenting two of the three presentations of the presentations one will deal with the general fund FY27 plan of finance specifically on capital the other one will be on wastewater fund analysis and the third one will be on the stormwater utility update as well happy to answer any questions during those presentations or any time after those presentations as well again we have

[01:32:24] Kyle Lux from Davenport with the city having a 25-year relationship with Davenport who have really walked us through the financing. Also, they were a part of the city when we were upgraded from our AA to our AAA bond ratings as well. So with that being said, we'll pull up the presentations and I'll turn it over to Mr. Lux. Thank you. Very good. Thank you, Mr. Martinez and Mayor, members of Council. It's nice to see you this evening as always. And again, Kyle Lux with Davenport. So We have a couple different presentations, really I think two that we'll handle, and then one your staff will handle.

[01:33:00] We'll start with the general fund, as we've called it, FY27 plan of finance. What we're really asked to do, knowing that you are in your budget deliberation process now, is bring forward the general plan, the time frame, the process that we'd go through for financing the bond portion, meaning the bond-funded portion of your FY27 proposed CIP.

[01:33:24] And so we'll talk through that. I think I would say at the outset, this really comes at the culmination of the last several months and really even years of planning. And so you as a city, as Mr. Martinez mentioned, have AAA credit ratings. A big component of that is your management, your planning, and your process.

[01:33:42] And so while the presentation tonight will go through and certainly answer any questions you have, I think I would just note for the public, and obviously you may or members of council know this, This is really just a part and parcel of the routine, holistic planning that you do for both budget, capital, and certainly debt-financed projects.

[01:34:02] So with that, my colleague Austin Sachs will kind of flip the slides here. So in terms of background, again, as your financial advisor, really work for the city. We're not here to lend any dollars, so forth and so on, but we've appreciated that roughly 25 years.

[01:34:17] It might even be more helping you as a city think through and plan for these important types of projects and initiatives. So we note that in terms of the background. I think we can go to the next page. So the two components of your proposed CIP that for the moment, we're talking about the general fund.

[01:34:39] So our second presentation, we'll talk about a sewer, but for the moment, we're talking about the general fund, like we've discussed in the past, what we call the tax-supported portion of your capital improvement program. It's really twofold that is contemplated in the proposed budget and CIP.

[01:34:56] You see them highlighted there in the middle of the page, number one in green, roughly \$22 million for general government capital improvement projects. That's part of your general capital improvement. You as a city, as you know, have a variety of different infrastructure needs, facility needs, so forth and so on.

[01:35:14] And so as a city over the years, you've used that CIP, if you will, for short, and a portion of it being debt financed to take care of those infrastructure and facility needs. And so that's really what that is, that \$22 million highlighted there in green.

[01:35:32] The second component in blue is also \$22 million, not a mistake, it's the same number, and that is for the school referendum. So, obviously, you and the public know, in 2024, a school referendum, first time in a number of years, was passed by the voters, and this would be the first portion of that that will be bond-funded, debt-funded, again, all as part of the multi-year plan you as a city have adopted.

[01:35:59] So, we have two components, two different financings. Importantly, we'll talk about this. They'll be financed in different ways. We'll describe why that is. But in total, you've got about \$42 million there. Before we do that, we'll do a little bit of the highlight of the credit ratings.

[01:36:17] Mr. Martino's already mentioned these, but it's always worth noting that you as a city enjoy AAA credit ratings. Those are the highest possible credit ratings you can have. You've enjoyed those for about the last 15 or so years. And you're in very good company in terms of many of your peers and neighbors in the region also enjoy those top-tier credit ratings.

[01:36:38] On the next page, we'll talk about why those credit ratings are important. Certainly, they're a primary determinant when the time is needed by city council to go borrow dollars, whether it's for new projects like you're talking about, even to refinance existing debt.

[01:36:56] Those credit ratings, make sure you can do that at the lowest possible interest rate. So first and foremost, those AAA credit ratings are a money saver to the taxpayer, no different than in your personal life. Maybe if you think about your credit score, the higher your credit score, The lower the interest rate when you go maybe apply for a mortgage or a car loan, so forth and so on, the exact same concept with these credit ratings.

[01:37:16] So those top-tier AAA credit ratings are ensuring that you're able to borrow money when the time comes at the lowest possible interest rates. They also serve as a very good barometer for the overall financial health of the city, and so we'll talk about that on the next page or so.

[01:37:33] Flip the page. So on slide number six, just a little refresher in terms of what goes into those credit ratings. It's not just the financial side of the equation. It's not just the debt side of the equation. There's really four primary components that ultimately determine those credit ratings that, again, are determined by both Moody's and Standard & Poor's, two of the three major credit rating agencies that the city has a rating with.

[01:38:02] Those are outside independent agencies. And so what they look at to come up with those ratings can really be divided into four main quadrants there, if you look on the screen. so top left is the economic base and so by virtue of where you are in the region it's viewed as a high income region it's viewed as a dynamic economic region it's viewed as a growing region economically so by virtue of where we are just economically you get very high scores in terms of the economic base the top right portion of it then is the financial performance and flexibility

[01:38:41] And so those are things that are more within your control on a day-to-day basis as the city council. Managing the budget, managing the finances, certainly with the manager and the CFO. And those types of measurements that these rating agencies are looking at are the ratio of revenues to expenditures.

[01:39:00] Do you have surpluses annually in terms of revenues versus expenditures? What are your fund balance levels, so forth and so on? And those, for a number of years, you've had very, very good results. And so that flows through into your AAA credit ratings. The bottom right is the management component, probably the hardest to measure with numbers.

[01:39:21] But what they're really looking at there are the things that you as a city have done for a number of years, which is multi-year planning, having policies that are adopted, well thought through, and adhered to, and having a holistic, structurally balanced budget.

[01:39:37] And so that's the management component of those ratings. and the last slice of the pie if you will bottom left is the debt side of the equation it's very important in terms of the credit ratings but it is not the only important proportion there you can see those relative ratios so again a variety of factors that go into those AAA credit ratings not all of them are debt related and certainly we watch all of those as we think about the overall finances of the city next couple pages we just have given a review here a

[01:40:13] summary of the most recent reports the rating agencies have published the first here is from Moody's won't read this word for word but I think importantly what they note is a number of factors related to management and fund balances and so as you're right now in the budget deliberation time period so make sure we reiterate that in terms of just how important those fund balance and reserves are especially knowing that we are planning on for the moment going out with some major capital and projects and improvements to come and so again we

[01:40:49] just make that note and clearly we'll be getting updates to those as we move over the next several months we flip the page the second of the two rating agencies again in terms of summary here this is Standard and Poor's or S&P for short they again are separate and independent from Moody's but you'll see some similar themes here insofar as the financial flexibility the importance of fund balance, the management side of things, all they're within your day-to-day control, and those help to complement, obviously, the fact that you have very strong economic and demographic factors, as well as the planning side of the equation.

[01:41:27] So, again, we look at these, we update those. They're outside independent entities that are reviewing the city. They've given you the highest possible marks in terms of two AAA credit ratings you've had for about 15 years. So as we then move into what really is the plan of finance, given your proposed CIP, we'll start on this slide with what is the city's existing outstanding tax-supported debt.

[01:41:57] So in our next presentation or session, we'll talk about the sewer fund. That is separate from what this is right here. This is tax-supported debt, which is really the schools, meaning existing debt that you have outstanding for schools and other general city projects.

[01:42:13] What you see on the screen is both a graph and a table. of the existing debt service of the city. We have roughly level payments year over year, and so think of that similar to maybe your mortgage at home.

[01:42:28] Most folks will have roughly level payments with their mortgage. The city has a very similar structure to start with, and so we start with this base in terms of the planning side of things. All the city's debt is fixed rate. It's repaid in fixed annual installments.

[01:42:47] And so, again, it functions much more like a fixed-rate mortgage in your personal life. It is not like a credit card whereby you are borrowing for operating costs. When the city does borrow money, you are basically required to only be financing long-term capital investments whereby the loans are be paid over a term that generally is in line with the useful life.

[01:43:08] And so if you are financing large building facilities, the city has historically used 20- to 30-year repayment terms to do that. again, making that corollary to personal finance, whereby with a mortgage in your home, most folks are financing their home over 20 to 30 years.

[01:43:25] The city's in generally the same mode in terms of when it is financing these projects. The one other point I'll make on this page is the bullet point in the middle there, the 10-year payout ratio. That's measuring what proportion of the principal, which right now is about \$100 million, is paid over the next decade.

[01:43:43] That proportion is about 83%. So you as a city, before we start any going forward improvements, we are paying off about 80% of the principal amount of the outstanding debt over the next 10 years. Anything that is north of, meaning greater than 50% to 60%, is viewed as favorable.

[01:44:03] And so as we think about the next phase of planning, the next phase of investment, you start from a very good position insofar as the existing debt is not pushed out onto the future generations. It's paid off in a very responsible manner. So go to the next page.

[01:44:20] So, again, we'll talk about the two components here, the two \$22 million, the first and the top of the page, as we mentioned, general government CIP projects. And so the city, over the history, at least of our 10 years, probably 25-plus years, that general CIP has been used to capture, again, some of the routine, annual, whether it's upgrades, improvements, enhancements to both facilities and infrastructure.

[01:44:49] The component of that CIP that is planned to be borrowed for in the upcoming year has been planned for for a number of years here. It's that first portion of the Willard Sherwood Center in terms of \$22 million. The way we would go about doing that is the issuance of what we call public facility revenue bonds.

[01:45:10] Those are bonds that you as a city council can authorize moving forward with. They're very commonplace across the Commonwealth and certainly the region, And it's also a financing structure that the city's used most recently back in 2023 with a high level of success.

[01:45:27] And so that's the way that program would move forward. And again, that's the first of the two \$22 million of the general government CIP. The second, which is highlighted in blue at the bottom of the page, is the school referendum. So the school referendum is a little different insofar as you as a city put that out to the voters.

[01:45:47] You're a little bit unique in terms of cities in the Commonwealth insofar as to issue what are called general obligation bonds. You need a voter referendum, and so that was done in 2024 and approved that roughly \$220 million. So those would move forward via what are called general obligation bonds, also very common in the Commonwealth and across the nation.

[01:46:11] That's the highest credit quality you can offer in the markets. And so both of these we would expect, given your history, given your credit ratings, would receive very favorable follow-through in the credit markets. One other point we'll make here is the way that you're able to sell these bonds typically is through a competitive process.

[01:46:31] So by virtue of those high credit ratings, you're able to sell these bonds competitively such that the institution that provides the lowest interest rate to the city is the institution that will be awarded those bonds. But, again, it's another advantage of those AAA credit ratings insofar as you can put it out to the broader markets, bid competitively, and, in essence, take the lowest interest rate available.

[01:46:58] So a couple of our key assumptions here. Again, the repayment terms of these between 25 and 20 years. Again, you're making very major facility improvements to both schools and other general city facilities.

[01:47:13] And so the term of these financings over 20 to 25 years is very much in line with anything you're going to be doing or your neighbors and peers would be doing for major facility improvements that will last multiple generations. In the planning for all of these, we've assumed a 5% planning rate.

[01:47:31] You've seen that in the past. In today's market, even though rates have moved up a little bit last month or so, given the events in the world, we're still well below that 5% planning rate. So we've tried to err on the conservative side in that planning. We're probably in and around 4% in the current market. But again, we try to build some level of conservatism into those planning estimates, knowing that you don't control rates, nor do we, but they are very much favorable, even given the events of the last month or so.

[01:48:00] Fourth bullet point here, but again, this all goes into your budget planning process. Both of these bond issuances have been planned for, and the payments on them have been planned in your proposed 2027 budget. And so as you're deliberating that 2027 budget, the basically payment structure has been built into those proposals.

[01:48:21] And so as we think about talking to the rating agencies and moving forward, that continuity of being able to describe to the investors, to the agencies, we have a known source of repayment for the two bond issues is obviously very important. This page here just showing our long-term interest rates.

[01:48:42] I mentioned this previously. We continue to be in a very favorable position when the city bars you're borrowing a fixed-rate basis And the ability to bid that competitively means that you're going to get

the lowest interest rate Available in the marketplace on the day of the sale As we move to this slide on page 14 We're really showing is how the different components fit together So the dark green bars are the existing city debt service before you add anything new And then the light green and the light blue is simply adding the payments on the public facility revenue bonds.

[01:49:21] That's at Willard Sherwood portion in green. And then the blue component is the first phase of those school bonds. And so you see how that layers in basically roughly level payments. We will note that as you get out about 8, 10 years, we do start to see some additional decline.

[01:49:38] And so, again, there's always going to be another round of projects. That's the nature of running a capital infrastructure-heavy city. And so you as a city are planning for whatever that next round may be insofar as you have declined that will come into the future. On slide 15, as we think about the planning, I've mentioned this, with both the rating agencies and the credibility and the credit markets, you as a city have done a very good job of having that multi-year plan in place.

[01:50:10] And so what this is really showing is how do we compare with the multi-year plan to the city's various policies. And so we've looked at this in the past. On the left-hand side is our debt service versus expenditures policy.

[01:50:26] That's really a measurement of how many pennies out of every dollar in the budget are going to make a debt service payment. And the recommendation with this budget cycle is to move that up to that roughly 14% range to recognize that you're in a cycle of reinvestment in the city and your capital infrastructure, both in schools and other city facilities, and sort of have our policy reflect that, but also make sure it is in line with good governance and what we expect the rating agencies will be acceptable to the rating agencies.

[01:50:57] And what we see on that graph is when we layer in the existing debt service with the two \$22 million issuances, we stay well below that \$14 million. And so as an initial sort of bite at the apple, if you will, in terms of this next round of capital funding, you have plenty of capacity relative to those ratios.

[01:51:18] We know that on a going forward basis, there's certainly additional series to be added in. And so we're going to continue watching that on an annual basis. But for purposes of taking the initial bite at the apple here, in terms of Willard Sherwood and the schools, we have plenty of capacity relative to those updated ratios.

[01:51:36] That goes to say also on the right-hand side, debt to assessed value. Again, all of this part and parcel of the planning that's been done to make sure we recognize we're in this capital reinvestment cycle. We did want to provide what update that maybe we know for the moment.

[01:51:56] We know you as a city have been watching this and talking about it for a while here in terms of the local option sales tax. That additional up to 1% that we are hopeful and optimistic would be put into the General Assembly session, and the budget is what we understand it may be incorporated in.

[01:52:17] We don't know that yet, but what we hear is that in the April time frame, with the state budgeted option, we should know more, and certainly we're hopefully going to see the flexibility, the option for you as a city to move forward with that additional 1% sales tax.

[01:52:34] that certainly could go a long way towards funding the schools projects like we've talked about we don't know that for certain right now but we're watching that closely with the state and are optimistic

for the moment while it's not within our control but certainly what we hear is some positive things in terms of what's going on at the state and hope that would be within legislations passed by the general assembly or maybe the governor's budget as we understand that may be so our next steps and certainly happy to answer any questions mayor counsel that you have but we really are here is an update for you the plan would

[01:53:13] be at your April 28th meeting and so just next month you'd be taking various actions both on the budget and on these various bond issues meaning the general obligation bonds with the schools and the public facility bonds for Willard Sherwood those would be the last actions we would need of City Council and then we'd work over the spring likely into the summertime to both see the credit rating agencies update those credit ratings and be into the marketplace to secure this financing spring into summer dependent a little bit upon activities of the state and certainly with your budget cycle so with that happy to stop

[01:53:53] there answer any questions that that you may have thank you for the presentation councilmember Peterson just a quick question or two I know there will be others. If you go to slide eight, if I'm correct, this looks like it's based on information from a year ago, a little bit more than a year ago, January 24, 2025. That's right. We've had some changes in conditions in the region. They've been pretty widely documented. Reductions in employment, reductions in growth, population growth, but reductions in economic growth and

[01:54:31] projections forward, you know, there's some debate about how long and how much, but significant. They're a little different than what we see here in terms of the credit overview in your first paragraph here that is, I think, in text that would be aligned more clearly with conditions a year and something ago rather than right now. What effect does this change in conditions that we're experiencing and expected to have, how does that affect any of this?

[01:55:05] Yeah, so it certainly can have an effect. Our observation, again, working with many of your neighbors over the course of last year, is the agencies really want to see the actual impact in your financials. And so certainly there's been a lot of headlines and news and expectations, but they don't tend to be looking forward and making too many guesses along what impacts may be.

