BOARD OF SUPERVISORS
STAFFORD COUNTY, VIRGINIA,
MINUTES
WORK SESSION
MARCH 26, 2026

CALL TO ORDER – A work session of the Stafford County Board of Supervisors was called to order by Deuntay Diggs, Chairman, at 5:00 p.m. on Thursday, March 26, 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; 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.

ADDITIONS - DELETIONS AND APPROVAL OF THE REGULAR AGENDA

Mr. Diggs said that there were no additions or deletions to the regular agenda.

WORK SESSION

ITEM 1. BUDGET WORK SESSION: CAPITAL IMPROVEMENT PROGRAM (CIP)

Andrea Light, Chief Financial Officer, said that she would review the Capital Improvement Program (CIP) with the Board. She said that her presentation summarized the key points, and distributed to the Board was a CIP placemat sheet, which was also available online for the public to view. She said that they had included information from the School Board regarding their approved capital projects, as well as a list of major functional areas, including education, transportation, and a year-to-year comparison of the approved and proposed CIPs.

Ms. Light said that this comparison on the spreadsheet helped to identify cost and timing changes and provides a clearer picture of the overall CIP. She said that it should be noted that the School Board's requested timeline was not included in this document, but it was available separately. She said that they had also provided a list of 3R projects, along with descriptions and pictures. She said that the purpose of today's presentation was to provide an overview of the CIP-related debt and operating costs, including proffers.

Ms. Light said that starting with debt capacity, their capacity has increased over the past 10 years to over $1 billion. She said that to smooth out the debt issuance over the 10-year period, staff recommended that they try to distribute the debt issuance more evenly. She said that provided in the presentation was a chart that indicated there were some spikes in debt issuance, primarily from the Schools, Courthouse, and Transportation projects.

Ms. Light said that ideally, they would like to issue debt in a more consistent manner, but that was not how projects are typically funded. She said that a more consistent debt issuance would also help to reduce large swings in debt capacity, making it easier for the budget to absorb those changes.

Ms. Allen asked if staff could provide a historical graph of their debt issuance over the past 20 years as a follow-up.

Ms. Light said that yes, she could work on that.

Ms. Vanuch said that it was approximately $200 million in the year 2021.

Ms. Light said that it had been over $500 million for a number of years. She said that they remeasured and benchmarked it every year.

Ms. Light said that the Board did have financial policies that limited their debt issuances. She said that these policies required that the County's debt did not exceed 2.75% of their assessed value or 10% of their expenditures. She said that they were approaching the 10% expenditure limit at the end of this 10-year period, at approximately 9.95%. She said that the Board's financial policies also stated that they aimed to attain and maintain a 10-year payout ratio of all principal at 60% or above.

Ms. Light said that they would not meet this target from 2028 through 2032 due to some of the larger issuances they had made in the past year and upcoming issuances related to the courthouse. She said that she would like to draw their attention to the large CIP placemat, which would help them outline the desired direction from the Board on some of their projects. She said that starting with the Schools, she would like to highlight two key points. She said that the Drew Middle School replacement project had a year-over-year savings of $6 million.

Ms. Light said that although it may not be a decision point, she thought it was worth noting that the savings had been reduced year over year. She said that additionally, she wanted to highlight that Elementary School #20, Middle School #9, and High School #7 were not included in the CIP, which was related to debt capacity. She said that they could add placeholders for any of these projects in the last year of the CIP, if the Board so desired. She said that having these projects listed in the CIP helped demonstrate a promise that they may come to fruition, and it served as a living document.

Ms. Light said that she believed that when people reviewed the CIP, they began to understand what may be coming to their area and where they wanted to live in Stafford County. She said that she suggested that they exercise caution and consider delaying the inclusion of these projects in the last year of the CIP, if the Board was unsure or did not have a clear plan for their implementation.

Dr. Yeung asked if staff knew the location of Elementary School #20.

Jason Towery, Chief Facilities Officer for Stafford County Public Schools, said that the planned location listed in the School Division's CIP was the Embrey Mill subdivision.

Dr. Yeung asked when the Schools were getting their enrollment numbers.

Mr. Towery said that March 30 was the date that they were expecting updates, but the next round of numbers that they would consider would be in the fall, around late October.

Dr. Yeung asked if that information could be provided to the Board when they received it, as well as backup plans for the proposed schools if enrollment had dropped.

Ms. Light said that moving into the Fire and Rescue section, staff would like to draw attention to several items that may impact the Fiscal Year (FY) 27 fire levy. She said that one of the key items was the land purchase for the Brook and White Oak fire stations, which was included in Fiscal Year 27. She said that this land purchase came from their reserve for land, so it would be spent out of the fire levy, but not from fire levy funds; it would be transferred from their land reserve.

Mr. Diggs said that before they discussed the fire levy, he would ask that the Board give direction on the previous item regarding the Schools CIP.

Ms. Allen said that she would be amenable to wait and see what the Schools' enrollment numbers were and they could adjust the CIP in the future as needed.

Mr. English said that he would rather keep those projects in the CIP as placeholders, but he would defer to the rest of the Board.

Ms. Evans said that she would rather wait and see the numbers from the School Division and go from there.

Ms. Vanuch said that she would rather keep them out of the CIP until they had more information from the School Division. She said that she did not want to prematurely include the projects in the CIP and then take them out later, which could cause confusion. She said that they should track the projects annually based on the enrollment numbers.

Dr. Yeung said that the need for the schools depended on where students ended up through redistricting. She said that they may be able to redistrict in a way that did not require an entirely new building. She said that she would rather keep the Drew replacement and Elementary School #20 in the CIP, but she was less certain about High School #7.

Ms. Guy said that she would support keeping the projects in, but she also thought there was nothing wrong with waiting to see the numbers from the School Division. She said that she would also ask the Board to keep in mind that even if enrollment was dropping in the current year, that did not preclude them from experiencing future growth in enrollment. She said that the enrollment projections for the next 10 years indicated that these new schools were needed, so she thought the Board should look at that data before making determinations about which projects to keep and remove from the out-years in the CIP.

