

**FAYETTEVILLE CITY COUNCIL
REGULAR MEETING MINUTES
CITY HALL COUNCIL CHAMBER
JUNE 8, 2009
7:00 P.M.**

Present: Mayor Anthony G. Chavonne
Council Members Keith A. Bates, Sr. (District 1); Charles E. Evans (District 2); Robert A. Massey, Jr. (District 3); Darrell J. Haire (District 4); Bobby Hurst (District 5); William J. L. Crisp (District 6) (via telephone); Valencia A. Applewhite (District 7); Theodore W. Mohn (District 8); Wesley A. Meredith (District 9)

Others Present: Dale E. Iman, City Manager

Doug Hewett, Assistant City Manager

Karen M. McDonald, City Attorney

Stanley Victrum, Chief Information Officer

Lisa Smith, Chief Financial Officer

Tracey Broyles, Budget and Evaluation Manager

Rob Anderson, Chief Development Officer

Jimmy Teal, Planning Director

Jackie Tuckey, Communications Manager/Public Information Officer

Nathan Walls, Public Information Specialist

Wilson Lacy, Public Works Commission

Terri Union, Public Works Commission

Luis J. Olivera, Public Works Commission

Steven K. Blanchard, PWC CEO/General Manager

Jim Baker, The Lundy Group

Members of the Press

INVOCATION - PLEDGE OF ALLEGIANCE

The invocation was offered by Reverend Arnold Coley, Fayetteville Police Department Chaplain, followed by the Pledge of Allegiance to the American Flag led by Boy Scout Troops 573 and 746.

1. APPROVAL OF AGENDA

MOTION: Mayor Pro Tem Meredith moved to approve the agenda.

SECOND: Council Member Bates

VOTE: UNANIMOUS (10-0)

2. PUBLIC FORUM:

Announcements and Recognition

Mayor Chavonne presented a proclamation to Charles Luther, President of the Lafayette Council of the Blind, proclaiming the month of June 2009 to be Helen Keller Blind and Deaf-Blind Awareness Month to express appreciation for her life achievements in giving disabled people hope, courage, and ambition.

Mr. Julian Stackhaus, President of Alpha Phi Alpha Fraternity, acknowledged Council Member Mohn for his support and work on their Georgia Butler Memorial Fund through which two high school students received scholarships and four middle school students would be attending a leadership institute to prepare them for transition from middle to high school. Mr. Stackhaus presented information on their annual event where they host students from E. E. Smith High School and presented a certificate of appreciation to Mayor Chavonne for his support of the students in the community and the Alpha Phi Alpha Fraternity, Inc.

Ms. Jackie Tuckey, Communications Manager/Public Information Officer, presented information on the Citizens Academy and stated the purpose of the academy had been to engage the citizens of Fayetteville and provide information on what City departments do and how they work. Ms. Tuckey then recognized the first graduates of the academy. The graduates then presented a plaque to the City of Fayetteville in appreciation for providing a means for the citizens to explore and better understand how City government works and a plaque to

Ms. Tuckey in appreciation for her hard work, dedication, and support of the academy.

B. Comment Period

Mr. Julian Stackhaus, President of Alpha Phi Alpha Fraternity, 3445 Bennett Drive, Fayetteville, NC, 28301, presented information on the fraternity and stated it was the oldest male fraternity in the United States of America.

Mr. Rodrick B. McKeithan, 137 John Street, Fayetteville, NC 28305, expressed concerns regarding firefighter pay and firefighters being considered general employees and not public safety employees.

Ms. Cheryl Johnson, 6941 Bone Creek Drive, Fayetteville, NC 28314, read a letter expressing concerns on the firefighter pay.

Ms. Gwen York, 5307 Cypress Road, Fayetteville, NC 28304, stated she would like a domestic violence unit with qualified officers.

Mr. Wayne Rogers, 606 Hicks Avenue, Fayetteville, NC 28304, spoke regarding parking tractor-trailers in residential areas and expressed concerns on not being able to find a place to park his tractor-trailer.

Mr. Larry Melvin, 4413 Forest Park Court, Hope Mills, NC 28348, a City employee of 13 years, expressed concerns regarding some departments getting raises and others not and requested Council to reconsider its decision.

