

Tuesday – March 22, 2011 – 3:00 p.m.
First Floor North Conference Room

Worksession

Present: Mayor Terry M. Bellamy, Presiding; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilman William A. Russell Jr.; Councilman Gordon D. Smith; City Manager Gary W. Jackson; City Attorney Robert W. Oast Jr.; and City Clerk Magdalen Burleson

Absent: Vice-Mayor Brownie W. Newman and Councilwoman Esther E. Manheimer (both travelling to meeting from out of town)

General Fund Operating Budget

Director of Administrative Services Lauren Bradley said that regarding Revenue assumptions (1) Overall slight decrease in revenues (a) State revenue decrease for Transit operations; and (b) Decreases in investment earnings and permit revenue; (2) No property tax increase; and (3) No fund balance appropriation. Regarding Expenditure Assumptions (1) Continuation of core services; (2) Savings strategies with a focus on workload metrics; (3) Expenditure increases expected for fuel, law enforcement, LGERS; and (4) No change in employee compensation and City health care contribution.

Regarding compensation and benefits (1) Compensation to remain at current levels during FY 11-12; and (2) Blue Ribbon Task Force recommendations presented to City Council February 22, 2011 (a) Operate a sustainable Health Care Program that provides access, quality and cost-effective medical care; (b) General Fund contribution to health care fund remain flat (i) Necessitates increases to premiums, co-payments and co-insurance; (c) Expansion of Employee Health Clinic; (d) Implementation of Wellness Program with incentives; and (3) Consideration of continuation of retiree health care coverage for future hires.

Regarding medical plan design changes (1) Plan Design Changes (a) Wellness program implementation with incentive to participate; (b) Three plan options (HRA, Basic & Enhanced); (c) Increase in employee premium costs on average of 30%; (d) Increase in member out of pocket costs (co-payments & deductibles); (e) Preventive services covered at 100%; (f) Expanded capabilities of Health Services with no fee for service; and (g) Domestic Partner Benefits extended; and (2) Wellness Program Participation (a) Health Risk Assessment and Biometric screenings; (b) Non-tobacco affidavit or commit to participate in cessation program; and (c) Participate in initial one-on-one meeting with Health Services staff and regular follow up to ensure compliance with recommendations.

Regarding domestic partner benefits (1) Available during open enrollment for FY 11-12 plan year (a) Anticipated cost impact of around 1%; and (b) Prepared to offer for same-sex domestic partners as directed by City Council; and (2) Impact of IRS regulations (a) Employee paid premiums for coverage post-tax; (b) Income tax implications for value of employer subsidy for benefit; and (c) Restrictions on HRA and Flexible Spending reimbursements.

Ms. Bradley then talked about service delivery (1) East Asheville Community Center (a) Center available for scheduling community events and programming; (b) staffing shifted to other community centers; and (c) financial impact = \$80,000 in cost savings; (2) Transportation Demand Management Program (a) exploring alternatives for housing regional program (DOT regional plan and vision statement on hold); (b) currently funded 50/50 by State and City funds; and (c) financial impact = \$50,000 in cost savings.

Brush and leaf collection (1) brush collection (a) return to twice per month brush collection; and (b) financial impact = \$125,000 in expenditures; and (2) leaf collection (a) collect only bagged leaves (i) twice per month collection during leaf season; (ii) bags can be provided free of charge to households; (iii) improves efficiency of collection; and (iv) positive impact on street sweeping and water quality; and (b) financial impact = \$83,000 in cost savings.

Regarding Solid Waste & Recycling, the Waste Stream Reduction Program (1) Changes the way we collect solid waste and pay for it consistent with recommendations in the Sustainability Management Plan; (2) Introduces variable-sized garbage cans: 65-gallon and 95-gallon; (3) Introduces single stream recycling in 95-gallon carts; and (4) Cost of program enhancements is approximately \$1 Million; proposed solid waste fee structure designed to cover costs. She then reviewed the solid waste fee proposal for 65-gallon vs. 95-gallon and noted that staff is still working with the recycling provider to reduce the fee. This model is a change in service delivery.

Fees & Charges

Ms. Bradley then reviewed the fees & charges as follows: (1) Fire Inspection fees in the ETJ (a) Brings service up to full cost recovery by adding a 20% surcharge to inspections in the ETJ; and (b) \$25,000 anticipated in revenue; (2) Parking garage rates (a) Civic Center garage (i) Hourly: 50 cents to 75 cents; (ii) Monthly: \$70 to \$80; and (iii) Monthly discounted rates: \$35 to \$40; (b) Rankin and Wall Street garage special event rates (i) Special Events: \$6 to \$7; and (c) Downtown resident monthly parking discount: 60% of monthly fee; (Finance Committee was unanimously against this.) (3) Special event discount rate (a) In FY 10-11, City Council approved a 75% discount on permit fees for non-profits holding special events; (b) To date, 49 events have qualified - Value of fees waived is \$7,180; and (c) Some concerns have been raised about the use of space - Staff is recommending a cap to the fee waiver at six events per year per group; and (4) Domestic Partner Registry (a) Registry active by May 1; (b) City resident fee: \$75; and (c) Outside City resident fee: \$100.

Ms. Bradley said at Council's April 12 budget briefing she would review the enterprise funds, Capital Improvement Program and update Council on the outside agencies. The proposed budget presentation would be held on April 26, along with the budget public hearing on May 10 and final budget adoption on May 24.

After Ms. Bradley's presentation and throughout Council's discussion and direction, Ms. Bradley responded to various questions/comments/suggestions by Council (with those not readily available to be provided to Council). Some questions/comments/ suggestions consisted of, but are not limited to: does the re-opening of the Hillcrest Pedestrian Bridge merit the additional allocation of three police officers; options and trade-offs to compensate employees with a small increase in pay; data on what Mission Hospitals would charge if they ran our Health Care Clinic; future Finance Committee discussion regarding leveling the playing field so single employees do not subsidize married employees under our Health Plan; data requested about attrition rates for City employees over last three years; when will the Blue Ribbon Healthcare Task Force recommendations be voted on or are they already being built into the budget; is it possible to have a monthly leaf collection in addition to asking residents to call in for leaf collection; suggestion to go to every other week on garbage collection; suggestion for formal request for the Land-of-Sky to take over the Transportation Demand Management Program since it is regional; comment that changes to the East Asheville Community Center sends a wrong message just to save \$8,000; what is the term of payback by the vendor for capital costs regarding the single stream recycling; suggestion to see a greater incentive for people to have smaller recycling cans; is it possible of scanning the garbage can bar codes and bill the property owners based on how many pick-ups; suggestion to use some Energy Block Grant funds or interns to find creative ways to run our recycling program; note that if we offer enough recycling options, more people will begin to recycle saving us tipping fees and extend the life of the landfill; opportunity to partner with Buncombe County for reduction in waste stream to the landfill; data on amount of solid waste

reduction citywide per year; can people purchase the 95-gallon containers themselves; interest in seeing options for different fees for different cans; any idea how many City employees would use the domestic partner benefits; is the domestic partner benefit application fee true cost recovery; request to have a quarterly report of the workload for the City Clerk's Office administering the Domestic Partner Registry; will the proposed annexation laws affect the fire inspection fees proposed; and any thoughts to go up incrementally on parking garage fees.

Due to timing, Ms. Bradley was unable to complete her presentation on the fees and charges regarding Water Rate Study. City Manager Jackson said that staff would re-work Council's budget briefing schedule to possibly include another briefing.

At 4:40 p.m., Councilman Davis (in the absence of Mayor Bellamy and Vice-Mayor Newman) adjourned the budget briefing.

Tuesday – March 22, 2011 - 5:00 p.m.

Regular Meeting

Present: Mayor Terry M. Bellamy, Presiding (excused from meeting at 7:10 p.m.); Vice-Mayor Brownie W. Newman; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilwoman Esther E. Manheimer (arrived in meeting at 5:06 p.m.); Councilman William A. Russell Jr.; Councilman Gordon D. Smith; City Manager Gary W. Jackson; City Attorney Robert W. Oast Jr.; and City Clerk Magdalen Burleson

Absent: None

PLEDGE OF ALLEGIANCE

Mayor Bellamy led City Council in the Pledge of Allegiance.

INVOCATION

Councilman Russell asked for a moment of silence for those who have suffered in the natural disasters.

I. PROCLAMATIONS:

A. RECOGNITION OF RONALD PAULUS, MD, MBA, PRESIDENT AND CEO OF MISSION HEALTH SYSTEM

Mayor Bellamy was pleased to recognize Dr. Ronald Paulus, President and CEO of Mission Health System since September of 2010. Dr. Paulus was pleased to be a part of Asheville and looked forward to continuing to work with the City, County and region.

B. PROCLAMATION PROCLAIMING MARCH 22, 2011, AS "CIVITAN INTERNATIONAL DAY"

Mayor Bellamy read the proclamation proclaiming March 22, 2011, as "Civitan International Day" in the City of Asheville. She presented the proclamation to Mr. Calvin Remmers, President of the Asheville Civitan Club, who briefed City Council on some activities taking place during the month.

C. PROCLAMATION PROCLAIMING MARCH 25, 2011, AS "GREEK INDEPENDENCE DAY"

Mayor Bellamy read the proclamation proclaiming March 25, 2011, as "Greek Independence Day" in the City of Asheville. She presented the proclamation to Mr. Andy Apostolopoulos, Chair of the Karpenisi Committee of Asheville Sister Cities Inc., who thanked City Council for their support and announced their upcoming events. He presented Mayor Bellamy with a gift of flowers.

