

Tuesday – February 9, 2010 - 2:00 p.m.
Worksession

Present: Mayor Terry M. Bellamy, Presiding (excused from worksession at 4:04 p.m.); Vice-Mayor Brownie W. Newman; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilwoman Esther E. Manheimer; Councilman Gordon D. Smith; City Manager Gary W. Jackson; City Attorney Robert W. Oast Jr.; and City Clerk Magdalen Burleson

Absent: Councilman William A. Russell Jr. (illness)

CONTINUATION OF DISCUSSION REGARDING STRATEGIC PARTNERSHIPS

City Manager Gary Jackson said that City Council discussed the Financial Crossroads White Paper at its January 19 worksession. As follow-up and preparation for a continuation of this discussion at its February 9, 2010, worksession, he provided Council with the following requested specific background information from City staff to include:

- 1) Summary of local/state revenue options for the City of Asheville
- 2) Federal appropriations requests
- 3) Summary of Buncombe County/City of Asheville financial partnerships
- 4) Parks & Facilities 5-Year Capital Improvement Plan needs
- 5) Revenue generating ideas (city staff brainstorming ideas)

Federal Legislative Agenda

At the Jan. 19 City Council worksession, a request was made for staff to explore and provide information about City projects that could be submitted for Federal funding consideration. Since then, Congressman Heath Shuler's office has issued its appropriations request form for Fiscal Year 2011 and asked that submissions be returned to his office by Feb. 16. Similar processes are expected to begin with Senator Burr and Senator Hagan in the coming weeks.

In response to the Jan. 19 request, and in preparation for the federal appropriations process, staff has compiled for Council consideration a list of projects that could be submitted to Federal representatives. She provided council with a chart of the Appropriations Bill, Project Name, Description, Project Cost and Strategic Plan Alignment.

Project names and project costs consist of: Mills River Solar Farm Project - \$2 Million; Municipal Facilities Building Retrofits - \$1 Million; Water Transmission Main Replacement - \$7 Million; Radio Tower Infrastructure Project - \$1.4 Million; Emergency Response Team armored vehicle - \$303,000; Bulk Water Loaded Stations (Three Stations) - \$132,000; Water System Threat Assessment Update - \$100,000; Self-Contained Breathing Apparatus - \$250,000; North Asheville Fire Station - \$1 Million; Memorial Stadium - \$2 Million; Recreation Center at Livingston Street Park (GIFT Project) - \$4 Million; Asheville City Hall Restoration Project - \$3.5 Million; Municipal Water and Utility Maintenance Facility - \$10 Million; Obesity Management for Asheville Project Participants - \$120,000; On-site Clinic Expansion for Asheville Project Monitoring - \$250,000; Emergency Traffic Signal Preemption - \$495,000; Asheville Transit Bus Replacement (1 hybrid diesel electric bus) - \$600,000; Tunnel Road Sidewalk Project - Veteran's Walk - \$3 Million; and Riceville Road Sidewalk Project - Tunnel Road to Bull Mountain Road - \$700,000.

She ran this list past Congressman Shuler's office to get a feel of what the Congressman is interested in and the following are the projects most appealing: Mills River Solar Farm Project - \$2 Million; Municipal Facilities Building Retrofits - \$1 Million; Radio Tower Infrastructure Project - \$1.4 Million; Asheville City Hall Restoration Project - \$3.5 Million; Obesity Management for Asheville Project Participants - \$120,000; On-site Clinic Expansion for Asheville Project Monitoring - \$250,000; Emergency Traffic Signal Preemption - \$495,000; Asheville Transit Bus Replacement (1 hybrid diesel electric bus) - \$600,000.

Last year, the City of Asheville submitted appropriation requests for:

- Asheville-Buncombe Regional Emergency Training Facility (\$4,000,000): Buncombe County has moved forward with securing funding for this project to proceed.
- Asheville Transit Bus Replacement – Hybrid Buses (\$7,875,000): In FY2010, Asheville was successful in securing \$238,000 for Asheville Transit bus replacements with the assistance of Congressman Shuler. This was preceded by \$294,000 secured in FY2009.
- Emergency Signal Preemption (\$495,000): Asheville has not received funding for this request.

Municipal Building Retrofits and CNG Vehicle Conversions (\$1,749,000): Asheville did not receive funding for this request through the appropriations process. However, Asheville allocated Energy Efficiency and Conservation Block Grant (EECBG) funding for facility retrofits and has applied for another ARRA grant for CNG vehicle conversions.

Based on City Council's direction to submit projects, staff will proceed with developing full project proposals for submission by Feb. 16. These submissions would also be extended to Senator Burr and Senator Hagan.

Staff is seeking City Council's direction on identified projects as well as other projects Council would add to the list. She explained why she felt 3-5 proposals should be submitted.

Throughout discussion on the draft project list, staff responded to various questions/comments.

Mayor Bellamy suggested that in the future staff provide Council with a list of what our representatives have supported in the past in order to give Council an idea of what they might support.

Public Works Director Cathy Ball responded to Councilman Davis when he questioned if the Azalea Road Project would be a good project to add to this list.

Mayor Bellamy requested the project list include the funding of I-26 Connector and the realignment of the road along the river. These two projects will not only benefit Asheville and Buncombe County but our entire region. She also supported projects in the safe and homeland security areas as these seem to be the projects that have been traditionally funded.

After each Council member explained their thoughts on which projects should be submitted, it was the consensus of Council to mark their top five projects, have staff compile the votes and bring the total votes back to the formal meeting later in the day for approval. In addition, it was the consensus of Council to have staff prepare a cover letter, for the Mayor's signature, to send to our representatives attaching our federal appropriation list including language to (1) request for funding of the I-26 Connector; (2) realign of the road along the river; and (3) emphasis the importance of the Asheville City Hall Restoration Project.

Selected Revenue Options

Chief Financial Officer Ben Durant provided Council with the following selected revenue options:

Revenue Item	Estimate	Description
1 cent on Property Tax	\$1.0 million	The tax rate is set locally as part of adopting the annual operating budget.
Population-based Sales Tax Distribution formula	\$3.0 million	Sales taxes are currently distributed to Buncombe County and municipalities within the County based on an "ad-valorem" distribution method. If the alternative "population-based" distribution formula were used, the City would gain \$3.0 million in additional revenue per year. Buncombe County is authorized to select the distribution method.
Additional half-cent sales tax	\$3.2 million	General Assembly approval needed.
1% Hotel/Motel Tax	\$1.5 million	(He provided Benchmark Data on Occupancy Tax)
1% Food & Beverage Tax (City)	\$3.3 million	There are currently 4 counties and the Town of Hillsborough that levy a 1% prepared food & beverage tax. The counties are: Cumberland, Dare, Mecklenburg, & Wake. Staff compared the amount of revenue that each of these entities collects from this tax to their total retail sales and used that percentage to make an estimate of how much would be collected in the City of Asheville.

Revenue Item	Estimate	Description
Additional \$5 Motor Vehicle Fee	\$325,000	The City currently charges a \$10 motor vehicle fee, with \$5 earmarked for Transit. The City would need legislation to increase the vehicle tax, and it could only be increased by

		\$20 (max of \$30). Without special legislation, the maximum amount is \$10 for cities that operate a transit system and \$5 for those that don't.
Fee Recovery	\$200,000	Based on fee change requests that have been proposed by departments, there is a potential for \$200,000 in additional. Staff is currently analyzing additional opportunities to pursue enhanced or full cost recovery for specific services.

Mr. Durant then reviewed with Council a chart of several different surrounding area counties and cities of their percentage of ad valorem levy and their sales tax revenue vs. their percent of population and their sales tax revenue. For Asheville, the sales tax revenue for the percentage of ad valorem levy is \$14,959,877 and the sales tax revenue for the percent of population is \$18,442,694.

Mr. Durant also provided Council with a base list of revenue generating ideas (City staff brainstorming ideas) and partnership opportunities.

Mayor Bellamy felt that a necessary step in order for us to discuss different revenue options with our partners is to identify what the additional revenue would be used for. She supported several of the different revenue options presented as long as we identify the use, with her preference being basic infrastructure. She wanted to be able to present a unified vision of what we need when we meet with our partners. For example, the City partnered with the Buncombe County Tourism Development Authority on the Wayfinding Project. Since that project is finished, we should have a list of what else would be a good fit for partnership with them on.

Councilman Bothwell felt a partnership possibility would be with the Towns of Black Mountain and Woodfin, since the County's formula of sales tax distribution would be beneficial to them as well.

Councilman Smith suggested the following three discussion items with the County Commissioners: (1) downtown shuttle to move people more easily around downtown and help alleviate some of the parking stresses; (2) parks; and (3) the Wilma Dykeman Riverway. He felt a portion of the County's sales tax could be used to create Buncombe County and Asheville as a greater destination.

Vice-Mayor Newman felt we need to identify those infrastructure pieces that there is a really strong case for regional participation. He supported focusing in on investments in downtown; regional parks, recreation and cultural assets that are clearly being used by non-City residents; and the riverfront (including Wilma Dykeman Riverway and greenway components).

Councilman Davis felt the creation of a Regional Parks/Sports/Facilities Commission would be beneficial to not only the City, but the County and surrounding municipalities. He felt the Commission would be a good opportunity for consolidation or an authority, but it has to have trust by contributing funds.

At Councilman Newman's suggestion, it was the consensus of Council to have staff provide additional information on the different structuring models for City-County partnerships.

Councilman Davis also wondered if transit might be included with a County partnership.

Mayor Bellamy said that since the largest part of our budget is public safety, she suggested some consolidation partnership with the County on some of those efforts.

Councilman Smith suggested a County partnership on some of the following ideas that will help them achieve some of their goals County-wide (1) how Asheville can create more density on the corridor (while creating more construction jobs) in order for the County to protect it's open space; (2) improving our downtown and parks infrastructure (recognizing they have a lot of infrastructure needs they have) and when Asheville prospers, so does the County. We have open space protection, job creation and infrastructure creation to begin conversations with the County.

Councilman Bothwell also suggested adding \$2 more a ticket for events at the Civic Center, with City residents not paying

the surcharge and if the County helps fund the Civic Center, then County residents would not have to pay the surcharge as well.

Councilwoman Manheimer felt that staff should identify the needs that we have that transcend the City of Asheville that we can sell to our partners and build a case for the funding needs and how it will help us all. Then it's City Council's job to make the sale.

Councilman Davis noted that if we receive funds through partnership opportunities, then we can do some reallocation of existing funds for our basic needs.

Councilman Smith asked for information on how the restaurants would be impacted with an additional 1% food and beverage tax.

At Vice-Mayor Newman's suggestion, it was the consensus to form a subcommittee of Council (Vice-Mayor Newman Chair, Councilwoman Manheimer and Councilman Davis) to work with the City Manager to discuss ideas of potential partnerships and come up with a 3-5 list that our partners see the benefit of them funding, not just one time but long-term, and bring it back to Council for review.

