TOWN OF Herndon VIRGINIA

HERNDON TOWN COUNCIL
Work Session Minutes
Tuesday, April 1, 2025

1. Call to Order

Mayor LeBlanc called the April 1, 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; and Councilmembers Cesar del Aguila, Kelvin Garcia, Michael T. Lloyd, and Alex Reyes.

Councilmember Naila Alam was absent.

Staff present during the meeting: Christopher Martino, Interim Town Manager; Lesa Yeatts, Town Attorney; Kirstyn Barr Jovanovich and Scott Robinson, Acting Deputy Town Managers; Anthony DePoto, Senior Police Officer; Herndon Police Department; Marjorie Sloan, Director of Finance; John Irish, Acting Director of Public Works (Engineering); Mike Mueller, General Manager of the Golf Course; John Verdin, Capital Projects Program Manager; and Amanda Kertz, Acting Town Clerk.

Determination of a Quorum

Mayor LeBlanc determined there was a quorum of six Councilmembers present. Councilmember Alam was absent.

Mayor Announcements

Amend the Agenda

Mayor LeBlanc stated that there was an additional closed meeting topic to discuss that evening, and asked for a motion to amend the agenda to add a Closed Meeting topic, pursuant to the Code of Virginia Section 2.2-3711(7) for consultation with legal counsel pertaining to probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.

Councilmember del Aguila moved to add a Closed Meeting topic, pursuant to the Code of Virginia Section 2.2-3711(7) for consultation with legal counsel pertaining to probable litigation, where such consultation or briefing in an open meeting would

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adversely affect the negotiating or litigating posture of the public body, and that the agenda be so amended. Motion seconded by Councilmember Reyes.

The question was called on 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.

Comments and Disclosures for the Record

Mayor LeBlanc asked Amanda Kertz, Acting Town Clerk, if she received comments for the record or signed disclosure declarations from Council.

Ms. Kertz stated that comments were entered into the record on Discussion Item 2(a), FY 2026 Proposed Budget. She stated that the Town Clerk did not receive additional public comments or disclosures on any other items listed on that meeting's agenda.

2. Discussion

a. FY 2026 Proposed Budget

i. FY 2026 - FY 2031 Town of Herndon Capital Improvement Program

Mayor LeBlanc recognized John Verdin, Capital Projects Program Manager, who presented the staff report on the proposed FY 2026 - FY 2031 Town of Herndon Capital Improvement Program (CIP). Mr. Verdin explained that the CIP is a financial planning document with a six-year schedule for a variety of public facilities and improvements throughout the Town.

Mr. Verdin reported that 21 existing projects will be completed by the end of FY 2025, including: (1) 18 projects funded through the American Rescue Plan Act (ARPA); (2) two General Fund projects; and (3) one Enterprise Fund project.

Mr. Verdin outlined the proposed 12 new projects in the draft FY 2026-FY 2031 CIP, prioritized based on need. Highlights of the presentation included: (1) annual breakdown of costs and funding sources by project type; (2) projects that are currently unfunded that will require future funding strategies or grants; and (3) the anticipated increases to the operating budget due to CIP expenditures.

Mr. Verdin stated that there are currently five unfunded projects in the CIP: (1) Locust Street ADA Sidewalk Improvements project; (2) Sterling Road Multi-Modal Improvement project; (3) Center Street Reconstruction project; (4) Herndon Parkway/Sunset Park Drive Intersection project; and (5) Monroe Street Sidewalk Connectivity project. He stated that staff are working to obtain grant funding to reduce the total unfunded amount in the CIP, but that debt service was also being considered to finance the large capital outlay required.

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There was discussion among Council and staff on the CIP, including: (1) request for greater detail about the CIP funds, including: (a) number of years an item has been included in the CIP, and (b) projected completion date; (2) request for subtotals per year for the Enterprise Funds and the Capital Reserve Fund; (3) additional information about transportation projects; and (4) progress on the Golf Course Master Plan, with suggestions to ensure amenities are more inclusive.

