

LANCASTER COUNTY PLANNING COMMISSION

Minutes

December 5, 2013

A specially called meeting of the Lancaster County Planning Commission was called to order at 5:30 p.m. in the Board meeting room of the Lancaster County Administration Building, Lancaster, Virginia.

Present were David Jones, Chairman, Robert Smart, Vice Chairman, Tara Booth, Steve Sorensen, David Chupp, Glenn Pinn and Ty Brent.

Also present were Butch Jenkins, Board of Supervisors Representative, Don Gill, Planning/Land Use Director, John Mann, Lancaster County Schools Director of Operations and Transportation, Kevin Bean, Lancaster County Schools Director of Technology and Charlie Costello.

Mr. Jones asked if there were any corrections or additions to the minutes of the November 14, 2013 regular meeting.

Mr. Jones moved to approve the November 14, 2013 minutes as submitted.
VOTE: 7-0.

CONSIDERATION ITEM #1

FY 2014 – 2018 CAPITAL IMPROVEMENT BUDGET – SCHOOL VOICEOVER IP PROJECT REVISION

Mr. Jones asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was the reconsideration of the School Voiceover IP Project that was approved in the FY 2014 Capital Improvement Budget now that new information reveals that reimbursable funds will not be available as was originally thought during the initial consideration of this project.

Mr. Gill stated that the Planning Commission is requested to reconsider this project with the new information available and inform the Board of Supervisors if it still would or would not recommend this project for FY 2014 Capital Improvement Budget funding.

Mr. Gill stated that generally, the Voiceover IP Project (VOIP) involves tying phone lines into the school's computer and internet system, allowing for the elimination

of most existing phone lines which is projected to amount to an annual savings of \$15,000 in communication expenses while increasing efficiency.

Mr. Gill stated that the VOIP project was initially requested by the School Board in February 2012 during the Planning Commission's update of the FY 2013-2017 Capital Improvement Budget (CIB). He stated that it was presented as costing \$157,000 with approximately \$65,000 reimbursable through the e-rate program as a Priority 2 project. He stated that the School Board ranked the VOIP project #1 out of the 2 projects it requested in FY 2013. He stated that the Planning Commission ranked it #1 out of the 3 projects it recommended to the Board of Supervisors for the FY 2013 CIB. He stated that the Board of Supervisors ultimately did not fund any FY 2013 Capital Improvement projects.

Mr. Gill stated that the VOIP Project reappeared in February 2013 during the Planning Commission's update of the FY 2014-2018 CIB. He stated that it was presented as costing \$165,000 with approximately \$81,000 reimbursable through the e-rate program. He stated that the School Board ranked the VOIP project #3 out of the 4 projects it requested in FY 2014. He stated that on April 18, 2013, the Planning Commission ranked the VOIP project #7 out of the 8 projects it recommended to the Board of Supervisors for the FY 2014 CIB and on June 27, 2013, the Board of Supervisors approved the VOIP as one of the six projects it would fund under the FY 2014 CIB.

Mr. Gill stated that in October 2013, the School system learned that they would not be receiving the \$81,000 e-rate reimbursable funds as was originally presented to the Planning Commission and Board of Supervisors, nor would they likely receive any future e-rate Priority 2 funding. He stated that John Mann, the Lancaster Schools Director of Operations and Transportation, wrote a letter to the School Board informing them of the new information and requested that the issue be reconsidered by the Board of Supervisors before contacting the vendor to complete the VOIP project.

Mr. Gill stated that Mr. Mann addressed the Board of Supervisors about the issue at its November 21, 2013 meeting. He stated that the Board requested that it first be reconsidered by the Planning Commission since the annual CIB updates originate at the Planning Commission level.

Mr. Gill stated that, while the total cost of the project has not changed, it is still \$165,000 as presented and approved, the net expense to the taxpayers has changed since the reimbursable e-rate funds are not available. He stated that this project was approved under the assumption that the net expense would be \$84,000, but now it is known that the net expense to the taxpayers will be \$165,000, the full cost of the project. He stated that under the original presentation and approval, it would have taken approximately 5.5 years to recoup the net cost of this project, but with the new information, it will take 11 years to recoup the cost.