Ms. Allen asked Ms. Light what the impact on their debt capacity would be if they took out Elementary School #20, Middle School #9, and High School #7 from the CIP. She said that her concern was primarily the County's timeline for debt issuances and following their financial policies.

Ms. Light said that to clarify, those projects were not currently included in the CIP. She said that last year's estimates were as follows: $147 million for Middle School #9, $90 million for Elementary School #20, and $319 million for High School #7. She said that those schools would all open in 2035 or 2036, so they were still in the out-years of the CIP.

Mr. Diggs said that he believed they needed to keep the projects out of the CIP for now, and based on what they received from the School Division, they could discuss the potential of adding them back in. He said that the County went a very long time without building any schools, and now they were building three, so they needed to continue discussing the identified needs and making adjustments as they moved forward.

Mr. Towery said that to clarify, the numbers being discussed for March were not expected to provide much additional clarity on the total 10-year growth. He said that they were waiting for the numbers that would be available next school year, specifically in the October-November timeframe. He said that those numbers would provide a more accurate representation of their future growth.

Mr. Diggs said that once they received those numbers, they could revisit this discussion.

Ms. Vanuch said that she agreed that the enrollment growth chart would likely be more accurate in about a year. She said that as with all projections, they were more accurate for the first few years and became less accurate for the out-years. She said that they had to review the CIP every year, so if things began to significantly change, they would need to change their plan along with that.

Ms. Allen asked for clarification regarding the Fire and Rescue item. She asked if the land purchase for the fire stations was coming out of the General Fund or out of the fire levy.

Ms. Light said that the Board had set aside funds specifically for land purchases for projects, including schools and fire stations. She said that rather than increasing the fire levy tax rate, staff recommended using the funding source already available.

Ms. Allen said that she had assumed the fire levy would fully cover those costs for the fire stations.

Ms. Light said that the levy would cover future construction as they adjusted the levy to meet all of the requirements. She said that what was new in this CIP was the proposal to move the land purchase forward by several years, so that in Fiscal Year 2027, staff could go out and look for land, essentially staking out the future site, given that they had land funds available. She said that this was different than what was previously included in the CIP, so staff wanted to make sure the Board was aware of that. She said that it had the potential to be an expense in Fiscal Year 2027, so staff may return to the Board with parcels to purchase using the funds in the land reserve this year.

Ms. Vanuch asked how much money they currently had in the land reserve. She asked if they would still have money to buy land if they lowered the fire levy.

Ms. Light said that the land reserve was funded at $1 million per year out of year-end funds. She said that there was not an operating line item. She said that she believed they currently had $4.5 million.

Mr. English asked if he recalled correctly that developers had proffered land for a fire station.

Joe Cardello, Chief of Fire Rescue, said that the land that was proffered was for Station 11. He said that it was not intended to replace Brook Station, but rather to serve as an additional fire station on State Shop Road.

Ms. Light said that next, she would discuss scope changes for fire stations. She said that Aquia did not have much of a scope change; it was primarily including the increased cost of land. She said that there was a scope change for Rock Hill, which included self-contained breathing apparatus (SCBA) storage and increasing half a bay to a full bay, for a total amount of $3.3 million.

Ms. Vanuch asked if Fire Rescue staff could outline the scope of the changes and then provide a timeline for the project. She said that she had received inquiries about the expected completion date for the fire station.

Joe Grainger, Assistant Fire Chief, said that he would outline the project timeline. He said that he believed that this was a component that tied back to some of the changes they had seen in the overall costs. He said that they had originally proposed this project in 2020, but they had not yet broken ground. He said that as of now, they were looking at the FY 2027 budget.

Ms. Vanuch said that it was intended to be completed by 2027.

Chief Grainger said that it was clear that they had experienced changes in cost escalation and project scope. He said that one notable change was discussed by Ms. Light regarding storage of self-contained breathing apparatus. He said that they had internalized this function in their air shop, rather than outsourcing it, and this would be implemented at the new Rock Hill fire station. He said that currently, they did not have the space to accommodate this function, but since they were building the new station, they would incorporate it there.

Chief Grainger said that originally, the proposal was for a three-and-a-half bay fire station, but after working with the architect, they had expanded the third half-bay to a full bay, resulting in a four-bay fire station. He said that this change had accounted for approximately $500,000 in added costs. He said that another notable change was the expansion of their fiber network, which was part of the new capital construction effort. He said that this project included approximately $750,000 tied to the Stafford County fiber network, not specifically to the Fire and Rescue Department.

Ms. Vanuch asked where the fiber would be connecting to.

Andrew Spence, Chief Information Services Officer, said that this was part of their partnership with the School Division. He said that they managed their fiber ring within the County. He said that as a result, whenever they were connecting their resources and buildings, they tried to include them in their network. He said that they would be coming from Mountain View, connecting to Rock Hill.

Ms. Vanuch asked how that would impact her constituents in this area.

Mr. Spence said that the fiber network only served the County and Schools. He said that this connection would connect the fire station to the County fiber network.

Ms. Vanuch asked why there had been such prolonged delays in building this fire station.

Bryon Counsell, County Engineer, said that he did not think the project had been delayed. He said that it was first included in the CIP back in 2020, with an intended start date of 2023 or 2024, and they did that. He said that it was still intended to be delivered in Calendar Year 2027. He said that they would be putting the project out to bid very soon, and then take about 18 months to construct.

Chief Grainger said that Fire Station 14 took about 12 years to complete, and the Fire Rescue Department learned a lot from that process. He said that there were appropriate, modern approaches to the construction of that facility they were applying to the Rock Hill station as well. He said that there were some delays in that regard as they worked through the details with their architect. He said that they had a need to increase infrastructure for their entire Fire Rescue system, and the approach they had taken to the Rock Hill station had streamlined and accelerated their architectural and engineering work for the Aquia Fire Station, and would likely give that same benefit to Embrey Mill, White Oak, and Brook fire stations.

Ms. Vanuch said that she was frustrated that they could not build this on time. She said that the School Division was able to build their projects on time, but the County never seemed to be able to do the same. She said that she wanted assurance that if they committed to these increased costs, it would be open in 2027. She said that she would also like additional information on what exactly caused these delays.

