

**BOARD OF SUPERVISORS
FINANCE/GOVERNMENT OPERATIONS AND
ECONOMIC DEVELOPMENT COMMITTEE
MEETING SUMMARY**

September 13, 2016

6:00 p.m.

**Loudoun County Government Center
1 Harrison Street, S.E., Leesburg, VA
Board Room**

Committee Members Present: Matthew Letourneau, Chairman
Tony Buffington
Ralph Buona
Phyllis Randall
Koran Saines

A recording of this meeting is available at:

http://loudoun.granicus.com/MediaPlayer.php?view_id=68&clip_id=4616

CALL TO ORDER

Chairman Letourneau called to order the meeting of the Finance/Government Operations and Economic Development Committee (FGOEDC) at 6:03 p.m.

Chairman Letourneau announced the November FGOEDC would be held on November 15, 2016.

1. Monthly Department of Economic Development Report

The Department of Economic Development's monthly statistical report shows leading economic indicators for Loudoun County and key department performance indicators. The director reported on key economic development activities that have occurred since the July 2016 meeting.

Buddy Rizer, Economic Development Director, announced that Loudoun County tourism indicators were on the rise. He commented that department website updates designed to be mobile friendly would soon be released and the upcoming farm tour was scheduled for October 15 and 16, 2016. He responded to Supervisor Buffington that an email with the tourism data was sent to the Board members.

Election District: Countywide

Staff Contacts: Buddy Rizer, Economic Development

2. Economic Development Advisory Commission

The purpose of this item is to update the Finance/Government Operations and Economic Development Committee (FGOEDC) on the work of the Economic Development Advisory Commission (EDAC) and its Ad Hoc Committees, including the Night-Time Economy Committee and Foreign Direct Investment Committee (FDI).

Sharon Virts, Chair of EDAC, gave a brief presentation on EDAC projects. She commented that EDAC would be reviewing long-term transportation project initiatives, focusing on the area around the silver line. She requested to return to FGOEDC in October to seek an ad-hoc membership to study the transportation project initiatives.

Keith Segerson, Chair of FDI, presented the FDI recommendations for investment in Loudoun County from outside the state and country. He asked the FGOEDC for further guidance as to what the FDI's next step should be. He explained the soft-landing facilitating effort to Vice-Chairman Buona as making transition to Loudoun County easier for foreign companies.

Chairman Letourneau mentioned several regional efforts for foreign investment were beginning. He commented that the FDI had completed the assignment from the FGOEDC and would be consulted if issues needed further review. He requested Buddy Rizer return to a future meeting to present Economic Development's plan to attract and land international business investments.

Vice Chairman Buona suggested EDAC engage Metropolitan Washington Airports Authority in the discussions on the long-term transportation project initiatives.

Election District: Countywide
Staff Contacts: Buddy Rizer, Economic Development

3. Active Sister City and Partnership Agreements

The purpose of this item is for staff to provide a recommendation on designating qualifying Loudoun County sister city and partnership agreements as active. Staff contacted each of Loudoun's sister city and partnership relationships to inform them of the Board's new adopted criteria for active relationships and administration policy. Staff did not receive a response from the Karsiyaka Municipality in Turkey.

Chair Randall suggested the Finance/Government Operations and Economic Development Committee review the sister city agreements every year.

Buddy Rizer, Economic Development Director, responded to Chair Randall that in 2017 staff might be traveling to Main-Taunus-Kreis and Goyang City.

Caleb Weitz, County Administration, answered Supervisor Saines that it was up to the Board of Supervisors discretion to add new sister city agreements and to apply time limitation to those agreements.

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors designate the sister city relationships with Main-Taunus-Kreis, Goyang City, New Taipei and Shunyi District and the friendship relationship with Gangneung City as active. Seconded by Vice Chairman Buona. The motion passed (5-0).

