BOARD OF SUPERVISORS
STAFFORD COUNTY, VIRGINIA,
MINUTES
REGULAR MEETING
MARCH 3, 2026

CALL TO ORDER – A regular meeting of the Stafford County Board of Supervisors was called to order by Deuntay Diggs, Chairman, at 5:00 p.m. on Tuesday, March 3, 2026 in the Board Chambers, George L. Gordon, Jr. Government Center, 1300 Courthouse Road, Stafford VA.

ROLL CALL – The following members were present: Deuntay Diggs, Chairman; Maya P. Guy, Vice Chairwoman; Tinesha O. Allen; Pamela Yeung; Darrell E. English; Crystal Vanuch (participating remotely); Kecia S. Evans.

Also in attendance were Bill Ashton, County Administrator; Rysheda McClendon, County Attorney; Sukhi Purewal, Deputy Clerk; various staff members; and other interested parties.

Ms. Allen motioned, seconded by Dr. Yeung, to allow Ms. Vanuch to participate virtually in the meeting.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

INVOCATION

Mr. English led the invocation.

PLEDGE OF ALLEGIANCE

Dr. Yeung led the Board in the Pledge of Allegiance to the Flag of the United States of America.

CHAIR REMARKS

Mr. Diggs said that many of them were aware that there was a recent sewage spill in the Potomac River in Washington, D.C. He said that the spill was significant and had led to the Virginia Department of Health (VDH) declaring a recreational water advisory for the Potomac River from the American Legion Bridge in Fairfax County to the Nice Bridge in King George County. He said that this advisory meant that residents and pets should avoid swimming, wading, tubing, and kayaking where full body submersion was likely to occur. He said that by taking these precautions, people could minimize the risk of waterborne illnesses. He said that the timeline for the repair of the spill was expected to take four to six weeks. He said that more information was available on the VDH website.

Mr. Diggs said that as a reminder, they had rescheduled the town hall meeting for their community on the North Anna to Bristers project, formerly known as the North Anna Kraken

Loop electric transmission project. He said that the meeting would be held this Thursday, March 5 at 6:30 p.m. at Colonial Forge High School. He said that the evening would begin with a presentation in the school auditorium, which would be given twice to allow flexibility with attendance. He said that the presentation would take place at 6:30 p.m. and again at 8 p.m. Following the presentation, residents were invited to visit interactive stations in the cafeteria, organized by the proposed transmission line segments within Stafford County.

Mr. Diggs said that large-scale maps would be on display to help residents identify areas of interest and understand how the proposed project may affect their communities. He said that while the overall project included seven segments, the focus of the session would be on the five segments located in Stafford County. He said that County representatives would be present at each station to collect public feedback, which would be documented and used to inform future County strategies and communications related to the project. He said that for more information on the project, he encouraged everyont to visit www.staffordcountyva.gov/kraken.

Mr. Diggs said that last week, they had hosted Congressman Eugene Vindman for a special check presentation. He said that Congressman Vindman had helped Stafford County secure a federal grant to replace fleet radios for the Sheriff's Office. He said that both Congress and President Trump had approved a $1 million grant, which would save the County money and tax dollars. He said that they appreciated Congressman Vindman's continued willingness to help Stafford County. He said that he also wanted to thank his Vice Chair, Ms. Guy, for attending on his behalf.

Mr. Diggs said that today, the Board would vote to authorize the advertisement of the Calendar Year 2026 tax rates alongside the FY 2027 budget, Capital Improvement Program (CIP), and Virginia Public School Authority (VPSA) bonds. He said that he wanted to clarify that advertising a tax rate did not finalize it. He said that the rate would be finalized at the April 21, 2026 Board of Supervisors (BOS) meeting. He said that the rate the Board ultimately adopted may change as the budget process continued, but it could not exceed what they advertised today. He said that as they moved forward, the board was carefully weighing several fiscal pressures and community priorities. He said that this was a deliberate and thoughtful process. He asked for the public's patience and understanding as they worked through these important decisions together. He said that he encouraged residents to join them on April 7 for the public budget hearings, beginning at 7 p.m., to share their perspectives and priorities with the Board.

ADDITIONS - DELETIONS AND APPROVAL OF THE REGULAR AGENDA

ADD-ON TO ITEM NO.12; CORRECTED FIRE LEVY AMOUNT FROM $0.14 TO $0.014 IN BOTH PROPOSED RESOLUTION R26-47 AND R26-48

Bill Ashton, County Administrator, said that there was one add-on to Item 12, which was a correction to the fire levy amount. He said that it was incorrectly written as $0.14 and had since been corrected in both proposed Resolutions R26-47 and R26-48. He said that the updated documents were attached to the Board packet and uploaded to the Agenda Center.

Dr. Yeung motioned, seconded by Mr. English, to approve the regular agenda.

The Voting Board tally was:

Yea: (6) Diggs, Guy, Evans, Yeung, English, Vanuch
No: (0)
Absent: (1) Allen

CONSENT AGENDA

ITEM 1. CAPITAL PROJECTS - UTILITIES; AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE A CONTRACT WITH NORAIR ENGINEERING CORP. FOR THE SMITH LAKE WATER TREATMENT FACILITY PHASE II UPGRADES PROJECT; PROPOSED RESOLUTION R26-92

ITEM 2. COMMUNITY ENGAGEMENT; APPROVE A PROCLAMATION TO RECOGNIZE MARCH AS WOMEN'S HISTORY MONTH; PROPOSED PROCLAMATION P26-03

ITEM 3. COMMUNITY ENGAGEMENT; APPROVE A PROCLAMATION TO DECLARE STAFFORD'S OBSERVANCE OF THE AMERICA 250 COMMEMORATION; PROPOSED PROCLAMATION P26-26

ITEM 4. COUNTY ADMINISTRATION; AUTHORIZE THE COUNTY ADMINISTRATOR TO APPLY FOR RENEWAL OF A VIRGINIA OPIOID ABATEMENT AUTHORITY COOPERATIVE PARTNERSHIP GRANT AWARD FOR MOBILE MEDICATION ASSISTED TREATMENT AND CRISIS STABILIZATION FOR OPIOID ABATEMENT; PROPOSED RESOLUTION R26-62

ITEM 5. COUNTY ADMINISTRATION; RECOMMEND THE APPOINTMENT OF MR. DERRICK KING TO THE FALMOUTH SEAT ON THE BOARD OF ZONING APPEALS FOR A TERM EXPIRING DECEMBER 31, 2026; PROPOSED RESOLUTION R26-99

ITEM 6. COUNTY ADMINISTRATION; APPROVE THE JANUARY 20, 2026 BOARD OF SUPERVISORS MEETING MINUTES

ITEM 7. COUNTY ADMINISTRATION; APPROVE THE JANUARY 23, 2026 BOARD OF SUPERVISORS MEETING MINUTES

ITEM 8. COUNTY ADMINISTRATION; APPROVE THE FEBRUARY 03, 2026 BOARD OF SUPERVISORS MEETING MINUTES

ITEM 9. DEVELOPMENT SERVICES; PETITION VDOT TO INCLUDE LOCKSLEY LANE AND KELLAN DRIVE WITHIN THE SHERWOOD ON THE RIVER SECTION 1 SUBDIVISION INTO THE SECONDARY SYSTEM OF STATE HIGHWAYS; PROPOSED RESOLUTION R26-85

ITEM 10. PARKS AND RECREATION; AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE A TASK ORDER WITH SPACES DESIGN STUDIO, LLC FOR DESIGN ENGINEERING SERVICES FOR AN ADDITIONAL BOAT RAMP AND DOCK AT LAKE MOONEY PARK; PROPOSED RESOLUTION R26-91

ITEM 11. SHERIFF; AUTHORIZE EXECUTION OF A CONTRACT WITH BLUE LINE

SOLUTIONS, LLC FOR AUTOMATED PHOTO SPEED ENFORCEMENT CAMERAS TO BE INSTALLED IN SCHOOL ZONES; PROPOSED RESOLUTION R26-88

Ms. Evans motioned, seconded by Dr. Yeung, to approve the Consent Agenda.

The Voting Board tally was:

Yea: (6) Diggs, Guy, Evans, Yeung, English, Vanuch
No: (0)
Absent: (1) Ms. Allen

PRESENTATIONS

A PRESENTATION TO DECLARE STAFFORD'S OBSERVANCE OF THE AMERICA 250 COMMEMORATION

Mr. Diggs presented the Proclamation to Declare Stafford's Observance of the America 250 Commemoration.

Members of the Falls of the Rappahannock Chapter of the National Society of the Daughters of the American Revolution expressed their appreciation for the time taken to honor their nation and its independence.

PRESENTATIONS BY THE PUBLIC

1. Patrick A'Hearn said that he was the CEO and producing artistic director of the Riverside Center for the Performing Arts. He said that he was also a proud member of the original Broadway cast of Les Miserables. He said that he was here today to ask for the Board's support of the Riverside Center for the Performing Arts, a cultural institution that had been an integral part of Stafford County's identity for decades. He said that the Riverside Center was more than a theater; it was a local employer, a regional destination, and a community gathering place that brought residents, families, seniors, and visitors together through live performance.

