

**FAYETTEVILLE CITY COUNCIL
SPECIAL MEETING
LAFAYETTE ROOM, CITY HALL
MAY 17, 2007
4:00 P.M.**

Present: Mayor Anthony G. Chavonne
Council Members Keith A. Bates, Sr. (District 1)(arrived at 6:05 p.m.); Charles E. Evans (District 2); Robert A. Massey, Jr. (District 3); Darrell J. Haire (District 4) (left at 5:20 p.m.); Lois A. Kirby (District 5); Paul Williams (District 6); Curtis Worthy (District 7); Juanita Gonzalez (District 8); Wesley A. Meredith (District 9)

Others Present: Dale E. Iman, 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
William A. Martin, Cumberland County Business Council President
Candice H. White, City Clerk
Press

Mayor Chavonne called the meeting to order at 4:00 p.m. Mr. Dale E. Iman, City Manager, referenced a meeting held earlier in the week regarding stormwater related matters and stated the implementation of the fee would not change development standards. Mr. Iman stated the stormwater ordinance would be reviewed and upgraded as a requirement of Phase II, which would result in the prevention of future stormwater problems from new development. Mr. Iman further stated staff had conducted a review of stormwater regulations and requirements. Council Member Worthy asked why the City should budget \$75,000 for the entry feature and fencing at Festival Park and why other groups were not asked to contribute to the cost of the entry feature. Council Member Worthy suggested that the City wait and see what other groups would be willing to donate.

Mr. Doug Hewett, Assistant City Manager, provided a brief presentation regarding ways to market and publicize the stormwater program. Mr. Hewett reviewed stormwater publications prepared for citizens and a draft communications outline that contained tactics and objectives to make residents more aware of stormwater issues. Council Member Worthy inquired about public hearing dates and whether a plan was in place that would restrict the use of additional stormwater revenues for stormwater related capital improvements. Mr. Iman stated once the ordinance was created, the law would regulate expenditure of enterprise funds. Discussion ensued regarding the timeline for approval of the budget and proposed stormwater fees, associated public hearings and public notices, and media releases for public awareness. Mr. Iman began a review of staff responses to questions and requests for information developed by Council Members.

Calculate the revenue impact of increasing the recommended bus fare to \$2 instead of \$1 for all riders except the elderly and disabled. Apply across monthly passes, etc.

Mr. Iman stated the \$2 increase in fares would result in an additional \$276,708 based on the assumption that the overall ridership would decrease 20% as a result of the increase.

Provide a proposal to implement a transit route to the Wal-Mart on Raeford Road.

Mr. Iman reviewed the advantages/disadvantages to Options 1 and 2 of the proposal and consensus of Council was for Option 1, which would be budget neutral and move one bus from Route 12. Council Member Worthy asked how the transit system could become more American with Disabilities Act (ADA) friendly. Mr. Iman stated the City met the ADA requirements for Federal funding. Discussion ensued regarding a review of all of the City's transit routes followed by discussion regarding an increase in transit fees. Mr. Iman suggested Council give consideration to how additional funds would be utilized if transit rates were raised, beginning with the whether the general fund would continue to be used to subsidize transit at \$1.8 million

per year.

Provide the new pay-rates recommended for the Police Officer step plan.

Mr. Iman reviewed police pay-rates reflecting the recommended increase for FY08 and stated the pay-rates were the same Council adopted for the prior fiscal year with an adjustment of 2% for market increases.

What is the cost per year to add one police officer?

Mr. Iman reviewed the first-year costs for adding one and two police officer positions and noted the cost savings associated with sharing a vehicle when adding two positions.

What does the school system charge the City for use of their facilities? What does the City charge the school system for use of its facilities?

Mr. Iman stated the current policy for the use of facilities was fair and equitable and was used as a model by other cities throughout the state.

Does the City track maintenance jobs for facilities leased to non-profits via work orders? Does this tracking include the cost of the repairs?

Mr. Iman stated there was no tracking of maintenance costs for facilities leased to non-profits. Mr. Iman further stated upgrades to the current system were budgeted for FY07-08 and current leases were in compliance with City Council policy. Mr. Iman stated one of the flaws in the current policy was that lease amounts were tied to the assessed value of property and because City properties were non-taxable, the County was not diligent in keeping property values up to date. Consensus of Council was for staff to develop a new policy that would tie lease amounts to a different indicator. Staff was also directed to convert leases that expire to a month-by-month basis until the new policy is adopted.

Provide a report of total property tax valuations from 1986 to present.

Mr. Iman reviewed a report of final adjusted tax valuations from the June 30, 1986 – June 30, 2006 and stated tax valuations had increased 1.5% to 3% per year but were difficult to trend because of the number of variables involved.

How is the Solid Waste Department notifying residents when yard trash is not properly containerized for pick up? Are they using hangtags?