Mike Overton, Public Construction Manager, said that a lot of the review issues that arose were unanticipated. He said that they expected to have their final site plan submission in January 2026, but the state Department of Environmental Quality (DEQ) required a historical resources review, which resulted in about two months of delay.

Ms. Vanuch asked why Planning and Zoning staff did not anticipate these delays. She said that from her perspective and understanding of the history of this project, these issues should have been expected from when they bought the land.

Mr. Diggs asked staff to follow up with more information on this issue. He said that he agreed there should have been more updates on the situation.

Ms. Evans asked if staff could confirm that the historical resource studies were being done.

Bill Ashton, County Administrator, said that staff would look into exactly what happened with the delay.

Ms. Guy said that Ms. Vanuch had mentioned that the Schools could open their facilities on time. She said that she would like to note that the School Division actually hired a project management firm to ensure this happened, eliminating any issues and allowing their staff to focus on other tasks. She said that it was an additional cost, but it may be beneficial for this situation. She said that however, she was unsure if the County already did that.

Ms. Evans said that with the understanding that their Planning and Zoning Department was under a lot of constraints, she was wondering if the County needed to hire someone to do the historical resources review.

Mr. Ashton said that staff would look into that.

Ms. Vanuch asked if the scope changes for the fire station were being funded through the fire levy.

Ms. Light said that that was correct. She said that the next items she would review were three new projects that would be included in the Fiscal Year 27 budget, which would all be funded through the fire levy. She said that there were renovations for Potomac Hills Fire Station and Berea Fire Station, and training facility modular trailers for additional classrooms.

Mr. Diggs asked if the fire stations could use the modular classrooms from the School Division, rather than purchasing new ones.

Chief Grainger said that it would be great if they could take those.

Mr. Diggs asked if staff could look into that as a potential solution.

Ms. Light said that the decision point for the Board was regarding the land purchase and the scope change, specifically for Rock Hill. She said that additionally, staff was seeking direction from the Board for these other three projects to be included in FY 27, and looking at using modular classrooms from the Schools if possible.

Mr. Diggs said that there was consensus from the Board to proceed with the use of the land reserve for purchasing land for the fire stations.

Ms. Allen asked for more information regarding the scope changes. She asked if reducing the fire levy would impact their ability to fund the Rock Hill Fire Station project increases.

Ms. Light said that the fire levy would cover the debt service for Rock Hill. She said that if the levy did not continue to increase by approximately $0.03 by the end of ten years, then they would need to begin removing projects from the fire levy.

Ms. Allen said that she wanted to clarify that in order to build the fire station, they would need to increase the fire levy.

Mr. English said that he would not support any tax increase and the fire stations would have to wait until they got more money.

Mr. Diggs said that there was consensus from the Board to include the scope changes for the Rock Hill Fire Station in the CIP. He said that there was also consensus to include the modular classrooms.

Ms. Light said that the next item to discuss was the Courthouse. She said that the Courthouse had been a CIP item since 2007. She said that during the retreat, the Board discussed the Courthouse and its location. She said that staff had prepared an estimate of the costs associated with the new courthouse, and the total cost was approximately $273 million, which represented a $64 million increase from the original CIP estimate. She said that staff wanted to ensure that the Board was aware of this change in cost.

Mr. Diggs asked for clarification regarding the change in cost.

Mr. Counsell said that during the retreat, they discussed the Board's consideration of placing an economic development preference on the Destination Stafford property versus the County's property on the other side. He said that if they were to relocate the facility back to the Government Center site, it would likely increase costs. He said that they would need to construct a parking garage over some of the existing parking lot, and potentially purchase additional land or right-of-way. He said that the process of staging and building the facility with limited staging would be complicated. He said hat off the cuff, he estimated the cost to be around $40 million; however, as of now, he believed a more conservative estimate, taking into account contingency, was approximately $63 million for those additional costs, bringing the total up to $273 million.

Mr. Diggs said that this was an important issue to note. He said that the longer they waited to do projects, the more expensive it became. He said that keeping the tax rate low or trying to reschedule projects to save costs only made the situation worse. He said that the price of building this courthouse would only continue to rise, and if they did not take action, the state would intervene and the County would lose the ability to have any say in the matter. He asked that everyone please keep this in mind.

Ms. Vanuch asked how much they would save if they put it back across the street.

Mr. Overton said that they had lost essentially a year of progress in the design phase, which had resulted in increased costs. He said that they would likely save around $50 million if using the other site.

Ms. Vanuch said that they could potentially use the $50 million in cost savings to buy another piece of property to use for economic development purposes.

Ms. Allen said that she was in agreement with Ms. Vanuch. She said that there were other potential properties they could look at for economic development, such as the golf course.

Dr. Yeung asked if the RFP for Destination Stafford would need to be revisited.

Donna Krauss, Deputy County Administrator, said that she had previously met with staff to explore opportunities and possibilities. She said that they considered combining a model with the courthouse and some type of economic development area on the Destination Stafford property. She said that they found it to be unfeasible for a variety of reasons. She said that from staff's perspective, they were very excited to try to create something for the community on that parcel, it would be difficult to achieve, as Ms. Barber explained to the Board at their previous work session. She said that staff would be willing to look for other potential properties for economic development, and they would adapt to whatever the Board wanted them to do.

Mr. English asked if they could achieve any cost savings if they put the courthouse on the Government Center site and the parking garage at the Destination Stafford site.

Mr. Counsell said that the cost of the parking garage would be the same on either side. He said that it would be better in terms of cost to put the parking garage on the Government Center side, above the existing parking.

Mr. English said that he would support putting the courthouse across the street at the Destination Stafford site in order to save costs.

Ms. Evans said that she agreed with Mr. English, but she did not like flip-flopping back and forth. She said that they were not getting all of the information at the same time, and that was causing issues. She said that ultimately, to save $64 million in taxpayer money, she would put the courthouse back across the street.

Ms. Guy asked if it was possible to close Courthouse Road to all traffic except for emergency vehicles. She said that this way, they could consider parking on the other side of the street or some other setup.

