

**FAYETTEVILLE CITY COUNCIL
REGULAR MEETING MINUTES
CITY HALL COUNCIL CHAMBER
SEPTEMBER 13, 2010
7:00 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); Darrell J. Haire (District 4); Bobby Hurst (District 5); William J. L. Crisp (District 6); 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
- Kristoff Bauer, Assistant City Manager
- Karen M. McDonald, City Attorney
- Douglas S. Peters, FCCCC President
- Rusty Thompson, City Engineer
- Lisa Smith, Chief Financial Officer
- Rita Perry, City Clerk
- Members of the Press

1.0 CALL TO ORDER

Mayor Chavonne called the meeting to order at 7:00 p.m.

2.0 INVOCATION

The invocation was offered by Mayor Pro Tem Haire.

3.0 PLEDGE OF ALLEGIANCE

Following the invocation, the Pledge of Allegiance to the American Flag was led by the audience.

4.0 APPROVAL OF AGENDA

MOTION: Council Member Crisp moved to approve the agenda with the addition of Item 7.6, special sign permit request for temporary event signs for the Cumberland County Agricultural Fair September 16-27, 2010. This request was for up to 25 signs to be removed by the end of the day on September 27, 2010.

SECOND: Council Member Meredith

VOTE: UNANIMOUS (10-0)

5.0 Announcements and Recognitions

Mayor Chavonne recognized and welcomed the visiting International military officers present in the audience.

6.0 Public forum

NAME/ADDRESS	SUBJECT/CONCERN
Charlton Johnson 4908 Easley Lane Fayetteville, NC 28303	Community Awareness
Joseph A. Robinson 890 Santiato Drive Fayetteville, NC 28303	Taxicab rate increase
Gwen York	Thanked the Council for the Special Victims Unit
Carolyn Culbeth 6317 Whitehall Drive Fayetteville, NC 28303	Veterans Issues – Vietnam as a sister city to Fayetteville

Imam Eronomy Mohammad 2700 Murchison Road Fayetteville, NC	State of Fayetteville
Anthony Castillo 106 Scott Avenue Fayetteville, NC 28301	Community Watch & the rental registration program

7.0 Consent

MOTION: Council Member Bates moved to approve the consent agenda with the exception of Item 7.5.

SECOND: Council Member Massey

VOTE: UNANIMOUS (10-0)

7.1 Approval of Minutes

- June 21, 2010 – Special Meeting
- June 23, 2010 - Agenda Briefing Meeting
- June 28, 2010 – Regular Meeting
- July 12, 2010 – Regular Meeting
- July 21, 2010 - Agenda Briefing Meeting
- July 26, 2010 – Dinner and Discussion Meeting
- July 26, 2010 – Regular Meeting
- July 29, 2010 – Special Meeting

7.2 Consider adoption of amendments to City Council Policy #125.1, “Drainage Revolving Loan Fund”.

7.3 Capital Project Ordinance 2011-5 (FY 2011 New Freedom Grant for Pedestrian Walkways).

7.4 Tax Refunds of greater than \$100.00.

Name	Year	Basis	City Refund
Willie King	2008	Corrected Assessment	<u>\$100.41</u>
TOTAL			<u>\$100.41</u>

7.5 Approve "Sole Source" purchase for bus shelters and associated solar security lighting and benches.

This item was pulled by Council Member Bates.

Mr. Doug Hewett, Assistant City Manager, explained the City’s need to purchase 8 bus shelters, 25 solar security lighting kits, and 28 benches with backs. Mr. Hewett stated since 2006, the City has purchased Tolar Manufacturing's Sierra style bus shelters and the associated solar lighting kits and benches since to replace older, glass type shelters and they were the sole source provider of the Sierra style shelter. Mr. Hewett noted that there were 36 shelters of this type installed throughout the City and 12 additional shelters in stock and the existing shelters had proven to be reliable and of good structural construction. He presented the following cost breakdown for the purchase of the equipment:

- 8 Shelters at \$6,790.00 each for a total of \$54,320.00
- 25 Solar Lighting Kits at \$1,740.00 each for a total of \$43,500.00
- 28 Benches with Backs at \$1,070.00 each for a total of \$29,960.00
- Shipping Cost at \$6,250.00

Mr. Hewett stated the total cost of the equipment to be purchased, including shipping, would be \$134,030.00.

Council Member Bates inquired why this was an allowed exception to the bidding requirements. Mr. Hewett responded by statute an exception is allowed when (1) the performance or price competition for a product are not available, (2) a needed product is available from only one source of supply, or (3) when standardization or compatibility is the overriding consideration. Council Member Massey inquired whether any portion of the \$134,000.00 was state or federal government funding and was solar lighting needed because of later transit services being offered. Mr. Hewett explained the funds to be used were part of the \$519,000.00 transit funds

and responded in the affirmative to the latter.
Council Member Applewhite expressed issues regarding Tolar being the only company which manufactured this style as it related to limitations of the City's options. Mr. Hewett stated the use of different styles was a possibility and could be reviewed.