   Mr. A'Hearn said that it played a vital role in defining Stafford not just as a place people lived, but as a place where culture and creativity thrived. He said that from an economic standpoint, the Riverside Center drove activity well beyond its walls. He said that they had recently been listed as one of the top 10 regional theaters in the country by USA Today. He said that as of that day, performances at the Riverside Center had been attended by patrons from 38 states. He said that when patrons dined at nearby restaurants, shopped locally, and traveled into the County specifically to attend performances, it was clear that supporting the Riverside Center was an investment that rippled outward, benefiting small businesses, tourism, and the County's overall vitality.

   Mr. A'Hearn said that from a community standpoint, the performing arts were essential to their health and well-being. He said that they enriched the quality of life, supported arts education, and made Stafford County more attractive to families, retirees, and employers considering where to put down roots. He said that Counties that valued the arts were

Counties that retained talent and built strong civic pride. He said that the Riverside Center had faced increasing financial pressures from rising operational costs to the lingering impacts of recent economic disruptions. He said that strategic support from the County, whether through funding, partnerships, or collaborative planning, would ensure that this long-standing institution not only survived but continued to serve Stafford for generations to come.

Mr. A'Hearn said that tonight, he was asking the Board to consider supporting the Riverside Center. He said that the County could recognize the Riverside Center as the performing arts center for this region. He said that perhaps it could even be known as the Riverside-Stafford County Center for the Performing Arts. He said that if they were to come on board and be supporters of theirs, both financially and as supporters, the County could have access to the building and be able to participate in a wide range of activities. He said that he believed that partnering together and joining forces could lead to many exciting possibilities. He said that tonight, he was asking for their support. He said that he thanked the Board for their leadership, their service, and their consideration.

2. Molly Denham, Hartwood District, said that an adage asserted, "We make time for what matters to us." She said that last week, a joint School Board and Board of Supervisors meeting was scheduled to discuss the County budget and school funding, but it did not happen. She said that it did not happen because this Board did not show up and could not reach a quorum. She said that only three of seven members attended, and only two stayed for the full presentation. She said that because there was no quorum, there was no formal meeting, and no questions could be asked and answered publicly.

   Ms. Denham said that members of this Board chose not to participate. She said that this was not new and happened almost every year during budget season. She said that these meetings were set well in advance, budget season was not a surprise, and school funding was not a pop-up issue. She said that at some point, it stopped being coincidence and starts being a failure to take responsibility. She said that the exception was Dr. Yeung, who had a family emergency and still managed to prepare questions and ask the Board to present on her behalf, which did not happen. She said that their choice not to make time sent a very clear message about what matters.

   Ms. Denham said that now, they were moving forward with the budget process without public discussion surrounding school funding. She said that members of this Board would again make public assumptions and comments without recourse for discussion from the Schools. She said that this came as no surprise and frankly was par for the course in the Board's budget process over the years. She sadi that tonight, they would vote on the advertised tax rate. She said that she supported advertising the tax rate at the proposed $0.985. She said that this rate would fund a very slimmed-down County budget. She said that it was not extravagant, it was not excessive, and it was the bare necessity. She said that this rate also provided negotiating space and avoided the pitfalls of previous budget decisions.

   Ms. Denham said that they were not in a spending crisis. She said that they could not continue to say the County spends too much while simultaneously asking to provide schools, public safety, infrastructure, and services at a high level with little to no resources. She said that they had a revenue problem. She said tha this was the consequence of having no base to

Stafford County to act as a balance for taxes placed on residents. She said that this was greater than adding more retail or restaurants or a 15-year data center plan that still had not been explained. She said that they needed a specific industry identified for the County to grow around: one that can drive education, provide jobs, give structure, and be a much-needed counterweight for taxes on County residents.

Ms. Denham said that as they move forward, they must get serious about fixing the revenue crisis they face. She said that advertising the tax rate at $0.985 would give their County bare minimum funding. She said that then, they as citizens wanted to see concrete action verbs in the Board's comments, and they wanted to see serious work being done to give Stafford a reliable industry base to identify and grow with in the future.

3. Debra Galloway. George Washington District, said that she fully agreed with the previous speaker. She said that she had a few questions that she did not expect answers to, but she would like to request that the Board take notes and share them with the appropriate department, which was probably the Commissioner of the Revenue. She said that specifically regarding land and house assessments, she would like to know how the tax increases were determined. She said that she would also like to know why the land values were so high in proportion to the structures. She said that she would also like to know what benefits taxpayers received in return for the increased assessments.

   Ms. Galloway said that her friend in the neighborhood, who had made exterior repairs to her home, received a lower assessment value for her property, while her own increased despite no changes to her house. She said that she did not understand how these assessments were determined. She said that as someone who had moved to Stafford County 12 years ago from Tarrytown, New York, she was initially attracted by the lower cost of living. She said that it was now more expensive than when she was in Westchester County, which had led her to consider leaving or relocating elsewhere soon. She asked the Board to please take the previous speaker's comments to heart, as well.

4. Mary Lou Blue said that she was here to speak on the tax assessments. She said that she had been relocated several times in Stafford County, including when the hospital road was built, which took her house. She said that she moved to the Falmouth District and, at the time, it was reasonable and affordable. She said taht however, the new tax assessment she received put her 22.2% higher than last year, equating to an additional $101,000 for her house. She said that she could understand the $49,500, but not the $101,000. She said that she was concerned that someone behind a desk was pushing a button and not really thinking about what this meant for the residents.

   Ms. Blue said that she had lived in Stafford County for nearly 50 years, and she was worried that the increasing taxes would make it difficult for people like her to afford to stay. She said that they should be taxing restaurants and solar development more. She said that as someone from the Tyson's Corner area, she was concerned that Stafford County was trying to replicate that model, but it was not feasible. She said that she was sad to think that she may have to leave Stafford County because of the rising costs.

Ms. Blue said that she had lived there for most of her life and had wanted her grandkids to attend Brooke Point High School, but now it seemed unlikely. She said that everything was getting more expensive while people's incomes remained stagnant. She said that she hoped that the Board would consider the impact of the County's assessments on long-time residents. She said that additionally, their schools needed money, and she thought they were shifting money to other places it did not need to be. She said that she hoped the County would look into this serious issue.

5. Kristin Maxson said that she could vouch for the 22.2%; she had seen it. She asked if the public presentation was scheduled for 6:30 p.m. for those on the road. She said that she also wanted to consider prayers in support for the United States service personnel overseas and for a corrective directive for all. She said that the agenda grew by 10 minutes at the last minute. She said that CM 26-05 was regarding a closed meeting discussion regarding the disposition of a County-owned interest in real property. She said that this could mean any property without serving and relaying specifics and quantity, and that was a strife the last speaker did mention. She said that there was a both yes and no answer to a multiple choice question on page 55 of 365 pages in the agenda, with a 155 figure.

   Ms. Maxson said that in order to address the Stafford County opioid crisis, treatment use should be less percentage at all times. Shes aid that also, she would like to know what the Board did with five entries when it stated three entries was the maximum for a BACC application, as stated on page 76 of the agenda today. She said that Proposed FY 2027 house assessments increased 87% since 2012, but it was proposed. She said that taxes had increased 49% since 2021, as quoted by a Supervisor. She said that a 2024 state agency funds provided for Virginia to support a data center program, with agreed-upon economic positive directives.

   Ms. Maxson said that this was not negative as seen by the Kraken Loop proposal, which was reminded by a current Supervisor on page 86 of today's agenda. She said that Utilities stated that March 17 would be presenting the budget for Fiscal Years 28 and 29, along with the reuse system rates as informal. She asked for clarification on what "informal" meant, as the public wanted a fixed rate, change was not a variable, as seen on page 344 of the agenda today. She said that with monthly water use fees of $320 million, she wondered how enforcement actions could be taken on a specific date, and how this would change the course, according to page 332 of the agenda today.

6. Will King, Griffis-Widewater District, said that he was speaking on behalf of Uncage RRJ, an organization he was facilitating. He said that he had learned that the time for public comment changed based on the week. He said that he would like to discuss how simple some of their solutions were to problems that seem intractable. He said that to address this, they need to start thinking about how they spend their dollars in a way that produced outcomes beyond just dollars. He said that what he was talking about was how when one spent a dollar in a cage, consider the long-term effects on a life trajectory. He said that locking someone up in a cage for a certain period to extract financial outcomes from them for the courts raises questions. He asked what that dollar did to that person, and how did it impact their ability to contribute to the economy outside of the cage. He said that Uncage RRJ was attempting to answer those questions.

Mr. King said that there were simple steps they could take. He said that for example, they could approach their Sheriff's Department and suggest reducing prosecutions. He said that they could speak with judges and propose reducing the number of people sent to cages, as ultimately, it was up to those individual judges. He said that their only constraint was around guidelines, which were algorithmic answers to societal problems. He said that if those guidelines did not produce healthy outcomes, potentially due to factors like medical neglect, environmental stress, or lack of family connection, there were other costs. He said that he spent $1,000 last year trying to stay in touch with a friend while he was incarcerated. He said that this system only led to social regression and unhealthy relationships. He asked the Board why they were spending their dollars in that way. He said that when faced with numerous tough problems, simple, yet creative solutions could be beneficial to consider.