D. PROCLAMATION PROCLAIMING APRIL 10-16, 2011, AS "CRIME VICTIM RIGHTS WEEK"

Mayor Bellamy read the proclamation proclaiming April 10-16, 2011, as "Crime Victim Rights Week" in the City of Asheville. She presented the proclamation to Ms. Lori Gerber, MS, Founder of Center for New Beginnings, who briefed City Council on some activities taking place during the week.

II. CONSENT AGENDA:

Mayor Bellamy read a resolution in memory of Katherine M. Davis, Councilwoman Davis' mother. On behalf of City Council, she expressed Council's deepest sympathy. She asked that the resolution be added to the Consent Agenda.

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON MARCH 8, 2011

B. RESOLUTION NO. 11-54 - RESOLUTION AMENDING POLICY GOVERNING CITY COUNCIL APPOINTMENTS

Summary: The consideration of a resolution amending the policy governing City Council appointments.

There has been some confusion regarding when the various boards and commissions should cancel their meetings due to inclement weather. On January 25, 2011, the Boards & Commissions Committee discussed this issue and is recommending the policy be amended to include a new section as follows:

"Inclement Weather

If the Asheville City Schools are cancelled, then any board/commission meeting scheduled for that day will be cancelled.

The chairman of the board/commission will have the discretion of cancelling a meeting in the event of safety concerns when the Asheville City Schools have delayed starts"

In addition, a second amendment was recommended by the Committee that "The Boards & Commissions Committee may request that a member in good standing be allowed to serve out their term should they become a non-city resident."

Staff recommends City Council adopt the two amendments to the policy governing City Council appointments.

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C. RESOLUTION NO. 55 - RESOLUTION OF INTENT TO CLOSE AN ALLEY OFF MADISON STREET AND SETTING A PUBLIC HEARING FOR APRIL 26, 2011

Summary: The consideration of a resolution of intent to permanently close an alley off of Madison Street and to set the public hearing on April 26, 2011.

N. C. Gen. Stat. sec 160A-299 grants cities the authority to permanently close streets and alleys.

Pursuant to this statute, adjacent property owners, Andy Brokmeyer, Millagro LLC and Scott Blake, Blake Holdings LLC have requested the City of Asheville to permanently close an alley off of Madison Street.

The Greenway Commission met on March 10, 2010, and unanimously approved the closure.

This closure allows maximum land use potential for further development complying with the Asheville City Development Plan, Land Use.

Pros:

- There will be no future compromise of ingress/egress to other property
- The closure would allow for more efficient use of the existing adjacent properties

Con:

- None

There will be no fiscal impact related to this closure.

City staff recommends City Council adopt the resolution of intent to permanently close Cooper Boulevard and to set the public hearing on April 26, 2011.

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D. RESOLUTION NO. 11-56 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR STATE MATCH TO PURCHASE TWO DIESEL-ELECTRIC HYBRID AND TWO DIESEL BUSES

ORDINANCE NO. 3952 - BUDGET AMENDMENT TO PURCHASE BUSES

Summary: The consideration of a resolution authorizing the City Manager to enter into an Interlocal Agreement with the N.C. Dept. of Transportation (NCDOT) in the amount of \$199,938 as State match to purchase two diesel-electric hybrid and two diesel buses to replace four of the existing 1996 diesel buses; and a budget amendment in the amount of \$1,999,376, 10% of which will come from the City's Transit Capital Fund, to purchase these buses.

City staff is in the process of acquiring four new buses for the transit fleet. Part of the effort was to pursue 10% State match for the capital expenditure. Staff applied with the NCDOT and the funds were granted.

The new buses will replace four of the 1996 diesel buses that have already reached their useful life. This is part of the City staff's effort to replace eleven of the remaining 1996 buses. The aging fleet is still operative; however the 1996 buses have begun presenting the problems attributable to age, engine repairs and other parts increasing the maintenance costs. To date, five of the sixteen buses have been replaced with diesel-electric hybrid buses.

The City is in the process to develop the specifications to bid this project, since it was unable to find any contract that will satisfy City's and Federal Transit Administration requirements. The estimated timeframe for completion is 18 months.

The estimated cost of this project is \$1,999,376. The City is funding this project using section 5309 of the Federal Transit Administration which provides eighty percent (80%) for capital projects or \$1,599,500. The City will provide 10% or \$199,938 and with this Interlocal Agreement the State will contribute the additional 10%.

This action complies with the current City Council's Strategic Operating Plan by helping to achieve short-term and long-term energy goals and reducing city carbon emissions, helping to establish a multi-modal transportation plan by making transit system improvements, and helping to fully leverage funding for transportation improvements. This action also complies with the capital improvement recommendations included in the Transit Master Plan that was accepted by the City Council on October 27, 2009.

The Transit Commission supports the subject action.

Pros:

- The subject allocations would enable the City to continue replacing its aged transit system fleet which would produce savings in maintenance and fuel costs.
- The subject action would help reduce the City's carbon emissions.
- The Federal Transit Administration (FTA) would fund 80% of the subject project cost.
- The North Carolina Department of Transportation (NCDOT) would fund 10% of the subject project cost.
- The City of Asheville's local match has been identified and would not require any additional allocation of funds.

Con:

- The City is required to fund 10% (\$199,938) of the subject project cost.

The project cost will be \$1,999,376, with 80% of this total to be paid by federal funds - FTA section 5309; 10% or \$199,938 by the City and 10% or \$199,938 by the State. The City funding of \$199,938 will be appropriated from the Transit Capital Reserves. After this appropriation, there will be approximately \$50,000 remaining in the Transit Capital Reserves.

City staff recommends City Council (1) authorize the City Manager to enter into an Interlocal Agreement with the North Carolina Department of Transportation in the amount of \$199,938 as State match to purchase four buses, two diesel-electric hybrid and two diesel buses to replace four 1996 diesel buses; and (2) adopt the budget amendment, in the amount of \$1,999,376, 10% of which will come from the Transit Capital reserve funds, to purchase these buses

**RESOLUTION BOOK NO. 33 – PAGE 372
ORDINANCE BOOK NO. 26 – PAGE 460**

E. RESOLUTION NO. 11-57 - RESOLUTION ADOPTING THE 2007 LOCAL WATER SUPPLY PLAN

Summary: The consideration of a resolution adopting the 2007 Local Water Supply Plan.

Every year, the Water Resources Department is required to complete a Local Water Supply Plan (LWSP) update. On February 22, 2011, the N.C. Dept. of Environment and Natural Resources (NCDENR) issued a letter stating that the department's 2007 LWSP is complete and must be adopted by the water system's governing board. The LWSP contains a variety of information about the City of Asheville's water system, including:

- The distribution system (i.e. types/sizes of water lines);
- Water conservation programs;

- Water use (i.e. number of metered connections and average use by customer type);
- Water sales to wholesale customers;
- Monthly withdrawals from reservoirs;
- Surface water sources (i.e. locations and average monthly withdrawals);
- Wastewater discharge by the Metropolitan Sewerage District (MSD);
- Present and projected population;
- Present and future water supplies; and
- Other relevant information as NCDENR may require.

In order for the 2007 LWSP to be compliant with N.C.G.S. 143-335(l), City Council must formally adopt the plan. Once NCDENR reviews and approves the 2008, 2009, and 2010 plans, they will also have to be adopted by City Council.

This project is part of City Council's strategic plans to remain compliant with State regulations.

Pro:

- Adoption of the 2007 LWSP will ensure compliance with N.C.G.S. 143-355(l).

Con:

- If the 2007 LWSP is not adopted, then the City will not be compliant with N.C.G.S. 143-355(l) and may be issued a Notice of Violation from NCDENR.

There is no fiscal impact.

City staff recommends City Council adopt the 2007 Local Water Supply Plan.

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F. RESOLUTION NO. 11-58 - RESOLUTION AMENDING THE MEMBERSHIP OF THE SUSTAINABLE ADVISORY COMMITTEE ON ENERGY & THE ENVIRONMENT TO ADD AN EX-OFFICIO NON-VOTING MEMBER FOR THE ELECTRIC POWER UTILITY SERVING THE CITY OF ASHEVILLE

Summary: The consideration of a resolution amending the membership of the Sustainable Advisory Committee on Energy & the Environment (SACEE).

At the March 8, 2011, Boards & Commissions Committee meeting, they reviewed a request by SACEE for an additional voting seat on their Committee. After discussion, it was the consensus of the Boards & Commissions Committee to leave membership composition as established on September 26, 2006 as is, and add one ex-officio non-voting member for the electric power utility serving the City of Asheville.

Staff recommends City Council amend the membership of the Sustainable Advisory Committee on Energy & the Environment to add one ex-officio non-voting member for the electric power utility serving the City of Asheville.

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G. ORDINANCE NO. 3953 - BUDGET AMENDMENT FOR A PLAYGROUND AT THE WNC NATURE CENTER

Summary: The consideration of budget amendment, in the amount of \$60,000, for a playground at the WNC Nature Center.

The City of Asheville in the Parks, Recreation & Cultural Arts Department has received a contribution from the Friends of the WNC Nature Center, Inc. to support the design and installation of a playground at the WNC Nature Center.

The action complies with the City Council 2010-2011 Strategic Plan Goal of fiscal responsibility of exploring alternative for enhancing the city's long-term financial commitment to master plan implementation, infrastructure maintenance, capital improvements, and public facilities. The action also complies with the Parks, Recreation, Cultural Arts & Greenways Master Plan in that it increases department funding with alternative funding and ensuring a high level of service in parks and facilities by addressing capital maintenance of existing parks and facilities to meet community standards.