Election District: Countywide
Staff Contacts: Caleb Weitz, County Administration
Buddy Rizer, Economic Development

4. CONTRACT RENEWAL/Construction Support Services

The purpose of this item is to renew the contract for Construction Support Services. Request for Proposal QQ-01836 was issued on April 9, 2014 for Construction Support Services. Eight proposals were received and as a result of the proposal evaluation process, four contracts were awarded to: Rummel, Klepper & Kahl, LLP; McDonough Bolyard Peck, Inc; Alpha Construction and Engineering Corporation; and ATCS, P.L.C. The County uses these contracts to provide construction support services for various projects contained in the County's Capital Improvements Program (CIP). These projects include both vertical (buildings, etc.) and horizontal construction (roads, etc.). The estimated award authority is based upon the anticipated requirements to support the approved County CIP during the contract period. Contracts are only renewed with those contractors with satisfactory performance.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to award the first one year renewal option for the Construction Support Services Contract to: Rummel, Klepper & Kahl, LLP; McDonough Bolyard Peck, Inc.; Alpha Construction and Engineering Corporation; and ATCS, P.L.C. in the total estimated amount of \$4,000,000. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Countywide
Staff Contacts: Joe Kroboth, III, Transportation and Capital Infrastructure
Melissa Tello, Transportation and Capital Infrastructure
Christopher Bresley, Finance and Procurement

5. CONTRACT RENEWAL/Job Order Contract for General Construction Work

The purpose of this item is to renew the Job Order Contract (JOC) for General Construction Work. Invitation for Bid No. 230 was issued on June 15, 2015 for JOC General Construction Work. On July 16, 2015, six bids were received. As a result, on September 16, 2015, the Board of Supervisors authorized the Purchasing Agent to award contracts to Madigan Construction, Inc.; Ball Rock Inc. dba Princeton Builders and FHP Tectonics Corp. in the estimated amount of \$4,000,000 for the period of October 1, 2015 through September 30, 2016 with up to two additional one-year renewal options. The scope of work on these contracts includes countywide repair, alteration, construction, maintenance, rehabilitation, demolition and construction of infrastructure and buildings on an as-needed basis at various Loudoun County facilities. Staff is requesting to exercise the first renewal option for the period of October 1, 2016 through September 30, 2017. Contracts are only renewed with those contractors with satisfactory performance.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to renew the Job Order Contracts (JOC) for General Construction Work to Madigan Construction, Inc.; Ball Rock Inc. dba Princeton Builders and FHP Tectonics Corp. in the estimated amount of \$4,000,000. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Countywide
Staff Contacts: Ernest Brown, General Services
Tom Trask, General Services
Christopher Bresley, Finance and Procurement

- 6. CONTRACT AWARD/Electrical Services from Northern Virginia Electric Cooperative**
Since 1998, Loudoun County has been buying electric power from the Northern Virginia Electric Cooperative (NOVEC) for County facilities within the NOVEC service area as a member of the Local Government Customer Group (Customer Group). Customer Group members include: Loudoun County Government, Schools, and Loudoun Water; Prince William County Government, Schools, Service Authority; Fairfax County Government and Schools; Upper Occoquan Sewer Authority; Fauquier County Government, Schools, and Water & Sanitation Authority; and Town of Leesburg. The intent of this item is to seek contract award approval for a five year contract for electrical services with NOVEC in the estimated amount of \$8,500,000. NOVEC is the only source of electric power serving the County facilities in the vicinity of the Leesburg Airport and the County's Solid Waste Management Facility. Electric power can be purchased from NOVEC under this Consumer Group contract, if approved, or at unbundled/jurisdictional commercial rates at a significantly higher cost. Sufficient funds for the first year of the contract are available in the Department of General Services' operating budget. Funding for the remaining contract term will be subject to annual appropriations.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to enter into a five (5) year contract for electrical services with the Northern Virginia Electrical Cooperative in the estimated amount of \$8,500,000. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Countywide
Staff Contacts: Ernest Brown, General Services
Najib Salehi, General Services
Sandra Lineberry, Finance and Procurement

