

**FAYETTEVILLE CITY COUNCIL**  
**WORK SESSION MINUTES**  
**LAFAYETTE ROOM**  
**September 3, 2013**  
**5:00 P.M.**

Present: Mayor Anthony G. Chavonne  
Council Members Keith Bates, Sr. (District 1); Kady-Ann Davy (District 2); Robert A. Massey, Jr. (District 3); Bobby Hurst (District 5); William J. L. Crisp (District 6); Valencia A. Applewhite (District 7); Wade Fowler (District 8); James W. Arp, Jr. (District 9)  
Absent: Darrell J. Haire (District 4) )  
Others Present:

Theodore Voorhees, City Manager  
Kristoff Bauer, Deputy City Manager  
Rochelle Small-Toney, Deputy City Manager  
Karen McDonald, City Attorney  
Lisa Smith, Chief Financial Officer  
Dwayne Campbell, Chief Information Officer  
Tracie Davis, Corporate Communications Director  
Randy Hume, Transit Director  
Jerry Dietzen, Environmental Services Director  
Michael Gibson, Parks, Recreation and Maintenance Director  
Rebecca Rogers-Carter, Strategic Planning Manager  
Wilson Lacy, Public Works Commission Chair  
Lynn Greene, Public Works Commissioner  
Wick Smith, Public Works Commissioner  
Mike Lallier, Public Works Commissioner  
Steven Blanchard, PWC CEO/General Manager  
Dwight Miller, PWC Chief Financial Officer  
Susan Fritzen, PWC Chief Corporate Services Officer  
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 Mayor Pro Tem Arp.

**3.0 APPROVAL OF AGENDA**

**MOTION: Council Member Massey moved to approve the agenda.**

**SECOND: Council Member Crisp**

**VOTE: UNANIMOUS (9-0)**

**4.0 OTHER ITEMS OF BUSINESS**

**4.1 Parks and Recreation – Moses Mathis “The Bicycle Man” Trail Head**

Mr. Michael Gibson, Parks, Recreation and Maintenance Director, presented this item with the aid of a PowerPoint presentation and stated the City of Fayetteville will be accepting bids for Phase II construction of the Cape Fear River Trail in the near future. An opportunity is available to name the Trail Head in honor of Moses Mathis, a community volunteer and leader who gave away bicycles each year to disadvantaged children. According to the "Naming of City Properties in Honor of Individuals" policy, any City facility or property may be named in honor of deceased individuals only and organizations that have made significant contributions to the quality of life and the community through their achievements, leadership, service and civic or financial donations. Based on this policy, the requirements would be met to name the Trail Head after Mr. Mathis.

A brief discussion period ensued.

**Consensus of Council was to bring this item forward for formal action by way of a Public Hearing at the September 23, 2013, City Council regular meeting.**

#### **4.2 Contract Award for Connect Program (Advance Metering Infrastructure)**

Ms. Susan Fritzen, Chief Corporate Services Officer, presented this item with the aid of a PowerPoint presentation and stated the Public Works Commission, during their meeting of August 28, 2013, approved awarding the Connect Program to Sensus USA, Inc., which authorized the PWC General Manager to execute contracts for \$46.7 million and to forward to City Council for approval. The Connect Program is an advanced metering infrastructure program (AMI). AMI is technology used to deliver two-way utility service through computer-base remote control, automation and two-way communications. Ms. Fritzen gave an overview of the electric meter functionality that included the following items: interval data, remote disconnect, tamper detection, meter theft, voltage monitoring, outage detection, and power quality monitoring. Overview of the functionality of the water meter included the following: leak detection, tamper protection, meter theft and remote disconnect. Ms. Fritzen also addressed the security and reliability of the Connect Program, the individual components of the program, and the estimated six year implementation schedule. The benefits of "Connect" were highlighted:

- Advanced technology to deliver utility services means faster customer service
- Two-way communications between the utility and customers
- Improved energy efficiency
- Improved reliability (fewer outages)
- Empowered and informed customers
- Opportunity to reduce purchase power cost

Ms. Fritzen provided a breakdown of the program costs:

Phase I – Infrastructure and Meters = \$46.7 million

Phase II – Distribution Automation & Remote Functionality for Water = \$8.0 million

Subtotal = \$54.7 million

Contingency = \$8.2 million

Estimated Total Project Costs = \$62.9 million

A question and answer session ensued.