[01:55:30] They really want to see the actual results occur within both financial results, economic results, so forth and so on. Maybe it's in your sales tax, so forth. And so we've not seen any negative actions from the agencies, even given any of your neighbors and peers so far.

[01:55:48] They're going to ask some questions around it and want to understand what the conditions on sort of the ground are, so to speak. But I think what we tend to see are the financial state of most of your peers continues to be solid, nowhere near as robust as it was a couple years ago.

[01:56:05] But most of these agencies tend to try and look through cycles. And so they'll want to see and understand what are your plans for managing an economy that may be a little bit different than it was a couple years ago. They'll want to see and understand how well are we maintaining our fund balances relative to our peers and relative to our policies, so things like that.

[01:56:26] But I think, generally speaking, the agencies do not tend to sort of hypothesize too much around what various headlines may have in terms of an impact. They really tend to want to see what the

real data looks like. And so far, certainly there's been slowing or softening or leveling off after the very, very robust post-pandemic years, no doubt, unless there are other changes going on.

[01:56:53] but they tend to really be focused on what the data on the ground is. Thank you. Very helpful. My next question is, I think, slide 11, and two different types of bonds here.

[01:57:11] The comment I think you made was along the lines of needing to identify a source of payments for those, and there are two different types of bonds here that are referenced, general obligation and public facility revenue bonds.

[01:57:27] I'm curious to know how far along we are at actually identifying a source of repayments for the public facility revenue bonds and to understand that mechanism maybe a little bit more clearly also in contrast to the general obligation fund.

[01:57:56] That's a great question, Councilmember, and I think there's been some discussions internally and externally as well regarding that. Let me open up with this, and then we can definitely dive into it and give you some other examples as well. So in 1991, there was a Dykes versus Northern Virginia Transportation District Commission decision upheld the authority of the Virginia localities to issue certain types of debt, specifically revenue bonds, without requiring voter approval through a referendum.

[01:58:24] The Supreme Court of Virginia found that because these bonds were not backed by the full faith and credit of the locality and don't legally obligate taxpayer funds, they did not constitute debt under the constitutional provisions that trigger referendum requirements.

[01:58:41] This distinction reinforced a longstanding interpretation of Article 7, Section 10 of the Virginia Constitution, allowing local governments to finance infrastructure and public projects more flexibility. As a result, the ruling reaffirmed that non-general obligation debt can be issued administratively without direct voter approval.

[01:59:02] I got that directly from our bond attorney, our bond counsel, who very similarly with Davenport has been helping the city for over 25 years. And it's my understanding that I think his law firm, maybe not him directly, but his law firm was a part of that litigation and defended the representative during the Supreme Court case in Virginia.

[01:59:22] And then additionally, we had a conversation with Davenport over the last 24 years. The city has issued 27 original debt financing consisting of 24 non-referendum, or about 90%, and about three of them have been referendum, or about 10%, demonstrating a strong and consistent resilience on non-referendum authority and capital funding.

[01:59:47] Happy to go into more detail, but that was sort of an overview and sort of the position from the state, and I think Davenport can probably talk some more. Yeah, and maybe if I can piggyback on that in terms of the repayment source. And so the repayment source in either situation is really the city council in your budget and the debt service budget.

[02:00:07] And so whether it's a general obligation bond, which is the one mechanism to go borrow money, or it's these public facility revenue bonds, which is another mechanism to go borrow money, the ultimate repayment source, what the rating agencies look to with the investors, is really the budget of the city.

[02:00:24] and so that's where that planning process um in terms of uh the multi-year planning process that that you've been doing and the proposed budget with the city manager and and cfo have as we understand that the dollars built in there uh to make the payments on the various bonds and so it's really between the geos and the general obligation bonds i'm shortening to geos and the public facility revenue bonds just two different mechanisms to go borrow the dollars the ultimate repayment source though on a day-to-day year-to-year basis is is the city and city council from from your

[02:01:00] budget as we understand it that proposed 27 budget has the the payments for both the 22 million dollar pfrbs and the 22 million dollar general obligation bonds built in there if i understand it correctly even though the public facility bonds are sometimes i think called revenue bonds shorthandedly even though they're called that it's not necessarily the case that there is a requirement to have an earmarked set of revenues that are independent of general fund for instance

[02:01:38] gate receipts things like that we we don't have that requirement we have flexibility uh that's that's correct i think one when we get to the second presentation we'll talk about what true revenue bonds meaning we'll talk about that in the second in the second presentation but these public facility revenue bonds, you're correct insofar as there's not a requirement that you have an earmarked revenue stream to pay for those. There is a requirement that you have the dollars in your general fund debt service budget appropriated to make the debt service payments, but it's different than the revenue bonds we'll talk about for the sewer fund in a minute.

[02:02:17] And I guess the follow-up question is that for a public facility revenue bond, A referendum is not required, and parenthetically, I understand that 95 counties do have requirements for general obligation referenda, but the 38 cities in the state do not.

[02:02:38] Setting that aside, if a local government does conduct a referenda, does that mean that the public facility revenue bonds are counted against debt, whereas they would not be if there's no referendum?

[02:02:57] I think the, so there's two different concepts there. As we talk about, because we looked at that graph earlier, maybe Austin can flip to the debt ratio graph. As we as your advisor are looking at whether it's PFRBs, meaning public facility revenue bonds or general obligation bonds, as the rating agencies are looking at those two, they're looking at both of those and we're looking at them as debt, meaning we're going to go borrow dollars, it'll be repaid over time, and so we plan for it that way.

[02:03:29] and that's where as you look at the the ratios and the different cash flows we run we count all of that as dollars that are borrowed that need to be repaid over time with interest the nuance and maybe we're going with this is there are certain definitions within the the state code whereby debt is defined differently and so the state code definition of debt versus a lease obligation there is a nuance there but for practical the day-to-day application in terms of other credit markets are going to look at it in terms of how your ratios look at it whether you call it a pfrb or a general obligation bond it's really money that you've borrowed and that you'll repay over

[02:04:09] time which is the way it's planned for and shown in your ratios and i'm sorry to belabor it but i appreciate that i think the point of clarity that i'm after is just understanding theoretically hypothetically if we or any other city was to do a referendum on a project using one of the project facility mechanisms is that going to impact the city's credit ratings in a way that a general obligation fund would not okay

[02:04:48] so there's no price to be paid if you will for doing a referendum in terms of its impact on your credit trading okay then every time when we go talk to the rating agencies, which we'll do probably this spring and summer, will the legal mechanism to go access the credit markets and the legal mechanism by which it's authorized is a little different, meaning between GEOs and PFRBs. But again, they're going to look at that as a loan, use simple terms. That's a loan you've taken out as a city, and you're going to be obligated to repay it. Technically, the general obligation bonds have a legal obligation to repay debt service.

[02:05:25] Technically, the PFRBs, there is a subject to appropriation clause that is not as restrictive as the general obligation bonds. But as a AAA local government, the rating agencies are going to expect that you're going to make good on the payments, regardless of whether it's a GEO bond or a PFRB.

[02:05:44] Thank you. I hope that's helpful. Yeah, it is. Mayor, if I could. Yes, Mr. Martinez. Sorry. So, Council Member Peterson, correct. It does not affect our potential rating, yet issuing a referendum or not issuing a referendum, there is a defined time frame when a referendum is approved when debt has to be issued against that.

[02:06:06] It's eight years is typically what the range is with the potential two-year extension that you would need to get the circuit court involved and ask them for another two years beyond that. once that that's the window that's established so similarly because we're kind of talking about willard sherwood i think in a previous presentation that's we're at year 12 right now so if we would have potentially issued a referendum at the beginning or at the beginning stages of that we would be butting up against that eight ten year mark right now so just for consideration

[02:06:41] And to Mr. Martinez's point, what the PFRB process tends to give you is flexibility as a city. And so they're able to be authorized by action of city council. And so what you as a city have historically done, which is the same of many cities and a lot of counties, too, as you noticed, your charter requirements tend to resemble a county more so than a city.

[02:07:08] What those PFRBs give you is flexibility. And so at the discretion of city council, you can finance multiple types of projects together. To JC's point, you have the discretion to issue them when you need to issue them, when you want to issue them, when it makes the most sense to issue them.

[02:07:25] You can bundle multiple types of projects together. So it just so happens this planned FY27 is for a singular project. But if you look back in history, what is oftentimes done, just given the nature of the projects in a given year, is you're bundling multiple things together.

[02:07:44] And so you're able to go out with a single issuance and say, okay, we've got, you know, I'm going to make up some hypothetical examples. We need to do some repairs to buildings, and we're, you know, we're doing a new police station. We need to do some equipment. You're able to bundle some of those projects together at the discretion of, again, city council with your staff.

[02:08:04] And so that PFRB process that's subject to appropriation debt is given you, and your neighbors and peers across the state, more flexibility to manage some of the more, call it routine, types of projects that are typically found in your CIP on a year-to-year basis.

[02:08:23] The general obligation referendum approved projects have tended to be, over the years, some of the larger generational things. And so specifically that's usually schools. That was City Hall many, many years ago. And so that's usually the way the city has sort of operated historically, whereby schools is your

single largest capital need, obviously very much generational in terms of the timing that it takes and the scope of the overall project.

[02:08:52] And so that is typically over the last 25, 30 years what's gone to the referendum. And then these PFRBs or lease revenue bonds, they have different names at different times. Those have tended to be used more on an annual basis for the routine annual types of capital projects that oftentimes you want and need some more flexibility in terms of what types of projects are done, when they're done, and so forth and so on.

[02:09:19] So hopefully it adds a little bit more color to it. Council Member Hardy-Chandler. Thank you, and I think you are starting to answer the question that I'm about to ask. You talked repeatedly about that strategy being a common approach regionally, and I believe I heard you mention that we, There are other examples that we've employed, but I think you mentioned specifically something that was instituted in our city in 2023, and you followed that with success.

[02:09:52] And I'm wondering if you could speak a little bit more about that. Sure. Yes, certainly. So the last time the city borrowed for its general CIP in the public credit markets via these public facility revenue bonds was in 2023. And so, you know, I guess it is 2026, time flies, but in relatively recent history, you've used the exact same approach as what we're talking about right now with very good success in the public credit markets.

[02:10:20] And so point being, within your recent history, that was the last new money financing you did as a city. You employed and used those public facility revenue bonds, again, with success. What I mean by that is that you affirm the AAA ratings in that process.

[02:10:38] We bid those bonds competitively. We get very, very nice follow-through, meaning lots of bidders for the bonds themselves. And you're able to use those proceeds flexibly insofar as they were available at the discretion of city council, working obviously with your professional staff to help fund the variety of capital needs that you have within the city.

[02:11:02] Councilmember Hall. Thank you. Thanks for presentation. I have a couple questions. I think Councilmember Peterson hit on a lot of mine, so I'll have less than I anticipated. On page 7, is this on? Yeah. On page 7, in the comments here, it says, Following the issuance of the 2025 bonds, long-term liabilities represent a manageable 180% of revenue, but will increase in the coming years.

[02:11:28] And then the credit challenges list, fund balance and liquidity are below AAA medians. Can you comment on if we're already below the AAA medians as of then, what are we expecting once we add on this \$44 million of debt, and do we anticipate that that AAA bond rating will drop to put us in a different situation for getting credit this time around?

[02:11:51] So that specific quote, what they're talking about there is your fund balance. And so that, if you recall from past presentations, and we were just talking about earlier, we don't have a graph of that tonight, But one of the single best ways to help counteract the need to go borrow dollars and increase the debt load is to make sure you've got a really, really strong fund balance.

[02:12:12] And so if you go back 10, 15 years ago, you as a city had a much lower fund balance. And so collectively at the city, the city council at the time, and certainly professional staff have moved that fund balance up to help compensate for the fact that you're planning on taking out multiple borrowings.

[02:12:31] And so what they're really talking about there is the fund balance, which is the financial flexibility and the counterbalance in some ways to the fact that you're going to have a need to go borrow money in the future. Thank you. And so what's important in that is as you think about this fiscal year and future fiscal years, making sure that fund balance is as strong as you can make it.

[02:12:50] Yeah, and I know you've been working on that. So if I could add really quick, just to clarify in detail, and I think, Council Member Hall, you probably remember this better than myself at times. So we did not, let me say that one more time, we did not issue any 2025 bonds.

[02:13:06] The previous council got us ready to do it. I think last year, if you all recall, during budget deliberations, we held and did not issue bonds. We had the authority, that authority expired. We did not issue any bonds. Those bonds would have been specifically for Willard Sherwood.

[02:13:24] That's sort of where we are now, redoing this process. Additionally, as Mr. Lux mentioned, our current unassigned fund balance percentage is 17.7, dropped over so slightly from 18% the previous year. We are working on trying to maintain, if not grow that.

[02:13:41] And as Kyle also mentioned, we've grown as a city up to 15, and we've been healthy and been above 15 for at least three or four years now. Thank you. And yes, we did not issue debt. You are correct. There's another statement down here at the bottom that says increase in long-term liabilities nearing 350% of revenue, factors that could lead to a downgrade.

[02:14:05] Recognizing we didn't issue debt in 25, do we still have that concern that, I'm not doing the math in my head right now, but are we, when they say nearing 350% of revenue, does that include the full school bond as well as the full Willard Sherwood?

[02:14:20] Correct, yeah. Okay. Yeah, and so we're not near that level right now, and so that's why we're, you as a city, and we're looking at this annually, watching it, monitoring it, so forth and so on, and so you're a ways from that ratio right now, and again, that's where all the planning goes into and the ratios that we look at, so this \$22 million and the other \$22 million do not push that in that level.

[02:14:41] okay and then hopefully well never mind i won't say that um then on page eight down at the bottom there it's um just says the city maintains elevated debt per capita metrics when compared with similarly rated peers is there more information that's available on that or is this is this a concern or this is just a slight point of rating or flex it's it's the latter we certainly can can give you a rating uh we which we've done in the past um a comparison of that um debt per capita the rating agencies have tended to sort of downplay over the years that per capita

[02:15:17] measurement doesn't have any inflationary impact and so you as a smaller city I mean relatively speaking 24 25,000 people you're by nature going to have a little bit higher debt per capita because again they're looking broadly around both the state and the region and the nation and so they're comparing you to, say, a Virginia Beach that is also technically a city but is 20 times your size. And so it's a, I would say the latter point there and the last point you made, there was a slight point of clarification or a nuance in there, certainly something that we watch and are

[02:15:55] aware of. A lot of that has to do with just the fact that you're a smaller city and going through one of these cycles of capital reinvestment. Okay, thank you. And then just a couple more questions. So I did some research and I spoke with JC earlier regarding the GO bonds versus the revenue bonds and it sounds like because local government, like when you look up a regular revenue bond, it's very different

than what a local government bond is. So I only say that because for those of you who might be Googling at home or maybe that's just me,

[02:16:34] I think that's a point of clarification because what you might read about revenue bonds doesn't necessarily apply to the local government market. So that was helpful for me to learn. Yeah, and I think to your point, Council Member, we'll actually talk about what is probably more commonplace, as you might think, about revenue bonds in the next presentation.

[02:16:53] And so we'll have one more after this where I think we'll get to even a more definitive sort of differential. The public facility revenue bonds, the revenues there are really just the general revenues of the city. It's not the revenues of, for instance, in our next presentation, we'll talk about the revenues of the sewer fund.

[02:17:10] Those are a finite, distinct set of revenues. They're accounted for separately. Those are pledged to the repayment of the bonds in the sewer. What we're talking about with this public facility revenue, the revenues there, is really the general revenues of the city. It's not one specific line item.

[02:17:27] Okay. Obviously, we hope we bring in revenue. I think I just have one more question and comment. If you can go to slide 15, please. I just want to point out the 14% there with the red line and the 4% on the second chart there. Those are the new policies effective July 1st, if I recall, or were they effective immediately?

[02:17:47] They would be effective July 1st, fiscal year 2027, because that's what we adopted back in November. Okay. We were just showing that as what the rates would be when this would take into effect. Yeah, and I just wanted to point out the debt service versus expenditures previously was at 9%.

[02:18:05] Correct. And the other chart where it's now 4% was previously 4%. That one didn't change, I guess. 3%. 3%. Sorry, I wrote that down wrong. Okay. So just, and I only say that just because if we're looking at 27 and we're seeing why we couldn't have kept it at 9% because we're bumping up against that.

