

Tuesday – June 10, 2014- 5:00 p.m.

Regular Meeting

Present: Mayor Esther E. Manheimer, Presiding; Vice-Mayor Marc W. Hunt; Councilman Cecil Bothwell; Councilman Jan B. Davis; Councilman Christopher A. Pelly; Councilman Gordon D. Smith; Councilwoman Gwen C. Wisler; City Manager Gary W. Jackson; Deputy City Attorney Martha Walker-McGlohon; and City Clerk Magdalen Burleson

Absent: None

PLEDGE OF ALLEGIANCE

Mayor Manheimer led City Council in the Pledge of Allegiance.

I. PROCLAMATIONS:

A. RECOGNITION OF RUN FOR THE WALL XXVI

On behalf of City Council, Councilman Davis thanked City Manager Gary Jackson, Executive Director of Planning & Multimodal Transportation Cathy Ball, Director of Communication & Public Engagement Dawa Hitch and Economic Development Specialist Jon Fillman for their participation in the Run for the Wall XXVI. He also said that the City of Asheville was awarded a plaque for their participation.

B. RECOGNITION OF CITY OF ASHEVILLE YOUTH LEADERSHIP ACADEMY STUDENTS

Mayor Manheimer said that seven years ago, Mayor Bellamy and the Asheville City Council envisioned a new program that would place students with meaningful summer internships with City departments and partnering organizations throughout Asheville. This program would empower its students to get involved in their communities, support them in their quest for college, and reward them with a generous scholarship. Last year, 56 students at Asheville High School applied to the CAYLA program. After a rigorous application process, 24 students were selected. CAYLA's prestigious summer internships enable our students to explore careers and learn from caring adult professionals. Members of the CAYLA Class of 2014 interned with valuable community partners, including the Asheville Area Chamber of Commerce, the United Way, MAHEC, and Moog Music. Each Friday during the summer, the students attended day-long leadership workshops on a range of topics, including financial literacy, communication skills, and building consensus. Of the graduating seniors, all will be attending four-year colleges this fall – and many have earned significant merit scholarships. Since last June, the group has completed 26 different community service projects, with organizations including ABCCM, MANNA Foodbank, the Salvation Army, Brother Wolf, and Habitat for Humanity. Over the years, CAYLA students have given more than 2,800 volunteer hours. In recognition of their accomplishments and the critical role they will play in Asheville's future, the City of Asheville awards each CAYLA student a scholarship in the amount of \$2,000.

With that, she read the names of the CAYLA students who were in the meeting this evening: Kanaje Allen, Brittany Boseman, Brandy Burgin, Jonaca Crooks, Markevis Davis, Michael Davis, Emmanuel Figaro, Jalyn Folston, Jahni Gilliland, Raekwon Griffin, Caleah Hallum, Ella Heldreth-Schmitt, Tyshaun Johnson, Phoenix Keyser, Mariah Lee, Brianca Livingston, Manny Lomeli-Garcia, Diana Marquez, Oscar Marquez, A.J. Mitchiner, Randesha Neely, Owen Ruth, Symone' Simmons and Promyss Watley.

Mayor Manheimer praised Erika Germer for her hard work on this program.

C. PROCLAMATION PROCLAIMING JUNE 10, 2014, AS "LIANA MURRAY DAY"

Mayor Manheimer read the proclamation proclaiming June 10, 2014, as "Liana Murray Day" in the City of Asheville. She presented the proclamation to Ms. Murray, 2014 Class from Asheville High School, who will represent North Carolina on Capitol Hill as part of the 2014 U.S. Presidential Scholars.

D. PROCLAMATION PROCLAIMING JUNE 13-22, 2014, AS "POLLINATION CELEBRATION WEEK"

Councilman Bothwell read the proclamation proclaiming June 13-22, 2014, as "Pollination Celebration Week" in the City of Asheville. He presented the proclamation to Ms. Phyllis Stiles, who briefed City Council on some activities taking place during the week.

II. CONSENT AGENDA:

A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON MAY 27, 2014

B. RESOLUTION NO. 14-116 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSTRUCTION AGREEMENT WITH PATTON CONSTRUCTION GROUP INC. FOR THE SUMMER 2013 WATER SYSTEMS IMPROVEMENTS PROJECT

ORDINANCE NO. 4312 - BUDGET AMENDMENT FOR THE SUMMER 2013 WATER SYSTEMS IMPROVEMENTS PROJECT

Summary: The consideration of a resolution authorizing the City Manager to enter into a construction agreement with Patton Construction Group, Inc., for the bid amount of \$870,358.00 plus a contingency amount of \$130,556.00 for a total project budget of \$1,000,914.00 for the Summer 2013 Water System Improvements Project; and a budget amendment in the amount of \$950,914.00 from savings in other capital projects that were completed under budget.

On April 25, 2014, the Water Resources Department issued an Invitation for Bids for the Summer 2013 Water System Improvements Project. This project consists of several job sites: (1) Hookers Gap and Wade Dr, which includes the installation of approximately 610 Linear Feet (LF) of 6-inch Ductile Iron Pipe (DIP); (2) Craig Circle, which includes the installation of approximately 1,630 LF of 6-inch DIP; (3) Ridge Avenue and Alta Ave, which includes the installation of approximately 1,580 LF of 6-inch DIP; (4) Dogwood Road (south) and White Pine Circle, which includes the installation of approximately 1,600 LF of 6-inch DIP; and (5) South Lexington Avenue, which includes the installation of approximately 650 LF of 8-inch DIP. All water line installations will include the installation of related appurtenances and materials required in order to complete the work. This project will replace existing undersized and failing waterlines in order to improve hydraulics, improve fire protection, and increase reliability. The Water Resources Department (WRD) issued an Advertisement For Bids for the construction project. In response to the Advertisement For Bids, the WRD received four (4) bids.