Pros:

- Provides additional funds to support capital improvements at the Nature Center;
- Provides funds to enhance special projects and services to Nature Center visitors.

Con:

- None

A project budget authorizing one-time improvements to design and construct the playground will be established with approval of this budget amendment. The project budget will authorize expenditures up to \$60,000. These expenditures will be fully funded with a donation from the Friends of the Nature Center in the amount of \$60,000 that has been received; thus, there is no net fiscal impact to the City's operating budget.

City staff recommends City Council to adopt a budget amendment authorizing the City Manager to increase the budget for funds received from the Friends of the Nature Center in the amount of \$60,000 to support design and installation of a playground at the WNC Nature Center.

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H. RESOLUTION NO. 11-59 - RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY OF ASHEVILLE, A FEDERAL AVIATION ADMINISTRATION GRANT AGREEMENT FOR TERMINAL RENOVATION REIMBURSEMENT

Summary: The consideration of a resolution authorizing the Mayor to approve a Grant Offer from the Federal Aviation Administration (FAA) in the amount of \$514,193.

The FAA has offered a grant agreement to the Asheville Regional Airport. This grant, in the amount of \$514,139 is for Terminal Renovation reimbursement.

Staff recommends adoption of the resolution authorizing the Mayor to execute the grant agreement for Project No. 3-37-0005-039-2011.

RESOLUTION BOOK NO. 33 – PAGE 380

I. MOTION ADOPTING THE BUDGET PLANNING CALENDAR FOR FISCAL YEAR 2011-12

J. RESOLUTION NO. 11-60 - RESOLUTION AUTHORIZING SUPPORT AND TO SERVE AS THE GOVERNMENT PARTNER IN THE ASHEVILLE ART MUSEUM'S GRANT APPLICATION TO THE NATIONAL ENDOWMENT FOR THE ARTS TO FUND THE DESIGN DEVELOPMENT PHASE OF THE ASHEVILLE ART MUSEUM CAPITAL EXPANSION PLAN

Summary: The City of Asheville has a long history of outstanding collaborations and partnerships with the Asheville Art Museum, and has supported the capital expansion plan since its inception. There is a grant opportunity via the National Endowment for the Arts – Our Town Grant designed to support an art organization in its efforts to support creative place making projects that contribute to the livability of a community. If invited to submit a formal application, the Asheville Art Museum will apply for \$250,000 to support the cost associated with the design development phase of the Asheville Art Museum capital expansion plan.

At its meeting on March 14, 2011, the City of Asheville Recreation Advisory Board made its recommendation to Asheville City Council to support and serve as the government partner in the Asheville Art Museum’s formal application to the National Endowment for the Art’s – Our Town Grant proposal;

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K. RESOLUTION NO. 11-64 – RESOLUTION IN MEMORY OF KATHERINE M. DAVIS

RESOLUTION BOOK NO. 33 – PAGE 407

Mayor Bellamy asked for public comments on any item on the Consent Agenda, but received none.

Mayor Bellamy said that members of Council have been previously furnished with a copy of the resolutions and ordinances on the Consent Agenda and they would not be read.

Councilman Russell moved for the adoption of the Consent Agenda. This motion was seconded by Councilman Bothwell and carried unanimously.

III. PRESENTATIONS & REPORTS:

A. EAST END/VALLEY STREET NEIGHBORHOOD VISIONING PROJECT

Ms. Carmen Ramos-Kennedy, representing the East End Neighborhood Association, was pleased to present Council with the “East End/Valley Street Neighborhood Visioning Project.” The overview of the project is that in the spring of 2010, the City jointed with the re-vitalized East End/Valley Street Neighborhood Association to plan and conduct a neighborhood visioning process. Members of the neighborhood came together earlier in the year to recreate a sense of community and to ensure that they have a voice in any future development of the area.

The overall goal of the Visioning process was to involve a diverse group of members of the East End/Valley Street neighborhood in the process of developing a shared vision for the future of their neighborhood. More specific goals for the process were (1) fostering relationships between neighborhood members through facilitated discussions; and (2) developing a clearer and more focused plan of work for the Neighborhood Association.

The effort was a collaborative process that involved Bill and Marianna Bailey, two local community members with extensive background in facilitating neighborhood and community development, as facilitators, City staff as process facilitators and members of the Neighborhood Association’s newly formed Steering Committee. The Project took place over four Thursdays evenings in May and June. Approximately 35 members were involved in the process.

The Neighborhood Visioning Project resulted in the identification of 4 goal areas (1) strengthen the Association and inspire community participation; (2) record the stories and history of the East End/Valley Street Neighborhood; (3) promote activities for East End/Valley Street neighborhood; and (4) develop an East End Land Use Plan.

Since completion of the East End/Valley Street Visioning Project, the East End/Valley Street Neighborhood Association has moved forward with appointing four teams to guide the implementation of the neighborhood vision and future activities of the Neighborhood Association. The four teams are East End Neighborhood, Historic Preservation, Martin Luther King Park and Land Use. They have also elected new officers and begun work on implementing their identified goals.

On behalf of City Council, Mayor Bellamy thanked Ms. Ramos-Kennedy and the East End/Valley Street Neighborhood Association on this worthwhile project.

In response to Councilman Bothwell, Mayor Bellamy said that conversations are in process about renaming South Charlotte Street back to Valley Street.

Councilman Russell moved to accept the report and requested staff to advise Council on plan implementation. This motion was seconded by Councilman Davis and carried unanimously.

IV. PUBLIC HEARINGS:

- A. CONTINUATION OF A PUBLIC HEARING TO CONSIDER A CONDITIONAL ZONING REQUEST FOR INGLES MARKETS INC. LOCATED AT 153 SMOKY PARK HIGHWAY FROM HIGHWAY BUSINESS DISTRICT TO HIGHWAY BUSINESS DISTRICT/CONDITIONAL ZONING FOR THE DEVELOPMENT OF A NEW 105,175 SQUARE FOOT GROCERY STORE WITH ASSOCIATED CAR WASH, GAS STATION AND 32,060 SQUARE FEET OF ADDITIONAL RETAIL SPACE AND A SIGNAGE PLAN**

ORDINANCE NO. 3954 - ORDINANCE TO CONDITIONALLY ZONE INGLES MARKETS INC. LOCATED AT 153 SMOKY PARK HIGHWAY FROM HIGHWAY BUSINESS DISTRICT TO HIGHWAY BUSINESS DISTRICT/CONDITIONAL ZONING FOR THE DEVELOPMENT OF A NEW 105,175 SQUARE FOOT GROCERY STORE WITH ASSOCIATED CAR WASH, GAS STATION AND 32,060 SQUARE FEET OF ADDITIONAL RETAIL SPACE

ORDINANCE NO. 3955- ORDINANCE ADOPTING A SIGNAGE PLAN FOR INGLES MARKETS INC. LOCATED AT 153 SMOKY PARK HIGHWAY

Mayor Bellamy said the public hearings (which were combined into one hearing) were held on February 22, 2011, and continued to this date to see if the applicant would agree to the conditions incorporated into the motion. The continuance would also allow staff to meet with Ingles representatives and hopefully come to some agreement.

Urban Planner Nate Pennington said that on February 22, 2011, City Council held a public hearing on a conditional zoning request from Ingles Markets, Inc. to consider a site plan for the redevelopment of the Ingles property located at 153 Smoky Park Highway. A large number of modifications to the UDO (Unified Development Ordinance) (many related to parking lot landscaping) were being sought by the applicant. While the public hearing was held on February 22nd, the item was ultimately continued to in order to give time for the Ingles representatives to work with City staff in reducing the number of modification requests to bring the site plan in further compliance with the UDO. Since the time of the February 22nd meeting, Ingles has submitted a revised site plan for Council consideration. All items related to parking lot landscaping have now been satisfied. The following list provides an outline of the current status of the original modification requests related to the revised site plan. The only remaining request (not supported by staff) is related to vehicular canopy lighting, and no changes have been made to that request by Ingles representatives.

1. *Retaining Walls* – Section 7-10-5 of the UDO requires that foreground landscaping or attached vegetative screening be required for any retaining wall sections over 20 feet in height regardless of location relative to a public or private street. **No changes to this modification request are being proposed and staff supports this request.**
2. *Off-Street Parking* – Section 7-11-2(c)(1) of the UDO requires a minimum number of off-street parking spaces based on land use. The Ingles shopping center development requires a total of 846 spaces. 718 spaces are provided resulting in a deficiency of 128 spaces or approximately 15% of the required total. **The deficiency in parking spaces has increased by 14 spaces from the original site plan due to the addition of the interior pedestrian island. Staff supports this modification request.**
3. *Parking Lot Landscaping* – Section 7-11-2(d)(4)c. of the UDO requires that when more than four trees are required in a parking lot with interior rows, 50% of the trees and shrubs must be planted in islands or medians located within the parking lot. The required amount of trees to be planted in islands and medians throughout this shopping center is 115 trees. **This modification request is no longer necessary as the required number of trees have been adequately distributed throughout the parking lot.**
4. *Parking Lot Landscaping* – Section 7-11-3(d)(4)d. of the UDO requires that when more than four bays of parking are proposed, an interior island with an average width of 20 feet and a length equivalent to the length of the parking bay is required. **This modification request is no longer necessary and the requirement for the installation of an interior island has been met.**
5. *Parking Lot Landscaping* – Section 7-11-3(d)(4)h. of the UDO requires that each parking space be located within 60 feet of a tree as measured from the trunk of the tree to the closest point of the parking space. **This modification request is no longer necessary. All proposed parking spaces are within 60 feet of a tree.**
6. *Open Space* – Section 7-11-4(c) of the UDO requires that 15% of lot area be reserved for open space for developments that primarily include suburban open space amenities. **The applicant has elected to pay a fee in lieu of the deficient amount of required open space and therefore this modification request is no longer necessary.**
7. *Outdoor Lighting for Vehicular Canopies* – Section 7-11-10(k)(1) of the UDO requires that areas under a vehicular canopy have an average illuminance of 20 maintained footcandles. The applicant is requesting an average of 80 maintained footcandles or 400% increase although the submitted photometric site plan indicates an average of 57.9 maintained footcandles which equates to a 289.5% increase. **This modification request is still requested as originally submitted, and staff's non-support for this item remains unchanged.**

Staff has conducted an informal lighting survey of other stations and canopies. The majority of the sites surveyed, outside of the existing Ingles sites, were found to comply with the 20 Footcandle average.

