

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE ROOM
JUNE 1, 2015
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Kathy Jensen (District 1); Kady-Ann Davy (District 2) (arrived at 5:21 p.m.); H. Mitchell Colvin, Jr. (District 3); Chalmers McDougald (District 4); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Larry O. Wright, Sr. (District 7); Theodore Mohn (District 8); James W. Arp (District 9)

Others Present:

Theodore Voorhees, City Manager
Kristoff Bauer, Deputy City Manager
Rochelle Small-Toney, Deputy City Manager
Jay Reinstein, Assistant City Manager
Karen McDonald, City Attorney
Ben Major, Fire Chief
Tracey Broyles, Budget and Evaluation Director
Michael Gibson, Parks, Recreation and Maintenance Director
Scott Shuford, Development Services Director
Randy Hume, Transit Director
Kelly Blazey, Assistant Transit Director
Lee Jernigan, Interim Engineering and Infrastructure Director
Karen Hilton, Planning and Zoning Manager
Steve Blanchard, PWC CEO/General Manager
Dwight Miller, PWC Chief Financial Officer
Mark Brown, PWC Customer Relations Director
Will Deaton, Comprehensive Planner
Russ Rogerson, The Alliance, Executive Vice President
Juawana Colbert, Director, Economic Development Marketing and Recruitment
Pamela Megill, City Clerk
Approximately 100 Fire Department Personnel
Members of the Press

1.0 CALL TO ORDER

Mayor Robertson called the meeting to order.

Consensus of Council was to move the meeting from the Lafayette Room to the Council Chamber due to the number of Fire Department personnel attending the meeting.

Mayor Robertson recognized the Fire Department personnel and expressed appreciation for their service to the City.

2.0 INVOCATION

The invocation was offered by Council Member Wright.

3.0 APPROVAL OF AGENDA

MOTION: Council Member McDougald moved to approve the agenda to include a closed session at the end of the regular meeting.

SECOND: Council Member Wright

VOTE: UNANIMOUS (9-0)

Mr. Theodore Voorhees, City Manager, addressed the Fire Department personnel in attendance and stated there is no question this City values the men and women of our Fire Department, your commitments are well known and well deserved. Unfortunate comments were made at a prior meeting, and I apologize to each and every one of you for not stepping up and defending you. We value you every day and you have true support from this government.

4.0 OTHER ITEMS OF BUSINESS

4.01 Direction – Comprehensive Plan

Mr. Will Deaton, Comprehensive Planner, presented this item with the aid of a PowerPoint presentation and stated the Planning staff is in the beginning stages of a Comprehensive Plan that will start with the Downtown core. The process will be a rollout of several focus areas in a step-by-step process that will allow us to concentrate on priority locations. These priority locations are facing changes from development and other factors. Mr. Deaton further stated the City Council, during a recent February retreat, concluded that a Comprehensive Land Use Plan is one of their top prioritized potential action items. City Council has funded a Comprehensive Planner position to focus on this task. While starting to gather relevant background information and create a planning process we are bringing this item to this work session for introduction and direction. The Comprehensive Plan will determine the future of Fayetteville's natural and built environment for the next 20 years. This places a great burden on us to ensure this is the best possible plan to absorb the projected population growth, while fulfilling the Council's adopted Strategic Plan. Staff will use this work session opportunity to ensure we will produce a Comprehensive Plan that meets Council's goals.

Discussion ensued.

This item was for information only.

4.02 Update of Transit Disadvantaged Business Program

Ms. Kelly Blazey, Assistant Transit Director, presented this item and stated the City is the recipient of federal grant funds from the Federal Transit Administration (FTA) in support of transit capital and operating projects. As a condition of these grants, the Transit Department is required to establish and maintain a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), in compliance with 49 C.F.R. Part 26. That program is to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. FTA also requires that grantees establish a goal every three years for DBE participation for contracting opportunities that use FTA grant funds. Transit's new goal must be submitted to FTA for review and approval no later than August 1, 2015. Since there are no Council meetings scheduled in July, Transit must present its next three-year goal for review and approval at the June 22, 2015, City Council meeting. The City of Fayetteville has established a policy that ensures DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. The DBE program is:

1. To ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 C.F.R. Part 26 eligibility standards are permitted to participate as DBEs;
5. To help to remove barriers to the participation of DBEs in DOT assisted contracts; and
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.

