

COUNCIL MINUTES
REGULAR WORKSHOP MEETING

March 8, 2016

A regular workshop meeting of the City Council of the City of Jacksonville was held Tuesday, March 8, 2016 beginning at 5:00 PM in Meeting Rooms A and B of Jacksonville City Hall. Present were: Mayor Sammy Phillips presiding; Council Members: Jerry Bittner, Randy Thomas, and Bob Warden. Absent were Mayor Pro-Tem Michael Lazzara, and Council Members Angelia Washington and Jerome Willingham, who were attending the NLC Congressional Cities Conference in Washington, DC. Also present were: Richard Woodruff, City Manager; Ronald Massey, Deputy City Manager; Glenn Hargett, Assistant Manager for Communications and Community Affairs; Gayle Maides, Finance Director; Reggie Goodson, Development Services Director; Rose Marshburn, Assistant City Clerk; and John Carter, City Attorney. *A video recording of the Council Meeting is presently available for review on the City's website.

CALL TO ORDER

Mayor Sammy Phillips called the meeting to order at 5:01 PM.

ADOPTION OF AGENDA

A motion was made by Councilman Warden, seconded by Councilman Thomas, and unanimously approved to adopt the agenda as presented.

ADOPTION OF MINUTES AND CONSENT ITEMS

A motion was made by Councilman Bittner and seconded by Councilman Thomas to adopt the consent items and minutes of the February 16, 2016 Regular Workshop Meeting and the minutes of the February 16, 2016 Regular Meeting as presented.

Councilman Bittner requested that staff include more details on agenda items, especially consent or financial items, so that the general public would have a more complete understanding of the items. In response to a question from Councilman Warden regarding the Consent Item for Refinancing of Revenue Bonds, Ms. Gayle Maides-Finance Director, stated that the previous refinancing opportunity had been a bank placement, which typically did not take as long as private placement. She explained that after the bank placement was approved, their rate increased; therefore, staff looked at private placement for a better rate.

Following a brief discussion, a vote was taken on the previously made motion to adopt the minutes and consent items as presented and was approved unanimously.

CONSENT ITEMS

RESOLUTION REFINANCING OF REVENUE BONDS

At the last regular Council meeting, City Council adopted a Resolution authorizing staff to proceed with an application to the Local Government Commission (LGC) to refinance certain Revenue Bonds through private placement. Since that time the institution had withdrawn the offered rate. Staff reevaluated the proposals and the market had improved even more in the last two weeks. Staff was now recommending that the City apply to the LGC for refinancing the debt through a public sale.

Council approved the refinancing package and the accompanying Resolution.

Resolution 2016 – 05, Bk. 7, Pg. 203

GENERAL BUDGET AMENDMENT

Community Development submitted budget amendment requests since the last legislative budget amendment. The details of the adjustments were shown in the staff report.

Council approved the Budget Amendment

Ordinance 2016 – 12, Bk. 12, Pg. 388

RELEASE OF NON-PERSONNEL CLOSED SESSION MINUTES

The Non-Personnel Closed Session Minutes listed in the Staff Report were reviewed by the City Attorney, City Clerk, and City Manager and were recommended for release, in accordance with Resolution 2003-01 and N.C. General Statutes.

Council authorized the release of the listed Closed Session minutes.

RESOLUTION AUTHORIZING CITY MANAGER TO EXECUTE INSTALLMENT PURCHASE AGREEMENT

The City solicited bids to borrow \$231,330 to finance a front-end collection vehicle already approved in the budget. On February 29, 2016, the City received 1 proposal and two “no bid” from various banks for financing \$231,330 for a 59-month term. The proposal for the 59-month term was First Bank at 2.25%.

Council approved the proposed resolution accepting the proposal from First Bank for the financing of the front end collection vehicle.

Resolution 2016 – 06, Bk. 7, Pg. 205

SOLE SOURCE PROCUREMENT - CRESTRON MEDIA EQUIPMENT AND INSTALLATION

Pursuant to G.S. 143-129(e)(6), upon approval of Council, the City may purchase an item through a single source contract when the need for standardization and/or compatibility was essential. Staff requested that Council authorize procurement of equipment and installation services from Sound Advice of Eastern North Carolina to connect the currently installed Crestron media system with the Jacksonville Transit automated vehicle locator (AVL) system. Connecting Crestron to AVL would allow video monitors in City Hall, and other public buildings, to display information related to the real time arrival and departure times of Transit buses, improving convenience for passengers.

