

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE ROOM
NOVEMBER 5, 2012
5:00 P.M.**

Present: Mayor Anthony G. Chavonne

Council Members Keith Bates, Sr. (District 1); Kady-Ann Davy (District 2) (arrived at 5:25 p.m.); Robert A. Massey, Jr. (District 3); Darrell J. Haire (District 4); Bobby Hurst (District 5); William J. L. Crisp (District 6); Valencia A. Applewhite (arrived at 5:10 p.m.); (District 7); Wade Fowler (District 8); James W. Arp, Jr. (District 9)

Others Present:

Ted Voorhees, City Manager
Kristoff Bauer, Assistant City Manager
Karen McDonald, City Attorney
Brian Meyer, Assistant City Attorney
Lisa Smith, Chief Financial Officer
Katherine Bryant, Interim Police Chief
Patricia Bradley, Police Attorney
Michael Gibson, Parks, Recreation and Maintenance Director
Scott Shuford, Development Services Manager
Rusty Thompson, Engineering and Infrastructure Director
Randy Hume, Transit Director
Jerry Dietzen, Environmental Services Director
Craig Hampton, Special Projects Director
John Kuhls, Human Resource Development Director
Bradley Whited, Airport Director
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Chavonne called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member Haire.

3.0 APPROVAL OF AGENDA

MOTION: Mayor Pro Tem Arp moved to approve the agenda.

SECOND: Council Member Fowler

VOTE: UNANIMOUS (8-0)

4.0 CLOSED SESSION

4.1 N.C.G.S. § 143-318.11 - Closed session for economic development.

MOTION: Mayor Pro Tem Arp moved to go into closed session to discuss an economic development matter.

SECOND: Council Member Fowler

VOTE: UNANIMOUS (8-0)

The regular session recessed at 5:00 p.m. The regular session reconvened at 5:20 p.m.

MOTION: Council Member Bates moved to go into open session.

SECOND: Council Member Fowler

VOTE: UNANIMOUS (9-0)

5.0 OTHER ITEMS OF BUSINESS

5.1 Proposed 2013 City Council meeting dates calendar.

Mr. Ted Voorhees, City Manager, presented this item and stated the proposed calendar included budget meeting dates, all with a start time of 5:00 p.m., and noted the month of July had only one regular meeting proposed.

Mayor Chavonne inquired if the Council was comfortable with the 5:00 p.m. start time for the budget meetings or if a 6:00 p.m. start time was preferable. Consensus of the Council was for a

5:00 p.m. start time.

Consensus of the Council was to bring this item back to the November 13, 2012, City Council meeting to adopt the proposed calendar by resolution.

5.2 Update on sale and development of 301 Bragg Boulevard, AKA Old Day's Inn.

Mr. Craig Hampton, Special Projects Director, presented this item and provided background on the Requests for Proposals (RFP) and the submittal from Park View, LLC. He updated Council as to the successful negotiations with the developer and advised the development value and images of the development were being created by the developer and would be provided in a separate submittal. He stated at the November 13, 2012, City Council meeting, Council would be requested to accept the proposal of Park View, LLC, as revised, and to authorize sale of the property pursuant to N.C.G.S. § 160A-269. He further stated at the December 10, 2012, City Council meeting, assuming no upset bids were received, Council would be requested to consider award of the sale and authorization to the City Manager to complete final negotiations and execution of the master development agreement and all other documents to complete the development. He provided a copy of the proposed site plan.

Mr. Maurice Wren, Manager for the developer, Moorman, Kizer and Reitzel, Inc., stated the development would have a total of 47 units and prices would range from approximately \$280,000.00 to \$350,000.00.

Council Member Applewhite inquired if the City was pricing citizens out of living in the downtown area. Mr. Wren responded he felt confident there was sufficient clientele to purchase the proposed residences.

Consensus of the Council was to review this item and corresponding resolution at the November 13, 2012, City Council meeting.

