

**MINUTES
BREVARD CITY COUNCIL
June 10, 2013 – 5:30 PM**

Budget Work Session #2

The Brevard City Council met on Monday, June 10, 2013, starting at 5:00 p.m. with a light dinner for the scheduled budget work session starting at 5:30 p.m. in the Council Chambers of City Hall with Mayor Jimmy Harris presiding.

Present: Mayor Jimmy Harris, Mayor Pro Tem Mac Morrow, Council Members Charlie Landreth, Maurice Jones and Wes Dickson.

Absent: Council Member Rodney Locks is out of town due to a death in his family.

Staff: City Manager Joe Moore, City Clerk Desiree Perry, Finance Director Jim Fatland, Planning Director Josh Freeman, Assistant Planning Director Brad Burton, Planner Daniel Cobb, Planner Aaron Bland, HR Director Christine Caldwell, Building & Grounds Director Lynn Goldsmith, Public Service Director David Lutz, PS Rep. Wesley Shook, Planner Sarah Lutz, Utility Director Jay Johnston, PE, Fire Chef Craig Budzinski and Admin Exec Assistant Jeanette Owen.

Press: Derek McKissock, Transylvania Times

A. Welcome - Mayor Harris called the meeting to order, welcomed those present and explained the properly Noticed meeting is open to the public. The purpose of the work session is for Council and staff to discuss together the proposed budget.

B. Quorum – City Clerk certified a quorum.

C. Agenda - Mr. Landreth moved, seconded by Mr. Jones, the Agenda be approved as presented. Motion carried unanimously.

D. Work Session Business

D-1 City of Brevard Proposed Budget

Mr. Moore shared it is his and staff's goal to get Council information before them that will provide them with a good and solid understanding of the budget, and provide opportunity for Council to hold discussion with staff, so they will be in good position to adopt next Monday night.

Bracken Preserve

- Mayor Harris asked in regard to the one cent tax increase proposed for Bracken Preserve, if there are any dollars the City has in holding from the Clean Water trust Fund.
- Manager explained there are some CWTF dollars that remain; however, they are all spoken for. Portions of the funds are dedicated for water quality improvements (Kings Creek & Brushy Creek rehab projects), etc. CWTF that remain for Bracken Preserve are for camp site, spur trail, signage, etc.)
- Bracken Preserve has increased the City's land area by 12%. With Bracken we not only have expanded service area of Police, Fire, and Building and Grounds Departments, but we have now entered into Forest Management - as recommended by the US Forest Service. So, Council may need to look hard at other recreational facilities to see if we need to divert funds from those and put towards Bracken Preserve.
- Manager was asked if discussion and negotiation on the Sports Complex has begun. Manager replied, yes.

- There's a broad range of activities that are not presently being performed at Bracken Preserve, but will need to be provided. Will need to begin regular trail maintenance, can utilize volunteers, but will also need supervision. Tree removal, manage the campsite and other amenities on the property, etc. Fire apparatus (specialized equipment) will need to be purchased.
- New staff positions for Bracken?
 - Manager: If and when new positions are established they will not be just for Bracken but would also assist Building and Grounds.
- Bracken campsite is under construction, and City will soon be going to bid on signage.
- Mayor questioned the raising of taxes for something that the City has not yet completed.

Proposed Fee Schedule

- Mayor Harris shared he realizes fees charged and collected are the result of Council's decision when the current fee schedule was adopted. Therefore, he doesn't want it to sound as though he is questioning staff's charging citizens for permits as he begins asking questions about the City's current and/or proposed fee schedule.
- Mayor asked if there is a charge for a tree removal permit for both residential and commercial.
 - Mr. Freeman replied permit fee is generally applied only to commercial. There may be occasion for permit fee for street trees in residential with respect to ROW.
- Mayor Harris asked if a church desired to hold a carnival upon their property if there would be a Special Event permit fee.
 - Mr. Freeman replied, perhaps. If the private property owner (church) were holding an event where the general public is invited and food is served, perhaps a bounce house provided, increased amount of traffic and parking of cars, etc., then yes, a permit fee would be charged. However, if it is a church picnic intended for members, not a community event with no street or road closures or changes in traffic/parking, then, no, a permit fee is not collected.
- Difference in the \$50 and \$200 fee?
 - \$50 to close a portion of a sidewalk and/or one or two off-street parking spaces. \$200 to close a street as it is a more significant endeavor to close a public street as it requires notification to emergency services, NC DOT, etc.
- Mr. Morrow shared the street dances that have been held for several years are not sponsored by a specific organization and a City permit fee is being charged. Expressed the dances are in keeping with the City's vision, and he is interested in the City partner in this and pay the fee from a City budget line item.
- Mr. Morrow expressed concern that when charging a permit fee that the "human component" is overlooked or lost in events like the square dancing.
- Mr. Dickson shared fee schedules are "black and white" as they should be. If an authority of discretion is to be considered when to and not to charge a fee, it needs to be done within a Policy.
- Policy needs to be established (adopted by Council) that will clearly describe or detail what events or type of events should and should not be required to obtain and/or pay for a permit. Being discussed now is not so much a budget question but rather a Policy question. If Council desires to support the permit fee for the square dances they can do so.
- It costs money to deliver services. Going forward Council should be cautious as to what we want to tell people is free. Agreed there are cultural elements to a budget and policy; also, we must be able to pay for what we are providing. City is charged to take care of the health, safety and welfare.
- Mayor questioned if a non-profit organization like the American Legion would be charged to place a banner upon their private property to promote an activity or event.