DOWNTOWN PARKING PLAN

Director of Transportation Ken Putnam provided Council with the following Downtown Parking Action Plan dated November 8, 2006:

Item	Description	Estimated Total Costs*
1	Evaluate adding levels to Rankin Street Parking Garage	N/A
2	Evaluate demo and reconstruction of existing parking garages	N/A
3	Evaluation of parking option in the Battery Park area	N/A
4	Determine highest and best use of the property the City owns on Haywood Street.	Unknown
5	Surface parking on North Lexington	\$15,000
6	Surface parking on Cherry Street	\$25,000
7	Evaluate possibility of new parking lot on Rankin Avenue across from the Civic Center	\$13 M
8	Parking at or near the Senior Opportunity Center	Unknown
9	Parking at or near the Sheriff's Office/Ann Street	Unknown
10	Public/Public partnership on Cox Avenue and College Street to include public parking	\$3.5 M
11	Public/Private partnership on Biltmore Avenue to include public parking	\$5 M**
12	Park side parking initiative	\$10 M**
13	Determine feasibility of locating parking facility over I-240	Unknown

* Estimated total costs –These costs include previous expenditures and estimated future costs. Due to escalating construction costs these are subject to change.

** These are subject to change depending on financing options such as tax increment financing. This figure assumes \$20,000 per parking space plus 20% contingency.

He also provided Council with the following status update of the Downtown Parking Action Plan items:

Item # 1 – Evaluate adding levels to the Rankin Avenue Parking Deck – City staff coordinated an initial review and determined that the project would not be feasible. Although the Rankin Avenue Parking Deck, which was constructed in 1988, was originally designed to be expanded by two levels, current building code requirements have changed significantly making this option cost prohibitive.

Item # 2 – Evaluate the demolition and reconstruction of the existing parking decks – Although this option might be the best one to increase parking, City staff does not recommend it until additional parking is available due to the loss of parking during the demolition and construction activities.

Item # 3 – Evaluate parking options in the Battery Park area – City staff has had initial discussions with AT&T regarding their surface parking lot that is bordered by O.Henry Avenue, Haywood Street, and North French Broad Avenue.

Item # 4 – Determine the highest and best use of the City-owned property on Haywood Street – City staff is currently reviewing a RFP for a public/private partnership that would include a hotel and parking deck. The Office of Economic Development has more detailed information.

Item # 5 – Surface parking on North Lexington Street – This project, which is located under I-240, is completed and includes a paved, surface parking lot with a total of 15 metered parking spaces and one handicapped parking space. Parking is prohibited from 8:00 pm until 6:00 am.

Item # 6 – Surface parking lot on Cherry Street – There is an agreement between the North Carolina Department of Transportation and the City of Asheville allowing the City to use the property between I-240 and Cherry Street for parking purposes. The City's skateboard park is also located on the subject property. Parking is currently allowed on most of the property although it has not been improved. There is a paved area between the skateboard park and Broadway. Due to complaints, City staff is currently exploring options to better control the subject area.

Item # 7 – Evaluate the possibility of a new parking deck on Rankin Avenue across the street from the Civic Center Parking Deck – Conceptual plans have been prepared; however, this project is currently on hold due to the possible project at 51 Biltmore Avenue.

Item # 8 – Parking at or near the Senior Opportunity Center – This project has been completed with the addition of a mixture of permitted and metered on-street parking along Grove Street. The monthly permits are available at a cost of \$30 per month and currently the Griffin Apartments (a MHO project) buys 10 to 12 permits per month for their renters.

Item # 9 – Parking at or near the Sheriff's Office/Ann Street – City staff has not explored the subject item in great detail; however, initial contacts with the property owner have not been very favorable.

Item # 10 – Public/public partnerships on Coxe Avenue and College Street to include public parking – Buncombe County prepared plans to construct a parking deck along College Street adjacent to the Health Department and to construct a parking deck along Coxe Avenue adjacent to the Department of Social Services (*the old Sears building*). The College Street Parking Deck has been completed and is used primarily by County employees and citizens that are called for jury duty. Public parking is also available. The County has decided not to construct the Coxe Avenue Parking Deck. During the entire planning and design process, City staff explored partnership opportunities with the County.

Item # 11 – Public/private partnership on Biltmore Avenue to include public parking – A project to include a hotel and a parking deck is currently ongoing. The project is located at 51 Biltmore Avenue and the construction plans have been completed. The City's finances are in place and the project is ready for the construction phase. We are still waiting for the private developer to secure financing. Options on the property are set to expire on June 30, 2010.

Item # 12 – Parkside parking initiative – This item would locate a parking deck on property bordered by Eagle Street, Spruce Street, Marjorie Street, and Davidson Street. City employees currently use most of this property for parking purposes. A potential public/private partnership might be with the anticipated performing arts center.

Item # 13 – Determine the feasibility of locating a parking facility over I-240 – City staff has not explored the subject item in detail yet. This project would be very difficult to pursue due to involvement with the Federal Highway Administration and the North Carolina Department of Transportation and it could be cost prohibitive.

Upon inquiry of Mayor Bellamy, there was discussion on whether the City can transfer some of our Parking funds to the General Fund, similar to how we can use some of our Water Funds to supplement some of our other basic needs. City Manager Jackson said that Chief Financial Officer Ben Durant will provide more detail on this as we get into the budget process.

Mr. Putnam answered various questions from Councilman Bothwell, some being, but are not limited to: what are the peak times for parking space deficiencies; has staff researched smaller parking spaces; and how does the rise of gas prices affect transit ridership.

Councilman Bothwell suggested a partnership opportunity with surrounding counties on satellite parking lots for those who live outside of Asheville but work in the City.

At the request of Vice-Mayor Newman, Mr. Putnam updated Council on the status of the Biltmore Avenue public/private

project.

It was the consensus of Council to instruct City staff provide the following information at the March worksession: (1) a contingency plan if the Biltmore Project does not proceed due to the private sector not being able to fulfill its obligations; and (2) details on transferring funds from an enterprise fund into the general fund. It was also the consensus to have City Attorney Oast send a letter to the appropriate person asking for re-engagement of discussions regarding the AT&T parking lot.

CITY-OWNED PROPERTY/FACILITIES

At this time, Mayor Bellamy requested to be excused from the worksession. Prior to leaving, she supported moving forward with the Flying Frog property as soon as possible.

Vice-Mayor Newman then presided over the remainder of the worksession.

Economic Development & Civic Center Director Sam Powers explained the City-owned land initiatives. As an introduction, he said that (1) Background to the RFQ process: the opportunity to redevelop City owned property to advance Council's and the Community's strategic goals for Asheville; (a) Basis of staff presentation to Council, April 2006; (b) Underperforming city assets; (c) Consolidation opportunities for City services; and (d) Low hanging fruit; and (2) Method identified, May 2007 (a) RFQ/RFP process; and (b) Transparent, methodical, key for public-private partnerships.

Community benefits that could be realized (1) Leverage real estate for community benefit; (2) Minimize cost to taxpayers; (3) Property tax base increase; (4) Job creation; (5) Redevelopment that meets community goals; and (6) Vibrant and sustainable downtown.

The next step, defined the guiding principles that would inform the process is (1) Enhanced tax base; (2) Smart growth; (3) Realistic market opportunities; (4) Attract innovative developers; (5) Path to redevelopment next 2 to 4 years; (6) Focus City efforts to be results-oriented; (7) Transparent process; (8) Best use of public assets; (9) Economically and environmentally sound; (10) Workforce housing; (11) Potential public space; (12) Potential public parking; (13) Involve local businesses; (14) Support City's Minority Business Plan; (15) Cost-benefit of relocating municipal facilities; (16) Limit impact on tax payers; (17) Promote live-work-play downtown; (18) Market Assessment & Overview; and (19) Invite adjacent property owners.

The following is the City-owned land identified – Phase I:

Potential Redevelopment Site	Priority	Supported Market Uses	Development Timeframe
Ralph Street	1	Multifamily Workforce Housing	1.5 – 3 years
Choctaw Street	1	Multifamily Workforce Housing	1.5 – 3 years
Asheland Avenue	1	Multifamily Workforce Housing	1.5 – 3 years
Old Asheland Avenue	2	Multifamily Workforce Housing	1.5 – 3 years

The following is the City-owned land identified – Phase II:

Potential Redevelopment Site	Priority	Supported Market Uses	Development Timeframe
Haywood Street Properties at Civic Center	1	Upscale hotel, retail, limited office, structured parking	2 – 4 years
Eagle – Market Street Property	1	Office or multifamily residential	1.5 – 3 years
Office of Economic Development	1	Office or multifamily residential; ground floor	1.5 – 3 years

		commercial	
Park Maint. Property	2	Multifamily residential, limited commercial	1.5 – 3 years

Long-term priorities include:

Potential Redevelopment Site	Priority	Supported Market Uses	Development Timeframe
Transit Operations Center	3	Multifamily residential	3 – 5 years
Parkside Property	3	Office; upscale hotel or residential condo; supporting commercial structured parking	5 – 7 years
S. Charlotte Street Properties	3	Corporate headquarters with complementing uses or multifamily residential and commercial	8 – 10 years

In Phase I, staff proceeded with RFQ for 2 properties; (1) Ralph Street; and (2) Choctaw Street. The following other two have been deleted from Phase I per Council's direction: (1) Old Asheland; and (2) Asheland

In Phase II, staff proceeded with the RFQ for 4 properties – Fall 2007; (1) Haywood Street at Civic Center; (2) Eagle-Market Street; (3) Office of Economic Development; and (4) Park Maintenance.

Long-term priorities include: (1) Transit Operations Center; (2) Parkside Property; and (3) S. Charlotte Street.

The facilities assessment is needed for the following (1) Ralph & Choctaw Street; (2) Asheland & Old Asheland; (3) Haywood Street at Civic Center; and (4) Eagle-Market Street. In addition to a facilities assessment for the following properties, redevelopment of these parcels require long-range planning and relocation of City facilities: (1) Office of Economic Development; (2) Park Maintenance; (3) Transit Operations Center; (4) Parkside Property; and (5) S. Charlotte Street.

The facilities assessment in the Winter of 2007 included (1) In December 2007, the "City of Asheville Facilities Assessment Report" was produced; (2) Reviewed the space needs for various city operations for the next 10 to 20 years; (3) Key highlights: (a) Identified space deficiencies in several departments; (b) Proposed operational consolidation (i) One stop shop for permitting; (ii) Consolidation of Street, Parks and Water Maintenance operations; and (iii) Consolidation of Vehicle Maintenance operations; and (4) Further defined the need for additional space/property to address long term vision.

Regarding the facilities master planning, (1) In August 2008, Jeff Richardson presented Facilities Master Planning to Council; (2) Framed as a three phase project; (a) Phase I: Critical needs assessment & recommendations; (b) Phase II: Comprehensive facility analysis; and (c) Phase III: Implementation planning for mid- and long-term needs; and (3) Key Outcomes of Facility Master Planning; (a) One Stop Shop at Public Works; (b) Oakley Police Center Development; (c) Relocation of Economic Development to City Hall; re-purpose of 29 Haywood Street for Police Department use; and (d) Anticipated relocation of Park Maintenance to the Armory at Shelburne Road.