The request for sole source procurement was to ensure compatibility with existing Crestron media equipment within City Hall. While Crestron products were not proprietary to Sound Advice, they were the only vendor in our area that was pre-qualified to distribute and install the equipment in compliance with manufacturer/warranty specifications. Sound Advice installed all of the City's Crestron equipment to-date and the initial contract to purchase Crestron was competitively awarded in 2015.

Council authorized sole source procurement for Crestron equipment and installation.

WORKSHOP TOPICS

DRAFT FEMA FLOOD MAPS

Ryan King, Planning & Permitting Administrator, provided an update of the FEMA Flood Maps, as shown in the PowerPoint presentation herein attached as Exhibit A. Mr. King provided an overview of the potential changes the City of Jacksonville could be seeing with FEMA. He stated the City of Jacksonville participated in the NFIP (National Flood Insurance Program). This program identified flood plains and areas at risk for flooding. They also provided standards, guidance, and a framework for development in risk areas along with helping communities manage flood plains.

Part of the program's responsibility was to set minimum flood elevation levels and minimum floor elevations. NFIP offered premium discounts to the residents of Jacksonville for Community Flood Plain Management Practices that exceeded their requirements plus an additional three feet. The City currently had a Community Rating System (CRS) rating for flood insurance of eight (8.) The City was waiting for final approval from DHS/FEMA to move to

seven (7.) Scoring methods due to CRS codes, credit points, and location in or out of special flood hazard areas determined the amount of premium discount a property owner would receive on their flood insurance rates. The City's three-foot freeboard provided an additional flood insurance rate discount for property owners. Updated Flood Insurance Rate Maps (FIRM) were scheduled to be released in 2016. The updated maps were needed due to updated surge analysis and new data that had been received by FEMA.

The impact for the City of Jacksonville could be an increase in the minimum flood elevations, which would substantially increase the number of structures located in Special Flood Hazard Areas (SFHA's). This would make flood insurance required for properties located in SFHA's with mortgages from federally regulated or insured lenders.

The tentative schedule for the release of the maps would be April of this year. There would then be a 90-day appeal and comment period with a resolution of the appeals and protests. A six-month compliance period would follow.

To assist owners of existing structures impacted by new elevations, staff recommended a consulting firm to analyze the new flood mapping data to determine if there were any discrepancies in the models that may equal a lesser Base Flood Elevation (BFE) for possible appeal. Also, adoption of new flood maps to avoid lowering of the BFE, as well as maintaining the three-foot freeboard requirement.

Mayor Phillips asked how long the current freeboard requirement had been in effect. Mr. King said he thought the current ordinance was adopted in 2005. Mr. King said he thought it had been put in place to allow for homes to be raised above the BFE, which in turn reduced the flood insurance premiums.

Discussion was held on the factors that contributed to the proposed map changes and Mr. King said it was storm surge. Mr. Woodruff pointed out that in the City's preliminary discussions they learned FEMA had not specifically modeled our basin. He pointed out that the New River was self-contained, yet the modeling was for a typical river system. Staff had pulled historic photographs of the worst hurricanes that had occurred here in the last twenty years, taken at the height of the flooding, and they did not show anything as severe as the proposed elevation changes. He said that a consultant who specialized in this type of analytics was far more capable of fighting this battle than the staff. The estimate for the consultant to do an overview to determine if there was any potential for the City to try to have those levels lowered was \$10,000.

He said they felt this would be a good investment because the preliminary maps show that a significant amount of Jacksonville homeowners who had properties that had never flooded in the past would be required to purchase flood insurance if they had a federally insured loan.

Mayor Phillips asked if there was any history of FEMA overturning their original assessment. Following a review of factors and modeling that FEMA used to determine the map, Mr. Carter said that the consulting company had achieved some success in helping Wrightsville Beach with their appeal.

Mayor Phillips expressed support for having the consultant review the data in hopes of saving money for City residents. Councilman Bittner also expressed support.

Mr. King said surveyors John Parker and John Pierce had been assisting by providing data and actual surveys to provide to the consultant for the areas impacted by the new maps.

