



FAYETTEVILLE CITY COUNCIL
AGENDA
MARCH 5, 2012
5:00 P.M.
Lafayette Room, City Hall

1.0 CALL TO ORDER

2.0 INVOCATION

3.0 APPROVAL OF AGENDA

4.0 OTHER ITEMS OF BUSINESS

4.1 Compensation Study Update and Recommendations Review

Presented By: John Kuhls, Human Resource Development Director;
Heather Kazemi, Vice-President of The Segal Company; Suzy Nisbet,
President of Strategic HR Solutions

4.2 Fayetteville Advisory Committee on Transit (FACT) Service Improvement
Recommendations

Presented By: Randy Hume

4.3 PWC - Financing Team Resolution

Presented By: Steven K. Blanchard, PWC CEO/General Manager Dwight
Miller, PWC Chief Finance Officer

4.4 Renewable Energy Revolving Loan Fund

Presented By: Steven K. Blanchard, PWC CEO/General Manager

4.5 Evaluation of policy on Disposal of City Owned Property

Presented By: Kecia Parker, Real Estate Manager

4.6 Response to Request to Sell City Lot on Mann Street

Presented By: Kecia Parker, Real Estate Manager

4.7 Environmental Services Pilot Study Regarding Solid Waste Collection
Presented By: Jerry Dietzen, Environmental Services Director

4.8 Presentation: City Ordered Demolitions Process Update

Presented By: Scott Shuford, Development Services Director

4.9 City Council Agenda Request - Boarded up Buildings

Presented By: Council Member Haire

4.10 Establish Procedures for ensuring Council Members are informed prior to public release of information.

Presented By: Mayor Pro Tem Jim Arp

5.0 ADJOURNMENT

CLOSING REMARKS

POLICY REGARDING NON-PUBLIC HEARING AGENDA ITEMS

Anyone desiring to address the Council on an item that is not a public hearing must present a written request to the City Manager by 10:00 a.m. on the Wednesday preceding the Monday meeting date.

POLICY REGARDING PUBLIC HEARING AGENDA ITEMS

Individuals wishing to speak at a public hearing must register in advance with the City Clerk. The Clerk's Office is located in the Executive Offices, Second Floor, City Hall, 433 Hay Street, and is open during normal business hours. Citizens may also register to speak immediately before the public hearing by signing in with the City Clerk in the Council Chamber between 6:30 p.m. and 7:00 p.m.

POLICY REGARDING CITY COUNCIL MEETING PROCEDURES

SPEAKING ON A PUBLIC AND NON-PUBLIC HEARING ITEM

Individuals who have not made a written request to speak on a non-public hearing item may submit written materials to the City Council on the subject matter by providing twenty (20) copies of the written materials to the Office of the City Manager before 5:00 p.m. on the day of the Council meeting at which the item is scheduled to be discussed.

Notice Under the Americans with Disabilities Act (ADA): *The City of Fayetteville will not discriminate against qualified individuals with disabilities on the basis of disability in the City's services, programs, or activities. The City will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities so they can participate equally in the City's programs, services, and activities. The City will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all City programs, services, and activities. Any person who requires an auxiliary aid or service for effective communications, or a modification of policies or procedures to participate in any City program, service, or activity, should contact the office of Ron McElrath, ADA Coordinator, at rmcelrath@ci.fay.nc.us, 910-433-1696, or the Office of the City Clerk at cityclerk@ci.fay.nc.us, 910-433-1989, as soon as possible but no later than 72 hours before the scheduled event.*

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: John Kuhls, Human Resource Development Director
DATE: March 5, 2012
RE: **Compensation Study Update and Recommendations Review**

THE QUESTION:

This item is to update Council on the City's comprehensive compensation and classification study, and to review recommendations. Our consultants, Heather Kazemi, Vice President of The Segal Company will present information, including market survey results and key recommendations for consideration. Suzy Nisbet, President of Strategic HR Solutions will also outline implementation opportunity next steps going forward.

RELATIONSHIP TO STRATEGIC PLAN:

This study is a Priority Policy Agenda item in the City's FY12 Strategic Plan. The project also relates to Goal 3 - More Efficient City Government - Cost-Effective Service Delivery and supporting opportunities for recruiting and retaining a top quality workforce.

BACKGROUND:

The Segal Company has completed its market surveys using the ten benchmark organizations that Council approved during the October 3rd work session. Segal's survey results will be reviewed, along with recommendations and proposed actions to support fair and equitable pay structures. We will also review implementation plans going forward.

ISSUES:

The City desires to successfully attract, recruit, and retain talent for City employment across all Departments to provide efficient, high quality, customer-focused services for all citizens. Ensuring we have competitive pay and benefits is a critical foundation for employee morale and productivity.

BUDGET IMPACT:

Funding for this study was approved by City Council as part of the FY12 Budget. Implementation cost information will be reviewed along with study conclusions and recommendations to ensure competitiveness.

OPTIONS:

1. Council direct the City Manager and staff to move forward with implementing recommendations from the study.

2. Council reject the recommendations from the study.

RECOMMENDED ACTION:

Staff recommends Option 1 and that Council direct the City Manager and staff to move forward with implementing recommendations from the study, while providing any feedback that is felt to be critical towards ensuring a successful implementation phase.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Randy Hume, Transit Director
DATE: March 5, 2012
RE: **Fayetteville Advisory Committee on Transit (FACT) Service Improvement Recommendations**

THE QUESTION:

Do the FACT recommendations for service improvements related to the adopted Transit Development Plan (TDP) meet City Council's interests and priorities?

RELATIONSHIP TO STRATEGIC PLAN:

More Efficient City Government-Cost Effective Service Delivery
FAST Improvements

BACKGROUND:

In October 2010, City Council established the Fayetteville Advisory Committee on Transit to address the public transportation needs of the City by providing recommendations for implementing the TDP. Since September, 2011, FACT has been working with FAST staff to develop recommendations to be considered by Council as it prepares for the FY 2013 budget process.

The committee's recommendations are consistent with the TDP and include enhancements to the current fixed route structure, that should improve the convenience and availability of transit services to citizens and visitors. FACT also encourages the use of partnerships and non-tax resources when possible to expand ridership and funding.

ISSUES:

Given the continued economic uncertainty and challenges faced by federal, state and local governments and agencies, most transit systems have seen the need to cut back on services and/or increase customer fares, while also dealing with increased transit demand due to higher fuel prices and strained family budgets. Last year the City maintained the momentum started when the TDP was adopted by providing additional funding to support new evening services and extended services to Andrews Road.

Continued improvements to the transit options available to our citizens will largely depend on additional resources, while also facing the prospect of reduced state and federal grants in the future.

BUDGET IMPACT:

Unknown at this time. Preliminary estimates related to the recommended improvements will be provided at the work session.

OPTIONS:

This item is presented for information purposes only.