In summary, the variables are (1) Impact of the Recession; (2) Lending Environment; (2) Constraints on City Resources: Financial and Manpower; and (4) Infrastructure Requirements of City Property.

Affirmation of Policy: (1) RFQ: Current Position; (a) DTMP Implementation; (b) RENC 3D Modeling, community review; (c) Haywood Street: McKibbin Hotel Group, Feb. 2008; (d) Park Maintenance property: Mountain Housing Opportunities Feb. 2008; (e) Ralph and Choctaw Parcels: Mountain Housing Opportunities 2007; and (f) Asheland / Old Asheland: PED Recommendation, Fall 2009; (2) Facilities Master Planning: Current Position; (a) Armory at Shelburne Road is designated relocation for Park Maintenance

function and other mid-term uses; and (b) Developing long range vision for future RFQ properties; and (3) Policy feedback.

There was a brief discussion by Council on the Haywood Street properties.

Vice-Mayor Newman recessed the meeting at 4:39 p.m. to reconvene at 5:00 p.m. in the Council Chamber.

**Tuesday – February 9, 2010 - 5:00 p.m.
Regular Meeting**

Present: Mayor Terry M. Bellamy (arrived at 5:05 and excused at 7:55 p.m.), Presiding; Vice-Mayor Brownie W. Newman; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilwoman Esther E. Manheimer; Councilman Gordon D. Smith; City Manager Gary W. Jackson; City Attorney Robert W. Oast Jr.; and City Clerk Magdalen Burleson

Absent: Councilman William A. Russell Jr. (illness)

PLEDGE OF ALLEGIANCE

Vice-Mayor Newman led City Council in the Pledge of Allegiance.

INVOCATION

Vice-Mayor Newman gave the invocation.

I. PROCLAMATIONS:

A. RECOGNITION OF A.C. REYNOLDS FOOTBALL TEAM IN WINNING THE STATE 4-A CHAMPIONSHIP

Vice-Mayor Newman recognized Head Coach Shane Laws, Kenny Cubra, Carson Gratton and Jake Whitaker, as well as the entire A.C. Reynolds football team, in winning the State 4-A Championship.

II. CONSENT AGENDA:

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON JANUARY 26, 2010

B. RESOLUTION NO. 10-26 - RESOLUTION AUTHORIZING THE CITY TO APPLY FOR A GRANT AND ENTER INTO AN AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION TO FUND THE TRANSIT PLANNING PROGRAM

Summary: The consideration of a resolution authorizing the City Manager to enter into an agreement with the N.C. Dept. of Transportation (NCDOT) to fund the transit planning program, Section 5303 Planning Grant of the Federal Transit Administration (FTA) Metropolitan Planning Organization (MPO).

The FTA MPO Section 5303 Planning Grant is an annual grant designated exclusively for transit planning. The funds are currently administered by the City of Asheville as a direct recipient of Federal Transit Funds. The funds are primarily used to pay the Transit Projects Coordinator position (90% of the grant) and a portion of the Transportation Manager position (the remaining 10%) for time spent on transit planning. In addition, the funds support grants administration and reporting activities, short range and long range transit planning, transportation improvement program preparation, Title VI and DBE programs, and planning and operational analyses.

Fiscal Year 2009-10 anticipated funding totals \$72,060. The grant will fund 80% of the anticipated funding, which equals \$57,548, the City will fund half of the 20% local match, which equals \$7,206. The North Carolina Department of Transportation will provide the additional half of the 20% local match.

The anticipated grant funding and the City's local match in the amount of \$7,206 are currently budgeted in the Transportation Department's approved budget.

This action complies with the current City Council's Strategic Operating Plan in the green and sustainable focus areas by helping to develop a sustainable funding structure for the Asheville Transit system.

The Transit Commission supports the subject action.

Pros:

- The subject grant helps to fund an existing position.
- The subject grant enables the City of Asheville to use \$64,854 in Federal and State monies for transit planning activities.

Con:

- A 10% local match in the amount of \$7,206 is required.

The total anticipated grant funding for Fiscal Year 2009-10 is \$72,060. The City is required to provide a 10% local match in the amount of \$7,206. The anticipated grant funding and the City's local match in the amount of \$7,206 are currently budgeted in the Transportation Department's approved budget. The City's local match is included in the approved General Fund Transfer (\$872,831) to the Transit Operations Division for the current fiscal year.

City staff recommends City Council to adopt a resolution authorizing the City Manager to enter into an agreement with the NCDOT to fund the transit planning program, Section 5303 Planning Grant of the FTA MPO.

RESOLUTION BOOK NO. 32 – PAGE 334

C. RESOLUTION NO. 10-27 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE U.S. DEPT. OF HOMELAND SECURITY, N.C. EMERGENCY MANAGEMENT, TO ACCEPT SUB-GRANTEE FUNDS FOR THE ASHEVILLE POLICE DEPARTMENT'S HAZARDOUS DEVICES UNIT X-RAY MACHINE

ORDINANCE NO. 3825- BUDGET AMENDMENT FROM THE U.S. DEPT. OF HOMELAND SECURITY, N.C. EMERGENCY MANAGEMENT, FOR THE ASHEVILLE POLICE DEPARTMENT'S HAZARDOUS DEVICES UNIT X-RAY MACHINE

Summary: The consideration of a (1) a resolution authorizing the City Manager to enter into an agreement with the US Department of Homeland Security, through North Carolina Emergency Management, to accept sub-grantee funds for Asheville Police Department's Hazardous Devices Unit X-ray machine ; and (2) a the budget amendment accepting funds in the amount of \$57,000.

The purchase of a Digital X-ray Unit for the Hazardous Devices Unit (HDU) will enhance Asheville Police Department's (APD) Bomb Squad by insuring we maintain NIMS III Standard and FBI Accreditation Standards.

This investment will support the State Homeland Security Strategy 2007-09 goals by enabling the local Bomb Squad Units to respond more effectively and efficiently on a regional basis, ensuring faster response to explosive incidents and other explosives related matters. This addresses a National Overarching Priority by implementing the NIMS III Standards to all bomb squads across North Carolina. In addition, it addresses a National Capability Specific priority by strengthening CBRNE detection and response capabilities.

The total grant fund award is \$57,000.

This action complies with City Council's Strategic Operating Plan in the Focus Areas - Safe - Asheville will be one of the safest and most secure communities when compared to similar cities. The purchase and implementation of and X-ray unit by HDU will greatly enhance the safety of our Citizens, as well as those in surrounding communities due to the regional response capability of APD's HDU. This equipment will also increase the safety for the members of the HDU.

Pros:

- Increase safety for HDU members
- Increased safety for our communities

Con:

- Maintenance cost

The acquisition cost for the Digital X-ray Unit is fully-funded with the \$57,000 NC Emergency Management grant; thus, there is no fiscal impact on the Police Department's capital outlay budget.

APD will be required to cover the annual maintenance and operating costs associated with the equipment, Those costs are currently estimated at \$500 per year and will be programmed into the department's annual operating budget request.

The X-ray unit is expected to have a useful life of 10-15 years. APD will be responsible for the replacement cost of the X Ray unit at the end of its life cycle.

City staff recommends City Council (1) adopt the resolution authorizing the City Manager to enter an agreement and acceptance of funds as a sub-recipient with NC Emergency Management; and (2) adopt the budget amendment in the amount of \$57,000

RESOLUTION BOOK NO. 32 – PAGE 335

ORDINANCE BOOK NO. 26 – PAGE

D. RESOLUTION NO. 10-28 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH HUNTLEY CONSTRUCTION COMPANY INC. FOR THE REYNOLDS MOBILE HOME PARK WATER SYSTEM IMPROVEMENTS PROJECT

Summary: The consideration of a resolution authorizing the City Manager to enter into an agreement with Huntley Construction Company, Inc., in the amount of \$167,496.00 for the Reynolds Mobile Home Park Water System Improvements Project.

Grant Funds from the North Carolina Department of Environment and Natural Resources (NCDENR) North Carolina Water Infrastructure Act of 2005 (N.C.G.S. 150G) are available for this project and were approved by City Council on July 14, 2009, by Resolution No. 09-147.

The City of Asheville has received a grant from NCDENR to replace the existing, private, failing water system at the Reynolds Mobile Home Park. Upon completion of the water system improvements project, the City of Asheville will own and maintain this new water system. The Water Resources Department (WRD) issued an Advertisement For Bids for the construction and installation of approximately 2,360 Linear Feet of new 8-inch and 6-inch waterline and all necessary valves, hydrants, and service connections. In response to the Advertisement For Bids, the WRD received eight (8) proposals.

Companies responding were:

1. Huntley Construction Company, Inc. – Asheville, NC
2. Appalachian Environmental Services – Webster, NC
3. T & K Utilities, Inc. – Asheville, NC
4. Buckeye Construction Company – Canton, NC
5. MacKenzie Company – Asheville, NC
6. Spur Construction – Waynesville, NC
7. Terry Brothers Construction – Leicester, NC
8. Fallon Utility Contractors, Inc. – Asheville, NC

A review team, comprised of staff from multiple City Departments including James Lee, the City of Asheville Minority Business Coordinator, reviewed these bids and selected Huntley Construction Company, Inc., as the lowest responsible bidder at a bid of \$167,496.00.

This project is part of City Council's strategic plans to improve city infrastructure and provide local companies with labor opportunities.

Pros:

- This project will provide forty (40) customers with a safe reliable drinking water source and much improved fire protection.
- The contract amount is fully reimbursable by the committed grant money.
- Approval of the construction contract to the lowest responsible bidder will invest City funds in the local economy.

Con:

- Failure to award a construction contract would lead to forfeiture of the NCDENR grant and the existing failing private water system would not be upgraded.

The Water Resources Department will initially fund the estimated construction costs of \$167,496 for this project until

reimbursement is received from the State. Funds for these upfront costs are already included in Water Resource's Fiscal Year 2009-10 Capital Improvement Program budget.

City staff recommends City Council approval of the City Manager to enter into an agreement with Huntley Construction Company, Inc., in the amount of \$167,496.00 for the Reynolds Mobile Home Park Water System Improvements Project.

RESOLUTION BOOK NO. 32 – PAGE 336

E. RESOLUTION NO. 10-29 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A SERVICE AGREEMENT WITH HERSEY METERS CO., LLC, FOR THE FIVE-YEAR AUTOMATED METER READING PROJECT

Summary: The consideration of a resolution updating the contract amount for Hersey Meters Co., LLC, and authorizing the City Manager to sign a service agreement with them for the five-year Automated Meter Reading (AMR) Project contingent upon City Council approval of funding for the remaining four (4) fiscal years for the purchase and installation of approximately 52,000 AMR Devices to complete installation throughout the water system.