5.3 Citizen Review Board

Ms. Katherine Bryant, Interim Police Chief, presented this item with the aid of a power point presentation and stated as a result of the study conducted by NOBLE, a recommendation was made for the implementation of a Citizen Review Board (CRB). She stated a workgroup with representatives from the Police Department, City Attorney's Office, and Management Services was formed to develop a procedural manual and City ordinance for the CRB. She explained the draft City of Fayetteville CRB Rules of Procedure document contained the Board's composition and scope of work and the process for conducting hearings. She further explained the establishment of a CRB would require special legislation for the City of Fayetteville to permit members of the board to have access to the citizen complaint file. She advised other cities had established CRBs once the special legislation was adopted. She further advised the development and establishment for the City of Fayetteville CRB Rules of Procedure and City ordinance would support the request for the legislative change in early 2013.

Council Member Massey stated he would like the City to hold a public hearing prior to the Council taking official action.

Mayor Pro Tem Arp stated that holding a public hearing would further delay the process of implementing a Citizen Review Board.

Council Member Haire stated he did not see a reason for holding a public hearing.

Council Member Massey stated he wanted all stakeholders to have an additional opportunity to address this item.

Consensus of the Council was to bring this item to the November 13, 2012, City Council meeting requesting that a public hearing be set for November 26, 2012.

5.4 Revenue and Expenditure Report for Annual Funds for the Quarter Ended September 30, 2012

Ms. Lisa Smith, Chief Financial Officer, presented this item with the aid of a power point presentation and explained the components of the report. She stated sales tax distributions were received approximately 75 days after the period in which they applied. She explained the report included sales tax revenues for the one-month period ended July 31, 2012, for the current fiscal year, and for comparative purposes the one-month period ended July 31, 2011, for the prior fiscal year. In addition, she explained quarterly utility taxes were received from the State

approximately 75 days after the period to which they were applied; therefore, no utility tax revenues were included in the report. She provided an overview of the Storm Water Fund, Transit Fund, and Airport Fund.

A brief question and answer period ensued.

Mr. Ted Voorhees, City Manager, stated he would like to continue providing the City Council with a quarterly financial report during work sessions, and stated this type of review would keep them focused.

Consensus of the City Council was to receive a financial report on a quarterly basis during work session meetings.

5.5 Annual Sustainability Report

Mr. Jerry Dietzen, Environmental Services Director, presented this item with the aid of a power point presentation. He provided background on the City of Fayetteville Sustainability Master Plan and stated long-term sustainability depended on a careful balancing of economic, social, and environmental goals and objectives. He explained the local stakeholders had developed the definition of sustainability unique to Fayetteville's cultural and regional characteristics and the agreed upon definition was "Living today in a way that permits future generations to live the same way or better". He stated the plan was focusing on the four areas of environment and natural resources, planning, community, and City agencies. He further stated the plan was developed using the seven guiding principles of (1) promoting national energy independence, increasing competitiveness; (2) increasing competitiveness and producing economic benefits; (3) promoting regional cooperation; (4) preserving neighborhoods and maintaining housing affordability; (5) developing healthier communities and social equity; (6) leading by example; and (7) utilizing performance metrics and ensuring accountability. He stated the overall goal of the plan was to create a culture of sustainability in all that the City was doing and in doing so, the City could improve the quality of life for its citizens by providing cleaner air, conserving their natural resources, and improving the local economy by doing so in a socially responsible way. He explained that many times a sustainable project, renovation, or piece of equipment costs more initially than meeting code requirements or minimum specifications and when considering infrastructure projects and equipment, they should also consider the life-cycle cost of the project. He stated utilizing this method often times yielded a long-term savings on the project/equipment thus being more sustainable for the environment as well as a reduced impact on future budget cycles. He provided an overview of the following topics: energy efficiency, water conservation, renewable and alternative energy, air quality, community and social equity, smart growth, and recycling. He announced November 8, 2012, Environmental Services would be hosting the first of three meetings with local business owners to discuss commercial recycling.