MOTION: Council Member Massey moved to approve "Sole Source" purchase for bus shelters and associated solar security lighting and benches.

SECOND: Council Member Bates

VOTE: UNANIMOUS (10-0)

8.0 PUBLIC HEARING

8.1 Public hearing to consider economic development incentives for Five Points Hospitality, Inc., to construct an Embassy Suites Hotel and Conference Center.

Mr. Douglas Peters, FCCCC, outlined the following aspects of the proposed Embassy Suites and Conference Center.

- Design
- Project scope
- Conference
- Benefits to Fayetteville
- New potential revenues of \$224,000,000.00 or more over 20 years
- Creation of new jobs with new payroll dollars in the community
- New tax revenues from real estate, revenue, payroll
- New tax revenues from disposable income
- Increased meeting and leisure business
- New business to malls, shops, restaurants and retail
- Over 160 new jobs
- Tax revenue summary
- Hotel Sales Tax \$13.6 Million
- Hotel Guest Tax Generation 25.0 Million
- Payroll Taxes 16.2 Million
- Employee Household Taxes 8.5 Million
- TOTAL \$63.3 Million

Mr. Dale Iman, City Manager, presented the economic development incentives as follows:

City and County

• Four Financial Incentives

1. Property Tax Grantback – 5 years (60% for Years 1-2, 55% for Years 3-4, and 50% for Year 5)
2. Low Interest Loan – Wetland Mitigation (\$500,000.00 – 10 Year Term – Assessment)
3. Reduce City Permit Fees by 50%
4. Install Bus Stop Shelter (Developer to Construct Needed Access)

PWC Utility of Choice Program

Only available when customer has a service alternative and selects PWC for all three services

- Water and Wastewater
- Facility Investment Fee (FIF) Waived
- Electricity
- Installation (including transformer) without charge
- 10% reduction in fee for 10 years

Mayor Pro Tem Haire inquired whether the migration pipe for the two different locations would be closed in and connected. Mr. Iman responded in the affirmative and stated once this was accomplished, the area would not be considered wetland.

Council Member Bates inquired how the City would be protected. Mr. Iman responded there would be a lien on the property similar to that of a tax lien. Council Member Bates inquired whether City Engineers would inspect the site once pipes were connected and water was discharged in the basin. Mr. Iman responded in the affirmative.

Council Member Meredith inquired why the state had not offered grantback incentives. Mr. Peters responded an application for economic recovery bonds for the project were submitted; however, it had not met the requirement state wide.

Council Member Applewhite requested an estimated dollar amount for the 10 percent reduction. Mr. Iman explained water Facility Investment Fees (FIF) waived would equal \$27,500.00, sewer FIF waived would equal \$64,100.00, and 10 percent over 500 kilowatts. He stated a service provision of shoebox style lighting installation would be \$26.73 per light per month. Council Member Applewhite inquired as to the reason for offering a free transformer. Mr. Iman responded it was needed to extend the electrical distribution system.

This is the advertised public hearing set for this date and time. There being no one in favor or in opposition, the public hearing opened and closed at 7:50 p.m.

MOTION: Council Member Bates moved to approve the proposed economic incentives.

SECOND: Mayor Pro Tem Haire

VOTE: UNANIMOUS (10-0)

9.0 OTHER ITEMS OF BUSINESS

9.1 Request for non-compliant speed hump installation on Pettigrew Street.

Mr. Rusty Thompson, City Engineer, presented this item and briefed Council. He stated Mr. Wayne Knox, a resident on Pettigrew Drive, requested that speed humps be installed on the street. He stated staff evaluated the request and informed Mr. Knox that speed humps were not warranted as outlined in the Residential Traffic Management Program. Mr. Thompson stated Mr. Knox elected to proceed with a non-complaint procedure and submitted a petition with a 76 percent signature rate (75 percent minimum was required). Mr. Thompson stated there were requirements and the applicant would have to pay for the removal of the speed humps should they wish to remove them.

Council Member Applewhite requested accident data and inquired if there was a process to identify petition signers as property owners or renters. Mr. Thompson stated there were no accidents where speed humps would have helped prevent them and answered in the negative to the latter. Mayor Chavonne clarified that should Council approve a request based on a petition signed by renters, Council could be charging property owners who had not signed.

