HERNDON TOWN COUNCIL
Work Session Minutes
Tuesday, December 2, 2025

1. Call to Order

Mayor LeBlanc called the December 2, 2025, Town Council work session meeting to order at 7:00 p.m. in the Herndon Council Chambers Building, 765 Lynn Street, Herndon, Virginia. In attendance were: Mayor Keven LeBlanc; Vice Mayor Clark Hedrick (arrived at 7:13 p.m.); and Councilmembers Cesar del Aguila, Kelvin Garcia (arrived at 7:10 p.m.), Michael T. Lloyd, and Alex Reyes.

Councilmember Naila Alam was absent.

Staff present during the meeting: Dan Hoffman, Town Manager; Kirstyn Barr Jovanovich, Deputy Town Manager; Lesa Yeatts, Town Attorney; Brent Heavner, Chief Communications Officer; Lisa Gilleran, Director of Community Development; Marjorie Sloan, Director of Finance; Page Kalapasev, Director of Information Technology; Collin Okoniewski, Economic Development Manager; John Irish, Deputy Director of Public Works; Jessica Bynaker, Systems Analyst; Nathan Romero, Revenue Operations Supervisor; and Amanda Kertz, Town Clerk.

Determination of a Quorum

Mayor LeBlanc determined there was a quorum of four Councilmembers present. Vice Mayor Hedrick and Councilmember Garcia having not yet arrived.

Councilmember Alam was absent.

Mayor Announcements

Mayor LeBlanc provided information on upcoming holiday events, including:

1. Upcoming events included on the Herndon Hometown Holiday schedule, posted on the Town's website.

2. Appreciation for the holiday decorations placed in the downtown.

3. The last Regular Meeting of 2025 is next Tuesday, December 9, in the Herndon Council Chambers.

2. Discussion

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a. Small Business Process Improvement Initiative Briefing

Mayor LeBlanc recognized Collin Okoniewski, Economic Development Manager, who provided an overview of the Small Business Process Improvement Initiative. He discussed the process that the cross-departmental team used to examine the process a small business goes through in the Town. This included data analysis; reviewing processes used in comparable jurisdictions; and gathering feedback. Three themes became apparent: the need for modernization, clearer communication and accessibility, and a more integrated in-person/online process.

Mr. Okoniewski outlined the future of the initiative, which included: cross-departmental training and service standards; a multilingual business guide; improved signage; and allowing both an in-person and online (through CityWorks) application process. He also emphasized building a more collaborative culture across departments.

[Note: Councilmember Garcia arrived at 7:10 p.m.; Vice Mayor Hedrick arrived at 7:13 p.m.]

There was discussion among the Council and staff on this item, which focused on the following areas:

1. Modernization tools through technology and use of artificial intelligence.
2. Setting clearer expectations through established standards and metrics.
3. Having more information on the business process publicly available, e.g. an average timeline to go through the process.
4. Tracking end-to-end processes.
5. Next steps in the process, including steps that are funded; low cost; or no cost.
6. Tools that could be used to track down businesses that do not register with the Town.

Responding to Councilmember del Aguila, Mr. Okoniewski indicated that staff can provide an estimate of the funding needed for the proposed solutions. Dan Hoffman, Town Manager, added that these requests may appear in the upcoming budget process and mentioned emerging tools that could help with data review and business identification.

Responding to Mayor LeBlanc, Mr. Okoniewski stated that staff is working on improvements to the website page that lists the businesses in Town. Mr. Okoniewski also shared that staff is exploring tools that could help Town systems communicate with each other and that the focus will be on customer experience to help guide the next steps.

b. Energy Project Update, Financing Discussion

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Mayor LeBlanc recognized John Irish, Deputy Director of Public Works, who provided updates to the Town's budget for capital expenses, outlined several changes that have occurred in the process of finalizing the energy project contract over the past several months.

The last update on this topic was in August. After the selection of the CMTA for the Energy Performance Contract, an Investment Grade Audit (IGA) was performed on several Town facilities, including all five major buildings. The IGA identifies Energy Conservation Measures (ECM) that apply to each facility and calculates how much energy savings each provides. Once the IGA was established, there were several other considerations to determine the Phase 1 project scope: cost estimates and fiscal considerations. The immediacy of HVAC equipment failing determined that it was not economically wise to continue spending money repairing the HVAC systems at the Town Shop and the Herndon Municipal Center.

Mr. Irish outlined additional considerations that increased the project cost from what was initially identified at the project's start. The initial capital outlay of the project is currently estimated to exceed $7M, an increase from the original cost estimate of $3.45M. The proposed Master Agreement allows staff to begin phase one and continue the project as fiscally and programmatically prudent throughout the project.