RECOMMENDED ACTION:

Questions and directions by Council are welcome to provide the City Manager guidance in the budget development process.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of Council
FROM: Steven K. Blanchard, PWC CEO/General Manager
DATE: March 5, 2012
RE: **PWC - Financing Team Resolution**

THE QUESTION:

The Public Works Commission of the City of Fayetteville requests Council Adopt a Resolution Approving Certain Members of the Financing Team for a Five Year Term

RELATIONSHIP TO STRATEGIC PLAN:

Lowest Responsible Rates, Most Financially Sound Utility

BACKGROUND:

The Public Works Commission, during their meeting of January 11, 2012 adopted PWC Resolution 2012.01 approving Certain Members of the Financing Team for a Five Year Term and requests that City Council adopt a similar resolution. The Financing Team Members approved in Resolution 2012.01 are: Bond Counsel: Womble Carlyle Sandridge and Rice; Trustee: The Bank of New York Mellon Trust Company, N.A. and Financial Advisor: Davenport and Company.

With several bond issues being anticipated during the next five to seven years selecting a Financing Team for a stated term will provide stability, continuity and progressive knowledge in the financing process and related matters that would be lost if team member changes are made with each bond issue or tax-exempt debt related matters. A longer, stable term will provide economic advantages also.

ISSUES:

N/A

BUDGET IMPACT:

N/A

OPTIONS:

N/A

RECOMMENDED ACTION:

Adopt a Resolution approving certain members of the Financing Team for a Five Year Term

ATTACHMENTS:

Memo
PWC Resolution
City Resolution



WILSON A. LACY, COMMISSIONER
TERRI UNION, COMMISSIONER
LUIS J. OLIVERA, COMMISSIONER
MICHAEL G. LALLIER, COMMISSIONER
STEVEN K. BLANCHARD, CEO/GENERAL MANAGER

PUBLIC WORKS COMMISSION
OF THE CITY OF FAYETTEVILLE
ELECTRIC & WATER UTILITIES

955 OLD WILMINGTON RD
P.O. BOX 1089
FAYETTEVILLE, NORTH CAROLINA 28302 1089
TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

January 4, 2012

MEMO TO: Steven K. Blanchard, CEO

MEMO FROM: J. Dwight Miller, CFO

SUBJECT: Financing Team Resolution

PWC staff wishes to set in place a Financing Team as we anticipate several bond issues during the next five to seven years. Selecting a Financing Team for a stated term will provide stability, continuity and progressive knowledge in the financing process and related matters that would be lost if team member changes are made with each bond issue or tax-exempt debt related matters. A longer, stable term will provide economic advantages also.

Staff recommends that Womble Carlyle Sandridge and Rice, PLLC continue as Bond Counsel, The Bank of New York Mellon Trust Company, N.A. remains as Trustee and Davenport and Company as Financial Advisor.

Staff requests that the Commission adopt Resolution PWC 2012.01 approving the Financing Team for the next five years, with an optional two year extension; authorizing the Commission General Manager to execute any agreements/contracts to employ the services of team members and requesting the City Council adopt a similar resolution.

Please let me know if you have any questions.

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

**RESOLUTION OF THE PUBLIC WORKS COMMISSION
OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA
APPROVING CERTAIN MEMBERS OF THE
FINANCING TEAM FOR A FIVE YEAR TERM**

WHEREAS, the Public Works Commission of the City of Fayetteville, NC (COMMISSION) and the City of Fayetteville, NC (CITY) require professional services of certain firms in order to issue tax-exempt debt and the Local Government Commission (LGC) requires that these members be approved by the CITY to serve in such capacity; and

WHEREAS, in 2007, the COMMISSION and CITY selected and approved Womble Carlyle Sandridge and Rice, PLLC as Bond Counsel for the COMMISSION and CITY after evaluating numerous RFP respondents and continues to serve favorably in that capacity; and

WHEREAS, The Bank of New York Mellon Trust Company, N.A. has provided Trustee services to the COMMISSION for more than two decades; and

WHEREAS, in 2011, the COMMISSION evaluated competitive bids for its Trustee and Financial Advisor; and

WHEREAS, in order to provide stability, continuity and progressive knowledge in the financing process and related matters, the COMMISSION desires to approve core financing team members for a five (5) year period with a two (2) year renewal option; and

NOW, THEREFORE, be it resolved by the COMMISSION that:

Section 1. The COMMISSION approves the following financing team members for a five (5) year term with a two (2) year renewal option:

Bond Counsel:	Womble Carlyle Sandridge and Rice, PLLC
Trustee:	The Bank of New York Mellon Trust Company, N.A.
Financial Advisor:	Davenport and Company LLC

Section 2. The General Manager of the COMMISSION is hereby authorized to execute any necessary agreements/contracts with the above name firms for the purposes outlined in this resolution.

Section 3. The City Council of the CITY is hereby requested to adopt this resolution in the form presented above.

ADOPTED, this the 11th day of January, 2012.

PUBLIC WORKS COMMISSION OF THE
CITY OF FAYETTEVILLE, NORTH CAROLINA

Michael G. Lallier, Chairman

ATTEST:

Terri Union, Secretary

**RESOLUTION OF THE CITY OF FAYETTEVILLE,
NORTH CAROLINA APPROVING CERTAIN
MEMBERS OF THE FINANCING TEAM FOR A FIVE
YEAR TERM**

WHEREAS, the Public Works Commission of the City of Fayetteville, NC (COMMISSION) and the City of Fayetteville, NC (CITY) require professional services of certain firms in order to issue tax-exempt debt and the Local Government Commission (LGC) requires that these members be approved by the CITY to serve in such capacity; and

WHEREAS, in 2007, the COMMISSION and CITY selected and approved Womble Carlyle Sandridge and Rice, PLLC as Bond Counsel for the COMMISSION and CITY after evaluating numerous RFP respondents and continues to serve favorably in that capacity; and

WHEREAS, The Bank of New York Mellon Trust Company, N.A. has provided Trustee services to the COMMISSION for more than two decades; and

WHEREAS, in 2011, the COMMISSION evaluated competitive bids for its Trustee and Financial Advisor; and

WHEREAS, in order to provide stability, continuity and progressive knowledge in the financing process and related matters for the COMMISSION, the CITY desires to approve the COMMISSION's core financing team members for a five (5) year period with a two (2) year renewal option; and

NOW, THEREFORE, be it resolved by the CITY that:

Section 1. The CITY approves the following financing team members for the COMMISSION for a five (5) year term with a two (2) year renewal option:

- Bond Counsel: Womble Carlyle Sandridge and Rice, PLLC
- Trustee: The Bank of New York Mellon Trust Company, N.A.
- Financial Advisor: Davenport and Company LLC

Section 2. The General Manager of the COMMISSION is hereby authorized to execute any necessary agreements/contracts with the above name firms for the purposes outlined in this resolution.

ADOPTED, this the 5th day of March, 2012.

