MINUTES
BREVARD CITY COUNCIL
Regular Meeting
December 3, 2012 – 7:00 PM

The City Council of the City of Brevard met in regular session on Monday, December 3, 2012 in the Council Chambers of City Hall with Mayor Pro Tem Mac Morrow presiding.

Present - Mayor Pro Tem Mac Morrow, Council Members Rodney Locks, Wes Dickson, Maurice Jones and Charlie Landreth.

Absent - Mayor Jimmy Harris

Staff Present - City Manager Joe Moore, City Attorney Mike Pratt, City Clerk Desiree Perry, Planning Director Josh Freeman, Public Service Director David Lutz, Assistant Planning Director Brad Burton, Building & Grounds Director Lynn Goldsmith, Fire Chief Craig Budzinski, Police Chief Phil Harris, City Engineer Jay Johnston, Finance Director Jim Fatland, Planner Sarah Lutz and Executive Assistant Jeanette Owen.

Press - Derek McKissock, Transylvania Times

Call to Order and Welcome - Mayor Pro Tem Morrow called the meeting to order and welcomed those present and introduced Council members, City Attorney, Manager and Clerk.

Invocation and Pledge of Allegiance - Pastor Dr. Keith Thompson, Brevard Davidson River Presbyterian Church, offered an invocation. Mayor Pro Tem Morrow led in the Pledge of Allegiance to the Flag.

Certification of Quorum - The City Clerk certified a quorum present.

Approval of Agenda - Mr. Landreth moved, seconded by Mr. Jones, the Agenda be amended to add the Brevard Fire Department's 2013 Roster (NC State Firemen's Association) as Consent Agenda Item K-6, and the Agenda be adopted as amended and presented. Motion passed unanimously.

Approval of Minutes - None

Certificates / Awards / Recognition - Mayor Pro Tem Morrow and Council recognized Building and Grounds staff member Matt Landers and congratulated him for his accomplishment of receiving his North Carolina Landscape Contractor License.

Public Participation - No one signed up to speak.

Special Presentation(s)

<u>City of Brevard FY 2011-12 Annual Financial Report</u> - Mr. Dan Mullinax provided an overview of the FY 2011-12 Annual Financial Report and Financial Statements. Report shows there were no budget overages this year; revenues exceeded expenditures by more than one million dollars; no problems, weaknesses or non-compliances were found; and, the fund balance has increased. All of this is very good and he praised Mr. Fatland and staff for their fine work. A copy of the complete report is on record in both the Finance Department and Clerks office.

<u>City of Brevard, ABC Board FY 2011-12 Financial Statements</u> - Mr. Terry Anderson, Carland-Anderson CPA, provided an overview of the ABC Beverage Control Audit, including highlights and comparisons of the past two years. The current assets are $531,000 compared to $371,000 for the prior year; there has been a 4.2% increase in sales and a 5.9% profit increase; operating expenses were $14,000 less than last

year; and a profit distribution increased by 26%. A copy of the complete report is on file with the Agenda materials.

Non-Profit Presentations - Mr. Moore shared the next three non-profits presentations are in response to Council's direction to non-profits who seek continued financial and/or staff assistance in the coming budget to present to Council how their non-profit supports the goals, vision and strategies of the City. Non-profits have a charge placed before them to provide information whereby Council can evaluate to know that they, as economic partners, are achieving their stated goals. Tonight is an introduction to this process that may lead to an eventual contract with the non-profit.

Chamber of Commerce - Chamber President Mary Lynn Manley and Chairperson Ed Coye, thanked the City of their years of support. The Chambers mission is to promote the economic well being of businesses, to serve as a catalyst for economic development and to provide service and support to both the City and County. They provide services to the Transylvania County Tourism development Authority, and serve as "*the front door on Main Street*" where business owners and visitors can obtain information from their knowledgeable staff. Chamber has sponsored membership breakfasts and luncheons annually having local and State representatives come in an effort to develop local and regional collaboration and partnerships for the City and County. In the past year, the Chamber has began a visioning process and has begun a project that will begin dialog and open community wide discussions on economic development. Will be led by Consultant Jeanette Goldsmith who will perform interviews, tour the County and meet with various groups (individuals, City, County, non-profits, communities in schools, etc.) They hope to complete the project in March and share a report with Council.