Mr. Verdin continued his presentation, providing an overview of the FY 2026 portion of the CIP. He stated that the proposed FY 2026 CIP includes $26.634 million in anticipated expenditures, $9.256 million from Governmental Fund projects, and $19.377 million from Enterprise Fund projects.

There was discussion between Council and staff on the FY 2026 CIP, including: (1) criteria to prioritize sidewalks and trails; (2) working with the Town's financial consultants at Davenport to consider bonding unfunded projects; and (3) tying the CIP to the Comprehensive Plan.

Councilmember Garcia requested further information on how improvements from the sports field park project aligned with the Town's Parks and Recreation strategy. Mr. Verdin noted he would follow up with Parks and Recreation Director Bob Williams and report back.

Councilmember Lloyd asked for a report listing completed capital projects over the past five years, including the total ARPA funding allocated to the projects.

ii. FY 2026 Proposed Budget – General and Enterprise Funds Follow Up

Mayor LeBlanc reminded Council that the first public hearing on the budget would be on April 8, with the public hearings remaining open until the final hearings and votes on April 22. He encouraged Council to begin internal discussions about the proposed tax rate and budget items to help move toward consensus, emphasizing the need for five affirmative votes to approve the tax rate.

Mayor LeBlanc recognized Marjorie Sloan, Director of Finance, for a presentation addressing follow up items related to the FY 2026 proposed budget for Governmental and Enterprise Funds, initially presented at the March 11 and March 18 Council meetings.

Ms. Sloan began the presentation with follow-up to questions asked about the Enterprise Funds at the March 18 work session, including: (1) impact of the water and sewer rate increases; (2) additional information about the water and sewer rate model, including how rate impacts are estimated; and (3) capital outlay projections tied to the rate adjustments.

There was discussion among Council and staff on this item, during which

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Councilmember del Aguila requested that slide deck that Ms. Sloan presented be posted on the public portal.

Ms. Sloan then presented a comparative analysis of Full-Time Equivalent (FTE) positions between Herndon and the Towns of Vienna and Leesburg. Interim Town Manager Christopher Martino noted that staffing levels have remained stable, with only one net new position proposed for FY 2026. Mr. Martino stated that current staffing levels reflect Herndon's population and service demands.

There was discussion among Council and staff about the personnel budget.

Mr. Martino continued the presentation with a tax rate and revenue options discussion for the FY 2026 budget, during which he discussed the current property tax rate of $0.27 cents per $100 of assessed value.

There was discussion among Council and staff on the FY 2026 proposed tax rates, including: (1) exploring additional revenue-generating options within each fund; (2) impacts of raising either or both of the real estate tax or meal tax rates; (3) diversifying revenue and increasing the Town's appeal as an event destination; (4) potentially coordinating with Fairfax County on vehicle license fees; and (5) feasibility of implementing a personal property tax over the next year.

There was further discussion among the Council and staff on the following related to the proposed budget: (1) Business License (BPOL) revenue trends; (2) areas for potential budget cuts such as tree maintenance and donation programs; (3) staffing considerations for marketing and economic development; (4) approximately $61,000 in unspent funds, which would revert to the General Fund if not allocated; (5) advantages and disadvantages of outsourcing support for non-profits; (6) modifying or repealing the funding for community event donations; and (7) funding for Arts Herndon, given uncertainty about the organization.

Vice Mayor Hedrick provided his thoughts about the need for state-level structural tax reform, citing the disproportionate tax burden on towns in Virginia. Vice Mayor Hedrick requested staff provide projections comparing budgeted versus actual expenditures by fund.

Mayor LeBlanc requested that staff explore additional allowable revenue sources, including a potential personal property tax.

3. <u>Roundtable</u>

<u>Councilmember del Aguila</u>: thanked staff for the information provided on the budget in tonight's meeting. He also thanked Councilmembers Reyes and Garcia for joining him at 7-Eleven on Friday to distribute food and talk with locals who congregate outside. He stated that the Stars and Stripes NOVA Committee provided food, and the Virginia New Majority provided volunteers.

