

**FAYETTEVILLE CITY COUNCIL**  
**WORK SESSION MINUTES**  
LAFAYETTE ROOM, CITY HALL  
MAY 7, 2007  
**5:00 P.M.**

Present: Mayor Anthony G. Chavonne  
Council Members Keith A. Bates, Sr. (District 1); Council Charles E. Evans (District 2); Robert A. Massey, Jr. (District 3) (arrived at 5:20 p.m.); Darrell J. Haire (District 4); Lois A. Kirby (District 5); Curtis Worthy (District 7); Juanita Gonzalez (District 8); Wesley A. Meredith (District 9)

Absent: Council Member Paul Williams (District 6)

Others Present: Dale E. Iman, City Manager

Kyle Sonnenberg, Assistant City Manager  
Stanley Victrum, Assistant City Manager  
Doug Hewett, Assistant City Manager  
Karen M. McDonald, City Attorney  
Lisa Smith, Chief Financial Officer  
Tracey Broyles, Budget and Evaluation Manager  
Bobby Teague, Engineering and Infrastructure Director  
Rusty Thompson, City Traffic Engineer  
Greg Caison, Stormwater Services Manager  
Steve Blanchard, PWC CEO/General Manager  
James Rose, PWC Chief Administrative Officer  
Mick Noland, Water Resources Chief Operating Officer  
Dwight Miller, PWC Chief Financial Officer  
Luis J. Olivera, PWC Commissioner  
Wilson A. Lacy, PWC Commissioner  
Michael G. Lallier, PWC Commissioner  
Paul Worley, Assistant Director for Engineering and Safety, NCDOT Rail Division  
Danny Gilbert, Rail Safety Consultants President  
Robert Pressley, Jr., PE, Gannett Fleming, Inc. Senior Project Manager  
Renee Roach, PE, Assistant Regional Traffic Engineer  
Greg Burns, PE, Division Operations Engineer  
Terry Gibson, PE, Division Engineer  
Lee Jernigan, PE, Division Traffic Engineer  
Jackie Tuckey, Communications Manager  
Candice H. White, City Clerk  
Press

Mayor Chavonne called the meeting to order at 5:00 p.m. Council Member Haire offered the invocation.

**1. APPROVAL OF AGENDA**

**MOTION: Council Member Worthy moved to approve the agenda.**

**SECOND: Council Member Gonzalez**

**VOTE: UNANIMOUS (9-0)**

**2. PRESENTATION BY NCDOT RAIL DIVISION ON RAILWAY RELOCATION AND IMPROVEMENTS FOR DOWNTOWN FAYETTEVILLE**

Paul Worley, Assistant Director for Engineering and Safety, NCDOT Rail Division, reviewed a timeline for rail studies conducted in Fayetteville beginning with the formation of the Local Rail Subcommittee in 1990 through the Rail Relocation/Operations Feasibility Study in 2006. Mr. Worley stated in 2006, a Federal Earmark of approximately \$9 million, which included a 20% local match, was received to perform rail improvements and free up blocked crossings in the city of Fayetteville.

Mr. Danny Gilbert, Rail Safety Consultants President, stated after reviewing interchange operations, cost benefit ratios and all scenarios, it was determined that Ft. Bragg trains coming in and out of Fayetteville posed the biggest problem for the downtown area. Mr. Gilbert utilized a track overview map to explain major operation issues in the downtown area associated with the railway lines to and from Ft. Bragg and interchanges between CSX, Norfolk Southern and Aberdeen and Rockfish railways. Mr. Gilbert reviewed the three recommended projects and associated benefits.

Robert Pressley, Jr., Gannett Flemming, Inc. Senior Project Manager, reviewed the implementation schedule for the three recommended projects and stated the total recommended project cost was estimated at \$6.6 million. Mr. Pressley provided examples of associated costs that could potentially increase the preliminary cost estimates from 20% to 40% and approach the total project budget of \$9 million.

Mr. Worley reviewed the next steps to be taken and discussion ensued. Mayor Chavonne asked if the estimated \$2.2 million local match would be available in 2009, whether there were limitations on when the federal funds had to be spent and what would be needed from the City Council in order to move forward with the projects. Council Member Haire asked whether the funds could be used to repair railway crossings.

### **3. PRESENTATION OF NCDOT PROJECTS**

#### **A.**

Ms. Renee Roach, Assistant Regional Traffic Engineer, provided a presentation regarding traffic and safety improvements being considered for a portion of Ramsey Street and other locations in Fayetteville. The presentation covered procedures for investigation, a corridor study conducted on a portion of Ramsey street from US 401 Bypass (Country Club) northward to SR 1712 (Melstone) and crash information and solutions. Ms. Roach provided a cost breakdown totaling \$3.34 million, reviewed project benefits and noted a public hearing to gather stakeholder input would be held prior to completing the design. Ms. Roach stated in order for the project to move forward for Federal funding consideration, NCDOT was requesting that the Council adopt a resolution to protect the portion of the Ramsey Street corridor as identified by limiting full movement access except at signalized intersections.

Ms. Roach reviewed the installation of a concrete island along all legs of the intersection of SR 1404 (Morganton Road) and S 1403 (Reilly Road) and associated crash study. Ms. Roach stated the estimated cost of \$76,000 had already been funded. Ms. Roach further stated the Reilly Road study would follow the same procedures as Ramsey Street due to similar roadway characteristics. Ms. Roach noted the Raeford Road corridor was currently under study.

Mayor Chavonne requested clarification as to who was studying the Murchison Road corridor. Mr. Terry Gibson, Division Engineer, stated the Transportation Improvement Program (TIP) was handling the Murchison Road project with direct allocation funding through the Metropolitan Planning Organization (MPO).