- o Mr. Freeman explained they would the same as a business is charged when they desire to place a temporary banner to promote one of their business activities. Planning staff receives more complaints of "unfairness" by businesses as we charge them for a permit and not charge non-profits, churches, etc., when they place temporary signs and banner without a permit.

Sanitary Sewer Infrastructure

- Mr. Lutz and Mr. Shook distributed to Council members a hard copy of the power point slide presentation titled, "Investing in Your Sanitary Sewer Infrastructure Supports Key City Strategies to Fulfill Your Vision."
- Mr. Lutz shared an update on the Phase 1 Flow Study, and explained the flow study helped to identify points that could not be detected by the smoke detection system alone.
- Mr. Lutz shared a pipe line behind Jetts Pizza was found to be broken allowing significant amounts of water to enter the system. Once repaired 144,000 gallons per day was no longer getting into the plant.
- Recent sewer line replacements have extended life of lines and have allowed the City to significantly reduce I&I. Recent past a one-inch rainfall event would have caused a discharge situation; now it takes at least a 2.5 inch rainfall event to do so.

~~ At 6:55 p.m. Mayor Harris called for a ten minute break. ~~

Chamber of Commerce

- The Chamber of Commerce is one of three economic partners recommended for funding. Chamber Director Libby Freeman and Board member Frank Porter joined Council members at the work session table.
- Chamber is willing to organize a visit to Belmont, NC. Suggested Council members, some City staff and a large group of citizens interested in economic development travel to Belmont to take a look at their City and what they have done for their downtown. Trip could be done in the fall, charter a bus for 50 to 70 people, and while in Belmont have people meet with their counterparts, i.e. Brevard Mayor meet with Belmont Mayor, Brevard Communications rep meet with Belmont rep, etc. Financial support asked of the City will fund this trip in order to get it going. Anticipate Brevard would host a visit from Belmont in the following year.
- Business Development / Entrepreneurs Class - 13 Classes taught by Gary Heisey will be offered at BRCC. Chamber would put together and distribute packet of information for individuals who are trying to start a business. Information would include where to go for various permits, licensing, taxing, etc. Costs would be low.
- Check On and Grow Business Relationships - Using the Chamber's Ambassador Program as a model, Chamber would call and/or visit local businesses to check on them, build a relationship, and to gather some unbiased feedback that is meant to be constructive and not critical. Chamber to share unbiased information back to the City and County. Interviews would be held with a variety of folks, not just Chamber members.
- Ms. Freeman shared they are working on a legislative breakfast. Seeing when Congressman Meadows can be here, and Dr. McDaris has been trying to get Mr. Tillis here.

Meter Reads and Industrial Water Rates

- Mr. Fatland recapped some information he and Mr. Lutz presented to Council at this year's annual retreat.
- Recommended adding a fee (\$2.70) to customers bill to pay for new meters. New meters will enable quicker detection of leaks and thus saving money. At present it can be weeks of water loss before a leak is detected.

- Mr. Fatland explained he is in the process of trying to get an interest free loan from NC DENR.
- Recommends collecting meter fees in the Water and Sewer Enterprise Fund which will be used exclusively for debt payments for radio read meters and/or replacement of water system meters.
- Mr. Landreth suggested meter charge be identified on the bill to help make it understood to the customer.
- Mr. Fatland explained debt is heavily weighted on the sewer side. Costs to operate the water plant is less than to operate the sewer plant.
- Council and staff discussed a differential water/sewer rate; industrial rate (an economy of scale); consider introduction of a new industrial rate tier; and the proposed industrial 30% reduction rate for economic development (over 2000 gallons).
- Currently the City is not charging as much as what it costs us to treat the wastewater.