8. *Big Box Required Standard #1* – Appendix 7-F of the UDO requires that if less than 25% of the parking is located to the side or rear of the building, then the parking area is to be buffered from the street with a 50-foot landscaped buffer that incorporates 150% of the plantings called for in a Class "B" buffer and includes a berm or wall with a minimum height of 42 inches. The applicant is requesting the elimination of this requirement due to the existing development on the site. **No changes to this modification request are being proposed and staff supports this request.**

9. *Big Box Required Standard #1* – Appendix 7-F of the UDO requires that outparcels shall meet the design standards set forth in this section and shall not incorporate drive through facilities. The applicant is seeking to have this requirement eliminated. **No changes to this modification request are being proposed and staff supports this request.**

Mayor Bellamy noted that at this continued public hearing, Council would take further comment on new information only related to the parking lot landscaping requirements and the outdoor lighting issue. However, since the parking lot landscaping requirements have been satisfied by the applicant, public comment would only be taken on the remaining issue of the outdoor lighting variance request.

City Attorney reminded Council that since this is a conditional zoning, any conditions must be agreed to by the applicant and the Council.

Mayor Bellamy opened the public hearing at 5:32 p.m. for both the conditional zoning issue and the signage plan issue.

Mr. Preston Kendall, Project Manager for Ingles Markets, said their prototype gas canopies are 100 footcandles, but have looked at what they felt they could do as far as customer safety is concerned and reduced their request to 60 footcandles. He showed pictures of Ingles canopies, noting they don't have light trespass or glare. He said that he went to over 40 convenient stores/gas stations and couldn't find a one in the City that met the lighting ordinance standard. The biggest reason they request the 60 footcandles is for safety. At night their gas stations are still open for credit and debit cards and their customers come first to them. Ingles canopies had special features that keep light from glaring out the sides, noting that Ingles stores have many energy-saving measures. He urged Council to consider their variance request of 60 footcandles for customer safety.

Mr. Gene Ellison, attorney representing Ingles Markets, felt that because the fuel center is located 115 feet from Smoky Park Highway, the light will not be illuminated onto Smoky Park Highway. He felt this is truly a safety issue. He hoped City Council would consider their variance request to 60 footcandles.

The following individuals urged City Council to uphold the City's lighting ordinance of 20 footcandles (which standard comes from an Illuminating Engineering Society of North Carolina recommendation), for various reasons, mostly regarding the negatively impacting the night sky by light pollution and night blindness:

Mr. Brian Dennison, local astronomer
 Mr. Alan Ditmore, Leicester resident
 Mr. Bernard Arghiere, East Asheville resident
 Mr. Bill Roskind
 Mr. Steve Rasmussen (also opposed to variances regarding signage plan)
 Mr. Fred English, Haw Creek resident
 East Asheville resident
 Ms. Laura Piraino, Asheville resident
 Mr. Mike Lewis

Mr. Ben Pace, member of the Enka Candler Business Association, supported Ingles variance request for 60 footcandles as more light increases safety.

Mayor Bellamy closed the combined public hearing at 6:08 p.m.

Councilman Bothwell felt there is no hardship shown on any of the variances requested and could not support any variance request.

In response to Vice-Mayor Newman, Assistant Director of Planning & Development Shannon Tuch, explained how the City came up with the standard that areas under a vehicular canopy have an average illuminance of 20 maintained footcandles. She noted that the common standard across the country is between 20-24 footcandles and the 20 footcandle standard is from national organization (Illuminating Engineering Society of North Carolina).

In response to Vice-Mayor Newman, City Attorney Oast said that a consensus on the ordinance does not have to be reached at this meeting. However, he felt that the ordinance could not be final or implemented until agreement is reached and there is some agreement reflected on the record. He felt that Council can adopt an ordinance with conditions, subject to Ingles either agreeing or not agreeing at some later meeting.

Vice-Mayor Newman moved to adopt an ordinance for the conditional zoning of the project identified as Ingles Markets, Inc., located at 153 Smoky Park Highway from Highway Business District to Highway Business District/Conditional Zoning to allow for the development of a new 105,175 square foot grocery store with associated car wash, gas station and 32,060 square feet of additional retail space, and approval of the modification requests only supported by City staff (not the outdoor lighting for vehicular canopies modification), subject to (A) Ingles agreeing to meet the City's standards regarding the outdoor lighting for vehicular canopies; and (B) to following conditions: (1) The project shall comply with all conditions outlined in the TRC staff report; (2) All site lighting must comply with the City's Lighting Ordinance and be equipped with full cut-off fixtures (including wall packs) and directed away from adjoining properties and streets. A detailed lighting plan will be required upon submittal of detailed plans to be reviewed by the Technical Review Committee; (3) All existing vegetation that is to be preserved must be clearly indicated and dimensioned on the site, landscape and grading plans; (4) The building design, construction materials and orientation on site must comply with the conceptual site plan and building elevations presented with this application. Any deviation from these plans may result in reconsideration of the project by the reviewing boards; (5) This project will undergo final review by the TRC prior to issuance of any required permits; (6) A lot recombination of both subject parcels must be completed before zoning permit issuance; (7) Existing trail connecting the Old Starnes Cove Road neighborhood to the Ingles store will be required to clearly delineate surface with a pervious material such as mulch or gravel; (8) Façade enhancements to the existing shops within the center are required to be completed within 5 years of the Conditional Use Permit approval and shall be architecturally compatible in color and shall incorporate design elements in common with the Ingles structure; (9) Future development of outparcels shall adhere to the design standards outlined in the Façade Renovation addendum provided by the applicant to ensure compatibility with the overall design of the structures within the development; and (10) that the City's standards be met regarding the outdoor lighting for vehicular canopies outlined above by City staff. This motion was seconded by Councilman Smith.

Ms. Tuch responded to various questions/comments from Council, some being, but are not limited to: is there a measurement difference in light trespass between LED footcandles vs. other footcandles; request to go through the lighting survey conducted by City staff; what is the lighting standard for parking lots; and would it be easy to retrofit a vehicular canopy should the standards be higher.

Vice-Mayor Newman, as all of Council, felt that this is a good project and hopes it moves forward; however, he felt it was important for Council to stand by its standards. The developer has presented no evidence to show how this is a unique project that warrants variance from this standard. He would be open, though, to have a larger conversation if it's felt we need a different city-wide standard.

Mayor Bellamy also was open to reviewing the city-wide standard regarding the outdoor lighting for vehicular canopies. She felt some may not understand that Council is only discussing the light under the canopy, not the entire parking lot. She also felt we that the Smoky Park Highway corridor might benefit from more light.

Councilman Smith did not want to set any precedent for one company in town. He felt the 20 footcandle provides adequate safety lighting. He, too, would be open to revisiting the standard regarding the outdoor lighting for vehicular canopies.

Councilwoman Manheimer felt Council may, in the future, wish to revisit the conditional zoning process with regard to limiting Council's ability to completely waive the entire variance vs. only a percentage of the variance.

The motion made by Vice-Mayor Newman and seconded by Councilman Smith carried on a 5-2 vote, with Mayor Bellamy and Councilman Davis voting "no."

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Vice-Mayor Newman moved for the adoption of Ordinance No. 3955, with the following conditions: (1) All signs shall meet the HB zoning district setbacks, the site distance triangle requirements and all applicable building code requirements; (2) Window films shall be limited to image displays only; films that incorporate any form of commercial advertisement or trademark must be counted towards the development's signage requirements which are not included in this application; (3) Any changes to the signage included in this plan may require a new review by City Council; and (4) All signs shall comply with the proposed standards and no exceptions or variances are permitted. This motion was seconded by Councilman Russell.

Vice-Mayor Newman felt that the sign ordinance is an arena where a certain degree flexibility is very beneficial to the public. In particular for larger developments we have seen a number of different sign plans developed that are individually tailored for that project that are clearly superior the outcome we would get if we simply stayed with our generic ordinance.

Councilman Bothwell understood about improving the design, but he felt the intent is to curb signs and gradually make our community more attractive. He would like liked Ingles to design their signs that would fit within our sign ordinance.

Mayor Bellamy felt that we need to tailor our community to how we want to grow, recognizing we can make modifications. We have better products due to the conditional zoning tool.

Councilman Smith felt variances should be site specific with evidence of hardship.

The motion made by Vice-Mayor Newman and seconded by Councilman Russell carried on a 5-2 vote with Councilman Bothwell and Councilman Smith voting "no."

City Attorney Oast said that he didn't think we ever had a situation where there was a failure to reach mutual agreement on one condition in a conditional zoning, and the ordinance adopted was subject to that agreement. The way he proposed to implement this is that he will prepare the ordinance in draft form, but unless and until an agreement is entered on the record in the minutes, by letter or personal appearance by Ingles representatives, the ordinance will not be finalized and recorded.