Mr. Woodruff added that the map change would also end the Public Private Partnerships for CDBG housing that the City had been building on City lots downtown, because HUD had indicated they would not finance those homes if the homeowner had to purchase flood insurance. In response to a question by Councilman Bittner, Mr. Woodruff said that most of the homes that had already been built under this program were above the ten-foot elevation, however, three homes were not, and they would have to purchase flood insurance under the new maps.

Following additional discussion, a motion was made by Councilman Bittner, seconded by Councilman Warden, and unanimously approved that staff move forward to secure a contract with the consulting firm to conduct the flood study.

CIP FOR FY17

Before getting starting on the FY17 CIP, Deanna Trebil, Capital Projects Administrator, said she wanted to bring an issue with the landscaping at Fire Station #2 to Council's attention. The Leland Cypress trees that had been placed in the ten-foot buffer at the Station would encroach upon the Duke Progress Energy right of way as they matured. As this occurred, Duke had the ability to cut or remove them at their discretion. Due to these concerns, staff proposed relocating the Cypress trees to other City property and revising the landscaping plan to one that would fit the Fire Station location better.

Mayor Phillips asked if areas had already been identified for transplantation of the Cypresses. Mr. Woodruff said yes. He added there were ninety trees and Duke had given them a period of one year to make the transition.

Councilman Bittner asked how tall the Cypresses grew. Ms. Trebil said to about twenty-five feet. Mr. Woodruff also stated that due to the specific site plan Council had approved, staff would be coming back to them with a plan for moving the current trees and a new plan for the Fire Station site.

As shown in Exhibit A, Ms. Trebil provided a detailed overview of the Capital Improvement Plan (CIP) for Fiscal Year (FY) 17. The CIP was a planning document with a five-year term and funding in the current fiscal year. There were 78 projects proposed for FY 2017, mainly related to public services.

Ms. Trebil reviewed projects that were in progress, including the Parkwood Regional Pump Station and Western Boulevard Trunk Sewer Project, which were in the design phase and going well. The next step would be acquiring easements, which would require approximately 180 days for the process. In regards to the US Highway 17 North Drummer-Kellum water and sewer extension project, some easements had been secured and staff was working with DOT on an encroachment agreement to bore under Hwy 17 to connect those services. The Lejeune Trail project had begun and was scheduled for completion in October of 2016. Regarding the Richard Ray All American Park area, the contractor had been focusing on his work at Marine Chevrolet, but would be moving to the City parcel to form the earthen embankment for the amphitheater and other site improvements. The feasibility study for the Jacksonville Commons Park and Ride had identified several different sites, which had been narrowed to an area at the Commons. Staff was working with the consultant to put together an environmental assessment to submit to FTA for approval. Mr. Woodruff added that the value of the City's land would provide the City match so there would not be any City funds expended beyond the value of the match.

Ms. Trebil reviewed the new projects scheduled to start in FY 17. The Fiber Connectivity Project proposed to connect 25 sites (pump stations, fire departments, monitoring stations, etc) to high speed fiber. The Inflow and Infiltration Project continued the ongoing assessment to identify areas that needed improvement. The FY17 Sidewalk Installation and Street Rehabilitation projects continued the trend to reduce sidewalk paving in order to provide for more street rehabilitation. Ms. Trebil reviewed the street segments proposed for rehabilitation (see list in Exhibit A.) The Holiday City lift station located off Corbin Street would consist of the wet well replacement and various new equipment with no change in the schedule for this project.

Mr. Woodruff noted there was a lot of I&I coming from the Holiday City location. He said that discussions were being held with the representative for the owner of the property regarding the need for them to find funds to make internal improvements. Councilman Bittner asked if the lines belonged to the City. Mr. Woodruff said they were not the City's lines.

Ms. Trebil said the Center Street Area Stormwater project was first introduced in the FY13 CIP. At that time, the vision was to improve the drainage along the Center Street culvert to relieve flooding and washout from the culvert. Due to concerns with the scouring downstream, an engineer was brought in to provide a more holistic approach to address the culvert in FY17.

