

Tuesday – December 19, 2017 - 5:00 p.m.

Regular Meeting

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

Absent: None

**PLEDGE OF ALLEGIANCE**

Mayor Manheimer led City Council in the Pledge of Allegiance.

**I. PROCLAMATIONS:**

**II. CONSENT AGENDA:**

- A. APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON NOVEMBER 28, 2017; AND THE ORGANIZATION MEETING HELD ON DECEMBER 4, 2017**
  
- B. RESOLUTION NO. 17-266 - RESOLUTION ADOPTING THE 2018 CITY COUNCIL MEETING SCHEDULE**  
  
**RESOLUTION BOOK NO. 39 - PAGE 209**
  
- C. MOTION ADOPTING ASSIGNMENT OF BOARD & COMMISSION MEMBERS/LIAISONS FOR 2018-19**

Summary: Deputy City Clerk Sarah Terwilliger has a complete listing of all appointments made for City Council liaisons and mandatory seats on the various boards and commissions.

**RESOLUTION NO. 17-267 - RESOLUTION APPOINTING VIJAY KAPOOR AS A MEMBER TO THE HUB COMMUNITY ECONOMIC DEVELOPMENT ALLIANCE**

Summary: Vice-Mayor Gwen Wisler has resigned as a member of the HUB Community Economic Development Alliance, representing the seat of a Planning & Economic Development Committee member. Councilwoman Mayfield has resigned as an alternate of the HUB Community Economic Development Alliance. Therefore, Councilman Vijay Kapoor be and he is hereby appointed as the City Council appointee and member of the City Council Planning & Economic Development Committee to serve as member of the HUB Community Economic Development Alliance until he is no longer a member of City Council or is no longer a member of the City Council Planning & Economic Development Committee.

**RESOLUTION BOOK NO. 39 - PAGE 210**

**RESOLUTION NO. 17-268 - RESOLUTION REAPPOINTING GWEN WISLER AS A MEMBER TO THE METROPOLITAN SEWERAGE DISTRICT BOARD OF DIRECTORS**

Summary: The term of Gwen Wisler, as a member on the Metropolitan Sewerage District Board of Directors, expires on January 19, 2018. Therefore, Vice-Mayor Gwen Wisler, 104 Kimberly Avenue, Asheville, North Carolina, be and she is hereby reappointed to serve an additional three-year term, term to expire January 19, 2021, or until her successor has been appointed.

**RESOLUTION BOOK NO. 39 - PAGE 211**

**RESOLUTION NO. 17-269 - RESOLUTION APPOINTING JULIE MAYFIELD AS A MEMBER OF THE ASHEVILLE AREA RIVERFRONT REDEVELOPMENT COMMISSION**

Summary: Former Councilman Cecil Bothwell has resigned as a member of the Asheville Area Riverfront Redevelopment Commission, thus creating a vacancy. Therefore, Councilwoman Julie Mayfield be and she is hereby appointed to the Asheville Area Riverfront Redevelopment Commission to serve as the City Council voting member until she is no longer a member of the Asheville City Council.

**RESOLUTION BOOK NO. 39 - PAGE 212**

**D. RESOLUTION NO. 17-270 - RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT CHANGE ORDER WITH DUKE ENERGY PROGRESS' SMALL BUSINESS ENERGY SAVERS PROGRAM TO INCREASE THE AMOUNT OF THE CONTRACT TO REFLECT AN ERROR IN THE CONTRACT AUTHORIZATION AMOUNT AND UPDATED PRICING FROM THE CONTRACTOR**

Summary: The consideration of a resolution authorizing the City Manager to sign a contract change order with Duke Energy Progress' Small Business Energy Savers Program to increase the amount of the contract not to exceed from \$8,511.36 to \$12,169.17 to reflect an error in the contract authorization amount and updated pricing from the Contractor.