Marjorie Sloan, Director of Finance, continued the presentation and outlined the proposed financing for the project, including financing and reduced energy costs as ways to address the large cost increase and bonding to help smooth the costs over 15 years. Three million was appropriated in the last budget cycle. The increased amount is higher than an amendment and will take longer to encumber. On the next meeting's agenda, there will be a request to execute the master service agreement along with a provision for the town to use a bond issue or other debt facility to finance a portion of these costs. The documentation to provide an option for a future bond issuance by approving the contract, and the resolution to approve it, will be included on the December 9, 2025 regular meeting agenda.

Optimal funding for the costs may include a bond issuance or other debt facility. The Town Council must approve these changes to the contract and, following Council discussion, staff can draft a resolution to this effect to be included on the next Town Council Regular meeting agenda. Project costs are not expected to be offset by any grant funding.

There was discussion among the Council and staff on this item about the higher cost, why it occurred, and ways to minimize the expected cost increases. Councilmember del Aguila posited whether financing through leasing in the operational budget would be more financially advantageous than a larger capital expense. Town Manager Hoffman and Ms. Sloan reported that the Town's high

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bond rating will give a lower rate than leasing.

Following discussion and with the concurrence of Council, staff was directed to provide the previous two items on next week's regular meeting's consent agenda.

c. Proposed update to Adopted Budget Policy: Transfer/Reallocation/ Redistribution of Funds

Mayor LeBlanc recognized Marjorie Sloan, Finance Director, who requested that the Town Council consider and approve an update to the language included in the existing FY 2026 Adopted Budget policies on Transfer/Reallocation/Redistribution of Funds.

The current policy sets thresholds on already approved line-item transfers between allocated funds in the budget. These are all zero-sum and move from one location in the budget to another. The proposed update is to raise the budget transfer limit that requires Town Council action from $100,000 to $200,000, to better accommodate the impacts of inflated costs, more material contracted services, maintenance project costs, and the Town Council meeting schedule. It would be more efficient for the Town to operate these transfers within a higher limit. Attachment A provides the policy language with proposed updates. The packet included marked-up language that would be proposed for next week's meeting. The update provides further clarification to exempt budget-neutral “housekeeping items” from requiring Town Council action. Staff is requesting exemption from the policy for the following three types of budget transfers:

1. Correction of a budget load error: transfer the budget to the correct account which will be used to record the actual revenue or expenditure.
2. Changes and updates to the existing ledger structure and account codes: clarify the addition of new account codes to ensure actual financial reporting has the correct level of detail and transparency.
3. The impact of approved staff reorganizations; all personnel transfers are signed by the Town Manager.

Staff is requesting this Budget Policy update applicable for FY 2026 forward. If approved, the policy update will be in effect at the time of Town Council approval and included in the FY 2027 proposed Budget Book. Staff is requesting the Council to consider changing the budget policy in accordance with Attachment A.

There was discussion among the Council and staff on this item about:

1. Policy from the past, when this policy was last updated, and how changes would impact what items would be brought before the Council.
2. Delays in bringing the item to the Council for approval.
3. Moving ledger locations for better accuracy in financial reporting.

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4. How changes in the policy would impact staff; efficiency improvements.

Any changes between funds would still need to come to Council for approval. Following discussion and with the concurrence of Council, staff was directed to pursue these changes with Council's consensus.

d. Dulles Regional Chamber of Commerce Donation Request for the 2026 Friday Night Live! Concert Series

Mayor LeBlanc recognized Dan Hoffman, Town Manager, who provided an overview of the proposal submitted by the Dulles Regional Chamber of Commerce to hold the Friday Night Live (FNL) events for the summer of 2026. Mr. Hoffman discussed the services that the Town has historically provided to the Chamber for FNL and stated that, in recent years, staff has worked with the Chamber to better communicate the Town's cost, reduce support burdens, and align the event with the Town's event review processes.

In the past fiscal year, the Town Council provided the Chamber with a $20,000 cash donation, along with certain Town services, for a total donation to the organization of $59,474. The FY 2025 budget does not currently provide funding for the concert series, and the event does not qualify for a donation under the Community Cultural Festivals Donation policy. The total requested contribution to FNL is $46,513 for the 2026 season, consisting of a $20,000 cash donation and approximately $26,513 in donated Town services. The estimated value of donated services may adjust as staff finalizes contract details with the applicant. Staff is seeking Town Council consensus on whether to authorize a cash donation and donated Town services in support of the 2026 FNL season, while continuing to review the Town's donation and special event policies.