Companies responding were:

1. Buckeye Bridge LLC – Canton, NC
2. Cooper Construction Company, Inc. – Hendersonville, NC
3. Patton Construction Group, Inc. – Asheville, NC
4. T&K Utilities, Inc. – Asheville, NC

The bids were reviewed by City Staff and Patton Construction Group, Inc., was selected as the lowest responsible bidder at a bid of \$870,358.00. A contingency amount of \$130,556.00 has been added for a total project budget of \$1,000,914.00.

Pros:

- This project will replace existing, undersized waterlines with a durable, reliable water system for the project neighborhoods.
- This project is aligned with the City and Water Resources Department goal of continued investment and improvement of the City's water system through Capital Improvement Projects in order to provide safe and reliable service.
- 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 prevent the completion of this waterline system improvement and goal of continued investment in our infrastructure.

All of the projects except for Dogwood Road (south) were originally intended to be completed by an in-house Construction Crew funded through the Water operating budget. The crew, however, was dissolved so the projects will now be contracted out and funded through the Water CIP budget. As noted, the only location budgeted in the CIP Budget was Dogwood Road (south) for \$50,000.00. The remaining funds of \$950,914.00 needed to fund the full project will be transferred from the completed NCDOT Brevard Road and McIntosh Road Water Line Replacements projects. In order to transfer funds from these completed capital projects, a budget amendment is necessary.

Amount in Project Budget	\$ 50,000.00
<u>Amount Needed for Construction Contract</u>	<u>\$ 950,914.00</u>
Total Amount for Project	\$1,000,914.00

City staff recommends City Council approval of the City Manager to enter into a construction agreement with Patton Construction Group, Inc., for the bid amount of \$870,358.00 plus a contingency amount of \$130,556.00 for a total project budget of \$1,000,914.00 for the Summer 2013 Water System Improvements Project; and a budget amendment in the amount of \$950,914.00 from savings in other capital projects that were completed under budget.

**RESOLUTION BOOK NO. 36 - PAGE 219
ORDINANCE BOOK NO. 29 - PAGE**

**C. RESOLUTION NO. 14-117 - RESOLUTION AUTHORIZING THE CITY
MANAGER TO APPLY FOR THE 2014 BYRNE JUSTICE ASSISTANCE
GRANT THROUGH THE US DEPT. OF JUSTICE**

Summary: The consideration of a resolution authorizing the City to apply for funds through the 2014 Byrne Justice Assistance Grant – Local Solicitation in the amount of \$56,677.

The Asheville Police Department requests authorization to apply for the 2014 Byrne JAG – Local Solicitation. This is a predetermined amount of funds based on the Part 1 Uniform Crime Reporting Crimes. If the grant is approved the Asheville Police Department and Buncombe County Sheriff's Department will be allocated \$56,677 based on the award matrix, with Asheville receiving \$42,143 and Buncombe County receiving \$14,534. The distribution of funds would be approved through a signed MOU.

APD plans to purchase in-car video systems to place in patrol cars. These recordings would generally serve as evidence to be utilized in court for the prosecution of criminal cases. However, these recordings could also be used to aid in resolving allegations of wrongdoing by

officers. This would allow for an even greater level of protection of officers and citizens. The digital cameras provide high quality and high resolution video/audio recording of events in and around the patrol car. Recordings such as this help protect the interests of citizens as well as the interests of police officers. Recordings captured with these cameras could potentially aid in mitigating potential civil liability for the City of Asheville by illustrating in detail the actual events that transpired. The secure evidentiary storage and wireless upload capabilities of the system create a user friendly system that is extremely secure and versatile.

The Buncombe County Sheriff's Department plans to purchase thermal imaging equipment. This thermal technology is useful during night time applications when trying to locate a suspect or an endangered person. This equipment could be used in a variety of ways to save lives and apprehend suspects, while helping protect the officers engaged in the pursuit.

There will be an expense of \$42,143 by the APD for the in-car video systems. The Buncombe County Sheriff's Department will expend \$14,534 for the purchase of thermal imaging equipment. This accounts for the total allocation of \$56,677 for this Grant.

This is a 100% funded non-local match grant that will enable the APD to greatly enhance documentation of patrol related activities such as vehicle stops, pursuits, etc. The video evidence will prove to be very valuable in court for both civil and criminal offenses. Additionally, such evidence will be valuable to for internal investigations into officer actions and encounters. This will enhance accountability for officer actions and increase officer and public safety.

Pros:

- Increasing In-Car video will allow for better documentation of police related incidents.
- Increases officer and citizen accountability through recorded interactions.

Con:

- Additional burden on the electronic secure storage capacity for storage of the videos
- Maintenance and replacement costs for the camera equipment which has an expected average service life of five years

There is a minimal fiscal impact at this time for City Council to approve the resolution authorizing the City to apply for the grant. If the grant is awarded, there would be maintenance and replacement costs for the equipment that would need to be included in future fiscal year budgets. Additionally, funding will be needed to provide additional secure server/storage space to maintain the evidentiary video.