Mr. Counsell said that they had considered closing Courthouse Road as a three-lane road, which would bring numerous challenges for the traveling public. He said that it would also force traffic onto the Hospital Center Boulevard and Route 1, which was never designed to handle that volume of traffic. He said that during the Planning Commission meeting last night, there was significant discussion about the level of service at intersections. He said that closing this road would likely result in a decrease in service, and that was without considering any potential development in the area. He said that although it was an idea that could be explored further, and VDOT would agree to it under certain conditions, the process of obtaining approval would be lengthy and complex.

Mr. Diggs said that considering the estimated $64 million in escalation costs, he was wondering if it was possible to raise that amount through proffers or other development that may be coming to the County.

Ms. Guy said that she did not want to spend the additional $64 million, but she also did not want to flip-flop on their economic development project. She said that she would support putting it back across the street at the Destination Stafford site in order to save those costs.

Ms. Vanuch asked, if the Board were to choose to put it on the Destination Stafford site today, when the project would be put out to bid for construction.

Mr. Counsell said that in the FY27 proposed budget, there was an additional $18 million to be added to the current $3.5 million they had for design. He said that this would enable them to contact the selected architect. He said that they had recently completed the process of selecting an architect, but they had not moved forward with the project because they still had some uncertainty regarding the placement of the courthouse. He said that the design costs were approximately $20 million.

Ms. Vanuch asked if there were any DEQ studies necessary for the site.

Mr. Counsell said that it had not been determined whether that would be necessary or not. He said that it would be one of the first things that was done.

Ms. Vanuch asked if they could do that before they hired an engineer, so they understood those issues from the outset.

Mr. Counsell said that the architect performing the design work would hire the civil engineer who would do that part.

Ms. Vanuch asked if they would have to do a transportation study.

Mr. Counsell said that yes, they would have to do a brief one because it was supplanting an existing use across the street. He said that in theory, there should not be a lot of traffic. He said that the traffic impact analysis (TIA) would be performed very early in the process, as soon as they had a design contract.

Ms. Vanuch asked about stormwater management on the site.

Mr. Counsell said that they had been evaluating it for years at this point. He said that it would likely be partially underground stormwater containment or enlarging the swale between the public safety building and the courthouse.

Ms. Vanuch asked if there was any way they could save money on the design and focus on addressing the environmental issues on the site first. She said that they should first confirm the site was usable before going into design and engineering. She said that she was concerned that the Board did not have all the necessary information when making these decisions.

Mr. Counsell said that he could attest that with some projects, they experienced truly unforeseen circumstances that could not be anticipated or even fully explained, usually resulting from sudden state or federal regulation changes that ultimately caused delays. He said that in terms of this process, they hired a lead designer, who then hired the site engineer, and they worked closely together to ensure all the courthouse needs could be accommodated on the site.

Mr. Counsell said that stormwater was a challenge throughout this general area, and they could certainly consider moving the courthouse a mile or so down the road, but in order to do that they must hold a referendum and citizens must vote to move the courthouse more than 1,000 feet away from the existing location. He said that in order to avoid that, staff had presumed the new courthouse would be constructed on the current site or across the street on their other County-owned property. He said that these were the only two places ever considered. He said that at this time, their estimates were based on the order of magnitude of the project, not a detailed engineer construction estimate.

Ms. Vanuch asked if they would be removing any risks or potential surprises if they were to build the courthouse on the Government Center property.

Mr. Counsell said that there were significant logistical challenges on this site, as the contractor had to set up a dedicated area for his work, which included transporting materials, equipment, and storage facilities. He said that this was more feasible on the other side, where there was more open space. He said that when relocating the project to this campus, the contractor incurred additional costs due to the smaller space, which increased his labor and effort.

Mr. Counsell said that in contrast, the other side did not incur land acquisition costs, but it did involve costs associated with acquiring the two properties and two office buildings. He said that this presented a challenge. He said that the building had to be taller on this side to accommodate the required square footage, which required deeper foundations and other structural modifications to support a larger, taller structure, allowing for more efficient use of space.

Ms. Vanuch said that when encountering challenges with regulatory agencies such as the DEQ, state government, or the federal government, whether it was the Environmental Protection Agency (EPA) or the Army Corps of Engineers, she would like to know at what point in the process did staff typically flag these issues. She said that the Supervisors all had good relationships with their elected members of Congress and state officials, which could facilitate communication with these agencies. She asked if they ever used the Board to leverage these relationships to expedite the process and avoid lengthy delays of five to six months.

Mr. Counsell said that they had used that method in the past to some success, but had not used it since starting the Capital Projects group in 2018. He said that when a surprise activity came up, staff met with the necessary agencies and tried to find a solution. He said that if they could absorb it in the budget, they would explain the cost increases in their CIP meetings, but if the Board wanted to hear about every change in every project that may or may not cost time and money, they would do nothing but meet with the Board every week.

Mr. Counsell said that they tried to manage it with the resources they had, and the estimates for the courthouse assumed they would run into challenges. He said that staff tried to give the Board the best information available to inform their decisions on these projects.

Ms. Vanuch said that when considering these capital projects, she thought it would be helpful for staff to outline the potential variables so the Board was better able to understand what may impact the timeline. She said that she would also encourage staff to reach out to the Board if they were facing significant delays due to state and federal issues.

Dr. Yeung said that she would support the previous design, but she was wondering if the designs presented by staff were from the same architect.

Mr. Counsell said that they had one firm under contract to perform estimating and elevation work, providing them with visualizations of what the courthouse could look like; however, they were not the design contract. He said that they were unable to extend their contract to include a full design. He said that in the fall of last year, they issued a request for proposals and a request for qualifications for architects.

Mr. Counsell said that they conducted the interview process and selected a firm, which was now ready to proceed. He said that they did not yet have a scope of work from them or a proposal for design. He said that Mr. Overton would start working on this, depending on the firm's direction, and would prepare a scope of work, negotiate with the architect, and hopefully secure a contract within the next couple of months.