CITY OF FAYETTEVILLE, NORTH CAROLINA

Mayor

ATTEST:

City Clerk

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of Council
FROM: Steven K. Blanchard, PWC CEO/General Manager
DATE: March 5, 2012
RE: **Renewable Energy Revolving Loan Fund**

THE QUESTION:

The Public Works Commission of the City of Fayetteville (PWC) requests that Council approve entering into a Memorandum of Understanding between the City of Fayetteville and PWC to establish a revolving loan fund (the Fund) for the purpose of funding approved renewable energy projects within territorial limits of the City of Fayetteville and PWC.

RELATIONSHIP TO STRATEGIC PLAN:

Lowest Responsible Rates, Sustainability

BACKGROUND:

The Public Works Commission during their meeting of January 11, 2012 voted to direct PWC Staff to work with the City of Fayetteville to establish a revolving loan fund to promote and encourage the development of commercial renewable energy generation projects within the City and PWC's territorial jurisdiction.

PWC has been working to support the development of renewable energy projects in order to be compliant with Senate Bill 3 as well as to support the Commissions goal of promoting sustainability. One method to support these efforts would be for PWC to make available low interest loans for projects that are commercially viable and in the best interests of the City and PWC. Because PWC operates as an Enterprise Fund, according to North Carolina Statute, it is unable to provide such funds to third parties; these can only be done through General Funds. Following a legal review it was determined that one way to facilitate the revolving loan fund would be for the City of Fayetteville to establish such a fund which PWC would then provide funds via a loan. PWC in turn would administer the fund and as loans were made, the repayments by third parties would return to PWC and/or replenish the fund. In order to facilitate the establishment of this fund a Memorandum of Understanding needs to be entered into by the City and PWC

ISSUES:

N/A

BUDGET IMPACT:

N/A

OPTIONS:

N/A

RECOMMENDED ACTION:

Approve entering into a Memorandum of Understanding between City of Fayetteville and PWC for the purpose of establishing a Renewable Energy Revolving Loan Fund.

ATTACHMENTS:

Memorandum of Understanding

Revolving Loan Fund Memorandum of Understanding

By this Revolving Loan Fund Memorandum of Understanding (“MOU”), the City of Fayetteville (the “City”) wishes to establish a revolving loan fund (the “Loan Fund”) to promote and encourage the development of commercial renewable energy generation within the city’s territorial jurisdiction. The City wishes to utilize the extensive knowledge and capabilities of the Public Works Commission (the “PWC”) in managing energy generation facilities to oversee both the Loan Fund and each renewable energy project that receives a loan from the Loan Fund (each such project is a “REPS Project”). In order to facilitate the development of the Loan Fund, which is expected to provide resources for the PWC’s compliance obligations under N.C.G.S. § 62-133.8 (“REPS”) and its related sustainability efforts as set forth in the PWC’s strategic plans, the PWC wishes to loan money from time to time to the City from the PWC’s Electric Enterprise Fund to the City’s General Fund, and the PWC is willing to oversee both the Loan Fund and each REPS Project. The City and the PWC (each a “party” and collectively the “parties”) therefore agree as follows:

1. The PWC may, from time to time at its discretion, make one or more money transfers to the City for the purpose of funding, increasing, or replenishing the Loan Fund in amounts to be determined by the PWC to be necessary to provide sufficient resources for the development of anticipated REPS Projects; provided, however, that the total of all such transfers to the City during the term of this MOU shall not exceed three million dollars (\$3,000,000.00) unless the PWC approves a greater total loan amount and gives written notice to the City of such greater amount prior to making total transfers in excess of three million dollars (\$3,000,000.00). Each transfer of money from the PWC to the City to fund, increase, or replenish the Loan Fund shall be a loan by the PWC to the City. All amounts loaned by the PWC from its Electric Enterprise Fund to the City pursuant to this MOU shall be transferred to the City’s General Fund and devoted exclusively to the Loan Fund.

2. Within sixty (60) days after the initial transfer of funds from the PWC to the City is complete in accordance with Section 1 of this MOU, the PWC shall develop a revolving loan fund application and management process for prospective REPS Projects.

3. In accordance with Sections 6.3, 6.7, and 6.10 of the City’s Charter, as enacted by the North Carolina General Assembly, the City hereby appoints the PWC as the sole manager (“Manager”) of the Loan Fund, in which role the PWC shall be exclusively responsible for administering the Loan Fund, which administration shall include, but not be limited to, the following actions:

- a. Managing and operating the Loan Fund for the purpose of making one or more loans available to each developer of a REPS Project;
- b. Preparing all bidding specifications and other bidding documentation and conducting all bidding processes for each REPS Project that will be subject to bidding;
- c. Selecting each REPS Project and each developer and determining the amount of the loan for which each developer is eligible;
- d. Negotiating and completing all documentation associated with the loan from the Loan Fund to the developer and the development and operation of the REPS Project, including but not limited to making, executing, endorsing,

acknowledging, delivering, and amending any and all agreements and instruments under seal, oath, verification or otherwise, including, but not limited to, receipts, endorsements, releases, compromises, leases, deeds of trust, security agreements, contracts, purchase agreements, easements, forbearance agreements, assignments, options, promissory notes, financing statements, subordination agreements, checks, negotiable instruments and satisfactions of loans, deeds of trust and security agreements, and all such instruments, agreements, and other documents shall be executed, endorsed, or acknowledged by the PWC's Chairman or his designee;

- e. Overseeing each REPS Project and collecting all revenues from the REPS Project developer, owner, operator, or any permitted assignee (collectively, the "REPS Entity"), including but not limited to payments of principal, interest, late fees, penalties, and payments in kind, which revenues collected by the PWC shall be deposited in the PWC's Electric Enterprise Fund to the extent of the outstanding balance of the loan from the PWC to the City and all accrued interest thereon and credited by the PWC against such loan balance and accrued interest as if such revenues had been repaid by the REPS Entity to the Loan Fund for the loan to the REPS Entity from the Loan Fund and accrued interest and then transferred by the City to the PWC's Electric Enterprise Fund, and the PWC shall provide written notice to the City of all such revenue credits no less than annually;
- f. Applying setoffs and acquiring energy, renewable energy credits ("RECs") for REPS compliance, or other generation attributes from the REPS Entity that the PWC, in its sole discretion, determines would be beneficial to the PWC to acquire for itself and its customers, either by direct payment or as a setoff against revenues to be collected by the PWC for repayment of the outstanding balance of the loan to the REPS Entity from the Loan Fund and all accrued interest thereon, and the fair market value of all such assets collected as a setoff (against the outstanding balance of the loan made to the REPS Entity) shall be credited by the PWC against the outstanding balance of the loan from the PWC to the City and all accrued interest thereon as if such setoffs had been used by the REPS Entity to repay the Loan Fund for the loan to the REPS Entity from the Loan Fund and accrued interest and then transferred by the City to the PWC's Electric Enterprise Fund, and the PWC shall provide written notice to the City of all such fair market value setoffs credited against the balance of the loan from the PWC to the City and accrued interest no less than annually;
- g. Electing to exercise all remedies, including contractual, legal, and equitable remedies, against each REPS Entity for any breach of payment or other obligations;
- h. Accounting for and reporting all transactions involving the REPS Project in accordance with Section 6.12 of the City's Charter;
- i. Acquiring the REPS Project from a REPS Entity, including but not limited to leasing, purchasing, exchanging, agreeing, electing to exercise and exercising any options to purchase or otherwise acquire, bargaining, and contracting for the lease, purchase, exchange, and acquisition of, and

accepting, taking, receiving, and possessing, managing, operating, and otherwise controlling the REPS Project on such terms and conditions as the PWC deems proper; provided, however, that title to the REPS Project shall be and remain and vest in the City in accordance with Section 6.8 of the City's Charter and the City shall receive credit against the loan balance due to the PWC under this MOU to the extent the value of the acquisition is accepted in full or in part by the PWC in repayment by the REPS Entity of the loan made to the REPS Entity from the Loan Fund; and