Ms. Blazey further stated Ms. Shanelle Harris, Transit Civil Rights Program Analyst, has been designated as the Disadvantaged Business Enterprise Liaison Officer (DBELO). DBEs are certified under a Unified Certification Program (UCP) administered by NCDOT and only such certified DBEs are eligible to be counted toward DBE participation and toward attainment of the goal set by the City. Fayetteville must submit a new goal by August 1, 2015, for the upcoming three federal fiscal years. The DBE goal is not a quota. The goal includes both race-conscious (based on goals set for specific contracts) and race-neutral (what would normally occur without specific contract goals) participation factors. The goal for the past three years has been 6.6 percent.

Discussion ensued.

This item was for information only.

4.03 Update on FAST Transit Center

Mr. Randal Hume, Transit Director, presented this item with the aid of a PowerPoint presentation and stated a new transit center is being constructed in downtown. The existing Transfer Center located on Old Wilmington Road at Russell Street was placed into service in 2002 as a "temporary facility" until a permanent facility could be constructed. The current center is isolated, outdated, unattractive and inadequate to serve the anticipated increase in the number of riders the system will serve over the next several years. Our public transit customers need and deserve much better. The new center will provide a safe, attractive and conveniently located passenger facility to continue the much needed improvements to transit services in the Fayetteville area. The City received a competitive grant award for slightly more than \$10 million (\$8.0 million federal) to cover construction of the initial phase of the new center. After design on the facility began, the State then provided \$1.0 million or 50percent of the local match needed for that grant. Prior to release of bids, our architects provided a revised construction estimate that significantly increased the cost of construction. Efforts were made to reduce those costs, but it was determined the estimate to be accurate and prior estimates had been understated.

Staff programmed additional FTA formula grant monies to obtain a supplemental grant adding just over \$2.13 million (\$1.7 million federal) to the project budget. This grant was intended to cover the estimated construction cost, contingency for unexpected conditions, testing and some construction oversight. That grant has been awarded by FTA and the project budget ordinance submitted for Council approval. The total construction budget now stands at \$12,150,000.00.

The construction contract was awarded at \$11,650,000.00. The project has experienced significant obstacles that have impeded progress and strained the budget. The most significant increases relate to the soil remediation, changes to utilities, poor soil conditions and contracted construction oversight. There are also cost saving change orders that are being finalized, but it is unlikely that these will offset the final cost to complete. Mr. Hume concluded his presentation by stating, further, following the start of construction, Greyhound contacted staff concerning their potential involvement in the new "multimodal center". Previously Greyhound had no interest.

Staff and our architects have reviewed the Greyhound needs and developed a conceptual design to meet those needs.

Discussion ensued.

This item was for information only.

Mayor Robertson recessed the meeting at 6:20 p.m. Mayor Robertson reconvened the meeting at 6:43 p.m.

4.04 The NC Economic Alliance

Mr. Russ Rogerson, The Alliance, Executive Vice President, and Ms. Juawana Colbert, Director, Economic Development Marketing and Recruitment, presented this item and provided a handout of the Third Quarter Dashboard Report and stated the Fayetteville-Cumberland County Chamber of Commerce's 2025 Task Force released its report to the public on May 20, 2015,. At the May 20, 2015, Budget Workshop, City Council requested an update on the activities of The Alliance since January 2015. The NC Alliance was launched in 2012 as a division of the Fayetteville-Cumberland Regional Chamber of Commerce as a recommendation of the Garner Report that was commissioned by the Chamber of Commerce. The NC Alliance is governed by a 14-member Board of Advisors comprised of both public and private sector representatives as well as leaders in higher education and business and industry. The approved FY 15 budget is \$1,296,332.00, with all but a little over \$400,000.00 or 69 percent coming from the City, the County, and the Fayetteville PWC. The City receives quarterly updates on program activities from The Alliance as required per the Agreement. Earlier this year the Fayetteville Regional Chamber commissioned the 2025 Task Force to study, reevaluate and make recommendations that would appropriately reposition it to meet the needs of its members and the business community. The 2025 Task Force has been released with specific recommendations, which includes the separation of The Alliance and the Fayetteville Regional Chamber. The Chamber's 2025 Task Force Report recommends that The NC Alliance be separated from the Chamber of Commerce. The recommended change in the organizational structure of The Alliance creates an opportunity for the funders (City, County and The Alliance