Dr. Yeung said that she was wondering if they needed a designer to compare the sites and determine which site would work better and the logistical cost differences. She said that there would likely be unknown costs on either site, so she thought it would be best to keep it on the Government Center property due to the topographical issues on the Destination Stafford site.

Mr. Diggs said that he agreed with Dr. Yeung that they should leave the courthouse on the Government Center site. He said that the urge to immediately pivot and turn to something else because of costs was something the Board had experienced numerous times. He said that he was concerned that without stability and focus with their decision-making process, developers would not want to work with them. He said that he felt comfortable with the rationale behind building the courthouse on this property and pursuing an economic development opportunity on the other site.

Ms. Allen said that courthouses could serve as economic hubs because of the high volume of people visiting the facilities. She said for example, in Anniston, Alabama, they performed an economic impact study on their courthouse, which determined that they would generate more in economic activity than the cost of constructing the courthouse. She said that she brought this up to point out that even if they moved the courthouse to their economic development site, it would still generate revenue.

Mr. Diggs said that the current courthouse was not doing that for the County.

Ms. Allen said that with expanded services, it would provide more. She said that they could likely run their own economic impact study to see what their courthouse could generate in economic activity.

Dr. Yeung said that in terms of moving Destination Stafford, they needed to ensure it was a location people would actually go to. She said that the current site was a center, so choosing a non-central site would be detrimental to the success of the project.

Ms. Allen said that she disagreed; the Two Silos project that the Board wanted to pursue was formerly a farm with nothing around it. She said that the expansion of the facility spurred economic development despite the remote location. She said that putting Destination Stafford in another location did not preclude it from being a successful development. She said that there were other opportunities in the County for spurring development.

Mr. English said that he would also note that they expected the hospital to generate economic activity, but it had not made a significant impact. He asked Mr. Counsell if there were potential issues with a spring underneath the parking lot of the existing courthouse.

Mr. Counsell said that there were two active springs located beneath the parking lot. He said that currently, the water was being managed through underground piping and stormwater drains. He said that if they were to excavate and install foundations, they could collect and redirect the water. He said that this could potentially be an issue; it was a cost that came with doing business on this side of the road.

Ms. Evans said that she wanted to say that Ms. Allen had brought up a valid point with courthouses being economic drivers. She said that the Arlington Courthouse was surrounded by businesses that were supported by the court activities, which certainly brought extra revenue to the County. She said that she thought it was an important consideration for their County, as well.

Ms. Guy asked what would happen to the courthouse.

Mr. Diggs said that it would be used for County staff.

Mr. Counsell said that he wanted to clarify the scenarios they had discussed regarding the general district court. He said that one option was to build a new courthouse on the campus without taking both buildings, then renovate the courthouse for juvenile and domestic relations. He said the Board then elected to build a completely new structure across the street. He said that left the existing courthouse free for renovations to be used by County staff.

Mr. Counsell said that there was still an option on the table to build only the new general district court and renovate the existing courthouse for juvenile and domestic relations, which would likely cost more than the original estimate of $40 million. He said that this approach would cut costs, but it would not address the overall court space needs, as the judges had expressed a desire for a defined space.

Mr. Counsell said there were certain standards and limitations they must adhere to when providing space for the courts. He said that without delving into those specifics, there were several options they could consider before making a decision, and some were more attractive than others.

Mr. Diggs said that he believed that they would be revisiting this topic in the future, and the decision they had made today was a result of the majority's consensus. He said that he anticipated that they would revisit this issue and ultimately spend more than $64 million. He said that he was putting this forward as his prediction, and he hoped that he was incorrect.

RECESS

The Board recessed at 6:34 p.m. and reconvened at 6:40 p.m.

WORK SESSION - CONTINUED

ITEM 2. BUDGET WORK SESSION: CAPITAL IMPROVEMENT PROGRAM

Ms. Light said that the final part she would like to briefly cover for the CIP was the use of proffers. She said that there was $23 million allocated in the CIP, which accounted for approximately 85% of the available proffers. She said that staff continued to work together year after year to ensure that they were maximizing the proffers.

ITEM 3. BUDGET WORK SESSION: OTHER FUNDS

Ms. Light said that for the other funds, they aimed to ensure that the Board and the community had the opportunity to review these funds from a proposed budget, understanding the source of the revenue and the associated budgets. She said that starting with some of these funds, they were relatively straightforward, including armed services, asset forfeiture, and e-summons.

Ms. Light said that these funds were primarily derived from user fees, state and federal funding, and transient occupancy taxes. She said that notably, there was no local funding associated with these funds. She said that the debt service funds covered the County's debt, excluding utilities, which were paid from utility transfers, and it totaled $61.6 million.

Ms. Light said that the capital projects fund accounted for projects not related to the fire levy, such as those discussed earlier, totaling $73.4 million. She said that there were several special revenue funds, including Lake Carroll, Hidden Lake, Lake Arrowhead, and Lynhaven Lane, for which the Board had set advertising rates. She said that the fire levy was proposed to increase from $0.0131 to $0.014.

Ms. Vanuch asked for staff to prepare for the public hearing what the costs were for each tax rate. She said she believed that the Lake Arrowhead residents may be under the impression that they were paying approximately $5,000 more per year in dam service district fees. She said that, however, seeing that the total annual cost for these districts was only $99,000, it would be beneficial to be able to provide a more detailed and accurate estimate of the average cost per household.

Ms. Light said they could prepare that. She said that other tax-supported service districts, such as Garrisonville Road, only paid for the debt service this year. She said that they did have impact fees, which originated from road improvements benefiting a new development. She said that no tax was associated with Warrenton Road. She said that transportation costs were not necessarily tax-funded, however, they did generate revenue from the PRTC and VRE fees.

Dr. Yeung said she wanted to know the tax associated with Warrenton Road.

Mr. Ashton said that one of the issues with Warrenton Road was that there was not a CIP project tied to it.

Dr. Yeung suggested looking at Truslow Road or around the high school.

Mr. Lehane said that the Warrenton Road service district only encompassed Warrenton Road. He said that if they wanted to cover Truslow Road, they would need to update the service district or create a new one.

