

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
LAFAYETTE ROOM
MARCH 2, 2015
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Kathy Jensen (District 1) (arrived at 5:20 p.m.); Kady-Ann Davy (District 2); 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

Karen McDonald, City Attorney

Kristoff Bauer, Deputy City Manager

Rochelle Small-Toney, Deputy City Manager

Jay Reinstein, Assistant City Manager

Rusty Thompson, Engineering and Infrastructure Director

Michael Gibson, Parks, Recreation and Maintenance Director

Randy Hume, Transit Director

Elizabeth Somerindyke, Internal Audit Director

Lisa Harper, Assistant City Attorney

Mark Brown, PWC Customer Relations Director

Pamela Megill, City Clerk

Members of the Press

1.0 CALL TO ORDER

Mayor Robertson called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member McDougald.

3.0 APPROVAL OF AGENDA

MOTION: Council Member Mohn moved to approve the agenda with the addition of a closed session at the end of the meeting.

SECOND: Council Member Wright

VOTE: UNANIMOUS (9-0)

4.0 OTHER ITEMS OF BUSINESS

4.01 Partnership Federal Advocacy Report

Ms. Rebecca Rogers-Carter, Strategic Performance Analytics Director, introduced Mr. David Gogol, FaegreBD Consulting Vice President. Mr. Gogol presented this item with the aid of a PowerPoint presentation and stated for the past year, FaegreBD Consulting (FBDC) has had the privilege of serving as the Partnership's federal affairs consultant. While we came to the community thinking that our work would be similar to our work with multiple communities we have assisted with over the years, it became apparent that Fayetteville and Cumberland County are distinctly different than most American communities. As an Army Garrison community, every aspect of this community is influenced by the presence of Fort Bragg and its population.

The economy, the housing market, policing, and virtually every City and County service reflects the military presence. As we began our work, the community was at the end of a period in which it had benefited from the significant growth that had been experienced at Fort Bragg. This growth insulated the community, to a degree, from the housing downturn of 2008 and the recession. While the community had issues to address over the last decade, these issues were largely due to the activities of Fort Bragg and the deployment of service members stationed there. The initial FBDC work focused upon the identification of issues that were garrison community-specific--how Fort Bragg and the garrison impact City/County services and economic development uniquely. With the answers, FBDC began to identify specific agency and legislative requests to address these issues. Six months into our work, the Army announced the

drawdown and our work became highly focused on developing an understanding of the impact of the drawdown and the then building responses, as possible. When the Army's estimate of the scale of the drawdown in Fayetteville and Cumberland County was made public, our work became more focused and urgent. Just as the area economy and the housing market had largely been spared during the Fort Bragg growth, the area could now see impacts that may rival the hardest hit cities in the country during the depths of the recession. Given the scale of the drawdown, it appears that there will be significant dislocations in the housing market and the local economy, increases in homelessness and unemployment, pressure on the social service safety net and significant reductions in local government revenue. Mr. Gogol provided an overview of the following items: Partnership/FBDC Process, Federal Agency Engagement, Reporting and Contact Management, Economic Development, Grants, Human Services/Homelessness, housing, 2015-16 Work Plan, Law Enforcement/Criminal Justice, Census, Data, and Legislation. Mr. Gogol concluded his presentation by stating an important part of the development of the action plans will be participation by FBDC in a partnership initiated strategic workshop. Unlike previous meetings which have included a wide swath of community members attending and discussing a variety of federal activities, this gathering will be limited to the 2015-16 goals. The plans that come out of this process can then be considered for adoption as the Partnership's 2015-16 federal agenda. It is expected that the strategic workshop would occur in April, with the plans delivered to the Partnership in May, with possible adoption in June.

Discussion ensued.

This item was for information only.

4.02 Transit Advertising Policy

Mr. Randy Hume, Transit Director, presented this item and stated Transit advertising is used by many transit systems to generate revenues to supplement other traditional tax based revenues in support of transit services. Prior to 2008 when new buses and a new paint scheme were introduced, Fayetteville Area System of Transit (FAST) sold advertising on buses.

Advertising generated approximately \$40,000.00 each year. On behalf of the Fayetteville Advisory Committee on Transit (FACT), Chairman Jeff Thompson presented a recommendation that advertising on buses and potentially on or in transit facilities be reestablished. In January 2015, City Council directed staff to develop a Request for Proposal (RFP) for services to sell and manage revenue generating advertising on buses. Further, at the work session, Council also directed staff to work with FACT in preparation of the RFP and related advertising content.

The draft policy included in the agenda packet has been discussed, revised, and approved by FACT and the City Attorney's Office. Although there is no guarantee that the policy will not be challenged at some point in the future, the policy does establish that we will only accept "commercial advertising" and advertising space cannot be used as a public forum. The policy specifically prohibits 17 types of advertising, including prohibitions against advertisements for tobacco products, firearms, and alcoholic beverages. The policy also specifically prohibits political campaign ads. The advertising policy will be referenced and included in the RFP to provide guidance to potential proposers in preparation of their proposals, business plans, and projected revenues. It is important to establish standards for suitable content to protect the image of the City and the FAST transit system. Court decisions over the past few years have made it more difficult to control advertising content with regard to issues that many may find offensive or distasteful.