7. Julia Lewis, Falmouth District, said that she appreciated the difficult decisions the Board must make in the 2027 budget. She said that she appreciated their efforts to explore revenue generation through additional taxes and fee increases. She said that for instance, approving fee hikes for self-funded departments like Utilities to keep up with inflation and provide essential services like clean drinking water and sanitary sewers. She said that she was surprised to hear during the work session last week that their Commissioner of the Revenue predicted $150 million in revenue from data centers over the next 10 to 15 years. She said that she found this statement to be quite vague and would like to see more specific numbers.

   Ms. Lewis said that she would like to see the actual data behind these projections. She said that they had already approved five data centers, but what was the actual revenue they could expect? She said that perhaps the promise of data centers generating revenue was largely based on paper promises rather than actual funds in their bank. She said that they could take a closer look at the first approved data center, the two Amazon facilities on Potomac Church, which were approved in November 2023. She said that they had not even completed a building yet, and they could expect only $2.3 million in additional property taxes for the 2027 budget.

   Ms. Lewis said that when the first building was operational, they would only be at most 25% operational bcause that was the power Dominion could provide. She said that Amazon had yet to start building their purple pipe system, and they still had 15 properties without easements to build. She asked if they had secured those easements yet. She said that she would also like to address the proposed ordinance options for increases in water, sewer, and reclaimed water service user rates, which would be discussed later in this meeting. She said that specifically, Item 13 was a public hearing to consider two proposed ordinance options for rate increases, and Item 14 was a public hearing on a proposed ordinance to amend the water, sewer, and reclaimed water service pro rata fees. She said that these fees were what residences and businesses paid to connect to their infrastructure.

   Ms. Lewis said that Item 15 was a public hearing to consider a proposed ordinance to establish the reclaimed water service availability rate. She said that notably, all three of these options were data center-specific reclaimed water rate fees. She asked the Board to provide transparency in these fees. She asked if they had already made side deals with Amazon and STC for lower rates in the water service agreements, as they were the ones responsible for building the purple pipe and transferring it to them. She asked what kind of bargain were they making when they sold the data centers' reclaimed water. She asked what the terms of this arrangement were. She said that she would like to see more clarity on these matters.

8. Jerrilyn Eby MacGregor, Rock Hill District, said that tonight, she was submitting the lineage of Dr. Brad Hatch, Patawomack Tribal Judge, Tribal Council Member, and master eel pot weaver. She said that she had collected 26 birth, death, marriage, draft, and census records proving Dr. Hatch's family to have been white back to at least 1788. She said that his fourth great-grandfather, John Gaskin Rowe, was a judge in Stafford in 1856 and a member of the Fredericksburg Masonic Lodge in 1859. She asked if they thought a person of color would have been allowed to hold such positions. She said that the many official records she submitted to the County demonstrated that the White Oak families claiming to be Patawomacks are actually descendants of the white colonizers who settled on the Patawomacks' tribal lands after they left in the 1660s.

   Ms. MacGregor said that compounding that, the group was receiving benefits by claiming to be the very Indians they replaced. She said that the irony was that Dr. Hatch claimed that weaving eel pots represented his tribe's resistance to colonialism. She said that she could elaborate on eel pots and the fake Patawomacks, but she would spare the Board the details. She said that in 2010, the PITV told the General Assembly they had family, church, and land records proving they were Indians. She said that these were very specific records, so she asked why they could not produce them. She said that over nine months ago, the Board asked for these records, and they still have not seen them. She said that that was because they had no Indian records; somebody lied to the Assembly.

   Ms. MacGregor said that neither the attorney nor the experts who may have told them that records did not matter could provide the records. She said that this group's members were not Indians, and nothing could make them Indians. She said that their state recognition was based on a lie. She said that they were white people who were defrauding legitimate indigenous people and taxpayers of money and land. She said that she was telling the Board the truth, and they were going to continue to bring attention to this issue. She said that eventually, the truth would emerge, and when it did, she asked what side of this issue Stafford County wanted to be on.

9. Rick MacGregor, Aquia District, said that on February 20, he had sent the Board photos and brief information on William and Mary Lamb of Stafford. He said that he hoped each one of them had had time to read it. He said that Stafford was rich in history that should be promoted. He said that Mary Lamb was a slave whose grave was marked by a handsome Aquia freestone dated 1815; she had died in the epidemic of 1814-1815. He said that her grave had been placed in a prominent position so that all persons traveling on the road would see it, and she seemed to have been well thought of. He said that according to oral history, her stone had been cut and carved by her husband, William Lamb, over 200 years ago. He said that however, oral history was often flawed and must be substantiated by written documentation or existing physical or archaeological evidence.

   Mr. MacGregor said that according to the commissioner's records in the National Archives in Washington, D.C., William was a quarrier. Notably, he was the only free Black quarrier that they were aware of who had sold Aquia stone for use in the White House and the U.S.

Capitol. He said that he had worked in Stafford alongside slaves and white quarriers. He said that this was a fascinating story. He said that as a free Black man, William had been paid for his work. He said that his receipts had been signed with an X, indicating that he was illiterate, as were many whites during this time. He said that therefore, it was unclear whether he had cut and carved Mary's stone, as the records did not provide this information. He said that however, it was evident that he had provided her stone at a time when many white people could not afford them.

Mr. MacGregor said that Stafford boasted abundant, verifiable, and well-documented history. He said that they should not promote made-up history. He said that the modern Patawomeck were not Native Americans, as proven by countless official documents. He said that they were pretendians. He said that he had a New York Post article that explained why pretendians were detrimental to Native Americans. He said that he urged the Board to stop all County support and promotion of this group. He said that this was not honoring genuine Native Americans. He said that one of them on this Board had requested to visit Mary Lamb's grave and learn more about her, and he looked forward to accommodating them. He said that he extended an invitation to each one of them to do the same.

REPORTS BY BOARD MEMBERS

Dr. Yeung said that she wanted to thank her colleagues and constituents who called and checked up on her daughter.

Ms. Allen said that she wanted to provide a quick update for those who had reached out in the Decatur and Widewater areas, expressing concerns about the conditions of that turn and the challenges it presented. She said that she would send an email with this information and post it on the community board. She said that their Transportation team looked into it and spoke about it with Virginia Department of Transportation (VDOT). She said that VDOT planned to address the issue within the next week or two by filling the spot and eliminating the dip in the road. She said that in the long term, they aimed to bring this to the Board in May as part of their Secondary Six-Year Plan (SSYP) list to potentially rework the intersection to make it more driver-friendly.

Ms. Allen said that in the interim, she urged everyone to be mindful of their driving habits, especially in the area. She said that as a resident of that community, they were familiar with the turns and the challenges. She said that she did not understand why drivers felt the need to speed, putting not only themselves but also emergency responders and school buses at risk. She said that County studies had shown that there was a fundamental structural problem with the road, and while they were working on a long-term solution, she implored everyone to follow the rules and drive safely in the area.

Mr. English said that tomorrow, the Electoral Board was scheduled to meet at 11:00 a.m. He said that they wanted to expand voting hours to 7:00 p.m. and offer Sunday voting. He asked Mr. Ashton if that would be paid for by the County.

Mr. Ashton said that staff had only had slight conversations with the Registrar about that. He said that they had not discussed who was paying for it yet.

Mr. English asked if the Board would need to review the item if it was approved by the Electoral Board tomorrow.

Mr. Ashton said that it would not be coming before the Board, but it would be involving County funds.

Mr. English said that he thought it was unacceptable for them to make a decision that would impact County funds. He said that he did not support either of their proposed changes, but he did not know what they could do to stop them.

Mr. Ashton said that he was unsure whether that funding was already in the Electoral Board's budget. He said that they had not had that conversation.

Ms. Allen said that in the past, when voting hours were expanded, the state stepped in to cover some of the costs. She said that she was unsure whether it would be only County funds, especially since there was a special election.

Mr. Ashton said that the County had not been asked for anything from the Registrar at this point.

Ms. Allen said that it may be preemptive to take a stance at this point.

Mr. English said that the County paid the Registrar's salary. He said that the Board needed to say no to this. He said that they did not have the money for that. He said that he encouraged the Board to tell the Registrar no.

Rysheda McClendon, County Attorney, said that her understanding was that the Electoral Board was discussing it as a consideration, but it may not be appropriate for Board action until such time when a request was before the Board. She said that it was too early for them to have any information in terms of outcomes and impacts on County funds.

Mr. English said that he also wanted to say regarding the current war in Iran, he wanted everyone to remain vigilant.

Ms. Evans said that as they worked through this hard budget, she wanted the Board to remain focused on the numbers as well as the people behind them. She said that families, businesses, and future generations depended on their leadership.