On October 3, 2017, City Council voted to authorize the City Manager to enter into a sole source provider contract through Duke Energy's Small Business Energy Saver ("SBES") Program for the purchase and installation of energy efficient lighting in Fire Station #2 and Fire Station #7/North Asheville Community Center. The resolution had listed the project not exceed \$8,511.36 which does not reflect the total cost of both lighting upgrades. It is anticipated that the total cost of both lighting upgrades will be \$12,169.17 but we request the resolution be revised to \$15,000 to account for any potential change orders up to the budgeted amount. This change is due to:

1. The Resolution quoted the upgrade for Fire Station #7 and not Fire Station #2
2. Updated pricing from the contractor

Pros:

- Supports Resolution 11-77, reducing the City's municipal carbon footprint
- Leverages a DEP incentive which contributes to \$6,669.08 of the total project cost

Con:

- None Identified

As noted above the total cost of both projects is \$12,169.17, with funding utilized from the Green Program budget. Once complete, the upgrade will produce a combined estimated of \$2,945.06 savings on energy per year.

Staff recommends City Council authorize the City Manager to approve a contract change order increasing the total amount of the contract to \$12,169.17 for the installation of energy efficiency lighting as part of Duke's SBES Program and authorizing the City to Manager to execute any change orders up to the budgeted amount.

**RESOLUTION BOOK NO. 39 - PAGE 213**

**E. RESOLUTION NO. 17-271 - RESOLUTION ENDORSING THE BUNCOMBE COUNTY PATHWAY TO PREVENTION PLAN**

Summary: Domestic violence, sexual assault and child abuse are serious social and public health issues that affect thousands of residents of the City of Asheville each year, causing multiple adverse health impacts. Research documents that children who are abused learn unhealthy behaviors and develop maladaptive coping skills, which can show up later in their adolescent and adult relationships as intimate partner and/or sexual violence. Helpmate, Our VOICE, the Mountain Child Advocacy Center and 20 other local agencies have partnered for 3 years to design a long-term plan to prevent domestic violence, sexual assault and child abuse. The Buncombe County Pathway to Prevention Plan employs a series of mutually-reinforcing strategies and activities mapped onto the social-ecological model, a public health approach to violence prevention, which is endorsed by the CDC. Focus areas for this plan include individual prevention education programming, youth focused programming, provider training, developing and incentivizing organizational structures that prevent violence, building community connections for resilience, and public policy advocacy. The Plan seeks to promote healthy relationships where people live, learn, work, play, and worship. The Plan intends to prevent multiple forms of violence with a few key strategies. The City Council of the City of Asheville endorses the Buncombe County Pathway to Prevention Plan to prevent domestic violence, sexual violence and child maltreatment and authorizes use of its logo on the document.

**RESOLUTION BOOK NO. 39 - PAGE 214**

**F. RESOLUTION NO. 17-272 - RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR AND IF AWARDED. ACCEPT FUNDING FROM THE FRENCH BROAD RIVER METROPOLITAN PLANNING ORGANIZATION FOR FISCAL YEAR 2019 FOR AUTOMATED BICYCLE AND PEDESTRIAN COUNTING EQUIPMENT**

Summary: The consideration of a resolution authorizing the City Manager to apply for and if awarded, accept funding from the French Broad River Metropolitan Planning Organization (MPO) for FY 2019 funding for automated bicycle and pedestrian counting equipment in the amount of \$48,000.

The French Broad River MPO has issued a call for applications for transportation planning funds that will be available in FY 2019. Staff has identified a need for automated bicycle and pedestrian counters to be used on new greenway facilities.

The automated counters will provide needed data regarding greenway use. Existing construction grants such as the TIGER VI grant from the Federal Highway Administration require ongoing bicycle and pedestrian counts that would otherwise need to be collected using manual labor, and the extent of manual counts would not be as thorough or as regular as automated counters.

The current opportunity for transportation planning funds is available to all jurisdictions in the MPO in Buncombe, Henderson, and Haywood Counties. The total available funding in this grant cycle for the three county area is approximately \$90,000.

The grant requires a 20% local match. Staff intends to use the grant funds to purchase four automated counters, for a total cost of \$60,000. The grant application will be for \$48,000, and the local match of \$12,000 will be provided by the City of Asheville. The match will need to be programmed in the FY 2019 budget.