City staff recommends City Council adopt the resolution authorizing the City Manager to apply for grant funds through US Office of Justice Programs in the amount of \$56,677.

RESOLUTION BOOK NO. 36 - PAGE 221

D. RESOLUTION NO. 14-118 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SUPPLEMENTAL UTILITY AGREEMENT WITH THE N.C. DEPT. OF TRANSPORTATION FOR THE RELOCATION AND ADJUSTMENT OF MUNICIPALLY OWNED WATERLINES WITHIN THE I-26 / NC 280 (AIRPORT ROAD) INTERCHANGE PROJECT AREA

Summary: The consideration of a resolution authorizing the City Manager to execute a Supplemental Utility Agreement with NCDOT for the relocation and adjustment of municipally owned waterlines within the I-26 / NC 280 (Airport Road) interchange project area; the adjusted estimate for the relocation and adjustment of the waterlines is \$196,900.

On July 23, 2013, City Council authorized the City Manager to execute a Municipal Utility Agreement with NCDOT for the I-26 / NC 280 Interchange Project (No. I-5501) in the amount of \$164,000. The Water Resources Department was recently informed that the cost of the project has been increased to \$196,900. Since the City of Asheville owns and maintains municipal waterlines within the right-of-way of the project area, the Water Resources Department is responsible for 100% of the cost associated with adjustment or relocation of the waterlines.

Pros:

- Execution of the agreement allows the City of Asheville Water Resources Department to meet its obligations to NCDOT for the adjustment or relocation of municipal waterlines within the NCDOT right-of-way.
- Execution of the agreement allows the required adjustment or relocation of municipal waterlines to be performed under the NCDOT construction contract, which will provide construction efficiencies producing cost savings and allow construction schedules to be met.

Cons:

- Failure to execute the agreement hinders the City of Asheville Water Resources Department ability to meet obligations to NCDOT for the adjustment or relocation of municipal waterlines within the NCDOT right-of-way.
- Failure to execute the agreement prevents the required adjustment or relocation of municipal waterlines from being performed under the NCDOT construction contract. This will create difficulties with construction coordination, create a lack of efficiencies and add to the overall cost of the construction.

The funding needed for this agreement is currently allocated within the NCDOT I-26 Widening Project in the Water Resources Capital Improvement Projects fund.

City staff recommends City Council approval of a resolution authorizing the City Manager to execute a Supplemental Utility Agreement with NCDOT for the relocation and adjustment of municipally owned waterlines within the I-26 / NC 280 (Airport Road) interchange project area; the adjusted estimate for the relocation and adjustment of the waterlines is \$196,900.

RESOLUTION BOOK NO. 36 - PAGE 222

E. RESOLUTION NO. 14-119 - RESOLUTION APPROVING THE STRATEGIC PARTNERSHIP FUND (FORMERLY THE OUTSIDE AGENCY PROGRAM) AWARDS

Summary: The consideration of a resolution approving the recommendations of the Housing & Community Development (HCD) Committee for the 2015 Strategic Partnership Fund (formerly Outside Agency Grants).

The HCD Committee received applications from 14 eligible organizations for Strategic Partnership Funds for 2015. One application was withdrawn after submittal. The Committee considered these applications at their meeting on May 20, 2014, and now recommends 11 applications for funding. The recommendations are:

Agency	Funding Support Purpose	2015 Funding Recommendation
Appalachian Sustainable Agriculture Project	Funds will expand the reach and impact of the Growing Minds at Market (GM@M) to vulnerable children and families in the Asheville area.	5,000

Asheville Area Arts Council	Funds will support the Creative Industry Entrepreneurship Program, which offers professional and workforce development services through an array of business management training opportunities and the Artist's Resource Center.	10,000
Asheville Design Center	Funds will support Phase II (hard-scaping) of the Hall Fletcher Elementary Outdoor Learning Center.	4,000
Asheville Greenworks	Funds will support the on-going mission of the organization to clean up litter, reduce graffiti, recycle and reduce waste, and beautify with tree plantings, park restorations and flower beds.	10,000
Child Abuse Prevention Services, Inc.	Funds will help reduce and prevent child abuse, strengthen families and assist children and families who have experiences abuse through prevention education, parenting education, and crisis intervention/counseling.	5,000
Children First	Funds will support the Learning Center program in Pisgah View, Deaverview and Woodbridge apartment complexes.	20,000
Green Opportunities	Funds will assist in the creation and management of a community garden at the newly renovated W.C. Reid Center.	10,000
Homeward Bound	Funds will support the A-HOPE Day Center outreach, intake and support for homeless persons, and provide support for weekend operations.	25,000
One Youth At A Time	Funds will provide mentoring and tutoring, guided growth activities, job training and placement assistance to at-risk and critically at-risk youth ages 8-19.	4,400
Partners Unlimited	Funding will be used to pay for 16 NovaNET site licenses, program registration fees for low-income students, and personnel costs.	2,500
United Way 2-1-1	Funds will support 2-1-1, a community service information line that connects people to community resources. 2-1-1 is a free confidential service available by phone 24/7 to speakers of all languages. Its database of public and non-profit services is also available online and via mobile devices.	2,500

Total recommended funding is \$98,400. This amount is unchanged from last year's Outside Agency Program, when funding for agencies now allocated through department line-item budgeting is factored into the total.