- 7. CONTRACT RENEWAL/Snow and Ice Control Services**
Invitation for Bid No. RFQ-10 was issued on August 5, 2014 for Snow and Ice Control Services. This contract includes snow removal and application of deicing agents using various types and sizes of equipment at the following locations: seven Park and Ride Lots; twenty-four

County Government Facilities; and one Subdivision. Three responses were received by the County. After evaluation of the responses it was decided to award Contracts to each of the firms. On September 20, 2014, staff awarded contracts to each of the firms that responded: Blake Landscapes Inc., Property Services Landscape Inc. and Village Landscapes and Irrigation Inc. After the Public Works Division, the Department of Transportation and Capital Infrastructure and the Department of Building and Development met and consulted with the firms, there was a plan put in place that would assign specific locations to each of the firms. On March 8, 2016 the Finance/Government Operations and Economic Development Committee authorized a contract award increase from \$500,000 to \$1,000,000 due to the historic snow event that occurred on January 22 and 23, 2016 and actual expenditures were approximately \$750,000. The current contracts are due to expire on September 30, 2016 and the intent of this item is the seek award authority to ensure proper coverage if a similar situation would happen this upcoming winter season. Sufficient funding is available in the County's adopted FY2016 Department of General Services fund.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to renew the contracts for Snow and Ice Control Services in the estimated amount of \$750,000. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Countywide

Staff Contacts: Ernest Brown, General Services
Don McGarry, General Services
Sandra Lineberry, Finance and Procurement

8. AWARD AUTHORITY INCREASE/Grounds Maintenance Equipment Contracts for Parks, Recreation and Community Services

The Parks, Recreations and Community Services (PRCS) provides all equipment used for the purpose of park maintenance, athletic field maintenance, and snow removal as well as any parts or supplies needed for the maintenance of the equipment. Since 2013, Loudoun County has participated in the cooperative procurement lead by Fairfax County for Grounds Maintenance Equipment, Parts and Repair Services. By participating in this cooperative procurement, the County has access to a pool of providers for these services, as well as a better rate structure. Historically, the County has utilized the services of Byrd Tractor, Inc., Browning Equipment, Inc., Deere & Company, Kohler Equipment, Inc., Turf Equipment & Supply Company, Inc., and Winchester Equipment, Company, under this contract. The original contract award amount was \$499,974.58 and the contract period is January 1, 2016 through December 31, 2017. During the contract term, staff recognized that replacement equipment would be required to replace aging and non-working maintenance equipment. In addition, increased funding in the amount of \$475,000 will be required to address mechanical supplies for repair and maintenance, minor equipment replacement, and equipment replacement for the first half of FY 2018.

Sufficient funding is available in the Department of PRCS's FY 2017 and FY 2018 Adopted Budget Plans to support the cost of maintenance equipment totaling \$974,974.58 through June 30, 2018.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to increase the award authority of the maintenance equipment contract in amount of \$475,000 for a new total of \$974,974.58. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Countywide

Staff Contacts: Steve Torpy, Parks, Recreation and Community Services
Jeremy Payne, Parks, Recreation and Community Services
Diane C. Smith, Finance and Procurement

9. CONTRACT RENEWAL/Oracle Annual Software Update, License and Support Agreement

The Loudoun County Government (Loudoun) and Loudoun County Public Schools (LCPS) began implementation of a new Enterprise Resource Planning (ERP) commercial off-the-shelf (COTS) system in January 2012 as part of a larger program to replace three core financial systems [i.e., ERP, Computer Aided Mass Appraisal (CAMA), and Integrated Tax Revenue (ITR)]. This action was based on an independent assessment of Loudoun's legacy financial, human resources, and taxation systems, as well as the future replacement of those systems.

On November 2, 2011, the Board of Supervisors (Board) authorized the negotiation of a contract with a third party integrator to implement ORACLE eBusiness Suite (EBS) as the ERP System for Loudoun and LCPS. The resulting contract included EBS licensed software and implementation services for the ERP system, which were to be deployed in three phases, as detailed below.