In July 2009, the City issued a Request for Proposals on the Automated Radio Frequency Meter Reading System for the Water Resources Department. On August 17, 2009, proposals were received from the four (4) following companies:

9. Hersey Meters Co., LLC
10. Metron-Farnier, LLC
11. Neptune Technology Group, Inc., and
12. Vanguard Utility Service, Inc

On January 12, 2010, City Council authorized the City Manager to sign a service agreement with Hersey Meters to install approximately 52,000 AMR devices throughout the water system for a total project cost of \$6,666,625.86. There was an error in the contract amount, and it must be corrected before executing the contract documents. The error occurred by including the total cost of new meters in the amount of \$2,419,421 into the total estimated project cost for all four (4) bids received. The meters will be a separate purchase, thereby decreasing the total contract amount for the installation of the AMR's.

Hersey Meters is still the lowest responsible bidder but at a reduced contract amount of \$4,234,859.86 as outlined below: This \$4,234,859.86 amount equals the total project cost of \$6,666,625.86 minus the new meter cost of \$2,419,421.

Bid Tabulation for the Automated Meter Reading (AMR) Installation Project

Cost Breakdown	Hersey Meters Co., LLC	Metron-Farnier, LLC	Neptune Technology Group, Inc.	Vanguard Utility Service, Inc.
A. Total Up-Front AMR Bid Cost	\$2,758,670.86	\$3,877,160.00	\$3,589,650.00	\$3,329,235.00
B. Total Meter Exchange Cost	\$883,544.00	\$2,022,420.00	\$1,265,295.58	\$934,819.77
C. Total Meter Retrofit Cost	\$450,060.00	\$346,200.00	\$432,750.00	\$542,380.00
D. Performance Bond Pricing	\$122,585.00	\$127,500.00	\$72,275.00	\$40,000.00
E. Total Maintenance Cost	\$20,000.00	\$30,000.00	\$35,054.70	\$15,550.00
Total Estimated Contract Cost	\$4,234,859.86	\$6,403,280.00	\$5,395,025.28	\$4,861,984.77

This project is part of City Council's strategic plans to improve city infrastructure.

Pro:

- Approval will correct the contract amount to Hersey Meters and allow the City to proceed with the AMR program.

Con:

- Without approval, the City cannot proceed with signing an agreement with Hersey Meters for the correct contract amount.

The initial investment in the AMR program is still \$2,890,576 in the current fiscal year, which is currently budgeted in this year's Capital Improvement Project fund. Previously, the \$2.89 million was approved to be entirely allocated to Hersey Meters. Now, the \$2.89 million will be divided approximately as follows: \$1,790,000 for Hersey Meters AMR devices and installation and \$1,100,576 for the purchase of new meters needed for the AMR installation. The department plans to request the remaining funds over the following four (4) fiscal years to make this a five-year project unless more funds are available to reduce the program length. The cost over the following (4) years will be approximately \$1 - \$1.5 million per year depending on the availability of funds and inflation.

City staff recommends City Council authorize the City Manager to sign a service agreement with Hersey Meters Co., LLC, for the five-year Automated Meter Reading (AMR) Project contingent upon City Council approval of funding for the remaining four (4) fiscal years for the purchase and installation of approximately 52,000 AMR Devices to complete installation throughout the water system.

RESOLUTION BOOK NO. 32 – PAGE 338

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 Davis moved for the adoption of the Consent Agenda. This motion was seconded by Councilwoman Manheimer and carried unanimously.

III. PRESENTATIONS & REPORTS:

A. ASHEVILLE REGIONAL AIRPORT AUTHORITY UPDATE

Mr. David Hillier, Asheville Regional Airport Authority Director, was pleased to present Council with an update on the Asheville Regional Airport Authority. The Airport's mission is to be the premier airport of choice for Western North Carolina travelers, by providing an array of choices and amenities, distinctive customer service, value, and convenience.

He provided Council with the following facts: (1) land – 1,000 acres; (2) CY 2009 Traffic Statistics (a) operations – 66,437; (b) total passengers – 580,630; (3) Runway: 16-34 – 8,001' x 150'. Major uses consist of commercial aviation, corporate aviation, general aviation (landmark and odyssey) and military aviation.

He showed Council (1) a chart of passenger traffic growth from 2003-2009; (2) demographics within 30 miles of Asheville; and (3) 28 daily non-stop flights to 8 hub cities of Atlanta, Charlotte, Chicago, Detroit, Houston, Newark New Jersey, New York New York and Orlando on 4 commercial air carriers – Continental, US Airways, Air Tran and Delta.

Based on a 2007 economic impact study by the EDC of Asheville-Buncombe County, the Asheville Regional Airport provides the following:

<u>Impact Type</u>	<u>Jobs</u>	<u>Annual Economic Impact</u>	<u>Annual Payroll</u>
Direct	442	\$68,090,925	\$15,025,572
Indirect	1,624	\$104,692,555	\$36,112,858
Induced	364	\$32,341,489	\$10,487,239
Total	2,410	\$205,124,969	\$61,625,669

It is estimated that each additional daily flight of a 50-seat passenger jet generates approximately \$9,125,000 in annual economic impact.

He then provided Council with a chart of revenue/expenses for Fiscal Year 2004 though 2010.

Some amenities and entertainment consist of (1) recharge station, (2) CNN/Muzak; (3) Massage Chairs; (4) Fee Wi-Fi; (4) Airport Art Program; (5) Promotions/Community; and (6) E-Newsletter and Fare Alerts.

2009 accomplishments consist of (1) upgraded baggage make-up; (2) upgraded baggage claim and rental car counters; (3)

upgraded ticket counter; (4) new guest services center; (5) new regional boarding ramps; (6) new terminal advertising program; and (7) new fixed base operator.

2010 goals and objectives consist of (1) North GA Expansion Project; (2) Parking Lot and Terminal Roadway (\$1.6 Million project to improve the flow of roadway traffic, repave the parking lots, enhance signage, lighting and landscaping); (3) new 22,000 square foot bulk hangar; (4) new entrance signage; (5) toll booth plaza (\$500K Toll Plaza expansion project which when complete will provide a third exit lane from our parking lot); (5) General Aviation Roadway (paving Wright Brothers Way, putting in pedestrian sidewalks, and adding some wayfinding, a \$1.7 Million investment); and (6) terminal renovation (\$10.5 Million – of which \$7.6 Million is from stimulus money – to be completed next summer).

Regarding environmental, (1) continued implementation of environmental practices with the adoption of an environmental policy; (2) installation of PC Air and Fixed Ground Power units; (3) installation of a new triturator (lav cart waste dumping facility); (4) implementation of a solar power energy project; and (5) seek additional federal and state environmental grants.

Air Service Development (1) develop a “Community Partnership Team” to help acquire additional air service to markets; and (2) additional marketing in the 11 county air service catchment area for Asheville to reduce leakage.

It is estimated that Asheville leaks more than 45% of its potential traffic to Atlanta, Charlotte, Greenville-Spartanburg, etc. Main causes are air fares and non-stop service.

Using a map, Mr. Hillier explained the catchment area. The Asheville Regional Airport serves 11 counties in Western North Carolina. Each county is geographically and economically unique.

Key objectives include (1) fund the future development program as a pay-as-you-go program; no local tax dollars or long-term debt financing are currently used or will be used in the future; (2) promote general aviation and commercial air travel from and to Asheville and Western North Carolina; (3) seek additional air service options for both the business and leisure traveler; and (4) seek aviation and non-aviation related business development opportunities.

On behalf of City Council, Mayor Bellamy thanked Mr. Hillier and the entire Airport Authority for their hard work.

B. PLANNING & ZONING COMMISSION UPDATE

Ms. Cindy Weeks, Planning & Zoning Commission Chair, provided Council with the following report on the Asheville Planning & Zoning Commission which is an appointed advisory board charged with providing advice and recommendations to City Council on issues related to land use and development:

“Over the past year, the Planning and Zoning Commission has reviewed thirteen (13) applications for rezonings, this includes straight rezonings, initial zonings of annexed properties, and conditional zonings.

“Of these thirteen, seven (7) were for conditional zonings or new zonings specifically for development that was impending and has since moved forward.

“Of the seven (7) development projects that we reviewed, four (4) would be considered “public” in that the developer was a governmental or quasi-governmental entity and therefore the resulting development will be tax exempt. These four were:

- Buncombe Intermediate School South: new construction, 106,646 sf
- Irene Wortham Adult Daycare Center: new construction, 7,169 sf
- WNC Agricultural Center: renovation of existing plus new construction, 14,706 sf
- Mission Outpatient Cancer Center: new construction, 229,521 sf

“Of the remaining three (3) projects, two (2) would be considered large development new construction projects that will provide significant new tax base and property tax revenue when fully constructed. The third project was a small drive through bank at Biltmore Park Town Square.

- Crowne Plaza Resort: expansion 61,500 sf, new construction 323,200 sf
- Westmore Apartments (affordable housing): 7 buildings, 72 units, approximately 88,000 sf

“There were other smaller (Level 1) development projects that were permitted that we do not see as well as continued build out of formerly approved projects, but there was certainly a decrease in both applications for larger new development and projects actually achieving financing and moving forward.

“We spent a great deal of time dealing with economic downturn UDO amendments; Responses to Current Economic Climate.’

“Twenty UDO amendments were reviewed and approved under this category. The most notable were as follows--

- Extension of time for zoning permits (will allow developers to work on the more difficult timeframes of banks)
- Increased opportunities for businesses to advertise (through flexibility in signage)
- Increased from 50% to 75% the rule of value for cost of renovations that requires new compliance with the UDO (which will encourage the reuse of existing buildings)

“The Planning and Zoning Commission felt these were very timely and in many cases were improvements to the UDO that would stand the test of time, even without economic challenges.

“The 3 key points of development are as follows:

- The market
- Acquiring permitting and securing vested rights
- Acquiring financing

“The City’s rule as the permitting authority cannot be overstressed—without zoning approvals, developers cannot acquire financing. We can’t do much about the market, but we can help developers acquire and keep their financing by making the permitting process more user friendly and we have done that.

“I want to point out specifically that we had two special meetings regarding the Stormwater Ordinance, culminating with our vote on the Stormwater Buffers on October 22, 2009.

“Our entire Commission wanted me to communicate to you that although we were not in unanimous agreement with the staff recommendation on the Buffers, we were in agreement and were supportive of 99% of the other Stormwater policy recommendations that were brought before us by staff.

“The Commission was proactive on the buffer issue. Although we did not endorse the staff recommendation, we did provide an alternative recommendation and achieved a 5-1 vote in favor of that.

“I am here tonight to report to you what our Commission asked me to communicate to City Council regarding our work on behalf of the City.

“First, we all wish to state publicly and without qualification that our main goal is evaluate development proposals and policy changes by honoring the variety of plans that have been adopted by City Council and by keeping in mind the wishes of City Council regarding how our City should grow.

“When I first was appointed to the Commission, it was immediately apparent to me that one of my primary roles was to help the City grow its most important source of revenue, which is property tax revenue.

“Quoting from **Asheville NC 2010: A Financial Crossroads**, the report provided to City Council for your January retreat...

‘In North Carolina, property tax revenue is typically the largest source of municipal revenue.’

“Many of the points made in this report also refer to Asheville’s challenges regarding annexation.

“In order to achieve the balanced growth of our City, and protect the environment, we need to seek to implement our adopted master plans and their themes of an anti-sprawl, in-filled urban core philosophy.