Mr. Hoffman stated that staff will be looking heavily at the events process to determine exactly what the funding is and recommended approval for an ongoing event, noting that a different process will be considered next year to be more transparent.

There was discussion among the Council and staff on this item. Mayor LeBlanc noted that organizations will be required to handle their own trash, to lower the Department of Public Works' (DPW) costs. Councilmember del Aguila supported a transparent process.

Following discussion and with the concurrence of Council, staff was directed to proceed with the proposal.

3. <u>Roundtable</u>

<u>Councilmember Garcia</u>: shared that he and Councilmember del Aguila worked with the organization “She Believes In Me” to distribute food over the Thanksgiving holiday. He noted that the committee was featured in the *Fairfax Times* in service to the community.

Councilmember del Aguila: announced the third annual clothing and food distribution this Saturday at 10 a.m. in the Green Lizard parking lot. He also thanked the Town Council for their kind thoughts on the passing of his father.

Councilmember Lloyd: referenced an article he read about the youth advisory committee that Councilmember Garcia launched. He expressed concerns related to liability and potential confusion over what is a Town-sponsored activity, and requested clarification.

Councilmember Garcia responded that he asks students' parents for permission for students to participate in events when minors are involved, only meets in public spaces, and he does not take students in his personal vehicle.

Mayor LeBlanc commented that the Town's Liaison for youth engagement, Councilmember Reyes, and Town staff, will ask targeted questions to obtain targeted feedback from a wide cross-section of students at the schools.

Councilmember Reyes: stated that, as the Town's Liaison for youth engagement, he has received questions on the difference between Town-sponsored activities and personal initiatives. He commented on the importance of clear communication so that the public can differentiate between Town of Herndon and personal business.

Vice Mayor Hedrick: wished everyone a Happy Thanksgiving and stated that he had a question about overlap and intent about youth committee efforts.

Councilmember Garcia stated that his youth committee is an advisory group as well as a personal activism initiative that includes students from other schools in the area as well.

Mayor LeBlanc: wished everyone a Happy Thanksgiving. He provided comments on the many community events at Herndon Middle School and churches providing clothing and assistance to those in need. He will be posting the support groups and how to lend a hand or donations because there are those that still need additional assistance and help.

Dan Hoffman Town Manager: no comments.

4. Closed Meeting

a. A closed meeting pursuant to the Code of Virginia Section 2.2-3711(A)(8), consultation with legal counsel regarding specific pending litigation requiring the provision of legal advice by such counsel

Mayor LeBlanc stated that the Council needed to go into a closed meeting and that

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the appropriate meeting notices were provided in accordance with state law. The closed meeting was held in the Hoover Conference Room in the Herndon Council Chambers Building, 765 Lynn Street, Herndon, Virginia.

Councilmember Reyes moved that the Council convene in a closed meeting to discuss the following as permitted by Code of Virginia Section 2.2-3711(A)(8), consultation with legal counsel regarding specific pending litigation requiring the provision of legal advice by such counsel. Councilmember Garcia seconded the motion, which carried by a 6-0 roll call vote. The vote was: Councilmembers del Aguila, Garcia, Lloyd, Reyes, Vice Mayor Hedrick and Mayor LeBlanc voting “Aye.” Councilmember Alam was absent.

At 8:23 p.m. Mayor LeBlanc called a brief recess, and at 8:31 p.m., the closed meeting reconvened in the Hoover Conference Room, all members present, with Mayor LeBlanc presiding.

Councilmember del Aguila moved to come out of the closed meeting. Motion seconded by Councilmember Garcia and carried by 6-0 roll call vote. The vote was: Councilmembers del Aguila, Garcia, Lloyd, Reyes, Vice Mayor Hedrick and Mayor LeBlanc voting “Aye.” Councilmember Alam was absent.

The Council came out of closed meeting at 8:56 p.m.

Councilmember Garcia moved to certify that, to the best of each member's knowledge, in the closed meeting just concluded, nothing was discussed except the matter or matters (1) specifically identified in the motion to convene in closed meeting and (2) lawfully permitted to be discussed in a closed meeting under the provisions of the Virginia Freedom of Information Act as cited in that motion. Motion seconded by Councilmember Reyes and carried by a 6-0 roll call vote. The vote was: Councilmembers del Aguila, Garcia, Lloyd, Reyes, Vice Mayor Hedrick and Mayor LeBlanc voting “Aye.” Councilmember Alam was absent.

Aye: 6
Nay: 0
Absent: 1

5. Adjournment

There being no further business, Mayor LeBlanc adjourned the December 2, 2025 Town Council work session at 8:57 p.m.

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Becky Skillin
Deputy Town Clerk

Minutes approved by Town Council: _____-

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