This report is being reviewed by the Finance Committee on December 19th and if anything other than a unanimous approval is received, the details of the decision by the Finance Committee will be made clear to City Council at their meeting later that same day.

Pro:

- If awarded, the grant would provide \$48,000 toward an automated system for bicycle and pedestrian user counts. This data would otherwise need to be collected manually.

Con:

- The required City Match of \$12,000 will need to be programmed in the FY 2019 budget.

If awarded, the grant would require \$12,000 in local matching funds to be included in the FY 2019 budget. The investment will reduce the need to use staff time or volunteers to conduct the counts and will be able to generate more complete and regular counts.

Staff recommends that City Council approve a resolution authorizing the City Manager to apply for and if awarded, accept funding from the French Broad River Metropolitan Planning Organization for Fiscal Year 2019 funding for automated bicycle and pedestrian counting equipment in the amount of \$48,000.

#### **RESOLUTION BOOK NO. 39 - PAGE 215**

#### **G. MOTION TO APPROVE THE FISCAL YEAR 2018-19 OPERATING BUDGET CALENDAR**

Summary: Motion to approve the Fiscal Year 2018-19 Budget Calendar.

As a part of the Fiscal year 2018-19 Operating Budget development process, which began internally in late November, staff is proposing a budget schedule which encompasses the following:

- A series of Budget Worksessions with City Council beginning in March 2018,
- Formal presentation of the City Manager's Proposed Budget on May 8, 2018, and
- Budget adoption on June 12, 2018.

The proposed schedule, which outlines the key dates in the budget process.

Staff recommends that City Council review the calendar and approve the motion to adopt the Fiscal Year 2018-19 Budget Calendar.

#### **H. RESOLUTION NO. 17-273 - RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH GREENLIGHT ELECTRIC INC. FOR THE BOND TRAFFIC SIGNALS PHASE I PROJECT PROJECT**

Summary: The consideration of a resolution authorizing the City Manager to execute, on behalf of the City of Asheville, a contract in the amount of \$217,565 plus a contingency of 15% (\$32,635) with Greenlight Electric, Inc. for the project known as Bond Traffic Signals – Phase 1, and further authorizing the execution of any change orders to said contract which may arise during execution of said contract up to the budgeted amount of \$250,200.

This contract is for a General Obligation Bond project. Phase 1 will include three of the four proposed traffic signals approved by the 2016 Bond referendum (Along Patton Avenue, the intersections with French Broad, Otis and Asheland).

The project was advertised on October 5<sup>th</sup>, but due to a problem with the bids, all bids were rejected and the project was re-advertised on October 30<sup>th</sup> with the following bid results on November 14<sup>th</sup>:

Greenlight Electric, Inc. of Weaverville, NC	\$217,565
ALS of North Carolina of Salisbury, NC	\$292,294
Brooks, Berry, Haynie & Associates of Charlotte, NC	\$314,555

Pros:

- Will upgrade aging traffic and pedestrian signals
- Project works towards fulfillment of General Obligation Bond

Con:

- Work will cause some traffic delays

There is \$750,000 set aside for the four traffic signals in the General Obligation Bond Program leaving \$499,800 for the remaining signal.

Staff recommends City Council adopt a resolution authorizing the City Manager to execute, on behalf of the City of Asheville, a contract in the amount of \$217,565 plus a contingency of 15% (\$32,635) with Greenlight Electric, Inc. for the contract known as Bond Traffic Signals – Phase 1, and further authorizing the execution of any change orders to said contract which may arise during execution of said contract up to the budgeted amount of \$250,200.

## **RESOLUTION BOOK NO. 39 - PAGE 216**

### **I. RESOLUTION NO. 17-274 - RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ADC ENGINEERING FOR THE JAKE RUSHER PARK BOND PROJECT**

Summary: The consideration of a resolution authorizing the City Manager to execute a contract with ADC Engineering to provide design services for Jake Rusher Park Bond Project for an amount of \$133,052, and further authorizing the execution of any contract amendments up to 10% (\$13,350) above of the contract price, which may arise during execution of said project.