Mr. Diggs said that he missed their meeting last week, as the Board and School Board were aware, because he had been invited to Richmond to represent the County for Black History Month by the Governor and First Gentleman. He said that he had taken this opportunity and was honored to be at the Governor's Mansion. He said that while there, he also had the chance to speak with key persons in Richmond about issues affecting the County's budget. He said that he was doing two things at once, and he believed this experience had taught him the importance of effective communication.

Mr. Diggs said that as they moved through the budget cycle and things changed, he asked the community to reach out to them. He said that he knew the Supervisors all responded to constituents and answered questions. He said that he asked that they maintain a relationship where they communicated openly and honestly, so they could work together to achieve a better outcome. He said that he believed this two-way communication was essential. He encouraged everyone to reach out and ask questions, and also give the Board the opportunity to answer their questions. He said that if the answers made people upset, he welcomed them to express their feelings, but he asked that they allow there to be a conversation in order to come up with the best solutions.

REPORT OF THE COUNTY ATTORNEY

Rysheda McClendon, County Attorney, said that she had no report this evening.

REPORT OF THE COUNTY ADMINISTRATOR

Bill Ashton, County Administrator, said that he had no report this evening.

PRESENTATIONS AND REPORTS BY AGENCIES

There were none.

ACTION ITEMS

ITEM 12. BUDGET AND MANAGEMENT; CONSIDER AUTHORIZING ADVERTISEMENTS FOR PUBLIC HEARINGS TO CONSIDER THE FY2027 BUDGET; THE FY2027-2036 CAPITAL IMPROVEMENT PROGRAM (CIP); THE VIRGINIA PUBLIC SCHOOL AUTHORITY ISSUANCE (VPSA); AND THE CY2026 TAX RATES, INCLUDING ESTABLISHMENT OF A SOLAR ENERGY TAX RATE; PROPOSED RESOLUTION R26-46 (AUTHORIZE ADVERTISEMENT OF THE BUDGET, CIP, VPSA); PROPOSED RESOLUTION R26-47 (AUTHORIZE ADVERTISEMENT OF TAX RATES)

Andrea Light, Chief Financial Officer said that this item pertained to several requests to advertise public hearings related to the budget. She said that Proposed Resolution 26-46 would advertise the budget and FY27 - FY36 Capital Improvement Plan, based on the County Administrator's budget. She said that this did not bind the board to any future decisions, so if they chose to move budgets, reduce budgets, change budgets, or change projects, they had the ability to do so even after the advertisement. She said that the next item on R26-46 was the VPSA issuance of debt for the school programs. She said that this included projects such as Drew Middle School replacement, Hartwood Elementary School replacement, North Stafford High School Fine Arts Wing, Thompson Middle School critical systems, and 3R projects that had funding in FY26 or before. She said that they estimated the issuance of up to $65 million, with approximately $5.2 million in debt service in FY28; they did not anticipate any of this debt service to impact FY27.

Ms. Light said that regarding Proposed Resolution 26-47, the Board was asked to consider advertising the tax rates. She said that all tax rates would be advertised based on the Board's vote today. She said that they could go below their advertised tax rate, but they could not go above it without re-advertising and possibly holding another public hearing, depending on the timing. She said that in FY27, their total personal property tax, including the Personal Public Tax Relief Act (PPTRA) from the state, was $87.5 million for the County. She said that to put this into perspective, this was approximately $0.33 on the tax rate for the real estate tax rate, and it accounted for almost the entire budget for the Fire and Rescue and Sheriff Departments. She said that this was a very important revenue source for the County.

Ms. Light said that she would like to highlight a couple of these items for their consideration. She said that the automobile and trucks were proposed to remain at the same rate of $5.72, but in this proposed budget, business property, camping trailers, recreational vehicles, and all other categories were all proposed at the same rate of $5.72. She said that these changes would bring about $450,000 of revenue into the County, which was included in the $87.5 million she mentioned earlier. She said that she also wanted to point out mobile homes and the proposed solar farm tax. She said that both mobile homes and solar farm tax were at the proposed real estate tax rate of $0.985, so if the Board chose a different rate for real estate, those rates would be reflective of the change.

Ms. Light said that Proposed Resolution 26-47 also looked at the service districts. She said that they had a number of service districts, and she had provided a chart that showed how they may change from Calendar Year 25 rates to the Calendar Year 26 proposed rates. She said that service districts were looked at very specifically for the purpose they were raised for. She said that for example, Garrisonville Service District was moving down to $0.045, which was based on changes in need. She said that in Fiscal Year 26, they had a sidewalk project that was finishing up. She said that this year's budget for Fiscal Year 27 would only cover debt funding. She said that for the Lake Carroll Service District, the proposed tax rate was an increase from $0.20 to $0.25. She said that the reassessment did bring some of their values up, but this also accounted for the loan that the Board had approved. She said that the Lynhaven Lane Service District was proposed to remain at zero cents, essentially no tax, as that activity was not moving forward. She said that the Hidden Lake Service District was actually decreasing its tax rate, accomodating an increase in their assessed values.

Mr. English said that to clarify, the residents within the service districts paid the tax.

Ms. Light said that that was correct. She said that residents and businesses within the district paid the tax.

Dr. Yeung said that she had talked about the Warrenton Road Service District for a few years now. She said that she was wondering if staff had looked into potentially raising the tax there to a couple of pennies. She said that there were a lot of projects happening on that road and she thought they could bring in more revenue for the County through that road. She asked if staff could explain why they were not pursuing that potential tax revenue.

Mr. Diggs said that he recalled from the Board's last conversation about Warrenton Road, there were no projects in the area of the service district, so they could not raise money for further down the road where the school was being constructed.

Ms. McClendon said that an important aspect of their conversation should focus on ensuring that not only the project within the district boundaries benefited, but also that all properties within the district received the pecuniary benefits. She said that to determine this, they would need to examine a specific project and ascertain whether the properties that were paying into the district would benefit from it. She said that currently, they would need that information to bring it back to the Board to evaluate whether it would be a good fit. She said that if it did not align, the Board could amend the boundaries of the service district, which could be done through public hearings, or alternatively, a different service district could be created. She said that there were options available, but the first step was to analyze projects and then conduct further analysis on the properties.

Dr. Yeung asked if the Board could take up this discussion sometime soon.

Ms. Vanuch asked if Ms. Light could briefly discuss the Lake Arrowhead Service District, which was not included on the chart with the other service districts. She asked if Ms. Light could explain the rate it would be advertised at and confirm it was included in the Resolution before the Board.

Ms. Light said that the Resolution stated that Lake Arrowhead was assessed at $0.06, and it had a proposed rate of $0.053.

Ms. Vanuch thanked Ms. Light for the clarification.

Ms. Light said that moving forward, they would discuss the proposed real estate and Fire and Emergency Services levy. She said that the proposed tax rate for real estate in Calendar Year 26, as outlined in the County Administrator's proposed budget, was $0.985, a proposed increase from $0.9236. She said that the Fire and Emergency Services levy was proposed to rise to $0.014 cents from $0.0131. She said that the combined effective tax rate for both levies was $0.8772, with real estate accounting for an effective rate of $0.865 cents and the Fire and Emergency Services levy making up $0.0122. She said that the Board and staff had discussed the unfunded state mandate for tax relief at length. She said that if the Board wished to know the required rate to alleviate the $12 million increase, that required rate would be approximately $0.93.

Dr. Yeung said that she had raised the issue for several years now that the County needed to implement business, professional, and occupational license (BPOL) taxes. She said that they had discussed revenue from data centers frequently, but that was still a few years out, and 10 to 15 years before they saw the full amount. She said that they needed to start looking for other ways to get revenue. She said that she wanted to reiterate that BPOL was a valid option for the County. She asked the Board to please consider it today. She asked Ms. Light if she had information about the potential revenue the County could collect if they implemented BPOL.

Ms. Light said that at the work session, after Dr. Yeung had left, they did discuss BPOL options. She said that staff looked at Spotsylvania County's BPOL program to get a sense of what Stafford could anticipate. She said that currently, they did not collect income information from their businesses, as they did not have a reason to do so. She said that when looking at Spotsylvania County, staff considered that if Stafford was at 50% of that, it would be approximately $3.5 million in revenue. She said that if they were to exclude merchant's capital, which Stafford currently had, that would bring the estimate down to about $2.6 million. She said that during the work session, the Board expressed that they should not pursue this in this budget, but rather to consider it after the budgeting process, due to the significant amount of work required to prepare a public hearing and the necessary ordinance for the Board and engage in a community outreach process.

Dr. Yeung said that she also wanted to mention potentially tightening the process for the Veterans Tax Relief. She said that she had spoken with Mr. Mayausky about that. She said that it was another area she thought the Board needed to discuss further. She said that the relief was anticipated to reach as high as $40 million this year.

Mr. Ashton said that they were already at $29 million this year, and were expecting it to reach $40 million next year.

Ms. Light said that their budget was at $28 million for FY26, and with the mandated increases and Elderly Tax Relief enacted by the Board, they were at $31 million. She said that by the end of this fiscal year, they would probably be at $33.5 million in tax relief.

Mr. English asked what the amount of relief was for the seniors.

Ms. Light said that it was about $2 million.