- Phase 1: Financials, Procurement, Grants, and Document Management:
 - Duration: January 2012 – July 1, 2013
 - Status: COMPLETE
- Phase 2: Human Capital Management (HCM) Applications (HR and Payroll)
 - Duration: January 2014 – TBD
 - Status: Paused in November 2015 and Restarted in May 2016
- Phase 3: Advanced Procurement
 - Duration: November 2013 – May 2014
 - Status: COMPLETE

As part of the original agreement, the County was required to enter into an annual support and maintenance agreement with Oracle. The agreement provides a service level agreement for support as well as accounts for the license needed to use the system. This support and licensing agreement is necessary in order to continue to use the modules provided by Oracle. Failure to renew this contract would result in the inability to continue to use the Oracle system. The current agreement is set to expire on November 30, 2016.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to renew the contract for Oracle licenses to Oracle America Inc. in the estimated amount of \$517,495. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Countywide
 Staff Contacts: Wendy Wickens, Information Technology
 Kevin Eppard, Information Technology
 Cheryl Middleton, Finance and Procurement

10. Contracts Awarded During Summer Recess

On July 21, 2016, the Board of Supervisors authorized the County Administrator, through the Purchasing Agent, to enter into any urgent or unforeseen contracts during the summer recess that were fully funded and could not be delayed until the September 13, 2016 Finance/Government Operations and Economic Development Committee meeting. The following contracts required action during the summer recess:

Title	Amount
Contract Award/ Job Order Contract for the Maintenance and Repair of Stormwater Infrastructure, Paving, and Other Site Work	\$4,000,000
Award Authority Increase/Facilities Maintenance, Lighting Products, Industrial Supplies and Tools	\$300,000 (new contract total of \$800,000)
Award Authority Increase/Public Safety Radio Equipment and Services	\$200,000 (new contract total of \$700,000)
Contract Renewal/Miscellaneous Staff Augmentation	\$590,069
Award Authority Increase/Asphalt Paving and Concrete Services	\$270,000 (new contract total of \$770,000)

No leases were awarded during the summer recess.

Election District: Countywide
 Staff Contacts: Cheryl Middleton, Finance and Procurement
 John Sandy, County Administration

11. Non-profit Organizations' Requests for Property Tax Exemption by Designation

This item presents applications which were deemed complete for organizations seeking an exemption by local designation from real estate taxes, personal property taxes, or both effective January 1, 2017 pursuant to Virginia Code § 58.1-3651. The fiscal impact of granting property tax exemptions by designation is dependent on the organizations the Board of Supervisors approves for exemption and the value of the personal and real property owned by the respective organizations. The amount will vary based on the assessed value of the property, be it real or

personal, and the tax rate for that property class established by the Board for any particular year. For 2016, three non-profit organizations have requested a total of \$45,229.11 in foregone revenue. The three organizations that have met the criteria for consideration are Loudoun Interfaith Relief, Inc., Loudoun Youth Soccer Association, and TOL Ministries, Inc.

Supervisor Buffington agreed with Chairman Letourneau that the determination of tax exemption should be reviewed during the non-profit grant application process.

Vice Chairman Buona spoke in support of setting a cap to the tax exemptions granted each fiscal year.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee recommend that the Board of Supervisors refer all eligible applications identified on Attachment 1 to public hearing for consideration of an ordinance granting the requested property tax exemptions. Seconded by Chair Randall. The motion passed (3-0-2; Chairman Letourneau and Supervisor Buffington abstained).

Election District: Countywide

Staff Contacts: Robert S. Wertz, Jr., Commissioner of the Revenue
Darya Thompson, Deputy Commissioner of the Revenue

12. Personal Property Tax Rate: Disabled Veterans

At the April 26, 2016 Board of Supervisors Business meeting, Supervisor Umstatted made a motion directing the Commissioner of the Revenue and his staff to research the fiscal impact of providing a lowered personal property rate for permanently disabled veterans per the Code of Virginia § 58.1-3506. This item brings forward the fiscal impact of such a rate, which is estimated at approximately \$32,551 annually.