Foundation) of the agency to re-examine its mission and program goals, the Board's composition and the supporting operational needs that will be required, if the new organization is to be successful. There is an anticipated transitional period of six months (July 1 through December 31, 2015) in the upcoming FY 16. The Alliance will need the first six months of funding in order to continue its work while transitioning to the new organizational and governance structure. The Proposed FY 16 Budget includes \$415,000.00 from the General Fund (\$100,000.00) and the Fayetteville Public Works Commission (\$300,000.00) should the City Council adopt the FY 16 Budget and fund The Alliance in this amount. A new agreement would be proposed for FY 16.

Discussion ensued.

Consensus of Council was to select Option No. 1: Adopt the Proposed FY 16 Budget with the \$415,000.00 allocation to The Alliance and direct the staff to prepare a six-month agreement between the City of Fayetteville and The Alliance for an amount not to exceed \$207,500.00 from the City and PWC, for the period July 1, 2015, through December 31, 2015. The balance of the funds would be provided for the second half of the fiscal year, per a six-month agreement.

Council Members Davy and Colvin were not in agreement with the consensus.

4.05 Budget Ordinance Amendment 2015-12 - Fleet Update

Mr. Dwight Miller, PWC Chief Financial Officer, presented this item with the aid of a PowerPoint presentation. Mr. Miller provided an overview of the Fleet Services Agreement from June 12, 2005, and actions taken since that agreement was put in place. Mr. Miller reviewed the number of vehicles, equipment, billable hours, billed hours, Fleet Maintenance Internal Service Fund (FMISF) billed revenues, parts and equipment billed, indirect costs (examples of costs to be recovered), FY 2015 Budget, and direct costs. Mr. Miller stated in this scenario the FMISF is billing 44,755 of direct hours and parts, equipment and freight of \$3,040,000.00, considering all other costs remain exactly as budgeted; the year-end net deficit would be \$159,948.00. This amount would be shared between the City and FPWC in the proportion of the billed revenues for the year. Consequently, if costs other than parts, equipment and freight are less than budget, the deficit above would decrease or if greater than budget the deficit about would increase. Mr. Miller concluded by stating additional repair parts are needed for the remainder of the fiscal year. A budget amendment was approved by the Commission to increase the revenues and expenses of the FMISF by \$702,000.00. Approval of 2014-2015 Budget Ordinance Amendment Change 2015-12 is required to continue work on the City and FPWC Fleet.

Discussion ensued.

Consensus of Council was to place this item on the consent agenda on the June 8, 2015, City Council meeting.

4.06 Council Budget Direction for Stormwater and Fire Station Capital Program

Mr. Theodore Voorhees, City Manager, and Mr. Greg Caison, Stormwater Manager, and Mr. Lee Jernigan, Interim Engineering and Infrastructure Director, presented this item with the aid of a PowerPoint presentation. Mr. Voorhees gave an overview of the Stormwater Project Process, Stormwater Project Prioritization, Capital Improvement Program (CIP) projects five-year plan, and the \$10 million bond strategy. Mr. Voorhees stated the funding options are to increase fees by 25 cents per month to generate an extra \$500,000.00 per year as a pay as you go for two or three projects next year. The second option is to increase fees by 50 cents per month to generate an additional \$1,000,000.00 per year and issue \$10 million bonds for future projects. The third option is to have "pay as you go" versus Revenue Bonds.