Council Member Meredith inquired whether this was an assessment or would the City be paid prior to the installation. Mr. Thompson explained the following options: (1) citizens could pay the City for installation or (2) citizens could pay a contractor and the City would inspect.

Council Member Crisp inquired how many requested speed humps were made per year. Mr. Thompson responded 30 to 50 per year.

MOTION: Council Member Meredith moved to approve the locations and allow the neighborhood to install at their cost.

SECOND: Council Member Crisp

A discussion period ensued regarding possible future issues. Mr. Thompson reviewed the proposed design and stated staff could not find any benefits of speed hump installations on Pettigrew Street.

RESTATED MOTION: Council Member Meredith moved to approve the locations and allow the neighborhood to install at their cost.

SECOND: Council Member Crisp

VOTE: PASSED by a vote of 7 in favor to 3 in opposition (Council Members Applewhite, Bates, and Davy)

10.0 ADMINISTRATIVE REPORTS

10.1 Monthly statement of taxes for August 2010 from the Cumberland County Tax Administrator.

2010 Taxes.....	\$2,263,331.72
2010 Vehicle.....	283,020.57
2010 Revit.....	3,185.45
2010 Vehicle Revit.....	274.76

2010 FVT.....	35,156.08
2010 Transit.....	35,156.11
2010 Storm Water.....	101,129.35
2010 Fay Storm Water.....	202,258.62
2010 Fay Recycle Fee.....	107,335.94
2010 Annex.....	20.73
2009 Taxes.....	44,077.62
2009 Vehicle.....	103,057.06
2009 Revit.....	85.95
2009 Vehicle Revit.....	(9.33)
2009 FVT.....	15,613.16
2009 Transit.....	15,613.16
2009 Storm Water.....	1,249.35
2009 Fay Storm Water.....	2,498.68
2009 Fay Recycle Fee.....	2,724.61
2009 Annex.....	0.00
2008 Taxes.....	2,099.93
2008 Vehicle	5,319.24
2008 Revit.....	0.00
2008 Vehicle Revit.....	0.00
2008 FVT.....	978.49
2008 Transit.....	756.24
2008 Storm Water.....	234.50
2008 Fay Storm Water.....	73.63
2008 Fay Recycle Fee.....	128.85
2008 Annex.....	0.00
2007 Taxes.....	696.78
2007 Vehicle	1,501.20
2007 Revit.....	0.00
2007 Vehicle Revit.....	0.00
2007 FVT.....	287.28
2007 Storm Water.....	142.62
2007 Fay Storm Water.....	45.24
2007 Annex.....	0.00
2006 and Prior Taxes.....	1,017.39
2006 and Prior Vehicle.....	2,762.61
2006 and Prior Revit.....	0.00
2006 and Prior Vehicle Revit.....	0.00
2006 and Prior FVT.....	606.42
2006 and Prior Storm Water.....	150.37
2006 Annex.....	73.60
Interest.....	15,498.55
Revit Interest.....	5.09
Storm Water Interest.....	222.99
Fay Storm Water Interest.....	197.49
Annex Interest.....	0.86
Fay Recycle Interest.....	214.32
Total Tax and Interest.....	\$3,248,793.28

10.2 Revenue and expenditure report for annually budgeted funds for the month ended July 31, 2010.

Ms. Lisa Smith, Chief Financial Officer, presented this item and stated the purpose of the report was to provide monthly revenue and expenditure information for the City's annually budgeted funds. She reviewed the contents of the report and explained the report consists of two main

sections as follows: (1) revenues by major category by fund and (2) expenditures by major category by fund. She stated the expenditure section of the report provided expenditure data by department for the General Fund; included revenue and expenditure data for the current fiscal year (column labeled "FY2011 Actual thru July"), with comparison columns for the current year's budget (column labeled "FY2011 Budget as of July"), and revenue and expenditure data through the same period in last fiscal year (column labeled "FY2010 Actual thru July). Ms. Smith noted the expenditure section of the report included a column for "Encumbrances" which represented commitments by the City to obtain items or services or other expenditures for which payments have not yet been made. Ms. Smith explained the revenues and expenditures were generally recorded on a cash basis throughout the year and accounting adjustments were made at year-end to account for revenues and expenditures that needed to be recorded back to the fiscal year before it was formally closed. She added that since monthly sales taxes and quarterly utility taxes were received from the State approximately 75 days after the period to which they applied, sales tax revenues would not initially appear until the October 31, 2010, report and utility taxes would not appear until the December 31, 2010, report. She stated for comparison purposes, the report would also not show prior year actuals for the revenues until the revenue data for the current fiscal year was also available for the same period.

Periodically through Ms. Smith's presentation, questions were posed by Council and addressed by Ms. Smith.

11.0 ADJOURNMENT

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