Mr. Ellison said that he has been given authority to agree to all conditions imposed by City Council, including the standard for outdoor lighting for vehicular canopies. He looked forward to proceeding on this project and appreciated the opportunity to be heard.

Councilman Russell thanked Ingles on working with City staff to satisfy the initial variances.

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B. PUBLIC HEARING TO CONSIDER CLOSING COOPER BOULEVARD

RESOLUTION NO. 11-61 - RESOLUTION PERMANENTLY CLOSING COOPER BOULEVARD

Assistant Public Works Director David Foster said that this is the consideration of a resolution to permanently close Cooper Boulevard. This public hearing was advertised on January 28, February 4, February 11 and February 18, 2011.

Mayor Bellamy opened the public hearing at 6:54 p.m.

N. C. Gen. Stat. sec 160A-299 grants cities the authority to permanently close streets and alleys.

Pursuant to this statute, adjacent property owner Ingles Market Inc., represented by Preston Kendall, Real Estate Property Manager, has requested the City of Asheville to permanently close Cooper Boulevard.

The Greenway Commission considered the application for the permanent closure of Cooper Boulevard on January 13, 2011. Attention was focused on the existing dirt walking trail in the rear of the property connecting Old Starnes Cove Road to the rear of the existing Ingles store. The Commission, after some discussion, made the following motion unanimously approving the request for the permanent closure of Cooper Boulevard: "City staff shall research the feasibility of a permanent, multi-use, maintained trail connecting the neighborhood to the new Ingles Market development, and for the Planning & Zoning Commission and City Council to consider that research in their approval of the street closure and zoning modifications." After staff research with our Building Safety Department, it was determined that since the trail with a paved path on the back of the property, they recommended leaving it informal.

There is an existing waterline that accesses up Cooper Boulevard and the Water Department's recommendation was to retain a 20-foot wide permanent easement for maintenance and operation of water lines. However, staff understands that Ingles plans to remove the waterline. If they are not able to remove or relocate the line, then we will retain the easement.

This closure allows maximum land use potential for further development complying with the Asheville City Development Plan, Land Use.

Pros:

- There will be no future compromise of ingress/egress to other property
- The closure would allow for more efficient use of the existing adjacent properties

Con:

- None

City staff recommends City Council adopt the resolution to permanently close Cooper Boulevard.

Mr. Preston Kendall, representing Ingles Markets, stated that in order to proceed with their project they have to close the road. He said they own both sides and the end of Cooper Road.

Mayor Bellamy closed the public hearing at 6:55 p.m.

Mayor Bellamy said that members of Council have previously received a copy of the resolution and it would not be read.

Councilwoman Manheimer moved for the adoption of Resolution No. 11-61. This motion was seconded by Councilman Bothwell and carried unanimously.

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C. PUBLIC HEARING TO CONSIDER AMENDMENT TO CHAPTER 7 OF THE UNIFIED DEVELOPMENT ORDINANCE TO MODIFY PARKING REQUIREMENTS FOR PROJECTS IN A DESIGNATED AREA FOCUSED ON THE RIVER ARTS DISTRICT BUT EXTENDING BEYOND THE INCLUDE NEARBY PROPERTIES

ORDINANCE NO. 3956 – ORDINANCE AMENDING CHAPTER 7 OF THE UNIFIED DEVELOPMENT ORDINANCE TO MODIFY PARKING REQUIREMENTS FOR PROJECTS IN A DESIGNATED AREA FOCUSED ON THE RIVER ARTS DISTRICT BUT EXTENDING BEYOND THE INCLUDE NEARBY PROPERTIES

Mayor Bellamy opened the public hearing at 6:58 p.m.

Planning & Development Director Judy Daniel said that this is the consideration of an ordinance amending the Unified Development Ordinance (UDO) to modify parking requirements for projects in a designated area focused on the River Arts District but extending beyond to include nearby properties. This public hearing was advertised on March 11 and 18, 2011.

Since the adoption of the Wilma Dykeman Riverway Master Plan (WDRMP) by City Council in 2004, there has been substantial redevelopment and business expansion in the area focused around the River Arts District. Much of this business investment has centered on developing artist studios and galleries, eating and drinking establishments, office uses, and residential uses. The growth of these types of businesses has led to increasing problems with parking, an on-going challenge to individual developers as they struggle to provide sufficient parking on their own parcels for their proposed developments. The challenge is particularly difficult for the smaller lots supporting independent, entrepreneurial businesses.

While developers have struggled to locate sufficient off-street parking there is also a recognition that there appears to be sufficient parking overall throughout the district, although much of it informal and unpermitted. This parking appears to more than accommodate the need for parking in the area for the time being. The staff therefore believes that reducing the off-street parking requirements is a potential solution for one of the primary challenges to adaptively reusing buildings in the area for new businesses. We believe that the change will help stimulate additional redevelopment and investment in this area, an important goal indentified in the WDRMP and the 2025 Master Plan that has become an even higher priority during the economic downturn of the past few years.

This wording amendment proposes a reduction to off-street parking requirements as a means to reduce redevelopment challenges and facilitate the implementation of the City Council adopted Wilma Dykeman Riverway Master Plan and elements of the 2025 Master Plan. The specific proposal is to reduce the requirements for off-street parking on a sliding scale basis depending on the scale of the development in an area defined by a map. The proposed area to be included in that map was reviewed by members of the Asheville Area Riverfront Redevelopment Commission (AARRC) and the River District Design Review Committee (RDDRC) at a joint meeting on February 21, 2011. For the purposes of this report, the area designated on the map is referred to as “River Parking Reduction Area”.

Precedent for reductions in parking: There are a number of examples where parking requirements have been relaxed in the UDO and these have typically been considered based on the specific zoning districts. For example, properties in the Urban Place District and the Neighborhood Corridor District are allowed a 50% reduction in off-street parking requirements. These districts anticipate a mixed-use development pattern with multi-modal transportation options (wider sidewalks, on-street parking, etc) provided through the district. Other zoning districts, such as the River District, support a wider variety of development patterns but also offer a 20% reduction in off-street parking requirements. The area surrounding the riverfront redevelopment area, while not unified by a common underlying zoning, includes the same goals for a mixed-use district meeting this intent as described and illustrated in the WDRMP. The proposed reduction is not a dramatic increase over reductions already available to most of the properties in those areas.

Another example of a parking reduction is included in the UDO for residential development within one half mile of the downtown Central Business District where developments are not required to provide off-street parking for their developments. In addition, the Central Business District (CBD) has an off-street parking waiver for the entire district. The CBD is a district that identifies as a goal a development pattern that supports multi-modal transportation and pedestrian access. The City of Asheville has been proactive in developing a full range of parking solutions including structured parking, surface parking and on-street to serve patrons of downtown. In some cases the on-street parking is provided by meter and in other areas is reserved by monthly permit. Balancing out this public investment in parking infrastructure are the individual private investors who provide on-site parking when possible, based on market demand. One of the direct benefits of this parking exemption in downtown has been the redevelopment and reuse of smaller properties.

Long-term considerations: The long range vision for the River district areas is consistent with other multi-modal and urban development areas of the City and it is expected that the River district areas would similarly benefit from a reduction in off-street parking requirements. The need for an ordinance like this represents a positive change in the riverfront area because it is born out of business successes in the district. The district has grown in the number of studios and now many studios and other businesses are open year-round, not just during the twice yearly studio strolls. Parking will be an on-going concern in the district and certain strategies will have to be identified and implemented to provide long-term solutions. As this evolves there may also need to be City involvement in finding or managing parking areas for use by the district. The downtown area is an example of the success that City support for parking can bring to a district. Parking options are an on-going consideration in downtown that now includes surface parking, parking garages and on-street parking options.

The Planning and Zoning Commission voted 6-0 to recommend approval at their March 2nd meeting. The River District Design Review Committee and the Asheville Area Riverfront Redevelopment Commission also reviewed the proposed amendment and recommend approval of the changes. Members of the RDDRC working jointly with members of the AARRC provided direction on the scope of the amendment and developed the map titled 'River Parking Reduction Area'. City staff also supports the amendment. Both the RDDRC and the AARRC also recommend that staff continue to monitor the situation, with the assistance and input of the AARRC and the RDDRC for a period of 2-5 years, and return with a report to the Council and additional recommendations as needed.

Pros:

- Provides a reasonable reduction in individual parking requirements
- Encourages the continued redevelopment and expansion among existing properties in the district
- Recognizes the importance of informal parking arrangements, shared parking and on-street parking
- Encourages parking and walking to destinations in the district

- Assigns reductions on a sliding scale to support smaller buildings, properties, and projects

Cons:

- On-street parking is sometimes concentrated on streets that have reached or exceeded their capacity
- Access to informal parking is not guaranteed
- This proposed amendment has limitations to solving the parking challenge in the district long-term
- The amendment points to the need for the City of Asheville to participate in providing a parking solution

There is no direct fiscal impact to the city from this short-term strategy. Other long range or more permanent strategies may require financial resources and will be carefully considered at a later time.

City staff recommends City Council adopt the wording amendment.

Mr. Alan Ditmore felt the ordinance amendment does not go far enough to relax parking requirements.

Mayor Bellamy closed the public hearing at 7:05 p.m.

Councilman Davis said that there are a lot of things happening in that area and a reduction in the parking requirements will facilitate those activities. He noted that the City owns a fair amount of land in the River District and there may be some opportunity to create some surface parking.

Vice-Mayor Newman felt the riverfront area is not as built out as downtown (where there is no requirement for parking), but it has a lot of the same qualities. He felt this is a positive step, but encouraged staff to go further in this direction and to look for creative ways to provide community parking to serve the whole area. He felt that in pedestrian oriented areas to place a minimum requirement to set aside a certain number of parking spaces on each individual property is an inefficient use of land.