“This is referred to in the report as follows...

‘...research supports the notion of inter-dependency between the urban economy and the rural economy, and further suggests dense growth in urban centers is beneficial to rural areas by allowing them to remain undeveloped.’

“This leads to a possible source of collaboration with our County leaders, which was suggested by Planning and Zoning Commission members as an area that needs attention and continued outreach.

“Along with helping the City to grow its income base, we have to pay attention to the needs of our citizens for balanced growth and quality growth, as well as the needs of our community in the residential, service, business, and recreational sectors.

“This is a responsibility the Planning and Zoning Commission takes seriously and we have taken it even more seriously since the economy has taken a turn for the worse and we have seen development slow to such a great extent.

“We have had a year that we have had time to consider policy with a more detailed analysis, without the benefit (and sometimes the distraction) of having a specific development proposal before us.

“In light of the economic changes, and our knowledge of some stalled, problematic, and unimplemented development plans throughout our community, this responsibility takes on a different meaning.

“We have done well as a City—our staff, our Planning Commission, and our City Council to respond to the economic challenges before us by permitting some changes to the UDO that will help development move forward without compromising ideals or compromising the integrity of our neighborhoods.

“But we have more work to do.

“Our Commission’s specific recommendations were in response to three areas of focus in our discussion...

- the state of our national and our local economy
- the need for increased revenues
- the need to continue to implement the planning documents that have been formally adopted by this body

“Here are the specific recommendations from the Planning and Zoning Commission that I was asked to communicate:

“1. As mentioned previously, forge a stronger collaboration with County leaders to break down the barriers that inhibit our growth

“2. As a result of the economic realities we are facing, and to encourage a more universal view of how development affects our community, require that development proposals forecast how many jobs will be created during the course of construction and what the resulting tax revenues will be after the project is built.

“3. Cultivate a more positive relationship with our state legislative delegation. Set this as an objective, and approach it as a “campaign”...specifically we want our delegation to support legislation for the additional revenues we may need to invest in special projects that we agree are required for our community's continued growth and prosperity, for example, the Performing Arts Center.

“4. Give due process to developers who follow the rules and make sure to assess the work that the Planning Commission has already done before striking out on new agendas in the final public hearings.

“We respect that City Council is the final permitting authority on new development but we believe that there are rules in place, that the Planning and Zoning Commission has provided that first pass at the rules and that this should be considered as the starting point. On this point, having Maggie Burleson provide to you the minutes of our meetings has helped a great deal so far as recording the deliberations that we made in coming to our conclusions.

“5. Help bring competing factions to common ground--to the “middle ground.” For example, City adopted plans well document that in order to Save Our Slopes, we must increase density in our urban core.

“No one likes change in their neighborhoods.

“We must help all factions understand that City review bodies are following City plans that have had broad community involvement and input. We must keep returning to this theme.

“We are excited about some of the challenges before us this year.

“We understand that we will be participating helping to make the UDO less complicated.

“We understand that we will be working on planning new development patterns on our transit corridors and helping to build these corridors so that ridership is increased.

"We are interested in re-examining the west Asheville Haywood Corridor and seeing if we can come up with a corridor plan that can apply to other corridors.

"We seek the guidance of City Council, we are energized by the new composition of members and we look forward to our continued work together."

Ms. Weeks asked, and Council agreed, to make the two new appointments effective April 1, 2010, as the Commission would like to invite the new members to the Commission's annual retreat in March and to an orientation meeting prior to officially taking office.

Upon inquiry of Mayor Bellamy, Ms. Weeks said that she will be possibly meeting monthly with Councilwoman Manheimer, liaison to the Planning & Zoning Commission, to discuss Council and the Commission's actions and to check in on the five specific recommendations. Mayor Bellamy said that would be a good opportunity for Councilwoman Manheimer to bring the Commission up to date on some of our partnerships, specifically with the County and State, and the work of the City Council Planning & Economic Development Committee.

On behalf of City Council, Mayor Bellamy thanked Ms. Weeks and the entire Planning & Zoning Commission for their hard work.

C. ECONOMIC STIMULUS PACKAGE UPDATE

RESOLUTION NO. 10-30 - RESOLUTION AUTHORIZING THE CITY MANAGER TO WAIVE THE FORMAL BID REQUIREMENTS AND AWARD THE BID FOR FIVE 35-FOOT LOW FLOOR DIESEL BUSES IN ACCORDANCE WITH THE N.C. GEN. STAT. USING THE "PIGGY BACK" PROVISIONS FROM THE AWARD OF BID FROM THE CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY, WILMINGTON, N.C., AWARDED ON JUNE 25, 2009

American Recovery & Reinvestment Project Manager Brenda Mills said that this is the consideration of a resolution authorizing the City Manager to waive the formal bid requirements and award the bid for five (5) 35 foot Low Floor diesel buses in accordance with the N.C. Gen. Statutes using the "piggy back" provision from the award of bid from the Cape Fear Public Transportation Authority, Wilmington, North Carolina, awarded on June 25, 2009.

In 2009, the City of Asheville received funding through the American Recovery and Reinvestment Act to purchase five diesel buses. On August 25 2009, Council approved a budget amendment for \$2,590,439 that includes the purchase and covers 100% of the cost.

The City has the opportunity to acquire these buses through a "piggy backing" process. Staff recommends that we utilize a contract from the Cape Fear Public Transportation Authority, Wilmington, North Carolina, awarded on June 25, 2009 that will meet our operational needs. State statutes allow us to "piggy back" that bid. By doing so, the City avoids the cost increases and expedites the bidding process which can take between six months to one year.

The contract has been reviewed by the N.C. Dept. of Transportation and the Federal Transit Administration and complies with local, State and Federal regulations. Following the N.C. Gen. Statutes, an advertisement informing the Council's intent to utilize the "piggy back" option and waive the formal bidding process was posted on January 20, 2010.

The estimated cost of this project is \$1,900,000. The City is funding this project using section 5340 (ARRA) of the Federal Transit Administration which provides 100% for capital projects. According to the manufacturer, the buses will be delivered in approximately 18 months after the buses are ordered.

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 City will replace five of its aged transit system fleet (10 out of 16 buses) that would produce savings in maintenance

costs and fuel costs.

- The subject action would help reduce the City's carbon emissions.
- The Federal Transit Administration (FTA) would fund 100% of the subject project cost.

Con:

- None at this time.

No fiscal impact has been identified for this project. The Federal Transit Administration will fund 100% of the project.

City staff recommends City Council approve the resolution authorizing the City Manager to waive the formal bid requirements and award the bid for five (5) 35-foot Low Floor diesel buses in accordance with the N.C. General Statutes using the "piggy back" provision from the award of bid from the Cape Fear Public Transportation Authority, Wilmington, North Carolina, awarded on June 25, 2009 to Gillig, LLC.

When Mayor Bellamy asked for public comments, none were received.

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

Councilman Bothwell moved for the adoption of Resolution No. 10-30. This motion was seconded by Councilman Smith and carried unanimously.

RESOLUTION BOOK NO. 32 – PAGE 340

IV. PUBLIC HEARINGS: None.

V. UNFINISHED BUSINESS:

A. INTERIM REPORT ON PARKING DECK RATES

Transportation Director Ken Putnam said that the purpose of the subject memorandum is to provide City Council an update (*interim report*) regarding the impact that the new variable parking rate structure is having on after hour's customers to the City's three parking decks (*The term "after hour's customers" refers to the activities that take place in the City's three parking decks after 7:00 pm on weekdays and on weekends*).

Prior to the equipment upgrade that was completed in the City's parking decks during September 2009, a flat \$1.00 fee was charged to customers exiting the Civic Center Deck and the Rankin Avenue Deck and a flat \$2.00 fee was charged to customers exiting the Wall Street Deck after 7:00 pm on weekdays and on weekends (*not including times when the special event fee was in effect*) because the old equipment could not support variable rates. Some customers quickly learned that they could enter one of the City's parking decks anytime during the day and if they waited until 7:00 pm to leave, they would only pay either a \$1.00 or \$2.00 (*in the Wall Street Deck*) instead of the appropriate fee up to the daily maximum. Not only did this practice decrease potential revenues to the City, it created an unequal rate structure compared to daytime customers.

City staff began the process to replace the old equipment in late 2005. Originally, the equipment upgrade project was going to be included with the Haywood Street Parking Deck project. When that project did not materialize, City staff recommended and City Council approved the funds for the equipment upgrade project in Fiscal Year 2008-09. In addition, City Council approved the variable rate structure and eliminated the flat fee as a part of the Fiscal Year 2008-09 budget process. Given the downturn in the economic climate that began in late 2008 and continued in 2009, City staff decided that it would be a good idea to revisit the new variable rate structure before it was implemented. They met with the Asheville Downtown Association and the Downtown Commission and both groups agreed that City staff should move forward with implementation. City Council also agreed that City staff should move forward and as a result, the new rate structure became effective on September 8, 2009.

Within the first 30 days that the new rate structure became effective, citizens began sharing some concerns with City Council members. The primary concern included the conclusion that long-term customers (*nighttime workers*) were now being "forced" out of the parking decks and onto the streets where on-street parking is free after 6:00 pm. As a result, these long-term customers are now using on-street parking spaces that should be used by restaurant patrons and shoppers.

In order to analyze the primary concern in a fair, logical, and reasonable manner, City staff suggested that parking activity be monitored closely for a six-month time period between October 1, 2009, and March 31, 2010, and then compare the results with the same time period a year ago. City Council agreed with this suggestion and asked that an interim report be presented on

February 9, 2010, and the final report to be presented on April 27, 2010.

Initial Findings:

According to our records, 47,100 after hour's customers used the City's parking decks between October 1, 2008 and December 31, 2008 compared to 46,700 after hour's customers between October 1, 2009 and December 31, 2009. The data indicates that the after hour's parking deck usage has virtually remained at the same level with a decrease of only 400 customers. Much of the decrease could be attributed to the major snowstorm that hit Asheville on December 18, 2009.

Under the old flat rate structure, the City would have received a minimum of \$47,100 in revenue (*not accounting for the \$2.00 fee in the Wall Street Deck*). With the new variable rate structure, the City actually received \$65,400 in revenue. It should be noted that 44% of the after hour's customers paid less than \$1.00 to exit the parking decks. 65% of the after hour's customers (44% + 21%) paid less than \$2.00 to exit. The total "stay" for these customers was less than three hours with the first hour being free. The remainder of the after hour's customers stayed in the parking decks for three hours or more (*93% stayed in the parking decks for a total time period of less than eight hours with the first hour being free*).

Since the subject memorandum represents the interim report, no definitive conclusions and/or recommendations are offered at this time.

Mr. Putnam responded to Vice-Mayor Newman regarding discount rates in the parking garages.

On behalf of City Council, Mayor Bellamy thanked Mr. Putnam for this interim report and looked forward to the final report being presented on April 27, 2010.

VI. NEW BUSINESS:

A. RESOLUTION NO. 10-31 - RESOLUTION ADOPTING CITY COUNCIL 2010-11 STRATEGIC OPERATING PLAN

Director of Administrative Services Lauren Bradley said that this is the consideration of a resolution reaffirming City Council's Strategic Operating Plan for fiscal year 2010-2011.