- j. Operating and managing the REPS Project(s) acquired by the PWC, which REPS Projects shall be public enterprise property and part of the PWC's generating fleet in accordance with Sections 6.3, 6.7, and 6.10 of the City's Charter, and collecting the rents and profits derived therefrom.

4. Any loan to a developer from the Loan Fund shall: (i) include an obligation to pay interest, the annual rate of which shall not exceed eight percent (8%) per annum, excluding other fees for loan application review and origination; and (ii) be for a term no greater than 20 years. All amounts loaned by the PWC to the City pursuant to this MOU shall bear interest at a variable rate, determined annually for the preceding year, that yields accrued interest equal to the interest payments recovered by the PWC from developers during such preceding year for loans made to them from the Loan Fund.

5. The PWC shall have the sole discretion to determine: (i) whether to make a loan from the Loan Fund to a developer for a proposed REPS Project; (ii) whether a proposed REPS Project is viable; and (iii) whether a developer is suitably qualified to receive a loan from the Loan Fund and construct and operate a REPS Project. The PWC shall have no obligation under this MOU to obtain property rights or use rights in real property for a REPS project developer.

6. The initial term of this MOU shall be five (5) years beginning on the last date by which both parties have executed this MOU. The term of the MOU may be extended on a year to year basis by the PWC upon written notice to the City given at least thirty (30) days prior to the expiration of the then-effective term. If the PWC elects to resign from its appointment as Manager of the Loan Fund prior to the completion of the then-effective term, then the PWC shall give the City no less than sixty (60) days prior written notice of such resignation. If the City elects to terminate the Loan Fund or the PWC's status as Manager, the City shall give the PWC no less than six (6) months prior written notice of such termination (the "Termination"). Upon the resignation of the PWC or the Termination of the PWC by the City or the expiration of the term of this MOU: (i) the City shall immediately repay to the PWC all available funds then retained in the Loan Fund; (ii) the PWC shall cease making new loans from the Loan Fund and refrain from entering into contracts for new REPS Projects pursuant to this MOU; (iii) the PWC shall continue to manage each REPS Project, in accordance with Section 3 of this MOU and pursuant to the terms of the contract(s) between the PWC and the REPS Entity associated with each such REPS Project (the "Contracts"), to which a loan was made from the Loan Fund until such loan is repaid in full and the Contracts expire or are terminated by a party thereto; and (iv) in order to receive payments from developers and transfer such payments to the PWC in order to repay the balance due from the City to the PWC, the Loan Fund shall continue to exist until all such Contracts have expired or are terminated and the PWC has collected all outstanding balances due to the Loan Fund or conclusively determined that any remaining balances due are unrecoverable and given notice of such determination to the City.

In witness whereof, the parties have caused this Revolving Loan Fund Memorandum of Understanding to be signed by a duly authorized official or officer on the date written below.

City of Fayetteville

Public Works Commission of the City of Fayetteville

By: _____
Printed Name: _____
Title: _____
Date: _____

By: _____
Printed Name: _____
Title: _____
Date: _____

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Kecia Parker, Real Estate Manager
DATE: March 5, 2012
RE: **Evaluation of policy on Disposal of City Owned Property**

THE QUESTION:

Should the City revise its existing real property disposal policy?

RELATIONSHIP TO STRATEGIC PLAN:

More efficient City Government-Cost Effective Services Delivery

BACKGROUND:

The City occasionally receives requests from citizens and entities wishing to purchase City property. The City Council asked staff to review its policy for the disposal of City property to address these requests. Staff reviewed the State laws for disposal of property by municipalities, and the City's existing policy and suggests revisions to the policy.

ISSUES:

The Council wishes to have a policy for the disposal of the City's surplus property which complies with North Carolina law and which assures the dispositions are fair, non-discriminatory, serve the general public welfare and increase the ad valorem tax base.

BUDGET IMPACT:

No significant impact to budget

OPTIONS:

- Adopt the revised policy
- Reject the revisions and keep the old policy
- Provide additional direction to staff

RECOMMENDED ACTION:

Staff recommends that the City Council adopt the revised policy.

ATTACHMENTS:

Current Policy 155.1

Proposed policy

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 1 of 10
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I. POLICY STATEMENT

The policy of the City of Fayetteville is to rapidly dispose of its surplus real property in such a manner that the disposition avoids favoritism and illegality, best serves the general public welfare, increases the ad valorem tax base, and brings the City a value no lower than the fair market value of the property.

The following procedures are hereby adopted to carry out this policy in compliance with North Carolina law. Nothing in these procedures will be construed to conflict with North Carolina law, the Charter of the City of Fayetteville, or the Fayetteville City Code. These procedures do not attempt to cover rare dispositions such as leasing, equal exchanges between governmental units, or the sale of historic and artistic property.

II. PROCEDURES

A. The North Carolina General Statutes authorize five methods for selling real property. This policy will cover three of these methods.

B. First Method.
**ADVERTISEMENTS FOR
SEALED BIDS** N.C.G.S. §§ 160A-268 and 143-129

1. Search title.
2. Appraise the property, if the City desires.
3. Draft covenants, if applicable.

Draft covenants about the use or resale of the property, which will become part of the consideration, as desired.

4. Adopt a resolution.

The City Council must adopt a resolution to advertise for sealed bids for the sale of the property.

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 2 of 10
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5. Contents of the resolution.
 - a. Identify the property.
 - b. State that the bids will be sealed.
 - c. State the time and place for opening of the bids.
 - d. Reserve the right to reject any or all proposals.
 - e. Reserve the right to accept the bid of the highest responsible bidder.
 - f. State that those who withdraw their bid forfeit their deposit.
 - g. State that the winning bidder has ten days to complete his portions of the documents necessary for the transfer and tender the purchase price or he forfeits his deposit.
 - h. State that the sale is to be a cash sale.
 - i. Designate the City Manager and/or designee.

6. Publish.
 - a. Summarize the resolution.
 - b. Include a phone number for inquiries about the sale.
 - c. Publish the summary at least 30 days before the date for opening the bids.