Mr. Gill stated that the Planning Commission must decide if it still would or would not recommend this project for FY 2014 CIB funding given the new information and advise the Board of Supervisors so the Board can make a final decision on this issue at its December 16, 2013 meeting.

Mr. Gill stated that prior to the meeting, additional sheets had been given to each Commission member with the actual costs of the project broken out into detailed categories.

Mr. Mann stated that, in October, they found out that priority-two funding would not be available to counties that have our index. He stated that everyone is presently applying for federal e-rates and the money is being used up. He stated that it was doubtful that they would get the e-rate funding in the future, according to their e-rate consultant. He stated that Mr. Bean was present to answer any technical questions that the Commission might have.

Mr. Jones asked Mr. Bean to explain the project.

Mr. Bean replied that currently the school system had 65 phone lines throughout the district and the voice over system would condense them down to a PRI that would all come back to the high school. He stated that a PRI is \$500 a month and they pay approximately \$1500 a month at the present time. He stated that the new system would use the existing network infrastructure to carry the phone system and does not need its own independent wiring. He stated that if the school moved to another building, the equipment is portable and would go to the new facility.

Mr. Bean stated that the voice over system would eliminate the service agreement with Verizon which currently costs \$10,000 a year. He stated that the new system could be serviced "in-house" and they would be trained to do so. He stated that the new system has enhanced 911 features, which could help pinpoint an exact area in the school, in which medical or law enforcement help is needed.

Mr. Bean stated that, in the long term, there are other features that could be added, including media distribution and security enhancements.

Mr. Bean stated that the current phone system, Nortel, is out of business. He stated that because of that, when they need phones and parts, they place bids on the E-bay website.

Mr. Bean stated that, in the long term, the new voice over IP system would be cheaper.

Mr. Mann stated that they have not had a service contract with Nortel for the last year or so.

Mr. Jones asked what he would do if he wanted to call school to school at the present time.

Mr. Bean stated that he would have to dial each school number. He stated that with the new system, it would just be an extension from one number.

Mr. Jones asked if there was a less expensive way than the voice over IP system to accomplish the same thing.

Mr. Bean replied that pretty much everything has gone the way of the voice over IP system.

Mr. Jones stated that he is worried that the voice over IP system will be obsolete in ten years before it could pay for itself.

Mr. Bean stated that once they have the voice over IP system, the servers become part of the school infrastructure. He stated that “series” monies could help them service their servers.

Mr. Bean stated that the original project price was \$75,000 more, but they had already used “series” money to upgrade their switch infrastructure, which eliminated the need to buy that part of the project package.

Mr. Smart asked how old the current phone system was.

Mr. Bean replied approximately 12 or 13 years old.

Mr. Smart asked if they were relying on E-bay for their sustainability with the phone system.

Mr. Bean replied yes.

Mr. Brent asked what the life expectancy was for the voice over IP system.

Mr. Bean replied approximately 30 years.

Mr. Smart asked if all locations that have the Verizon phones were already wired for voice over internet.

Mr. Bean replied yes and stated that the physical wiring would stay the same and they would only change the switches out.

Mr. Brent asked if Mr. Bean thought they would recoup the money or if five years from now, the system may have to be redone.

Mr. Bean replied that unless a piece of equipment was broken, he couldn't see the system needing to be redone.

Mr. Brent asked Mr. Bean if it was his opinion that the system would last long enough to pay for itself.

Mr. Bean replied yes.

Mr. Jenkins asked about warranties on the system.

Mr. Bean replied that it was three years for the servers and two years on the handsets.

Mr. Smart referred to the talk of a “buyer’s market” and asked how long it would take to get some comparison prices.

Mr. Bean replied approximately 90 days.

Mr. Mann stated that if they did that, they would not get Cisco equipment.