Ms. Trebil said that one of the big projects identified for next year was the Henderson Drive Infrastructure Improvement project. She said that DOT would be repaving Henderson Drive from Jacksonville High School to the other side of the bridge in front of Henderson Drive lift station. DOT had requested the City evaluate the infrastructure along the road, which was 7,400 linear feet of sanitary sewer, 9,600 feet of water lines, 29 manholes and 95 driveway aprons. There would be some challenges with the project as the right-of-way was limited and easements would need to be negotiated. Mr. Massey said when the utility work was completed, the paving would be done by DOT.

Ms. Trebil said the Black Creek Raw Water Wells project was the result of work done with Onslow Water Resources Group. They were looking at installing three raw water wells and transmission mains for conveyance back to the distribution system. This project mainly proposed to provide better spacing for the Black Creek wells.

Councilman Warden asked if other wells would be closed down. Ms. Trebil said they had preliminarily identified Wells #1 and #5 as getting towards the end of their useful life and could possibly be abandoned. Well #6 might also be included.

Ms. Trebil briefly reviewed the following projects: Jacksonville Landing Welcome Center, Indian Drive Booster Station, and Northeast Creek Park Restroom and Shelter.

Councilman Warden asked if the pre-fabricated restrooms used in other locations were working well. Mr. Woodruff said yes, and they hoped to continue with that design. Regarding Northeast Creek Park, Councilman Warden noted the playground side was scheduled for improvement in 2018. He asked if it would be possible to swap that out and do both projects in 2017 and put off the Marina until next year. He said he would rather see them take care of

existing parks first. Mr. Woodruff agreed and discussed grant opportunities they were working on that would help fund the Northeast Creek Park renovations as timely as possible.

Councilman Thomas pointed out a boardwalk project related to the old boat launch area downtown. He said he thought they had discussed making that available to the private sector to develop downtown. Mr. Woodruff said yes, and stated that if they were successful in getting the conversion, then it would open up that opportunity and set aside the need for the project. If they were not successful in getting the conversion, or did not have an interested developer, then the boardwalk was getting in such disrepair, it needed to be addressed. He said it was not in the 2017 funding year and it was possible it could slip to later years. In response to additional questions, Ms. Trebil said they had not talked to the County about the project.

Discussion was held regarding projects that had been funded and had not been funded.

Mayor Phillips asked about the Connect NC Bond and what the impact would be. Mr. Massey said the largest impact for Onslow County would be Hammocks Beach funding and \$7 Million for the community college and no road projects had moved forward.

Mayor Phillips wanted information regarding the Sturgeon City Environmental Center.

Mr. Woodruff stated that when the bond was issued for the Center for Public Safety and Fire Station #2 there was also \$4 million for the Sturgeon City building. A portion of that was spent for design and engineering work. The latest opinion of probable cost was \$4.8 million. Mr. Carter, City Attorney and City Staff had been working over the past year to try to resolve the environmental issues. He said that Council would have to make a future decision on whether to provide additional funds to build the building, or to not build the building and look at the financial implications, or relocate the facility and build it elsewhere, or decide to not build the facility and use the borrowed funds on some other community project.

Mayor Phillips said there was a \$150,000 payback from JTDA, \$75,000 from the City and \$75,000 from the Authority for Phase I. He also wanted to know if Sturgeon City was responsible for the future Phases. Discussion was held. Mr. Woodruff said if the building was built on the original site the City was not obligating itself in any way to the future Phases.

Mayor Phillips wanted to know if there was a final word from DENR with regards to the environmental issues relative to soil contamination at the current location. Mr. Carter said there had been no word yet.

CLOSED SESSION – A motion was made by Councilman Thomas, seconded by Councilman Bittner, and unanimously adopted to recess the Regular Meeting at 6:34 PM in order to convene a Closed Session for the purpose of consulting with the attorney in order to preserve the attorney client privilege pursuant to General Statute 143-318.11, subsection (a-3).

RECONVENE WORKSHOP

Mayor Phillips reconvened the regular workshop meeting at 7:20 PM and announced that no reportable action was taken in closed session.

ADJOURNMENT

A motion was made by Councilman Bittner, seconded by Councilman Warden, and unanimously adopted to adjourn the meeting at 7:21 PM.

Adopted by the Jacksonville City Council in regular session this 22nd day of March, 2016.

Sammy Phillips, Mayor

ATTEST:

Carmen K. Miracle, City Clerk