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors to direct staff to bring forward the topic of reduced personal property tax rates for Disabled Veterans as part of the FY 2018 Personal Property Tax Rate Discussion. Seconded by Vice Chairman Buona. The motion passed (5-0).

Election District: Countywide

Staff Contacts: Robert S. Wertz, Jr., Commissioner of the Revenue

13. Proposal for Loudoun County to Train Select Staff to Process U.S. Passport Applications

On February 2, 2016, the Board of Supervisors discussed the potential of authorizing the County Administrator to train select staff to process U.S. passport applications and voted 7-2 (Meyer and Volpe opposed) to forward the discussion to the Finance/Government Operations and Economic Development Committee. This item presented additional information on

training select Loudoun County staff as passport acceptance agents. Officials from the U.S. Department of State attended the meeting to answer questions.

Caleb Weitz, County Administration, introduced John Armstrong, Director of the Washington Passport Agency and Velma Bush, Senior Customer Service Manager from the Department of State.

John Armstrong explained the role of the passport acceptance facility and the need for facilities that offered evening and weekend walk-in hours.

Chang Liu, Director of Library Services, commented that additional staff resources would be required to offer the passport acceptance service. She added that if the Library Board of Trustees voted to offer the service the pilot program would be at the Sterling Library location.

Supervisor Buffington requested additional data on the financial benefit and operational impact to county services and if the passport acceptance service would be cost neutral or profitable.

Supervisor Saines expressed his preference to have the Library Board of Trustees decision presented to the FGOEDC before the FGOEDC voted to implement the passport acceptance service.

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee request a recommendation from the Library Board of Trustees on training Library Services staff as Passport Acceptance Agents and that staff report back to the Finance/Government Operations and Economic Development Committee when able. Seconded by Supervisor Saines. The motion passed (3-2; Vice Chairman Buona and Supervisor Buffington opposed).

Election District: Countywide
Staff Contacts: Caleb Weitz, County Administration

14. Leesburg South Fire and Rescue Station Location

Loudoun County Fire and Rescue (LCFR) Staff seek permission from the Board of Supervisors (Board) to explore alternate suitable locations for the planned Leesburg South Fire and Rescue Station. As part of the Leesburg West rezoning application (ZMAP 2008-0009), the County was proffered a 19-acre site located at the intersection of Shreve Mill Road and the Greenway. The Board previously directed that, in addition to a fire and rescue station, a Public Safety indoor firing range be co-located on the same parcel of land. LCFR Staff evaluated the site and initially agreed that, with improvements to Shreve Mill Road, the location of this site would provide much needed access to the areas south of Leesburg. After careful consideration and additional research it was determined that development issues (only one entrance serving

the site, changes to initial plans to improve the road network, reduced acreage site to accommodate setbacks, turn lanes and septic fields) could impact the construction of a fire-rescue facility on this site. Staff would like permission to search for a suitable alternate location (minimum of a five buildable acre parcel) within an established area and, with the Board's approval, move forward with design and construction of this much needed facility. A location further south and west of the current site would improve on identified coverage gaps and provide more efficient access to the general vicinity. The station is in the current 6-year Capital Improvement Program with funding for the design of this facility in FY20 and construction funding available in FY21.

Chairman Letourneau requested staff to work with the Loudoun County Public Schools' School Board for the option to co-locate the fire and rescue station on a property owned by the School Board at Sycolin Creek Elementary in an effort to reduce land acquisition cost.

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee recommend that the Board of Supervisors direct Loudoun County Fire and Rescue and the Department of Transportation and Capital Infrastructure staff to seek an alternate site on which to construct the proposed Leesburg South Fire and Rescue station. Seconded by Supervisor Buffington. The motion passed (5-0).