Councilman Smith agreed with Vice-Mayor Newman and noted the River District Design Review Committee unanimously approved this as well.

Councilman Bothwell agreed that we should look at other opportunities to reduce parking requirements, but it seems to him that in places where parking is appropriately priced, private entities would build a parking facility.

Mayor Bellamy said that members of Council have previously received a copy of the ordinance and it would not be read.

Councilman Davis moved for the adoption of Ordinance No. 3956. This motion was seconded by Councilman Russell and carried unanimously.

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Closed Session

At 7:10 p.m., Councilman Smith moved to go into closed session for the following reasons: (1) To consult with an attorney employed by the City about matters with respect to which the attorney-client privilege between the City and its attorney must be preserved, including

litigation involving the following: State of North Carolina vs. Lisa Roth. The statutory authorization is N.C. Gen. Stat. sec. 143-318.11(a)(3); and (2) To prevent disclosure of information that is privileged and confidential, pursuant to the laws of North Carolina, or not considered a public record within the meaning of Chapter 132 of the General Statutes. The law that makes the information privileged and confidential is N.C.G.S. 143-318.10(e). The statutory authorization is contained in N.C.G.S. 143-318.11(a)(1). This motion was seconded by Councilman Russell and carried unanimously.

Councilman Russell moved to excuse Mayor Bellamy from the remainder of the meeting. This motion was seconded by Councilman Davis and carried unanimously.

At 7:34 p.m., Councilman Russell moved to come out of closed session. This motion was seconded by Councilman Davis and carried unanimously.

V. UNFINISHED BUSINESS:

A. RESOLUTION NO. 11-62 - RESOLUTION AUTHORIZING A PURCHASING AND CONTRACTING POLICY FOR THE CITY OF ASHEVILLE THAT AUTHORIZES THE CITY MANAGER TO EXECUTE CONTRACTS AND AWARD BIDS

Director of Administrative Services Lauren Bradley said that this is the consideration of a resolution adopting a revised purchasing and contracting policy for the City of Asheville.

During the last several months, in response to economic conditions and a continued need to identify operational efficiencies, staff has worked to identify changes to the City of Asheville's purchasing and contracting policies and procedures. The goals of these changes include:

- Improving the clarity, efficiency, and effectiveness of purchasing and contracting procedures (adding value to the process while reducing costs);
- Making it easier for businesses – especially small businesses – to work with the City of Asheville, and;
- Evaluating affordable opportunities to extend the Living Wage provision to city contracts without impacting the opportunity for small businesses or minority-owned businesses to work with the City.

While most of the changes are administrative in nature, two changes require City Council approval, which include:

- (1) Adjusting the contracting authority threshold for department directors and the city manager to better align with other thresholds defined by NC General Statute, and;
- (2) Incorporating a Living Wage provision to the terms and conditions of General Service contracts with a value of more than \$30,000 but less than \$90,000.

(1) Contract Authority

North Carolina public contracting statutes establish dollar thresholds associated with informal and formal bid requirements. Informal bids are permitted for construction and repair contracts as well as the purchase of apparatus, supplies, materials and equipment from \$30,000 up to the formal limit. Formal bids are required for the purchase of apparatus, supplies, materials and equipment at \$90,000 and above. Based on these thresholds, the City of Asheville has established contracting and purchasing requirements and procedures for all city employees.

North Carolina law provides that a city's governing board has the authority to contract on behalf of the municipality. The governing board may delegate its authority to others within the

organization, such as the city manager. The City of Asheville has maintained a City policy that explicitly delegates the authority to contract on behalf of the City to the city manager and department directors based on dollar thresholds. The current thresholds for contracting authority are:

- Department Director – Below \$25,000
- City Manager – Below \$100,000 for construction/repair; below \$50,000 all others
- City Council – \$100,000 and above for construction/repair; above \$50,000 all others

Because the City’s dollar thresholds for contracting authority do not currently align with the dollar thresholds established by North Carolina public contracting statutes, Asheville maintains an additional set of forms, processes, and procedures to accommodate the various levels of approval authority and statutory requirements, which complicates the processing of transactions. As a result, staff is recommending that the City of Asheville’s thresholds for contacting authority be adjusted to better align with statutory thresholds. The recommended thresholds for contracting authority are:

- Department Director – Below \$30,000
- City Manager – Below \$100,000 for construction/repair; below \$90,000 all others
- City Council – \$100,000 and above for construction/repair; above \$90,000 all others

By making this adjustment, the City will gain efficiencies in training staff and processing transactions. Likewise, staff expects this adjustment to decrease the time it takes to process transactions by approximately 25-50%.

(2) Living Wage Provision

In 2007, Asheville City Council approved a living wage for city employees of \$10.86 per hour without health insurance and \$9.50 per hour with health insurance for all full-time and part-time employees. Since 2007, the Asheville/Buncombe Living Wage as provided by Just Economic has increased to \$11.35/hour for full or part-time employees without employer provided health insurance and \$9.85/hour for full and part-time workers with employer provided health insurance. The City of Asheville currently meets this living wage for full-time employees, and staff anticipates recommending Council adopt the revised living wage for full-time City employees for FY 2011-12.

In 2007, Just Economics also asked City Council to consider incorporating a living wage provision into its contracting requirements with vendors. Staff has researched the options for extending the living wage to vendors who do business with the City of Asheville. Based on that work, staff would recommend a phased approach for implementing a living wage requirement on city contracts for General Services. General Services is the only area of contacting not governed by the general statutes of North Carolina and therefore lends itself to additional provisions by the governing body. It is the area of contracting where other North Carolina cities and counties have implemented the living wage.

A phased approach would allow for review of the effects of the living wage provisions on contracting before the next increase in the amount is raised during the budget cycle period. The phases of this approach are summarized in the table below:

Tiers	Fiscal Year	Initial Living Wage	Contracting Threshold	City Council Review of Impact & Approval of Next Increase

1	FY11	11.35 without benefits 9.85 with benefits	\$30,000-\$90,000	April 2011
2	FY12	11.35 without benefits 9.85 with benefits	\$30,000-\$90,000	April 2012
3	FY13	11.35 without benefits 9.85 with benefits	Consider increase above \$90,000	April 2013

As part of the City's revised Purchasing and Contracting Policy, staff would recommend incorporating a living wage provision for General Service contracts within the \$30,000-\$90,000 threshold. The requirement would be included as part of the standard terms and conditions for these contracts. If a complaint is filed and substantiated against a vendor for non-compliance, the contract would be terminated.

Staff would regularly monitor and provide quarterly updates on the impacts of the living wage provision to the Finance Committee.

The revised policy was considered by the City Council Finance Committee at its meeting on March 15, 2011. The committee was unanimous in its support for adjusting the contract authority thresholds recommended by staff. The committee voted 2-1 in support of the living wage provision.

Pros:

- Changes will significantly improve the efficiency of the City's contracting and purchasing processes, saving City and vendor resources.
- The policy makes it considerably easier to work with local businesses on Small Procurement and General Services transactions.
- Introduces checks-and-balances for transactions by formalizing an audit procedure.

Cons:

- Administration of the living wage provision can be complicated for a vendor that otherwise does not pay a living wage but is required to for City contracts.
- There may be a cost associated with the living wage provision for the City, although research has shown that it is typically minimal. The City will be responsible for paying the living wage associated with a contract, not the vendor.

Staff anticipates that the changes to the purchasing and contracting policy will result in significant efficiencies in staff time and resources. The changes will also improve the ease and efficiency of the process for vendors, cutting down the time to process transactions by approximately 25-50%.

While the living wage provision in the General Services category may have a fiscal impact for the City, research has shown that cost implications are typically minimal and less than 1%. The phase-in approach recommended by staff is intended to provide the opportunity to continually monitor and evaluate any cost impact associated with the change.

Staff recommends proceeding with the changes to policy described above.

At Councilman Russell's request, it was the consensus of Council that the changes be broken down into two parts – one for adjusting the contracting authority thresholds and one for incorporating a living wage provision.

The following individuals spoke in support of incorporating the Living Wage provision as outlined by City staff:

Ms. Vicki Meath, Director of Just Economics
 Mr. Craig White, on behalf of the Center for Participatory Change
 Ms. Bella Jackson, volunteer with Just Economics
 Mr. Mark Hubbard, part-time employee at Just Economics
 Mr. Greg Borum, Children's First Communities & Schools of Buncombe County
 Mr. James Sheeler, Asheville resident
 Ms. Jameson, member of Just Economic

Mr. Alan Ditmore felt Americorps would have a hard time with their mission, which is to try to employ everyone, if they had to pay more per person.

Ms. Leslie Kulba said that the money to pay the living wage will have to come from somewhere – the taxpayers.

In response to Councilman Russell, Ms. Bradley explained that if the contractor is going to put out a bid for work, the contractor would build into the cost what it would cost to pay the living wage for their employees who are working under our contract. It would be a part of the cost to provide the service.

When Councilman Russell asked about the number of city contracts in this range, Ms. Bradley said that staff has been trying to identify contracts in this range that might be affected by this provision. There are many contracts that fall within this threshold in terms of general services, but trying to figure out who might not be paying a living wage currently that has a contract with the City and what might the financial be is ongoing. We do not collect that data from employers now. We do, however, feel that there are a couple that may be affected, i.e., security contract, mowing contract. Those types of services might be affected by a living wage provision.