Pros:

- Approval of the Strategic Partnership Fund provides operating support to Asheville-based organizations that are providing direct services for Asheville residents.

- The Strategic Partnership Fund reflects the carefully considered recommendations of the City's Housing & Community Development Committee.

Con:

- Budget constraints continue to curtail the availability of funds; supported organizations will need to find alternate sources of program support. All worthy proposals could not be funded.

Strategic Partnership Funds are funded from the City's general fund. The funding recommendations do not exceed the fiscal limits included in the FY 2014-2015 Proposed Budget of \$98,400.

The HCD Committee recommends approval of the 2015 Strategic Partnership Fund grants as presented.

RESOLUTION BOOK NO. 36 - PAGE 223

F. RESOLUTION NO. 14-120 - RESOLUTION DIRECTING THE CITY CLERK TO ADVERTISE THE SALE OF A REMNANT PIECE OF PROPERTY OFF COXE AVENUE TO SOUTH SLOPE HOLDINGS, LLC

Summary: The consideration of a resolution directing the City Clerk to advertise for upset bids for the sale of 512 square feet of remnant real property located off of Coxe Avenue to South Slope Holdings, LLC.

A recent title search of private property located at 185 Coxe Avenue discovered that the City of Asheville holds title to a 4 feet by 128 feet strip of vacant property located at the southern boundary line of 185 Coxe Avenue. The City of Asheville was deeded this strip of property in 1923 for a walkway to connect to the former Asheland Avenue School that operated in the 1930's and 1940's. The school was closed in the 1950's.

At this time, the property 185 Coxe Avenue has been purchased by South Slope Holdings, LLC for redevelopment and the company wishes to purchase this remnant property. Being that the property has limited practical utility, the method to establish fair market value is the upset bid process set forth in NCGS 160A-269. South Slope Holdings, LLC has put forth a bid of \$1,000 for the property. If City Council approves the following resolution, the City Clerk will be directed to publish an advertisement for upset bids for a period of 10 days, in which any interested party may upset the current bid of \$1,000. The statutes require that a qualifying bid must increase the current offer by 10% of the first \$1,000 and 5% of the remainder (i.e. \$1,100 or higher.) Since the function of the upset bid process is to confirm fair market value, the resolution provides that if no qualifying, competing bid is received, then City Council agrees to convey this parcel to South Slope Holdings, LLC for \$1,000.

The Parks Department and Transportation Department have confirmed that this property is not needed for future multi-modal transportation infrastructure.

Pros:

- Private sale will convert public land into taxable real property.

Cons:

- None.

Financial proceeds associated with the real property disposition are to benefit the Economic and Community Development Capital Improvement Project budget.

Staff recommends adoption of the resolution directing the City Clerk to advertise for upset bids for a property located off of Coxe Avenue.

RESOLUTION BOOK NO. 36 - PAGE 224

G. RESOLUTION NO. 14-121 - RESOLUTION DIRECTING THE CITY CLERK TO ADVERTISE THE SALE OF A REMNANT PIECE OF PROPERTY OFF HAZZARD STREET TO HELEN LINDBERG AND C.C. COURTNEY

Summary: The consideration of a resolution directing the City Clerk to advertise for upset bids for the sale of 0.06 acres (approx. 2600 square feet) of remnant real property located off of Hazzard Street to Helen Lindberg and C.C. Courtney.

The City of Asheville owns two parcels of remnant property located off of Hazzard Street that measure 0.03 acres each, for a total of 0.06 acres (PIN # 9648-69-9941 & 9648-79-0902). These parcels were deeded to the City by the Housing Authority in 1995 at the end of the Urban Renewal program. The parcels are configured in a flag-lot shape and have limited utility to the broad market of buyers. The adjacent property owners have put forth an offer of \$3,000 to purchase both parcels.

Being that the property has limited practical utility, the method to establish fair market value is the upset bid process set forth in NCGS 160A-269. Helen Lindberg and C.C. Courtney have put forth a bid of \$3,000 for the properties. If City Council approves the following resolution, the City Clerk will be directed to publish an advertisement for upset bids for a period of 10 days, in which any interested party may upset the current bid of \$3,000. The statutes require that a qualifying bid must increase the current offer by 10% of the first \$1,000 and 5% of the remainder (i.e. \$3,200 or higher.) Since the function of the upset bid process is to confirm fair market value, the resolution provides that if no qualifying, competing bid is received, then City Council agrees to convey this parcel to Helen Lindberg and C.C. Courtney for \$3,000.

The Parks Department and Transportation Department have confirmed that this property is not needed for future multi-modal transportation infrastructure.

Pros:

- Private sale will convert public land into taxable real property and will relieve the City of ongoing maintenance responsibility.

Cons:

- None.

Because this property is associated with Federal Funds via Urban Renewal, the financial proceeds are to benefit the Community Development Block Grant fund.

Staff recommends adoption of the resolution directing the City Clerk to advertise for upset bids for a property located off of Hazzard Street.

RESOLUTION BOOK NO. 36 - PAGE 225

H. RESOLUTION NO. 14-122 - RESOLUTION ADOPTING THE CITY OF ASHEVILLE'S FINANCIAL POLICY TO INCLUDE HEALTH FUND RATES AND A REVISION TO THE DEBT POLICY

Summary: The consideration of a resolution adopting changes to the City of Asheville's Financial Policy to include Health Fund rates and a revision to the Debt policy.