Discussion ensued.

Mr. Voorhees, City Manager, presented the Fire Station Capital Program item and stated staff recommendations were based on Council feedback to fund \$200,000.00 additional for temporary station 16, to move Station 16 earlier in the CIP and defer the Station 4 relocation. Mr. Voorhees stated the pay plan for the Fire Department will be discussed at various stations, some fire fighters will get a significant increase and it does move folks to a step pay plan; in

recent years employee pay increases have been around 2 percent, this plan shows some increases in excess of that, it is not as generous as the Police Department step plan but it is more generous than regular employees increases; this is moving in the right direction, we want to retain the best employees.

Discussion ensued.

Consensus of Council was to increase the stormwater fee by 25 cents per month, for FY 2015-16 and FY 2016-17, and to revise the CIP; move Station 16 forward and Station 4 back and advance funding for the temporary station.

Mayor Robertson recessed the meeting at 9:13 p.m. Mayor Robertson reconvened the meeting at 9:29 p.m.

4.07 City Council Agenda Item Request - Zoning Buffer along the Cape Fear River

Mayor Robertson and Council Member Arp presented this item to Council and stated they would like to direct staff to develop an alternative land use plan in the areas adjacent to the river that provides zoning options other than Heavy Industrial (HI) and present potential options to Council.

Discussion ensued.

Consensus of Council was to direct staff to come back to Council with options no later than September 14, 2015.

4.08 City Council Agenda Request - Request to Return Vehicle Maintenance back to City Control from PWC

Council Member Crisp presented this item and stated the audit has revealed unnecessary costs and over-charges by PWC in maintaining the City's vehicle maintenance program, and stated he wants Council to consider returning this function to City control.

Discussion ensued.

Council Member Crisp asked for a consensus of Council to bring this function back to the City and set up a small shop with the majority of the vehicles being outsourced. The request failed by a vote of 5 in favor to 5 in opposition (Council Members Robertson, Jensen, McDougald, Arp and Mohn).

Mr. Steve Blanchard, PWC CEO/General Manager, stated this transition may take more than a year, and said PWC would be happy to work with the City in any way they can.

Mr. Voorhees stated he would like to review this initiative further and bring it back with recommendations in about six months' time; in time for budget review next year.

4.09 City Council Agenda Item Request - Consideration of Co-sponsorship with Latino Community Connects

Mayor Robertson presented this item and asked for Council consideration of the City co-sponsoring a community gathering of our residents in support of the Latino community. This is the second annual event and the committee has asked to use Festival Park for this year's venue on August 8, 2015. The request from this non-profit organization is to waive the cost of the rental of Festival Park and to provide adequate security.

Discussion ensued.

Consensus of Council was to authorize co-sponsorship of the Latino Community Connects events with a limit of in-kind services, not to exceed \$5,000.00 on a one-time basis.

4.10 City Council Agenda Item Request - Recreation Centers (use and customer service)

Mayor Robertson presented this item and stated he requested this item due to limited operating hours of the one pool in the City. Mr. Michael Gibson, Parks, Recreation and Maintenance Director, provided an overview of the operating schedule and pool capacity.

Discussion ensued regarding the Westover swimming pool location and the location of a future pool in memory of prior Council Member Keith Bates. Discussion ensued regarding children walking to the swimming pool and the speed limits in that area.

Mr. Gibson provided a handout pertaining to basketball court locations in the City.

Discussion ensued regarding operating hours of the recreation centers.

This item was for discussion purposes only.

5.0 CLOSED SESSION

MOTION: Council Member Colvin moved to go into closed session for discussion of litigation in the matter of *Darwin Johnson, et al. v. City of Fayetteville, et al.*

SECOND: Council Member Wright

VOTE: UNANIMOUS (10-0)

The regular session recessed at 10:35 p.m. The regular session reconvened at 10:55 p.m.

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

SECOND: Council Member Mohn

VOTE: UNANIMOUS (10-0)

6.0 ADJOURNMENT

There being no further business, the meeting adjourned at 10:56 p.m.