Mr. Ervin Farmer, 677-8 Bartons Landing Place, Fayetteville, NC 28314, Grand Knight Director for the State of North Carolina and Eastern Coastal Region, presented information on the Most Worshipful Prince Hall Grand Lodge for the State of North Carolina, Free and Accepted Masons, and announced they would be holding their Annual Assembly July 9-11, 2009, where they would be hosting 600 children and requested that a representative from the City be present. Mayor Chavonne responded that someone from the City would be there.

Mr. Iman Eronomy Mohammed, 2700 Murchison Road, Fayetteville, NC 28301, spoke regarding the President's visit to the Middle East and downtown revitalization and expressed concerns with the resource center only having one working computer.

Mr. Freddie Robertson, 2335 Rosehill Road, Fayetteville, NC 28301, Deputy Mason for the area for the Grand Lodge of North Carolina, reiterated the information Mr. Farmer previously provided regarding the mason assemblage and thanked Council for its support.

3. CONSENT:

MOTION: Mayor Pro Tem Meredith moved to approve the consent agenda with Item 3.J. being amended by replacing the agreement in the agenda packet with the new agreement that had been passed out to Council for inclusion and approval.

SECOND: Council Member Bates

VOTE: UNANIMOUS (10-0)

The following items were approved:

A. Approve minutes:

1. City Council meeting held on May 11, 2009.
2. City Council special meeting held on May 18, 2009.
3. City Council agenda briefing meeting held on May 20, 2009.
4. City Council budget work session meeting held on May 20, 2009.

B. Budget amendments and funding resolutions – Public Works Commission

The Public Works Commission requested City Council adopt the budget amendments and fund resolutions, which were adopted by the Public Works Commission during their meeting on May 27, 2009.

RESOLUTION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, CLOSING THE ANNEXATION RESERVE FUND. RESOLUTION NO. R2009-043.

RESOLUTION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, ESTABLISHING THE ANNEXATION PHASE V RESERVE FUND. RESOLUTION NO. R2009-044.

RESOLUTION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, CLOSING THE UPTOWN REVITALIZATION FUND. RESOLUTION NO. R2009-045.

C.Capital Project Ordinance Amendment 2009-23 (Cape Fear River Trail – Phase 2).

This amendment would appropriate \$1,300,000.00 from the North Carolina Clean Water Management Trust Fund and a required local match of \$65,000.00 from the General Fund. If approved, the revised budget for this project would be \$2,645,500.00. This project had been included in the approved Capital Improvement Plan.

D. Budget Ordinance Amendment 2009-11 (General Fund, Transit Fund and Airport Fund).

This budget ordinance amendment would transfer budget appropriation amounts between the Other Appropriations budget and benefiting department budgets to reflect usage of Fiscal Year 2008-2009 General Fund vehicle replacement funding and allocation of funding for the debt service payments for the June 2008 equipment financing (as authorized in the original budget ordinance). The budget amendment would also adjust appropriations based upon mid-year projections, increasing budgets for the General Fund to \$143,022,307.00 and the Airport Fund to \$5,558,009.00. In addition, the amendment would adjust sources of funding for the Transit Fund to reflect an expected increase in General Fund contributions.

E. Capital Project Ordinance Amendment 2009-24 (Airport Parking Project).

This amendment would appropriate an additional \$600,000.00 as a transfer from the Airport Operating Fund for the rehabilitation and renovation of the airport parking lot. If approved, the revised budget for the project would be \$1,600,000.00. This project had been reflected in the approved Capital Improvement Plan.

F. Special Revenue Fund Project Ordinances 2010-1 and 2010-2 (FY 2009-2010 HOME and CDBG Program Budgets).

These ordinances would appropriate \$1,270,442.00 for the FY 2009-2010 HOME Investment Partnership Program and \$1,675,688.00 for the FY 2009-2010 Community Development Block Grant Program. The funds would be utilized for operating expenditures and projects as outlined in the 2009-2010 action plan approved by City Council.

G. Tax Refunds Greater Than \$100.00.

NameYearBasisCity Refund

DT Watson, Heirs	2004-2007	Mapping Error	<u>\$120.56</u>
C/O Edgar Tatum			
Total			<u>\$120.56</u>

H. Approve 2009 COPS Technology Grant Application

The Fayetteville Police Department had been selected to participate in the 2009 COPS Technology grant program. The department would be awarded \$200,000.00 in funding, pending the successful submission and review of the grant application. The Fayetteville Police Department would be seeking funding through this grant to equip the officers with 70 P-25 compliant dual mode (analog/digital) smart zone, omni link portable radios for migration towards multi-jurisdictional interoperability. No matching funds were required for this grant proposal.