7. Invitations.

In addition to publications, the City Manager and/or designee may mail invitations to bid to any prospective

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 3 of 10
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bidders, such as adjoining property owners or other potential buyers.

8. Open the bids.

All bids must be opened in public.

9. Record the bids.

Record each of the bids in the minutes of the City Council.

10. Accept, reject, negotiate, or re-advertise.

The City Council may either:

- a. Accept the bids of the highest responsible bidder;
 - b. Reject all bids;
 - c. Authorize the City Manager and/or designee to enter into negotiations with the highest responsible bidder. The City Manager and/or designee may make responsible changes in the conditions surrounding the sale which the City Council must approve; or
 - d. Re-advertise for more bids using the same procedures listed above.
11. Deposit.
 - a. Each bid must be accompanied by a 5 percent deposit when it is filed. (See definition.)
 - b. Place the deposit with the City, through the City Manager and/or designee.

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 4 of 10
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- c. Retain the deposit of any bidder who withdraws his bid, declines to execute a contract for sale, or refuses to pay the purchase price once his offer is accepted.
- d. Return deposits of unsuccessful bidders who have not withdrawn.

C. Second Method.

NEGOTIATED OFFER, ADVERTISEMENT
AND UPSET BIDS

N.C.G.S. § 160A-269

This is the most flexible method. Under this method, the City can approach potential buyers and solicit offers; or potential buyers may approach the City with an offer on their own initiative.

- 1. Search title.
- 2. Appraise the property, if the City desires.
- 3. Draft covenants.

Draft covenants about the use or resale of the property, which will become part of the consideration, as desired.

- 4. Identify potential buyers.
 - a. Solicit offers from those whose property borders the parcel for sale.
 - b. Solicit offers from any potential buyer.

5. Resolution.

At any meeting, the City Council may:

- a. Propose to advertise an offer if one is made.

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 5 of 10
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- b. Propose to advertise upset bids.
 - c. Reserve the right to reject any and all offers (or upset bids) at any time.
 - d. State that a deposit is forfeited if its offer (or upset bid) is withdrawn.
 - e. State that the sale is to be a cash sale.
 - f. Set the time period during which upset bids will continue to be effective offers.
6. Deposits.
- a. Take 5 percent of the offer as a deposit. (See definition.)
 - b. Place the deposit with the City Clerk.
7. Advertise.
- Publish a notice of the offer.
8. Contents of the notice.
- a. Summarize the proposal.
 - b. Identify the property.
 - c. State the amount and terms of the offer.
 - d. State that within ten days after publication any person may raise prior offers (or upset bids) with a new upset bid.
 - e. State that upset bids must raise the old offer by at least 10 percent of the first \$1,000.00 and 5 percent

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 6 of 10
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of the remainder of the old offer before it will be considered.

- f. State that upset bids must be accompanied by a 5 percent deposit in cash, certified check, cashiers check or bid bond.
 - g. Include a phone number for inquiries about the sale.
9. Raising the offer.
- a. Upset bids:
 - (i) Must be in writing and signed by the bidder (to avoid statute of fraud problems).
 - (ii) Must be received within ten days of publication.
 - (iii) Must be sent to the City Clerk.
 - (iv) Will be considered received when received by the City Clerk.
 - (v) Received at or before 5:00 p.m. will be considered received on that calendar day. Upset bids received after 5:00 p.m. will be considered received on the next calendar day.
 - (vi) Must raise the old offer by the 10 to 5 percent rule in 8.e.
 - b. When the bidder presents his upset bid, he must also place a 5 percent deposit with the City Clerk. (See definition.)

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10. Re-advertising.

When the City Clerk receives an upset bid, the City Council will decide whether or not to re-advertise in accordance with the General Statutes and this policy.

11. Closing the bidding.

The process of accepting upset bids, taking deposits, re-advertising, and waiting for ten days must be repeated until the City Clerk receives no more upset bids.

12. Accepting or rejecting.

a. While the process continues, the City Council may:

- (i) Reject any offer (or upset bid) at any time; and
- (ii) Retain the latest offer and deposit until it makes a final decision.

D. Third Method.
PUBLIC AUCTION

N.C.G.S. § 160A-270

- 1. Search title.
- 2. Draft covenants.

Draft covenants about the use or resale of the property, which will become part of the consideration, as desired.

- 3. Appraise the property, if the City desires.
- 4. Adopt a resolution.

The City Council must authorize the sale of the property.

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5. Contents of the resolution.
 - a. Authorize the sale.
 - b. Describe the property.
 - c. Specify the date, time, and place of the auction.
 - d. Designate the City Manager and/or designee as the auctioneer.
 - e. State that the sale will not be effective until the City Council confirms and accepts the offer (or bid).
 - f. State that the sale is to be a cash sale.

6. Publish notice of the auction.
 - a. At least once; and
 - b. Not less than 30 days before the auction.

7. Contents of the notice.

Summarize the resolution and include:

 - a. A general description of the property sufficient to identify it;
 - b. The terms of the sale; and
 - c. A reference to the resolution authorizing the sale.

8. Accept or reject.
 - a. Report the highest bidder to the City Council.

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- b. The City Council must either accept or reject the bid 30 days after it receives notice of the highest bidder.
- c. If the City Council rejects the bid, it may authorize another auction and must repeat the entire advertising process.

III. DEFINITIONS

Advertise:

See "Publish" below.

Bid:

A bid is not significantly different from an offer in this policy. The two may be used interchangeably.

Consideration:

Here it means anything the City gets in exchange for the property. It could simply be cash or it could be cash plus a promise to use the land in a certain way or develop the property by a certain deadline consistent with the law. Wise use of consideration may help the City structure its growth. Prudence dictates that all additional promises be put in the deed as covenants.

Covenants:

Here they refer to promises in deeds which relate to real property.

Deposit:

Here they mean 5 percent of the offer, unless specified otherwise by the City Council. The deposit must be in cash, certified check, cashier's check, or bid bond.

Highest Responsible Bidder:

The City Council or its designated representative may take into consideration such factors as the bidder's quality, ability to obtain financing, ability to comply with the covenants, and the

SUBJECT – CITY PROPERTY Real Property - Disposal and Sale	Number 155.1	Revised 8-21-95	Effective Date 5-6-85	Page 10 of 10
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time specified for performance. N.C.G.S. § 143-129. These assessments may be based on the bidder's past performance or on a responsible assessment of his future ability to perform.

Identify the Property:

A legal description will suffice, but it is not required if the description accurately describes the property. One should include the legal description in City Council resolutions, but a more general description in all notices and publications.

Period:

Begin counting the period on the first day after publication of the notice or advertisement. N.C.G.S. § 1-594.

Propose to Accept:

This is not the same as accepting.

PROPOSED CITY COUNCIL POLICY

SUBJECT – CITY PROPERTY
Real Property - Disposal

Number
155.1

Revised
- -2012

Effective
Date
05-06-1985

Page 1 of 2

I. Purpose:

The City of Fayetteville strives to dispose of its surplus real property in a fair, equitable, and non-discriminatory manner which avoids the appearance of favoritism, best serves the general public welfare and increases the ad valorem tax base.