Dr. Yeung said she believed they were going to have that discussion and have the County Attorney look into options.

Ms. McClendon said that she had previously explored this option, but she had not received sufficient Board guidance to move forward.

Ms. Light said that for the budget, the tax rate had already been advertised.

Dr. Yeung said that she often discussed diversified resources and funds, and they frequently rushed to raise taxes. She said they needed to examine everything more closely to increase funds. She said that BPOL was one of them that they would be revisiting.

Ms. Vanuch said that she was reviewing the schedule and wanted to bring a couple of things to their attention. She said that as she understood, Mr. Ashton was scheduled to follow up with them regarding their decision to move the tax rate vote to April 28.

Ms. Vanuch said that she would like to request that the last budget work session be rescheduled to Monday, April 27, rather than Monday, April 20, as they would likely have more information at that time. She said that she wanted to touch base with them regarding the FAMPO meeting, as it coincided with one of their own meetings.

Ms. Vanuch said that she wanted to follow up with Mr. Ashton regarding the joint school work session, as she recalled him mentioning that it might not be necessary.

Mr. Ashton said he spoke with the superintendent, and they decided that the chair of both boards should talk prior to scheduling a work session.

Ms. Krauss said that April 27 was a GWRC Board meeting at 6 p.m.

Ms. Vanuch said that they needed to schedule this meeting the day before the Board meeting, so they could work through the details and address any concerns. She suggested holding the work session on April 27 from 4 p.m. To 5:30 p.m. She asked what the agenda was for the GWRC meeting.

Mr. English said he believed they could skip the meeting.

Mr. Diggs said that they would schedule the work session for April 27 at 6 p.m., and they would skip the GWRC meeting. He asked staff to inform the chair of the GWRC Board.

Mr. Diggs asked how the Board felt about meeting with the School Board on April 16 to discuss the CIP.

Ms. Allen said she would rather hold a joint meeting about the school budget rather than the CIP.

Ms. Evans said that she believed it would be beneficial for them to meet. She said that the last time they met, only a few supervisors attended.

Ms. Vanuch said she would suggest changing the scope of the joint meeting to the budget and limiting the time to an hour. She said that the Board could then hold its own work session after the joint meeting.

Ms. Guy said that if they decided to change the scope and time of the meeting, it would come off disrespectful to the School Board. She said that they could request consensus from the School Board to make those changes. She said she supported meeting with the School Board.

Ms. Vanuch said that she thought it would be beneficial if they could adjust the scope to focus on the budget. She said that if they were not open to that, they could cancel the joint meeting and only hold a budget work session with the Board.

Ms. Allen said she wanted to know why they were scheduling the School Board CIP discussion after the Board discussed its own CIP. She said that they had already made decisions about the CIP, so she was confused why they would go back and make changes.

Ms. Krauss said that the purpose of the meetings with the School Board was to have spaced-out session, one before the budget presentation and one after. She said that this would allow the two boards to engage on the budget. She said that the second meeting was intended to engage the School Board on their CIP and 3R project needs.

Ms. Allen said she did not believe an hour was sufficient to discuss those items. She said she understood the need to meet with the School Board, but the Board still had work to do regarding the budget.

Ms. Guy said she supported having the meeting. She said that during her four years on the School Board, she found it challenging to schedule joint meetings with the Board, and when they did, it always felt rushed. She said she did not want to repeat this dynamic. She said that they may not need a long meeting, and the Board could hold its own work session afterwards.

Mr. Diggs said he had consensus from the Board to have the joint meeting. He said that he would bring up the point about the budget versus the CIP with the School Board, and he would update the Board after he received a response.

Ms. Vanuch asked if they intended to have a work session after the joint meeting.

Mr. Diggs said he would like to hold one after the joint meeting.

Ms. Vanuch said that the joint meeting could get tense, especially when they had to be honest with them about the tax rate and funding. She said that when they considered removing items, they would have to make significant cuts, which rarely went over well.

Ms. Vanuch said that they should focus on realistic funding commitments from the state and areas with wiggle room for potential budget cuts. She said that they had struggled in the past to get that information from the School Board.

Ms. Guy said that the School Board had already made cuts by the time they presented the budget to the Board. She said that was why it was difficult in the past to get information from the School Board about other areas to cut.

Ms. Guy said that when discussing extra funds from the state, or funds allocated to the schools, it was essential to consider the nuances. She said that it was not a dollar-for-dollar exchange. She said that if the state provided $4 million for a specific purpose, the County could not just reduce its school funding by $4 million. She said that the funding may not cover the entire need, or it may be dedicated for specific purposes.

Mr. Diggs said he would suggest a two-hour joint meeting with the School Board and an hour work session with the Board. He said he wanted to consider a different approach to the budget process rather than go line-by-line. He said that the Board should establish its parameters for the budget and get consensus on a goal tax rate. He said that line-by-line cuts were up to the County Administrator.

Ms. Vanuch said that in the past, they instructed the County Administrator to draft budgets at multiple tax rates so that the Board could see what was possible at each tier. She said that this could provide talking points for the joint work session with the School Board.

Ms. Guy asked when the School Board would be provided with the updated transfer amounts. She said that the School Board would need time to update their budgets to meet the new amounts.

Ms. Vanuch said that in the past, the School Board would find out after the Board adopted a tax rate.

Ms. Guy said it would be easier if the School Board had the information prior to adoption.

Mr. Ashton said that from his perspective, when reviewing a budget line by line, it was not always possible to understand the full implications of the cuts. He said that he understood that this approach helped mitigate those effects, and he appreciated the effort to safeguard against unintended consequences. He said that he had already presented a stripped-down budget with a 2% reduction across the board.

Mr. Ashton said that he was willing to revisit this budget and make further adjustments, but he needed to ensure that any changes they made were carefully considered, because they would impact service levels and programs. He said that staff positions were also up for consideration. He said that he was not comfortable making those decisions unilaterally, so the Board would have to make the final decision on service levels and programs.

Ms. Vanuch said she would like to see the Board work towards a budget supported by a $0.94 real estate property tax rate. She said that there was a $10 million request for staffing from the School Board, and the state may support some of it.