The primary goal of the project is to address equitable access to park facilities and recreation opportunities in Asheville. In the spring, staff sought input from the community on their preference for park redevelopment. The proposed concepts identified the unique history of the community, recognized the park setting as a gateway to the neighborhood, borrowed ideas from some of the best neighborhood parks in the country, and aimed to maximize recreational opportunities at Jake Rusher Park while keeping within the project budget.

Jake Rusher Park will be designed to improve the level of service and meet contemporary needs of neighborhood residents. Upgrades may include restrooms, picnic areas/structures, sprayground, new equipment, surfacing, fencing, site furniture, plant materials,

sport courts, associated facilities, open play areas, vehicular parking lots, accessible pedestrian circulation systems, park area and sport lighting, among other Park and Recreation park standard elements.

The City of Asheville (City) issued a Request for Qualifications (RFQ) for design services for the Jake Rusher Park Bond Project. In response to the RFQ, the City received five (9) Statements of Qualifications to be considered for this project. After thorough review and evaluation, staff recommended ADC Engineering, 25 Woods Lake Road, Suite 210, Greenville, South Carolina as the most qualified to perform the design services for this project.

Scope of Work - ADC Engineering has presented a scope of work and fee proposal for professional services associated with Jake Rusher Park Bond Project and will provide full design services, bidding administration, and contract administration/reporting during construction.

Project Budget - \$1,295,565 million including \$825,000 General Obligation (GO) Bond Funding.

Tentative Project Timeline:

Engineering/Design Services	Spring 2018
Permitting	Winter 2018
Request for Construction Bid	Winter 2018
Construction Begin	Spring 2019
Construction Complete	Winter 2019

Pros:

- Address identified recreational needs that are otherwise unattached to capital investments
- Focus on underserved areas of the city
- Address the needs of diverse park users through addition of assets in parks to better reflect changing neighborhoods
- Meet the Parks and Recreation goal of increasing accessibility and equity

Con:

- The park will be closed during renovations. Any closure will be advertised and coordinated with general park users and neighbors.

Funding for these services are already included in the adopted Capital Improvement Budget through private donations and the City's General Obligation (GO) Bond Funding.

Staff recommends City Council adopt the resolution authorizing the City Manager to execute a contract with ADC Engineering to provide design services for Jake Rusher Park for an amount not to exceed \$133,052, and further authorizing the execution of any contract amendments up to 10% (\$13,350) above of the contract price, which may arise during execution of said project.

**RESOLUTION BOOK NO. 39 - PAGE 217**

- J. RESOLUTION NO. 17-275 - RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A MOBILE FOOD VENDING PILOT PROGRAM FOR 68 HAYWOOD STREET**

Summary: The consideration of a resolution authorizing the establishment of a Mobile Food Vending Program for 68 Haywood Street to take place between January 2018 and December 2018.

In response to City Council request, a temporary Mobile Food Vending program was referred to Finance Committee and is now being recommended for City Council approval with the Finance Committee's unanimous support at their November 28, 2017, meeting. As proposed, the program would simplify administrative fees and processes for mobile food vending including food trucks at 68 Haywood Street downtown.

Recommended by the Haywood Street Advisory Team and authorized by City Council, temporary uses of City-owned properties at 33 Page Avenue and 68 Haywood Street downtown are underway. The primary objective is to activate the subject sites on an interim basis while permanent solutions are being planned and implemented. A secondary goal is to test particular uses and installations in order to learn more about their function, successes and impacts in that location and in the community at large in order help inform both short and long-term decision-making.

Pop-up uses at 68 Haywood Street launched in August 2017 following a Request for Expressions of Interest (RFEI) process; fees for initially proposed programming were waived by City Council at the August 22, 2017 City Council meeting and launched in September 2017. Following the close of the RFEI process, organized events on the site are permitted through the City's existing Outdoor Special Event Permitting process. Passive and recreational uses that do not surpass thresholds in the City's Outdoor Special Event Guide are not required to obtain an Outdoor Special Event Permit, but may use the site during public open hours (7 AM - 10 PM daily). Since the site opened, both passive and organized uses have been light and infrequent. While several organizations were supported to use the space through the RFEI process, some events have been cancelled by organizers due to scheduling and capacity constraints.