Council members asked, as an economic partner, what the City receives as a member of the Chamber; how their financial support dollars have been used; and, what the Chamber sees as their role in partnership with the City.

Ms. Manley replied this is the first time they have been asked to present in such a way to Council. They are willing to commit that future financial support received would be used for economic development.

Mr. Landreth expressed gratitude for the work the Chamber has done this year in economic development as they have played a role that others have not done, and, suggested the Chamber consider to be willing to take a position. Adding, as a Council we would like to know what you want us to do. While there is value in forums, also see value of a chamber to take and made a political position and lead, as has been done by chambers in other communities.

TCArts - Director Tammy Hopkins along with Paula Wesley thanked Council for the $5,000 support TCArts received this past year and came to share how it was spent. Using a power point slide presentation (a copy is on file with Agenda packet materials). They described the more than fifty two art events, Gallery Walks, Arts and Culture Week, Arts in Schools, art grants, the increasing film industry opportunities, and shared the economic benefits our community and region have received through these various arts and art events. Asked for Council's continued support of $5,000 and to consider an additional $5,000 to help specifically with filming.

Council thanked them for their presentation and for sharing how the City's financial support has been used.

Heart of Brevard (HOB) - Heart of Brevard President Kim Provost, Interim Director Michael Trufant and Member Jeremy Owen began by sharing the task the City put to them to describe how the financial support they have received has been spent as economic development partners has caused them to look deep within. HOB was founded to help bring life back in the downtown district. Began with the four pillars of the Main Street Program of: (1) Organization; (2) Promotion; (3) Design; and, (4) Economic Restructuring It seems over the years some of the original focus has been lost resulting in some of these pillars perhaps have become more words than action. In the recent "Imagine Brevard" meetings they have found that many things that were important to our citizens and businesses years ago are still important today, some examples being, business owners seeking an easier and more coordinated way to open, grow and prosper a business; open evening business hours; more concerts and events; and the Downtown Master Plan to be completed, etc. The HOB is important for the downtown. At their last meeting its members voted and adopted with enthusiasm to recommit to the Main Street Program with its four pillars, that align with and support the City's goals and vision, and bringing them back to their roots. Presentation concluded with their sharing they are confident they can produce measurable results that will align with the City efforts, and that will prove worth of the City's current and additional investment in future.

Mr. Locks shared his disappointment in tonight's report that, unlike the TCArts report describing how money was spent, the HOB has not provided specifics as to how their received City support has been spent.

Mr. Trufant acknowledged Mr. Lock's concerns and shared it is their intention to provide more detail to Council by the March budget meetings.

~~ At 9:00 p.m. Mayor Pro Tem Morrow called for a ten minute break. ~~

Public Hearing - None

Consent Agenda - Consent Agenda items are considered routine and are enacted by one motion. Mayor Pro Tem Morrow read aloud the five items listed and asked if Council desired to remove an item for discussion, or, add an item(s) to the Consent Agenda.

Mr. Landreth moved, seconded by Mr. Locks, the Consent Agenda be amended to add New Business Items M-1 and M-3, and approve as amended and presented. Motion carried unanimously. The following seven (7) items were approved:

Consent Item K-1 - Staff Reports: (a) Financial Report; (b) Public Services Report; (c) Planning Project Updates: (i.) Comprehensive Plan; (ii) Public Space Needs Assessment. (On file.)

Consent Item K-2 - **Resolution No. 2012-24** Declaring Property Surplus and Authorization for Disposal.

RESOLUTION NO. 2012-24

CITY PROPERTY DECLARED SURPLUS AND AUTHORIZATION FOR ITS DISPOSAL BY WAY OF INTERNET AUCTION UTILIZING WWW.GOVDEALS.COM

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BREVARD, NORTH CAROLINA THAT:

Section 1. The following described personal property of the City of Brevard is hereby declared surplus:

SURPLUS VEHICLE

YEAR	MAKE / MODEL	NO.	MILEAGE	VIN NO
2004	FORD Crown Victoria	A-19	129,235	2FAFP71W04X125384

SURPLUS OFFICE FURNITURE

Finance Department:
2 4-Drawer (letter size) Filing Cabinets
1 2-Drawer (letter size) Filing Cabinet
7 Office Desks
8 Chairs (mauve/rose colored fabric)