#### **B.**

Mr. Rusty Thompson, City Traffic Engineer, reviewed a request for NCDOT funding for various projects to include extension of Blanton Road, widening and relocation of Legend Avenue to connect to Skibo, a right turn lane southbound on Skibo Road onto Morganton Road, a continuous thru design for the intersection of Robeson Street and Village Drive, intersection improvements for Ramsey Street at Langdon Street and landscaped center median for Owen Drive between US 301 and the All-American Expressway. Mr. Thompson reviewed estimated costs and responded to questions. Mr. Bobby Teague, Engineering and Infrastructure Director, stated a resolution supporting NCDOT funding of the projects would be brought to Council for consideration and formal approval.

### **4. PRESENTATION AND DISCUSSION OF STORMWATER ORDINANCE AND FEES**

Mr. Teague briefly reviewed background information regarding the permit for Phase I and the fee of \$1 per single-family house that was set in 1995. Mr. Teague stated because the fee is still set at \$1, the fund balance is being reduced each year as more is spent than is taken in. Mr. Caison stated within the next year or so, total revenues will have to be used to meet

permit requirements, which will necessitate either increasing fees or reducing services. Mr. Teague recommended setting the fee at \$3 per household per month and increasing the fee for businesses based on the accepted formula. Mr. Teague stated the increase would generate over \$3 million a year in new money. Mr. Caison clarified that the ordinance would dedicate the additional \$2 fee for stormwater quantity and the current \$1 fee would continue to be dedicated to quality. Following a lengthy discussion, consensus of Council was to move forward with the additional fee.

## **5. OVERVIEW OF 2007-2008 PWC BUDGET**

Steve Blanchard, PWC CEO/General Manager, provided an overview of the PWC 2007-2008 annual budget. Highlights included areas of interest related to streetlights, downtown upgrades and conversion work, funding in accordance with the annexation agreement, economic development, personnel, revenue generated from projected water and sewer rate changes and appropriations from retained earnings. Mr. Blanchard reviewed budget figures for electric, water and fleet maintenance.

Discussion ensued regarding projected rate changes. Council Member Gonzalez objected to rate increases in the annexed area. Mr. Michael G. Lallier, PWC Commissioner, stated a cost of service study would be performed prior to proposing a rate increase. Mr. Blanchard clarified approval of the budget would not automatically approve a rate increase. Mr. Blanchard explained that costs had increased substantially and PWC needed \$2.1 million to balance the budget. Mr. Blanchard stated without a rate increase during the year, PWC would be short that amount and unable to fund capital projects and its commitments for annexation. Mr. Blanchard estimated a 5% increase would be needed.

Council Member Gonzalez initiated discussion regarding appointments to and payment of dues to Electra-Cities. Mrs. Karen M. McDonald, City Attorney, advised that if the City Council wanted to continue to make the appointment with advice from PWC, it would probably be easier and cleaner than amending or rescinding pertinent resolutions. Consensus of Council was to allow staff to explore the matter and gather additional information.

In response to a question posed by Mayor Chavonne, Mr. Blanchard elaborated on capital funds in the budget to move the PWC Customer Service Department from Hay Street to the PWC campus on Old Wilmington Highway. Council Member Gonzalez asked if a bus went to the PWC campus. Mayor Chavonne asked if there had been an objective review of the consolidation of the city and PWC purchasing departments. Council Member Haire asked if there was a practical way to interface the PWC Call Center and the City of Fayetteville Customer Call Center. Mayor Pro Tem Massey asked about the Safe Watch Program.

## **6. OVERVIEW OF 2007-2008 GENERAL FUND BUDGET**

Dale E. Iman, City Manager, called attention to the City Council Fiscal Year 2007-2008 Budget Message and provided an overview of the general fund budget process and areas of focus and highlights. Included were maintaining quality services without increasing the tax rate, adequately funding street improvement projects, providing sufficient funds to recruit and retain quality employees, incorporating funds for planning and zoning initiatives, sufficiently funding upgrades of city fleet, upgrading technology, participating in efforts designated to attract/retain good jobs for Fayetteville, maintaining a healthy fund balance to support future needs, developing a plan to eliminate unpaved City streets, continually improving operating efficiency and exploring ways to provide high quality affordable services to residents.

Mrs. Lisa Smith, Chief Financial Officer provided an overview of major revenue highlights and stated the tax rate remained at 53 cents consistent with goals to maintain the tax rate and deliver equal or better levels of services. Mayor Chavonne inquired about fee increases and bus fares and asked that further discussion be held at an upcoming workshop. Mrs. Smith continued with an overview of general fund revenues and expenditures and items funded in the budget consistent with Council's Strategic Plan. Mayor Chavonne inquired about the annualized cost of employee pay increases. Council Member Meredith inquired about the movement of city employee pay towards market pay.

Mr. Iman reviewed future commitments to include annual funding, efficiency improvements and enhanced service delivery and long-term funding strategies for capital.

Mayor Chavonne inquired about revenues received from the annexed areas compared to services provided, the pay for performance plan and the debt management plan. Mayor Chavonne asked whether the \$137 million included \$43 identified for stormwater needs and the City/County master plan for Parks and Recreation. Mayor Chavonne also asked whether the budget accommodated identified infrastructure needs and if not, how many of the needs could be afforded. Mayor Pro Tem Massey posed a series of questions on behalf of Council Member Worthy.

**7. SCHEDULE UPCOMING BUDGET WORKSHOPS**

By consensus, Council scheduled upcoming budget workshops for Thursday, May 10, 2007 at 4:00 p.m.; Thursday, May 17, 2007 at 4:00 p.m.; and Thursday, May 24, 2007 at 5:00 p.m.

There being no further business, the meeting adjourned at 9:00 p.m.