The following procedures are hereby adopted to carry out this policy in compliance with North Carolina law. Nothing in these procedures will be construed to conflict with North Carolina law, the Charter of the City of Fayetteville, or the Fayetteville City Code. These procedures do not attempt to cover rare dispositions or real property such as leasing, equal exchanges between governmental units, or the sale of historic and artistic property.

II. Procedures:

- A. In all real property dispositions, the City shall comply with Article 12 of the North Carolina General Statutes which mandates the various methods available to North Carolina Municipalities for the disposition and conveyance of real property, and which mandates the procedure for each available method.
- B. Each Request to acquire real property owned by the City shall be sent to the Real Estate Division. The Real Estate Division will determine how the property was acquired by the City and whether it is surplus to the needs of the City. If property is still in government use, Real Estate will notify the Requestor that the property is not surplus.
- C. Surplus property shall be disposed of according to Article 12 of the North Carolina General Statutes following a determination of the terms of sale which may include but are not limited to the following factors:
 1. The nature of the sale (whether by private negotiation and sale; advertisement for sealed bids; negotiated offer, advertisement, and upset bid; public auction; or exchange).
 2. The minimum sale price; (if not controlled by Article 12);
 3. The need for and amount of any deposit;
 4. A showing by the purchaser of financial responsibility;
 5. That the purchaser is current on property tax payments;
 6. Whether payment will be by cash or on some other basis;
 7. Whether employees may bid on the property;

PROPOSED CITY COUNCIL POLICY

SUBJECT – CITY PROPERTY
Real Property - Disposal

Number
155.1

Revised
- -2012

Effective
Date
05-06-1985

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8. The time of closing; and
 9. Whether the property is sold “as is.”
- D. In addition to the determinations of the terms set forth above, and if the surplus property is one which can be conveyed by private sale to a nonprofit entity, the City may consider Requests to convey surplus property to a nonprofit organization by private sale without monetary consideration. The recipient must agree to use the property for a continued public purpose. The City shall attach to any such conveyance covenants or conditions which assure that the property will be put to a public purpose by the recipient entity. Prior to making this type of conveyance, the City will determine whether the proposed public purpose is consistent with the City’s comprehensive plans, land use plan, strategic plan or its community development action plan.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Kecia Parker, Real Estate Manager
DATE: March 5, 2012
RE: **Response to Request to Sell City Lot on Mann Street**

THE QUESTION:

How best to respond to a request by St. Paul Full Gospel Baptist Church for the City to sell a City lot on Mann Street for public off street parking.

RELATIONSHIP TO STRATEGIC PLAN:

A Growing City - Great Place to Live

BACKGROUND:

Parcel was acquired as part of the Southeast Redevelopment plan. In April of 2007 St. Paul Full Gospel Baptist Church made an offer of \$100 for said parcel. At that time Council rejected the offer due to it being below tax value. The City received an offer requesting the property be donated to the Church in September of 2011. At that time Council rejected the offer due to it being below tax value.

The City is now in receipt of another letter from St. Paul Full Gospel Baptist Church asking the City to sell the parcel for \$3,000 so that they may use the property for "public" off street parking. Staff has circulated among the Senior Management Team and found no need for the parcels by any City Department. The church has deposited a 5% deposit of \$150 with the City.

ISSUES:

- Parcel is undeveloped and not needed by any City Agency
- North Carolina General Statute §160A-279 provides authority and the method for response to a request for City owned property to be disposed of at private sale.
- The City would incur the cost of publication of the approved Resolution in the local newspaper once Council approved at a regular Council meeting and said cost would be approximately \$500 to \$1,000.
- The tax value of said parcel is \$6,000 and parcel is shown on attached map.
- The compensation the church is offering would be \$3,000 and in addition to this the public off street parking which would be addressed as a restriction on the deed that would mandate the property be used for this and would revert back to the City in the event it ceases to be used as such.
- Due to the tax exempt status of the church no future taxes will be collected if property sold.

BUDGET IMPACT:

The City will be responsible for the publication cost if the resolution is approved.

OPTIONS:

- Direct staff to continue with appropriate procedure for adopting resolution to convey property for less than fair market value as outlined by NCGS §160A-279 which includes public use restriction.
- Designate an alternate means of disposal such as auction or private negotiation and direct staff accordingly.
- Direct staff to ask church pay fair market value which is estimated to be \$6,000.

- Decline to dispose of property at this time.

RECOMMENDED ACTION:

Provide direction to staff as how to proceed.

ATTACHMENTS:

St Paul Prior Letters

St. Paul New Offers

Map



ST PAUL FULL GOSPEL BAPTIST CHURCH

602 Mann Street

POST OFFICE BOX 1652

FAYETTEVILLE, NORTH CAROLINA 28302

(910) 486-0202 Fax: 486-0787

DR. ROBERT L. BRONSON, PASTOR

LeRoy McCullough
Chairman Trustee Board
Kimberly S. Hardison
Executive Secretary

Pastor's Residence
1364 Doc Brown Rd.
Raeford, NC 28376
(910) 875-3649
Roshonda Smith
Clerk

April 17, 2007

Mayor and City Council Members
City Of Fayetteville
433 Hay Street
Fayetteville, NC 28301-5537

Dear City Council,


The Pastor and members of the St. Paul Full Gospel Baptist Church would like to request that the following city owned property be declared surplus:

Parcel ID: 0436-79-1759
Address: 000000 Mann ST FAY

We would also like to make an offer to purchase the property. We are offering to purchase the property for \$100.00 and have included with this request the 5% deposit of \$20.00.

Thank you for your consideration in this matter. If there are any questions, please contact Randy Franklin at (910) 850-7079.

Sincerely,


Dr. Robert L. Bronson
Senior Pastor
St. Paul Full Gospel Baptist Church



St Paul Full Gospel Baptist Church

Street Address
602 Mann Street Fayetteville, North Carolina 28301
Business Phone: (910) 486-0202 * Fax (910) 486-0787

Mailing Address
P. O. Box 1652 Fayetteville, North Carolina 28302
Email Address: stpaulfullgbc@msn.com

Trustee Ministry Chairperson
Elder John L. Johnson
Deacon Ministry Chairperson
Deacon Norman Spikes
Church Secretary
Kimberly S. Hardison

Dr. Robert L. & First Lady Gladys Bronson
Residence
1364 Doc Brown Road
Raefford, North Carolina 28376
910-848-1568

To the City of Fayetteville Community Development Department

The Senior Pastor, Executive Advisory Board, Officers and Members of the St. Paul Full Gospel Baptist Church located at 602 Mann Street in Fayetteville are requesting surplus property owned by the City of Fayetteville. The use of this property would be for the placement of a family life center which would serve the members of the community.

