

Tuesday – July 5, 2016 - 5:00 p.m.

Regular Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Gwen C. Wisler; Councilman Cecil Bothwell; Councilman Brian D. Haynes; Councilwoman Julie V. Mayfield; Councilman Gordon D. Smith; Councilman W. Keith Young; City Manager Gary W. Jackson; City Attorney Robin T. Currin; and City Clerk Magdalen Burleson

Absent: None

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

Mayor Manheimer said that regarding the officer-involved shooting this weekend, the City will place on their website homepage information regarding the on-going investigation, to include the Police Department Use of Force Police, the phone number of the State Bureau of Investigation to report information, and any City-issued press releases. This information will be available no later than tomorrow.

I. PROCLAMATIONS:

Mayor Manheimer read the following resolution: "WHEREAS, the I-26 and I-240 corridors are critical to local and regional residents, visitors, interstate travelers, and regional commerce; and WHEREAS, Alternatives 4 and 4B were the alternatives most strongly supported by the residents of Asheville and endorsed by City Council; WHEREAS, the selection of Alternate 4B selection will put the interstate on a new location from the Patton Avenue interchange across the French Broad River, just north of the Captain Jeff Bowen bridges, and connect with U.S. 19/23/70; and WHEREAS, the selection of Alternate 4B will return Patton Ave to a surface street, allowing the opportunity to create a new gateway into downtown and a truly urban, multi-modal boulevard with new, infill development – all of which will help Asheville grow sustainably and create opportunities for economic investment and development; and WHEREAS, this alternative has the least amount of impact on the Burton Street community and would provide the opportunity for a new connection from Hillcrest directly to Patton Ave; and WHEREAS, this decision will help ensure the project provides benefits to the residents of Asheville in addition to those travelling through our city; and WHEREAS, there are still improvements needed to make this project context and neighborhood sensitive and to ensure it aligns with the City of Asheville's strategic vision and goals, including making the footprint as small as possible, minimizing the noise and visual impacts on all Asheville neighborhoods and historic resources, designing new bridges that will contribute to Asheville's scenic beauty, including more bike/pedestrian facilities, and maintaining accessibility to and the scenic nature of the French Broad River as an amenity for residents and visitors. NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT: The City of Asheville is grateful to the North Carolina Department of Transportation and other state and federal agencies for responding to public input and selecting the Alternate 4B option in section B of the I-26 Connector project; and the City of Asheville looks forward to continuing the positive working relationship between the city's working group and NCDOT to address the remaining issues, and looks forward to positive decisions emerging from those discussions that will continue to improve the project for the residents of Asheville."

Mr. David Brown, Board of Transportation member representing Division 13, and Mr. Jay Swain, Division Engineer for Division 13, thanked City Council for this acknowledgement and will look forward to continuing to work with City staff and City Council.

Vice-Mayor Wisler moved for the adoption of Resolution No. 16-163. This motion was seconded by Councilwoman Mayfield and carried unanimously.

RESOLUTION BOOK NO. 38 - PAGE 108

II. CONSENT AGENDA:

- A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON JUNE 28, 2016**

- B. RESOLUTION NO. 16-164 - RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND A GENERAL SERVICES CONTRACT WITH BREKFORD INC. FOR UP TO AN ADDITIONAL TWO YEARS FOR PARKING CITATION MANAGEMENT SERVICES**

Summary: The consideration of a resolution authorizing the City Manager to amend a general services contract with Brekford, Inc. to extend the contract term for up to an additional two years and increase the contract amount by \$140,000, with the contract amount not to exceed \$70,000 per fiscal year, for parking citation management services.

In 2013, Brekford Corporation was selected to provide parking citation management services. The contract was authorized following a Request for Proposals (RFP) and interviews with multiple service providers. Brekford Corporation was chosen as the best platform to achieve the business goals. The contract with Brekford Inc. was for \$200,000, not to exceed three years, and expires on June 30, 2016. (See Resolution No. 13-62) Brekford Corporation provides numerous administrative functions previously accomplished in-house, including:

- Cloud based data and application that is not hosted by the City of Asheville,
- Offender look-ups from most U.S. states, territories, and District of Columbia plus most Canadian provinces,
- Credit/debit card and check payment processing sending money directly to City accounts,
- Collection actions,
- State of art citation writers with pictures and real time transmission of citations,
- On-line citation appeals system,
- Integration with the City's Financial system,
- Continual upgrading of citation writing and management platforms, e.g. integrating hand held computerized ticket writers with Passport Parking; our pay-by-cell system.