I. Adopt resolution declaring property surplus.

RESOLUTION DECLARING PROPERTY EXCESS TO CITY'S NEEDS AND QUITCLAIMING CITY TITLE IN THE PROPERTY TO CUMBERLAND COUNTY. RESOLUTION NO. R2009-042.

J. Approval of City and PWC Gross Receipts Tax Agreement

At the June 1, 2009, City Council work session, the PWC CEO/General Manager and City Manager presented information regarding the distribution of gross receipts taxes based on the negotiated new power supply agreement. PWC had several options for signing a power supply agreement that would take effect July 1, 2012. Part of the consideration was a power supply agreement for partial requirements and full requirements. Choosing a full requirements contract would lead to PWC paying an increase in gross receipts taxes over what would be paid under a partial requirements contract. The gross receipts taxes agreement would share 25 percent of the reference amount as a PWC contribution to the Phase V Annexation Reserve Account. The balance would be allocated to the City's General Fund.

This item had been amended to replace the agreement in the agenda packet with a new agreement passed out to Council for inclusion and approval.

K. FY 2009-10 Strategic Plan and narrative description adoption.

For the last several years, the City developed a comprehensive strategic plan that articulated where the City wanted to be in 15 years and what steps must be taken to reach the goals. The documents related to this item represent the foundation for the City's FY 2009-2010 strategic plan as developed by the City Council during the planning retreat in February. If approved by City Council, these documents would be governed policy and management direction of the City from July 1, 2009, through June 30, 2010.

4. Update on Festival Park Plaza building.

Mr. Jim Baker, The Lundy Group, presented this item and provided summary and background information on the project. He stated there were currently eight tenants and from a leasing and marketing standpoint the project was 82 percent leased. He informed Council that two tenants had not been paying rent but an agreement had been reached with one of those tenants to downsize the space. He stated a plan was in place for the tenant to fully pay the past due rents and pay on an ongoing basis for the reduced space. He stated the other tenant had sublease its space to the library and the library would be in the space and paying rent through October. He stated they were actively recruiting and trying to secure leases for the library space and vacant space. He informed Council that the project would be breaking even if it had been receiving rents from all the tenants. He stated it was a business judgment to work with the tenants and try to collect income as opposed to evicting them and not collecting nothing.

Discussion ensued regarding the possibility of a large payment next month with Mr. Baker responding this could occur and explaining it would take 45 to 60 days to receive rental income from a tenant committing today to take space that would have to be built out, but the rental income from an existing space could begin immediately.

A question and answer period then ensued regarding identifying the tenants to the public that had not paid rent with Mr. Baker explaining he could not by policy identify the tenants and that they were provided to Council in closed session.

Mayor Chavonne inquired if there was anyway the name of the tenants could be released without violating the closed session. City Attorney Karen McDonald responded that she believed it would be permissible to disclose who those tenants were, however, it was not clear as to whether it would be permissible to disclose the amount or the agreement that was entered into with Mr. Baker today since she had not been privy to that agreement.

Mayor Pro Tem Meredith inquired if the tenants had paid the bill on time would the taxpayers be writing a check today. Mr. Baker responded unlikely but could not state emphatically no because the expenses vary from month to month, but the payment would be in the \$1,000.00 to \$2,000.00 range.

5. Public safety CAD and RMS replacement project for FY 09-10.

Mr. Stanley Victrum, Chief Information Officer, presented an update of the public safety CAD and RMS replacement project. He stated that staff was requesting a waiver of the normal procurement process of sealed bids to purchase the applicable software and hardware from the proposed vendor, SunGard Public Safety OSSI. He stated the waiver would be allowed by North Carolina General Statutes because of the unique nature of the software, the standardization with Cumberland County, and the significant number of law enforcement agencies in North Carolina. He stated the current CAD and RMS applications were approximately ten years old and based on demands of a growing population, it was felt it was time to make a change. He stated the procurement software would provide the City an opportunity to allow tighter integration with the Fire Department's firehouse application, provide features and functions towards public safety service delivery improvements such as CAD mapping for better public safety unit tracking, AVL for closest unit dispatching, crime link analysis, and CAD-to-CAD transfer of EMS-related calls. He informed Council that having the same software as Cumberland County would also facilitate transfer of calls. He stated the purchase of this software would not exceed \$2.8 million and there was the opportunity for an

additional \$50,000.00 discount if approved by June 10, 2009.
Discussion ensued regarding the City, Cumberland County, and Fort Bragg moving in the same direction.