National Advisory Council on State and Local Budgeting (NACSLB) and the Government Finance Officers Association (GFOA) recommend that local governments adopt a financial policy to help frame resource allocation decisions and guide financial management. Staff annually reviews the policy to ensure its continued relevance and to identify any gaps that need to be addressed by City Council. As part of this annual review process, staff is recommending that Council consider approving an updated policy.

The two most significant updates to the policy include the addition of a section on "Internal Service Fund" and an expansion of the section on "Debt". Each of these areas is described further below.

1. I. Internal Service Fund – Health Insurance Fund

In February 2011 City Council appointed five (5) members of the community to serve on the Healthcare Task Force Committee. Council directed the group to conduct a broad review of health insurance benefits extended to City employees. Among the committee's recommendations was stabilization of the Health Insurance Fund to mitigate unforeseen catastrophic claims, larger than expected medical inflation trends, Incurred But Not Reported (IBNR) claims liability and the impact of the Affordable Care Act. The policy's objective is to establish mechanisms for rate setting, budgeting, and reserve requirements that will sustain the City's self-funded health insurance program.

2. J. Debt

Revisions to the debt policy were endorsed by the City's Bond Counsel and Financial Advisor in order to 1) comply with federal tax law, and to 2) demonstrate to ratings agencies City Council's intent to preserve or improve the City's bond ratings through sound debt management.

On May 27, 2014, the City Council Finance Committee endorsed the amendments.

Pro:

- Adoption of the revised Financial Policies codifies City Council's intent to maintain sound financial management practices.

Con:

- None.

City staff recommends that Council adopt a resolution adopting changes to the City of Asheville's Financial Policy to include Health Fund rates and a revision to the Debt policy.

RESOLUTION BOOK NO. 36 - PAGE 226

I. ORDINANCE NO. 4313 - ORDINANCE DESIGNATING A 25 MPH SPEED LIMIT ON GALAX AVENUE FROM VIRGINIA AVENUE TO THE END OF CITY MAINTENANCE; MINERAL SPRINGS ROAD FROM BEAUCATCHER ROAD TO TUNNEL ROAD; AND STANCLIFF DRIVE FROM OVERLOOK ROAD TO PHEASANT DRIVE

Summary: The consideration of an ordinance to enact and/or change the speed limits to 25 mph on Galax Avenue from Virginia Avenue to the End of City Maintenance, Mineral Springs Road from Beaucatcher Road to Tunnel Road, and Stancliff Drive from Overlook Road to Pheasant Drive.

According to state law (NCGS # 20-141), the statutory speed limit in North Carolina is 35 mph inside municipal corporate limits for all vehicles and 55 mph outside municipal corporate limits for all vehicles except for school buses and school activity buses.

Furthermore, local authorities may authorize by ordinance higher speeds or lower speeds than the statutory 35 mph speed limit on locally-maintained streets provided that the higher speed limit cannot exceed 55 mph. Speed limits authorized by local authorities are effective when the appropriate signs are erected.

City staff recently completed traffic engineering investigations and determined that a 25 mph speed limit would be reasonable and safe on Galax Avenue from Virginia Avenue to the End of City Maintenance, Mineral Springs Road from Beaucatcher Road to Tunnel Road, and Stancliff Drive from Overlook Road to Pheasant Drive.

Pros:

- City staff has been able to respond favorably to citizen's requests.
- The new speed limits will be consistent with roads of like character and design.
- This action will also bring some of the roads into line with our speed limit policies.
- Based on the 85th percentile speeds, most drivers would adhere to the recommended speed limits on these roads.

Cons:

- The initial cost to install the appropriate speed limit signs is about \$150.00.
- Typically, speed limit signs have a serviceable life of five to seven years.

The initial cost to install the appropriate speed limit signs is about \$150.00 and is included in the current operating budget for the Transportation Department.

City staff recommends that City Council approve an ordinance changing the speed limit to 25 mph speed limit on Galax Avenue from Virginia Avenue to the End of City Maintenance, Mineral Springs Road from Beaucatcher Road to Tunnel Road, and Stancliff Drive from Overlook Road to Pheasant Drive.

ORDINANCE NO. 29 - PAGE

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

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

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

III. PRESENTATIONS & REPORTS:

A. LEGISLATIVE UPDATE

Assistant City Manager Paul Fetherston highlighted the following bills: S786 - Energy Modernization Act; HB1050 - Omnibus Tax Law Changes; includes Privilege License Tax reform; S729 - Governor's Coal Ash Action Plan; H150/S139 - Zoning Design & Aesthetic Controls; S734/H1136 - Authority to Adopt Certain Ordinances; H1191 - Authority to Adopt Local Ordinances; H531 - ETJ/Zoning - Weaverville & Buncombe/Correction; H1113 - Bent Creek Property Sullivan Act Exemptions; S743/H1031 - NC Economic Development Partnership Modifications; and H1142 - Modify Film/Historic Rehab Tax Credits. He also mentioned Town Hall Day; and the Water Update: SL 2013-50 (H488: Regionalization of Public Utilities) - on June 9, 2013, the Wake County Superior Court found in the City's favor of the Water System lawsuit.

Mayor Manheimer gave a brief update on their meetings during Town Hall Day in Raleigh last week. She was also pleased to reiterate that the Wake County Superior Court Judge found

in the City's favor of the Water System lawsuit. We will find out whether that is appealed within the next 30 days.