Brekford Corporation also provides the following consumer friendly functions:

- On-line payment of citations via credit/debit cards,
- On-line appeals.

Current performance of the contractor met or exceeded expectations. Information Technology and Transportation staff both believe the best platform for continuing parking system improvements, underway and envisioned, would be to extend the Brekford Corporation contract for an additional two years.

Pros:

- Continues with a well-tested and integrated citation management system that provides reliable service to staff and citizens alike.
- Continues a relationship with a firm that already has the technology and programs to expand parking operations in new areas, e.g. residential permit parking, if so directed by Council.

- Integrated with City's Financial system.
- Provides continuity in collection efforts for unpaid parking citations.

Con:

- Expenditures of up to \$70,000.00 per fiscal year.

The necessary funds are already budgeted in Parking Services' Operating Budget for FY 2016-17.

City staff recommends that City Council approve a resolution authorizing the City Manager to amend a general services contract with Brekford Inc., to extend the contract term for up to an additional two years and increase the contract amount by \$140,000 (not to exceed \$70,000 per fiscal year), for parking citation management services.

RESOLUTION BOOK NO. 38 - PAGE 109

C. RESOLUTION NO. 16-165 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT WITH CAVANAUGH & ASSOCIATES , P.A., FOR THE NON-REVENUE WATER PROGRAM PHASE II

Summary: The consideration of a resolution authorizing the City Manager to execute a professional engineering services supplemental agreement with Cavanaugh & Associates, P.A., for the Non-revenue Water (NRW) Program Phase II for the not-to-exceed amount of \$321,728.50.

The Water Resources Department (WRD) has been working with Will Jernigan at Cavanaugh & Associates, P.A., (Cavanaugh) since 2013 to provide feedback and guidance on reducing the WRD's Non-revenue Water (NRW). Mr. Jernigan is recognized nationally as a leader in Revenue Recovery and Water Auditing and has taught workshops, written technical papers, and helped to pioneer many of the standards adopted by the American Water Works Association (AWWA). More specifically to this project, Mr. Jernigan and other Cavanaugh staff have been the contracted engineers for the Pressure Optimization, Vault Renewals, and NRW Advanced Analytics Project Phase I. To date, Phase I has resulted in a 10% reduction in the department's NRW.

To further continue the effort to reduce NRW, the WRD desires to contract with Cavanaugh for the Non-Revenue Water Program Phase II. This will include three parts for: (1) a Pressure Optimization Analysis, (2) Vault Renewals, and (3) NRW Advanced Analytics. The Pressure Optimization Analysis Phase II for \$143,050.00 will focus on implementing optimization recommendations from Cavanaugh's 2015 analysis for the Haw Creek pressure zone and updating the Hydraulic Model. The Vault Renewals Phase II for \$100,325.00 will assist with data collection, design, bid package preparation, bid and construction administration for 10 additional vaults and associated piping/metering/appurtenances for large customer water service connections, including: Billy Graham Training Center, Gerber Road, Omni Grove Park Inn, Old Federal Building, Town of Biltmore Forest, Racquet Club Road, Haywood Park Hotel, Woodfin Water District, Southeastern Container, and Southern Concrete. The vaults identified for replacement are either too dangerous to enter and/or obsolete. The NRW Advanced Analytics Phase II for \$78,353.50 will include updating the WRD's Water Audit, calculating the current water loss, and provide recommendations to continue to reduce the department's NRW.

Through a Request for Qualifications (RFQ) process for engineering services, the City of Asheville (City) selected nine engineering firms to provide on-call professional services for General Projects. As one of the selected firms, a Master Agreement for On-Call Professional Services for General Projects was executed between Cavanaugh and the City on April 21, 2015.

approved, the proposed engineering services described herein will be developed into a Supplemental Agreement under the terms and conditions of the executed Master Agreement.

Pros:

- Continuation of this project will aid the department in reducing its non-revenue water rate, lower pressures in the Haw Creek area and help reduce background water leakage in the part of the system, update the Hydraulic Model, and replace unsafe and/or obsolete meter vaults.