[02:18:23] But you have assured us that that is safe and wholesome and we are okay with these new policies. Correct. And I think since Davenport is here, they could probably reiterate it's extremely conservative. Where we were previously, even the numbers that are shown here are conservative to the rating agencies.

[02:18:42] This alone should not be any detrimental or negative impact solely on our rating based off of increasing these. Last time we were in New York, which would have been in December of 24, 23, we actually did have a conversation with them about increasing these.

[02:18:59] And they said as long as you can maintain other things, sort of that big pie that was in the earlier presentation, this is one portion of it, the debt side. The larger portion is on fund balance and how we manage the economy, things of that nature. We should be okay.

[02:19:15] Okay. Thank you. And you did give us that information that I think went out to the public, too, about what the bond agencies say. So I don't remember the exact meeting in November or December. We can reference that if people want to at home. So thank you. Councilmember Amos?

[02:19:30] Thank you. great presentation. I only had a question slash comment kind of both in one. When we're talking about observations and trends, I know there's some, you know, some updated metrics that we'll need on how the economy is doing, growth. Obviously, we've seen some assessment growth with this

budget that we're factoring in as well. From your perspective on recent years, I know you've referenced the post-pandemic boom, if you would say a couple times. From your perspective, is that also in conjunction with when the ARPA funds were issued, you saw a lot more localities trying to capitalize on that moving forward with these larger investment projects that may not have otherwise? And

[02:20:09] is that starting to, I guess, level out now that those funds are extinguishing? I think you've probably put two concepts there. One I would argue, and we're not an economist in that way, but the ARPA funds clearly provided a boost to local governments in terms of your ability to go use those. You as a city used those towards capital projects. There were plenty of other cities that had to use those for operations, which is not nearly as favorable as what most Virginia local governments were able to do, which is to put those into capital investment and really have those dollars

[02:20:46] be beneficial to you for years by virtue of doing that. So clearly the ARPA dollars came through at the same time period as we saw some of the big assessed value increases and so forth and so on, and those ARPA dollars will need to be spent by the end of this calendar year and so that clearly is a source of funding for local governments writ large that'll be gone at the end of 2026 calendar year council member

[02:21:18] mcquillan okay going back to this council member hall asked a question regarding i think it was also slide 15 and it was in regards to the 100 or 180 percent of revenue uh and projected to rise for long-term liabilities. My question is what guardrails do we have in place to prevent us from exceeding our own debt service policy? I know we have them. Yeah and so the first is you on at least an annual basis as a city and certainly through your budget process and we're even here even more

[02:21:55] often than that are routinely looking at what are the long-term projections for your debt levels given what's in your cip and so your guardrails you've had city council adopted policies for years and years you've adhered to those policies that's what you see up on the screen right now the as of July 1st policies up there and so those are first and foremost your guardrails and it's looked at annually as well and so you as a city council each and every year you're looking at the cip you're looking at the budget you're making those adjustments as need be

[02:22:31] obviously with your professional staff and being able to to make those adjustments with when what is borrowed and what your fund balance levels are so forth and so on so you've had adopted policies for a long time you've adhered to those and those really serve as first and foremost the those guardrails for for management excellent just to add on to that so if you remember or note so Our budget director, Gwen Riddle, comes up every quarter and provides a quarterly update.

[02:23:05] That was actually one of the comments that the rating agencies really valued because not every locality does that. So that's one check-in or barometer that happens every few months with council. Additionally, the city has, very briefly, exceeded those back in about 2010-2012 time frame.

[02:23:28] We broached that ceiling for about a year or two. We were actually upgraded from AA to AAA during that time frame as well, and then we quickly came back down. So it's not necessarily a bad thing if you touch and slightly go above that threshold, but I think the more important thing is are you disciplined enough to come back down and maintain a below-threshold amount.

[02:23:51] So we have done it in the past. I think one of the things that Davenport will probably attest to is the city's finances and the way we manage is very conservative, very prudent, and I don't see that changing

under this manager or our time here as well. Excellent.

[02:24:07] To Mr. Martinez's point, the ability to show a complete plan really plays into that. And so going back to that 2010 time period 15, 16 years ago, you did broach a couple of those debt policies, but there was a plan and a demonstration that we knew that was going to happen.

[02:24:24] It wasn't a surprise. There was a capital investment cycle that needed to be done, And we went up over it and came right back down and were able to show that full path through the whole cycle. So a lot of it has to do with being able to look not just at this next fiscal year, but what do things look like over the next five, even ten years.

[02:24:43] Yeah, you read my mind because that was my thought process was you had mentioned that we have plenty of capacity. And the 5% interest rate is really what I was concerned about. You had said that you plan for the rates conservatively. So that makes me feel good about it. But then, of course, I always wonder what happens if that's off.

[02:25:00] So you just answered my question. Thank you so much. I appreciate that. And thank you, Mr. Martinez. Appreciate that. Councilmember Bates? Thank you. A couple follow-up questions about the debt service metrics. So first off, you mentioned with regard to debt service per capita, the size of our jurisdiction, I would imagine that's sort of a reference to the economies of scale that larger jurisdictions might experience, that kind of thing.

[02:25:30] But also with regard to our geographic location, we live in, you know, the most expensive region of the state. And when we're paying contractors, you know, a lot of them might be based in this area as well. So would you say that that could also impact that as well?

[02:25:50] Yeah, insofar as if you looked at northern Virginia broadly versus south side or southwest Virginia, it is a much different economy, even if it's in a different portion of the state. So that's where, as you look back, maybe often if you go back to the pie chart there, the rating agencies are looking broadly across the country and even within the state.

[02:26:15] While our population is maybe on the relatively speaking smaller side, your demographic levels, your income levels is very, very high relative to other areas of the state and the nation. That gives you a stronger score in the demographic side of things.

[02:26:32] Your unemployment rates tend to be very, very low, so forth and so on. So there are a number of these factors that play in, and they balance off each other. And so something you're going to build here in Fairfax and Northern Virginia is probably going to be more expensive in raw dollars than it's going to be in Wise County, Virginia.

[02:26:52] But your demographics tend to be, per the data, much, much stronger than it is in Wise County. And so they take all of those things into account. It's never exactly perfect, but that generally is their idea in terms of looking across both demographic, debt, financial, and management factors.

[02:27:09] Mm-hmm. And debt service relative to revenue, that's something else that, like, let's say, you know, we had a higher real estate tax rate than we do. That's going to mean that debt service relative to revenue is not going to be quite as significant, right? That's right. Yeah. The greater your base of revenues, the smaller that ratio, and the smaller that ratio, the stronger it looks to the rating agencies mm-hmm

yeah thank you other questions at this time exceptionally well done thank you team for another wonderful presentation

[02:27:49] on our budget it's not the last one so everyone can stay tuned for the next installment as we march toward April 28th miss Shinneberry we're gonna continue mayor and council on the second part which is the wastewater fund analysis same group of individuals as exciting as the first though I will add Right, Mr. Mayor, members of, I'm sorry, Madam Mayor, members of council, sorry.

[02:28:23] I'm a little distracted there, getting my little sip of water there. But again, our second presentation, which we've kind of segued into, is something we haven't, in fairness, talked about in great detail for a number of years, but it's something you've had in place and is important to how you run your city financially.

[02:28:42] And so that is our wastewater fund. Everything we were just talking about in the prior presentation really kind of wraps up under the general fund. You obviously have a number of enterprise funds, and those concepts of enterprise funds are funds that have a very specific revenue source tied to the business, if you will, of running those various enterprises.

[02:29:06] So the one I'm going to talk about this evening is the wastewater fund. This fund goes back a number, a number of years. At one point, we had a water and a wastewater fund. Water, obviously, is now part of the county, and you've retained the wastewater component of that.

[02:29:23] And so a little bit different than many of your neighbors and peers that still have water and sewer. You just have the sewer side of the equation to handle. And so we're going to talk about an update to the planning for wastewater. And I'll probably interchange wastewater and sewer, but it's the same thing for discussion purposes.

[02:29:42] So flip the page here. So, again, I don't think we need to reintroduce ourselves. You know who we are there, so we'll go to the next page. And so we really looked at this in detail last in 2021. So it's been about five years, which is a pretty normal cycle. About every five years, it's good to be updating a plan like this for the Wastewater Enterprise Fund.

[02:30:02] Importantly, the concept of an enterprise fund basically means that all of the revenues and expenditures are captured within a specific fund. So there's no general fund dollars that go to help the wastewater fund. The best practice in how it is we have this quote-unquote enterprise fund is the revenues of the sewer fund pay for all of the expenses, whether it's operating capital or debt service.

[02:30:26] That is a best practice. That's what you've had in place. And the planning we're going to talk about is really intended to make sure we can continue to do that into the future. That's not only a best practice, but it also helps to insulate the general fund, knowing all the various things we're doing, meaning you as a city are doing on the general fund, having a self-supporting sewer fund means that those critical services within sewer are done up to the professional standards you need them, and they are not a drain on the general fund.

[02:30:56] So a lot of what we're talking about here, while it is totally separate and isolated from the general fund, the reason we do that is to make sure we are protecting the general fund, knowing that there is a considerable drain and strain on the resources that are limited over there. So we'll do a couple things, and I'll talk for a couple pages.

[02:31:17] Austin will do a couple pages as well, so you don't have to listen to me for the whole presentation here in fairness. We'll do some history in terms of the wastewater fund. We'll look at some of the city-adopted financial policies. So prior presentation, we were talking about the general fund, debt policies.

[02:31:34] We've got the same thing on the sewer fund. That all goes with the management, making sure that this wastewater fund continues to be self-supporting and not a drain on the general fund. We'll talk about the existing debt profile. We do have some debt on the wastewater fund.

[02:31:49] It tends to be a capital-intensive type of operation to run, and so that's not unusual. We'll talk about what that looks like, give you a couple peer comparatives, and then the end of this, like the most important piece is really a going forward projection. And so we last did this in detail about five years ago. Again, it's time to update that five-year plan so that you have a good window over the next five years of what your revenues and expenditures likely need to be to support operations, capital, and debt service. So we'll keep flipping here. So what we

[02:32:29] see on the page on page number five is a history of the revenues and expenditures, again, in that wastewater fund. You've got a variety of bars here in terms of both revenues and expenditures. What's important, though, is if you take your eye to the table sort of down at the bottom of the page there, our revenues have been growing about six and a half percent a year. So you've raised rates typically about six percent a year. That's been keeping pace with inflation, which has been higher for purposes of running utility system so you get about six and a half

[02:33:07] percent revenue growth historically the operating expenditures you've seen more growth over that five-year time period and so whether that's from just general inflationary pressures whether it's regulatory things all of those have been putting pressure on the general operating expenditures of that system that's not unique to the city basically all of your neighbors and peers are facing those same pressures and so as we look at that it gives us another rationale to say you know it's really time we need to look at the multi-year plan here and make sure we're resetting things in

[02:33:42] such a way that we can fully cover the cost of operations capital and debt service and so we just make those make those points the last time we borrowed any dollars for the sewer fund was in 2022 so it's been about four years we'll talk about this in a couple pages that money's all been spent and so another reason we're here thinking about this updated plan is there's going to be a continuum of new needs that will be required for the wastewater fund and so we've really spent the prior dollars from about four years ago we need to make sure we sort of refill that bucket so you continue

[02:34:18] with those required projects flip the page what is a component of the wastewater fund is you do have as in many other aspects of the city at a a partnership a contract with the county and so a portion of the costs whether it's operating or capital of our wastewater fund are driven by that partnership with the county what we're showing here on the left and right hand side is historically what proportion of our costs have been tied to

[02:34:59] city specific types of expenditures that you as a city and your staff control versus those that are sort of part and parcel of the county and basically the bills that we get for purposes of operations and capital. On the left-hand side, the operating costs, that's been about 50-50.

[02:35:20] And so about 50% of the expenditures on the operating side has been sort of city-related things. About 50% has been tied to the county, so it's about 50-50. On the right-hand side, though, what is a little bit unique about the capital side of the sewer fund is a lot of that cost is driven by your relationship and contract with the county.

[02:35:41] And so what you're really seeing there is about 90 percent, I'm rounding up a little bit, about 89 percent of the cost of the capital that you've done over the last five or so years has been tied to quote-unquote county projects, which is really your proportionate share of the Nomen coal sewer plant.

[02:36:02] As we look into the future in terms of the numbers that have been given to us, that is going to be a major driver of what you need to fund as a city going forward, which is updates and enhancements to that noven coal plant.

[02:36:18] And so we just make that point that a lot of this is tied into your larger regional partnerships, especially that with the county. On page number seven, we'll show a little bit of history, and we'll talk about the financial policies.

[02:36:37] So, again, similar themes here. On the general fund, we've got policies. With the wastewater fund, we have policies as well. It goes to that management side that the rating agencies and outside the lenders are looking at. And there's two in particular that we'll highlight here. On the left-hand side, you see a debt service coverage ratio.

[02:36:55] That is our utility corollary to debt service to expenditures we looked at in the prior page. A higher number here is better, the way this particular ratio works. Your policy for the moment says that we want that debt service coverage ratio to be at least 1.15X or 1.15 times.

[02:37:15] What that means is that we want to have at least \$1.15 of revenue for every dollar of debt service for the sewer fund at a minimum. Historically, in those green bars, you've been well above that. It's come down the last couple of years. We last borrowed in 2022, but it's remained solidly above.

[02:37:34] One recommendation we have for you is to move that 1.15 policy to 1.3. It's actually strengthening it a little bit. Make sure we've got even better cash flow in the sewer fund. That'll be good for purposes of the rating agencies and lenders.

[02:37:52] It's also going to make sure that you have sufficient cash flow that'll help cash fund, meaning not borrow for everything, but have a balance of cash-funded and borrowed projects as we look into the CIP in the future. The other ratio on the right-hand side called day's cash on hand.

[02:38:10] So this is the sewer fund corollary to the fund balance on the general fund. Again, in this particular ratio, a higher number is better. Our current policy is to have 20% that's in the red line. Again, our recommendation as you work through this budget is to enhance that a little bit, get ourselves up a little bit more.

[02:38:31] We talked in the prior discussion about just how important fund balance and reserves and liquidity are. And so the sense here as we look at this planning is let's go ahead and enhance, make that stronger in terms of that day's cash on hand policy with the budget and move that to 120 days. You can see that visually in the graphs there, moving from the red lines to the orange lines, which is making both of those stronger.

[02:38:53] On the next page, page 8, I mentioned this. This is the existing debt profile for the wastewater fund. There's roughly \$30 million of debt outstanding. All of this is paid for from the sewer fund itself.

[02:39:11] So this is not an impact to the general fund. It's not an impact to your tax rates. It is born within the rates and charges that are paid on the sewer bills. You can see the structure of the debt in that picture there. It's level each and every year. That's very normal for a utility system.

[02:39:27] It looks much like a mortgage, like we talked about on the general fund side. All of this debt is fixed rate. So there's many themes here from the general fund that translate over to the sewer fund. On page number nine, a little bit of history in terms of what your rates and charges have been over the last five years.

[02:39:50] I mentioned this at the outset. You've been incrementally adjusting these rates on an annual basis, 6% a year. Most really well-run utility systems are making annual adjustments, knowing that whether it's inflationary increases or regulatory increases, there's just an increase in cost of doing business, especially in a system that is as critical as the wastewater.

[02:40:12] And so you've been doing those routine annual historically 6%. I'll jump forward a couple pages. The plan and the recommendation is to keep with that 6% for next year. And, again, that's really in keeping pace with inflation and having sufficient revenues to continue making the investments into the system to maintain regulatory compliance, so forth and so on.

[02:40:36] On page 10, then, we've given a snapshot of what we call the typical residential bill for both water and sewer. So obviously folks are having both water and sewer in their bills.

[02:40:55] And the water is obviously sort of controlled by the county. The sewer, though, is yours in terms of the city. And so you see what that bill's been over the last five or six years. It's been growing at about 5%, 6% annually.

[02:41:11] And so, again, as you think about the cost of other things in your lives, whether it's your cell phone bill, other necessities, Internet, so forth and so on, your aggregate for a typical residential customer is about \$90 a month for both water and sewer. And so compare that to other critical necessities that you're paying.