**Consensus of the Council was to bring this item forward to a regular City Council meeting for formal action.**

#### **4.3 Parks and Recreation – Outdoor Adoption Program/Gateways**

Michael Gibson, Parks, Recreation and Maintenance Director, presented this item and stated the Fayetteville-Cumberland Parks and Recreation Department (FCPR) received a request from an organization to adopt a bridge in memory of a child. The current Adopt-A-Street and Adopt-A-Facility program was updated to include an Adopt-A-Gateway and Adopt-An-Area provision.

Adopt-A-Gateway allows groups or individuals to provide landscaping and maintenance on gateways into the city limits and into neighborhoods; safety regulations must be followed for these areas. The Adopt-An-Area Program allows groups or individuals to adopt a component of a park or gateway in memory of or honor to someone or as a community service; areas that can be adopted include a bench, playground, picnic shelter, a section of a trail, or a bridge on a trail. Once an adoption fee is paid, an agreement is signed with FCPR to provide general care and maintenance around the adopted area; adoption fees are not charged for gateways. Signage (sign, plaque or plate) will be provided by FCPR and attached to the component for the adoption period; Adopt-A-Street and Adopt-A-Gateway signs shall be placed consistent with City of Fayetteville and NC Department of Transportation regulations. The adoption fee includes application/administration fee that could be used by FCPR should, in the sole opinion of the department, an area needs additional maintenance or cleanup. Individuals/groups will be able to "adopt" via the FCPR website, which will include application forms, interactive maps and ability to pay fees.

A brief discussion ensued regarding a marketing plan for this item.

**Consensus of the Council was to bring this item back along with a marketing component a later date for further discussion and potential action.**

#### **4.4 Fort Bragg Intergovernmental Support Agreements (FY13 National Defense Authorization Act Section 331)**

Mr. Kristoff Bauer, Deputy City Manager, presented this item and stated in 2008-2009, the City worked with the base to explore the potential for partnering on the provision of a number of support services including parks maintenance and recreation, and sanitation. Complex procurement regulations and base organizational inertia prevented any service agreements from being developed. Feedback from that process has resulted in significant revisions to base procurement regulations and sequestration has changed the funding paradigm for base operations resulting in new opportunities. The FY 2013 National Defense Authorization Act Sect. 331 provides authority for Army installations to partner with Army Communities. These intergovernmental support agreements:

- Must be in the best interests of the Army;
- May be entered into for up to 5-year intervals
- May be sole-source;
- May use wage grades paid by the local government; and
- May be paid through base operations and maintenance funds.

Mr. Bauer continued that Fort Bragg leadership has expressed interest in exploring these partnerships and has been encouraged by Installation Command. Janitorial service for the ASOM is an example. The Army is currently being charged just under \$200,000 for janitorial services based on a six-day open schedule. The cost reduction under that service contract was one of the reasons they decided to close the museum six days a week. The City's estimate for providing the same level of service is a fully loaded \$90,000. We are working with the museum foundation and the Army on a means of the City's much lower cost for providing this service in order to get the museum back to a full operational schedule. Significant analytic work is required to determine which services the City can provide Fort Bragg, identify the potential cost savings and performance standards for each service, and plot the path to implementation. In the 2008-09 discussion, Fort Bragg hired a consultant to perform this analysis. No resources are available for them to do so again. Through contacts made last spring during training sessions on this topic, the Manager has found a potential partner willing to perform this work without a service contract or charge to the City. That effort is getting underway with recommendations expected before year end.