Councilman Bothwell thanked Barry Summers for his relentless work on the water issue.

IV. PUBLIC HEARINGS:

A. PUBLIC HEARING TO CONSIDER CONDITIONAL ZONING OF PROPERTY LOCATED AT 1 SUNSET PARKWAY FROM RS-4 RESIDENTIAL SINGLE FAMILY MEDIUM DENSITY DISTRICT TO OFFICE II DISTRICT/ CONDITIONAL ZONING TO ALLOW FOR THE OPERATION OF A RESIDENCE AND A CANINE REHABILITATION CENTER, WITH REQUESTED LANDSCAPE AND PARKING MODIFICATIONS

Mayor Manheimer announced that the applicant has requested a continuance until July 22, 2014. Councilman Smith moved to continue this matter until July 22, 2014. This motion was seconded by Councilman Bothwell and carried unanimously.

B. PUBLIC HEARING TO CONSIDER ADOPTION OF THE FISCAL YEAR 2014-15 ANNUAL OPERATING BUDGET

PUBLIC HEARING TO CONSIDER REVISING THE STORMWATER UTILITY FEE

Finance Director Barbara Whitehorn said that conducts a public hearing each year to receive public input on the Proposed Annual Operating Budget prior to adoption of the Annual Budget Ordinance and the revision to the stormwater utility fee to allow a 3-tiered fee structure. This public hearing was advertised on May 30 and June 6, 2014.

The Fiscal 2014/2015 Proposed Annual Operating Budget was presented to City Council on May 27, 2014. The Fiscal Year 2014/2015 Proposed Budget is balanced while maintaining the current Ad Valorem tax rate of \$0.46 per \$100 of assessed value. All essential City services are continued in the Proposed Budget. A copy of the Proposed Budget is available for public inspection in the City Clerk's office. The Proposed Budget is also available for viewing on the City's website (www.ashevillenc.gov).

In accordance with the North Carolina Local Government Budget and Fiscal Control Act, a summary of the Proposed Budget along with a notice of the Public Hearing was published on May 30 and June 6, 2014. Adoption of the Fiscal 2014/2015 Budget Ordinance is scheduled for June 24, 2014, at the regularly scheduled City Council meeting. The Proposed Budget may be changed by City Council in any way before adoption. It may also be changed by budget amendment after adoption, with the only exception being the Ad Valorem Tax rate, which cannot be changed once the Budget is adopted.

Staff recommends City Council conduct the public hearing on the City of Asheville Fiscal Year 2014/2015 Proposed Annual Operating Budget and include public input in its consideration of the Budget.

Ms. Whitehorn explained the two legislative developments (1) Privilege License Tax Update (a) repeal effective Fiscal Year 2015-16; and (b) minor changes in Fiscal year 2014-15; and (2) City prevailed in the Water System lawsuit judgment. She then reviewed the Neighborhood Sidewalk Program, noting that the Multimodal Transportation Team recommendation is \$550,000 over five years with CIP, and reductions in other project allocations. She then showed a chart of the revisions. The Program is funded at \$100,000 for Fiscal Year 2015 and will be reevaluated for funding and program in the Fiscal Year 2016 budget process.

She recapped that this is a continuation budget, it meets City Council's key goals, there is no tax rate increase, and there is included a Capital Improvement Program.

Transportation Director Ken Putnam responded to various questions from Council, some being, but are not limited to: why are we not using the existing sidewalk criteria; how much sidewalk will we be able to get built for \$550,000 over 5 years; what is the status of the Pedestrian Master Plan; and when is the Multimodal Transportation Plan expected for adoption.

At the suggestion of Councilwoman Wisler, and consensus of Council, the Finance Committee was directed to include in their work plan for the year to do an analysis of the Buncombe County tax collections process to see if there are other options, e.g., the City doing the collection in-house.

Mayor Manheimer opened the public hearing for the budget and the stormwater utility fee structure at 5:56 p.m.

Mr. Chris Peterson acknowledged that there would not be a property tax increase next fiscal year; but was concerned that City Council is taxing the citizens in other ways, e.g., the stormwater utility fee increase. He felt the high administrative costs to administer the fee should be reviewed.

Mr. Saul Chase felt that there was not enough money allocated for neighborhood sidewalks.

Ms. Amy Cantrell thanked City Council for recognizing that public transportation needs to be a priority. She presented Council with a petition containing 349 signatures thanking Council for Sunday bus service, later night service, and changes to the C route.

Ms. Itiyopiya Ewart thanked City Council for their support of transit services, including Sunday bus service, and neighborhood sidewalks.

Mr. Steve Olin spoke in support of additional neighborhood sidewalks.

A bicyclist suggested revising the budget so people can get a clear sense of how much the City is allocating to bicycling.

Mr. Ken Michalove was not satisfied with the City's response to his budget questions regarding Pack Place and the Asheville Art Museum. He raised concerns of Council's lack of due diligence as it pertains to the leasing of Pack Place and contributions to the Asheville Art Museum.

Mr. Roy Harris spoke in support of Sunday bus service and neighborhood sidewalks.

Mayor Manheimer closed the public hearing at 6:20 p.m.