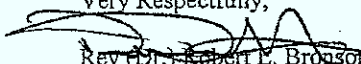
This community was documented in the 2000 Census as one of the most impoverished areas of our great city. It is our desire to establish a family life center which will offer activities that are not currently available to the members of the community such as counseling services and life coaching. The counseling services would offer tutoring for school aged members, GED skills help, resume building, job hunting assistance, and computer familiarization. We will also provide marriage, family and other counseling services to include drug/alcohol abuse and addictions. We currently operate a food and clothing closets, but are limited in space. From this community life center we will provide meals to those who are in need. It is our desire to build up the community by building up its people because the Mission/Vision of our Church is "...to educate, train, and motivate its members and non members through basic bible truth and to lead those individuals towards maintenance of a life-long, continuous commitment of obedience..." The family life center will also have a gymnasium, an indoor running/walking track, and an Olympic size swimming pool for swimming laps and fun and fitness. There currently is not a public swimming facility located in the surrounding area.

We are requesting the below properties which have been identified as excess property owned by the City of Fayetteville. It is our understanding that the City of Fayetteville does not have any good or intended use for these parcels of land. Below is the list of parcel numbers and legal descriptions of the properties that are being requested:

1. 0436-79-1759- MAJ-PT LT 4 BLK C SOUTHEAST FAY REDEV SEC 1 MANN ST 1.00 acres
2. 0436-79-2925- LT 1 BLK C SOUTHEAST FAY REDEV SEC 1 MANN ST 2.25 acres
3. 0437-79-0996- 0.13 AC JACK HATWOOD LD 0.50 acres

We appreciate your consideration in this matter. Please contact Randy Franklin with questions pertaining to this matter at (910) 818-0751 or the church secretary Mrs. Kimberly Hardison at (910) 486-0202.

Very Respectfully,


Rev. Dr. Robert L. Bronson
Senior Pastor
St Paul Full Gospel Baptist Church



St. Paul Full Gospel Baptist Church

Street Address

602 Mann Street Fayetteville, North Carolina 28301
Business Phone: (910) 486-0202 * Fax (910) 486-0787

Mailing Address

P. O. Box 1652 Fayetteville, North Carolina 28302
Email Address: stpaulfullgbc@msn.com

Trustee Ministry Chairperson
Elder John L. Johnson
Deacon Ministry Chairperson
Deacon Ronnie Love
Church Secretary
Kimberly S. Hardison

Dr. Robert L. & First Lady Gladys Bronson
Residence
1364 Doc Brown Road
Raeferd, North Carolina 28376
910-848-1568

To the City of Fayetteville Real Estate Division

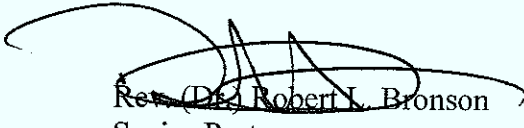
The Senior Pastor, Executive Advisory Board, Officers and Members of the St. Paul Full Gospel Baptist Church located at 602 Mann Street in Fayetteville are requesting surplus property owned by the City of Fayetteville. It is our understanding that the City of Fayetteville does not have any good or intended use for this parcel of land. We have been maintaining this property (i.e. grass cutting, trash and refuse removal, etc.) for the past fifteen (15) years. We would like to make an offer to purchase the property. We are offering to purchase the property for \$3,000.00 and have included with this request the 5% deposit of \$150.00.

Below is the parcel number and legal description of the properties that is being requested with our offer:

0436-79-1759-MAJ PT LT 4 BLK C SOUTHEAST FAY REDEV SEC 1 MANN ST

We appreciate your consideration in this matter. Please contact Randy Franklin with questions pertaining to this matter at (910) 818-0751 or the church secretary Mrs. Kimberly Hardison at (910) 486-0202.

Very Respectfully,


Rev. ~~Dr.~~ Robert L. Bronson
Senior Pastor
St. Paul Full Gospel Baptist Church

Kecia Parker

From: Franklin, Randy B CIV (US) [randy.b.franklin.civ@mail.mil]
Sent: Thursday, February 23, 2012 1:12 PM
To: Kecia Parker
Cc: randyfranklin@hotmail.com
Subject: Mann St. Property (UNCLASSIFIED)

Classification: UNCLASSIFIED
Caveats: NONE

Ms. Parker,

After speaking with my Pastor, I am submitting the use of the property to be for "public" off street parking. The area gets pretty congested at times and presents safety hazards such as the potential for vehicular accidents and/or a civilian being struck by a motor vehicles.

Please contact me with questions via my cell phone at (910) 818-0751.

V/R

Randy B. Franklin
Environmental Project Manager
Environmental Management Branch
Fort Bragg, North Carolina 28310
(910) 432-8888 office
(910) 396-4188
randy.b.franklin.civ@mail.mil

De Oppresso Liber!

Classification: UNCLASSIFIED
Caveats: NONE

Mann Street Property



Legend

- par_reg
- Streets.shp
- Fayetteville City Limits

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Jerry Dietzen, Environmental Services Director
DATE: March 5, 2012
RE: **Environmental Services Pilot Study Regarding Solid Waste Collection**

THE QUESTION:

Does contracting for garbage collection provide an opportunity to increase the efficiency and quality delivering that service to our community?

RELATIONSHIP TO STRATEGIC PLAN:

This item supports the City's goal of a More Efficient City Government which seeks to ensure that the City of Fayetteville delivers municipal services in a cost-effective manner with a high level of customer satisfaction. This item is a high policy agenda item and is a target for action in FY 2012.

BACKGROUND:

In February 2011, Council tasked City staff with investigating potential savings in contracting for a portion of the City's garbage collection services. Competition with the private sector can sometimes increase government efficiency. Contracting also has risks. Government's role of protecting the public health, safety and well being makes it necessary to ensure that contracting does not place those services beyond the control of the public's representation. The City undertook a thorough analysis to determine the effects of contracting for a portion of the City's garbage collection.

Firstly, staff developed a Request for Proposal (RFP) from local vendors for the collection of what is currently the City's Monday garbage routes.

- The RFP was developed by the Purchasing Department at PWC, in consultation with the City Attorney's office, the City Manager's office and Environmental Services.
- This proposal was based on the City of Charlotte's managed competition model of waste collection.
- The current contract with the City holds with Waste Management for curbside recycling was used as a template to ensure similar language and service standards.
- Performance requirements and service quality was established.
- Also included in the RFP were elements of policy from other local municipalities that have investigated outsourcing for their garbage collection services.
- Research with other municipalities indicated that the best practice for beginning a contracting program should involve only a portion of the City's service, to allow the City to maintain control. Therefore, the RFP was developed on the basis that a quarter of the City's routes would be considered for outsourcing.
- PWC received five submissions from local vendors.
- All of the vendors submitted proposals with a base first year cost per household, and a Consumer Price Index (CPI) inflation allowance that would be applied each June for a period of four additional years, for a total five year contract.
- The highest proposal was from Inland Service Corporation with \$9.49 cost per household per month (CPHHPM) for the first year. The lowest proposal was submitted by Waste Management of Carolinas, Inc. at \$3.99 CPHHPM for the first year.