Ms. Allen motioned, seconded by Ms. Evans, to approve Proposed Resolution R26-46.

The Voting Board tally was:

Yea: (4) Diggs, Guy, Evans, Allen
No: (3) Vanuch, English, Yeung

Ms. Allen motioned, seconded by Ms. Evans, to approve Proposed Resolution R26-47, with the advertised real estate tax rate of $0.985 and the Fire and Emergency Services Levy at $0.014, for a total rate of $0.999 as proposed by the County Administrator.

Ms. Evans asked if Ms. Light could clarify that this was the advertised rate, not the final tax rate that would be adopted.

Ms. Light said that yes, this was the advertised rate. She said that it would come back to a public hearing, where constituents and stakeholders would have the opportunity to express their concerns about the budget or the tax rate, and the Board would then consider what that tax rate could be. She said that it was worth noting that the tax rate could not be set higher, but it could be set lower. She said that this advertised rate essentially set an upper limit for the tax rate before finalizing the vote.

Dr. Yeung asked if they could separate the rates into two votes.

Ms. McClendon said that yes, the Board could separate them into two votes. She said that she would just recommend they pull either the fire levy or the real estate tax rate out of the motion on R26-47 in order to consider them separately.

Mr. Diggs said that this was advertising the rate at the amount the County Administrator had suggested. He said that as he had committed to last year, he intended to work down from that. He said that however, he wanted to understand the implications of what would be cut and how that would impact operations as they worked through that.

Ms. Vanuch said that the Board had previously discussed this item multiple times, but this may be the first time some members of the public were made aware of these tax rates. She said that the motion on the floor was to advertise, not to set, the real estate tax rate at $0.985 and then to bifurcate the fire levy. She asked if Ms. Light could tell the public what the effective tax rate would be. She said that she had gotten a lot of questions from her constituents on that subject because they saw a $0.86 tax rate associated with their reassessments. She asked is Ms. Light could explain this was the rate needed to offset the increases in assessments.

Ms. Light said that the real estate tax effective rate was established by the Code of Virginia. She said that during a reassessment year, which Stafford County conducted every other year, the County was required by the Code of Virginia to calculate and produce an effective rate. She said that an effective rate was calculated by adding 1% to the County's total tax levy. She said that for real estate, that would be $0.865 cents. She said that however, this rate did not account for any changes to mandated or optional tax relief programs. She said that the fire levy's effective rate was $0.0122. She said that when combined with the real estate levy, the total effective rate was $0.8772.

Ms. Vanuch said that with the County Administrator's proposed tax rate, which was on the floor right now, it would be a $0.12 increase. She asked what that translated to in terms of an increase on the average dollar amount paid by taxpayers.

Ms. Light said that their average increase, as they had looked at it, was approximately $430, according to Mr. Ashton's presentation. She said that she may be off by a few dollars, but that would be their average increase.

Ms. Vanuch asked if Ms. Light could provide the average percent increase.

Ms. Light said that she did not know the average percent increase.

Mr. Diggs said that he thought the increase between tax rates was only $0.06, but Ms. Vanuch had mentioned $0.12.

Ms. Vanuch said that she was trying to get to that point. She said that she thought it would be very beneficial for Budget staff to do that math, because it was important for people to understand the percentages and specific costs associated. She said that she recalled Mr. Mayausky discussing an effective rate that would account for the state-mandated exonerations, meaning the Elderly and Disabled Tax Relief and the Disabled Veterans Tax Relief. She asked if Ms. Light had that number.

Ms. Light said that it would be about $0.93 for both fire levy and real estate.

Ms. Vanuch asked if that was the $0.06 difference.

Ms. Light said that no, the increase from the current tax rate of $0.9236 to $0.985 was about $0.06.

Ms. Vanuch made a substitute motion, seconded by Mr. English, to approve Proposed Resolution R26-47 with an advertised real estate tax rate of $0.93 and the fire levy at $0.014.

Dr. Yeung asked if it was correct that the $0.93 was the effective rate when taking into account the exonerations or tax relief. She said that the state's formula for the effective rate yielded the $0.86 to offset the increase in assessments.

Scott Mayausky, Commissioner of the Revenue, said that that was correct.

Ms. Vanuch said that yes, her motion was to approve an effective rate inclusive of the state-mandated exonerations, which would get them to $0.93.

Ms. Allen asked Ms. Light if the budget placemat was available in the meeting packet so the public could follow along.

Ms. Light said yes.

Ms. Allen said that regarding the placemat worksheet, there were sections for the main drivers of the tax rate and budgetary needs. She said that there was a whole section for mandatory costs. She asked if Ms. Light could elaborate on that section.

Ms. Light said that mandatory items were typically those that they had in place through Memoranda of Understanding (MOU), other agreements, or debt service that must be paid, leaving little room for the Board to make a decision in those matters.

Ms. Allen said that last year, the Board attempted to finegle a way out of paying one of those MOUs with the Jail. She asked Ms. Light what the outcome of that attempt was.

Ms. Light said that they still had the agreement in effect with the Jail, so the County was still required to pay the Jail.

Ms. Allen said that for the public record, it was mandatory, and even if they attempted to find alternative solutions, they would still be required to pay approximately $1.9 million to the Jail.

Ms. Light said that yes, that was now built into the FY27 Budget.

Ms. Allen said that because they tried not to budget for it last year, they now had to fund it this year, as well as the amounts they had not paid last year. She said that as a Board, they must remember that when discussing tax rates, they could not try to skip any of these mandatory payments, because that approach ultimately led to higher costs the next year. She said that also regarding the mandatory section, she was wondering if Ms. Light could break down the cost, just from a penny perspective, so that the public could better understand the costs of their mandatory obligations.

Ms. Light said that in total, their mandatory obligations totaled about $0.041.

Ms. Allen said that this was not even taking into account their Schools, which were essential for educating their children, maintaining property values, and contributing to their quality of life.

She asked, hypothetically, if they did not give the School Division what they requested for staff pay and the Public Day School, if they did not pay for any repairs and maintenance, and only paid debt service on the three new schools, what would the costs of the Schools' debt service be in terms of pennies on the tax rate?

Ms. Light said that for the Schools, it was about $0.035.

Ms. Allen asked what the debt service plus mandatory obligations were in that case.

Ms. Light said that it was about $0.075.

Ms. Allen asked what the $0.86 effective rate plus the $0.075 would be.

Ms. Light said that it would be almost $0.94.

Ms. Allen said that they were nearing $0.94, and that was just to cover their requirements, the bare minimum with nothing else. She said that their tax rate could be not be effectively advertised at $0.93, as they did not have any room to maneuver. She said that to Mr. Mayausky, she thought he should have the opportunity to explain his assessment process, considering people had questions and concerns about what they had received. She said that she also would appreciate it if he could discuss the data center revenues.

Mr. Mayausky said that there was a key distinction between the elected positions of determining tax rates and determining property values. He said that his role was to determine property values, and they did this by analyzing sales data from the County over a two-year period; they reassessed property every two years. He said that to determine the value of properties, they identified comparable sales within comparable neighborhoods and based their assessments on those sales. He said that if they had sufficient sales data, they used the neighborhood sales; otherwise, they considered surrounding neighborhoods with comparable houses. He said that the value of properties was directly driven by market trends.

Mr. Mayausky said that all of their appraisers were state-licensed real estate appraisers, and they followed market trends to ensure accurate assessments. He said that he wanted to emphasize that they were not infallible and could make mistakes. He said that there was an appeal process in place to address any potential errors or unknown information. He said that their goal was to ensure that property values were accurate, and they welcomed anyone who wanted to learn more about their process and how they valued their property.

Ms. Allen encouraged any members of the public who thought their assessments were incorrect to contact Mr. Mayausky's office.

Mr. Mayausky said that the Board of Supervisors could not assist in that matter, but he certainly could.

Ms. Allen said that she had a question regarding data center revenues. She said that there were comments about there being no projections for the data centers and that they had to wait a decade or more. She said that however, the decade-long timeframe was referring to the full build-out for some of the projects. She asked if Mr. Mayausky could explain the rationale behind not having a model for ten years' worth of revenues.

Mr. Mayausky said that the challenge lay in their inability to control the timeline of a data center's development and build-out. He said that they knew that a data center would generate tax revenue, but they could not predict when that revenue would be realized. He said that when projecting 5, 10, 15, or 20 years into the future, they were relying on the private company's internal dynamics, market trends, and their own timelines to determine when the revenue would materialize. He said that as a result, it was difficult to accurately predict the exact amount of revenue they would have in 5 or 10 years, as that was ultimately in the hands of the companies building the data centers.

Ms. Allen said that there were comparable Counties they could look to in order to confirm that was what they could expect. She said that when Loudoun, Prince William, and Fairfax started their process of accommodating data centers, they followed that exact pattern in terms of how long it took them to correctly model a map of revenue projections. She said that if she looked at the history of those localities, there was a similar trend where in earlier years, they could not pinpoint it and had to wait until actual data centers came online to provide data to chart and project future revenues.