Administrative Department:
1 7-Drawer Credenza with Center Cabinet (26"Wx20"Dx30"H)
1 4-Drawer Two-tone Wood Table (60"Wx16"Dx33"H)

1 Table (48"Wx20"Dx28"H)
1 Round Table (break room)
3 Metal/vinyl cushion chairs (break room)
1 Corner Table (Mayor's office)

Police Department:
Squad Room custom made wood base cabinet with bookshelf.
2 Desks (Dispatch office)
1 Filing Cabinet (Dispatch office)

Section 2. Pursuant to the City's contract with GovDeals.Com and in accordance with North Carolina General Statute 160A-266, the City Manager and the City Clerk are hereby authorized to list the above described surplus equipment for auction.

Section 3. This Resolution shall become effective upon its adoption and approval.

Adopted and approved this 3rd day of December, 2012.

Consent Item K-3 - **2013 Brevard City Council Regular Meeting Schedule**

Brevard City Council
2013 Regular Meeting Schedule
Meetings are held at 7:00 PM in Council Chambers unless noted otherwise.

Tuesday, January 22, 2013 *{Day after Martin Luther King, Jr. Holiday}*
Thursday, January 31 and Friday, February 1, 2013 - Annual Council Retreat at 8:00 AM
Council Retreat location has not yet determined.
Monday, February 18, 2013
Monday, March 18, 2013
Monday, April 15, 2013
Monday, April 29, 2013 at 5:30 PM, Work Session
Monday, May 20, 3013
Tuesday, May 28, 2013 at 5:30 PM, Budget Work Session #1
Monday, June 10, 2013 at 5:30 PM, Budget Work Session #2
Monday, June 17, 2013
Monday, July 15, 2013
Monday, August 19, 2013
Monday, September 16, 2013
Monday, October 7, 2013 at 5:30 PM, Work Session
Monday, October 21, 2013
Monday, November 4, 2013 at 5:30 PM, Work Session
Monday, November 18, 2013
Monday, December 2, 2013 at 5:30 PM, Work Session
Monday, December 16, 2013

Consent Item K-4 - City Advisory Board Appointments and Reappointments.

1. Brevard Housing Authority - Reappointed Carl Mooney to the Brevard Housing Authority with the term to expire November 2017.

2. Brevard Planning Board - Reappointed Seyl Park to the Brevard Planning Board to serve a second full term that will expire September 2015.

3. Brevard Planning Board - Appointed Demi Loftis to the Brevard Planning Board to fill the unexpired term of former member, Parker Platt, with the term to expire September 2015.

4. Brevard Board of Adjustment - Reappointed Dr. Allen Delzell to Brevard Board of Adjustment to serve first full term that will expire November 2015.

Consent Item K-5 - **Resolution No. 2012-XX** Purchase and Finance of New Tanker, and, the sale of the old tanker to Cashiers-Glenville Fire Department who presented the highest offer of $76,100.

RESOLUTION NO. 2012-25

A RESOLUTION APPROVING FINANCING TERMS

FOR FIRE DEPARTMENT WATER TANKER PURCHASE

WHEREAS, The City of Brevard ("City") has previously determined to undertake a capital equipment purchase of a water tanker for the Fire Department (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The City hereby determines to finance the Project through SunTrust Equipment Finance and Leasing Corporation, in accordance with the proposal dated November 28, 2012. The amount financed shall not exceed $280,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.958%, and the financing term shall not exceed ten (10) years from closing. Payment shall be monthly.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the SunTrust Bank financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City's general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Adopted and approved this 3rd day of December, 2012.