At the October 24, 2017, City Council meeting, it was acknowledged by Council that while the site had been set-up to accommodate a variety of uses, including food trucks, the existing mechanism for permitting uses on the site may be cost prohibitive for food trucks. Staff was directed to propose a mechanism to Finance Committee for use of the site by food trucks.

Staff is now positioned to establish a Mobile Food Vending Pilot program for the year 2018 that would remove barriers to mobile food vending and further encourage use and entrepreneurship at 68 Haywood Street. Proposed is a simplified program with an abbreviated registration process and minimal fees (only the existing application fee) that could be administered through the Outdoor Special Events Office in the Community and Economic Development Department.

The one-time fee for a one-year permit (January 2018 - December 2018) would be \$50, which is the already-established application fee for special events on public property. Liability insurance as well as a description and dimensions of the truck or vending structure would be required to be submitted by the vendor. Food trucks and food vendors who obtain the permit would be authorized to conduct sales of food and beverages during open hours of the site (7 AM - 10 PM) when other outdoor special events are not scheduled. Four vendors could be accommodated at any one time, and would be required to plug into the on-site electricity (as opposed to using a generator). The vendor would be responsible for removal of trash generated by their use.

As proposed, vendor participation for the Mobile Food Vending Pilot Program will not be scheduled in advance; spaces will be open and available on a first come, first serve basis for

those vendors possessing the permit. While allowing open and flexible scheduling in this way expedites implementation and minimizes administration and management of the program, staff acknowledges that other qualitative measures would not be included as part of the scheduling or prioritization process.

Pros:

- Removes/reduces barriers for food truck use on the site
- Can be initiated quickly and launched as a pilot for the calendar year 2018
- Requires minimal additional resources and staff time
- May increase overall use and vibrancy of the site
- Supports food truck/vendor entrepreneurship

Cons:

- Does not address equity considerations of vendors
- Administrative site maintenance costs unknown

No revenue from the use of 68 Haywood Street was included in the Adopted Budget. The revenue received through the proposed Mobile Food Vending program is based on the number of registrants throughout the year (there are approximately 75 local food trucks), \$0-\$4,000 collected as Special Event Application Fees (an existing fee established in the City's Fees and Charges). The Finance Committee has asked that utility expenses be monitored and tracked; staff will report back to the Finance Committee once expenses are known over a period of time representative of on-going use.

Staff recommends that City Council authorize the establishment of the Mobile Food Vending Pilot program in order to further encourage temporary activation of 68 Haywood Street and leverage investments already made in the site to accommodate temporary uses, including food trucks.

#### **RESOLUTION BOOK NO. 39 - PAGE 218**

#### **K. RESOLUTION NO. 17-276 - RESOLUTION TO APPROVE PRIORITIES AND GUIDING PRINCIPLES FOR A REQUEST FOR QUALIFICATIONS FOR CITY-OWNED CEDAR HILL PROPERTY AT 411 DEAVERVIEW ROAD AND 18 PISGAH VIEW ROAD FOR AFFORDABLE HOUSING**

Summary: The consideration of a request for City Council to accept housing density priorities and guiding principles for use in evaluation of a Request for Qualifications (RFQ) for development of the city-owned Cedar Hill property for affordable housing.

The City purchased two contiguous parcels, containing 16 +/- acres of land zoned RS-8, with water and sewer access in West Asheville following foreclosure of a Housing Trust Fund project, the Villas at Cedar Hill, in 2009. The city owned property known as the Cedar Hill site (2 contiguous properties at 411 Deaverview Road and 18 Pisgah View Road) is located near transit and schools, and therefore locationally efficient for the development of affordable housing. Due to its size, and its proximity to multiple housing types (rental, homeownership) in the West Asheville, the HCD Committee recommended an RFQ be issued at its October 27, 2017 meeting. HCD asked staff to return to HCD in November with concept designs that could be used in evaluation of responses to the RFQ that align with the City's affordable housing and density goals.