Mr. Mayausky said that that was correct. He said that this issue was not limited to data centers; it affected any industry, including residential. He said that when a large subdivision like Embrey Mill was approved in 2003, he doubted anyone thought it would be finished as late as the 2020s. He said that the timeline of large-scale projects was unpredictable. He said that a recession in the middle of the project, combined with a drop in real estate values that were unforeseen, made it nearly impossible to accurately estimate when such projects would be completed.

Ms. Allen said that she was asking these questions because she wanted the public have perfect clarity into the County's perspective on this situation. She said that she completely understood the financial pressure put on citizens and the need to avoid tax increases. She said that she had three jobs herself and could confidently say she did not want any higher taxes. She said that in terms of the unclear data center revenue projections, she simply wanted to explain that they were early in the stages of those developments and did not have enough information to predict the exact numbers they would get, especially from an emerging industry.

Ms. Allen said that back to an earlier point she had made, they already had $0.075 in essential obligations. She asked if Mr. Mayausky could explain why the effective tax rate of $0.86 was not appropriate to use in this context, and why it was actually $0.06 higher due to tax exonerations .

Mr. Mayausky said that yes, the effective tax rate worked well in localities that were not heavily impacted by Disabled Veteran Tax Relief as Stafford was. He said that the effective tax rate was based on the prior year's real estate levy, a specific term. He said that the real estate levy was calculated before adjustments were made for Tax Relief for the Elderly and Disabled, as well as Disabled Veteran Tax Relief, which were referred to as post-tax discounts. He said that to calculate the effective tax rate, these discounts should be subtracted from the revenue base after the levy was set.

Mr. Mayausky said that however, the problem with state legislation for the effective tax rate was that it required the calculation of this rate on the levy. He said that as a result, the levy in Stafford County was artificially inflated due to the significant real estate value that could not be taxed. He said that this value, when removed, significantly raised the effective tax rate from 86.5% to around 93%.

Mr. Diggs said that he wanted to make sure that Mr. Mayausky's important explanation did not go over people's heads. He asked if he could explain it in simpler terms.

Mr. Mayausky said that it could be compared to a paycheck. He said that there was a gross amount earned, which was different than the take-home pay, which was the net amount after deducting all taxes. He said that this was what they actually had to spend. He said that the state's definition of the effective tax rate was basically the County's gross revenue. He said that when subtracting out all the things that the County could not actually spend, they had their net revenue. He said that the effective tax rate on the net amount was the $0.93 as explained by Ms. Light.

Ms. Allen said that she sincerely appreciated the explanation. She said that the reason she had made the motion to advertise the proposed tax rates from the County Administrator was because of the mandatory obligations the County must pay for, plus the difference between the gross and net effective rates. She said that they needed to start from a place of acknowledging these fiscal realities in order to fully engage in the budget process. She said that all financial information must be acknowledged as part of their calculations and considerations.

Mr. English asked if Mr. Mayausky could not provide specifics about the data centers because there was potential the businesses could fail.

Mr. Mayausky said that yes, market conditions could change. He said that they could provide forecasts for the near term, but the farther out they looked, the less accurate the projections became.

Mr. English said that they did not even know what would really be going into the buildings because the companies did not divulge that specific information.

Mr. Mayausky said that staff actually toured the Potomac building today. He said that they were in the process of identifying the different types of equipment that would be going in there. He said that they basically only had a shell of a building they were building out right now. He said that he did believe that by January 1, 2027, they would have most or all of their computer equipment onsite, which would allow the County to tax it at full value.

Mr. English asked if the data center tax revenue was included in this Resolution.

Ms. Light said that yes, it was included in the personal property tax rate, and it remained at $1.25.

Mr. Diggs asked if the substitute motion for $0.93 would impact the three new schools' opening costs.

Ms. Light said that the Board would need to make a choice in terms of what would be cut. She said that they would need to cut budget increases or something from the base budget.

Ms. Vanuch asked for clarification that the current motion for $0.93 in Resolution R26-47 included all other tax rates.

Ms. Light said that the $0.93 would be for the real estate.

Ms. Vanuch asked if the other tax rates were also included in the Resolution. She said that the language was somewhat unclear in that respect.

Ms. McClendon said that she had drafted the Resolution, so she could answer. She said that it would advertise all of the tax rates as provided in R26-48 and include the real estate rate as proposed by Ms. Vanuch in her motion.

Ms. Vanuch said that she thought that was helpful. She said that it also went back to the personal property spreadsheet provided by Ms. Light in her presentation.

Ms. Light said that yes, it did, and it also included all the service districts.

Ms. Vanuch said that she would like to amend her motion to increase the data center rate from $1.25 to $2.50 because according to Mr. Mayausky, they could expect data centers to start coming online next year. She said that she did not think they needed to keep the lower rate because they no longer needed it at $1.25 as an incentive to bring in new data centers. She said that they needed to be strategic and consider shifting the burden from their residents to the data centers.

Mr. Diggs said that Ms. Vanuch's proposal sounded great in theory, just like lowering taxes and deferring large costs. He said that their current stressful financial position happened because of that philosophy, so he cautioned against taking that approach in this instance. He said that he agreed that they needed to equitably distribute the tax burden among industries, businesses, and residents, but there must be a careful strategy when doing so in order to prevent other negative consequences. He said that to clarify, there were no operational data centers in Stafford County at this point. He said that there were some being built by right, others had been approved by special use permit, and some of those were currently under construction.

Mr. Diggs said that others were currently seeking approval through the County planning and zoning processes. He said that in his opinion, they needed to have at least one data center built before reassessing their strategy as it related to that industry. He said that additionally, they needed to consider their general strategy for businesses in the County, regardless of the specific industry, and how it looked when they suddenly changed a tax rate. He said that there was also a specific timeline in which the County could anticipate receiving tax revenues from data center property, which was essential to consider. He said that he wanted the community to be aware that common sense and a practical approach did not always apply to these situations.

Mr. Mayausky said that as Mr. Diggs alluded to, the County could only assess business property as of January 1. He said that if the data center came online mid-year, they could not begin taxing the property until January 1, mid-fiscal year. He said that the performance agreement they had with AWS locked them in to the $1.25 tax rate. He said that even if they raised the rate to $2.50, it would not generate any more revenue from AWS projects.

Mr. Diggs asked how long they would be bound by that agreement.

Ms. McClendon said that the performance agreement was for a specific number of years, about 20 years if she recalled, but she could provide the exact number to the Board as a follow-up.

Dr. Yeung said that she recalled Mr. Mayausky had previously advised the Board against raising that tax rate.

Mr. Mayausky said that when looking at how the situation evolved in other localities, it did seem premature at this time to change the tax rate, as they did not have a functioning data center in the County. He said that they also had to factor in the impact of the performance agreement on the revenue.

Dr. Yeung said that she thought the Board needed to collectively consier all the other revenue sources they needed to reevaluate, versus doing them piecemeal. She said that she thought they needed a fuller discussion with Mr. Mayausky about what could be increased and why, but again, that was a conversation for another day.

Mr. Diggs said that he wanted to again emphasize that the Board was considering every possible way to raise other taxes to reduce the impact on residents, but the specifics of how and when they did were also relevant. He said that he was willing to do the work avoid tax increases to the best extent possible, but there were responsibilities the County must meet. He said that they were also listening to the constituents who were concerned they could no longer afford their homes.

Ms. McClendon said that to clarify, the performance agreement with AWS was set to expire on December 31, 2051.

Ms. Vanuch said that she would like to thank the entire Board for the professional and respectful conversation they had. She said that she knew these topics could be difficult to discuss, and she appreciated the approach they had taken this year. She said that she would also like to provide her perspective on the data center issue. She said that they had a few by-right projects that were outside of the performance agreement with AWS, and they were not yet certain when they would come online due to their expeditious construction timeline; this was why she felt compelled to keep the $2.50 in the proposed motion she had made. She said that she also appreciated the comments regarding economic development.

Ms. Vanuch said that the community wanted economic growth, but they wanted it to benefit their quality of life. She said that she did not believe data centers aligned with that particular vision of economic development. She said that she understood the concern about not wanting to change the rate so suddenly, but that was the same way she felt about the residential tax rate on their constituents. She said that for example, when a homeowner bought a house with a tax rate of $0.865, only to see it increase by 10%, 12%, and 12% annually, this could be seen as a form of inconsistency. She said that she would like to leave her motion as it stands.

Ms. Allen said that Ms. Vanuch was correct that there were a few by-right data center developments, and she knew they were required to provide updates to the County at certain stages throughout their process. She asked if the County knew where those developments were in terms of their construction timelines.

Donna Krauss, Deputy County Administrator said that she would need to verify the information and let the Board know. She said that if the Board would like to know the answer immediately, she would require a few minutes to access their tracking system and retrieve the relevant data.

Ms. Allen said that she thought it was important to know for Ms. Vanuch's motion as well as her original motion on the tax rates.

Ms. Krauss said that she could go check.