Mr. Bean stated that the Cisco company is a premier partner and if they give a quote in a given area, they lock out the competition in that area.

Mr. Chupp asked what was e-rate.

Mr. Bean replied that e-rate is a program that was started by the federal government to help poorer schools get their infrastructure and technology up to date. He stated that it is based on the percentage of the free and reduced lunch program in the schools. He stated that projects for the schools are broken into priority-one, priority-two and priority-three categories. He stated that everyone is eligible for priority-one e-rate, even Lancaster at 70 percent. He stated that priority-two e-rate is for the top 90 percent and priority-three never gets covered.

Mr. Jenkins stated that e-rate was a federal grant program, but the responsibility of the administration of the program is delegated to the state. He stated that the County’s comprehensive index comes into play with the state and knocks the County out of the game.

Mr. Chupp asked if they shopped around for the project prices.

Mr. Bean replied that they did and took the lesser of three bids. He further stated that it is a huge project with a lot of equipment.

Mr. Chupp stated that it seemed expensive to him. He stated that an individual could get the service for under \$10 a month. He stated that he wondered if there was not a cheaper way to go.

Mr. Bean stated that the project consisted of 225 phone lines, four servers, installation and the configuration of equipment. He stated that it was far more complicated than residential service.

Mr. Jenkins asked if Mr. Mann or Mr. Bean knew the administrating authority at the state level. He stated that, it seemed to him, that the County is being blocked by the state and not the federal government. He stated that he doubted the federal government knew about every locality's composite index in all 50 states.

Mr. Mann and Mr. Bean stated that they did not know the administrating authority at the state level.

Mr. Jenkins asked what the critical date was with Cisco.

Mr. Bean replied that they had been holding Cisco off for 3 months. He stated that the company that they are currently working with has already stockpiled the equipment for placement.

Mr. Smart referred to Mr. Bean's answer of 90 days to canvas possible vendors and asked how much could be saved.

Mr. Bean replied that the original price of the project was \$250,000 and he stated that he did not see the price coming down any further.

Mr. Jones referred to the term "license pack" on the cost sheets of the project.

Mr. Bean stated that license pack is the actual software license.

Mr. Jones stated the vast majority of the cost is the licensing.

Mr. Bean agreed.

Mr. Chupp suggested that if they went with a company other than Cisco, the licensing fees might be lower.

Mr. Bean replied that they might be slightly less.

Mr. Chupp asked if there was an organization that would help the schools search for the equipment for a fee.

Mr. Bean replied that there were organizations, but that the fee may be more than any savings they may find.

Mr. Mann stated that this is the company and the product that Chesapeake Bank uses.

Mr. Bean stated that he had been in technology all of his professional career and was not worried about putting vendor against vendor.

Mr. Bean stated that Lancaster's price is \$8000 less than Richmond County and Essex County has just been quoted a higher price as well. He stated that Lancaster's price has beat out all of the other local communities.

Mr. Chupp stated that they could hire somebody to assist the school system in coming up with the cheapest source.

Mrs. Booth asked what budget that would come from.

Mr. Bean stated that technology is currently only 2 percent of the total school budget, so his budget would not have the money for it.

Mr. Pinn stated that what he was hearing was that Mr. Bean had done his homework and had come up with what was perhaps the cheapest price.

Mr. Bean stated that is what he did.

Mr. Mann stated that they know now that if they apply for e-rate, it is not coming.

Mr. Jenkins asked if Mr. Mann and Mr. Bean would provide to Mr. Gill all of their contacts, including their departments and positions, especially who said that e-rate was not going to be available to Lancaster County and get the information to him tomorrow morning.

Mr. Mann stated that he would get in touch with their e-rate consultant and get the information to Mr. Gill.

Mr. Jones stated that of the first \$146,000 of the project cost, 34 percent is nothing but licensing. He stated that is no equipment, labor or anything, but just the privilege of buying their product.