5.6 Compensation, Planning and Implementation – Follow-up

Mr. John Kuhls, Human Resource Development Director, presented this item with the aid of a power point presentation. He stated Council had expressed an interest in moving forward with implementing recommendations from the City's compensation study as completed in 2012 and had identified short-term direction and long-term funding strategies. He explained staff successfully implemented the approved FY 2013 budget pay changes for employees with an effective date of August 13, 2012. He further explained the City Manager was responsible for the administration and maintenance of the position classification plan and would be responsible for recommending to Council any systematic compensation changes to the pay plan. He stated the three key issues discussed with Council at previous work sessions included (1) recruitment, (2) turnover, and (3) progress to or towards midpoint/market pay. He stated the benchmark survey data showed that Fayetteville's pay levels were lagging in the market which was placing them at a disadvantage with their closest competitors for needed talent to enhance City services in the short- and long-term. He advised the FY 2013 budget approved by Council included a \$700,000.00 budget for implementation actions with an effective date of January 28, 2013. He further advised there was an estimated cost of \$625,000.00, resulting in a \$75,000.00 equity pool for subsequent actions as needed. He stated FY 2014 budget impacts would be developed to support agreed upon implementation actions as part of the FY 2014 budget preparation. He

presented two phases of compensation solutions as follows:

Phase I implementation actions to be completed using current budget:

- Use current \$700,000.00 budget on staff below midpoint/ market pay (effective in 2013).
- Increase employees paid below new minimum to new minimum pay.
- Preserve pay grade range penetration for employees below midpoint and who have two years in position or more as of January 2013.
- Do not exceed the new midpoint on any individual increase.
- Positions identified in the study as being in wrong pay grade will be moved to correct pay grade.

Phase II to be considered as part of FY 2014 budget process/ review:

- Adjust only those employees who did not get an increase in January.
- Provide a proposed 3 percent of grade midpoint increase (for General Fund staff).
- Police Officer step plan structure to adjust by 2 percent (last changed in 2008).
- Estimated FY 2014 budget amount of approximately \$1.6 million for these Phase II actions (new starts, separations, retirements occur).
- Plan for a January 2014 performance-based review while considering City's fiscal constraints accordingly.
- Benefit changes (e.g., vacation, 401k, other) would be considered in next fiscal year where appropriate.

Mr. Kuhls explained that Section 19-152, Salary Steps, of the City Code would need to be removed as it was no longer relevant, and doing so would provide for greater hiring flexibility when hiring candidates who had significant training and experience related to vacated positions. A brief discussion period ensued.

Consensus of the Council was to (1) agree to the stated Phase I use of the \$700,000.00 and (2) take an official vote at the December 10, 2012, City Council meeting on removing the ordinance pertaining to salary steps.

5.7 Billboard Text Amendment

Mr. Scott Shuford, Development Services Director, presented this item with the aid of a power point presentation. He provided background on a text amendment change requested by Lamar Outdoor Advertising that would allow the installation of a single digital billboard to replace three conventional billboards. He briefly reviewed the current regulations and advised there was a trade-off or transfer provision that would allow one nonconforming billboard face to be upgraded, but still static, with the removal of another nonconforming face, through a quasi-judicial hearing by the Planning Commission. He stated the focus was on reducing the number of nonconforming billboards over time while allowing a higher level of maintenance/upgrading and selecting removals in important gateway areas. He stated the few existing digital billboards in the City were the result of a 2009 agreement between the City and Lamar Advertising which allowed an upgrade to a digital face with removal of three other existing nonconforming billboard faces. He explained the request would allow the upgrade of any billboard face to digital with the removal of any two existing billboard faces. He further explained the applicant had proposed the following specific conditions:

- 1.A spacing of 5,000 feet from other digital billboards and the location being within 100 feet of the one being replaced;
- 2.A maximum height of 30 feet;
- 3.A maximum sign area of 400 square feet;
- 4.A minimum display time of 8 seconds and a maximum of 2 seconds to change;
- 5.The light levels less than 0.3 foot candles of the ambient light;
- 6.No moving, rotating, flashing, animation, etc.; and
- 7.The trade-off ratio of 2 other faces for each new digital face.