Cons:

- The project will take approximately one year for completion, so project results will not be immediate.
- If the project is not continued into Phase II, then Haw Creek will continue to experience higher background water loss associated with high system pressure and large, unsafe/obsolete meter vaults will not be replaced.

The funding needed for this agreement will be funded from the Water Resources Fiscal Year 2016/17 Operating and Capital Improvement Projects (CIP) Funds.

Phase II	Fund	Budget	Amount Needed
Pressure Optimization Analysis	CIP	\$ 143,050.00	\$ 143,050.00
Vault Renewals*	CIP	500,000.00	100,325.00
NRW Advanced Analytics	Operating	78,353.50	78,353.50
Total Needed for Cavanaugh Contract			<u>\$ 321,728.50</u>

*The remaining budget in the Vault Renewals Capital Improvements Project will be used for the construction portion of the project.

Staff recommends City Council adopt a resolution authorizing the City Manager to execute a professional engineering services supplemental agreement with Cavanaugh & Associates, P.A., for the Non-revenue Water (NRW) Program Phase II for the not-to-exceed amount of \$321,728.50.

RESOLUTION BOOK NO. 38 - PAGE 110

D. MOTION (1) CANCELLING THE AUGUST 23, 2016, PUBLIC HEARING TO AMEND CHAPTER 7 OF THE CODE OF ORDINANCES TO ESTABLISH REQUIREMENTS FOR UTILITY SUBSTATIONS; AND (2) SETTING A PUBLIC HEARING TO AMEND CHAPTER 7 OF THE CODE OF ORDINANCES TO ESTABLISH REQUIREMENTS FOR UTILITY SUBSTATIONS ON AUGUST 9, 2016

E. GENERAL OBLIGATION BOND REFERENDUM

Summary: The consideration of adoption of resolutions authorizing staff to proceed with the necessary action to conduct a general obligation bond referendum on November 8, 2016.

The referendum includes \$32,000,000 of transportation bonds, \$17,000,000 of park improvement bonds, and \$25,000,000 of housing bonds. The statutory requirements for the legal process include applying to the Local Government Commission for approval, holding a public hearing on the proposed bond orders, setting of the special referendum, and certification of the results.

The current action is the first of four City Council actions. This first action will specifically authorize: (1) Publication of a notice of intent to apply to the Local Government Commission; (2) Application to the Local Government Commission, and (3) Certain statements of facts concerning the proposed bonds.

Next Steps:

- On July 26, 2016, the bond orders will be introduced, and the City Council will be asked to set a public hearing on the bond orders for August 9, 2016.
- On August 9, the City Council will be asked to hold a public hearing on each of the bond orders, approve the bond orders (including the form and language of the ballot), and set a special bond referendum.
- After November 8, the City Council will be asked to adopt a resolution certifying and declaring the results of the special bond referendum. This action will occur after the Buncombe County Board of Elections certifies the results of the vote.

This action furthers the City Council's strategic themes set forth in January, 2016, by providing funding to address transportation infrastructure needs, ensuring a high quality of life to the residents of the City of Asheville and addressing the City's affordable housing challenge.

Pros:

- Ensures City's compliance with North Carolina General Statutes that require local governments to adopt a balanced budget ordinance by July 1 of each year.
- General Fund Budget is balanced with no fund balance appropriation for ongoing operating expenses and all essential City services are continued.

Con:

- None.

A general obligation bond commits the full faith and credit of the City of Asheville to repayment of the bonded debt. Additional tax levy may be required to fund the debt service over the life of the bonds.

Staff recommends that Council adopt the resolutions authorizing staff to proceed with the necessary action to conduct a general obligation bond referendum on November 8, 2016.

Mr. Sidney Bach requested information on the estimated minimum and maximum property tax increases anticipated in order to service the debt; questioned the timeline for filing the application to the Local Government Commission; and questioned the use of public funds to assist private investment and investor-developers.

Director of Finance and Management Services Barbara Whitehorn said that outside bond counsel has set the timelines; however, she would verify the dates with them.

Mayor Manheimer also noted that this information has been furnished to City Council at their worksessions and as the process proceeds they will broadly broadcast that information.