MOTION: Mayor Pro Tem Meredith moved to adopt Capital Project Ordinance 2009-25 and Budget Ordinance Amendment 2009-12 and authorize the waiver of the formal bid processes and authorize the City Manager or his designee to conduct final negotiations and execute the contract documents necessary in an amount not to exceed \$2.8 million.

SECOND: Council Member Evans

VOTE: UNANIMOUS (10-0)

6. Second reading for rezoning property at 1800 Fargo Drive from R10 Residential District to P2 Professional District.Case No. P09-14f.

City Council had voted six to four in favor of rezoning to P2 at the May 26, 2009, City Council meeting. A second reading was required since the motion was approved with less than two-thirds of the Council voting in favor of the motion. No discussion was held.

Mayor Chavonne asked for a vote on the motion.

VOTE: PASSED by a vote of 6 in favor (Council Members Bates, Applewhite, Meredith, Evans, Hurst, and Massey) to 4 in opposition (Council Members Crisp, Haire, Chavonne, and Mohn.

7. Consider adoption of the Fiscal Year 2009-2010 Budget Ordinance, Fee Schedule, and Associated Capital Project Ordinances and Amendments.

Mr. Dale Iman, City Manager, presented a summary of the changes to the recommended general fund for the FY 2009-2010 budget as follows:

Revenues and Other Financing Sources

Recommended Budget Total	\$140,942,831
Ad Valorem Taxes	
Tax Rate Reduction to 45.1 cents	(2,955,148)
Intergovernmental Revenues	
Police Grant Funding Reduction for 22	
Police Positions	(994,951)
Reduced County Funding for JP Riddle (Pay)	(822)
	(995,773)
Fund Balance Appropriation	
Vacancy Rate Earnings Increase	610,618
Reduce County Parks and Recreation	
District F/B Use (Pay)	(34,619)
	575,999
Total Revenues and OFS for Budget Ordinance	<u>\$137,567,909</u>

Expenditures and Other Financing Uses (OFU)

Recommended Budget Total	\$140,942,831
Elimination of Pay Increase for General Employees	(936,863)
Elimination of 22 Expansion Positions and	
Support Costs for Police Department	(1,773,344)
Reduction in Street Resurfacing Funding	(175,000)
Reduction in Transfer due to Additional	
Transfer Revenues	(60,000)
Reduction in Contract Services	(218,815)
Eliminate Citizens Survey	(18,400)
Eliminate Replacement Boom Attachment	(40,000)
Eliminate Replacement Solid Waste Truck	(190,000)
Add Women's Center Funding	37,500
Total Expenditures and OFU for Budget Ordinance	<u>\$137,567,909</u>

Mr. Iman informed the Council that the budget would take a considerable amount of monitoring and a lot of management to keep the finances in order. He stated there were four

impact areas that could negatively impact the budget as follows:

1. The rippling effects of the nationwide economic recession could continue to negatively impact revenues thus resulting in shortfall of revenue to the City.
2. The General Assembly had not completed balancing the State budget. Subsequently, their actions could have impacts on the City budget.
3. The tax rate resulting from this budget would not be sufficient to sustain future funding for the Police and Fire positions added to the workforce by adoption of the budget.
4. The City tax base could be reduced below the estimated amount included in the revenue-neutral calculations as a result of appeals and exemptions.

Mr. Iman informed Council a statement had been added on the budget ordinance that stated City Council's intent to consider future funding toward the implementation of the Murchison Road Corridor Plan should funds become available.

Council then asked questions about the present fund balance, the possibility of getting the budget at the revenue-neutral rate with a 2 percent pay raise, and the economic development programs with the Women's Center and Chamber of Commerce.

MOTION: Council Member Applewhite moved to have the City Manager go back and rework the budget, have Council provide to the City Manager requests for changes by June 10, 2009, and the budget presented to Council at a special meeting on June 15, 2009, at 5:00 p.m. in the Council Chamber.

SECOND: Council Member Mohn

VOTE: PASSED by vote of 9 in favor to 1 in opposition (Council Member Bates)

INFORMATION ITEMS:

1. **General Fund Revenue and Expenditure Report for the Nine-Month Period Ended March 31, 2009.**

There being no further business, the meeting adjourned at 8:30 p.m.