Mr. Iman stated doortags are used and are delivered by route supervisors.

A Council Member observed the delivery of ten green carts to a carnival on Cliffdale Road. Did the City charge for that service? What current fees apply to similar services?

Mr. Iman stated nothing had been identified to date regarding the delivery.

Does the Arts Council have to pay rent for the use of Festival Park?

Mr. Iman stated the Arts Council was not exempt from paying rental fees and the Arts Council could recommend four rent-free uses for local art and entertainment agencies. A brief discussion ensued regarding future needs for Festival Park. Mr. Iman explained a portion of the budgeted \$75,000 would be used to partner with the Arts Council and the Museum of Art to develop a significant entry feature that would also serve as a piece of artwork for the park.

Has the Fayetteville Peace Rally sponsored by the Quaker House requested use of Festival Park or Rowan Park for 2008?

Mr. Iman stated a request for the use of Rowan Park had been received from the Fayetteville Peace Rally but the park had not been reserved for them at that time. Mr. Iman stated the Fayetteville Peace Rally was asked to come back within six months of their event and also given notice they would be responsible for the payment of police officers needed to work their event.

Provide a comparison of average pay increase for PWC employees vs. City employees.

Mr. Iman stated the PWC FY08 budget included a funding allowance of 5% for performance-based increases with the budget impact projected at 3% due to increases being awarded to employees during their anniversary month. Mr. Iman stated the City pays a 4% wage increase for general employees and a 4% and 5% wage increase for police officers as outlined in their pay plan.

Provide a copy of the ordinance for open space fees and explain current practice for the basis of the fee calculation

Mr. Iman stated the interpretation of the ordinance for calculating in-lieu of payment for open space fees was to use the raw land value prior to it being subdivided. Discussion ensued regarding whether language contained in the ordinance should be revised. Consensus of Council was to revise the ordinance so it would be clear that payment would be calculated on post development values.

In relation to the proposed city-only stormwater fee:

- o **Will the implementation include updates to the development standard ordinances to prevent future stormwater problems?**
- o **Request staff to provide recommended prioritized list for the \$43 million of drainage projects.**
- o **How can the proposed fee increase be marketed/communicated to the public before implementation?**

Council concurred this had been covered during previous discussion.

Provide a proposal to implement a transit route to the Wal-Mart on Raeford Road.

Council concurred this had been covered during previous discussion.

What fee would be recommended for delivery of brown carts?

Mr. Iman stated the Solid Waste Department had estimated that the cost to deliver a brown cart was \$11.45 which included personnel, fuel and maintenance costs. Discussion ensued regarding the City being able to recover the cost of providing the service and whether the City should continue to subsidize the cost.

Restate fund balance for comparative purposes:

- o **Compare to the LGC's suggested 8% fund balance**
- o **Compare to the calculations made in previous years**

Mr. Iman stated the Local Government Commission's (LCG) minimum fund balance requirement was 8%. Mrs. Smith reviewed figures for the available and undesignated fund balance from June 30, 2002 through June 30, 2006 and explained the LCG's calculation and monitoring of various funds compared to the City's perspective of how the funds would be used. Mrs. Smith explained Fayetteville's percentages compared to the 8% required by the LCG and the weighted averages of other cities in NC.

How far behind are we in replacing police vehicles?

Mr. Iman stated the City's goal was to bring police vehicles up to an acceptable level in two to three years and consistently budget for annual replacements thereafter. Mr. Iman stated efforts are being made to determine the average mileage put on police vehicles and to maintain all fleet vehicles at acceptable levels. Council Meredith asked if the purchase of police vehicles could piggyback on the current contract. A brief discussion ensued regarding take-home police vehicles. Council Member Gonzalez asked whether more slots had been requested for police officers. Mr. Iman stated the authorized strength for the police department was currently at the national average of 96%. Mr. Iman further stated the national average for cities the size of Fayetteville was 1.9 officers for every 1,000 of population and the city was currently at 2.1. Mr. Iman informed Council it had recently been brought to his attention that the crime rate for Fayetteville had consistently been skewed because the reporting entity used incorrect population rates.

Debt Management Plan contribution as a % of budget.

Mr. Iman stated 7.28 cents of property tax revenues went into the debt management plan, which would amount to approximately \$7.1 million in the upcoming fiscal year. Mr. Iman stated the amount represents 5.5% of the FY 2008 recommended general fund budget.

Calculate the revenue impact of increasing the recommended bus fare to \$2 instead of \$1 for all riders except the elderly and disabled. Apply across monthly passes, etc.

Council concurred this had been covered during previous discussion.

Mr. Iman noted questions for which further analysis would be needed and stated the next budget session meeting would be held on Thursday, May 24, 2007 at 5:00 p.m.

There being no further business, the meeting adjourned at 6:22 p.m.