Additionally, the following Guiding Principles and Priorities for evaluation are recommended to be included in the RFQ:



Guiding Principles:

- To understand and respect the surrounding community and integrate the development into the neighborhood;
- To promote and maintain a high standard for design, aesthetics and construction;
- To uphold and contribute to the City of Asheville's long term vision for increased density along transit corridors within city limits;
- To incorporate and encourage environmentally sustainable approaches and solutions in every aspect possible with special considerations to protecting and enhancing the lower stream;
- To provide and contribute to diversified housing opportunities that attract varied ages, incomes, family sizes and overall demographics;
- To promote and support walkability and social connections both within the project and to the surrounding community;
- To celebrate and utilize views from the property to surrounding mountains and promote concepts that provide shared amenity spaces and keep views for all to enjoy.

Required:

- Minimum 150 units
- Mixed housing types that include rental and ownership units
- Minimum 50% of the units must be affordable (80% AMI and below for rental, 100% AMI and below for ownership)
- Community services option near Deaverview access point (i.e., community center, child care center, office space)

The HCD Committee reviewed the action and asked the following additional considerations be given to responses demonstrating ability for:

- Energy efficiency
- Community garden
- Long-term and/or permanent affordability
- Prioritizing units available to households at <60% AMI

The City's Housing Trust Fund, HOME Investment Partnership Funds, a Land Use Incentive Grant and Housing Bond dollars are additional City resources available for a qualified developer.

Pro:

- The recommendations for housing density priorities and guiding principles for use in evaluation of the RFQ are consistent with the City's Comprehensive Affordable Housing Strategy.

Con:

- None noted.

There is no fiscal impact to this specific action. Existing affordable housing funds will be used to assist in development of the project.

Staff recommends City Council approve the Housing and Community Development Committee housing density priorities and guiding principles for use in evaluation of a Request for Qualifications to develop the city owned property known as Cedar Hill at 411 Deaverview Road and 18 Pisgah View Road for affordable housing.

Councilman Young stressed that the language in the RFQ does not preclude single-family detached homes on this property.

### **RESOLUTION BOOK NO. 39 - PAGE 219**

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.

Vice-Mayor Wisler moved for the adoption of the Consent Agenda. This motion was seconded by Councilwoman Mayfield and carried unanimously.

### **III. PRESENTATIONS & REPORTS:**

#### **A. WATER ACCOUNT COURTESY CALLS**

Interim Water Resources Director David Melton updated City Council on the Water account courtesy calls pilot program. He explained customers have 20 days after the utility bills have been mailed to keep the account current. On the 21st day it goes into a past due status and they receive a notice that the account is past due. There is then another 15 days before disconnection. The courtesy call program was developed with the help of the Information Technology Department, City Attorney's Office, and the Communication and Public Engagement Division. The program uses Asheville Alert in the last 15 days notification period to notify the customer of the disconnection date. During the pilot program (in place for 5 months), approximately 9,000 courtesy notifications have been made. Prior to this program, they disconnected for non-payment approximately 1,000 customers a month, but with this program, they have disconnected for non-payment approximately 1,900 over the five month pilot program period.

### **IV. PUBLIC HEARINGS:**

### **V. UNFINISHED BUSINESS:**

### **VI. NEW BUSINESS:**

#### **A. RESOLUTION NO. 17-277 - RESOLUTION ESTABLISHING AN AUDIT COMMITTEE**

Ms. Patricia Rosenberg, City Internal Auditor, said that this is the consideration of a resolution authorizing the creation of an Audit Committee.

**Program Description** - The Audit Committee will be composed of five members: one Council member and four outside members. City Council will appoint Audit Committee members, and the Audit Committee will elect their chair. Each outside committee member will be both independent (no conflicts of interest) and financially literate, with the ability to read and understand audit reports. Audit Committee members must have a minimum of 5 years of experience in the management of accounting, finance, or audit for corporation, non-profit, and/or government. There must be at least two Certified Public Accountants and/or Certified Internal Auditors serving on the Audit Committee. The outside Audit Committee members will serve three (3) year staggered terms. The Internal Auditor will serve as the committee liaison but will not be a voting member of the Audit Committee.