Ms. Vanuch motioned, seconded by Ms. Allen, to table Proposed Resolution R26-47.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

ITEM 13. UTILITIES; CONSIDER REFERRING TO THE UTILITIES COMMISSION, AND AUTHORIZING ADVERTISEMENT OF A PUBLIC HEARING TO CONSIDER, TWO PROPOSED ORDINANCE OPTIONS FOR INCREASES IN WATER, SEWER, RECLAIMED WATER SERVICE USER FEE RATES; PROPOSED RESOLUTION R26-43

Chris Edwards, Chief Operating Officer, said that his presentation would cover Proposed Resolutions R26-43, R26-44, and R26-95. He said that R26-43 was for the advertisement of water, sewer, and reclaimed water user fees, while R26-44 was for water, sewer, and reclaimed water pro rate fees. He said that R26-95 was for reclaimed service availability. He said that regarding R26-43, there was an option. He said that they anticipated advertising both, but there was a choice regarding the rate they planned to advertise. He said that this was a follow-up from the Board Retreat, where they had discussed overall rates. He said that the Utilities Department had conducted an analysis comparing residential and commercial rates, as they had been asked about commercial inequity between the two. He said that the study found that residential users accounted for a larger share of total revenue than commercial users, even when consuming the same amount of water. He said that the department had explored ways to make their rates more equitable between residential and commercial users.

Mr. Edwards said that it was determined that implementing a tiered rate structure for commercial users would be the most effective approach. He said that this new tiered rate structure would be phased in over a three-year cycle. He said that to explain, a tiered rate was already used for residential water users. He said that for the first couple thousand gallons, it might be $1, and for the next 2,000 gallons, it might be $2. He said that the more water used, the more expensive it got per unit. He said that the intent was to address high levels of consumption which drove the need for infrastructure expansion, resulting in costly capital improvement projects. He said that therefore, the higher user customers paid more to reflect the increased demand they placed on their system.

Mr. Edwards said that for commercial rates, they were proposing a two-tier structure for both water and sewer. He said that they recommended a three-year implementation to gradually increase rates for their highest-usage customers, with a potential 30% increase by the end of the three years if their water usage remained unchanged. He said that notably, many of the highest commercial accounts were not as high as they seemed. He said that their top 10 users included three mobile home parks, two apartments, the hospital, and two governmental facilities, one being the Jail.

Mr. English asked if the schools counted towards that.

Mr. Edwards said that the schools were right outside of those top users. He said that each individual high school was probably in the top 25 users. He said that when looking at the three-year implementation, the schools would result in a $43,000 increase over what the flat rate would be for FY27.

Ms. Allen asked for clarification regarding the five-tier structure versus the two-tier structure.

Mr. Edwards said that for residential customers, they had a five-tier structure for water usage and a single flat rate for sewer. He said that for commercial users, they would have a two-tier structure for each water and sewer rate. He said that the assumption with commercial users was that what goes in would come out, versus residential where most of the high demand was from irrigation, and they capped that so people were not paying for water not going back into the sewer system.

Ms. Allen asked if the 30% over three years was for commercial or residential.

Mr. Edwards said that it was for commercial and likely would only apply to their top 20 users. He said that one thing he would like to highlight was the type of top user they had in the County. He said that a good example was Warabeya, a restaurant supplier that made sandwiches and other products for stores like 7-Eleven. He said that otherwise, it was their mobile home parks and apartment complexes that were their top users.

Dr. Yeung asked if Mr. Edwards could provide more information on the reclaimed water system. She said that also on Item 14, it said they were amending the rates. She said that she thought this was a new thing for them, so she was wondering why it said it was an amendment.

Ms. McClendon said that they were amending the Ordinance in order to add those new reclaimed water rates.

Mr. Edwards said that he would continue with his presentation. He said that their rate consultant, Raftelis, completed a water and sewer study, which included a commercial breakdown. He said that included were the proposed residential rate adjustments that would be needed. He said that there was a proposed rate increase of 6% in FY27, then 5.5% in FY28, and 5.5% in FY29 with the tiered commercial rate structure. He said that this was compared to 6.5% for all three years if they maintained the current commercial structure, which was flat with no tiers. He said that implementing a tiered structure going forward after FY29 should actually help minimize residential rates overall.

Mr. Edwards said that he also wanted to point out that they compared 10 different jurisdictions and found that seven of them had a commercial tiered rate structure. He said that he brought this up to field any questions and to address any questions that needed to be addressed prior to March 24, when the Utilities Department would provide their main presentation to the Board. He said that their consultant and Utilities staff were recommending the tiered structure and to implement it over the three-year period. He said that to summarize, their three main budget drivers were debt-funded capital projects, operational expenditures, and personnel costs. He said that the debt service on capital projects was expected to increase by $4 million to $5 million over the next three-year rate cycle, which would be partially offset by the 6.5% rate increase. He said that additionally, operational expenditures, including the Consumer Price Index (CPI), was anticipated to also increase. He said that finally, personnel costs, including health insurance and new employees, would also be a significant factor.

Ms. Allen asked for clarification regarding the major treatment plant upgrades. She asked if that included the relocation and rebuild of the treatment plants that the data centers needed to do.

Mr. Edwards said that no, they would discuss that later, which was part of the reclaimed water availability fee. He said that the increase in debt service was related to the Smith Lake water plant. He said that they had borrowed for two of these projects and would soon begin paying back debt service. He said that over this period, the increase in debt service would rise from approximately $4 million to $5 million. He said that he had provided the position requests for FY27, which included 2.5 positions. He said that one of these positions was a conversion from part-time to full-time.

Mr. Edwards said that in FY28 and 29, the positions with asterisks would be part of the reclaimed water system and funded by the reclaimed water rates, not the water and sewer rates. He said that he would like to briefly review the pro-rata rates and the developer cost share program, which was used to cover the costs of new development, including commercial and residential projects. He said that they typically updated the rates as part of the master plan update to ensure full cost recovery for pro rata projects. He said that finally, he would like to address the availability fee, which was the cost of relocating their facility. He said that this did not involve expanding the facility, but rather allowed them to recoup their costs.

Mr. Edwards said that he would also like to discuss the consumption rates. He said that their rates had a base fee and a user fee, which was based on the water used. He said that the reclaimed water fee was primarily driven by the base fee, as they did not know the exact amount of water used or the duration of use. He said that as a result, they were starting with day one and implementing a capital fee that would feed back into the reclaimed water rates. He said that this would allow them to rebuild the system in 20, 30, or 50 years. He said that finally, for user fees, it was only a six-month system, which was why there was less emphasis on the base fee.

Mr. English asked what the status was for the purple pipe system.

Mr. Edwards said that they were finishing up design right now. He said that it was likely that construction would commence early next month. He said that according to the water services agreement, he had approximately a year to complete the design phase. He said that he had successfully navigated the permitting process, and the necessary permits were in place. He said that therefore, they could expect construction to begin within the next 30 to 60 days. He said that the majority of the construction would take place at the Aquia plant, and all of the permitting had been completed.

Mr. English asked if the County would be able to use the reclaimed water.

MR. Edwards said that most of the reclaimed water was used for data center purposes, as per the water services agreement, which stipulated that the water would be used for industrial cooling.

Ms. Allen asked if the reclaimed water would be treated through the water treatment plant.

Mr. Edwards said that yes, they treated the regular wastewater to a very high standard. He said that one additional step they will take was to filter it again. He said that in fact, most of their filtration system was due for upgrade in about 20 years, so this would be a beneficial addition to their plant. He said that they would use ultraviolet light to further disinfect the water, providing an additional layer of protection against bacterial growth. He said that they would also apply chlorine as a third disinfectant to ensure the water remained safe. He said that as the water passed through the system, it would be free from any potential contaminants, allowing high-quality reclaimed water to be used by the data centers.

Ms. Allen said that she knew that over time, the minerals in the water could become corrosive to the data center equipment. She said that she knew a concern was that data centers may need to use potable water for any amount of time, so she wanted to make sure they would not need to revert from the reclaimed water to using potable water because the reclaimed water was corroding their equipment. She said that she wanted to make sure the process was good enough that it avoided the need for potable water to be used for cooling data centers.

Mr. Edwards said that he believed that Loudoun County had a good balance of data centers utilizing both potable and reclaimed water. He said that there should be sufficient data available on both systems. He said that ideally, they should have a clear understanding of the number of cycles they could expect from the reclaimed water compared to the potable water. He said that given that Loudoun had been operating these systems for 10 to 15 years, he would assume that most data centers already possessed this information. He said that Loudoun had provided to the County their water quality parameters so the County could ensure that these parameters were met in the design of their system.

Dr. Yeung said that regarding reclaimed water, she was wondering if they could sell it to companies other than data centers.

Mr. Edwards said that at the March 17 Board meeting, Jon Brindle was scheduled to present the new Water, Sewer, and Reclaimed Water Ordinance. He said that one of the key items in this Ordinance was a stipulation that only individuals who had completed a water services agreement were allowed to connect to the reclaimed water system. He said that this Ordinance accomplished two main things: firstly, it established the amount of water that must be provided to those connected to the system, which was the primary consideration; secondly, it required infrastructure improvements to be made by those connected to the system. He said that in terms of the Board's role, they had the authority to decide who was eligible to connect to the reclaimed water system. He said that however, if someone wished to pay the connection fees and demonstrate a valid use for the reclaimed water, they could still connect to the system, provided that approval was obtained from the Board of Supervisors.