Mr. Shuford stated there was no opposition at the Planning Commission hearing and an updated staff report would accompany the requested text amendment set for the City Council hearing on November 13, 2012. In summation, he advised the Planning Commission and staff found the proposed standards adequate and recommended an administrative review rather than a hearing

process, and to keep the focus on retiring nonconforming signs in return for allowing improvements and upgrading to some. However, he stated they differed on the transfer rate-- staff recommended the 3:1 rate as during the settlement and the Commission believed the request at 2:1 was reasonable.

A brief discussion period ensued regarding the digital billboards as part of the Sign Code update.

Consensus of the Council was to hold a public hearing at the November 13, 2012, City Council meeting.

5.8 Parks and Recreation – Park Bond Update

Mr. Michael Gibson, Parks, Recreation and Maintenance Director, presented this item with the aid of a power point presentation. He stated the Parks and Recreation Bond proposal approved by Council contained the following 14 new facilities:

- 1 Multipurpose Aquatic and Senior Center with Fieldhouse
- 4 Neighborhood Pools
- 1 Tennis Center
- 1 Sports Complex
- 1 Cape Fear River Park
- 1 Community Skate Park
- 2 Neighborhood Skate Parks
- 3 Neighborhood Parks

Mr. Gibson explained that while the planned locations of all facilities had been shared with the community, the exact proposed locations for some of the projects had not been identified. In addition, he stated Council had directed that staff examine alternative locations for the Sports Complex. He stated staff had prepared site recommendations for most of the locations and the bond proposal contained estimated funding for property acquisition. He further stated staff was prioritizing locations that were already in control of local government. He advised staff would be developing strategies to acquire sites as necessary, and would present those strategies at future meetings on a site specific basis. He provided maps and diagrams to illustrate proposed locations for the neighborhood aquatic center, skateboard park, pools, senior center, and tennis center.

A discussion period ensued regarding the sports complex potentially being located by the 295 Interchange and Shaw Heights proximity. Mr. Gibson stressed this would be a tremendous opportunity and the road energy would be significant.

Consensus of Council was to set a public hearing for this item at the November 13, 2012, City Council meeting setting the public hearing for November 26, 2012.

5.9 Transit Fares

Mr. Randy Hume, Transit Director, presented this item with the aid of a power point presentation. He provided background and stated since FY 2008 transit ridership had increased; more service had been added to the system's operation; and, with federal and state grant assistance, they had placed new buses, benches, and shelters into service. He stated during the FY 2013 strategic planning and budget process Council requested a review of fare levels and potential consideration of fare changes that could offset the cost of service improvements. He further stated over the past few months transit staff had been working with the FACT Committee in the development of a Fare Policy and a comparison of FAST fare rates to other systems in North Carolina as well as surrounding states. He advised the FACT Committee voted to recommend the City Council adopt the Fare Policy and was expected to recommend an increase in fare rates to be implemented prior to the end of FY 2013 in order to continue to improve transit services. He provided an overview of the Fare Policy, fare comparison, fare recovery and revenue and funding with other transit systems. He also provided a complete table of proposed fare increases. He concluded by stating based on the FACT Committee's recommendation, an additional \$190,000.00 in annual revenue would be generated.

A brief discussion period ensued regarding the transfer fees and the shortage of qualified bus drivers.

Consensus of the Council was to revisit this item at a later date.