Consent Item K-6 (M-1) - **Resolution No. 2012-26** Concerning Loss of "Transitional Hold Harmless' Reimbursement Funds

RESOLUTION NO. 2012-26

RESOLUTION CONCERNING LOSS OF
"TRANSITIONAL HOLD HARMLESS" REIMBURSEMENT FUNDS

WHEREAS, in 2002, the General Assembly authorized an additional local option sales tax, and repealed existing reimbursements to local governments resulting from earlier repeal of the inventory tax base of local governments; and

WHEREAS, as part of the 2002 repeal of reimbursements, 122 municipalities and 17 counties which had negative budget impacts from the combined repeal of reimbursements and new sales tax have received "transitional hold harmless" payments for 10 years; and

WHEREAS, the growth in sales tax over the 10 year period of reimbursements is less than projected, resulting in continuing losses to local governments receiving "transitional hold harmless" payments unless the 10 year period is extended; and

WHEREAS, the 2011-2012 State Budget does not include extension of the "transitional hold harmless" period to protect those local governments from losses caused by the 2002 repeal of reimbursements; and

WHEREAS, the City of Brevard will lose approximately $5,500.00 in its 2013-2014 budget year due to the failure of the General Assembly to extend “traditional hold harmless” payments for a reasonable period of time to allow sales tax revenue to grow to replace the “transitional hold harmless” payments; and

WHEREAS, this City budget shortfall will shift the burden of the General Assembly’s inaction on extension of “transitional hold harmless” payments to the City of Brevard citizens and taxpayers.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BREVARD, NORTH CAROLINA:

The North Carolina General Assembly is urged to restore “transitional hold harmless” payments to local governments for a reasonable period of time to allow growth in sales tax revenue to replace “hold harmless” payments, as envisioned in 2002 when reimbursements to local governments were repealed.

Brevard's local delegation to the General Assembly is urged to support restoration of “transitional hold harmless” payments to local governments for a reasonable period of time.

The North Carolina League of Municipalities is urged to make restoration of “transitional hold harmless” payments one of its highest legislative goals in the 2013 Session of the General Assembly.

Adopted and approved this 3rd day of December, 2012.

Consent Item K-6 (M-3) - **Ordinance No. 2012-27** An Ordinance Amending The FY2012-2013 Budget For The Downtown Master Plan Project

ORDINANCE NO. 2012-27

AN ORDINANCE AMENDING THE FY 2012-2013 BUDGET FOR THE DOWNTOWN MASTER PLAN PROJECT

WHEREAS, the City Council of the City of Brevard has previously approved the budget for the 2012-2013 fiscal year; and

WHEREAS, the 2012-2013 approved budget included $100,000 for the Downtown Master Plan Project; and

WHEREAS, it is necessary to make amendments to the budget in connection with the Engineering and Design for a Downtown Master Plan Project; and

WHEREAS, in accordance with the applicable provisions of the North Carolina Local Government Budget and Contract Act; and,

WHEREAS, the Brevard City Council desires to amend the FY 2012-2013 Budget accordingly.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BREVARD, NORTH CAROLINA, THAT:

Section 1. Effective the date of passage of this Ordinance, the Fiscal Year 2012-13 Budget for the Downtown Master Plan is hereby amended as follows:

Section 2. Revenues for this project are budgeted as follows:

Transfer from the Capital Reserve Fund	$25,000
Total Revenues	$25,000

Section 3. Expenditures for this project are budgeted as follows:

Engineering and Design	$25,000
Total Expenditures	$25,000

Section 4. The Revenues for the Downtown Master Plan Project shall be increased by $25,000 to $125,000.

Section 5. The Expenditures for the Downtown Master Plan Project shall be increased by $25,000 to $125,000.

Section 6. This Ordinance shall remain in effect until the completion of the Engineering and Design of the Downtown Master Plan Project.

Section7. The Finance Officer and City Manager are instructed to take appropriate actions to implement this Ordinance.

Section 8. This Ordinance shall become effective upon its adoption and approval.

Adopted and approved this 3rd day of December 2012.

Unfinished Business - None

New Business

Item M-1 (M-2) - Water Plant Renovations - Project Management Strategy

Director of Engineering and Utilities Jay Johnston, PE, explained on November 19th the water renovation project was launched. Phases of the project will cause some limitations and therefore the following strategies have been put into place: (1) 24-hour plant to produce the amount of water we need per day; (2) encourage voluntary water conservation; and (3) public service ads within the Transylvania Times, broadcast on WSQL Radio and on the Cable Magazine will be done. Public service messages will not provide a list of "must do", but rather offer ideas and ways citizens can save water. If everyone throughout the City would save just a few gallons, overall much would be gained.