Dr. Yeung asked if there was any precedent for the rates they would set.

Mr. Edwards said that some of the information was unknown and thus based on assumptions. He said that it was a very conservative from the County's perspective; they were being very cautious about investing any more money than what was provided by the data centers.

Dr. Yeung asked how long the reclaimed water users could use potable water. She asked if they had a limited time to use potable water before switching to reclaimed water.

Mr. Edwards said that yes, there was a limitation. He said that they also were not allowed to connect until the reclaimed water system had hit certain milestones. He said that if there was a delay in the reclaimed water system, the users could not connect to potable water until the milestone was met. He said that they knew that the reclaimed water was forthcoming and would happen soon.

Ms. Allen motioned, seconded by Dr. Yeung, to approve Proposed Resolution R26-43.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

<u>ITEM 14. UTILITIES; CONSIDER REFERRING TO THE UTILITIES COMMISSION, AND AUTHORIZING ADVERTISEMENT OF A PUBLIC HEARING ON A PROPOSED ORDINANCE; PROPOSED RESOLUTION R26-44</u>

Dr. Yeung motioned, seconded by Ms. Allen, to approve Proposed Resolution R26-44.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

<u>ITEM 15. UTILITIES; CONSIDER REFERRING TO THE UTILITIES COMMISSION, AND AUTHORIZING ADVERTISEMENT OF A PUBLIC HEARING TO CONSIDER A PROPOSED ORDINANCE TO ESTABLISH THE RECLAIMED WATER SERVICE AVAILABILITY RATE; PROPOSED RESOLUTION R26-95</u>

Ms. Allen motioned, seconded by Dr. Yeung, to approve Proposed Resolution R26-95.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

<u>ITEM 12. BUDGET AND MANAGEMENT; CONSIDER AUTHORIZING</u>

ADVERTISEMENTS FOR PUBLIC HEARINGS TO CONSIDER THE FY2027 BUDGET; CY2026 TAX RATES; PROPOSED RESOLUTION R26-47 (AUTHORIZE ADVERTISEMENT OF TAX RATES) (CONTINUED)

Ms. Allen motioned, seconded by Ms. Vanuch, to take Proposed Resolution R26-47 off the table to discuss again.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

Ms. Allen said that Ms. Krauss was present to address the question that she had previously asked about the by-right developments' current status in the permitting process, so they could get a better idea of where things stood.

Donna Krauss, Deputy County Administrator, said that she would provide an update to the Board on the current status of the five data center projects being built by right. She said that these included Stafford Technology Campus (STC), Potomac Tech, Cranes Corner, Vantage, and Pemberton. She said that Potomac was being built right now and would likely be online by January 1, 2027. She said that STC would likely have buildings online by 2027 as well. She said that Cranes Corner was nowhere near ready in that regard. She said that Pemberton was still in review so would not be constructed by 2027. She said that Vantage had gone through the process and had broken ground.

Bryon Counsell, Chief Engineer, said that STC was still going through the process of getting their substation approved. He said that it would likely be well into 2027 before they got their first building online.

Ms. Allen said that it sounded like Vantage was the only one that could have the proposed $2.50 tax rate applied to it. She said that Potomac Church was exempt due to their performance agreement. She said that she did not see how they could get any additional revenue during this year, but next tax season may be a different conversation.

Mr. Diggs said that he thought this was a good conversation to have and they could continue to discuss it in the future, as well. He said that however, regarding Ms. Vanuch's substitute motion, he would want to do some more work on creating a framework and some supportive analysis on what the appropriate rate should be. He said that he did not disagree with Ms. Vanuch's intent to raise the data center tax rate, but he did not know whether $2.50 would be effective or what evidence there was to support it. He said that he definitely wanted to have that conversation moving forward.

Ms. Guy said that she agreed. She said that she would like to have this conversation well in advance of their advertisement of a tax rate, as she believed it would be more productive to have a long and open discussion, allowing them to come to a mutually agreeable solution. She said that this way, the community could be informed and understand the process, rather than just being presented with a new idea at tax time. She said that as a citizen, she did not appreciate only hearing a potential idea around tax time, and then again the following year, which could be incredibly frustrating. She said that it made her wonder, what were they doing in the other 11 months of the year? She said that she thought it was essential that they had these conversations, but they needed to happen farther in advance of the Board's decisions.

Mr. Diggs asked if the Board would support directing staff to compile that information and begin working towards that as soon as possible.

Ms. Allen said that she did not think they needed to rush anything, considering they could not begin to assess data center property until January 1, 2027.

Dr. Yeung said that she would reiterate her earlier point about all of their potential tax revenue sources, not just the data center revenues. She said that they needed to collect all the information, sit down and discuss all of it. She said that they needed to consider all potential revenues, including BPOL, service districts, and other sources, not just data center tax rates.

Mr. Diggs asked if Ms. Vanuch could repeat the language of her substitute motion for the record.

Ms. Vanuch said that the substitute motion was to approve Proposed Resolution R26-47 with an advertised real estate tax rate of $0.93 and the fire levy of $0.014, and to increase the data center tax rate to $2.50 from $1.25.

The Voting Board tally was:

Yea: (2) Vanuch, English
No: (5) Allen, Diggs, Evans, Guy, Yeung

Mr. Diggs said that the original motion returned to the floor. He asked if Ms. Allen would repeat the language of her motion for the record.

Ms. Allen said that the motion was to approve Proposed Resolution R26-47 with an advertised real estate tax of $0.985 and fire levy of $0.014, as proposed by the County Administrator.

The Voting Board tally was:

Yea: (5) Allen, Diggs, Evans, Guy, Yeung
No: (2) English, Vanuch

Mr. Diggs said that before they entered closed session, he would like to take a moment to thank the Board for maintaining a civil and professional atmosphere during this meeting. He said that it had given him confidence that they would approach the upcoming budget season in a more collaborative and effective manner. He said that he appreciated the diverse perspectives presented by the Board members, which he believed would ultimately result in a solution that benefited both the constituents and the County.

CLOSED MEETING

At 7:23 p.m., Ms. Evans motioned, seconded by Ms. Allen, to authorize closed meeting.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)
Absent: (1) Guy

Resolution CM26-05 reads as follows:

A RESOLUTION TO AUTHORIZE CLOSED MEETING

WHEREAS, the Board desires to hold a Closed Meeting for (1) discussion and consideration of a Board appointment, (2) discussion of the performance of a specific appointee of the Board, (3) discussion of the disposition of a County-owned interest in real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Board, and (4) consultation with legal counsel regarding entering a public contract involving the expenditure of public funds and discussion of the terms or scope of such contract, which is a specific legal matter requiring the provision of legal advice by such counsel and where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Board; and

WHEREAS, pursuant to Virginia Code § 2.2-3711(A)(1), (A)(3), (A)(8), and (A)(29) such discussions may occur in Closed Meeting;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 3rd day of March, 2026, that it be and hereby does authorize discussion of the above matters in Closed Meeting

CERTIFY CLOSED MEETING

At 8:52 p.m., Ms. Guy motioned, seconded by Dr. Yeung, to certify closed meeting.

The Voting Board tally was:

Yea: (7) Diggs, Guy, Evans, Yeung, Allen, English, Vanuch
No: (0)

Resolution CM26-05 (C) reads as follows:

A RESOLUTION TO CERTIFY THE ACTIONS OF THE STAFFORD COUNTY BOARD OF SUPERVISORS IN A CLOSED MEETING ON TUESDAY, MARCH 3, 2026

WHEREAS, the Board has, on this the 3rd day of March, 2026, adjourned into a Closed Meeting in accordance with a formal vote of the Board and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, the Virginia Freedom of Information Act provides for certification that such Closed Meeting was conducted in conformity with the law;

NOW, THEREFORE, BE IT RESOLVED that the Stafford County Board of Supervisors does hereby certify, on this the 3rd day of March, 2026, that to the best of each member's knowledge (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (2) only such public business matters as were identified in the Motion by which the Closed Meeting was convened, were heard, discussed, or considered by the Board.

Ms. Allen said that earlier, Mr. English had mentioned the Registrar and a related concern with the Electoral Board. She said that there was a bill passed by the General Assembly that would be sent to the Governor for signature, which would require two Sundays be dedicated for early voting, and the General Assembly had earmarked $6 million to help with the administration of that. She said that she was unsure of exactly how much each jurisdiction would receive, but she wanted to note that the state had earmarked funds and the measure would likely be signed by the Governor soon. She said that they still did not need to do anything until they heard what the Electoral Board's decision was, but she wanted to reiterate that the state was setting aside money and the County may not have a choice in terms of providing Sundays for early voting. She said that finally, the Electoral Board had notified the Registrar that they understood the potential issues and wanted to stagger employee shifts to avoid overtime issues.

ADJOURNMENT

The Board adjourned its meeting at 8:55 p.m.

William H. Ashton, II
County Administrator