Councilman Pelly acknowledged that the budget will bring significant improvements to our community; however, \$550,000 for neighborhood sidewalks over 5 years won't go far - roughly 1 mile of sidewalk. He acknowledged that we can't have sidewalks on every street, but he felt that the connector streets are the streets that we need to target in the future. He was concerned that with a \$132 Million Capital Improvement budget, only \$550,000 is being allocated for neighborhood sidewalks. He felt that amount was inadequate and hoped that, as important as the rest of the Capital Improvement Program is, this will be something that Council would re-consider allocating additional funds.

Councilman Bothwell agreed with Councilman Pelly. He explained the need for stormwater management as incidents of high volume water events are increasing. He noted that

the fee proposed does not affect homes 2,000 square feet and under. He said the increase ranges from \$2.80 to \$5.50 a month (on a 5-6,000 square foot home). He felt it's an essential safety matter and the City Council is trying to address the need.

Mayor Manheimer noted that the stormwater fee we are proposing is far less than other cities across the state, noting that we are a little more challenged than other cities in terms of managing stormwater. There are very large infrastructure projects that this fee will be used for that are more regional in nature. This is a needed step to develop a strong stormwater system for the future.

Deputy City Attorney McGlohon said that when the amendment to the Fees & Charges Manual is adopted that it will have to have a delayed implementation time of 60-90 days for the residential increases.

Councilman Smith agreed with Councilman Pelly about our values being reflected in the budget. The budget looks at a way to provide adequate economic stability, and also looking at economic mobility. The City has to keep getting as creative as they can.

Mayor Manheimer said that adoption of the Fiscal Year 2014-15 Annual Operating Budget will occur on June 24, 2014. In addition, the ordinance amending the Fees & Charges Manual regarding a 3-tiered stormwater fee structure will be considered on June 24, 2014, with the public hearing on the amendment to the stormwater ordinance in August, 2014.

C. PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE UNIFIED DEVELOPMENT ORDINANCE REGARDING RESIDENTIAL DEVELOPMENT DENSITY STANDARDS IN CERTAIN COMMERCIAL ZONING DISTRICTS

At the request of City staff, Councilwoman Wisler moved this public hearing be continued until July 22, 2014. This motion was seconded by Councilman Bothwell and carried unanimously.

V. UNFINISHED BUSINESS:

VI. NEW BUSINESS:

A. BOARDS & COMMISSIONS

Regarding the Greater Asheville Regional Airport Authority, the following individual applied for the vacancy: Gary Herndon. It was the consensus of Council to postpone action for two weeks on this appointment.

Regarding the Citizens-Police Advisory Committee, the following individual applied for a vacancy: Buck Bragg. It was the consensus of Council to postpone action on these appointments, noting that all members are appointed until their successors have been appointed.

Regarding the Civic Center Commission, the following individuals applied for the vacancy: Nick King, Sheila Surrent, Gary Herndon, Geoff Mohny, Yvonne Cook-Riley and Greg Duff. It was the consensus of Council to re-advertise one additional month.

Regarding the Community Relations Council, the following individuals applied for the vacancy: Sandra Houts, Brandee Boggs and Fyffe Aschenbrenner. It was the consensus of Council to re-advertise for one additional month.

Regarding the Multimodal Transportation Commission, it was the recommendation of the Boards & Commissions Committee, and consensus of Council to amend the membership composition of the Multimodal Transportation Commission to have 2 members representing

transit interests, 2 members representing greenway interests, 2 members representing bicycle/pedestrian interests, and 3 at-large members; and advertise for vacant seats.

Regarding the Neighborhood Advisory Committee, the following individuals applied for a vacancy: Nick King, Teddy Jordan and Julie Hansbury. It was the consensus of Council to (1) reappoint Robert Roepnack, Barber Melton and Elaine Poovey; and interview Teddy Jordan and Julie Hansbury.

Regarding the Public Art and Cultural Commission, the following individuals applied for a vacancy: Denise Drury, Jay Fields, Jenny Bowen and Jay Miller. It was the consensus of Council to (1) reappoint Victor Palomino, Jaan Ferree, Gwynne Rukensbrod and Guillermo Rodriguez; and (2) interview Denise Drury, Jay Fields, Jenny Bowen and Jay Miller.

RESOLUTION NO. 14-123 – RESOLUTION APPOINTING THE CHAIRMAN TO THE CIVIL SERVICE BOARD

Vice-Mayor Hunt, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing a Chair to the Civil Service Board to serve until June 25, 2015, or until their successor is appointed, whichever occurs first.

It is the responsibility of City Council to appoint the Chair of the Civil Service Board and the Chair of the Civil Service Board shall be appointed annually by City Council.

On August 27, 2013, City Council adopted Resolution No. 13-179 which appointed Mr. Marvin Rosen to serve as Chair for one year (June 25, 2014) or until his successor was duly appointed by Council, whichever occurred first.

In 2013, a process was established for future appointments to the chair role of the Civil Service Board. Said process offered members of the Civil Service Board to express interest in serving as Chair.

At the Civil Service Board meeting in May, 2014, all members were advised to contact City Clerk Bureson if they were interested in serving as Chair. Mr. Rosen was the only interested member.

It was the consensus of the Boards & Commissions Committee to reappoint Mr. Rosen as Chair.

Vice-Mayor Hunt moved to reappoint Mr. Marvin Rosen as Chairman of the Civil Service Board to serve a one-year term, term to expire June 25, 2015, or until his successor is duly and annually appointed by the City Council, as provided by law. This motion was seconded by Councilwoman Wisler and carried unanimously.