Election District: Catoctin

Staff Contacts: W. Keith Brower, Jr., Fire and Rescue
Joe Kroboth, III, Transportation and Capital Infrastructure
Matthew Tobia, Fire and Rescue
James Williams, Fire and Rescue

15. Health Plan Update and Premium Review for Countywide Group Health Plan

In October 2010, both the Board of Supervisors and the Loudoun County School Board approved contract awards to CIGNA HealthCare, Express-Scripts (formerly Medco Health Solutions), Delta Dental of Virginia, and Davis Vision for third-party administrative TPA services in accordance with the County's health plan designs for employees and retirees.

Recommendations for changes in Plan Year 2017 include an increase in the medical individual stop-loss level. This recommendation is based upon the County's health plan utilization and consultation with the County's benefits consultant and third-party administrators. Staff recommends an average 7.9% increase in the premiums charged to County employees, representing a 19.0% blended contribution ratio.

More information is available online at:

http://loudoun.granicus.com/MediaPlayer.php?view_id=68&clip_id=4616&meta_id=105288

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee recommend that the Board of Supervisors approve the contract renewals with the County's Group Health Plan vendors and to implement the plan design changes and medical reinsurance level recommended in this item; and authorize the Purchasing Agent and Benefits Manager to take the necessary steps to implement. Chairman Letourneau further moved that the premiums for the Countywide Group Health Plan and Retiree Health Plan be adopted as shown in Attachments 1 and 2 of the September 13, 2016 Action Item, effective January 1, 2017 through December 31, 2017. Seconded by Supervisor Saines. The motion passed (3-0-2; Chair Randall and Vice Chairman Buona absent for the vote).

Election District: Countywide
Staff Contacts: Jeanette Green, Human Resources
Nelvia Larson, Human Resources
Cheryl Middleton, Finance and Procurement

16. Metrorail Financial Update

This item provided the Finance/Government Operations and Economic Development Committee (FGOEDC) with an update regarding Loudoun's Silver Line Metrorail obligations and funding options and will establish an annual update to the FGOEDC on this topic.

Erin McLellan, Budget Director, presented an overview of Loudoun's Metro obligation. She explained the post construction ongoing obligations for Washington Metropolitan Area Transit Authority's (WMATA) annual capital and operating payments. She offered funding options from the Metrorail Service Tax District and the Station Tax District revenues, Local Gasoline Tax, General Fund and Future debt issuance.

Joe Kroboth, III, Director of Transportation and Capital Infrastructure, updated the FGOEDC on the current Silver Line construction projects.

John Sandy, Assistant County Administrator, listed the sources of funding for the estimated \$274 million construction obligation from Loudoun as: TIFIA Loan; Non-TIFIA debt (lease revenue); and Metrorail Service Tax District Revenue.

Penny Newquist, Transportation and Capital Infrastructure, responded to Chairman Letourneau that the WMATA Compact Capital Funding Agreement was still in the negotiation phase.

Charles Yudd, Deputy County Administrator, answered Chairman Letourneau that there was not currently a need to deviate from the land use policy in the Metrorail Service Tax District with regards to development around the Route 606 station and surrounding residential.

More information is available online at:

http://loudoun.granicus.com/MediaPlayer.php?view_id=68&clip_id=4616&meta_id=105292

Election District: Countywide

Staff Contacts: Erin McLellan, Management and Budget
Janet Romanchyk, Finance and Procurement
Joe Kroboth, III, Transportation and Capital Infrastructure
John Sandy, Charles Yudd and Kenny Young, County Administration

17. Affordable Dwelling Unit Advisory Board Recommendations to Establish Programs to Support Affordable Housing and Allocations of Funds from the County of Loudoun Housing Trust