RESOLUTION NO. 16-166 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHEVILLE DIRECTING THE PUBLICATION OF NOTICE AND INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS

WHEREAS, the City Council (the "*City Council*") of the City of Asheville, North Carolina (the "*City*") is considering the issuance of general obligation bonds of the City which shall be for the following purposes and in the following maximum amounts:

\$32,000,000 of bonds to provide funds to pay the capital costs of constructing, reconstructing, enlarging, extending and improving certain streets, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads, intersections, pedestrian and bicycle paths; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and traffic controls, signals and markers; acquiring, constructing, extending and improving greenways, providing related landscaping, retaining walls, storm drainage and any other necessary improvements; and the acquisition of land and rights-of-way in land required therefor;

\$25,000,000 of bonds to pay the capital costs of acquiring, constructing, developing, equipping and furnishing housing projects for the benefit of persons of low income, or moderate income, or low and moderate income, including without limitation loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income, and construction of infrastructure improvements related thereto and the acquisition of land and rights-of-way required therefor; and

\$17,000,000 of bonds to provide funds to pay the capital costs of infrastructure improvements for various parks and recreation facilities of the City, including the cost of related studies, plans and design, acquiring, constructing, reconstructing, improving, installing or providing storm drainage, grade and surface improvements, construction, reconstruction and improvements of recreation fields; construction, reconstruction and improvements of restroom facilities; sidewalks, bike paths and pedestrian trails; paving, resurfacing, grading or improving parking lots, roads and intersections, providing public open space, landscaping and lighting, and acquiring any necessary equipment, land, interests in land and rights-of-way therefor.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City Clerk is hereby directed to cause a copy of the "NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS" to be published in a newspaper of general circulation in the City on or about July 7, 2016.

RESOLUTION BOOK NO. 38 - PAGE 111

RESOLUTION NO. 16-167 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHEVILLE, NORTH CAROLINA, AUTHORIZING THE CHIEF FINANCIAL OFFICER TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE CITY'S PROPOSED GENERAL OBLIGATION BOND FINANCINGS AND TO SUBMIT SUCH APPLICATION TO THE LOCAL GOVERNMENT COMMISSION

WHEREAS, the City Council (the "*City Council*") of the City of Asheville, North Carolina (the "*City*") proposes to set a public hearing on the following Bond Orders entitled:

"BOND ORDER AUTHORIZING THE ISSUANCE OF \$32,000,000 GENERAL OBLIGATION TRANSPORTATION BONDS OF THE CITY OF ASHEVILLE, NORTH CAROLINA;"

"BOND ORDER AUTHORIZING THE ISSUANCE OF \$25,000,000 GENERAL OBLIGATION HOUSING BONDS OF THE CITY OF ASHEVILLE, NORTH CAROLINA;" and

"BOND ORDER AUTHORIZING THE ISSUANCE OF \$17,000,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF ASHEVILLE, NORTH CAROLINA;"

WHEREAS, it is necessary, as a condition to the consideration and adoption of the Bond Orders, to submit an Application to the Local Government Commission for Approval of the Bonds, all in the manner required by The Local Government Bond Act.

NOW, THEREFORE, be it resolved by the City Council that the Chief Financial Officer of the City is hereby directed to file with the Local Government Commission an application for its approval of the General Obligation Transportation Bonds, General Obligation Housing Bonds and General Obligation Parks and Recreation Bonds hereinbefore described, on a form prescribed by said Commission, and (1) to request in such application that said Commission approve the City's use of Parker Poe Adams & Bernstein LLP of Charlotte, North Carolina, as bond counsel for the City and (2) to state in such application such facts and to attach thereto such exhibits in regard to such General Obligation Transportation Bonds, General Obligation Housing Bonds and General Obligation Parks and Recreation Bonds and to the City and its financial condition, as may be required by said Commission.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

RESOLUTION BOOK NO. 38- PAGE 113

RESOLUTION NO. 16-168 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHEVILLE, NORTH CAROLINA, MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE

WHEREAS, the City Council (the "*City Council*") of the City of Asheville, North Carolina (the "*City*") is considering the issuance of bonds of the City which shall be for the following purposes and in the following maximum amount:

\$32,000,000 of bonds to provide funds to pay the capital costs of constructing, reconstructing, enlarging, extending and improving certain streets, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads, intersections, pedestrian and bicycle paths; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and traffic

controls, signals and markers; acquiring, constructing, extending and improving greenways, providing related landscaping, retaining walls, storm drainage and any other necessary improvements; and the acquisition of land and rights-of-way in land required therefor;