Secondly, City staff developed a thorough cost analysis of the Environmental Services curbside waste collection program to determine the human and financial impact of the department should the contract for service be approved.

- The analysis determined that the CPHPM under our current service delivery structure which utilizes both semi-automated and automated trucks is \$3.59 CPHPM.
- Citywide indirect costs were not included in the CPHPM. (i.e. HRD, CMO cost allocation).
- Environmental Services administration costs were not included in the CPHPM.

Summary

- If the City entered into an agreement with the lowest bidder, the annual cost would be \$718,200.
- The City would then reduce the equipment and staff accordingly ("go away costs"), choosing the most inefficient service delivery options to cut, which would further increase overall efficiencies. In this case, it would result in cutting 5 semi-automated trucks and 10 employees. (\$684,000)
- The net result is an estimated **increase** in General Fund appropriation of \$34,200.

The Environmental Services department can perform the job at the lowest cost to the City, while still maintaining desired service levels and protecting the public interest.

The above information was presented by Doug Hewett during the January 9, 2012 regular Council meeting. Mayor Pro Tem Arp asked several questions for clarification. Following the discussion, Mayor Pro Tem Arp made a motion to direct staff to bring the issue to a Council Work Session for further discussion. The motion was seconded by Council Member Fowler and the vote was unanimous (10-0).

ISSUES:

If the City Council decides to contract this service:

- Collection route days will change for nearly all citizens in Fayetteville
- Residents will continue to call the City first for service issues
- That change will persist for at least the five-year term of the contract
- There will be additional costs to provide services that are not included in the contract

BUDGET IMPACT:

Additional budget appropriation of \$34,200 for service provider and \$25,000 for educating customers about the changes.

Total of \$59,200 for the first year

Additional years increases by the CPI adjustment.

OPTIONS:

1. This is for discussion.

RECOMMENDED ACTION:

This is for discussion

CITY COUNCIL ACTION MEMO

TO: Mayor and City Council
FROM: Scott Shuford, Development Services Director
DATE: March 5, 2012
RE: **Presentation: City Ordered Demolitions Process Update**

THE QUESTION:
See attachment

RELATIONSHIP TO STRATEGIC PLAN:
See attachment

BACKGROUND:
See attachment

ISSUES:
See attachment

BUDGET IMPACT:
None

OPTIONS:
See attachment

RECOMMENDED ACTION:
City Council receive presentation and discuss as needed.

ATTACHMENTS:
City Ordered Demolitions Process Update

City-Ordered Demolitions

Process Update

March 5, 2012

Examples



City-Ordered Demolition Process

STEPS	TIME
Detect violation-post as Dangerous Building	1 day
Order property title search and file <i>lis pendens</i> with Clerk of Court	7 days
Issue Administrative Hearing Notice <i>(Hearing Notice published if owner cannot be found or property is in probate – add 14 days)</i>	10 days
Administrative Hearing and issuance of Order to repair or demolish <i>(May be appealed to Board of Appeals – Add 10-14 days)</i>	60 days
Demolition Ordinance submitted for City Council adoption <i>Conduct initial asbestos inspection; Solicit demolition bids</i>	15-30 days
Demolition Ordinance recorded with Register of Deeds Office <i>Award demolition contract</i>	4 days
Asbestos testing if needed <i>Award asbestos removal contract</i>	5 days
Demolish structure	Cumulative Minimum Time – 97 days

Title Search Process

- Research the ownership of the property for at least 30 years
- Identify liens, judgments, deeds of trust, and heir ownership issues
- Ensure that ALL interest holders be notified
- Identify any discrepancies in legal descriptions to ensure that the right houses get demolished
- Identify title problems that may have an adverse effect on ownership

2011 Tornadoes



Consequence and Response

- Backlog of 109 title searches
- Backlog will be eliminated by June
- Staff intends to accelerate our City-ordered demolitions, focusing on 5 priority areas

Priority Areas

1. Murchison Road Area - 30
2. Bonnie Doone - 5
3. Massey Hill - 5
4. Ramsey Street/North Street/Brookwood Avenue/Windsor Terrace Area - 26
5. Savoy Heights/Branson Street Area - 3

Changes You Will See

- More cases per meeting
- Details presented at Agenda Briefing
- Cases on Consent Agenda
- Significant neighborhood improvement

How This Happened

- Great cooperation between Real Estate and Code Enforcement Divisions
- Fewer commercial demolitions freed up funding to expedite process
- Some title searches may be “farmed out” to keep us on schedule
- Council support for this process

CITY COUNCIL ACTION MEMO

TO: Mayor and City Council
FROM: Council Member Haire
DATE: March 5, 2012
RE: **City Council Agenda Request - Boarded up Buildings**

THE QUESTION:

Please see attachment.

RELATIONSHIP TO STRATEGIC PLAN:

Please see attachment.

BACKGROUND:

Please see attachment.

ISSUES:

Please see attachment.

BUDGET IMPACT:

None at this time.

OPTIONS:

None at this time.

RECOMMENDED ACTION:

City Council to provide staff direction.

ATTACHMENTS:

City Council Agenda Request



**City Council Agenda
Item Request**

Date of Request: _____

Off/Chair 1/3/2012

Name of Requester: _____

Agenda Item Title: _____

Boarded up Windows

What do you want to accomplish with this item?

*Have a discussion on our policy on how long a structure can be boarded up.
(8 to 10 yrs. is too long)*

How does this item connect to the City's Strategic Plan?

Keeping Fayetteville Beautiful


Comments:

Thanks all!

CC-101 (3/07)

CITY COUNCIL ACTION MEMO

TO: Mayor and City Council
FROM: Mayor Pro Tem Jim Arp
DATE: March 5, 2012
RE: **Establish Procedures fo ensuring Council Members are informed prior to public release of information.**

THE QUESTION:

Please see attached City Council Agenda Item Request.

RELATIONSHIP TO STRATEGIC PLAN:

Please see attached City Council Agenda Item Request.

BACKGROUND:

N/A

ISSUES:

N/A

BUDGET IMPACT:

None at this time.

OPTIONS:

N/A

RECOMMENDED ACTION:

Council to provide staff direction.

ATTACHMENTS:

Mayor Pro Tem Arp City Council Agenda Item Request

City Council Agenda Item Request

Date of Request: 21 Feb 2012

Name of Requester: Jim Arp

Agenda Item Title: Establish procedures for ensuring Council Members are informed prior to public release

What do you want to accomplish with this item?

Establish procedures for ensuring Council Members are informed prior to public release of information on issues that are sensitive and likely to generate media inquiries of Council Members.

How does this item connect to the City's Strategic Plan?

Goal 2: More Efficient Government

Comments:

Believe we need to establish capabilities to make one call that calls all Council Members or "SMS Blast" (Blast Text Message) on important media releases to ensure Council Members check our mail (we all have full time jobs and aren't always on the city e-mail system)?