On July 21, 2016 the Board of Supervisors referred the Affordable Dwelling Unit Advisory Board (ADUAB) recommendations to the Finance/Government Operations and Economic Development Committee. The ADUAB recommends the following programs and allocations from the County of Loudoun Housing Trust (Trust) to support the development, acquisition, and commitment of additional affordable housing in Loudoun County. The Trust currently has a balance of approximately \$24 million, all derived from the Affordable Dwelling Units (ADU) program. According to the Agreement which governs the Trust, the funds must be used to benefit households with incomes from 30% to 70% of the Area Median Income (AMI) consistent with Article 7 of the County Zoning Ordinance which governs the ADU program. The recommendations call for a total allocation of \$15 million from the Trust and include: 1) \$10 million allocated to the Housing Funds program to assist Low Income Housing Tax Credit (LIHTC) projects buy down rents to serve households with incomes at 50% AMI; 2) \$3 million to establish the Market to Affordable Purchase program which will add to the stock of affordable dwelling units available to purchase by buying low cost market rate dwelling units and reselling them with a covenant to moderate income purchasers who qualify for the ADU program; 3) \$1.5 million to establish the Rental Rehabilitation program which will provide rehabilitation assistance to landlords in exchange for rental rates that support households with incomes from 30% to 40% AMI; and 4) \$500,000 to establish the Rental Rehabilitation for Persons with Disabilities program which will provide rehabilitation assistance to rental landlords for accessibility improvements in exchange for rental rates that support households with incomes at 30% to 40% of AMI.

Kelly Marrocco, Family Services, introduced John Mossgrove and Pamela McGraw from the Affordable Dwelling Unit Advisory Board. She explained that the funds in the County of Loudoun Housing Trust fund were from market sales of ADUs, ADUs that the fifteen year covenant had expired, zoning modifications, and ADU proffers. She remarked to Chairman Letourneau that the Housing Needs Assessment and Residential Buildout Analysis were scheduled for completion January 2017.

Vice Chairman Buona expressed concern on not having a method to regenerate the spent trust fund.

Sarah Etro, Family Services, responded to Supervisor Saines that ADUAB set a cap for home purchases to the ADU program of \$250,000 and determined that the \$3 million was a manageable amount for the real estate market. She offered to return with data regarding the number of units that have fulfilled the 15 year covenant.

On September 13, 2016, Vice Chairman Buona moved that the Finance/Government Operations and Economic Development Committee chose not to recommend the Affordable Dwelling Unit Advisory Board recommendations to the full Board of Supervisors pending additional information from the Housing Needs Assessment and Residential Buildout Analysis. Seconded by Chairman Letourneau. The motion passed (4-0-1; Chair Randall absent for the vote).

Election District: Countywide
Staff Contacts: Ellen Grunewald, Family Services
Kelly Marrocco, Family Services

18. Indoor Sports Facility Assessment

At the April 21, 2016 Board meeting, Supervisor Volpe presented a Board Member Initiative to research the potential cost for a study on an indoor sports tournament facility in Loudoun County. This item presents the estimated cost, a draft project scope of work, and a timeline for a study on the feasibility and impact of an indoor sports facility.

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee recommend that the Board of Supervisors not conduct the Indoor Sports Facility Assessment as presented. Seconded by Supervisor Buffington. The motion passed (3-1-1; Supervisor Saines opposed and Chair Randall absent for the vote).

Election District: Countywide
Staff Contacts: Beth Hilkemeyer, Management and Budget
Liz Weaver, Management and Budget
Erin McLellan, Management and Budget

19. Non-Profit Grant Process and Policy Recommendations

At its July 12, 2016 meeting, the Finance/Government Operations and Economic Development Committee (FGOEDC) directed staff to review the non-profit grant funding recommendations received from the Loudoun Human Services Network and return to the FGOEDC meeting in September with an analysis of impacts and recommendations for potential revisions based on this review. This item provided staff recommendations on suggested policy revisions recommended by the Loudoun Human Services Network as well as other recommended policy changes.

Liz Weaver, Management and Budget, gave a brief overview of the recommendations from the meeting with the Loudoun Human Services Network. She explained that the first seven options were administrative and could be implemented upon Board approval. She commented that the Non-Profit Grant application process would begin January 2017 with recommendations to the Board April 2017. She responded to Chairman Letourneau that options 8-10 of the recommendations would not be in place until the FY2019 budget process based on the timing of the request for proposal for the Non-Profit Needs Assessment.