The heavy work at the plant will not begin until the beginning of the year and is projected to end late February. The project will not increase capacity at the water plant but will allow the plant to operate more efficiently. Operating under a 24-hour per day schedule, we can meet the average daily demand and peak daily demands, but, cannot meet the plant capacity of 2.5 or 2.6 million gallons per day.

Item M-2 (M-4) - Transylvania County Community Land Trust (TCCLT) Policy Review.

In response to last month's request from the Transylvania County Community Land Trust, while staff does not have the time to do a financial analysis, review of the proposal has been done and found it is consistent with City policies and therefore the draft Resolution has been prepared for Councils consideration.

Mr. Locks moved, seconded by Mr. Dickson, Council adopt **Resolution No. 2012-27** Policy Support for Transylvania County Community Land Trust, as presented. Motion carried unanimously.

RESOLUTION NO. 2012-27

A RESOLUTION OF POLICY SUPPORT FOR THE STUDENT BUILT TEACHER HOUSING PROJECT OF TRANSYLVANIA COUNTY COMMUNITY LAND TRUST

WHEREAS the Transylvania County Community Land Trust and the Transylvania Board of Education have initiated a Student Built Teacher Housing Program with dual purposes of education of students and recruitment of teachers; and

WHEREAS the Transylvania County Community Land Trust is incorporated as an umbrella organization which may support other workforce housing initiatives including potentially those sponsored by the City of Brevard; and

WHEREAS the Transylvania County Community Land Trust Student Built Teacher Housing Project located near Gillespie Circle may benefit the City of Brevard through an expansion of property tax base and an upgrade of water and sewer services.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BREVARD, NORTH CAROLINA THAT:

Section1. This resolution may be used as a policy support of the Transylvania County Community Land Trust's efforts to secure financing from the State Employee Credit Union.

Section 2. City Staff will evaluate the impact to City revenues and expenditures, and prioritize among all other requests received, any request for City financial assistance for this project from the Transylvania County Community Land Trust Board of Trustees in the FY 2013-2014 Operating Budget if such request is submitted during the Budget Input Session in March 2013.

Section 3. This Resolution shall become effective upon its adoption and approval on this the 3rd day of December, 2012.

Remarks by Officials

Mayor Pro Tem Morrow - Commended City Manager, Finance Director and staff for the wonderful report on the City's finances; and the downtown Christmas decorations and added lights are beautiful and expressed appreciation to businesses who have provided financial support to make it possible.

Mr. Locks shared he was glad to read the article in the Times News explining that Oscar Blues has partnered with Blue Ridge Community College for a craft brewing certification program.

Mr. Dickson expressed appreciation for another successful Twilight Tour, adding it's been great seeing the numbers of attendees increase, and expressed appreciation to Oscar Blues for their contribution.

Mr. Landreth shared he is impressed by the synergy displayed tonight by those who desire to be economic partners with the City; it's a good process to have this engagement in advance of Council's upcoming annual retreat; and, appreciates how City staff and the community are engaging with one another.

Mr. Jones echoed Mr. Landreth's comments and shared he anticipates seeing positive changes in our downtown soon.

Closed Session- Mayor Pro Tem Morrow asked the City Attorney if it would be appropriate to convene a closed session for the purpose to discuss negotiation of real estate. City Attorney advised it would be appropriate pursuant to **GS § 143-318.11. (a)(3)** and **(5)** and instructed a motion, second and vote would be required to discuss the matter.

At 9:35 p.m. Mr. Landreth moved, seconded by Mr. Jones, Council go into closed session to discuss negotiation of real estate. Motion carried unanimously. Authorized to remain for the closed session with Council and the Attorney were the Manager, Clerk, Josh Freeman, Brad Burton and Jim Fatland. {A four minute recess took place in order to allow all who were not authorized to remain to leave Council Chambers.}

<u>Adjourn Closed Session to Regular Session</u> – At 10:11 p.m. Council resumed the meeting in regular session. No official action was taken in closed session and the Minutes of the Closed Session are authorized to be sealed.

Adjourn - There being no further business before Council, Mr. Locks moved, seconded by Mr. Jones, the meeting be adjourned. Motion carried. Meeting adjourned at 10:11 p.m.

s/____________________	s/____________________
Mac Morrow	Desiree D. Perry, NCCMC
Mayor Pro Tem	City Clerk

Minutes Approved: <u>February 18, 2013</u>