[02:41:31] And this tends to be a very cost-effective utility and necessity in terms of where you are with the bill. On page 11, we'll compare that monthly bill to your neighbors and peers.

[02:41:47] And so what you will see on this comparison, you are amongst the lowest in the region as you look at your combined bill for water and sewer. You're at that roughly \$90. I'm rounding up a little bit about \$89.64. You can see where you compare Fairfax Water, even though they're much larger than you are with the sewer side of the equation, is really just a couple dollars different.

[02:42:10] You're right there, even with a much larger scale. that they have the manassas viennas leesburgs so forth and so on that are more directly comparable to you as a city in terms of size are all more expensive in terms of their current bill and so you start right now from a very competitive standpoint very reasonable standpoint uh in terms of where the bill is relative to your peers and neighbors so as we flip the page to 12 we'll really get to the going forward projections and so i've mentioned this a couple times whereby

[02:42:50] This fund needs to pay for operations, capital, and debt service. And one of the biggest drivers of the costs here is the capital, the CIP. And so what you see on the page is numbers that have been given to us, again, by your professional staff, of what that capital is projected to be.

[02:43:09] And I use that term purposely projected over the next 10 or so years. And so we've used these numbers in the planning projections. In 2027, the capital component of the wastewater is expected to be about \$11.5 million.

[02:43:26] You look at that breakout, the local portion is about \$1.6 million. And the portion that is tied to the Nomen coal plant that's run by the county is about \$9.8 million. And so you harken back a couple pages of those pie graphs we were looking at, roughly 90% of the capital is tied to our partnership with the county.

[02:43:45] And you see that reflected in these numbers on a going-forward basis. These are higher than what you have seen historically. So as we reset and re-look at this plan, we are taking these higher numbers into account. Again, these are given to us, and the Nomen coal is really given to us by the county.

[02:44:03] So we're reacting to that and resetting the plan to basically grow into some of these projected higher capital costs. And an important point, though, and Austin will talk about this, This plan is designed to be looked at annually.

[02:44:19] Just like on the general fund, we talked about, all right, what are the checks and balances to all of this? It's really part of an annual process with the budget and CIP. So the numbers we've set up are the best estimates we have right now, given the information we have. Obviously, what they need to take action on FY 2027, the real intent and the best practice, though, is to make sure on an annual basis we're going back and relooking at these numbers and saying, okay, how many dollars are actually spent on capital?

[02:44:45] What are our actual reserves? How many dollars do we need to borrow and when? And so as Austin's going to talk about here, the going forward plan, keep that in mind. This is designed to be looked at annually. It can be adjusted in year two and year three. We've tried to err on a conservative basis when we look at this, but it will, again, have that guardrail of being able to be looked at annually by your professional staff with us and obviously you as a council.

[02:45:10] So with that, I'm going to hand the baton here to Austin. We'll take you through the next couple pages and then answer any questions you have. Good evening, Mayor, members of Council. My name is Austin Sachs. Appreciate the intro from Kyle. Like he said, I'll be running through the financial projections on the Wastewater Fund on these first couple of slides, getting into the assumptions that have been made.

[02:45:47] And so, I won't go through every bullet point, but just at the top, using the FY26 budget for the projections going forward, We've got a proposed budget now and would expect the numbers going forward to be relatively in alignment with those figures.

[02:46:05] In terms of the financial ratio targets, like Kyle said, proposing some increased levels to the policy minimums, so that 1.3 times debt service coverage ratio and the 120 days cash on hand. I think what we would say is we'd like to see those numbers stronger, and you'll see how those will look over the five-year forecast.

[02:46:26] but doing the rate modeling to those minimum policy levels. In terms of revenues, like I said, solving to meet those metrics. And then the last point that I'll make on this page is we haven't counted on

any availability fees or connection charges.

[02:46:45] Those tend to be or they are one time and they're hard to predict. They're largely tied to developments. And so we haven't counted on those, but to the extent they're realized and when they're realized, Those dollars can be deployed to cash fund additional CIP projects and decrease the debt burden.

[02:47:04] On the next slide, just looking at the expenditure assumptions using the 26 budget as a baseline, we've grown those at 5%. The one adjustment has been made to the county wastewater treatment contract that's been updated to reflect the amended budget at that \$3.4 million figure.

[02:47:28] In terms of the CIP program, like Kyle said, using the best estimates from city staff. And in terms of new debt, we looked at 20 years on the school program, 25 on the public facility revenue bonds.

[02:47:44] In terms of the type of assets financed here, with the wastewater program looking at a 30-year term, that's widely used across the industry, lots of pipes going into the ground that have very long, useful lives. And so a 30-year term, very commensurate, these types of assets financed typically last well longer than that 30-year time period.

[02:48:13] On slide 15 here, just getting into the CIP funding sources. And so these figures align with the CIP we looked at a couple pages ago that Cal presented in terms of what we're looking at on an annual basis to fund via debt and what to fund via cash via recurring revenues and or fund balance and so we're well through FY 26 at this point it's our expectation that those projects are going to be cash funded and so we'll continue to rely on updated estimates from city staff on what that number comes out to at the end of the fiscal year

[02:48:51] looking at audits and quarterly financial reports and so as we look forward to FY 27 That's when we're looking towards the first borrowing, and you can see that in the blue box there, that roughly \$9.9 million.

[02:49:07] And so, importantly, that's tied to the county nomenclal contract portion. And we're anticipating on cash funding the city portion of the CIP as you have more control over that. And as Kyle said, we have the opportunity on an annual basis to readjust, to reassess, and adjust those figures.

[02:49:28] And so over the six-year time period, looking at roughly \$82 million in total capital investment, and you can see in that second bullet point at the top there, about 40% is anticipated to be cash-funded, and about 60% is anticipated to be debt-funded.

[02:49:45] So not too heavily reliant on debt in terms of funding the wastewater capital projects. On slide 16 here, this is a very high-level overview of the modeling.

[02:50:01] And so what you're looking at is a combination of revenues, operating expenditures, debt service payments, and cash-funded capital. And so in the blue line with the blue dots, those are the projected revenues. You can see FY26 adding up all the bars.

[02:50:19] If the capital expenditure, which is hard to predict, projects can overlap between fiscal years, kind of goes as budgeted, there is anticipated to be a draw on reserves. But the fund is in strong enough financial shape to take on those expenditures and remain well in compliance with the day's cash on hand policy.

[02:50:43] As we go into FY27, that's anticipated to be a lighter capital intensive year on the city side. And so you can see the blue line actually exceeds the bars. And as we go forward, you can see the slight

increase in the revenues, and that's to take on the additional capital investment.

[02:51:04] The one additional thing that I'll say on this page, like I said earlier, we're not counting on those availability fees. We haven't factored in any grants, and so to the extent that those are realized, that would just make the financial picture look better as we look at the ratios on the coming pages.

[02:51:21] So on slide 17 here, Kyle touched on these ratios over the past five fiscal years, and so this is on a going-forward basis in terms of what these ratios look like relative to those updated policy minimums.

[02:51:41] And so on the left-hand side, days cash on hand, very strong in terms of days cash on hand, almost 700 days at the end of FY26, and projected to remain very strong into FY27. As those CIP projects continue to pick up and the city executes on those additional capital investments, you can see the downward slope in that day's cash-on-hand metric.

[02:52:05] But like Kyle said, reference, we're going to reevaluate this annually, and to the extent financials come in better than budgeted, availability fees are realized, or capital investment is slower than projected, these ratios could look better.

[02:52:22] On the right-hand side, debt service coverage ratio, that ratio continues to look strongly as a result of the combination of cash funding and debt funding and the adjustment to rates ramping up over the next five or so fiscal years.

[02:52:40] And then on slide 18 here, this is the projected rate increases of the next five years, importantly focused on the fiscal 27 budget, as Kyle referenced at the beginning, projecting or proposing a 6% rate increase to wastewater rates.

[02:53:01] And you can see going forward into 28, 29, 30, 31, that's where we see a potential for a slight ramp up at the rate of those increases. You see 6.5% in 28, 7% in 29, 8% in 30, therefore, and 9% in 31.

[02:53:22] Importantly, these are our best estimates. These are projections. And you can see on the left-hand side, we've highlighted some key components on what will drive those needed rate increases. First one being operating cost growths, like Kyle said.

[02:53:38] On the county side, to the extent those are able to increase at a rate lower than what we've projected or a similar case on the city side, the need for these higher rate increases could be decreased.

[02:53:53] Capital spending, to the extent that's slower than we've projected, that could also change these projections and then highlighting once again on one-time funding that could be available for capital. And then the last thing I'll point out on this page in the top right in terms of that monthly residential bill, we're at about \$63.50 in terms of the sewer for roughly 4,600 gallons per month.

[02:54:20] In terms of what that would look like with the proposed rate increases, roughly \$4 in FY27, and that incrementally ramps up over the five-year time period. On slide 19 here, just touching on the plan of finance for the Wastewater Fund, as I highlighted in the CIP over the next five years, in FY27 we're looking at financing approximately \$9.9 million of capital related to Noman Coal.

[02:54:54] That's the first year of the CIP. We're anticipating using wastewater revenue bonds. These are bonds that will be fully supported by the revenues of the wastewater system. And so those will be pledged revenues to repayment of that debt. In the second bullet point, talk about using the Virginia Resources Authority pooled financing program.

[02:55:16] The city's had very much success in using that previously. It was previously used in 2022. It allows the city to access the public credit markets through the VRA pool, achieve that 30-year debt term at favorable interest rates without an independent credit rating on the wastewater utility system itself.

[02:55:41] Like I'll also mention, this insulates any effect to the city's tax-supported borrowing capacity. These are totally independent. The rating agencies view these as a separate credit, and so it does not affect the city's tax-supported borrowing capacity for general fund capital as well as school capital.

[02:56:04] I'll get into the schedule in a couple pages, but you see in that blue box there, we'll come back in a couple months asking City Council to authorize an issuance of up to \$11 million to fund those project costs.

[02:56:21] And so that's just really allowing that flexibility to fund the \$9.9 million dependent on current market rates at that time and the current realities of the market, whether premium or discount bonds.

[02:56:43] Lastly, on slide 20, just in terms of concluding observations, over the last five years, the funds performed very strongly financially, very strong metrics in terms of days cash on hand, debt service coverage. We plan on using significant cash reserves to fund capital in the short term here and over the five-year time period going forward.

[02:57:06] But we do see that increased need on the capital side in terms of the CIP. The level of capital investment compared to the five years prior is increased over the next five to ten year time period. And so I think the biggest point on this page is in that blue box that we'll continue to look at this annually throughout the budget process.

[02:57:27] And we've got the option to course correct as necessary each and every fiscal year going forward to take into account the most recent data. And then on the last page, we've just got next steps.

[02:57:46] Like I mentioned, in April, we'll be back to introduce an ordinance and really look for council public hearing and action at your May meeting. And that would authorize us to move forward with the VRA program, which would provide funds in hand in the early August time frame.

[02:58:07] And so with that, happy to address, answer any questions as it relates to the wastewater fund. Councilmember Hall. Thank you. A couple questions, and I'll go back to the slides. But just large picture. You said that the numbers in here don't include any grants.

[02:58:23] Are we expecting that there will be grants available in the coming years that we would qualify for? Do we have any sort of estimate of what that might look like? I think we'd really defer to the staff on that. I think as we are getting that information, we're really trying to just be conservative.

[02:58:41] And so to the extent we get some grants that can make all these numbers look better, I think JC with Satoshi and the rest of the team are probably looking at grants, I think, wherever you can find them. but we don't want to count the chickens before they hatch in the planet. Do we have any expectation that there's anything out there?

[02:58:59] So as Mr. Lux noted, and I know Program Manager Satoshi is here as well, we are actively and routinely reviewing any ability to get grants, whether they're through DEQ or federal grants or anything of that nature, either on stormwater or wastewater as well, and we apply those.

[02:59:18] But to be conservative in our modeling, We don't want to anticipate without having them. If they are, it's just additional revenue that we would potentially bring in to either offset any future capital

costs, as was noted in the presentation. A long answer to say yes, but no.

[02:59:36] But no. Okay. On page 14, it says on here that for new debt, Davenport has assumed a 30-year repayment term with two years of interest only. Is that common? Or is that new for this debt issuance?

[02:59:54] We've used that structure historically, the goal there being to incrementally ramp up and allow the rates to adjust to take on that new debt. And so it just really allows that flexibility to, you know, ramp into full debt service payments over two years.

[03:00:10] Does that come with a higher interest rate in order to allow that to happen? Is it kind of like an arm where it's one thing for, no? No, the rate is still fixed, and so it's not a higher interest rate. We can just, as Austin just mentioned, we can kind of build into the payments, but still with a fixed interest rate.

[03:00:27] So it's not an arm. It's not a reset. Okay. It just allows a little bit less up front of an impact to your budget, which then allows a little bit less impact to the rates in the short run. So just a gradual increasing of it, but it doesn't come with a penalty or a higher interest rate.

[03:00:44] Okay. Yeah. No, it makes sense. I mean, you need to get the money in order to pay the money back, but I was just curious. So thank you for clarifying that. Am I reading this correct on page 15 that I know we mentioned, you mentioned \$9.9 million, which I guess we're going to try to do \$11 million in debt financing.

[03:01:02] Are we then anticipating \$11 million of additional debt in 28, \$9.4 of additional debt in 2029, and so on? That's correct. Yes. Those are numbers that have been given to us. And so that's, as Austin was mentioning, we were mentioning that the capital costs are projected to be higher than they've been historically and so that's where we keep kind of going back to we want to relook at this annually we've used the numbers that have been given to us it's higher than it's been in the past what we tend to see with a lot of these capital projects so spending can be slower than what is projected and so maybe that happens we don't know that for certain but we want to

[03:01:41] kind of come back and relook at this annually but to your point which is accurate the current plan does anticipate those amounts per year needing to be borrowed largely for your share of the Nomen coal plant. Okay. And I recognize that I'm not shooting the messenger here. I'm just asking for clarification and all of that. So understand you're providing information on numbers you receive. Yes. So, Council Member, if I could reference page 12. I think on the bottom there, it clearly shows the anticipated CIP costs of, one, what the city is expecting to do,

[03:02:19] which, in my opinion, is relatively small compared to the second line there of the Nomen M Coal plant, where it shows, on average, over \$10 million needed to do capital improvements within that plant. So in total, over almost a 10-year period, almost \$102 million in direct support of plant upgrades or CIP upgrades there.

[03:02:43] That's the largest pressure, as Kyle stated, and as Mr. Ito could support as well. We receive on an annual basis an estimate from Fairfax Water Nomenclous specifically what those planned upgrades are going to be.

[03:02:59] They forecast it out. We plug that information in. It does vary, sort of like other large projects. Things get delayed. There's backlogs. There's supply issues. I think, as noted in one of the blue sections or

the blue boxes, we will revisit this on an annual basis, adjust and be agile as much as we can, and project forward as well.

[03:03:24] And to be clear, this is essentially what it costs to flush our toilets, to get rid of wastewater, correct? Not making it sexy, just being specific. This is to treat the wastewater. Yeah. We transport it, and they treat it.

[03:03:40] Okay. And so I do have some additional questions, and I don't know if you're exactly, you're probably not the right people to ask, but whoever wants to jump in, feel free. I was reading about the impacts of high-density housing on stormwater, and more development seems to equal more stormwater infiltration issues.

[03:04:01] And it was saying that it's not just the amount of water, it's also the volume and the density of things that go through. And please let me know if I'm wrong, but there's that part of it. There's also, as the county is adding to their population, as the other areas that use this treatment center are adding to their population, and as we add, are we paying a per capita?

[03:04:27] Are we paying a somewhat population? Like, how is that number divided out? And are we, if Fairfax County increases our population, but we don't, are we still paying a different share of that? I guess Satoshi could talk about how the flows are metered.

[03:04:52] The city owns 6.27% of the Nomen Coal Treatment Plant, and that provides approximately 4.2 million gallons per day of treatment capacity. That is in the wastewater contract. That does not change based on population. That is a set flow rate.

[03:05:08] That is metered by the county. Incoming and outgoing sewer flows are metered through the city, and that is calculated at the end of every month. Okay, so if we added 1,000 more people or 5,000 more people, are we still paying that 6.27% or because we'd be metering more water at the end of the day or the month that it would change that?