Discussion ensued.

Consensus of Council was to direct staff to move forward with this item and place it on the next regular meeting agenda for an official vote.

4.03 Authorize Engagement of a Firm to Perform Agreed Upon Procedures on the PWC Navigate Project

Mr. Theodore Voorhees, City Manager, presented this item and stated at the January 5, 2015, work session City Council directed staff to engage an outside independent audit of the PWC Navigate Project at the City's expense. The request for proposal identified a scope of

work for an agreed upon procedure that will span the entire PWC portfolio and will cover activities from the Navigate project's inception through January 31, 2015. This scope of work should result in a report that will (1) identify the original costs, implementation schedule, and functional objectives of the Navigate project as originally presented to the PWC Commission and City Council and any variances if the project has not met those goals; (2) identify the approval and compliance of the executed contracts and agreements; (3) identify the total costs incurred to implement the Navigate project; (4) identify the approval and compliance of the original budget and all revisions, to include the operating and capital budgets; (5) determine the nature and necessity of all contract and agreement change orders and identify approval for compliance; (6) identify recommendations of any associated consultant reports and whether they were implemented; and (7) formulate and propose recommendations on controls which can be implemented to strengthen the oversight and accountability of future contracts and projects. City staff have evaluated the proposals according to, but not limited to, responsiveness, expertise, reliability, service factors along with access and ease of use, or in other words the firm's ability to carry out the project. Upon review of the proposals received February 27, 2015, staff recommends award to Grant Thornton LLP as the firm represented the most experience in audit services, forensic services, and information technology services. Grant Thornton LLP has identified an engagement team of seven managers along with senior associates and associates that have extensive experience and capabilities to conduct the required services of this engagement. Grant Thornton LLP recognizes that accountability to the public is essential for every government entity and is dedicated to providing specialized audit services to the government sector. Additionally, Grant Thornton LLP has an extensive national practice, comprised of state and local government services and global public sector, devoted to providing audit and advisory services to governmental entities and component units of governmental entities. The types of services Grant Thornton LLP have provided include financial and compliance audits, design and implementation of accounting and reporting systems and implementation assistance with comprehensive information processing systems, and technology transfer control issues. City staff identified Grant Thornton LLP as unique--they have more than 750 professionals exclusively serving the public sector through their Global Public Sector (GPS) practice. More importantly to the City, their GPS team has access to the remainder of their national professional services staff, should the City have unique needs that require access to a broader team. Grant Thornton LLP understands that the City desires an agreed upon procedures report, and they have agreed to provide such a report. Grant Thornton LLP understands that this is an extremely sensitive engagement, and that the City wants this engagement quickly and efficiently executed. They believe that they have selected an engagement team with the technical capabilities to execute and complete this engagement within eight weeks. Once the contract is executed and approved by the Local Government Commission, Grant Thornton LLP has expressed they can begin the engagement within five days. Grant Thornton LLP has provided this proposal with a total fee for the engagement of \$148,000.00 with additional out of pocket expenses for travel costs, not to exceed \$10,000.00. This brings the total cost of the project to \$158,000.00. City staff recommends authorizing the City Manager to engage Grant Thornton LLP to perform the agreed upon procedures and consulting procedures on the PWC Navigate project for \$158,000.00. Once the contract is executed and approved by the Local Government Commission, Grant Thornton LLP would begin the engagement within five days. If this timeline was met, City staff believes the engagement would begin on March 9, 2015, and with no delays in the engagement, the procedures could be completed and the agreed upon procedure and consulting reports would be presented to Council on May 11, 2015. Mr. Voorhees concluded by stating Council approval is required in order for the City Manager to engage an independent audit firm to perform the agreed upon procedures on the PWC Navigate project. After the engagement is executed, the agreed upon procedures will be submitted to the Local Government Commission for approval.

Discussion ensued.

MOTION: Council Member Crisp moved to suspend the rules for an official vote.

SECOND: Council Member McDougald

VOTE: UNANIMOUS (10-0)

MOTION: Council Member Crisp moved to authorize the City Manager to engage Grant Thornton LLC, Independent Audit Firm, to perform agreed upon procedures on the PWC Navigate project.