Mr. Jenkins stated that IBM used to be the only game in town and made their money off of licensing fees, until their competition beat their system and took their business.

Mr. Bean stated that Apple does the same thing now.

Mr. Smart stated that the old telephone system is becoming unsustainable and maybe only has another year or two of service. He stated that the question is whether they get a new system now at approximately \$165,000 or search around for 90 days and see if they can come up with a better price or put it off until next year and put it high on the priority list. He stated that it is clear that e-rate is not available, so they are going to pay the full tab on the project one way or the other.

Mr. Jenkins stated that he wanted to know who made the decision concerning e-rate and under what authority.

Mr. Bean stated that he did not think it was a decision, but rather a process of paying the higher discount applicants first and moving down the scale until the money is gone.

Mr. Jenkins referred to the County qualifying under the free lunch program.

Mr. Bean stated that the problem is the County does not fully qualify under the free lunch program, but rather the County has a 70 percentile of free or reduced lunch. He stated that the County has to wait for the 90 percentile localities to use the money before any trickles down to the 70 percentile.

Mr. Jenkins stated that the Board of Supervisors would need the information he has requested so that they can better understand the e-rate process.

Mr. Jones stated that he agreed with Mr. Smart, in that the phone system is old, but it works. He stated that his concern is that by the time they have recouped their money on the system, it will be obsolete and antiquated.

Mr. Bean stated that he agreed with Mr. Jones and that is why they chose the Cisco system. He stated that the company has been in business for decades and they are reliable.

Mr. Jenkins stated that he wanted to thank Mr. Mann and Mr. Bean for being upfront concerning the e-rate news.

Mr. Mann stated that they have not executed other projects, in case the County decided to change something. He stated that they wanted to give the option of reshuffling items. He stated that other than putting the locks on the schools so everyone has to be buzzed in, they have put the other projects off.

Mrs. Booth asked if the school board met and reprioritized items based on the new e-rate information.

Mr. Mann replied that they did not reprioritize. He stated that they instructed him to make sure he went to the County about it. He stated that the school board's motion was to table it until a later date and see if they get e-rate.

Mr. Mann stated that, according to their e-rate consultant, the school would not be getting e-rate anytime in the foreseeable future.

Mr. Bean stated that if every family that does qualify for the free or reduced lunch program signed up for it, the County probably would be eligible for priority-two e-rate. He stated, that at the high school level, students are usually embarrassed to take part in the program.

Mr. Gill asked what happens to the voice over IP system if the electricity goes out.

Mr. Bean replied that the phones would still work because the main line at the high school would be supported by the backup generator there.

Mr. Gill asked if e-rate funding had anything to do with the HVAC system replacements on the capital improvement budget.

Mr. Bean replied no.

Mr. Gill stated that the total amount of capital improvements that was funded by the Board of Supervisors for the school system was \$372,500. He stated that \$127,500 was for security upgrades that are in the process of being completed. He stated that left \$245,000 for replacing the HVAC systems at the middle school and the voice over IP project.

Mr. Jones asked if the school board was happy with the way things were prioritized.

Mr. Smart stated that he thought so.

Mr. Jones asked if the money was there to fund something, would the school board prefer it go to the voice over IP project or something else.

Mr. Jenkins asked Mr. Smart if the school board could give individual opinions of the project priorities to the County Administrator on an informal basis.

Mr. Smart suggested a call-in tally of the school board.

Mrs. Booth stated that the school board has a meeting Monday night. She stated that it could be added to the agenda.

Mr. Jenkins stated that would be great. He stated that with the Commission's comments and input from the school board, it would help the Board of Supervisors make an informed decision.

Mr. Smart asked Mr. Mann if he was holding up some security projects.

Mr. Mann stated that the only thing they have done from the capital improvements thus far is put the remote locks at the front doors.

Mr. Gill stated that the school board's priorities were the security measures first, the voice over IP project second and the HVAC replacements at the middle school third. He stated that the Planning Commission prioritized the HVAC replacements above the voice over IP system.