[03:05:32] We own 6.27% of the plant and the capacity is 4.2 million gallons per day. The amount of wastewater that we transmit is between 3 and 3.2 million gallons per day. So we're using less than our allotted capacity. Okay. So is it fair to say that we're using 3 to 3.2 million for, let's call it 25,000 people? Yes. Okay. So we will hit a cap at some point where we can no longer bring in more

[03:06:02] people without exceeding that 4.2 million cap. Theoretically, if density continues to increase, you could hit that cap. What we're seeing, though, is that new development has not significantly increased the wastewater flow rates. It has increased the treatment requirements, but not the flow rates. Okay. And so how does increasing the treatment part differ from a cost or a longevity standpoint compared to the flow? I think I'm probably not using the right words, but.

[03:06:41] Well, what I'm hearing is that because of low-flow technology for toilets and such, the effluent that's going to the plant is a lot more concentrated. It's less diluted because of low-flow technology. This is one of the reasons why they have to invest in the plant, because the effluents are a lot different than they used to be 10 years ago.

[03:07:05] Not only are they more concentrated, but there's a lot more different chemicals going into them, medications things like that corrosives and plus regulatory upgrades and compliance upgrades so the combination of of all those things is what's kind of driving the the capital improvements at the nomen

call okay and so it looks like nomen call was built in the 70s and was never anticipated to handle what it's been doing so it's been upgraded and kind of piecemeal together over the past well the nomen call plant has got numerous buildings that all do different things

[03:07:40] to help treat the water and you know these buildings need to be repaired maintained and upgraded so many years so it's almost like a ongoing cycle because by the time they finish working on the last building the first building needs upgrades again so they really and Satoshi and I met with those folks they really don't see much of an end to this type of improvement.

[03:08:06] So it's reasonable to expect that in the 10 years that we're looking at right now of \$10 million a year, that that roughly \$10 million a year is just going to continue for perpetuity. And it's probably going to be more because costs will be more at that time.

[03:08:23] Like I think Davenport said, we need to look at it every year. I mean, I know with even though ours is a smaller amount, in 2014, when the water system was sold, the sanitary sewer system was turned over to public works.

[03:08:40] And speaking with the finance director back then, they really hadn't been focusing on a lot of the capital projects. A lot of the money wasn't being spent. So Mr. Ito and the street footprint and I were very aggressive in an analysis program, and we've spent a lot of money lining pipes.

[03:09:02] And I think in some regards, and Mr. Remsen and Annie could give more detail, we've caught up in some of the pipe lining. And when you line a pipe, it could last for 30 to 50 years.

[03:09:17] And that was one of the reasons why when we took over, some of the increases were more than 6%. But I think that we have caught up. And, Satoshi, if you'd like to talk about the condition now as it was when we took over.

[03:09:34] We've, over the last few years, developed an asset management program that systematically inspects rates the condition of and allows us to prioritize maintenance activities on pipes based on their condition. This is a new capability. So for the first time in the last few years, our capital program has been planned based on data that we've collected rather than just age or location.

[03:10:00] And we've been systematically lining pipes based on that condition assessments that we've been conducting. And I very much appreciate that. And I think that, you know, 10 years from now, us will be very happy that we put this time and money and energy into this. But I think if we're looking at page 12, it's pretty obvious that we are half of the CIP for local projects compared to the Nomen coal plant.

[03:10:27] So that's why I'm just saying, even if we've done everything we can, and we do everything we can over the next 10 years, and let's say our number drops in half, we are still going to likely, no one's putting out a crystal ball, likely be expecting potentially \$10 million a year or thereabouts for the Norman Cole plant to continue to be upgraded.

[03:10:49] To your point, that once they're done with these buildings, there's new buildings to come. Yeah, and, you know, there's always the possibility that Nomenclal will come up with new technologies to treat the wastewater, maybe ultraviolet. I don't know, all these, you know, high. Was that poo thing that sprayed the poo?

[03:11:06] All I'm saying is they might find more cost-effective ways in the future to treat the water. So, you know, we do need to look at it every year. Okay, but if we were to, and I'm sorry I didn't do these

numbers in advance, But if we were to take out or significantly reduce our local CIP projects and then just be dealing with the Nomen Cole anticipated \$10 million a year, totally a random number, but would we need to issue debt every year in order to do this?

[03:11:32] Or would this enterprise fund be able to manage that just based upon revenues in? For planning purposes, it's reasonable to be thinking you're going to be borrowing some increment of debt, whether it's every year, every other year, every three years.

[03:11:49] And that's what's built into the planning here. So as we look at the plan, as we look at the rates, that's all anticipated in there. Because bear in mind, you're also paying debt off. And so it's one big secular thing insofar as your existing debt, you're paying that off.

[03:12:05] That's for old projects. You're taking on new debt. And so it's really that balance of the revenues and expenditures and making sure we're keeping the rates in line such that we can pay for the aggregate of it all. So it's not just that we're adding \$10-plus million of new debt a year.

[03:12:22] We're also paying some debt off over time. Yeah, no, it's like when your kids are in daycare and you're paying for daycare and then you're paying for diapers and then that money, you're like, oh, they're going to be done daycare soon. I have all this extra money, and then it goes to something else or all the other things. One final thing that wasn't mentioned was, and Satoshi, I'd like you to mention this, is that when we use less of the capacity we have, we get stormwater credits, which has a value.

[03:12:46] Can you mention that? So one of our compliance approaches for meeting our pollution reduction requirements on the stormwater side is credits generated by not using our full allocation of the plant's capacity. That helps us meet our compliance requirements.

[03:13:01] So the goal on the stormwater program side is to gradually wean ourselves off of reliance on the plant and make up for that using implementing construction projects that generate pollution reduction credits. Okay. what's the value of that credit the those credits are top of my head there's about uh approximately a thousand credits they're worth about 16 to 25 000 each okay that's significant okay i think those are all my questions for now and hopefully i'll email any others that i have

[03:13:37] thank you council member peterson maybe just to build on council member hall's questions on slide 12 i think it is this is uh covering a 10-year planning horizon any reason that we wouldn't be running this 25 out to 2050 you certainly can i think in in the world of financial projections every year you get further out it's going to get fuzzier and fuzzier and fuzzier and so typically you're going to look at five we've really got out longer than that we've gone

[03:14:15] 10 here could you go back and say what happens over the next 10 to 15 years certainly you could And it tends to be the compound effects of inflation, economic conditions. You could just get a lot of variables out those out years that make it just very fuzzy as you look at those numbers.

[03:14:35] But certainly you could run that in the model out longer, and we could if that would be the will. And part of my reason for asking is it's, I think, not uncommon for major capital projects to work off of 25-year lifespans, things like that.

[03:14:54] And to go ahead and model out and forecast out what the performance will be over the lifetime of the project, recognizing you get less certain as you go forward. But at the same time, often the

investments were predicated on a project lifespan and an OPEX and CAPEX stream associated with that at the outset.

[03:15:15] And so I think that's really what's being asked here is what would that look like and where would that leave us in terms of obligations that we have, you know, going past this next decade. I think it'd be useful, I think, as a policy matter and a planning matter, I think for these kinds of projects, whatever these project lifespans are, it would be good to plan across that whole horizon so we could see what that looks like.

[03:15:43] I think a pretty significant variable with trying to develop that would be to see if we can get information for the Nomenclan planned CIP projects. I mean, that is about 50% or 75% of all costs. So if they can provide us that information and they do that planning, because like I said, they're providing us their 10-year projection.

[03:16:05] I don't know if we've ever inquired if they have anything beyond that. We certainly could, but if they don't, then that segment or that variable is missing from our projection going forward as well. Yeah, and then that's part of, to J.C.'s point, too, we can run collectively whatever numbers need to be run, but I think getting good information that far out may be difficult.

[03:16:30] But one of the ways that you counteract that is to make sure we're looking at this annual, is you're constantly rolling next year out. If we're sitting here again in 12 months, we're going to be looking at just one more year out, and you're constantly capturing that next year. And so while you may not have all 25 years on the page right now, each and every year you're rolling that forward.

[03:16:49] So you can manage it in that way. But certainly if there's a 25-year life cycle, we would be happy to look at that if that exists. Well, really helpful. And I agree, Noam and Cole is really the issue here. But I think there's a bit of a yin and a yang here because while things become less certain as you move forward, they become more certain because you have actual performance data that you can use for adaptive management to tell you how you are doing.

[03:17:15] And you can update your expectations on actual management and actual performance, both on the cost and revenue side. So you're actually getting a higher level of certainty each year as you proceed through the life of a project. And, I mean, I just, I think all of that said, putting this on a schedule where you can look at that would be helpful for us on projects like this.

[03:17:38] Other questions? Council Member Hardy-Chandler. So I believe, I read that the goal really is about maintaining this as a self-supporting or maintaining its self-supporting status, right?

[03:17:55] And that's about the process of the funding, not necessarily an aim to reduce debt or to increase the cash component. So can you just speak a little bit more about the elements that support maintaining the self-supporting status of this fund?

[03:18:14] So at the top level, you're absolutely right in terms of the ultimate goal here is to make sure that the wastewater fund is self-supporting and in the strongest financial shape that it can be.

[03:18:30] And so I agree with you there. And the way that you do that is, again, by watching some of these underlying factors. And so things like the cash levels, things like the debt levels, those are underlying components that all kind of add up and build up to making sure we can, as a city, maintain the

wastewater funds such that it's self-supporting, not a drain on the general fund, and doing things in the most financially efficient manner possible, if that's helpful.

[03:19:02] Other questions or comments? Final thing I would say about this, we had a – oh, yeah, Council Member McQuillan. No, please go. So I was trying to find the slide that I got this off of, but I can't.

[03:19:22] In the funding strategy, it's proposed a 60% debt, 40% cash. How did we land that balance? We want to have a balance of the two, so we don't want to rely too much on one or the other. In solving for the number of different ratios we're solving for.

[03:19:44] So we want to make sure we've got appropriate reserve levels. So if we use too much cash, we're going to draw those reserves down. we want to make sure we've got appropriate debt levels. So if we use too much debt, we're going to broach that policy. And so if we go to here, and so these are the cash policy and the debt policy and how they trend over time.

[03:20:08] And so what we're solving for is to try and maximize the two of these while at the same time try and minimize to the extent possible the need for rate increases. And so is 60-40 sort of, is that gospel, is it written in stone?

[03:20:23] It's not. we want to find a balance of the two and given those various ratios that we're solving for that's about where it ends up got it okay thank you next year could it be 70 30 somewhere in that range yeah it's unlikely to be 90 10 it's unlikely to be 80 20 i figured it was a balance but i just wasn't okay that makes sense thank you so much for explaining all that where it fit in um and then so understanding that that explains why it would if it was heavier on one side or the other it add to the risk if it's not okay understood thank you so the Metropolitan

[03:20:59] Washington Council of Governments had a presentation on the epic failure of the sewage system that dumped all of the sewage into the Potomac River and that could happen anywhere anytime if we don't maintain these systems both the transportation systems in the city and our portion of the Norman coal plant because this is a collaborative.

[03:21:20] And so we can do what we can to manage the finance and the budget, but the fact of the matter is this flush toilets are sort of something people have become accustomed to in the city, and I don't think that amenity is going to go away. And so I appreciate the presentation and the work toward being self-funding and the work toward trying to project realistic for the next councils in the future to understand that this is an obligation we have to plan for and pay for I mean at the bottom line

[03:21:54] I think we just need to understand we have to plan for and pay for our obligation to Nomen coal and to maintain the infrastructure in the city because we don't want an epic failure of that I think we can all agree on that can we all agree on that okay anything else on this subject before we go to Mr. Martinez final thoughts no ma'am no yes yes council member McQuillan sorry your comment just made me think of something. To that point, I think it's important that we communicate

[03:22:28] that to the public as far as we have this piece of equipment, we have this asset that requires maintenance, this is the deal, this is what it's going to cost over time, you're going to see this go up naturally, this is something that we cannot, we're limited on what we can do. So I think just communicating that effectively and consistently to our community would would go a long way thank you anything else yes so we thank you gentlemen so much for your presentation miss shinneberry

[03:23:04] we're looking for a time check in the next item it's 10 23 i'm gonna look at mr martinez about the next item sure so mayor council we have one more presentation on stormwater utility and counting the slides about 14 slides i'm sure mr ito and annie can go through them very quickly if council so chooses but this is also in conjunction with the fy 27 budget to try to give council and the residents an update of what we're projecting when it comes to

[03:23:34] any rate increases am i correct in gauging that the presentations and discussions that follow that will be brief I think that depends in part on us too so I think we need to move forward with the

[03:23:53] agenda unless somebody would like to move otherwise let's move forward thank you good evening mayor and council this should not take very long I wanted to provide you with an update on what the stormwater utility has accomplished in FY 26 what we'll be doing in FY 27 also provide an update

[03:24:33] on credit and appeal metrics just a quick background on the stormwater utility regulatory requirements encompass a large portion of the stormwater program. The city has a municipal stormwater permit through DEQ, and that includes four major components. One of those is total maximum daily loads or pollution reduction requirements, oversight of construction activities, management of the property yard, and minimum control measures, which are other requirements associated with the stormwater permit. In addition to that, we also maintain drainage infrastructure,

[03:25:12] provide drainage improvement projects, and floodplain management. And going back to why the stormwater utility was developed, equity was one of the main benefits of the stormwater utility. In the pie chart on the left, that shows the distribution of property values in the city, and two-thirds in blue of the property values are associated with residential properties and one-third with non-residential.

[03:25:36] Under the prior tax-based approach to funding the stormwater program, The amounts funded were based on property value, which does not have a direct correlation to the amount of stormwater impact a property has. In the pie chart on the right, that shows the amount of impervious surfaces and how they're distributed across property types in the city, and it's the exact opposite.

[03:25:57] Approximately two-thirds are associated with non-residential properties and one-third with residential properties. The stormwater utility, the fee is based on the amount of impervious area in 500-square-foot increments, And so the amount of impervious area directly correlates to the stormwater impacts of a property and the associated fee.

[03:26:17] The same process and the same rate is used for every property to calculate the stormwater utility fee, regardless of the type. The impervious surface is a metric used to calculate the fee, and it's evaluated in portions of 500 square feet, or billing units.

[03:26:35] Each value is rounded down to the nearest whole billing unit. That is to the advantage of the property owner, and it addresses data resolution issues because the assessments are not survey-grade. They are approximations. When assessed through the stormwater utility using impervious surface instead of property value, residential properties end up paying less towards stormwater costs than they did under the tax-based approach, and that was because they only account for one-third of the impervious surfaces in the city.

[03:27:05] The outcome was a shift in burden to non-residential properties for stormwater costs. This is a distribution of stormwater expenditures. Approximately one-third goes to regulatory compliance

activities. Those include pollution reduction projects, such as stream restoration, stormwater facility retrofits.

[03:27:28] One-third is for operating expenses, such as staff, equipment, and materials. Fifteen percent are capital maintenance projects. Eleven percent for flood mitigation and floodplain management. And about eight percent for drainage improvements. The focus for FY26 was on completing two major environmental projects.

[03:27:46] Those were the Stafford Drive Stream Restoration and Ashby Pond Dredging and Retrofit projects, and those were both substantially completed in February. These projects were partially funded by the Department of Environmental Quality and provide progress towards the city's Chesapeake Bay and Akatink Creek pollutant reduction goals.

[03:28:02] We also completed drainage improvements on Norman Avenue and Cobb Drive and completed a combined stormwater outfall, rehab, and sanitary sewer system stream crossing encasement project at Old Robin Street in Dale Listina Park. We've also maintained compliance with the requirements of our municipal stormwater permit by continuing to submit the required annual report to DEQ, which details how the city met permit requirements in that previous year.

[03:28:35] Part of those requirements are continuing to provide annual good housekeeping and pollution prevention training to property yard staff. We've also completed a review of 45 development plans to ensure that they meet compliance with stormwater management and erosion and sediment control requirements, and we oversee those during construction activity as well.

[03:28:53] and we've continued public outreach, education, and participation initiatives through media outlets and community events. Outreach and education is accomplished through both media and events, and these are examples across a variety of topics from the city scene, the city website, and Engage Fairfax pages.

[03:29:09] This content is also delivered through electronic newsletter and social media through collaboration with the communications and marketing department. Some of the events that we've hosted included a rain barrel workshop, participation in spring and fall community cleanups, public meetings on projects, and fall festival.