**This item was for informational purposes only; there was no direction from Council.**

#### **4.5 DavenportLawrence PWC Functional Alignment Manager Recommendations**

Mr. Theodore Voorhees, City Manager, presented this item with the aid of a PowerPoint presentation and stated Council adopted the FY13 Strategic Plan on May 14, 2012. The FY13 Strategic Plan included Goal 2: More Efficient City Government - Cost-Effective Service Delivery. A high priority Target for Action under this goal was "City PWC Service Consolidation." The recruitment and selection of a consultant to perform this analysis was the focus of the Action Plan responding to this Target for Action. The City issued a Request for Proposals to analyze the City's relationship with PWC and a proposal was received from DavenportLawrence ("DL") for consultant services in December 2012. DL's proposal was to complete a comprehensive study including detailed implementation analysis and planning over an 18 to 24 month period at a cost of just under \$400,000. The Council authorized the a contract with DL on February 11, 2013, to complete a more limited investigation and assessment to be completed in five months for a cost of \$100,000. DL presented their findings and recommendations during the August 5, 2013, Work Session. The Functional Alignment Analysis completed by DL made several key findings described in Position Statements on pages 13-14 of the report. While a number of significant realignment opportunities were identified, given the abbreviated nature of the study, the implementation recommendations are not fully developed and need further study. The Council asked PWC to respond to the report and PWC staff made a presentation to Council during a special meeting on Wednesday, August 21, 2013. The Council directed the City Manager to propose potential actions at this Work Session.

Mr. Voorhees stated the City and PWC have evolved independently and each has developed their own capacity. The City Council has overall policy and fiduciary responsibility for the entire City organization. The City Council oversight of PWC has faded and many duplicate support functions have evolved as both the City and PWC have grown. The City operations are well received and the City financial management is strong. City projects win awards (parking deck, Veterans Park, Main Street etc). PWC operations are well regarded, PWC rates are competitive, and PWC safety and reliability win awards. This is all good, but we can do better. There have been prior charter and legal reviews; indicating there is a problem. Several previous attempts to merge some functions have yielded partial success (purchasing, fleet, and City Council liaison). We need to have tighter support of management of fleet.

As a result of the fading City Council oversight of PWC, we are now faced with the Council behaving inconsistent with State law and the Charter. There is a loss of policy coherence, fiduciary misalignment, reduced coordination, lost efficiency and lack of “unity of command.” The duplications have led to lost capacity, dilution of staff expertise, poor communications and coordination, additional costs and complexities, lost synergy and pay, benefits, and other practices are not aligned. Mr. Voorhees asked how do we improve, and stated there are four key areas: (1) Strengthen governance by City Council, (2) Eliminate duplicate support functions (3) Clarify City Council and PWC roles, and (4) Refine existing shared services and agreements. The benefit to the citizens for these four key areas will be a reduced pressure on taxes and utility rates, there will be improved efficiency, eliminate the duplication, better coordination and greater accountability to the citizens.

Mr. Voorhees explained that in order to strengthen the City Council oversight we need to address issues related to policy, financial, budgetary, legal, communication, branding and messaging, and the contributions to the arts/culture/economic development etc. Without question the City Council is the policy making board, not the Public Works Commission. Duplication needs to be eliminated and we need to develop unified support services functions in the following areas: (1) Finance/Treasury/Risk Management, (2) Budget/Capital Planning, (3) Strategic Planning/Performance Management, (4) Human Resources/Organizational Development, (5) GIS/E-Mail/Network, (6) Call Center, and (7) Others as identified. We also need to refine existing shared services which are fiber, fleet management, and purchasing. Mr. Voorhees said the implementation would be undertaken in phases. The immediate first phase (1-3 months) would reestablish appropriate City Council oversight. It would realign legal, communication and branding. It would reestablish Charter-defined treasury role by way of developing a transition plan for non-operating accounts and develop treasury procedures. It would also include a revision of cost plans and service level agreements for fleet maintenance, purchasing and fiber.

Mr. Voorhees concluded his presentation by stating the next step would be for the Council to pass a Resolution, thereby strengthening City Council oversight regarding the Public Works Commission.

**Consensus of Council was to place a Resolution on the agenda for consideration at the September 9, 2013, regular City Council meeting.**

## **5.0 ADJOURNMENT**

There being no further business, the meeting adjourned at 7:55 p.m.