Closing Comments / Recap of Budget Work Sessions

- Manager shared to bring a budget ordinance to Council on the 17th, it would be helpful to know where Council stands on a four cent (\$.04) tax increase, meter reads, and non-profit funding for the three economic partners (Chamber of Commerce, Heart of Brevard and TC Arts).
- (Tax Increase) - Mr. Landreth shared investment in downtown is important and we are behind as the infrastructure above ground has not been tended to and the City has a role to set the stage for investment in our community. Given those things I would advocate two cents for Downtown phases. Penny tax increase for Bracken Preserve as I think this is a great shift of focus in the right direction on type of recreation that we are good at and that we are renowned for. Those are the three cents I feel most strongly about.
- (Tax Increase) - Mayor Harris agrees with two cents on the Downtown Master Plan as the City should be the leader in investments and it's our infrastructure. He is not in favor of the remaining proposed two cent tax increase.
- (Tax Increase) - Mr. Jones shared he is more concerned about the total amount rather than the projects. He does believe in the DTMP, but knows if all two cents must go there, he would want other funding sources explored. Four cent tax increase may be too much to bear for some citizens. Increase in both taxes and utility rates together may be too much too.
- (Tax Increase for Parking) - Proposed one cent tax increase to provide, if Council is interested, in either leasing or buying property in order to provide for parking. If not, funds are available for site assessment. Manager asked if Council was interested in going ahead with site assessment/study.
 Yes: Mr. Dickson, Mr. Jones, Mr. Landreth and Mr. Morrow.
 Mayor Harris did not comment.
- (Tax Increase for Bracken Preserve) - Mr. Morrow and Mr. Jones shared to wait another year would not hurt. Bracken has received a lot of volunteer support and anticipate that will continue. While Bracken has added acreage to the City, only a small portion of it is currently being used. Not sure we need to begin any intensive forest projects this coming year.
- (Meter Fee) - Mayor and Council members expressed support for all three of the proposed changes (meter reads, sewer rates and industrial tier).
- (Non-Profit / Economic Development Partners) - Mayor Harris in favor to cut \$5,000 from HOB request, and cut Chamber and TC Arts by \$2,000 each and take the \$9,000 and offer to some other non-profits. While the HOB can survive on MSD dollars he feels the City has a responsibility to provide support to the HOB too.
- Mr. Dickson in favor of full requested support for TC Arts; Chamber's Frank Porter requested up to \$10,000 (only spend what is necessary) and he would like to hold them to that; and, HOB no additional funds other than MSD funds. Didn't see anything specific with the HOB budget for the seed money, all looks like normal/routine expenses. Also, HOB is seeking additional funding from the County.

- Mr. Landreth in favor of full requested support for TC Arts and Chamber of Commerce. For the HOB he feels they are in transition that requires some support; however not comfortable with \$40,000. He's unclear what they need beyond the MSD, and not clear this is the last year the HOB is going to ask for money on top of MSD. HOB has not provided any sort of Plan that shows how they will become self supporting.
- Mr. Jones in favor of full requested support for TC Arts and Chamber of Commerce for up to \$10,000 - if they don't spend the full amount that would be great. Not comfortable with full seed money for the HOB; wants them to get up on their feet and be sustainable, but with all the projects and hard decisions Council has to make, not comfortable with requested \$40,000; maybe 15k or 30k. As mentioned by Mr. Landreth, he too noticed the HOB presentation did not include a growth plan.
- Mr. Morrow in favor of full support for TC Arts and Chamber of Commerce; recommended \$30,000 support for HOB.
- Mr. Landreth asked Manager to send Council members a copy of the HOB requested and current budget.
- Re-Naming MSD - Mr. Landreth, Mr. Jones and Mr. Dickson agree with proposal of changing the name of the MSD.
- Council members are not interested in holding a third work session in order to have HOB representatives provide additional information; however, are certainly open to their coming to the Council meeting to do so.

E. Adjourn - There being no further business, Mr. Landreth moved, seconded by Mr. Dickson, the meeting be adjourned. Motion carried unanimously. Meeting adjourned at 9:16 p.m.

s/_____
Jimmy Harris
Mayor

s/_____
Desiree D. Perry, CMC, NCCMC
City Clerk

Minutes Approved: July 15, 2013