Mr. Ashton said that he had discussed the funding with the superintendent. He said that the funding was based on student population. He said that teachers would be covered, as they were transferring schools, but principals, guidance counselors, and other staff were not covered by the state and rather supported by the $10 million request.

Ms. Vanuch said that they would have to take a hard look at the staffing positions. She said that the request was equivalent to $0.04 on the tax rate.

Ms. Allen said that if they did not staff the schools, they would have to find other ways to staff them. She said that without the funding, they would have to be comfortable with students being taught by long-term substitutes. She said that doing so would set students up for failure.

Mr. Diggs said he would not support staff reductions. He said that currently, when they considered pay and incentives, they were falling behind other local governments, such as Fredericksburg, Spotsylvania, and Louisa, which were attracting employees from their area. He said many residents in his district, particularly in White Oak, were on fixed incomes and had been there for generations. He said that if they were forced to make significant tax increases, it could lead to them losing their homes. He said that he understood the tough decisions they needed to make, and he was willing to work with the chair of the School Board to find a solution.

Ms. Krauss said they had planned to schedule individual meetings with supervisors during the first week of April. She said she wanted to know if the Board still desired to hold these meetings.

Ms. Allen said she did not need another meeting.

Mr. English said he wanted to schedule a meeting, but he would prefer scheduling it as a two-on-two meeting.

Ms. Evans said she wanted to schedule a meeting.

Ms. Guy said she wanted to schedule a meeting, but she would be out of town during the scheduled times.

Ms. Krauss said she would find a time.

Ms. Vanuch said she wanted to schedule her meeting as late as possible in the process.

Ms. Krauss said that the next budget work session would be on April 16 after the joint meeting with the School Board, and the next one would be on April 27. She said that in order for staff to have enough time to meet the Board's budget requests, they would have to hold the April 16 meeting so staff could receive direction.

Ms. Vanuch said that she believed the County Administrator should draft budgets at different tax rates for consideration. She said that the other choice was for the Board to indicate consensus for a specific tax rate, and then there would be no need for other work sessions.

Ms. Evans said that they should not commit to a tax rate because they needed to have serious conversations.

Ms. Krauss asked what the Board would need at the April 16 meeting in order to provide staff direction for the tax rate. She asked what information the Board would need that it did not already have. She said that if they were planning to meet on April 16 to discuss the tax rate, she wanted to ensure that they had a clear understanding of what they were looking for from staff. She said that if they wanted results from staff about what that may look like, then staff required a decision from the Board now. She said that if the Board wanted to make those decisions at the April 16 meeting, then staff would present the information at the April 27 work session.

Mr. Diggs said he would poll the Board regarding deciding on a tax rate.

Ms. Allen said that she wanted staff to return with budgets at a \$0.96, \$0.94, and \$0.92 real estate property tax rate. She said she wanted a budget placemat outlining what each budget would look like so she can see what needed to be moved over.

Mr. Ashton said that if they wanted to consider a \$0.92 tax rate, it would require \$15 million in budget cuts, which would result in several reduced staff positions.

Mr. Diggs said that they had to be realistic, and he did not want staff performing busy work. He said that if there was no route to a \$0.92 tax rate, then they should not consider it.

Ms. Allen said that it was not busy work. She said that people had said they did not want to raise taxes, so they should see what the impacts would be of a $0.92 tax rate.

Ms. Vanuch said she agreed, and the same went for the School Board. She said that they needed to determine the impacts of a $0.92 tax rate. She said that they could provide staff with priorities when drafting the budget, such as not reducing staff.

Ms. Guy said that they should provide those figures to the School Board prior to the joint meeting so they were on the same page.

Dr. Yeung said she was concerned about Fire and Rescue and the Sheriff's Office funding. She said that the Sheriff's Office seemed to be above market, and she wanted to unpack those costs.

Mr. Diggs said that none of the departments were above market.

Dr. Yeung said that the goal was to reach market rates and provide the 3% COLA increase. She said that she wanted to address security at schools. She said that the Sheriff's Office had funds to fill those positions, and the same amount of money was going to schools. She said that there was no communication about those positions.

Dr. Yeung said that a lot of programs were funded by grants. She said that if the program was successful, they typically wanted to continue it after the grant was over. She said that she wanted to know if there were savings outside of the cuts which were already proposed. She said that she wanted to consider the questions she had asked in the budget portal, and she would prepare those for the next meeting.

Ms. Evans said she was not prepared to decide a tax rate. She said she wanted a more in-depth conversation.

Mr. Diggs said he believed it was good to present to the public the various budget impacts at the different tax rates. He said that he would ask the School Board to model a budget based on the $0.92, $0.94, and $0.96 tax rates so that the public could see the impacts.

Ms. Vanuch said she believed this would be helpful in reaching a decision, and it would be beneficial to the public so they can provide better feedback. She said she wanted to know whether the Board could use the potential $4 million from the state to fund the school 3R projects. She said she also wanted to know where the School Board was with its carryover funds and if they could use those funds to address budget shortfalls.

Mr. Diggs said that there was consensus from the Board for staff to present budget proposals at a $0.92, $0.94, and $0.96 tax rate.

Ms. Krauss asked if the Board had any items which were off limits for consideration.

Mr. Ashton said that since the dollar numbers were so large, they would have to start with the larger departments, such as Fire and Rescue, the Sheriff's Office, and schools. He said that non-personnel spending was only about 35% of the budget, so to make the budget work for the tax rates, they would have to make cuts to personnel and large departments.

Ms. Allen said she believed the public needed to be aware of the impacts.

Ms. Evans said they needed to more transparent.

Mr. Diggs said they need to consider the impact on staff. He said that there were staff members looking at other localities for jobs because they would be paid significantly more. He said they had to be clear in their communication that these proposals were to educate the public. He said that if they were not, they may start losing more staff.

Ms. Evans said that they needed to maintain the same level of energy for constituents as well.

Mr. English asked if they had asked departments to make additional cuts.