Mr. Jones stated that the bottom line was that if “x” amount of dollars have been allocated and the \$81,000 e-rate amount is not coming back, they will not have the money to do all the items they wanted to do.

Mr. Smart stated that if it is taken from the HVAC system, that would delay phase three of that project.

Mr. Gill stated that the Board of Supervisors did not prioritize the Capital Improvement Budget items that they chose to fund.

Mr. Jenkins stated that all of the monies are coming out of the general fund. He stated that the decision would be, do we fund all of the projects and dip into the reserve or put off a project.

Mr. Jones asked Mr. Mann if the Commission does not decide tonight, until more information is received, does that interfere with their timetable and projected costs.

Mr. Mann replied that they are under some pressure from the vendor.

Mr. Smart stated that the school board could weigh in and decide which of the three projects is the most pressing.

Mr. Jones stated that a project could be put off until a later date or the Board of Supervisors could decide to fund all three.

Mrs. Booth stated that the Board of Supervisors could also choose to fund nothing next year.

Mr. Mann stated that the school board had voted to put the voice over IP project on hold until e-rate becomes available.

Mr. Jones stated that the school board might come back and say that they want the HVAC system done first.

Mr. Smart asked if Mr. Mann and Mr. Bean could attend the school board meeting on Monday night.

They agreed.

Mr. Jenkins stated that the Board of Supervisors would have some better data in which to make their decision after this Planning Commission meeting and the school board meeting on Monday.

Mr. Jenkins stated that the Commission could make a motion to advise the Board of the considerations or take a stand on a particular view.

Mr. Chupp asked if they just needed a consensus.

Mr. Jenkins stated that would be fine.

Mr. Chupp stated that he was not sure that the Commission felt that the voice over IP project should be fully funded.

Mr. Jones stated that the project has been put off before because of the expense. He stated that the Commission did not feel like it was a priority above the HVAC system.

Mr. Sorensen asked if they are waiting to see what the school board recommends, can they forward the issue to the Board of Supervisors with no recommendation.

Mr. Jenkins replied yes. Mr. Gill and Mr. Jones agreed as well.

Mr. Gill stated that he thought it was interesting that the school board voted to table the project until the e-rate funding was available again.

Mr. Mann stated that he did not know what the school board understood concerning the project. He stated that it was a late night meeting and he checked the meeting minutes to make sure that he understood the vote. He stated that, as the maintenance guy, the voice over IP project is more important to him than the HVAC replacements. He stated that he has the capability of keeping the HVAC system going because he has a \$90,000 Honeywell contract. He stated that with the phone system, they are going on the E-bay website to obtain products and then there is switching and wiring involved with the old system.

Mr. Gill stated that it looked as if the Commission may be headed for forwarding to the Board of Supervisors with no recommendation, which would enable the Board to make a final decision on December 16th, if they choose to do so. He stated that in February 2014, they would have the Capital Improvement Plan for the following year from the school system.

Mr. Jones stated that it is a priority issue and it is a school board and Board of Supervisors decision.

Mr. Jones made a motion to forward the FY 2014 – 2018 Capital Improvement Budget – School Voiceover IP Project Revision to the Board of Supervisors with no recommendation. **VOTE: 7-0.**

Mr. Chupp stated that he wanted to compliment Mr. Mann and Mr. Bean for being able to answer all of the Commission's questions.

OTHER BUSINESS

Mr. Jones asked Mr. Gill if there was any upcoming business for the January meeting.

Mr. Gill replied that he has no rezonings or anything requiring action at the present time. He stated that he was going to bring the rewrite of Article 10, which discusses the Historic Resources Overlay District, for review.

Mr. Gill stated that the Capital Improvement Budget requests would not be introduced until the February meeting.

Mr. Jones stated that if there are no public hearings on the agenda, the January meeting could be skipped. The Commission was in consensus with that decision.

ADJOURNMENT

The December 5, 2013 regular meeting of the Lancaster County Planning Commission was adjourned at 6:30 p.m.