Staff further recommends that the audit committee meet four times a year (quarterly), with authority to convene additional meetings, as circumstances require.

**Responsibilities** - The audit committee should have the following responsibilities:

- Review internal audit reports;
- Review with management and the external auditors the results of the financial statements audit;
- Report to City Council about committee activities, issues, and related recommendations as needed, but at a minimum, one time a year; and
- Provide an open avenue of communication between internal audit, the external auditors, and City Council.

**Benchmarking** - The Internal Auditor looked at the following cities in North Carolina: Wilmington, High Point, Greenville, Concord, Charlotte, Raleigh, Durham, Cary, Fayetteville, and Greensboro. Of those cities, High Point, Concord, Raleigh, and Cary do not have audit committees. Below is the audit committee structure in each city.

<u>City</u>	<u>Number</u>	<u>Composition</u>	<u>Meetings per Year</u>
Wilmington	8	Three Council members, five City staff	6
Greenville	9	Mayor, two Council members, City Manager, Assistant City Manager, Financial Services Manager, Director of Financial Services, Internal Auditor, external auditors	2
Charlotte	4	Four Council members	12
Durham	6	Two council members, three members of the business community, and one alternate City Council member (must include one CPA and one person with experience in the finance industry); the City Manager is an ex-officio non-voting member	12
Fayetteville	7	Three Council members, two members from local universities, the City Manager, and the Internal Audit Director	4
Greensboro	7	Three Council members, one outside member, City Manager, Internal Audit Director, Financial & Administrative Services Director	1

The Internal Auditor also looked at national benchmarking. The Association of Local Government Auditors (ALGA) conducts an annual benchmarking survey of its members and includes questions about audit committees. According to its 2016 survey, two-thirds of respondents (56 respondents of 88 total) had an audit committee. Of those respondents with an audit committee, approximately 75% have citizens/accounting professionals, 50% have elected officials, and 15% have management serve on their audit committees.

**Best Practices** - According to the American Institute of Certified Public Accountants (AICPA), audit committees should have three to six members who have enough financial knowledge to be able to read and understand audit reports and should have a minimum of four meetings per year (quarterly). ALGA recommends that audit committees have both members of council and financial experts from the community, and they should specifically exclude employees of City management.

Staff recommends that City Council adopt a resolution authorizing the creation of an Audit Committee.

Mayor Manheimer explained that even though we have good practices and processes around financial matters, Council felt this structure of an audit committee would be an improvement.

In response to Mayor Manheimer, Ms. Rosenberg explained the several avenues to report any concerns.

Councilwoman Mayfield felt the one Council member on the Committee should be the Chair of the Finance Committee.

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

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

Vice-Mayor Wisler moved for the adoption of Resolution No. 17-277. This motion was seconded by Councilman Haynes and carried unanimously.

#### **RESOLUTION BOOK NO. 39 - PAGE 220**

#### **VII. INFORMAL DISCUSSION AND PUBLIC COMMENT:**

##### **Closed Session**

At 5:13 p.m., Councilwoman Smith moved to go into closed session for the following reasons: (1) to prevent disclosure of information that is privileged and confidential, pursuant to the laws of North Carolina, or not considered a public record within the meaning of Chapter 132 of the General Statutes. The law that makes the information privileged and confidential is N.C.G.S. 143-318.10(a)(3). The statutory authorization is contained in N.C.G.S. 143-318.11(a)(1); and (2) To consult with an attorney employed by the City about matters with respect to which the attorney-client privilege between the City and its attorney must be preserved, including, but not limited to, a lawsuit involving the following parties: PHG Asheville, LLC vs. City of Asheville. The statutory authorization is N.C. Gen. Stat. sec. 143-318.11(a)(3). This motion was seconded by Vice-Mayor Wisler and carried unanimously.

At 6:06 p.m., Vice-Mayor Wisler to come out of closed session. This motion was seconded by Councilman Young and carried unanimously.

#### **VIII. ADJOURNMENT:**

Mayor Manheimer adjourned the meeting at 6:06 p.m.

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CITY CLERK

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MAYOR