

**FAYETTEVILLE CITY COUNCIL
BUDGET WORK SESSION MINUTES
LAFAYETTE ROOM
MAY 11, 2017
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); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Larry O. Wright, Sr. (District 7); Theodore Mohn (District 8); James W. Arp (District 9)

Others Present: Douglas Hewett, City Manager
Karen McDonald, City Attorney
Kristoff Bauer, Deputy City Manager
Jay Reinstein, Assistant City Manager
Ben Major, Fire Chief
Anthony Kelly, Interim Police Chief
Randy Hume, Transit Director
Rob Stone, Engineering and Infrastructure Director
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
Michael Gibson, Parks, Recreation and Maintenance Director
Elizabeth Somerindyke, Internal Audit Director
Rebecca Rogers-Carter, Strategic Performance Analytics 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 APPROVAL OF AGENDA

MOTION: Mayor Pro Tem Colvin moved to approve the agenda.
SECOND: Council Member Crisp
VOTE: UNANIMOUS (10-0)

4.0 OTHER ITEMS OF BUSINESS

MOTION: Council Member Mohn moved to Suspend the Rules for formal votes on Items 4.1(a) and 4.1(b)
SECOND: Council Member Wright
VOTE: UNANIMOUS (10-0)

4.1 City Hall Renovation Financing

- (a) Adoption of a resolution approving the winning bidder for the financing
- (b) Adoption of a resolution of findings regarding the financing and request for The LGC to approve the financing arrangement

Ms. Cheryl Spivey, Chief Financial Officer, presented this item and stated this item came before City Council on May 8, 2017, and Council unanimously approved moving this item to the May 11, 2017,

budget work session. Ms. Spivey presented this item with the aid of a PowerPoint presentation and provided an overview of the multi-year building maintenance active capital projects.

Discussion ensued.

RESOLUTION APPROVING THE WINNING BIDDER IN CONNECTION WITH THE FINANCING OF RENOVATIONS AND IMPROVEMENTS TO THE CITY HALL. RESOLUTION NO. R2017-026

MOTION: Council Member Mohn moved to adopt the resolution approving Pinnacle Public Finance as the winning bidder to finance renovations to the City Hall.
SECOND: Council Member Hurst
VOTE: PASSED by a vote of 6 in favor to 4 in opposition (Council Members Robertson, Jensen, Colvin, and Arp)

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE PROPOSED FINANCING OF RENOVATIONS AND IMPROVEMENTS TO THE CITY HALL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT. RESOLUTION NO. R2017-027

MOTION: Council Member Mohn moved to adopt the resolution making certain findings and determinations regarding the proposed financing and request the Local Government Commission to approve the financing.
SECOND: Council Member Crisp
VOTE: PASSED by a vote of 6 in favor to 4 in opposition (Council Members Robertson, Jensen, Colvin, and Arp)

4.2 Strategic Plan Parking Lot Items

Ms. Rebecca Rogers-Carter, Strategic performance Analytics Director, presented this item and stated the following items were placed in the "parking lot" at the Strategic Planning Retreat meeting held in February of this year. These are items that were not targets for action; they are items to have further discussion on:

1. Purchasing - Consensus of Council was to remove this item from the parking lot.
2. Economic Development - Consensus of Council was to remove this item from the parking lot.
3. Capacity/Allocation of Resources - Consensus of Council was to remove this item from the parking lot.
4. My Brother's Keeper - Consensus of Council was to place this item on the City Council August work session.
5. Scholarship Program - Consensus of Council was to place this item on a future City Council work session (possibly September).
6. Public Arts - Consensus of Council was to remove this item from the parking lot and send to the Public Arts Commission.

4.3 Sunday Bus Service

Mr. Randy Hume, Transit Director, presented this item and stated for fiscal year 2018, staff has developed cost estimates to provide Sunday service for a total of 34 weeks. Total projected costs for staffing, fuel, vehicle maintenance and other costs total \$219,532.00 for 34 weeks. Of that total, it is projected that fares and operating and maintenance grants would provide \$123,936.00, leaving a shortfall of \$95,596.00 that would need to be provided by a transfer from the General Fund. On an annualized basis, total costs would be projected

to be \$335,755.00, with \$152,322.00 funded from fares and grants, and \$183,422.00 to be funded from the General Fund. If necessary, Transit staff has advised that up to \$30,000.00 additional funding may be used from operating grants to provide additional funding for Sunday service for future years. Mr. Hume provided a table showing proposed routes and times for a Sunday service.

Consensus of Council was to include a Sunday bus service in the Fiscal Year 2018 budget.

4.4 Ad Valorem Tax Comparisons with Peer Cities

Discussion ensued pertaining to the following items: taxes, fees, tax bases, developer impact fees, County taxes, and other metropolitan comparisons. No consensus was given.

4.5 CIP and TIP Questions or Concerns

Mr. Douglas Hewett, City Manager, stated the Council questions pertaining to the CIP and TIP and staff answers are listed in the handout provided. Mr. Hewett stated there is no mystery these are public projects and this is the Council's opportunity (during the budget process) to state if they like the projects or not. Some of the projects are contingent upon a proposed Public Safety Bond.

Mayor Robertson clarified that a vote on the proposed Public Safety Bond never took place.

Council Member Crisp stated it is Council's job to scrutinize the CIP and TIP.

Mr. Hewett stated at the next budget work session scheduled for May 18, 2017, discussion will be invited on parking, parking garage, stormwater, and realignment.

Council Member Arp suggested selling City Hall and moving city hall functions to the Williams building on Hay Street that is mostly vacant.

Mr. Rob Stone, Engineering and Infrastructure Director, presented information on street resurfacing with the aid of a PowerPoint presentation. Mr. Stone provided an overview of the Resurfacing Program of the past eight years for each City Council district. Discussion ensued following the presentation. No consensus was given.

7.0 ADJOURNMENT

There being no further business, the meeting adjourned at 7:14 p.m.