2010-11 Strategic Operating Plan Update

At its January 2010 retreat, the Asheville City Council updated the City of Asheville's Strategic Operating Plan including a commitment to five key focus areas including:

- **Affordable** - *The City of Asheville will offer a standard of living that is affordable and attainable for people of all income levels, life stages and abilities.*
- **Fiscally Responsible** - *The City of Asheville will create a stronger, more prosperous community with smart investments that accomplish lasting, tangible returns.*
- **Green & Sustainable** - *Asheville will be the southeastern leader in clean energy and environmental sustainability.*
- **Job Growth & Community Development** – *Asheville will support a dynamic and robust economy with balanced and sustainable growth.*
- **Safe** - *Asheville will be one of the safest and most secure communities when compared to similar cities.*

Performance Measurement and Reporting

During the 2009-10 fiscal year, City staff continued to provide City Council with quarterly management reports in order to provide information about performance tied to the organization's adopted strategic goals and related initiatives. Staff will continue these updates during the coming fiscal year.

At the January retreat, City Council discussed scheduling work sessions for each focus area contained in the strategic plan. Council would discuss the goals and objectives contained in each focus area through this process. Staff will be ready to provide updates and any requested information to City Council when these work sessions are scheduled.

Pros:

- Provide Council and City staff with an overall direction and goals of the organization
- Provide Council and City staff with measures of success

Con:

- None-noted

During the retreat, City Council agreed that it was important to balance the goals and objectives outlined in the strategic plan with the financial constraints of the city's budget and the current economy. Given current budgetary forecasts, some goals in the plan will not be fully realized during a single fiscal year. Those goals can be reconsidered during the next fiscal year and may roll from one strategic plan to the next with City Council's direction. For Fiscal Year 2010-11, the strategic plan will serve as a guide for funding decisions during the City's upcoming budget process, whereby projects and services can be prioritized and matched to available resources.

City staff recommends City Council adopt a resolution reaffirming the City of Asheville's Strategic Operating Plan.

Vice-Mayor Newman explained why he asked for an additional bullet under the "Safe" focus area in the first goal the following: "To implement strategies to significantly improve public safety in neighborhoods in Asheville with the highest levels of crime."

Mr. Alan Ditmore felt the Strategic Operating Plan should not be in alphabetical order, but in order of priorities. He also felt that the City should not rely on what Raleigh defines as crime, but define crime on what Asheville's priorities are, e.g. highest level of violence, etc.

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

Vice-Mayor Newman moved for the adoption of Resolution No. 10-31, as amended by the additional bullet to the Safe focus area outlined above. This motion was seconded by Councilwoman Manheimer and carried unanimously.

RESOLUTION BOOK NO. 32 – PAGE 341

B. MOTION REAFFIRMING SUPPORT FOR THE MAYOR'S COMMITTEE ON (DIS)ABILITIES, THE MAYOR'S COMMITTEE ON VETERAN'S AFFAIRS AND THE RICH TASK FORCE

Mayor Bellamy said that this is the consideration of a motion to continue the Mayor's Committees for the 2010-2013 fiscal years with associated staff support for their success.

Definition: A "mayor's committee" is a group of citizens who come together to provide and promote awareness and education of various issues within the city. Additionally, members of the committees assist in developing community wide ceremonies and/r events.

Membership composition: The committees are currently self-appointed. This process allows service providers, interested citizens (city and county residents), volunteers, governmental employees (including city, county, state, and federal employees), and representatives from the served populations (veterans, people with disabilities, etc.) to attend and make recommendations on how to achieve the committees' goals.

Meeting frequency: Each committee meets on a monthly basis.

Mayor's Committee for Citizens with (Dis)Abilities

The mission of the Asheville Mayor's Committee for Citizens with (Dis)Abilities is to promote and advocate for equal and inclusive opportunities for people with disabilities in all aspects of society; and to recognize and cooperate with all people and organizations that contribute to this cause.

Highlights of the committee's activities:

- * Participation in the city's Volunteer Handicapped Parking Enforcement Program.
- * Awards presentation each fall to individuals and businesses for outstanding advocacy, awareness and contributions.

- * Community education, training and resources, such as an accessibility checklist and a resource list for businesses.
- * Inclusive job fairs, therapeutic recreation events, statewide meetings, and celebrations of the Americans with Disabilities Act.

Meetings are held on the third Friday of each month at 10 a.m. in the Public Works Building on S. Charlotte Street. Meetings last about one hour.

Mayor's Committee for Veterans Affairs

In April 2007, Mayor Terry Bellamy created the Mayor's Committee for Veterans Affairs, a volunteer committee charged with providing advice to the mayor on events and issues of interest to active duty and retired service members and military veterans. This Committee honors our veterans who have served our community. The members of this Committee also support the efforts of the Memorial Day and Veterans Day.

She noted that Asheville is honored to have had four vessels named after us as a City. We also have an exhibit recognizing those exhibits on the first floor of the City Hall Building. We have a bi-annual celebration in Asheville recognizing the individuals who gave their lives, as well as the individuals from western North Carolina who volunteered their services to our country after individual vessels sank. The Committee, along with City staff, takes on the responsibility of planning that ceremony.

Goals of the committee include:

- Serving as the advisory board for the city's USS Asheville, Memorial Day event and the Veterans Day event.
- Advising the Mayor on how best to increase the participation of veterans in local government.
- Increasing awareness of education, employment and other community resources available to retiring and separating members of the military.
- Providing a forum for former members of the military community to express their views and interests directly to local government officials.

Meetings are held on the fourth Tuesday of each month at 1 p.m. in the training room on the sixth floor of City Hall. Meetings last about one hour.

Website maintained by the committee members: <http://www.ashevilleveterans.com/>

Mayor's R.I.C.H. Task Force

The Reaching, Inspiring, Character, and Hope (R.I.C.H.) formerly Mayor's Gang Prevention Task force, provides an opportunity for service providers to come together on a monthly basis to discuss issues impacting youth and young adults. In the beginning, R.I.C.H. only focused on gang related issues; however, the task force's efforts have expanded to the following:

1. Developing a comprehensive catalog of services for children, teens and young adults in order to increase parent's awareness of services available within Asheville and Buncombe County.
2. Increasing collaboration amongst service providers, including the efforts of the Gang Suppression Unit (which uses the High Point Model) and Mediation Center's/Buncombe County's Gang Prevention Task Force.
3. Developing a uniform application for services to make it easier for parents.
4. Supporting the school systems goal of reducing the drop-out rate and decreasing the achievement gap.

Meetings are held on the second Tuesday of each month beginning at 9:00 a.m. in Pisgah View's Administration Building.

Ms. Karen Harrington, Co-Chair of the Mayor's Committee on Disabilities, gave a brief description of the committee and explained why the committee is in existence. She outlined the following upcoming events (1) "A New Way of Listening" on March 7 at 7:00 p.m. at Jubilee Church; and (2) a booth at Bele Chere for awareness. They are looking for volunteers to help man the booth at Bele Chere. Ms. Harrington thanked with Council for their support and hoped they would continue to support this committee.

Mayor Bellamy said that City staff did an analysis of funding for the three committees as follows: (1) Mayor's Committee for Citizens with (Dis)Abilities – Budget: \$500 and Costs - \$1,239.10. She said that is for the annual recognition ceremony and that is leveraged by in-kind contributions; (2) Mayor's Committee for Veterans Affairs – Budget: \$1,000 and Costs - \$3,882.80. She provided \$1,000 out of her travel budget for planning Veterans and Memorial Day activities as well as provide necessary event items for exhibits and things of that nature; and (3) RICH Gang Task Force – Budget: None and Costs - \$5,861.10. She said they do not have a need for a budget right now except for printing services for parent information on all the services available. We are also looking at a partnership with 2-1-1.

Mayor Bellamy requested ongoing staff support, which includes updating the City's website to include meeting minutes; sending out monthly meeting notices with agendas; providing printing for catalogues and event/ceremonies programs; and general cooperative support for the success of the transparent efforts of the committees and task force.

In response to Vice-Mayor Newman, City Manager Jackson said that there is not one person designated for all three committees. If Council supports the Mayor's request, he will have staff out of the City Manager's Office handle the Mayor's Committee for Citizens with (Dis)Abilities and the Mayor's Committee for Veterans Affairs. In term of the RICH Task Force, there is no staff report except for convening different agencies. If directed by Council, he would designate a staff person for support and allocate a budget.

In response to Vice-Mayor Newman, Mayor Bellamy said that the RICH Task Force will continue to operate as an on-going entity. At this time Ms. Jessica Dunlap sends out meeting notices and has taken the minutes of the RICH Task Force for the past three months. Ms. Dunlap also works with the Mayor's Committee for Veterans Affairs on planning the Veterans and Memorial Day celebrations; however, they have their own secretary.

Vice-Mayor Newman moved to support the Mayor's request through Fiscal Year 2010-11 to have the City provide ongoing staff support, which includes updating the City's website to include meeting minutes; sending out monthly meeting notices with agendas; providing printing for catalogues and event/ceremonies programs; and general cooperative support for the success of the transparent efforts of the Mayor's Committee for Citizens with (Dis)Abilities, the Mayor's Committee for Veteran's Affairs and the RICH Gang Task Force. This motion was seconded by Councilman Davis.

Mr. Alan Ditmore felt the City already has a large commitment to the veterans through the homeless initiative and anything else should be handled by the Department of Defense.

Mayor Bellamy asked for a friendly amendment to the motion that Council is to receive copies of the minutes from each of these committees and task force on a monthly basis.

Vice-Mayor Newman and Councilman Davis accepted Mayor Bellamy's friendly amendment. Said amended motion carried unanimously.

C. RESOLUTION NO. 10-32 - RESOLUTION AMENDING CITY COUNCIL'S RULES OF PROCEDURES

City Attorney Oast said that this is the consideration of an amendment to Council's Rules of Procedure regarding placing items on a Council Meeting agenda.

At Council's retreat on January 8 and 9, there was some discussion regarding the process for individual council members to have items placed on the agenda for a council meeting.

The rules have long provided that the mayor sets the agenda and that any council member may request that an item be placed on an agenda. Actual scheduling is subject to the length of agenda, availability of staff, and other logistical considerations. A form has recently been developed so that certain basic information about a request is provided. Previous Councils have had an informal policy that a council member could get an item placed on an agenda if he or she got two other council members to join in this request. This informal policy predated the committee structure that is now in place. The form has not been a part of the process until very recently.

The policy is a hybrid of these two informal polices and a formalization of existing practices, including the information form. Pursuant to this proposed amendment, items will be placed on the agenda if (1) the item has been reviewed by one or more committees of council as directed by the mayor, or (2) two or more council members join in the request. An additional change applicable to items following either route is the completion of the new form providing certain information about the request. The amended language appears in new paragraph (a1) as shown below:

- “4. (a1) Any council member wishing to have an item placed on the agenda shall complete the “Agenda Item Request Form” in the appendix and submit the form to the city clerk. The mayor may direct the item to be placed on the agenda for the next available council meeting or may direct that the item be submitted to one or more council committees. Items that have been reviewed by a council committee shall be placed on the agenda for the next available council meeting. If three or more council members request that an item be placed on council's agenda without first going to a council committee, said item shall be placed on the agenda for the next available council meeting. Nothing herein shall limit council's ability to add items to the agenda pursuant to paragraph (c) below.”

