

**FAYETTEVILLE CITY COUNCIL
WORK SESSION MINUTES
COUNCIL CHAMBER, CITY HALL
MAY 5, 2025
2:00 P.M.**

Present: Mayor Mitch Colvin

Council Members Katherine K. Jensen (District 1); Malik Davis (District 2); Mario Benavente (District 3); D. J. Haire (District 4); Lynne Greene (District 5); Derrick Thompson (District 6); Brenda McNair (District 7); Courtney Banks-McLaughlin (District 8); Deno Hondros (District 9)

Others Present: Douglas Hewett, City Manager
Lachelle Pulliam, City Attorney
Kelly Strickland, Assistant City Manager
Adam Lindsay, Assistant City Manager
Jeff Yates, Assistant City Manager
Jodi Phelps, Assistant City Manager
Kevin Dove, Fire Chief
Todd Joyce, Interim Police Chief
Christopher Lowery, Strategic Planning & Analytics
Manager
Michael Gibson, Parks, Recreation & Maintenance
Director
Sheila Thomas-Ambat, Public Services Director
Byron Reeves, Deputy Public Services Director
Loren Bymer, Marketing & Communications Director
Willie Johnson, Chief Information Officer
Kimberly Toon, Purchasing Manager
Yamile Nazar, Human Relations Manager
Andrew Brayboy, Management Analyst
Jennifer Ayre, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Colvin called the meeting to order at 2:00 p.m.

2.0 INVOCATION

The invocation was offered by Council Member Thompson.

3.0 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Mayor and City Council.

4.0 CITY MANAGER REPORT

No report provided.

5.0 APPROVAL OF AGENDA

MOTION: Council Member Hondros moved to approve the agenda.
SECOND: Council Member Haire
VOTE: UNANIMOUS (10-0)

6.0 OTHER ITEMS OF BUSINESS

6.01 Construction Management Division Update

Mr. Adam Lindsay, Assistant City Manager, presented this item with the aid of a PowerPoint presentation and introduced Mr. Blair Hinkle and Mr. Dan LaMontagne, with Freese and Nichols, Inc. (FNI). There are three project manager positions and two are currently filled, but additional support is needed in the division. The Construction Management Division (CMD) is one of the City's newest departments, established in 2019 to centralize resources for the

successful completion of Segra Stadium. CMD continues to evolve and now manages most of the City's parks, public safety, and facilities construction projects. The Division handles initial cost estimation, project management, financial management, and coordination with client departments. Currently, CMD oversees more than 15 active projects totaling over \$150 million.

The timing of standing up this department coincided with a global pandemic, historical swings in construction cost inflation, and significant shortages in available qualified contractors.

Mr. Hinkle provided an overview of the existing organization, successes and challenges of projects. Fayetteville, has faced success and challenges in some recent projects, and in response the City partnered with FNI to enhance project management practices. FNI has been providing oversight and assistance since November 2024, including managing specific projects and helping procure Owners Advisors for future projects. Through the review of personnel, projects, processes, support with oversight, guidance, create a path forward, and coordinate and improve processes. An assessment by FNI identified the need for increased capacity, a more formalized project management processes; there are a number of areas for improvement with proactive project management, consultant accountability, increased transparency, design-phase cost controls, and Project management-centered responsibility.

Mr. Lindsay stated staff are requesting to continue the contract with FNI for the next twelve months to help implement all of the recommendations to ensure the study goes through to completion. FNI will continue to be heavily involved at the beginning and then taper off throughout the year.

Discussion ensued.

Consensus of City Council was to receive the information and provide direction to the City Manager to proceed with contracting Feese and Nichols, Inc. to implement their recommendations for the Construction Management Division.

6.02 Discussion of City Collection of Property Taxes

Mr. Chris Lowery, Strategic Planning and Analytics Manager, presented this item with the aid of a PowerPoint Presentation and stated staff was requested to complete a preliminary review on establishing an internal municipal tax collection service to the City, instead of contracting with Cumberland County. Preliminary findings focused on financial considerations, operational impacts, and regulatory compliance. The City would control the billing and collection only and property assessments would still be done by the County per State statute. Currently less than one percent of taxes is remitted on time and 1.75 percent of taxes are collected through delinquency.

Financial impact would be over 1 million for salaries, technology, postage and office space, and utilities. For 2016-2023, the City paid \$495,000.00, and in FY25, paid \$1,015,394.00 to the County to collect the City's taxes. Benefits of managing tax collection include improved cash flow and revenue timing, greater control of the tax process and customer services, streamlined billing with other services, and better alignment with the strategic financial goal. Challenges of managing tax collection include taxpayer confusion and distrust, staff recruitment and certification requirements, data lag or integration issues from the County, high customer service volume, technology demands, and the return on investment. Mr. Lowery stated the next steps would be to hire a consultant to evaluate the financial feasibility, and assessment.