\$25,000,000 of bonds to pay the capital costs of acquiring, constructing, developing, equipping and furnishing housing projects for the benefit of persons of low income, or moderate income, or low and moderate income, including without limitation loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income, and construction of infrastructure improvements related thereto and the acquisition of land and rights-of-way required therefor; and

\$17,000,000 of bonds to provide funds to pay the capital costs of infrastructure improvements for various parks and recreation facilities of the City, including the cost of related studies, plans and design, acquiring, constructing, reconstructing, improving, installing or providing storm drainage, grade and surface improvements, construction, reconstruction and improvements of recreation fields; construction, reconstruction and improvements of restroom facilities; sidewalks, bike paths and pedestrian trails; paving, resurfacing, grading or improving parking lots, roads and intersections, providing public open space, landscaping and lighting, and acquiring any necessary equipment, land, interests in land and rights-of-way therefor.

WHEREAS, certain findings of fact by the City Council must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Section 159-52 the North Carolina General Statutes, as amended.

NOW, THEREFORE, BE IT RESOLVED that the City Council, meeting in open session on the 5th day of July, 2016, has made the following factual findings in regard to this matter:

A. *Facts Regarding Necessity of Proposed Financing.* The proposed bonds are necessary and expedient to pay (1) the capital costs of constructing, reconstructing, enlarging, extending and improving certain streets, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads, intersections, pedestrian and bicycle paths; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and traffic controls, signals and markers; acquiring, constructing, extending and improving greenways, providing related landscaping, retaining walls, storm drainage and any other necessary improvements; and the acquisition of land and rights-of-way in land required therefor, (2) the capital costs of acquiring, constructing, developing, equipping and furnishing housing projects for the benefit of persons of low income, or moderate income, or low and moderate income, including without limitation loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income, and construction of infrastructure improvements related thereto and the acquisition of land and rights-of-way required

therefor and (3) the capital costs of infrastructure improvements for various parks and recreation facilities of the City, including the cost of related studies, plans and design, acquiring, constructing, reconstructing, improving, installing or providing storm drainage, grade and surface improvements, construction, reconstruction and improvements of recreation fields; construction, reconstruction and improvements of restroom facilities; sidewalks, bike paths and pedestrian trails; paving, resurfacing, grading or improving parking lots, roads and intersections, providing public open space, landscaping and lighting, and acquiring any necessary equipment, land, interests in land and rights-of-way therefor.

B. *Facts Supporting the Amount of Bonds Proposed.* The sums estimated for these bonds are adequate and not excessive for the proposed purposes. Estimates for the proposed construction and improvements have been carefully analyzed and determined by persons knowledgeable about the construction and improvements.

C. *Past Debt Management Procedures and Policies.* The City's debt management procedures and policies are excellent and have been carried out in compliance with law. The City employs a Chief Financial Officer to oversee compliance with applicable laws relating to debt management. The City Council requires annual audits of City finances. In connection with these audits, compliance with laws is reviewed. The City is not in default in any of its debt service obligations. The City Attorney reviews all debt-related documents for compliance with laws.

D. *Past Budgetary and Fiscal Management Policies.* The City's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the City Council before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the City Council at regular City Council meetings. The Chief Financial Officer presents financial information to the City Council which shows budget to actual comparisons annually and otherwise as the City Manager deems necessary or as a member of the City Council may request.

E. *Increase in Taxes; Retirement of Debt.* The increase in taxes, if any, necessary to service the proposed debt will not be excessive. The schedule for issuance anticipates issuing all of the bonds in more than one series during the seven years following the adoption of the bond orders.

RESOLUTION BOOK NO. 38- PAGE 114

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

Mayor Manheimer 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.

After Mayor Manheimer specifically read the titles of the three bond resolutions, Councilman Bothwell moved for the adoption of the Consent Agenda. This motion was seconded by Councilman Young and carried unanimously.

III. PRESENTATIONS & REPORTS: None

IV. PUBLIC HEARINGS: None

V. UNFINISHED BUSINESS: None

VI. NEW BUSINESS: None

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 5:14 p.m.

CITY CLERK

MAYOR