[03:29:28] Citizens are engaged to encourage in stormwater positive activities through the Stormwater Utility Credit Program, and we share project information about ongoing project activities through the Engage Fairfax website. Engineering work sets the foundation for future construction projects, and in FY26, we completed two Community Flood Preparedness Fund grant-funded studies.

[03:29:50] One is to determine the effects of the thousand-year storm on the city's floodplain, and the other is to identify nature-based solutions to improve flood conditions along the Akatink Creek Corridor adjacent to the Fairfax Circle Small Area Plan. We've also been working on plans to retrofit the detention pond at Lion Run and Fairfax Boulevard to enhance its pollutant reduction capabilities. And we've started design of a drainage improvement project in the area between Orchard Street and Howerton Avenue.

[03:30:18] For FY27, we've started preliminary crediting analysis on a stream restoration project within Daniels Run. And in FY27, we're planning to complete preliminary design and present that information to the community at a public outreach meeting. We have two Stormwater Local Assistance Fund grant-funded outfall restoration projects that are scheduled to begin construction this summer. Those are at

Providence Park and Van Dyke Park, and we were awarded a Community Flood Preparedness Fund grant this year to develop plans for a flood relief culvert on Stafford Drive to help the Mosby Woods community with flood mitigation. We also have plans to continue

[03:30:56] design of two drainage improvement projects and a culvert replacement project on Sager Avenue. We will also continue leveraging the Asset Management Program by conducting asset inspections on stormwater infrastructure and prioritizing maintenance activities based on data that we collect.

[03:31:12] I'll turn the presentation over to Annie to go over credit program and appeal metrics. Good evening, Mayor and Council. My name is Annie Fury. I'm the Utilities Coordinator. I've just got a couple slides to go over the credit program metrics and appeals and any improvements we've made. So the stormwater utility credit program provides incentive for property owners to participate in stormwater positive activities, which creates education and outreach opportunities and provides property owners with opportunity to manage their fees.

[03:31:43] There are two types of credits. There are structural credits, which are available for stormwater management facilities that are properly maintained and in good condition, regardless of their age or whether they're installed voluntarily or as a part of developmental requirements. eligible structural practices include infiltration trenches detention ponds permeable pavement and rainwater harvesting systems such as rain barrels the other type of practice is non-structural credits which are available to residents and property owners who participate in stormwater

[03:32:17] friendly activities and practices that support water quality goals examples of non-structural activities include litter and debris cleanup, storm drain marking and monitoring, and participation in the no fertilizer pledge. Approximately two-thirds of all of our credits earned during the current 2025 billing cycle were activity-based, with the majority of those coming from litter and debris cleanup, storm drain monitoring, and also the no fertilizer pledge. The total value of credits applied in the 2025 billing cycle was approximately \$68,000. And the city continues to

[03:32:57] benefit from a highly engaged and active residential community that is contributing to the success of this credit program. City Council also adopted amendments to the credit manual, which better accommodate and manage the program, which has been huge for the residential community.

[03:33:16] So, what stormwater benefits has the community received for the \$68,000 in credits? There was approximately 74 person hours removing trash from city streams, parks, public parcels, both individually and through city-sponsored cleanup events.

[03:33:34] HOAs and local churches organized larger group efforts to reduce their stormwater utility fees, which demonstrates strong community engagement. The Public Works Department supports these larger group efforts by providing materials and supplies and also scheduling trash pickup at the end of these larger events.

[03:33:53] A total of 32 new rain barrels were installed during the 2025 billing cycle, contributing to approximately 1,600 gallons of rainwater harvesting and storage capacity. The Public Works Department hosted a Build Your Own Rain Barrel workshop in August of 2025, which encourages participation and expands stormwater management practices at a residential level.

[03:34:18] Residents installed 275 storm drain markers on inlets while also monitoring conditions, removing debris, and reporting any maintenance issues with those inlets to Public Works. The

Department of Public Works is currently coordinating with a local vendor to also develop an updated storm drain marker so that we get a little bit more flexibility and explore a broader public awareness campaign that we can use for the storm drain marking program. City staff participated in and hosted multiple outreach events to promote stormwater utility credit opportunities and stormwater best practices. Some of those outreach efforts, as Satoshi

[03:34:58] mentioned earlier, included participation in community events such as the fall festival, the community cleanups, invasive species removal events, and we also helped promote the Friends of Akatink activities as well. The primary benefit of these efforts extends beyond the measurable volunteer hours, fostering a more informed, engaged, and environmentally conscious community. The next slide speaks to the stormwater utility appeals and those metrics associated with

[03:35:32] the appeals. So the stormwater utility ordinance includes a former appeals process for property owners who believe their fee has been calculated in error. Common grounds for appeals include errors in impervious surface area calculations. That's often due to the aerial or GIS imagery. Mathematical errors in fee calculation, sometimes incorrect application for approved credits, as well as incorrect property ownership or billing assignments. Appeals were much more prevalent during the implementation of the stormwater utility however submissions have

[03:36:10] significantly decreased over the billing cycles that we've already been through so far and that's because of improved processes community outreach and also an increased public understanding of the stormwater utility many current appeals are related to adjustments in impervious surface area particular features such as wooden slatted decks or discrepancies in GIS imagery Satoshi also mentioned earlier but i will reiterate that the city's gis impervious layer is intended to serve as an approximation it is not survey grade accuracy so there are errors when when we use that

[03:36:48] approximation gis data is also updated regularly and approved appeals are reviewed annually to ensure that they are still applicable because in some cases if the gis imagery has been updated the the appeal no longer needs to be applied to the account the last slide is it talks about amendments and improvements that we've made thus far the in may of 2024 city council adopted an amended credit manual this provided a new non-structural credit opportunity for tree

[03:37:25] preservation and an updated credit calculation structure that ensures that smaller residential properties are being credited adequately based on the amount of time that they contribute to each activity. The Granicus online forms were converted to open forms when the new website was published and released. Open forms has a much more user-friendly layout, and it also has an enhanced document upload ability. And then lastly, beginning in the in 2026 for the upcoming billing cycle, the Stormwater Utility credit application deadline has been revised from October 1st to the first Friday in December.

[03:38:05] Based on the Public Works Department's experience administering the credit program, processing applications prior to the finalization of the utility fees will not be affected by this adjustment. And lastly, the fixed October 1 date has occasionally caused confusion when it falls on a non-business day, which has happened actually several billing cycles thus far.

[03:38:27] So we're hoping that this will create less confusion as well. That concludes the presentation. I'd be happy to take any questions and your comments. Do we have questions or comments? Council Member Amos. Thank you. Excellent presentation.

[03:38:42] I have one question that could probably be answered tonight and another one that probably can't. So would appreciate if someone could just get back to me on that one. Going back to slide 12 briefly, just for clarity, Is residential falling under, does multifamily fall under commercial here or is it residential?

[03:39:01] Residential. Okay, so that is factored into residential. Sorry, sometimes that doesn't equate, so I just wanted to make sure. The other question I had, and this is probably more directed towards planning staff and zoning staff, I would be curious on how this program would coordinate or be in addition to some of the things that we're exploring with the density bonuses or with, for example, the green building policy.

[03:39:24] How do these initiatives, are we going to allow bonus stacking with this program? I would be kind of curious on what exactly, has that conversation happened or not really, or is that not applicable here? And that may be, I saw Brooke earlier, but I understand why he probably ducked out.

[03:39:40] I can follow up with you on that after I have a discussion with Stephanie. Okay. Yeah, just because I know one of the comments you mentioned was, for example, developments that are coming in that already have these stormwater management systems in place or expanded upon, for example, if they have green roofs or stormwater barrels, does that mean they can also qualify for the SWU program?

[03:40:03] Correct. So if they have a BMP in place, as you mentioned, which much of these larger developments will have them because they're required, they will also be eligible for a credit. They do have to apply. They have to show that it is in good condition, working condition, and it's valid for a three-year period.

[03:40:22] We do an annual inspection of that BMP as well, and I look at that report and work with the property owners to ensure that they're receiving credit for it. Okay. Just wanted to make sure that conversation was happening in context with zoning staff as well. One thing missing was that the stormwater utility funds the urban forestry program.

[03:40:41] Councilmember Hall? Just a really quick comment on slide 12. My rain barrels need a serious upgrade compared to those. I actually was just Googling real quick if there's, like, a sleeve that goes on them since I'm not a really good painter. But I feel like that's a lot of fun, and we should all do that.

[03:40:59] Are you talking about this one, right? The painting ones. We've gotten some very cute painting pictures of kids painting them as well. Other questions? Council Member Peterson. Just a detailed question.

[03:41:15] On slide 11, the first line there is complete preliminary design for stream restoration project within Daniels Run Park and begin public outreach. Two questions. the first. At this stage, do you have some concept of what that might look like? And I guess to get right to the point, is this going to be like Mosby Woods? No, we're hoping that it will be a different type of stream restoration, one that requires less tree removal. There's more space within Daniels Run Park. Some of the properties are further away than they are at the Stafford Drive stream restoration project where Mosby Woods condominiums is immediately adjacent. So we have some more

[03:41:51] flexibility with the floodplain that may allow us to pursue a restoration approach that requires less tree removal. We won't know for certain until we go through preliminary design. Okay well that that's helpful but would love to know more. Daniel's Run Park is near and dear to many many people as is Mosby Woods and that whole area in there. Second question I think is really a

[03:42:19] procedural one, this seems to imply that we will do at least preliminary design first and public outreach second. I think that's upside down. It seems to me we should be bringing the public in at the outset to identify their interests and identify options for design and working with them to find a way forward to the best design opportunity that we have with their active

[03:42:53] participation and then we can kind of proceed from there am i misreading this or is this something we might want to think a little bit further about i think what what we're saying is that we want to do enough work so we could show something right like a concept or an area because you know it's very difficult to get feedback when you have nothing to show the public so it would be very preliminary more concept related on how wide it's going to be and what trees would be impacted it It would be to that level, whereas rather than going in with nothing at all and saying, hey, we're doing a project here.

[03:43:32] Agreed and appreciated, but it's also typically the case that there are design alternatives and options. And at this conceptual phase, it might be helpful for people to understand not just the issue that we're trying to address here, but kind of a full range, at least conceptually, of options.

[03:43:52] And if, in fact, there is only one option, that's good to know. but it's usually not the case, and it usually is very helpful for people to see the different potential options that might be considered. Correct. It's not unusual when we present at the concept phase that there are a couple different options with some related cost benefit versus right-of-way requirements and things like that.

[03:44:16] Stafford Drive Stream Restoration Project, we presented design alternatives at the concept stage. They've had varying levels of tree removal and varying levels of project costs to save those trees. We presented those design options at the concept stage. And you would be doing the same thing here?

[03:44:32] Yes. I think that's important and helpful, and the more that the community is involved at early stages to be an active part of that, I think the better. And so I'm pleased to hear it and would advocate that we make sure we do that completely. Thank you.

[03:44:49] Other questions or comments? Council Member Peterson. Well, just maybe this is not just for this session, but a wrap across sections and goes back to an earlier conversation. I'm just wondering whether we dealt with a lot of capital improvement project stuff here.

[03:45:07] Would it be possible to get a little bit more information about the potential use of referenda for capital improvement projects? I mean, I know this goes on very commonly by other cities here in the state of Virginia. We haven't done it here, apparently, yes, but yet, but it seems like that tool is one that would be worth kind of understanding a little bit more about across the board as we go forward in the future, and I'm just wondering if that's something we could possibly look into.

[03:45:36] Is it the desire of council to have a work session on it, or would a budget memo summarizing historical information on the city, common practices within the commonwealth, other references that we can put on a budget memo, would that suffice?

[03:45:52] councilmember Amos a budget memo or a work session budget memo also I believe Davenport gave us data saying that 94% and I might be misremembering the percentage but 94% did not go to referendum for projects submitted in Virginia is that correct I don't remember that I I gave a percentage of 24 25 years back 89% 90% of those 27 projects were non referendum and only three were yeah I think including that a budget memo is fine thank you councilmember Hall I think

[03:46:31] starting with a budget memo was probably okay but definitely might want more information on a work session thank you councilmember Hardy Chandler councilman producer would like all right well I agree that we can start with a budget memo but we may well want to get more information and councilmember emma's to your point in 95 counties are actually required to do referenda for the general obligation fund so there's a big history out there and even beyond that for cities that are not required by state law they have their own policies

[03:47:08] and many many many of them have used this tool for managing these big projects I see you're shaking your head but I just read data on this so it would be good for that to be kind of examined here as we go forward councilmember Bates budget memo councilmember McQuillan I'm comfortable starting with a budget memo, but I will probably have a lot of questions, so thank you. Okay, budget memo it is. Any other Councilmember Hall? Yeah, thank you. I do have one more question. On slide 11, it says develop concept plans for Stafford Drive culvert improvements. Is there a reason why

[03:47:46] that wasn't done at the same time as the stream restoration? Was that factored into it? I'm just curious how that large of a stream restoration was done without concern about the cracked culvert. The Sager Avenue culvert is in an entirely different location from Stafford Drive.

[03:48:05] This says develop concept plans for Stafford Drive. Should this say not Stafford Drive? Oh, I'm sorry. The Stafford Drive culvert improvement is a flood mitigation project.

[03:48:21] That's Community Flood Preparedness Fund funded, so a separate grant. It was not done at the same time as a stream restoration project because the area of impact would be different, and it was determined that there would be no impact to the stream restoration project from having installed the culvert. Okay, is it expected to help the situation that we're seeing with the rain that happened last week? With the rain that happened last week, the stream restoration project area functioned as intended. The entire stream corridor flooded, and that allows the water velocities to be reduced. It was unfortunate that this happened right after plantings,

[03:48:58] which is why so many plantings were displaced, but an established vegetative area should not erode like that. We just need to give it time to replant, reestablish, but the stream corridor functioned as intended. I think the culvert project would help reduce the impact of the floodplain on the condominiums.

[03:49:21] Okay, because it sounds like, unfortunately, a couple of them had some additional flooding. It's a productive hydraulic project to reduce the impact on the residents. okay thank you any other questions comments on this okay this is the last presentation on the budget right we did stormwater we did wastewater we did we did all the things is that correct mr. Martinez we've done all the things we have but if you could humor humor me for less than a minute okay just bring up a budget related meeting topic slide very very quickly just as give everyone a

[03:50:01] recap of where we are as the there you go as the clerk brings it up just wanted briefly review the budget related meeting topics and calendar with council as shown tonight marks our third we'll put a third check mark here on the 24th year shortly third budget work session and second public hearing on the proposed FY 27 budget we are currently scheduled to hold three additional work sessions and eight more public related public hearings additionally last we met council requested that staff revisit the need for the Saturday April 11th

[03:50:38] retreat meeting. Unless we receive different direction from council this evening, we are recommending that meeting to be canceled. Comments or questions on this item? Council Member Hall.

[03:50:56] I think it was, and maybe it's in here and I just didn't see it yet, but there was a question about the BPOL tax that I asked and the other taxes. Are those, is that in April 14th under City Council identified topics or is that something else or in addition? Yeah, it's a great question. I think applies to all of our budget memos most of the those have been posted i think to your point i was actually going to say later that as we go through the remainder where we have if needed then that's a great opportunity for us to revisit budget members that we've already responded to

[03:51:30] to include i think that was posted today so the answer is posted so we certainly would welcome discussion around those budget memos okay yeah i still have questions that i have been formulating and I was trying to not send them like piecemeal, so mine are still coming in some fashion. Thank you.

[03:51:46] Absolutely. Council Member Amos? And I know we've discussed this before. I think a number of my questions are legislative-related to see what's going on with the state, and my understanding is we won't really know much until April 13th, so we'll have a more robust discussion on the 14th.

[03:52:02] So for me personally, I don't think April 11th is necessary. Council Member Hardy-Chandler? In addition to that, I think that these meetings are more accessible broadly to the public. So when we talk about educating the public, these meetings are a part of that educational process.

[03:52:18] And I think that this just provides more transparency without the retreat, which is less accessible to our community. Council Member Peterson? I have no comment or quarrel with this, but a question.

[03:52:36] And that is, and forgive me for not recalling, did we decide that we did not need a budget open house during this cycle? If I recall correctly, I think at the first budget work session on March 3rd, Councilmember Amos mentioned it.

[03:53:03] It's my recollection at that time that no other council group or member said anything in support or not support of that. I don't know if that's correct, Councilmember Amos.