Discussion ensued regarding hiring 1099 employees to manage the work, how to get the data from Cumberland County, cost-savings, cost of a consultant, how the list of delinquent taxes are transitioned to

the debt set-off program, and if there a penalties for delayed data from the County to the City.

Consensus of City Council was to allow staff further time to look into the cost of a third-party collection service other than the Cumberland County Tax Office, and answer questions regarding the City owning the collection of delinquent taxes and tax bills and report back in August as an administrative report.

6.03 Options for Revisions to the Homebuyer HERO Programs

Mr. Christopher Cauley, Economic and Community Development Director, presented this item with the aid of a PowerPoint presentation and stated this item was original presented at the April Work Session where additional recommended changes were requested. Mr. Cauley provided the changes for the three current programs, Citizen Hero, Public Service Hero, and City Employee Hero.

The proposed changes for the Citizen HERO is to remove the first-time homebuyer requirements to allow "move up" buyers and require applicants to utilize State programs before using City funds. When allowing "move up" buyers staff recommends requiring buyers to sell their home before utilizing the Citizen HERO funds and they may purchase more affordable homes that are slightly larger, the same or smaller than their current homes. Mr. Cauley stated, based on staff analysis, there were questions if buyers must use equity gains from the sale of the prior home first. Staff does not recommend removing the first-time homebuyer option due to the limitations.

Discussion ensued on the question of requiring utilization of proceeds from home sale before using the program and how to measure a "move up buyer" versus a lateral or downgrade, debt-to-income ratios.

Mr. Cauley stated staff recommendations for the Public Service HEROS program include adding retirees for all Federal, State, and Local organizations, private universities and medical facilities and add a one-year of employment and a meets expectations requirements. If they have not been employed for a year or had performance issues, they can still use the Citizen HERO program, but not the Public Service HERO program. Discussion ensued regarding the 1-year requirement. Council recommended issuing a lien to get the funds back.

Mr. Cauley stated staff recommendations for the City Employee HERO Program was to remove the one-year employment and meets requirements and the change the language to say, "up to \$30,000.00".

Consensus of Council for staff to come back for the May 12th Council Meeting with the final recommendation plan. Council Member Benavente was in opposition to the consensus vote.

6.04 Market House Repurposing Project Update

Mr. Michael Gibson, Parks, Recreation & Maintenance Director provided this item with the aid of a PowerPoint presentation and stated staff listened to the community for their interests and the primary goals of the project are to improve pedestrian safety by modernizing striping, signage, islands, and crosswalks while maintaining acceptable operations of the roundabout for vehicular traffic, preserve the structure, developing informational messaging, and add additional lighting. Informational Kiosks were identified to provide the informational messaging that can be programmed continuously on the Market House and the downtown area. A proposed lighting plan was presented.

The available budget for Historic Building and Sites is \$902,946.82 with \$370,365.25 already committed. Stormwater spot repair has a \$100,000.00 budget and a State direct grant for \$255,000.00 for pedestrian improvements for a total of \$1,628,312.08.

Mr. Byron Reeves, Deputy Public Services Director, presented two options for addressing the roundabout. The options were original presented in September 2024 when the City contracted with Rummel, Klepper & Kahl to do a traffic impact and safety analysis to identify alternatives for pedestrian improvements. Staff presented Alternative 2B and Alternative X for Council consideration. Alternative 2B resurfaces the circle, extends the center plaza by about 9 feet which will create a 28-foot lane width, and provides pedestrian and roundabout improvements such as adjustments to the crosswalks splitter islands, and ADA ramp access from the Hay Street for an estimated total of \$1,010,000.00. Mr. Hewett stated there is a risk of being \$74,555.72 over budget if Alternative 2B is chosen. Alternative X, resurfaces the circle, provides pedestrian improvements such as crosswalks adjustments, single-splitter islands, and ADA ramp access and resurfacing for an estimated cost of \$749,600.00.

Discussion ensued. Mr. Reeves stated Alternative X would be 5 months for design and 5 for construction. Alternative 2B would be 5 months for design and 8 for construction.

Consensus of Council was to proceed with Alternative 2B.

6.05 City Council Agenda Item Request - Property Acceptance Policy - Mayor Pro Tem Jensen

Mayor Pro Tem Jensen stated her request is regarding people donating real property to the City. She received a call from a constituent stating the City needs part of the constituent's land for an easement and instead of being paid for the portion he is offering to donate the entire property to the City. Mayor Pro Tem Jensen stated there is not a policy to accept donated land and is requesting it go to the Policy Committee to create a policy to accept property from residents. Discussion ensued.

Consensus of Council was to accept the land on Rogers Road, PIN 0428-42-2700 and send to legal for policy recommendations. Council Member Benavente was in opposition to the consensus vote.

7.0 ADJOURNMENT

There being no further business, the meeting was adjourned at 4:13 p.m.