In response to Councilman Russell, Ms. Bradley said that if the City receives a complaint by an employee of a vendor who would fall under this provision (as any other terms and conditions of a contract) and the City substantiates that complaint, it will be grounds for termination of the agreement.

Councilman Russell supports paying a living wage and was pleased the City does that for their employees. In addition, he does appreciate Just Economics' work. However, from the economic standpoint of a supply-and-demand labor pool and free economics, he could not support the motion.

In response to Councilman Bothwell, Ms. Bradley said this applies to future contracts only and is not retroactive.

Councilwoman Manheimer said that if a living wage is a requirement of the bid, it's a level playing field for all vendors.

Councilman Bothwell said that on the local level when we use taxpayer money to bid down the cost of labor in the City we are doing a disservice to all of the workers in the City.

In response to Vice-Mayor Newman, Ms. Bradley said staff recommends implementing this living wage provision for one year and Council receive a quarterly report. This would be reviewed annually with the budget process.

At the request of Vice-Mayor Newman, Councilman Bothwell and Councilwoman Manheimer accepted the friendly amendment that this living wage provision be reviewed annually and receive quarterly reports.

At the request of Vice-Mayor Newman, Councilman Bothwell and Councilwoman Manheimer accepted another friendly amendment that staff include an analysis of including an index for annual inflation in our living wage number.

Councilman Russell moved to adopt the change adjusting the contracting authority threshold for department directors and the city manager to better align with other thresholds defined by NC General Statute. This motion was seconded by Councilman Bothwell and carried unanimously (Mayor Bellamy being excused).

Councilman Bothwell moved to adopt the change incorporating Living Wage provision to the terms and conditions of General Service contracts with a value of more than \$30,000 but less than \$90,000, and that the living wage provision be reviewed annually, Council receive quarterly reports, and staff include an analysis of including an index for annual inflation in our living wage number. This motion was seconded by Councilwoman Manheimer carried on a 4-2 vote, with Councilman Davis and Councilman Russell voting "no" (Mayor Bellamy excused).

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B. INTERIM REPORT ON THE MILLS RIVER WATERSHED PROTECTION PROPOSAL

City Manager Jackson said that there has been a series of meetings involving Asheville and Hendersonville city staff to review the 2002 Mills River Watershed Management Plan, which includes in-depth recommendations and a scope of work to be conducted in terms of protecting this valuable watershed. Staff has concluded at this point that there is a role for the City and have begun looking at best practices and trying to define what that role would be. But there are recommendations that have to do with land conservation, acquisition of land, agriculture extension services, stormwater regulations, etc. Trying to find that appropriate role, when there is an expectation of investment from the water rate-payers, is what we have been striving for and we are trying to partner with Hendersonville and their staff to come up with a recommendation. Mayor Bellamy is also in the process of convening a meeting of Hendersonville, Mills River and Asheville Mayors, managers and utility directors.

We have also received an update that on March 2, the ad hoc committee met and several committees were created. They have postponed taking final action on forming the 501 (c) (3).

He will keep Council updated.

C. RESOLUTION NO. 11-63 - RESOLUTION OPPOSING CUTS TO THE UNIVERSITY OF NORTH CAROLINA SYSTEM OR THE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM BY THE NC GENERAL ASSEMBLY

City Attorney Oast said that Council adopted its legislative agenda on January 25, 2011. The North Carolina General Assembly convened for the 2011 regular session on January 26, 2011. By letter dated February 21, 2011, the City transmitted its legislative agenda and supporting materials to the local delegation.

The deadlines for submitting local bills to bill drafting have passed. The deadline for introduction of local bills has passed in the Senate. The deadline for introduction of local bills in the House is March 30, 2011. The deadline for submitting public or general bills to bill drafting is March 24 in the House, and March 25 in the Senate. The deadline for introduction of public bills is April 6 in the House, and April 12 in the Senate.

I. Asheville Requests:

The status of the specific requests made by Asheville is reported below:

A. Woodfin/Asheville Boundary Adjustment. This is the proposal to reconfigure Asheville's and Woodfin's corporate boundary lines in the area of the UNC-A. This issue has come up several times before. Last year, at the request of the Woodfin, this proposal was modified to include an adjustment on Merrimon Avenue to accommodate a proposed roundabout at the entrance to the Reynolds Mountain Subdivision, where Asheville and Woodfin have a shared boundary. Merrimon Avenue is a State road in this area, and the work on the roundabout is to be performed by the Department of Transportation. At that time, information regarding the proposed location of the boundary in the roundabout area was not complete, so the proposal was delayed and not acted on. We have been contacted by bill drafting staff, who have advised that no bill will be introduced until the information required for the boundary line in the roundabout area is complete. We have not yet received the information needed, and it appears that this proposal is stalled for another year. We will continue to work with Woodfin and the Department of Transportation to obtain the necessary information, and be ready to proceed when it is supplied.

B. Clarification of Video Service Competition Act. As Council is probably aware, "municipal broadband" is an issue that is receiving much attention in this legislative session. When the City sought clarification last year of the status of municipal intranet facilities provided in connection with a local cable television franchise, it was done as part of a general law bill, rather than a local act. If our particular request is to come up again this year, it would likely again be a provision of a general law. So far, we are not aware of a legislative proposal to address this issue, but will monitor bills and revisions.

C. Clarify Recent Legislation Regarding Financing of Energy Improvements. As of the date of this report, we have seen no bill or other legislative proposal indicating that the revisions suggested last year by the School of Government and the State Treasurer's office to clarify local authority to finance energy improvements through a property assessment program will be addressed. If a bill is introduced, it would likely take the form of a general law. We are checking with the School of Government for any progress on this issue.

D. Annexation Agreements. As of the date of this report, we are aware of no legislative proposals to enhance Asheville's ability to use voluntary annexation. As reported below, there are some bills that have been introduced to limit annexations by North Carolina cities in general, and Asheville in particular.

II. Other Legislative Matters:

A. State-wide Energy Efficiency Program. By separate resolution, Council requested that our delegation support legislation for a state-wide energy efficiency program, as proposed by the NC Save\$ Energy Alliance. According to a representative from the Alliance, Senator Nesbitt has taken an interest in this proposal, and may not only support such a bill, but may sponsor it. We have supplied him with copies of relevant material and have offered to assist with drafting and research.

B. Annexation. Attempts to limit City-initiated annexation continue. Bills have been introduced in both houses of the legislature to impose a moratorium on annexations until July 1, 2012, and to stay annexations in progress, including those that are in some stage of judicial review. This would affect the Biltmore Lake annexation. In addition, a bill has been introduced to repeal the Biltmore Lake annexation; this bill is similar in effect to bills that have been introduced regarding other cities in North Carolina. A bill has also been introduced to impose a five year moratorium on annexations by municipalities in Buncombe County. The League of Municipalities

is working on the state-wide, or general law, bill. Council is encouraged to contact members of our delegation regarding the local bills, and information is available to assist in that process.

C. Leicester Incorporation. Last week, a bill was introduced to incorporate the Town of Leicester. Several years ago, when a similar proposal was considered, the City Council expressed concern about the size of the area to be incorporated. We are advised that the new proposal is smaller. While a written description is now included in the bill, we need some visual representation of that area to make a sound comparison. The bill that has been introduced makes the incorporation subject to a referendum.

D. Municipal Broadband. On March 8, 2011, Council adopted a resolution opposing bills that would limit local government authority to provide fiber-optic service to residents and citizens. A copy of that resolution has been transmitted to our delegation. As Council knows, Asheville is under consideration by Google for a project that would make very high speed internet available in the area at affordable rates. This has obvious implications for economic development. The bills under consideration would compromise the City's ability to facilitate or participate in that project. We will make our delegation aware of how this bill potentially affects Asheville.

E. Other Bills of Interest. Bill numbers and a brief summary are provided below. Please advise if more information is needed on any bill. To our knowledge, these bills have not been adopted yet.

- HB 308 – Admission Ticket Reform Act. Possible implications for the Civic Center.
- HB 281 – ETJ Restrictions. Would allow residents in ETJ to run for municipal office and vote in municipal elections.
- HB 309 – Selective Vegetation Removal/State Highways. Would allow for removal of vegetation from right-of-way of State highways to enhance the visibility of roadside signs. Would also allow for digital billboards on State highways.
- SB 279 – Clarify definition of renewable energy resources to include wood.
- SB 281 – Municipal Service Districts. Allow the establishment of municipal service districts for the purpose of converting private streets to public streets.
- SB 291 – Catawba County/Local Bid Preference. Allows Catawba County to award contracts for public construction projects to local bidders under certain circumstances.
- SB 305 – Carrboro/Housing Discrimination. Allows Carrboro to adopt ordinances prohibiting housing discrimination on basis of sexual orientation, gender identification, or gender expression.
- HG 332 – Clarify Development Moratorium Authority. Provides that development moratoria are not permitted for the purpose of developing new or amended plans or ordinances.
- SB 315 – Roadside Campaign Signs. Allow political campaign signs in State highway right-of-way.

- SB 318 – Repeal Plastic Bag Ban in Coastal Areas. As title indicates; applies only to those coastal counties authorized to ban plastic bags.
- HB 349 – Promote Green Roofs on Buildings. Authorizes certain incentives, including relief from storm-water fees, for green roofs.

This report is provided for information purposes. If further information is needed, please let us know.

III. Resolution Opposing Cuts to the University of North Carolina System, or the North Carolina Community College System, by the NC General Assembly:

At the Mayor's request, a resolution has been prepared to oppose cuts to the university or community college system by the General Assembly. Cities that are locations for these institutions are being strongly encouraged by the North Carolina Metropolitan Mayors Coalition to consider resolutions in support of these institutions.

