

**FAYETTEVILLE CITY COUNCIL
SPECIAL MEETING MINUTES
ZOOM MEETING
APRIL 20, 2020
5:00 P.M.**

Present: Mayor Mitch Colvin

Council Members Katherine K. Jensen (District 1) (arrived at 5:10 p.m.); Shakeyla Ingram (District 2); Tisha S. Waddell (District 3); D. J. Haire (District 4); Johnny Dawkins (District 5); Chris Davis (District 6); Larry O. Wright, Sr. (District 7) (arrived at 5:07 p.m.); Courtney Banks-McLaughlin (District 8); Yvonne Kinston (District 9)

Others Present: Douglas Hewett, City Manager
Karen McDonald, City Attorney
Kristoff Bauer, Deputy City Manager
Telly Whitfield, Assistant City Manager
Angel Wright-Lanier, Assistant City Manager
Tracey Broyles, Budget and Evaluation Director
Pamela Megill, City Clerk
Jennifer Ayre, Deputy City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Colvin called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member Davis.

3.0 APPROVAL OF AGENDA

MOTION: Council Member Haire moved to approve the agenda.

SECOND: Council Member Davis

VOTE: UNANIMOUS (8-0)

4.0 OTHER ITEMS OF BUSINESS

4.1 COVID-19 Update

Mr. Scott Bullard, Emergency Management Coordinator, presented this item and stated as of today Cumberland County has 113 confirmed COVID positive cases with 6 fatalities. Wayne County has a high number of cases due to the youth correctional institute located there. Locations that have jails and nursing centers are typically yielding a higher number of cases than those locations without these types of facilities. The Governor's "Stay in Place" Executive Order is still in place until the end of April.

Food Bank Agencies are currently running low on supplies, so if you can donate to our local food banks with either non-perishable goods or a monetary donation.

Discussion ensued.

Mayor Colvin thanked Mr. Bullard for his update and hard work. Mayor Colvin stated the curfew will remain in place until the end of this month.

4.2 Preliminary Budget Discussion

Mr. Douglas Hewett, City Manager, stated staff has several budget items that we need Council guidance on.

Ms. Tracey Broyles, Budget and Evaluation Director, presented the revised budget calendar and provided an overview of the date changes.

Ms. Broyles provided an overview of the projected COVID impacts to major revenues for the General Fund. Revenue types that staff anticipates will be affected are real and personal ad valorem taxes, motor vehicle ad valorem taxes, sales taxes from state, net sales tax, utility taxes, privilege licenses, vehicle gross receipts taxes, investment income, and General Fund support for Parking Fund. The grand total COVID impact is estimated to be \$2,827,796.00 for the current fiscal year, and \$4,877,035.00 for fiscal year 2021.

Dr. Telly Whitfield, Assistant City Manager, provided an overview of balancing the budget with reference to the COVID impacts and stated non-essential employee travel and training has been suspended through fiscal year 2020, hiring slow-down, FY 20 - CIP/TIP projects deferred with possibility of elimination, discretionary spending such as supplies and materials re-evaluated. Dr. Whitfield added that the recommended budget now includes the following: vehicle replacement program adjusted, departmental new initiatives eliminated, general employee performance pay and public safety pay plans modified, travel/training requests reduced, potential fee increases to enterprise funds, and strategic uses of fund balance for one-time expenses.

Mr. Douglas Hewett, City Manager, stated the key revenue assumptions for FY 21 are no proposed change to ad valorem tax rate, propose Solid Waste Fee increase to move fund back to self-sufficiency, no proposed Stormwater fee increase, and CARE Act funding for transit and need to sustain in out years. Mr. Hewett further stated staff are expecting a \$7.7 million revenue shortage.

Discussion ensued.