RESOLUTION BOOK NO. 36- PAGE 232

RESOLUTION NO. 14-124 – RESOLUTION APPOINTING A MEMBER TO THE WNC REGIONAL AIR QUALITY AGENCY

Vice-Mayor Hunt, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing a member to the WNC Regional Air Quality Agency.

The term of Dean Kahl expires on July 1, 2014.

No one applied for the vacancy.

It was the consensus of the Boards & Commissions Committee to reappoint Dr. Kahl.

Mayor Manheimer moved to reappoint Dean Kahl to serve an additional six-year term, term to expire July 1, 2020, or until his successor has been appointed. This motion was seconded by Councilman Smith and carried unanimously.

RESOLUTION BOOK NO. 36- PAGE 233

RESOLUTION NO. 14-125 – RESOLUTION APPOINTING MEMBERS TO THE ASHEVILLE-BUNCOMBE CRIME-STOPPERS BOARD OF DIRECTORS

Vice-Mayor Hunt, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing members to the Asheville-Buncombe Crime-Stoppers Board of Directors.

The terms of Anthony Mitchell and Karl Katterjohn expire on June 30, 2014.

The following individual applied for the vacancy: Tom Fisher.

It was the consensus of the Boards & Commissions Committee to reappoint Mr. Mitchell and Mr. Katterjohn.

Vice-Mayor Hunt moved to reappoint Anthony Mitchell and Karl Katterjohn to each serve a three-year term, terms to expire June 30, 2017, or until their successors have been appointed. This motion was seconded by Councilman Pelly and carried unanimously.

RESOLUTION BOOK NO. 36- PAGE 234

RESOLUTION NO. 14-126 – RESOLUTION APPOINTING MEMBERS TO THE ASHEVILLE-BUNCOMBE HISTORIC RESOURCES COMMISSION

Vice-Mayor Hunt, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing members to the Asheville-Buncombe Historic Resources Commission.

The terms of Brendan Ross and Richard Fast expire on July 1, 2014.

The following individuals applied for the vacancy: Tom Hartwell, Keaton Edwards, Jesse James, Gary Herndon, Patricia Darcy, Kendra Turner and Geoff Mohny.

It was the consensus of the Boards & Commissions Committee to reappoint Ms. Ross and Mr. Fast.

Vice-Mayor Hunt moved to reappoint Brendan Ross and Richard Fast to each serve a three-year term, terms to expire July 1, 2017, or until their successors have been appointed. This motion was seconded by Councilman Bothwell and carried unanimously.

RESOLUTION BOOK NO. 36- PAGE 235

RESOLUTION NO. 14-127 – RESOLUTION APPOINTING MEMBERS TO THE RECREATION BOARD

Vice-Mayor Hunt, Chair of the Boards & Commissions Committee, said that this is the consideration of appointing members to the Recreation Board.

The terms of Todd Dunnuck, Mildred Nance-Carson, Josh O'Conner and Jordan Veale expire on June 30, 2014.

The following individuals have applied for a vacancy: Kimberly Reed, Mary Michael and Patrick Dennehy.

It was the consensus of the Boards & Commissions Committee to reappoint Mr. Dunnuck and Mr. O'Conner; and appoint Kimberly Reed and Patrick Dennehy.

Councilman Smith moved to (1) reappoint Todd Dunnuck and Josh O'Conner to each serve a three-year term, terms to expire June 30, 2017, or until their successors have been appointed; and (2) appoint Kimberly Reed and Patrick Dennehy to serve a three year term respectively, terms to begin July 1, 2014, and expire June 30, 2017, or until their successors have been appointed. This motion was seconded by Councilman Pelly and carried unanimously.

RESOLUTION BOOK NO. 36- PAGE 236

RESOLUTION NO. 14-128 – RESOLUTION APPOINTING A MEMBER TO THE ASHEVILLE AREA RIVERFRONT REDEVELOPMENT COMMISSION

Vice-Mayor Hunt, Chair of the Boards & Commissions Committee, said that Mayor Esther Manheimer has has to resign from the Asheville Area Riverfront Redevelopment Commission, thus leaving a vacancy for the City Council ex-officio voting member.

Vice-Mayor Hunt moved to appoint Councilman Jan Davis to serve on the Asheville Area Riverfront Redevelopment Commission in an ex-officio voting capacity until he is no longer a member of the Asheville City Council. This motion was seconded by Councilman Bothwell and carried unanimously.

RESOLUTION BOOK NO. 36- PAGE 237

VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:

Ms. Jeanie Rosenthal updated City Council on the inactivity of Partnership Property Management to enforce people not smoking at least 25 feet from their apartment complexes. She provided Council with an article on the negative impact of e-cigarette smoking.

Mr. Bob Spitzen asked for Council's assistance to see if a lis pendens has been served on his son who owns 76 Lanvale Avenue. Deputy City Attorney McGlohon stated that the City Attorney's Office is familiar with Mr. Spitzen's issue and is trying to resolve the issue.

Ms. Itiyopiya Ewart thanked City Council for their support of transit services, including Sunday bus service, and neighborhood sidewalks.

Mr. Timothy Sadler thanked Council for their work on the water system lawsuit and asked, under the Freedom of Information Act, how many employee hours went into the establishment of the Cultural Recreation Authority and the Water System lawsuit.

VIII. ADJOURNMENT:

Mayor Manheimer adjourned the meeting at 6:51 p.m.

CITY CLERK

MAYOR