When Vice-Mayor Newman asked for public comments, none were received.

At the suggestion of Council members, City Attorney Oast said that he would provide Council with copies of the bills and/or more information regarding (1) SB 205 - Carrboro/Housing Discrimination, which allows Carrboro to adopt ordinances prohibiting housing discrimination on basis of sexual orientation, gender identification, or gender expression; (2) HB 349 – Promote Green Roofs on Buildings, which authorizes certain incentives, including relief from storm-water fees, for green roofs; and (3) HB 309 – Selective Vegetation Removal/State Highways, which would allow for removal of vegetation from right-of-way of State highways to enhance the visibility of roadside signs - would also allow for digital billboards on State highways.

Vice-Mayor Newman moved to oppose the bill that has been introduced to repeal the Biltmore Lake annexation (because the City has followed the rules) and express that sentiment to our legislators. This motion was seconded by Councilman Davis and carried on a 4-1 vote, with Councilman Russell voting "no" (Mayor Bellamy excused and Councilwoman Manheimer recused by general consent).

Vice-Mayor Newman said that members of Council have previously received a copy of the resolution and it would not be read.

Councilman Russell moved for the adoption of Resolution No. 11-63. This motion was seconded by Councilman Smith and carried unanimously (Mayor Bellamy excused).

RESOLUTION BOOK NO. 33 – PAGE 405

VI. NEW BUSINESS:

A. ORDINANCE NO. 3957 - BUDGET AMENDMENT TO FUND THE REPLACEMENT OF HVAC EQUIPMENT AT PACK PLACE EDUCATION, ARTS & SCIENCE CENTER

Director of Administrative Services Lauren Bradley said that this is the consideration of City funding and an associated budget amendment, in the amount of \$284,000, for the replacement of HVAC equipment at Pack Place Education, Arts & Science Center.

The Pack Place Board of Trustees has approached the City of Asheville to explore a funding partnership that would address a critical capital improvement need at Pack Place Education, Arts & Science Center. According to its Boards of Trustees, Pack Place is

immediately facing necessary replacement of HVAC equipment in order to continue operation. The Board has provided a report outlining the project details.

The total cost of the project is estimated to be \$284,000. The Board of Trustees anticipates that it could potentially allocate up to \$90,000 toward the project from its repair and reserve fund, which has a total balance of \$120,000. However, the Board has indicated that this allocation may limit its ability to cover future capital maintenance and repair needs. The repair and reserve fund is funded by interest earned from Pack Place's endowment.

The City of Asheville has a direct and long standing partnership with the Pack Place Education, Arts & Science Center. In the early 1980s, the City acquired the property on Pack Square formerly occupied by the Pack Memorial Library and the Plaza Theaters. In addition to the land, there are several easement and party wall agreements that are part of the package of real estate interest that comprise this property.

As part of a public/private partnership to redevelop this area, the City of Asheville funded the debt service that provided for the construction of Pack Place. City voters approved the issuance of \$3.0 million in general obligation (GO) debt for the Pack Place Education, Arts & Science Center on September 23, 1986. The debt was issued in December 1988 and combined with the issuance of \$5.4 million in street and sidewalk GO bonds that was also approved by the voters, bringing the total debt package to \$8.4 million. The loan term was 20 years at an interest rate of roughly 7.0%.

Around the same time in 1988, the City leased the property to the Pack Place Education, Arts & Science Center, a non-profit corporation. Pack Place renovated the old library and constructed new facilities on the old theater property and adjacent land using the City-issued debt. The City and Pack Place are co-owners of the improvements that were made pursuant to the lease.

In July 1993, the City took advantage of a lower interest rate environment to refinance several of its outstanding debt issuances, including the \$8.4 million that was issued in December 1988 for Pack Place and city infrastructure. The total debt package issued in 1993 was for \$11.5 million. The loan term was 15 years at an interest rate ranging from 4.0% to 4.8%. The final payment on this debt was made in fiscal year 2007-08 in the amount of approximately \$180,000.

Buncombe County provides an annual funding allocation for Pack Place operations. It is anticipated that the county's allocation for FY 10-11 will be around \$400,000. Pursuant to the original lease and subsequent lease renewals, Pack Place is responsible for all costs associated with the facility's capital maintenance.

Pack Place has been and continues to be one of the centerpieces of Asheville's revitalized downtown. The existence of Pack Place has been a catalyst for much of the redevelopment that has occurred in the surrounding area, bringing people to downtown, which in turn supports local businesses.

This item was considered by the City Council Finance Committee. The Committee voted unanimously to provide a capital contribution to Pack Place in the amount of \$284,000 to fully fund the HVAC replacement project, with funding coming from capital project savings that would otherwise be appropriated in the City's Fiscal Year 2010-11 Capital Improvement Program (CIP).

The action does not directly relate to City Council's annual strategic operating plan.

Pros:

- Addresses a critical capital need in an important cultural and civic institution that serves the public; if left unaddressed, facility closure may be needed during the summer months, which would have negative economic and community impacts.

Cons:

- Reduces the amount of capital project savings available for programming in the FY 2010-11 capital improvement program.

There is currently \$450,000 in capital project savings that staff has previously recommended building into the FY 10-11 capital improvement program (CIP). Fully funding the Pack Place HVAC project reduces the amount of capital project savings available for programming in the FY 2010-11 CIP by just over 60%. This funding would otherwise be used toward the City's pay-as-you-go capital programs like road resurfacing, facility maintenance, sidewalk maintenance and sidewalk construction.

Staff would recommend (1) that the City partner with Buncombe County to provide a capital contribution for the balance of project costs that Pack Place is unable to cover with its repair and reserve fund. Based on the memorandum provided by the Pack Place Board of Trustees, the City's share would be around \$100,000; and (2) that in the near future City Council consider and clarify the City's role in capital maintenance and improvements at the Pack Place Education, Arts & Science Center and then update the lease agreement to reflect any changes in the City responsibilities.

When Vice-Mayor Newman asked for public comments, none were received.

Councilman Russell moved to adopt a budget amendment, in the amount of \$284,000, to fully fund the HVAC replacement project, with funding coming from the capital project savings, due to the fact that the City is co-owner of the building and we have not made a contribution since fiscal year 2007-08. This motion was seconded by Councilman Bothwell.

Councilman Bothwell noted that the Art Museum has great plans for expansion and the HVAC project will not only be an immediate fix, but handle the expansion project as well.

Councilman Smith expressed concern about taking money from the CIP when Council has not seen a plan on how to address the other infrastructure needs. Director of Administrative Services Lauren Bradley responded that unfortunately staff has not talked with Council about staff's proposal of the CIP yet. It's about a \$17 Million CIP. She didn't want Council to feel that by taking some portion of this that we are hamstringing the CIP because Council will see at the next budget briefing that we have a solid CIP for next year. It will mean, though, that incremental amounts will have to be taken out of the categories that are already built.

Councilman Russell explained to Council why the Finance Committee supported allocating the entire 284,000 amount to fully fund the HVAC project.

Vice-Mayor Newman felt it was important that before any further funding requests are made that Council discuss the City's role in capital maintenance and improvements at the Pack Place Education, Arts & Science Center.

The motion made by Councilman Russell and seconded by Councilman Bothwell carried unanimously (Mayor Bellamy excused).

ORDINANCE BOOK NO. 26 – PAGE

B. CITY COUNCIL E-MAIL

Director of Information Technology Jonathan Feldman said that this is for Council consideration and discussion regarding available electronic mail options.

The following is background information and analysis on City Council's choices for the email system that they use. Staff stands ready to implement whatever is desired by City Council.

Option 1. Externally-provided email for Council members

- Not subject to City policy, including restrictions on political activity.
- Inexpensive or free.
- Difficult for City staff to archive or review.

As an enhancement to this option, it may be more user friendly to the public if the City offers a city "alias" for council members who do opt to continue to use their own email addresses. This alias would relay the email, so, for an account of "councilmember1@mail.com", citizens who sent an email to "councilmember1@ashevillenc.gov" would be relayed to the "councilmember1@mail.com" address. The council member would then reply from that address.

Option 2. City-provided email for Council members

- **Archiving:** Allows for an increased level of public accountability because of automated archiving; emails are retained in the archive for access by staff, even when deleted by a council member.
- **Policy:** Emails are subject to the City's email policy.
- **Campaigning:** It is staff's understanding that City resources may not be used for political campaigns, therefore this email account would not be able to be used for campaign activity.
- **External email and open records:** If City Council members use a separate account for political activity, that account is still subject to open records requests.

As little as \$50 per year; as much as \$350 per year, depending upon how many council members choose the City-provided email option.

City Council discussed the different options available and would advise City Manager Jackson which, if any, option they would like to have. City staff would then notify the public of the new e-mail address and, if City related, encourage the public to contact that member of Council at the new e-mail address.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Ms. Linda Pannullo spoke to Council about the deficit.

Mr. Alan Ditmore spoke to Council about municipal contraception funding.

The following claims were received by the City of Asheville during the period of February 4 – March 10, 2011: AT&T (Streets), Amy Underwood (Inspections), Iris Schneider (Police), PSNC (Water), AT&T (Water), Jean Penland (Streets), Elizabeth Cheesborough (Water), Richard Mire (Water), David W. Highsmith Jr. (Transit), Ward Griffin (Sanitation), Robert Gunter (Sanitation), Michelle Rumpfelt (Water) and Chris Glover (Water). These claims have been referred to Asheville Claims Corporation for investigation.

VIII. ADJOURNMENT:

Vice-Mayor Newman adjourned the meeting at 9:02 p.m.

CITY CLERK

MAYOR