

**FAYETTEVILLE CITY COUNCIL  
BUDGET WORK SESSION MINUTES  
LAFAYETTE ROOM  
MAY 11, 2016  
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Katherine K. Jensen (District 1); Kirk deViere (District 2); Mitchell Colvin, Jr. (District 3); Chalmers McDougald (District 4) (departed at 6:30 p.m.); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Larry O. Wright, Sr. (District 7) (departed at 6:22 p.m.); Theodore Mohn (District 8); James W. Arp (District 9) (departed at 5:36 p.m.)

Others Present: Douglas Hewett, Interim City Manager  
Kristoff Bauer, Deputy City Manager  
Rochelle Small-Toney, Deputy City Manager  
Jay Reinstein, Assistant City Manager  
Karen McDonald, City Attorney  
Cheryl Spivey, Chief Financial Officer  
Tracey Broyles, Budget and Evaluation Director  
Kevin Arata, Corporate Communications Director  
Dwayne Campbell, Chief Information Officer  
Rob Stone, Engineering and Infrastructure Director  
Scott Shuford, Planning and Code Enforcement Director  
Jim Palenick, Economic and Business Development  
Director  
Michael Gibson, Parks, Recreation and Maintenance  
Director  
Anthony Wade, Human Relations Director  
Victor Sharpe, Community Development Director  
Elizabeth Somerindyke, Internal Audit Director  
Mark Brown, PWC Customer Relations Officer  
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 Wright.

**3.0 PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the American Flag was led by Mayor Robertson and City Council.

**4.0 APPROVAL OF AGENDA**

**MOTION:** Council Member Arp moved to approve the agenda with the addition of a closed session.  
**SECOND:** Mayor Pro Tem Colvin  
**VOTE:** UNANIMOUS (10-0)

**5.0 CLOSED SESSION**

**MOTION:** Council Member Arp moved to go into closed session for consultation with the attorney for an economic development matter.  
**SECOND:** Council Member Crisp  
**VOTE:** UNANIMOUS (10-0)

The regular session recessed at 5:03 p.m. The regular session reconvened at 5:35 p.m.

**MOTION:** Council Member Arp moved to go into open session.  
**SECOND:** Council Member Crisp  
**VOTE:** UNANIMOUS (10-0)

## 6.0 OTHER ITEMS OF BUSINESS

**MOTION:** Council Member Crisp moved to excuse Council Member Arp from the meeting.  
**SECOND:** Council Member Jensen  
**VOTE:** UNANIMOUS (10-0)

### 6.1 Operations Portfolio

Mr. Kristoff Bauer, Deputy City Manager presented this item and provided an overview of the budgets for the following departments:

Airport: Recommended budget - \$9,420,274.00

- Personnel includes the addition of one marketing specialist position. The Airport Commission wants to increase the community's awareness of the Fayetteville Regional Airport. Wilmington International and Asheville Regional Airports have marketing staff of two and three employees respectively. Our proposed marketing specialist will be responsible for developing and implementing a marketing plan, partnering with airlines on social media, and managing airport social media.
- Operating includes \$475,950.00 for utilities and stormwater fees, \$505,465.00 for maintenance of Airport facilities and equipment, and \$200,000.00 for advertising.
- Contract Services included \$41,000.00 for technical consulting, \$28,000.00 for landscaping services, \$7,000.00 for security screenings, \$5,000.00 for wildlife control, and \$3,000.00 for towing services.
- Other Charges includes \$414,948.00 for reimbursements to the General Fund for police services and \$182,318.00 for indirect cost allocations.
- Transfers include \$5,500,000.00 to the Airport Capital Project Fund to support the terminal renovation project.
- Non-program expenditures include charges not directly attributable to a specific program including indirect cost allocations, retiree benefits, and insurance and claim settlements.

Environmental Services: Recommended budget - \$11,513,710.00

- Personnel reflects the reclassification of 20 Equipment Operator II positions to Equipment Operator III, and the addition of 1 environmental services collector position which was offset by a reduction in funding for temporary services.
- Operating includes \$2,099,430.00 for vehicle maintenance and fuel, \$368,888.00 for rollout carts, \$29,069.00 for ten radios, and \$95,319.00 for projected claims and insurance costs.
- Contract Services includes \$2,159,508.00 for contracted curbside recycling collection for an estimated 61,207 households, and \$30,708.00 for the West Fayetteville Garbage Outsourcing Pilot Project.
- Capital includes \$1,255,000.00 for seven replacement vehicles.
- Other Charges includes \$666,785.00 for an indirect cost allocation

- Non-program expenditures encompass those costs not directly associated with any one program and includes retiree benefits, indirect costs, insurance and claim settlements, and debt service.
- Intergovernmental revenues include \$5.00 per household per year from Cumberland County totaling \$306,035.00 and \$134,300.00 in state-shared solid waste disposal taxes.
- West Fayetteville garbage collection pilot proposals have been received: There were four local bidders; Waste Management (\$40,108.00/year), Republic Services (\$65,303.00/year), Waste Industries (\$66,640.00/year), and Pembroke Waste Collection (\$96,155.00/year). Waste Management was the low bid by a considerable margin. City estimated \$61,416.00/year for budget purposes. FY 17 impact would be \$20,054.00 for January through June 2017, then \$40,108.00 plus CPI increases for the remainder of the three-year term.