One effect of this change is that council members are limiting their individual right to get an item on the agenda. This would not prevent an individual council member from bringing an item up under “informal discussion and public comment” on the agenda, subject to time limits applicable to the public. This rule change would not limit or affect council's ability to add items to its own agenda, by majority vote, bypassing any committee. This is a power that most deliberative bodies have.

The placing of any item on the agenda by any means would be subject to compliance with applicable notice procedures set out in law or ordinance.

This amendment affects all Council-initiated agenda items and crosses all substantive areas of the strategic plan.

Pros:

- Formalizes existing practices
- Ensures that items on agenda have substantive interest
- Recognizes role of committees

Con:

- Limits but does not eliminate the individual member ability to place items on agenda.

If Council is satisfied with the rule amendment as proposed, adoption of the resolution is recommended.

Vice-Mayor Newman felt that since we have the City Council Committee structure, if there is an issue that clearly should be reviewed by one of those Council Committees then we should take it through that Committee structure first prior to bringing it before the full Council.

Mayor Bellamy felt that the issue should be reviewed by a Council Committee first and the rule of three would be the exception.

When Mayor Bellamy asked for public comments, none were received.

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

Councilman Smith moved for the adoption of Resolution No. 10-32. This motion was seconded by Councilman Bothwell and carried unanimously.

RESOLUTION BOOK NO. 32 – PAGE 344

D. MOTION TO AGREE TO THE CONCEPT OF DOMESTIC PARTNER BENEFITS FOR CITY EMPLOYEES AND INSTRUCT CITY STAFF TO PROVIDE COUNCIL WITH IMPLEMENTATION SUGGESTIONS

Councilman Smith provided Council with the following PowerPoint on domestic partner benefits.

Why does Asheville provide benefits to its workforce? (1) To recruit quality employees; (2) To retain quality employees; (3) To increase productivity and morale; (4) To increase competitiveness; and (5) To value employees and their families.

Opportunity (1) improve recruitment and retention; (2) provide equal rights to our employees who are denied the option to marry; (3) strengthen families; (4) maintain Asheville's image as a safe, inclusive community that respects diversity; (5) compete with private sector employees; and (6) bolster economic resilience.

Why now (1) staff preparing health insurance report for the March 9 worksession; (2) Council direction imperative; (3) history of inaction; and (4) bolster staff morale.

The following governments in North Carolina offer domestic partner benefits: (1) Greensboro, Mecklenburg, Chapel Hill, Durham and Carrboro. Also, 270 of the Fortune 500 offer domestic partnership benefits, some being Kimberly-Clark, WNCCHS, Lowes, Barnes & Noble, Bank of America, Time Warren Cable, The Home Depot, Office Depot, BB&T, Progress Energy and The Grove Park Inn.

The Mecklenburg County Domestic Partner Benefits: Research and Review from December 15, 2009, states "Council legal staff, in collaboration with staff from the N.C. School of Government, has concluded there is no legal reason why a N.C. government cannot adopt policies designed to positively impact the recruitment and retention of a capable and diligent workforce."

Domestic partner benefits are the same benefits now offered to the spouses of married City employees: (1) medical, dental, vision, cancer, accident, life, prescription; (2) bereavement leave; and (3) family and medical leave.

Carrboro's legal definition of domestic partner is (1) are not related by blood closer than would bar marriage in North Carolina; (2) are not married or related by marriage; (3) share the common necessities of life; (4) are 18 years old or older; (5) are competent to enter into a contract; (6) declare that they are each other's sole domestic partner; (7) agree to be responsible for each other's welfare; and (8) agree to notify the town of any change in the status of their domestic partnership.

We offer domestic partnership benefits to (1) improve recruitment and retention (a) the Number One reason for offering domestic partner benefits is to attract and retain employees, according to a 2005 Hewitt Associates study; (b) in a time of salary freezes and job uncertainty, this is a way to let employees know we value them; and (c) with so many private employers offering domestic partner benefits, we could lose some of our best and brightest; (2) fairness (a) gay City employees are City employees: their families are families of City employees; (b) many of our employees work equal time for unequal compensation; and (c) reflect our historical commitment to treating our employees with respect and fairness; (3) strengthen families (a) the following groups have endorsed domestic partner benefits: The American Academy of Family Physicians, The American Psychological Association, The National Association of Social Workers; and The American Medical Association; and (b) The American Academy of Pediatrics found that offering domestic partner benefits can further strengthen families; (4) enhancing Asheville's reputation (a) passing domestic partner benefits reinforces Asheville's image as an inclusive community; and (b) gay tourists, who spend \$64 Billion per year in the US alone travel to destinations that have a reputation for being safe and welcoming; and (5) economic growth and resilience (a) our City's commitment to equality will add to its economic resilience and potential for growth; (b) "A community's success in attracting and retaining high-tech business" depends upon "providing a safe, respectful, and congenial environment;" and (c) a Brookings Institute study shows a strong link between a thriving tech-oriented economy and diverse populations.

Same-sex domestic partners vs. comprehensive domestic partners (1) same-sex couples are not capable of accessing benefits available to opposite-sex couples; and (2) the cost of implementation will be lower if targeting only same-sex couples.

Regarding registering as domestic partners, program details to be determined by City staff include (1) employees may register their domestic partnership with appropriate department; (2) a fee may be charged for processing registration; (3) registration will include proof of partnership; (4) termination of the domestic partnership registration will terminate the benefits; and (5) current precautions against misuse of marital status will extend to the new same-sex policy.

Regarding financial impact, recruitment and retention (1) to recruit quality employees; (2) to retain quality employees; (3) to increase worker productivity and morale; (4) to increase competitiveness; and (5) to value employees and their families.

The City of Asheville currently employs 1,101 full-time and 89 part-time employees. Only 30% of employees currently utilize spousal and/or family coverage (357 employees).

The Hewitt Associates 2005 report shows 95% of employers have a financial impact of less than 3% of their total health care costs. Mecklenburg County anticipates a financial impact of one percent or less.

Arguments for and against same-sex domestic partner benefits include (1) religious beliefs (a) people of faith hold many different religious beliefs regarding same-sex domestic partners (i) personal religious views are not a valid basis for denying some municipal employees the benefits that are provided to other employees; and (2) financial impact (a) some argue that increased health care costs are not fiscally responsible (i) increased recruitment and retention reduces human resources costs; (ii) fairness is a core value of our City government; and (iii) maintaining the status quo will institutionalize discrimination against same-sex couples.

In conclusion, (1) same-sex domestic partner benefits improve recruitment, retention, competitiveness; (2) join other cities and counties in North Carolina; (3) opportunity to include all of our City employees' families; (4) improve Asheville's reputation as a safe, inclusive community that welcomes diversity; and (5) improve Asheville's economic prospects.

Councilman Smith asked Council to extend domestic partner benefits to City employees who choose to register their same-sex couples status on or before January 1, 2011. He asked that Council direct City staff to return with implementation suggestions during the March 9 worksession if that is doable for the City Manager.

He also provided Council with (1) the Charlotte/Mecklenburg report; and (2) AFFA report to Charleston Chamber of Commerce.

Councilwoman Manheimer moved to agree to the proposal in concept and instruct City staff to bring Council implementation suggestions. This motion was seconded by Councilman Bothwell.

The following individuals spoke in support of extending domestic partner benefits to City employees for various reasons outlined in Councilman Smith's presentation:

Ms. Kim Congre
Ms. Jerri Goldberg
Ms. Katie Beane
Mr. Hamilton Fuller
Mr. Jim Cavener
Ms. Katelyn Labrie
Mr. Alan Ditmore
Ms. Sharon Lewis
Mr. Michael Muller
Ms. Veronika Gunter
Mr. Alan Robinson
Mr. Bryon Greiner
Mr. Shannon Fields
Ms. Diane Walton
Mr. Dwight Buckner
Ms. Lin Orndorf

The following individuals spoke against the motion to extend domestic partner benefits to City employees for various reasons:

Dr. Keith Ogden
Mr. Tim Harrison
Mr. Mike Fryar
Ms. Leslee Kulba
Mr. Vernon Myers
Mr. Justin Parker

Councilman Bothwell was cognizant that there have been religious arguments made, but there is no one religious position. He felt that as a matter of fairness. We have a fairly large gay and lesbian population in Asheville and they pay taxes. Now they are being forced to pay benefits for straight people. He supported the motion.

Councilman Davis had difficulty in supporting the motion because he didn't like the process to which this was brought before the Council, especially when the health insurance issue has not been brought before the Council yet. He has a lot of unanswered questions. He did note that some portions of the presentation do make a lot of sense to him. As an employer offering insurance, there is a cost associated with this, as well as a staff cost to just explore this issue. He did not have the necessary background information at this time to be able to support the motion.

Vice-Mayor Newman noted that the motion is to support the idea in principle, and he felt this is the right time to address it with a lot details to be worked out on how it will be implemented.

Councilwoman Manheimer too was interested in seeing the details and also the projected fiscal impact. Our community is known as accepting diversity and this is one trademark she is interested in furthering. She felt this is truly an issue of fairness.

In response to Mayor Bellamy, City Manager Jackson said that staff has not done research on this and will take direction from Council. If directed, staff will report back to Council at their March 9 worksession with an outline and preliminary schedule on the steps we will follow to move from where we are to where Council is steering us.

Human Resources Director Lisa Roth responded to several e-mail questions raised by Mayor Bellamy. Mr. Roth said that the City does not extend any benefits to any people who are in a domestic partner relationship, as Councilman Smith defines them. Our Equal Employment Opportunity Policy does prohibit us from discriminating in hiring and firing decisions based on sexual orientation. The City does abide by the Family Leave Act by the federal government. To her knowledge staff has not researched this issue in the past.

Mayor Bellamy could not remember a time in her 11 years on Council where the Council made political issues out of health care benefits. Ms. Roth responded that generally staff sees a need, researches it and brings it forward to Council; however, she felt this is clearly a policy decision for Council.

When Mayor Bellamy asked for a copy of Charlotte's resolution of adoption (since the information presented is based on a lot of Charlotte's research), Ms. Roth said that Charlotte adopted a resolution in December, with a year for policy implementation.

In response to Mayor Bellamy, Ms. Roth said that she has not done an analysis of everything that will be required in order to add domestic partner benefits to our health care plan. That is the type of research she will be bringing to Council on March 9. She won't have cost information or have the entire analysis done on March 9, but she can bring a project plan about what will be required in order to move this forward.