Mr. Ashton said they asked departments to make 2% reductions in the initial budget presentation.

Mr. English asked staff to request an additional 3% reduction in department budgets.

Ms. Vanuch said she was receiving several phone calls and emails from constituents who were concerned about real estate property tax bills. She said that the tax increases were unsustainable. She said she wanted to know the impacts of level funding schools.

Mr. Ashton said he had already had similar conversations with the superintendent. He said that if the schools were level funded, they would not be able to open the new schools. He said that they had already redistricted elementary schools, so if they were level funded, they would want to open the elementary schools and delay the high school.

Mr. Diggs said that they would move onto the conversation about project managers and a third-party review process for Planning and Zoning.

Mr. Ashton said that the information was provided to the Board in its short-term plan updates. He said that the Board would be presented with the Planning Commission's schedule.

Ms. Allen said that as they began to approve projects, she needed to see progress at a faster pace. She said that her issue was that some of the feedback she had received suggested that developers were willing to pay for expedited review, so she did not understand why they were not allowing them to pay.

Ms. Krauss said that they were doing this with AWS, and it was in the proffer agreement. She said that they needed a mechanism to do such reviews.

Ms. Allen said that other counties had implemented this approach. She said that the County could not have project review timelines last two to three years. She said that developers should have the option to pay for expedited review.

Ms. Krauss said that they would never pay someone to do something without having some level of oversight. She said that it was a process that they needed to be a part of. She said that if Ms. Allen could provide the names of counties which had implemented a similar process, she would contact them to get more information about how the review process was implemented.

Mr. English said he would suggest the County draft a list of vetted third-party reviewers that applicants could pay for an expedited review.

Mr. Ashton said that many of the companies represented the same developers, which was a conflict of interest. He said that they would have to find reviewers without conflicts. He said that they would still want County staff to review applications to ensure compliance with local ordinances.

Mr. Diggs said that when he received complaints from developers, they were usually resolved quickly. He said that the issue was that they were now in a position where they needed revenue, and these developers continued to reach out. He said that although complaints were often resolved quickly, they needed to get to a point where they were not receiving complaints in the first place. He said the Board needed to consider how they can get projects moving forward.

Ms. Krauss said that they needed more review staff. She said that it was not as simple as picking agencies from the community. She said there were multiple barriers, such as conflicts of interest and a shortage of available third-parties. She said that they had been working with a third-party in a limited scope for one project, but that came with its own challenges.

Ms. Allen said that she was concerned about comments that the County was terrible for business because of delays in Planning and Zoning. She said that the County had the longest delays in Virginia. She said that she wanted to know why it was so hard for the County to figure out how to enable developers to pay for expedited reviews.

Dr. Yeung said that in terms of the pipeline, she would like to clarify that transportation fees and impact fees would not cover the $40 million deficit. She said that they would help fund other projects, but they would not solve the problem.

Dr. Yeung said that they had a broker and a staffer for the Fredericksburg Regional Alliance. She said that over the past four years, they had failed to bring in a single new business. She said that Harris Teeter, for example, was not attracted to their area through economic development.

Dr. Yeung said that they needed to focus on bringing in businesses to cover the growing gap, especially since funding for future projects would not be available for at least five or six years. She said that they needed a pipeline to bring businesses to the County from Economic Development. She said she had already asked this question of the County Administrator, and she told him to present the information to the Board once it was gathered.

Ms. Guy said that many developers had expressed concerns to her about being able to develop in the County. She asked staff to provide updates about the work they had been doing so they could have more meaningful conversations with developers.

Mr. Ashton said that 10 months ago, he briefed the Board on a short-term plan to address these issues, which they had been working on for 10 months. He said the Board had received regular updates on that plan, but unfortunately, they had not received the results of those updates. He said he would provide an update on the results as a follow-up, covering the Planning Commission's schedule over the next four months. He said that as they cleared the backlog, many items would fall into place. He said that they had a reputation problem, but that would take time and consistent performance to address.

Ms. Evans asked if it was possible to find retired planners to help with review. She said that the County could vet them and provide their names to developers.

Mr. Ashton asked if they would hire the retired planners as independent contractors.

Ms. Evans said that they would rehire them as staff.

Mr. Ashton said they would encounter issues with VRS benefits. He said that another issues to consider was that a planner from another locality would still require a several-month ramp-up period to be effective. He said that this meant that even if they were to implement such a plan, they would still have a ramp-up period.

Mr. Ashton said there were planning vacancies everywhere, and they were all experiencing issues filling positions. He said that it was highly detailed work requiring a special mindset.

Ms. Krauss said that the Board would receive a report regarding an RFP for development services software. She said that they would incorporate AI into the review process for permitting. She said that it would solve about 75% of the issues with the portal. She said they had been working for seven months to get it drafted, and the RFP was being reviewed by the County's legal team. She said that it was intended to be issued in the next two weeks.

Ms. Allen asked staff to research any procurement challenges regarding hiring a third-party consultant for plan review.

Mr. Ashton said that the Board should review the information he would provide regarding the Planning Commission's schedule, and then they could revisit the topic.

Ms. Krauss said that for the past four months, she had worked to get planning staff to provide schedule projections rather than just allowing projects to sit in a queue. She said that they went through every project and determined where it was in the process and what needed to happen.

Ms. Krauss said they had a list of potential firms that could provide third-party planning and project review services, but there were not many.

Mr. Diggs said that he would like to reiterate that he was aware of the progress that had been made and the work that had been done. He said he wanted to emphasize that they needed to think ahead and plan for these issues to find out what could be done. He said they were caught in a reactive cycle, and they were missing the mark. He said he wanted the Board to be visionary and solve issues.

Ms. Krauss asked if it would be helpful for the Board to think about future focused work session topics to be more strategic in decision-making. She said that staff had already considered such topics, so she wanted to know if the Board wanted to review the list of items that staff had identified.

Mr. Diggs said the Board should receive the list. He thanked staff for the work they did for the County, and he did not want them to think that the Board was criticizing their work.

ADJOURNMENT

The Board adjourned its meeting at 8:05 p.m.

William H. Ashton, II
County Administrator