Parks, Recreation and Maintenance: Recommended budget - \$20,847,647.00

- Operating costs include \$1,359,422.00 for utilities, \$1,272,150.00 for vehicle fuel and maintenance, and \$1,007,952.00 for supplies, including uniform and food expenditures.
- Contract Services includes \$238,000.00 for recreation program instructor services; \$220,000.00 for sports officiating; \$206,000.00 for pool operations for the Chalmers, Westover, and Keith Bates pools; \$125,000.00 for alarm monitoring; \$26,500.00 for commercial garbage collection; \$21,500.00 for summer camp excursions; \$20,400.00 for portable toilets; \$20,000.00 for county landfill fees; and \$17,200.00 for background checks.
- Capital includes \$970,000.00 for CIP projects including \$500,000.00 for the Murchison Road/I-295 Interchange Improvement, \$200,000.00 for Gateway Improvements, \$150,000.00 for the Amtrak Station Canopy Repairs, \$120,000.00 for the Apparatus Floor Replacement at Fire Station 7, \$183,500.00 for vehicle and equipment replacements, \$32,000.00 for a new ride-on sprayer, \$30,000.00 for a shed at Lamon Street, and \$155,000.00 for a variety of small improvement projects including \$30,000.00 for parking lot LED light replacements, \$45,000.00 for resurfacing the Tokay tennis courts, \$20,000.00 for fence replacement at Glen Reilly Park, \$30,000.00 for light control links for Reid Ross track/field, and \$30,000.00 for a picnic shelter at Brayboy Park.
- Transfers to Other Funds reflects \$330,000.00 for CIP projects including \$200,000.00 for roof replacements, \$75,000.00 for HVAC replacements, and \$55,000.00 for Mazarick Park Play Area/Rail improvements, and a placeholder of \$2,350,225.00 for Parks and Recreation bond projects to be determined by City Council which equates to projected funds available from the 1.35 cent tax rate increase and the use of \$494,000.00 of fund balance dedicated for senior recreation.
- Other Charges includes \$56,250.00 in funding for the Arts Council, \$48,000.00 for Friends of the Park, and \$75,000.00 for the Airborne and Special Operations Museum, an indirect cost allocation to the County recreation district of \$60,000.00, \$50,000.00 in projected expenditures for the County district to projected County district revenues of \$4,356,966.00.
- Non-program expenditures consist of \$19,927.00 for retiree benefits for former district employees, and the \$402,808.00 to balance district revenues and expenditures.

- General Fund Functional Revenues include participant fees and rental fees to parks and recreation centers, and recreation tax proceeds from the County and Eastover.

Transit: Recommended budget - \$8,749,521.00

- Personnel reflects the addition of three Maintenance Worker positions to support the new multimodal center and two bus operators being added to enhance Route 7 service.
- Operating includes \$487,965.00 for vehicle parts and contracted maintenance and \$565,329.00 for fuel costs.
- Contract Services includes \$28,000.00 for bus shelter maintenance services to be performed by the Parks, Recreation and Maintenance Department; \$168,400.00 for contracted security services; \$33,800.00 for 18 weeks of contracted shuttle service provided by Hoke County; \$17,300.00 for system map and talking bus updates for route adjustments; and \$13,200.00 for collection of vehicle license taxes by the NC Department of Motor Vehicle.
- Transfers to Other Funds includes \$253,350.00 for required local match funds for capital and planning grants.
- Other Charges includes \$639,700.00 for indirect cost allocations, \$100,000.00 for pass-through grant funding to Hoke county, offset by a \$232,689.00 cost redistribution to the planning grant.
- Non-program expenditures consist of \$44,027.00 for retiree benefits and \$100,000.00 for the Hoke County pass-through grant funding.
- Revenue for FY 2017 includes \$129,108.00 in reimbursements from Greyhound for an allocated share of multimodal center operating costs, including security, utilities, supplies and maintenance.

Discussion ensued.

**Consensus of Council was to further discuss during future budget work sessions funding for the following four items: (1) enhanced curbside loose leaf collection, (2) litter collection in right-of-way, (3) mowing in the right-of-way, and (4) potential Lake Rim pool.**

## **6.2 Parks and Recreation Bond Program**

Discussions ensued pertaining to the priority of projects on the seven-year construction schedule, and a potential Lake Rim pool.

**Consensus of Council was to move the western senior citizens center up to fiscal year 2019 on the schedule model.**

## **6.3 Summer Youth Paid Internship Program**

Council Member deViere introduced this item and stated at the May 2, 2016, City Council work session this item was presented to City Council for review and consensus of Council was to direct staff to move this item forward; in order to fund this program, a budget ordinance amendment will be necessary. This is a pilot program and we are on a very tight timeline as we want to start this program in June.

Mr. Douglas Hewett, Interim City Manager, stated if the County does not participate in this program, the cost to the City is \$38,000.00. This is part of a workforce program that lost its funding. Mr. Hewett stated this is a valuable and worthwhile program but it is an unbudgeted expense.

**Consensus of Council was to direct staff to place this item on the May 23, 2016, City Council agenda under consent.**

#### **6.4 Other Items of Business**

Mr. Douglas Hewett, Interim City Manager, asked for all budget inquiries to be sent to Ms. Tracey Broyles, and announced at the May 18, 2016, budget work session meeting the Community Investment portfolio department overviews will be presented. On May 23, 2016, the budget public hearing will be held. On May 25, 2016, any further budget related topics will be discussed with a plan to adopt the budget on June 13, 2015.

#### **7.0 ADJOURNMENT**

There being no further business, the meeting adjourned at 7:34 p.m.