5.10 Public Works Commission Appointment Process and Time Line

Council Member Hurst, Appointment Committee Chair, presented this item and stated on October 8, 2012, Ms. Terri Union submitted her letter of resignation from the Public Works Commission to be effective December 31, 2012, whose term was not due to expire until September 2014. He explained appointment to the unexpired position would be for the term January 1, 2013, through August 31, 2014. He stated on October 17, 2012, the City announced and advertised the opportunity to apply for appointment to the Public Works Commission. He further stated the City issued a media release, a community channel advertisement, and the information was posted on Twitter and Facebook. He concluded by stating that applications would be accepted through close of business on November 16, 2012.

Council Member Applewhite stated if a second vacancy occurred (Public Works Commissioner Lou Olivera was currently running for Cumberland County District Court Judge), then the deadline for accepting applications should be extended.

Consensus of the Council was to accept applications for the Public Works Commission board and extend the deadline for applications to be received in the City Clerk's office no later than the close of business on November 20, 2012.

5.11 Hire Fayetteville First – Disparity Study Scope of Work

Mr. Kristoff Bauer, Assistant City Manager, presented this item with the aid of a power point presentation and stated Council adopted City Council Policy 135.2, Hire Fayetteville First Jobs Creation Policy, on July 9, 2012. He further stated staff presented a timeline and action plan for implementing that program during the September 4, 2012, Council meeting. He explained the next step called for clarifying the definition of "Locally Owned Businesses" as used in the adopted policy. He further explained Policy No. 135.2 was directing staff to conduct a disparity study as part of developing programs to support locally owned businesses, women owned businesses, minority owned businesses, disabled and disadvantaged owned businesses, and veteran owned businesses. He stated with the Local Business definition, staff now had definitions for all of the business categories listed in Policy No. 135.2 and, consistent with the project schedule, was proposing a Scope of Work for the disparity study. He provided two alternative Scopes of Work; the first being consistent with Policy No. 135.2 and broader than the example studies previously discussed with the Council due to the inclusion of Veteran and Local Businesses, the second based on prior discussion of Council narrowing the focus of the study to Local Businesses. He noted that the adoption of Policy No. 135.2 took place after Council had adopted both the FY 2013 Strategic Plan and budget, and stated there were no funds appropriated for the contracted services. He concluded by stating the estimated cost of the disparity study was \$300,000.00. He introduced Ms. Susan J. Monroe, President/CEO of the Cumberland Regional Improvement Corporation.

Ms. Monroe suggested the Council go into a partnership with the County Commissioners and School Board to share the cost of the disparity study and also noted that the study could be provided in portions.

Council Member Applewhite stated she was in favor of the disparity study and that the City could find the funding for the project.

Council Member Bates stated he was against the disparity study.

Mayor Chavonne stated he would send a "laundry list" to Council of the draft Hire Fayetteville First plan that had been developed over the past several months. He requested that staff place this item on the December work session to allow for continued discussion.

Mayor Pro Tem Arp inquired if the City could place a link on the web page that would be a direct route to information on local contracting, bid, and business opportunities. Mr. Bauer responded that the City could provide the requested link.

Council Member Haire stated he would like to see the finalized plan in place in time for the February bond election.

Mayor Chavonne asked for a show of hands to indicate how many Council members were in favor of the disparity study with the RFP and to allocate \$300,000.00 for the project. Council Members Haire and Crisp raised their hands (Council Member Applewhite had left the meeting at 9:03 p.m. and did not participate in the show of hands).

Consensus of the Council was to (1) immediately update the City's web site to show local contracting, bid, and business opportunities and (2) plan a presentation at the December work session that included (a) specific plans to encourage and track local business participation in the proposed Parks and Recreation construction projects, (b) a prioritized strategic plan, with specific goals and timelines, to implement other elements of the draft Fayetteville First draft plan deemed appropriate, and (c) to propose a revision to Policy No. 135.2 eliminating the directive to complete a disparity study.

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 9:15 p.m.