On September 13, 2016, Chairman Letourneau moved that the Finance/Government Operations and Economic Development Committee recommend that the Board of Supervisors adopt the recommended Non-Profit Grant Process and Policy options (numbers 1-7) proposed by the Loudoun County Human Services Network as well as establishing a zero base funding level for non-profit awards each year. Chairman Letourneau further moved that staff be directed to return to the Finance/Government Operations and Economic Development Committee with analysis and recommendations on options needing further consideration (numbers 8-10) by November 2016. Seconded by Vice Chairman Buona. The motion passed (5-0).

Election District: Countywide
Staff Contacts: Erin McLellan, Management and Budget
Liz Weaver, Management and Budget

20. FY 2018 Budget Development - Human Services

At the July 12, 2016, meeting of the Finance/Government Operations and Economic Development Committee, staff presented its first budget outlook item for the FY 2018 budget development process. The item presented selected issues that are affecting departments' abilities to maintain current or required service levels and other challenges that may be causing service gaps that may need to be addressed in the FY 2018 budget. In order for the Board to gain a better understanding of the issues, staff will be presenting themed issue papers throughout the fall to the Committee to clarify service level concerns and begin to shape resource allocation priorities. The Health and Welfare issue paper presented an evaluation of priority programs whose current service level is inadequate or at risk of becoming inadequate without additional resources.

Margaret Graham, Mental Health, Substance Abuse and Developmental Services Director, gave an overview of the potential FY 2018 budget issues in the following areas: Mental Health and Substance Abuse Outpatient Programs; and Training and Organizational Development.

Ellen Grunewald, Director of Family Services, stated that the programs that needed additional resources were: Child Protective Services; Adult Services/Adult Protective Services; and the Benefits Unit.

Election District: Countywide

Staff Contacts: Erin McLellan, Management and Budget
Julie Grandfield, County Administration
Margaret Graham, Mental Health, Substance Abuse and Developmental Services
Ellen Grunewald, Family Services

21. FY 2018 Budget Development– Technology Staffing Analysis

The purpose of this item is to make the Finance/Government Operations and Economic Development Committee aware of a study currently being undertaken to analyze the County's technology related staffing and organizational structure. This study will analyze the Department of Information Technology and other departmental technology staffing and structure to determine whether adjustments to the current staffing structure, methods of delivery and levels of service are needed based upon number of users, sites, technologies, and systems supported to best meet the technology needs of the organization and maximize the efficient use of local tax dollars. This study may result in changes that would affect the budget in FY 2018.

Wendy Wickens, Director of Information Technology, responded to Chairman Letourneau that one of the areas of assessment would be the helpdesk services for contractual alternatives. She replied to Vice Chairman Buona that the County was in the process of evaluating systems and the need to cloud host. She agreed that a strategy was needed to determine how the County would fully utilize cloud systems. She announced that the Computer Aided Dispatch (CAD) system went live at 5:00 p.m. on September 13, 2016.

Election District: Countywide

Staff Contacts: Erin McLellan, Management and Budget
Wendy Wickens, Information Technology

22. Monthly Report/Implementation of the Enterprise Resource Planning (ERP) System

The Phase 2 implementation of the Oracle Human Capital Management modules (HCM – human resources and payroll) was restarted on Monday, May 9, 2016, and Oracle America, Inc. was retained to provide system integration and project management services. An update of the Phase 2 implementation was provided during the September meeting.

Vince Marchesano, Vivad Technologies, LLC, commented that Phase 2 of the implementation was progressing as planned. He added that the Independent Verification Validation Services would soon have a negotiated contract.

Election District: Countywide

Staff Contacts: John Sandy, County Administration
Wendy Wickens, Information Technology
Vince Marchesano, Vivad Technologies, LLC

ADJOURNMENT

Chairman Letourneau adjourned the meeting at 9:54 p.m.