SECOND: Council Member McDougald

VOTE: PASSED by a vote of 7 in favor to 3 in opposition (Council Members Robertson, Jensen, and Mohn)

4.04 Time Warner Cable Wi-Fi Partnership Proposal

Mr. Kristoff Bauer, Deputy City Manager, presented this item with the aid of a PowerPoint presentation and stated Council provided funding in this year's Information Technology Plan ("ITP") to begin to install systems to support free public Wi-Fi in the downtown area. Mayor Robertson approached Time Warner Cable regarding a partnership to provide this resource and they have developed a national program that supports this concept. The availability of Wi-Fi internet connectivity is becoming increasingly important as an expected amenity for municipalities. Making wireless access to the internet a universal service has the capacity to enhance City management when used by City employees. It can also be viewed as a social service to visitors and tourist as well as locals who may not have access to private high-speed service. The most compelling benefit of free internet access downtown is its ability to attract and improve economic development.

Discussion ensued.

Consensus of Council was to direct staff to move ahead with this item.

4.05 Revenue and Expenditure Report for Annual Funds for the Six-Month Period Ended December 31, 2014

Ms. Lisa Smith, Chief Financial Officer, presented this item with the aid of a PowerPoint presentation and stated the report consists of two main sections--revenue by major category by fund and expenditures by department by fund. The report provides revenue and expenditure data for the current fiscal year with comparison data for the same period of the prior fiscal year. Ms. Smith provided an overview of revenues and expenditures for the following funds: General Fund, Stormwater System, Transit, Environmental Services and Airport Funds.

This item was for information only.

4.06 RFQ for Joint City/County 911 Needs Analysis

Mr. Kristoff Bauer, Deputy City Manager, presented this item and stated the Joint City/County Committee has taken action directing staff to explore options for consolidating 911 communications services or Public Safety Answering Points (PSAPs). Initial discussions resulted in a proposal to explore co-location as an interim step toward this potential objective.

Both City and County PSAPs are in suboptimal locations with space challenges and this is seen as an opportunity to seek grant funds for a co-located building better suited to the needs of both. Staff received the attached unsolicited proposal which provides an example of the kind of analysis necessary to support competitive grant applications. The full Council has not considered this issue with the exception of a brief discussion during the presentation of the proposed Capital Improvement Plan. That Plan included funding for the initial needs assessment analysis in FY 16. The County has expressed an interest in moving faster with the hope of completing grant applications in time for FY 16's grant cycle. The Cumberland County Finance Subcommittee has approved funding the County's half of this study's cost in this fiscal year. Staff believes that a comprehensive needs analysis will require the skills and experience of an architectural firm. As a result, the state mandated qualifications based, RFQ consultant selection process must be used. If there is Council consensus to move forward, then staff will complete and issue a RFQ solicitation and bring forward a budget amendment in March. This will allow the contractor selection and project initiation to take place in April. That study will support grant applications, but will also provide both policy bodies with important information regarding the scope of design and estimated cost for a building to house co-located regional

PSAP operations and associated emergency support services. There are no funds budgeted in the current fiscal year for this project. The estimated cost for the study is \$100,000.00. The proposal is to split this with Cumberland County. The Commission Finance Sub-Committee has agreed to fund the County's contribution this fiscal year. One question before the Council is the interest in appropriating fund balance to initiate this project this fiscal year. The proposed FY 16 CIP does include funding for the City's share of this project.

There was no discussion of this item.

Consensus of Council was to direct staff to move forward with this item.

4.07 City Council Agenda Request Item - Council Member Colvin – Gateways Committee

Mr. Michael Gibson, Parks, Recreation and Maintenance Director, presented this item with the aid of a PowerPoint presentation and stated this is a Gateway/Roadway Enhancement Plan presentation. Mr. Gibson stated enhancing the gateway corridors into the City of Fayetteville's major/minor roadway is an effort to shape the overall future appearance of the City. A visitor's perception of the character and livability of a community occurs along the major access corridors and entrances into a city; the corridors and entrances should be designed to create a cohesive identity and reflect the desired image of the community. The plan for gateways will reinforce a positive community, enhanced through public realm improvements, private development, or a combination of the two. Public realm improvements take the form of landscape improvements or enhancements, direction/information, public artwork, and monuments and public infrastructure/bridge improvements. Mr. Gibson provided an overview of the goals and objectives of the plan, the planning process, and the general design guidance. Maps were provided to display the urban core, vicinity, and suburban/civic/commercial roadways. Mr. Gibson further stated that the interstate interchange gateways require a special design approach since their scale is monumental and the people who view these interchanges are travelling at high speeds; the design element must be scaled to accommodate these factors. The design of gateway interchanges should create an entry statement that relates to key destinations within the City. Mr. Gibson provided an overview of existing gateway signage and potential gateway signage.

Discussion ensued.

This item was for information only.

5.0 CLOSED SESSION

MOTION: Council Member Colvin moved to go into closed session for an update on litigation in the matter of *Public Works Commission, et al. v. City of Fayetteville, et al.*

SECOND: Council Member McDougald

VOTE: UNANIMOUS (10-0)

The regular session recessed at 7:25 p.m. The regular session reconvened at 8:10 p.m.

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

SECOND: Council Member Wright

VOTE: UNANIMOUS (10-0)

6.0 ADJOURNMENT

There being no further business, the meeting adjourned at 8:10 p.m.