Council Member Waddell asked if there will be conversation on the Public Safety and Infrastructure Bond Referendum. Mr. Hewett responded that would be a Council directive, and from the small group meetings, staff was of the understanding Council guidance was not to move forward with this item, any time the Council wishes to discuss this we can. Council Member Waddell stated she had asked this item be discussed this evening during this budget meeting, tonight. Mayor Colvin stated because of COVID and loss of revenue sources, and not anticipating any tax increases. Council Member Waddell requested a public conversation regarding the Public Safety and Infrastructure Bond Referendum. Mayor Colvin stated he is definitely not in favor of asking the citizens to pay any additional property taxes, which directly relates to this item.

Discussion ensued.

Mayor Colvin stated the PWC Charter states as follows:

Sec. 6A.16. Remittances to City.

Beginning July 1, 2016, and each year thereafter, the Commission shall, each month, if funds are available without violating the provisions of any Financing Documents, remit to the City one-twelfth of an annual amount equal to two and forty-five one hundredths percent (2.45%) of the value of the Total Net Position of the Electric Fund as reported in the Comprehensive Annual Financial Report for the Public Works Commission for each immediately preceding fiscal year ending June 30. There shall be no additional cash contributions or transfers from the Commission to the City unless the following conditions are met: (i) the Mayor declares a state of emergency under the authority granted in G.S. 166A-19.22(a) and (ii) the Commission and City Council agree on the amount of the cash contribution or transfer. No transfer of funds from the Commission to the City shall exceed the amount authorized in G.S. 159-13(14).

Mr. Douglas Hewett, City Manager, stated the initial letter of request to PWC requested \$10 million; however, we have now learned our budget shortfall is anticipated to be around \$8 million. The Public Works Commission has requested a formal letter of request for the cash contribution or transfer.

Discussion ensued.

MOTION: Council Member Davis moved to request the sum of no more than \$11 million for COVID-related issues: \$8 million for budget shortfall for Fiscal Years 2020 and 2021, \$1.5 million for non-profit organizations, and \$1.5 million for Task Force COVID Recovery Committees.

SECOND: Council Member Dawkins

VOTE: UNANIMOUS (10-0)

Discussion ensued.

MOTION: Council Member Waddell moved to continue to direct staff to research different opportunities for bonding Public Safety and Infrastructure and bring back options for a \$75 million bond.

SECOND: Council Member Ingram

VOTE: FAILED by a vote of 4 in favor to 6 in opposition (Council Members Colvin, Jensen, Haire, Dawkins, Davis, and Wright)

MOTION: Council Member Dawkins moved to table any further discussion of a General Obligation Bond until February 2021.

SECOND: Council Member Wright

VOTE: PASSED by a vote of 6 in favor to 4 in opposition (Council Members Ingram, Waddell, Banks-McLaughlin, and Kinston)

Ms. Tracey Broyles, Budget and Evaluation Director, stated the City Manager's Office has received a request from the Fire Department to apply for a "Staffing for Adequate Fire and Emergency Response (SAFER) grant. The Department of Homeland Security hosts an annual grant opportunity titled SAFER. SAFER grants provide funding directly to fire departments to help them increase the number of trained, "front line" firefighters available in their communities. The goal of SAFER is to enhance local fire departments' ability to comply with staffing, response, and operations standards established by the NFPA. This is a three-year grant program that covers 75 percent of personnel cost for the first two years and 35 percent of personnel cost of year three. There is no Federal assistance for years four and beyond.

In a memorandum dated April 16, 2020, from Mr. Mike Hill, Fire Chief, to Mr. Douglas Hewett, City Manager, Mr. Hill states, "My analysis indicates that the Department need to add a minimum of eighteen (18) new fire fighters positions to bring the department back to minimum compliance". Mr. Hewett stated he believes in year four we would need a tax increase of three-fourths of a penny on the tax rate to fund this.

Discussion ensued.

MOTION: Council Member Dawkins moved to approve.

Motion failed for lack of a second.

Discussion ensued.

Mr. Hewett, City Manager, stated this item was for an introduction; staff will return the item to Council on either a regular meeting or work session agenda.

Mayor asked all Council Members to e-mail all budget questions to the City Manager.

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 8:42 p.m.