[03:53:19] I brought it up and there was no direction. That's pretty much what happened. Councilmember Peterson. Well, I think it's an open question. if it is something we want to do it sounds like we should be planning it right about now to run out of time so i i mean i'm open-minded about this but i know that when we did this last year it was very when we did it during the budget cycle last year it was well attended i think and we received quite a bit of feedback i know an open house was done early in this process and it was early enough that i don't think we had the turnout that we expected so again i'm kind of

[03:53:58] flexible and open. I just think that if it's something we want to consider, we probably need to reach a decision point here rather quickly about it. Council Member McQuillan. I agree with that. I have heard a lot from residents last year following the budget season that that was a very helpful thing to have that open house there, that they could walk in, they could ask any question of staff, things like that. I just heard a lot of overwhelming feedback, positive feedback about that um and so i think it would be helpful and beneficial to our community to do that again this

[03:54:34] time councilmember hardy chandler i think it was a disproportionately large amount of work for staff relative to the community engagement and so i think we can do something different one of the

things that came to mind was to connect the budget discussion or and i i do think we need some time to develop it I don't know if we can do it this budget cycle but to connect budget discussions to other events that we are already having and have it combined but I think the work that the staff put into it and the reach

[03:55:14] was a disproportionate we are all supportive of educating the public and having them have access but I think that there are probably other ways that we can do it to kind of piggyback on other interests and other events for example um the uh the expo that's happening for uh the community april 10th would be a great way to sort of combine resources make it less of a heavy lift for staff um and i know that requires additional coordination but i do think that that accesses more of the community than a separate

[03:55:52] standalone event so that is the village in the city expo on friday the 10th and that is incredibly well attended um and i i take the point that having somebody there not every department not people from every department that was an incredible feat and it was incredibly well received but it was a disproportionate amount of effort and time to do that and i think we've given plenty of opportunities in many different platforms for the public to engage and i think at this late date

[03:56:32] that is an unreasonable expectation to think that we are going to mount that kind of effort just the staff time alone is an incredible investment so i think there are opportunities between now and april 28th to do outreach to existing projects with having somebody with information whether it's handouts or it's charts or it's whatever or simply to answer questions where people are already in an event at the city in the city but the village in the city

[03:57:02] expo to me is an opportunity to do that so i i am not in favor of mounting another event at the at the level that we did last year i especially at this late date council member hall so i think it was a fantastic event last year i know it was put on in a very short period of time i do also agree that while it was very well attended it was a disproportionate number of people that attended I was disappointed that the fall attempt was not as successful, but I think people are not in budget mode.

[03:57:38] I know the goal was to get them in advance of budget mode to help plan with budget, but there's a lot of things that go on there. I also do agree that it's an extraordinary amount of work, and I don't think that it's something that we should or could even hope that staff would be able to put on again in this short time frame.

[03:58:00] That being said, I'm wondering if maybe there's a way to advertise office hours or coffee with the CFO or croissants with the city manager or something maybe as just another opportunity for people that maybe are not available to come to a meeting, to check into a meeting, to just have another opportunity.

[03:58:21] But I also do want to thank both of you specifically and all the other staff that has come in in emails. But we've had a couple really, really heavily, a lot of questions from some residents. And you guys have really taken an amazing job at answering them.

[03:58:38] And you've met with random people that have come in and asked questions and helped. And I think, I don't know that that's ever been done before. I don't know that it hasn't. But that's been huge. And I think letting people know that there's an opportunity for specific questions to be asked and answered maybe is a better opportunity than trying to pull together something bigger.

[03:59:02] So you get croissants and you get coffee or vice versa. Mr. Alexander. Slide away from JC a little bit. One of the thoughts may be to do something in a combined virtual in-person type of setting where, you know, we can do something here, have a virtual option, do it within a certain time frame, happy to sit down face-to-face around a table, and at the same time, pick up anything that might come online.

[03:59:31] I'm speaking very much, you know, off the top of my head, but I think that, you know, something like that, you know, is doable, and we can work on, you know, a time in a particular day-night schedule where we can do that. So, JC, you up for that?

[03:59:50] All right. Councilmember Amos I appreciate the discussion I do wish we had we had this conversation sooner I do concur that trying to get this within the next month or so is unlikely especially considering the staff time I think that's a great alternative that we could work with I think part of the consideration from last year obviously fall wasn't the greatest I think also last spring we had a very unique budget and we were pretty much all relatively new to the game and so part of that was also us becoming more familiar with all the departments simultaneously at to degree as the community and also with this very unique

[04:00:28] budget that had a pretty interesting rate proposed and all these things I think even from the public hearings that we've had so far relatively low attendance not a whole lot of folks coming out I can be amenable to that I do prefer the larger scale event by understand that's more resources so I can be flexible so if I understand where we're landing here it's for the city manager to come back with a suggestion on how we might proceed is that fair i think that's a

[04:01:02] excellent compromise and i would also like to call out mr martinez and also miss riddle for the extraordinary amount of effort in responding to our residents who've had questions and there's also been a tremendous amount of emails back and forth from people the very specific questions and i just want to remind people that staff time is not unlimited and it's also not free i mean people work a 40-hour work week and our employees work more than that and when they're taking hours and hours of time to put these things together for one resident to sit down or answer an email

[04:01:40] you know there's a cost to that and so i want us to be responsive to our residents but i think we also have to be mindful that time and resources are limited and we need to be thinking about how we can take this work that's being invested and again put it in some sort of format so more people who have the same questions have access to it but you know and i will just point out foyer requests

[04:02:13] have a cost to them because the state has mandated that it be the the staff doing the work be compensated and i just point to that because that is just something that the state has decided if you're going to do something and it's going to cost staff time then then you're going to pay a fee for the staff time but during this budget season we are we are getting emails and emails and emails and requests and there's meetings you know that is staff time and there is a cost to and I want our residents to be mindful that we are trying very hard to be as transparent and educational and as much as we can about the budget and your tax

[04:02:52] dollars but staff time is not unlimited and there is a cost to being responsive to these things so I hope everyone will just be mindful when they engage with us that it's it's not unlimited councilmember Hall thank you you said something that made me think about something else. I know Mr. Alexander when we spoke before I asked about the budget memos and I asked about the resident questions that come and

if I remember correctly you said that when residents email those don't become budget memos it's only when

[04:03:28] council asks questions and I'm wondering if given the extraordinary amount of time that you all have spent responding to some very specific questions that others may have. Is there a way that we could remove a person's name and anything else that might be identifying and post those questions in whatever format they're already in without doing any other work to put them in alphabetical order or this or that or even categorizing them? Just here's the information because you have gone to such great depths to answer the questions. I've learned from the questions as well.

[04:04:04] But it also seems like what we're finding is that a lot of people have similar questions, right? And so I think that if we can do that, and if not, then I'll generate a new budget memo and ask new questions, and you can copy and paste. I appreciate that.

[04:04:20] Something to think about maybe is using some of that content for whatever we do on the open house or whatever we're going to call it, right, and be responsive to some of that. That way, staff is not trying to weed through additional work that they've already responded to.

[04:04:36] What I would encourage, and I think we may have said this via messaging back to you, is if there are items that we respond back to folks on, I think there's certainly fair game for the context of the discussions we're having here. So I welcome you bringing some of those back that you see, because you're getting copied on everything we're sending back to them.

[04:04:57] So that's an opportunity, I think, also. So we'll pick through that a little bit. I'm sure that you probably have something to add to that, but we can reference a lot of that information as kind of, you know, content and context for this discussion that we plan to have.

[04:05:13] And just to add to the manager's comment, so not detailed, not personal identifiable information such as someone's name, but when we respond back to the community, to the resident, those are being filtered is probably the best way to describe it and summarize and post it on the city's engage page as well, directly linked to the budget development site as well.

[04:05:43] So our communications director, Matthew Kaiser, is being copied on all those, and he is summarizing those at a very high level, not putting any PPI or any personal identifiable information out there as well. I was not aware either, so thank you.

[04:06:00] That's a tidbit, Councilmember Hardy Chandler. And that's excellent. And I think that there is a value to, I know you're going to bring something back, but I do think there's a value to bringing the information to where people naturally are. in other words Girl Scout cookies right being sold in front of a grocery store or whatever so I just really sincerely value your time I know the effort that you put in and the desire to consistently be responsive but I do think that we have also a responsibility to be good stewards of

[04:06:37] your time and so cumulative kinds of things like compiling themes and putting that on the engage page i absolutely support that because i do think your time requires stewardship as well so um just the to the extent that you do not have to build something new but can bring things to where people naturally are that's what i support ms riddle i just want to share on the engage page this is the first year we're using it since i've been budget director we've had a number of comments

[04:07:13] from residents um many just statements but we've had a few questions and are answering back and forth on those questions um through our communications department so we are having engagement there anyone can see that who goes to that page we're also posting the budget memos not only to the city website but also the engage page and we have links back and forth between them as well yeah so we're trying to get the message out um there was actually a posting today from our communications group on the city's facebook page go to the engage page for budget so so it

[04:07:49] was like right before we were here i was like i was scrolling before we started um so it's out there and happy i think it'd be great to go um where some of those events are um if it's a possibility and time allows and management agrees he gets taught me what i do i just would i just reinforce that they're really essentially two people answering these questions and their day job. So I think we just have to keep that in mind, which is really just expressing appreciation to these two again, primarily for the amount of work they're doing in addition to juggling everything

[04:08:28] else that a finance department does every day. Thank you. Council Member McQuillan. Thank you, Mayor Reed. I do like a virtual option that you mentioned. I think it goes with what you're saying I have noticed the engage page I actually kind of like to look at things there sometimes too and having something with that virtual session on there so that people can partake and watch and I think having that face-to-face even though they're not going to be face-to-face with you but having that feeling and getting that opportunity to meet with you in that way

[04:09:07] is very valuable, and I think that can help if there's time, of course, recognizing. Thank you. Questions or comments on this? Okay, it sounds like we have sort of a preliminary plan, and we also have all grown richer to know that this information actually exists on the Engage page, so that was like tip of the day, tip of the day, and we can all do a good job in trying to push that out, that people can find additional information and resident questions that are being answered on a public page on our website that is great information all right i think we're going to move on to our last

[04:09:46] item miss sheneverry it's going to be a discussion of a possible increase in the compensation and paren salaries paid to the mayor and members of the city council i'm going to recognize brian lokeman our city attorney to provide the staff report mayor and council we were asked to put this on for a work session uh staff report is self-explanatory uh just by way of reminder as i'm sure you're all aware uh current salary for the mayor is 13 000 council members each receive 12,000 compensation in Virginia for mayors and council members is governed by state law for the most part and based on population bands cities population ban

[04:10:24] the maximums could be up to 24,000 for the mayor 22,000 for the council members last time the mayor and council salaries were adjusted it were in 2015 effective in 2016 and as I know in the staff report just by way of some some illustrations a couple of neighboring jurisdictions with smaller populations but within the population band have recently increased their salaries based on what the General Assembly did in 2024 happy to answer any questions but as I noted the any there has to be an intervening election and any and this has to be done by ordinance if the council desires to do this and the ordinance has to be enacted at least four months prior to the election so

[04:11:03] ordinance will need to be in place by July 3rd which practically speaking means you would need probably need to take action in June sometime so happy to answer any questions so I'm going to give just a little bit of background on the fact that the General Assembly changed the bands by population back

in 2024 and this was and I forget what time we were aware of it but it was not it was late in the spring so this was discussed with the last council at a June retreat at Blenheim and and it wasn't a hearing it wasn't public it wasn't televised it

[04:11:38] was a public meeting but it was to talk about the possibility of doing this but we would have had to act by the next meeting in order to meet the deadline so it came down to there were three council members who did not want to increase it and there were three council members who did which left us with a deadlock that I could not break that tie so it died so we had the intervening election. Now we have this council. And so now we're bringing it back because there's another opportunity to do it for the next council because there is an election this November. And I am now

[04:12:13] going to turn it over to Council Member Bates. Thank you. So I want to talk about not only the salaries for the mayor and city council, but also that people deserve to be adequately compensated for the work that they do at all levels of government. As the General Assembly looks at raising the salaries for senators and delegates, it is time to also reconsider the salaries for the next mayor and council as well, since these salaries have not been increased since 2016, a decade ago. I'm not running again, and I'm supporting this for the next council so that one's work situation or financial means are less of an obstacle to having the right people in office.

[04:12:52] Not everyone can afford to serve in local office and spend so many hours on their official duties when they may otherwise be spending those hours working another job. This additionally represents an obligation for the next council to take a hard a long hard look at the results of the classification and pay study as well as how we are compensating our staff we have some of the most principled hard-working staff I've ever had the pleasure of working with and that is evident from the survey results showing how appreciative residents are of the level of service our staff provide and our public safety staff in particular must contend with long hours personal risk and the stress difficulties that are unique to their line of work while we face stiff competition from

[04:13:30] other jurisdictions for new personnel it will be incumbent on the next council to pay it forward and make sure that everyone in the city government is prioritized and is able to make to afford to make ends meet and is properly compensated for the services that they provide to our residents thank you any other discussion on this council member Hardy Chandler I agree with council member Bates comments with the exception that I think that staff compensation and unfunded

[04:14:03] positions need to be considered first. I do think that we do have to think about the obligations and the commitments that people are making to city council, and that's fantastic. But I think for our city and the conversations that we have and the demands that we continuously put on staff to educate and do other things, I think we really need to look at this in sequence. And for me, the staff, our police department, our fire department come first, quite frankly. So for me,

[04:14:39] that would not be on the table unless we look at, and some of the requests for positions that are investments in our future and that speak to the alignment of what we say we value. But all of those things need to be resourced. Things don't happen unless people do them. So I agree with council member Bates' comments but only with a sequence putting staff first council member Peterson if I understand correctly in order for us to act on this we would need to do something

[04:15:12] promptly is that by June July 3rd is the deadline to have an ordinance in place so practically speaking because you need two meetings without a special meeting uh the action should be in June Okay.

So I would, I guess, advocate that we turn this into an action item that lets us understand more about this so that we at least have the option to move forward on that time frame and not lose that window of opportunity.

[04:15:49] Understood. I'm curious what you would like to have prepared then, because there's lots of ways to skin this cat. you can have graduated increases you can have you can delay it beyond July 1 2027 i'm just trying to figure out exactly what the what the request is just given the hour that's not what we can do tonight so i think we need to do that another night and you maybe could come back and help us understand how those different options might look another work session that would be

[04:16:25] fine i think again it should be treated as a timely matter and we kind of need to understand the options and the issues here a little bit more clearly in order to act on it in my view thank you this also has a budgetary impact however not not for the coming budget it would be July 1 2027 would be the first date this could be effective which would be the following fiscal year right that's true after people are elected so it's 2027 would be the budgetary impact at the earliest again July 1st 2027 is the first date an increase could be effective but there are options to do it

[04:17:00] if you want right councilmember Amos I would recommend a follow-up session that way more people can also become familiar with what's going on and I think what would be helpful at that session for all of us and also for the community at large is maybe different scenarios kind of like how we handled the budget last year at different rates with the assessed fiscal impact so we at least know that moving forward but I would be open to continuing this discussion I think you gave us a figure didn't you for the full increase it would be 77 thousand dollars so we can certainly give different numbers to your point I

[04:17:37] think councilmember Peterson had mentioned this as well I gave two examples of what other jurisdictions have done I certainly could provide additional examples of others that have been done in the last few years I limited it to this population band because I think the analysis doesn't make any sense for larger cities etc and there are some there are some cities that actually still have as the city did until the city changes charter provisions that are different from this. But apples to apples, I could probably give a few more examples. Okay. Council Member Hall. Thank you. So Council Member McQuillan and I, when we

[04:18:16] were on school board, actually put in an increase for the school board for the new incoming. Because quite honestly, it's a lot of work, right? And I think that if you're not in this role or you're not in an elected official role, I don't think you realize how many hours you can spend on this. I mean i would say most weeks i probably spend about 20 hours a week outside of meetings meaning these Tuesday night meetings that's my choice that's going to events that's preparing myself for the meetings that's researching talking to city manager asking questions you know we all i think probably

[04:18:52] put in similar or different hours i don't know and i wouldn't i don't need everybody to justify their time by any means but this is a very important role for our city um and i also think that when you potentially have people that have to worry about child care or getting rides places or keeping track of aging parents or those other kind of things that are going on here, there's a cost to that, right?