Mayor Bellamy noted that this issue was originally scheduled on March 9 at which time the health care plan for all employees will be discussed. At that time, there will be policy discussions about how we fund our insurance program for all employees. At this time we have a shortfall in our health insurance of \$1.3 Million. She too had a concern about the process in the way it was brought before Council. In the past, as policy-makers when policies have been discussed, we take into consideration our experience, facts, figures and studies and not just one person's information. She felt this issue is larger than the number of people we are making this decision about. She asked for a friendly amendment to the motion that a personnel committee of staff formed so that the political process still stay out of the health care benefit process. She could not support the motion.

The motion made by Councilwoman Manheimer and seconded by Councilman Bothwell carried on a 4-2 vote, with Mayor Bellamy and Councilman Davis voting "no."

At this time, Mayor Bellamy announced a 10-minute recess.

E. RESOLUTION NO. 10-33 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH MOORE & SON SITE CONTRACTORS INC. FOR THE CLINGMAN AVENUE STREETScape PROJECT

At 7:55 p.m. and at the request of Mayor Bellamy, Councilman Davis moved to recuse Mayor Bellamy for the remainder of the meeting. This motion was seconded by Councilman Smith and carried unanimously. At this time, Vice-Mayor Newman presided over the remainder of the meeting.

Director of Public Works Cathy Ball said that this is the consideration of a resolution authorizing the City Manager to enter into a contract with Moore & Son Site Contractors, Inc. to construct the Clingman Avenue Streetscape project in the amount of \$503,827 and execute all necessary change orders up to 20% of the contract price.

The City entered into an agreement with Mountain Housing Opportunities (MHO) in January 2004 that allowed MHO to manage the design of the project in coordination with the applicable Departments within the City. MHO partnered with the local firms Civil Design Concepts (CDC) and Kerns Land Planning & Design to design the project.

The City received two Enhancement grants from the N.C. Dept. of Transportation (NC DOT) to construct this project. The first was in February 2004 in the amount of \$172,131. The second came in October 2005 for \$235,120. Total Federal funds equal \$407,251. Council approved allocating another \$500,000 in City funds to the project as a part of the Fiscal Year 2007-08 Capital Improvement Program, bringing the total project funding to \$907,251.-

Approximately \$109,057 of the \$907,251 project budget has already been spent on construction plans and contract documents, leaving a balance of \$798,193 in the project that is available for construction=

MHO delivered the project to the City in early 2009 to begin the construction phase. City staff recently met with various stakeholders of the project to discuss options to improve the project. The group included MHO, the West End/Clingman Avenue Neighborhood Association (WECAN) and the biking community. The group agreed that the project should include a safe bicycle climbing lane, additional on-street parking, more landscaping, ADA compliant sidewalks and to stay on schedule. While the group didn't mutually agree on specific details, they were in full agreement that the current contract should not be delayed. The lower section of the project that contained the majority of the heavy construction, the group didn't have concerns with; therefore the contractor could work there until the final details are agreed upon on the upper section of Clingman.

This project complies with Council's Strategic plan in the Focus Area of (1) Sustainability, as it will address the City's aging infrastructure, as well as fully leveraging funding from the State for transportation improvements; and (2) Green, due to the improvements to the City's multi-modal transportation options, and the unique stormwater bio-retention swale to capture and naturally filter storm run off. This action also complies with the Comprehensive Bicycle plan, with the exception of a short section near Hilliard Ave. Due to NC DOT time constraints, and existing on-street parking conditions, this section will be made to comply in the near future.

The project will provide many improved bicycle and pedestrian features, and include a roundabout at the intersection of

Clingman Avenue and Roberts Street. It also includes new on- street parking from Roberts Street to Clingman Ave. Extension, bike lanes on both sides from Riverview Street to Clingman Avenue Extension, and a bicycle climbing lane on the up grade side of Clingman Ave. from Clingman Avenue Extension to Clingman Place.

Pros:

- Approval of this action will allow for the completion of the Clingman Streetscape project, providing a gateway to a major entrance to the City's west side.
- Utilize Federal funds, administered by NCDOT, to upgrade City infrastructure, thus fulfilling two previously approved agreements with NCDOT.
- Create a more bicycle and pedestrian friendly facility for the Clingman community.

Cons:

- The City will have to fund all expenses over the Grant amount.
- The current plans do not extend the bicycle climbing lanes all the way to Hilliard Ave.

The cost of the construction contract for the Clingman Avenue Streetscape project is currently estimated to cost \$503,827. Approximately \$798,000 is currently available in the capital project budget to cover this cost, as well as the cost of any necessary change-orders up to 20% of the contracted cost.

Remaining project funds have been earmarked to cover other necessary project elements for which contracts have not been awarded at this time. Those elements include a small materials testing contract (estimated at \$25,000 or less) and revisions to the upper portion of the project to allow for more parking and extending the bicycle land to Hilliard Avenue at an estimated cost approximately \$150,000. Such contracts will be brought to Council for approval in the future as awards are made.

City staff recommends City Council approve a resolution authorizing the City Manager to enter into a contract with Moore & Son Site Contractors, Inc. to construct the Clingman Avenue Streetscape project in the amount of \$503,827 and execute necessary change orders up to 20% of the value of the contract.

Mr. Alan Ditmore suggested the concept of getting bicycles onto residential streets.

Ms. Claudia Nix, representing the Bike and Pedestrian Task Force, supported this action by Council. She felt it was important that pedestrians and bicyclists are considered in the development and design of all our streets.

Ms. Patti Torno, Board President for WECAN, said that the Board supports this action. However, item of concern include (1) maintaining the current character of the neighborhood; (2) maintaining the current level of on-street parking; and (3) addition of a climbing on the east side of Clingman Avenue. A proposal that MHO has brought forward, and there is neighborhood support, is to reduce the size of the sidewalk on the east side of the street.

Mr. Mike Soule, representing Asheville on Bikes, supports the first phase of this project. He said it was important to consider all modes of transportation during road improvements and planning. The top of Clingman Avenue still remains an issue as it's problematic for pedestrian infrastructure; however, they believe there are options.

Mr. Mike Fryar felt that all bikes on the City's streets should be street legal and not racing bikes.

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

Councilman Bothwell moved for the adoption of Resolution No. 10-33. This motion was seconded by Councilman Smith and carried unanimously.

RESOLUTION BOOK NO. 32 – PAGE 346

F. RESOLUTION NO. 10-34 – RESOLUTION APPOINTING A MEMBER TO THE CIVIC CENTER COMMISSION

Vice-Mayor Newman, Chair of the Boards & Commissions Committee, said that after a review of all applications received for a vacancy on the Civic Center Commission, they recommended appointment of Mr. Joel Storrow.

Councilman Davis moved to appoint Joel Storrow to serve the unexpired term of Mr. Brian Woods, term to expire June 30,

2012, or until his successor has been appointed. This motion was seconded by Councilman Smith and carried unanimously.

RESOLUTION BOOK NO. 32 – PAGE 347

G. RESOLUTION NO. 10-35 – RESOLUTION APPOINTING A MEMBER TO THE RIVERFRONT REDEVELOPMENT COMMISSION

Vice-Mayor Newman, Chair of the Boards & Commissions Committee, said that after a review of all applications received for a vacancy on the Riverfront Redevelopment Commission, they recommended appointment of Ms. Pattiy Torno.

Councilman Smith moved to appoint Pattiy Torno to serve a three-year term to the Riverfront Redevelopment Commission, term to begin immediately and expire on January 1, 2013, or until her successor has been appointed. This motion was seconded by Councilman Davis and carried unanimously.

RESOLUTION BOOK NO. 32 – PAGE 348

H. BOARD & COMMISSIONS

It was the consensus of Council to instruct the City Clerk to arrange interviews for Mike Hahn and Curry First for a vacancy on the Asheville-Buncombe Community Relations Council.

It was the consensus of Council to instruct the City Clerk to arrange interviews for Bruce Hazzard, Rachael Bliss, Matt Sprouse, Bill Allison and Tony Fraga for vacancies on the Downtown Commission.

It was the consensus of Council to instruct the City Clerk to arrange interviews for Susan Garrett, Sherry Ingram and Dane Barrager for vacancies on the Sustainable Advisory Committee on Energy & the Environment.

It was the consensus of Council to instruct the City Clerk to arrange interviews for Susan West, Amanda Warren and Ashley Black for vacancies on the Asheville-Buncombe Historic Resources Commission. It was also the consensus of Council for City Attorney Oast to provide Council with a report on the possible change to the membership size of the Board for discussion by the City Council Boards & Commissions Committee.

It was the consensus of Council to instruct the City Clerk to arrange interviews for Joe Minicozzi, Mark Brooks, Holly Shriner and Russ Towers for vacancies on the Planning & Zoning Commission.

It was the consensus of Council to instruct the City Clerk to readvertise for the vacancy on the Public Art Board.

I. MOTION APPROVING THE FEDERAL APPROPRIATIONS FOR FISCAL YEAR 2011

Vice-Mayor Newman stated at the worksession earlier in the day Council gave direction to staff to tally the top priorities for City Council's federal appropriations for Fiscal Year 2011. Those top priorities are Asheville City Hall Restoration Project, Municipal Facilities Building Retrofits, Mills River Solar Farm Project (which City Attorney Oast said that Vice-Mayor Newman did not have a conflict of interest), Asheville Transit Bus Replacement – 1 Hybrid Diesel Electric Bus, and Radio Tower Infrastructure Project.

Mr. Alan Ditmore felt that Council should position the list by priority and the list should be longer than 5 priorities.

Councilman Bothwell moved to approve the federal appropriations list outlined above by Vice-Mayor Newman for Fiscal Year 2011. This motion was seconded by Councilman Davis and carried unanimously.

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

The following claims were received by the City of Asheville during the period of January 15-February 4, 2010: David Miller (Police), Dorinda Watford (Transit Services), Erica Harrison (Sanitation), Derick Tickle (Water), Vincent A. Curtis (Building Safety), Peter Kotyay (Police), Rebecca Gustina (Parks & Recreation), Patrick E. Fairman (Fire), Danny Smith (Water), Travis Haralson (Water), Jennifer Barnes (Water), Purcell Todd (Fire), Joe Swiger (Water), Andrew Messick (Water), Joel Rudel (Water), and Mary Wickes (Fire). These claims have been referred to Asheville Claims Corporation for investigation.

Mr. Alan Ditmore felt that Council should focus on workforce housing and not parking garages.

Rev. Christopher Chiaromonte urged Council to repeal the panhandling ordinance and in its place adopt a non-

harassment ordinance.

Mr. Daniel Bridges spoke to Council about handicap parking volunteers. City Manager Jackson said that he would investigate the concern regarding handicapped parking enforcement and report back to Mr. Bridges and Council.

Mr. John Kloeckner spoke to Council about an art project he is trying to get started. City Manager Jackson said that he would coordinate with Councilman Smith (liaison to the Public Art Board) and Mr. Kloeckner to schedule a presentation before the Public Art Board.

At the request of Councilman Bothwell, City Manager Jackson said that he would prepare a memorandum to Council reporting on the banking relationships of the City and the feasibility and process for converting to local banks.

VIII. ADJOURNMENT:

Vice-Mayor Newman adjourned the meeting at 8:41 p.m.

CITY CLERK

MAYOR