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Councilmember del Aguila expressed concerns over the Town receiving only one application to date for the outdoor dining program. He requested that the Town continue to promote the program.

Councilmember Garcia: thanked staff who were in attendance at tonight's meeting, and echoed Councilmember del Aguila's comments about the food distribution at 7-Eleven on Friday. He stated that he would like to see a food bank in the Town to better provide for those in need, and suggested a day labor center.

Councilmember Lloyd: thanked staff for providing explanations and follow-up information in response to Council's questions about the budget.

Councilmember Reyes: thanked the staff and Council on the hard work on the budget. Councilmember Reyes affirmed that he does not want to see property taxes raised due to the impact on homeowners and renters.

Vice Mayor Hedrick: stated that he attended a NVTA-PCAC meeting this past Wednesday, where they discussed expanding bus rapid transit, along with other regional transportation priorities.

Vice Mayor Hedrick requested that Council consider advocating for 24-hour public transportation availability to and from Dulles Airport, to support the large number of airport employees residing in Herndon zip codes.

Mayor LeBlanc stated he would bring Vice Mayor Hedrick's proposal to the next Committee for Dulles (CFD) meeting.

Mayor LeBlanc: provided updates from the CFD meeting he attended, and stated that United is building a new terminal at Dulles Airport that will bring new growth and jobs to the area.

Mayor LeBlanc shared that he had received several emails from residents expressing concerns about noise near a retail property. He requested that the Town Attorney explore available options for addressing noise levels.

Mayor LeBlanc stated that at last week's meeting, he requested staff to draft a statement regarding Dominion Energy and tree trimming on the W&OD Trail. He provided a draft resolution for Council's consideration and stated that the Council can review it and consider including it on next week's Consent Agenda. He stated that the proposed resolution was based on the Town of Vienna's statement. He stated that Dominion had currently paused the work on the remaining 29 miles of the trail, but it is important to convey concerns if they start up the work again.

Following discussion on the proposed tree trimming resolution and requests to

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Dominion Energy, and with the concurrence of Council, staff was directed to add the draft resolution to the meeting agenda next week.

Christopher Martino, Interim Town Manager: no comments.

4. Closed Meeting

a. A closed meeting pursuant to the Code of Virginia:

Section 2.2-3711(A)(1), for:

- **Discussion of prospective candidates for appointments to Boards and Commissions;**
- **Performance of certain current members of Boards and Commissions;**
- **A personnel matter related to the Interim Town Manager's departure; and**

Section 2.2-3711(A)(7) for:

- **Consultation with legal counsel pertaining to probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.**

  [Note: the agenda was amended during the work session to add the last topic to the closed meeting item.]

Mayor LeBlanc stated that the Council needed to go into a closed meeting and that 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 del Aguila moved that the Council convene in a closed meeting to discuss the following as permitted by Code of Virginia:

Section 2.2-3711(A)(1) for:

- Discussion of prospective candidates for appointments to Boards and Commissions;
- Performance of certain current members of Boards and Commissions;
- A personnel matter related to the Interim Town Manager's departure; and

Section 2.2-3711(A)(7) for:

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- Consultation with legal counsel pertaining to probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.

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 9:42 p.m. Mayor LeBlanc called a brief recess, and at 9:52 p.m., the closed meeting reconvened in the Hoover Conference Room, Herndon Council Chambers Building, six members present, and with Mayor LeBlanc presiding. Councilmember Alam was absent

Councilmember Garcia moved to come out of the closed meeting. 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.

The Council came out of the closed meeting at 10:23 p.m.

Councilmember Reyes 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 Vice Mayor Hedrick 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 April 1, 2025 Town Council work session at 10:25 p.m.

Amanda E.M. Kertz
Town Clerk

Minutes approved by Town Council : _____

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