[04:19:21] There's a cost to not being at your kid's basketball game. There's a cost to missing something else on a Saturday because you're in a quarterly retreat. And I think that with the pay scale the way it is, quite honestly, I think that there's probably a lot of great people in our community that can't afford to give this time for what that current rate is. And I also know that I meet with constituents. I meet with staff

members. I mean, we meet together collectively. We pay for our own dinners when we go out, right? There's all those costs that add up. And I certainly don't know what they are. And I wouldn't begin to even try

[04:20:00] to pull them together. But the amount of work that you get out of the people that sit up here for \$30-some-thousand a year. I didn't do that math right. But \$77,000 a year, because you'd be doubling it, right? What are we getting right now?

[04:20:19] What do we get? I thought you were asking what your compensation was. \$10,000 a year we get? Yeah, \$77,000. We get \$11,000? \$12,000. Oh, okay. Council members get \$12,000. The mayor gets \$13,000. So \$73,000 is what we're currently getting here for this. Do we do a great job most days?

[04:20:35] I hope so, right? But I just think that it's a labor of love. It is a volunteer role with a very small stipend is what I will call it. And I would continue to do it for the current salary that we're getting, but I would like to leave it better for those that are coming after us and also maybe incentivize people to consider this.

[04:20:59] And if that money was a barrier for why you can't afford to pay someone to daycare every week, hopefully this helps a little bit. So my hope is just that by doing this, we're opening up to more people. Bless you. I don't disagree with your statement, Councilmember Hardy Chandler, about the staff.

[04:21:16] I think, quite frankly, they're two separate pieces. So for me, one is not dependent upon the other. I think we have salaries built into what has been projected for the 2027 budget. I haven't heard any discussion to date about changing that.

[04:21:31] So I'm moving forward as we've previously discussed. So for me, that's a non-topic when it comes to this. Just up here and staff we're all working I think much harder than what you see us sitting here on a Tuesday night so thank you council member Amos just one observation uh and obviously I appreciate the information that you did send around about what neighboring jurisdictions get and that's just for comparable elected officials I will note that the Fairfax County Planning Commission gets a 25,000 stipend so they do make double what we make per year just as a note so I think it

[04:22:11] It comes back to what Council Member Bates said originally. People should be compensated, commensurate with the job they're doing. Like, I think the city's getting \$13,000 worth out of me. Do you think? I mean, I think \$13,000, it's not a bad investment for the last four years.

[04:22:29] So, but it needs to be commensurate, and we need to remove barriers. The other issue, because there's a lot of privilege to being able to afford to volunteer your time at the rate that we are volunteering our time. That comes with us having the privilege financially and time-wise in our lives to be able to do it. And I do worry that we don't necessarily have people stepping up to run for office who can see their way clear to manage their lives and do this. But moreover, we're the government for the city. We're the government

[04:23:08] for the city, and that's a big responsibility. We are passing regulations and ordinances that impact people's lives. You assume people want us to do a good job, to show up at our regional meetings, which we do, that we work hard at this. And all I'm saying is that what people are given should be commensurate with the amount of time, effort, work, and the value of that work to the city. And I think we have to remove barriers so that different kinds of people are willing to step

[04:23:41] up and do this job on behalf of their neighbors. So that's just my perspective here. I'm also not going to benefit from this because I'm not running for re-election. But I do think after having done this job at the end of this year for four years, that \$13,000 a year for the mayor is not commensurate for the amount of time, effort, work, and my own expenses, and so I would ask us to consider having an increase that is at least a little bit more commensurate from what the city expects from the people who sit here doing this job. That's it, but we can have another work session

[04:24:18] on a timeline that gives us adequate opportunity to take a vote if we're going to and meet that July 3rd deadline, if that works for everyone. Does that work? It seems to work for everyone. Yahoo. Okay. I am now going to reconvene the regular meeting, and we are going to move on to future meeting topics.

[04:24:42] Very quickly, April 7th work session, we'll have a discussion on third-party event sponsorships, an update on city services and support for older adults. We'll talk about language access and translation services at our council meetings, and then we'll have a discussion, another discussion on the budget and general fund questions and discussion on the 7th.

[04:25:06] As far as the regular meeting on the 14th of note, you'll have a number of introductions related to the budget, as you see on consent. Notably, on number 8, we'll have an introduction of an authorizing ordinance for a bond resolution for the issuance for the sewer system on consent there.

[04:25:29] Public hearing again for the budget, a work session also again on the budget for us to discuss council-identified topics related to the budget. 28th, as we move closer to May 5th, of note, a number of public hearings all related to the budget.

[04:25:55] Items not requiring public hearing will have Blenden Boulevard improvements and consideration of a contract for that. We did push out some public information on that. We'll have consideration on a resolution to proceed with Willard Sherwood.

[04:26:12] We'll have two bond items that are related to that project and also the schools that night. And then the work session will involve the third quarter financial review and an additional discussion on the budget and draft changes presented.

[04:26:31] And as you know, May 5th would be a special meeting largely around, specifically around budget adoption. So that's a lot in a very short time frame. I'd be happy to answer any questions. Questions on future topics?

[04:26:48] Council Member Peterson. Just very quickly, I think we talked about this last time. And this may just be an optics issue, but the April 14th, it says consent. My understanding is that we're actually going to describe these things. These are things we don't simply adopt by consent and then move on.

[04:27:05] Typical introduction, if you're talking about all the introductions that we do, we certainly could provide a preamble consistent with what we do on consent. I don't think this is a departure from what we typically do on introduction.

[04:27:21] Well, I want to avoid a misreading of this. It looks like we do some proclamations. We stamp a consent. We do a public hearing and then a work session.

[04:27:38] And we kind of sped right through eight major things that are in consent. I think people would probably appreciate a little bit more in terms of what we're trying to do with them. Were you thinking tonight, Council Member, or were you thinking in terms of ahead of that meeting?

[04:27:59] Well, maybe let me rephrase the question here. What exactly are we planning on doing April 14th with each of the consent items? I think that we would probably handle these as we typically have.

[04:28:14] This is my first through the budget process, but I'll turn it over to CFO to address anything we've done differently. Sure. So these are just administrative introductions, which is very customary. I'll look to our council as well.

[04:28:29] But again, administrative, on the draft, staff reports, I think I've underlined and noted a sentence that reads, there are no actions taken by council this evening where that meeting, all formal action will happen on May 5th.

[04:28:50] So that will be listed on every single staff report to clearly identify there's no action. this is still subject to change. This is just an administrative function which requires an introduction. When do we go to the next step of discussing these prior to reaching conclusions on them? That would be on April 28th when we're trying to lock in the rates, levies, real estate,

[04:29:26] meals tax TOT anything and everything related to the budget in preparation for adoption and appropriation on May 5th and mayor yes maybe this will help the night of adoption there are a number of items that can be done by resolution there's some items that can be done that need to be done by ordinance in order for the timing to work these items have to be introduced that's all that's happening on the 14th so that you can then take the necessary have the necessary discussion take

[04:30:00] the actions on the 28th ideally to finalize and to act on the fifth so it is as the cfo has said these are annual purely administrative items introductions of ordinances council member hall yes thank you um one thing i just want to point out on this is and correct me if i'm wrong here But with the new timeline of budgets and documents becoming available, when will the April 14th staff reports and such be available for council to review and for the public to review?

[04:30:38] You want to address that? I'm going to look at the city clerk who may have the schedule memorized that I don't. It would be April 6th for the 14th meeting? Yeah. Okay. And previously it would have been April 10th, correct?

[04:30:57] It would have been the Friday before? it could be between april 8th or april 9th but we're consistently trying to get you eight days ahead right so my my point here now is if people are looking and paying attention and we're going to be sending out emails saying the budget information or the the information for this meeting is available um i do understand what your concern is about it being under consent i also do understand that our residents now have more time as as do we now to review these agenda items so

[04:31:32] i think we have learned a lot in the past year i think we also learned a lot from our first budget go round um personally i am likely comfortable with keeping these items on consent because again i think we're attaching a staff report that information is available online um so i personally don't have um a concern with it this year as i did last year so i would also say that was more words and I needed to get that out but appreciate thank you for doing the advanced things no absolutely I think additionally certainly ample opportunity

[04:32:11] on that evening as we discuss it to go into further detail answer your questions relative to that information that's there that that you know that ultimately provides that context councilman Peterson I think that's a critical point yeah I think the combination of having the staff reports available so people can

read that and the ability to ask questions about it will I think be very helpful it'll raise everybody's level of awareness and make sure that we're addressing things so that's very helpful. Councilmember Hurdichanler. And we have an obligation to connect the dots also

[04:32:50] because some of this information has been presented in work sessions tonight we talked about the recommendation for the wastewater utility rate to continue at six percent for example so we have make those linkages between the information that's been previously introduced is to us and then is being introduced formally on the agenda um so i i think that's the pre-work that we need to do thank you council member amos before i go does anyone else want to talk about budget i'm pivoting away from that oh yeah anybody else want to i think we're talking about the consent agenda right

[04:33:31] yeah i know we're on futures list i know we were talking about consent agenda and budget i'm talking about something completely different so we're all good there so are we all good there are we good on the futures generally or no just the consent we're talking about the consent agenda okay but we're settled on that we're settled i think so okay only thing i wanted to point out for futures and that's just not for tonight discussion i know uh mr alexander sent a follow-up email regarding people's interest in the illicit massage business ordinance um i know there's a a number of questions. If there's interest, feel free to reply to the email. Just a note

[04:34:06] to my colleagues. Noted. Anything else on the futures list in general? Mr. Lubkerman. Oh, I'm sorry. This might just be my memory is wrong, and you guys are absolutely right, but for some reason I thought the wastewater and stormwater were going up to 6%, but this says 6% and 5%. It is 5%. Okay. Even better. Thank you. Okay. Mr. Lubkerman.

[04:34:31] So just closing the loop on the on the wonderful discussion we just had about mayor council salaries The night of the 14th, we could possibly have that as a work session or we could have it on May the 12th Preferences I can have the information ready in time for the 14th After budget so it sounds like 12 may 12 the 12th. Yeah after budget. Let's not okay Is that enough if I might as May 12th enough time? Yeah April 14th is enough time but May 12th definitely will be Mac 12th is after budget

[04:35:12] That doesn't confuse the issue. Yeah, I agree because any impact is going to be on the FY 28 budget, which we should make crystal clear okay, okay, so We are now moving from To the manager report out and council comments Mr. Alexander typically not included in future items But of note, and you received an email earlier tonight on the inter-jurisdictional meeting on April 7th from 5 to 6.30 at Sherwood.

[04:35:42] So just wanted to make that clear to everyone else that that meeting is scheduled with the county. Excellent. Anything else from the city manager? No, thank you. That's it. Okay. Council Member Amos. Council comments. Let's see. There were two things.

[04:35:58] One of them I'm forgetting. So, all right. The second one is happy to share that we're doing a hire a lion fare. I sent it to my colleagues earlier. It took a minute to lock down a date, but date, time, it'll be during lion time on April 15th, Wednesday.

[04:36:14] It's just a small little fair for businesses to come for free. And if they're offering internships or summer positions, students can go explore and see what's available. Sent that around. Feel free to share with businesses, share with students, and it should be a good time. Excellent. Council Member Hall.

[04:36:30] I want to thank three other of my council members for joining us for Trivia Night at Ornerly. Um, I will not thank council member Amos for our name, the council. I'm like, really? You couldn't have asked us for some help on that one.

[04:36:47] But we, we actually had a really, really, really good time. Food is great. The drinks were great. Um, we went from sixth place to third place and the teams that were first and second clearly were there frequently.

[04:37:05] Like they were definitely frequent flyers. um we bet it all which is what they allowed us to do there at the end so that was how we were able to go from sixth to third we actually did get the questions right um so it was a really really fun night um i am looking forward to our upcoming one i don't need to know the date but it's um sometime later and we are doing an escape room um and i am also looking forward to the arc breakfast thursday morning um and i'm sure i missed things that we did oh my family and i volunteered at the lamb center on saturday that was a lot of fun um we had a good time i got to

[04:37:42] be a barista so that will be at top of my resume when i look for my next job um but it's we've had a lot of things going on i know there's just been a ton of really busy things um one final thing to that i want to point out is the women's club of fairfax they win awards like crazy so we've received emails about that um we are having our fashion show at the country club of fairfax on April 18th. Councilmember McQuillan and I are both part of that group and Councilmember McQuillan is also part of the fashion show committee so if it's great you can thank her if it's not

[04:38:15] you can also thank her. But if you are interested in attending it is \$50 and we have access to other tickets but I just thought I would put it out there in case anyone is interested in what the club does or wants to be part of the fundraiser. I understand Mayor Reed is coming as well so this will be my first time attending it and I'm super excited so if I missed anything else that anyone has done thank you for all that you did and appreciate it okay councilmember Hardy Chandler two very quick things I just wanted to as I mentioned earlier I want to encourage people to attend the village in the city expo lots of great information very well attended lots of

[04:38:52] engaged people really excited about that coming up and just in general progress being made on the youth sports forum more to come council member peterson for those of you who weren't able to join us today at the fairfax country club the mayor was able to join georgia mason university had part of its science series and it was featuring the completion of the state's first climate assessment which george mason produced i was pleased to be a part of that process one of

[04:39:27] lead offers but lead authors but we had a variety of people there really important event it is stage setting and foundational a number of other folks from the city were able to join that event people from the environmental sustainability committee people from other venues here in the city so it was a great opportunity for direct connection hopefully there's more to come again this is It's really typically the first stage of building capacity and community-level opportunity in states where this has been done.

[04:40:01] And the broader context for the state of Virginia is that the state will be, in all likelihood, increasing its level of focus on addressing climate change issues, particularly the impacts of climate change and our ability to respond to them by becoming more resilient.

[04:40:21] So I think it was recorded and is online if you want to watch that presentation. So that was really great. Also, I ride my bike on the trail that zips past Theis Park, and I know we're going to have an

update on that, so I won't steal thunder from that update.

[04:40:41] But the construction has really come along, and it's worth stopping by to see what that's looking like. That is going to be clearly a very nice facility. At the same time, that construction process must have been hammered by having the better part of a month of ice and below freezing temperatures.

[04:41:02] So they've done a great job getting things back on track. But I think it's well worth looking at and looking forward to. And I want to give some kudos to everybody who's working on that. And given the hour of the night, I think I'm going to call it at that. Thanks. Council Member Bates.

[04:41:20] Thank you. No comments. Council Member McQuillan. Yes, thank you. I want to thank everyone who came out, made a public comment this evening. For all those who presented, thank you. And then I wanted to share a few opportunities for our community to come together in the days ahead.

[04:41:37] Tomorrow evening at 7, the Sherwood Center will host Story Sprint, presented in partnership with Fall for the Book Festival. It's an interactive event. Three authors will have just 20 minutes to write a story using opening and closing lines suggested by the audience. It looked really neat, so I thought I would share that.

[04:41:55] Also, this Thursday at Fairfax High School, they will host the Cultural Celebration Night beginning at 530. It's one of my favorite events that they hold there. They'll have cultural displays, food sales, student performances. The student performances start at 630.

[04:42:11] It's always a great evening. Do not miss that. Next week, we have the Extreme Night Egg Hunt that's going to take place Thursday, April 2nd at 8 at Historic Blenheim. offering another fun way for residents to gather and enjoy one of our city's unique events.

[04:42:28] On a more serious note, I also want to acknowledge the recent tragedy at Old Dominion University. My son is a student there, so this news felt especially close to home. My thoughts are with the students, the faculty, families, and first responders who were impacted.

[04:42:44] And on a personal note, that same son will be celebrating his 19th birthday next week, and I just have to give him a shout-out and just tell everyone how proud I am of him. He's doing a great job there. And finally, with Easter weekend approaching, I just want to wish everyone who celebrates a happy Easter.

[04:43:01] Thank you. Okay, excellent. Council Member Hall mentioned the Arc of Northern Virginia is doing their breakfast this Thursday. Thursday is an incredibly busy day. The FHA cultural, which, yes, is happening in the evening, also the small area plan zoning ordinance outreach meeting is also on Thursday night.

[04:43:21] And I will be at the Northern Virginia Regional Commission meeting, missing it all. So with that, I am going to adjourn us at 11.42 p.m. on Tuesday.



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