

**MINUTES
BREVARD CITY COUNCIL
STRATEGIC PLANNING RETREAT
MARY C. JENKINS COMMUNITY & CULTURAL CENTER**

March 1-2, 2023

Wednesday, March 1, 2023 – Day One

The Brevard City Council met for a Strategic Planning Retreat on Wednesday, March 1, 2023, at 5:15 p.m. at the Mary C. Jenkins Community & Cultural Center, with Mayor Maureen Copelof presiding.

Present - Mayor Maureen Copelof, Mayor Pro Tem Gary Daniel, Council Members Mac Morrow, Maurice Jones, Aaron Baker and Geraldine Dinkins.

Staff Present – City Attorney Mack McKeller, City Manager Wilson Hooper, Assistant City Manager/Finance Director Dean Luebbe, City Clerk Denise Hodsdon, and Communications Coordinator Becky McCann.

Facilitator – John Stephens, Associate Professor at UNC School of Government.

Press – Jon Rich, Transylvania Times

A. Welcome and Call to Order – Mayor Copelof called the meeting to order at 5:32 p.m. and welcomed those present.

B. Certification of Quorum – City Clerk Denise Hodsdon certified a quorum present.

C. Approval of Agenda – Mr. Jones moved, seconded by Mr. Morrow to approve the agenda as presented. The motion carried unanimously.

Agenda – Day One

	Topic /Activity
5:15	Dinner
5:45	Getting Started <ul style="list-style-type: none"> ○ Retreat Goals ○ Review agendas ○ Group expectations/ ground rules (ADDENDUM 3) ○ Facilitator’s role ○ Practice Consensus Scale – a fun example (ADDENDUM 3)
6:00	Looking Back: 2022 Council Priorities (ADDENDUM 1) <ul style="list-style-type: none"> ○ Review of activity and accomplishments ○ Questions and Discussion ○ Lessons/perspectives for setting 2023 priorities
6:45	Financial Overview (ADDENDUM 2) <ul style="list-style-type: none"> ○ Summary of recent budgets ○ Revenue forecasts ○ Factors for 2023 budget development (e.g. water rate increase) ○ Questions and Discussion
7:30	Break

7:45	<p>2023 Priority Setting – Part 1</p> <p><u>Proposed Categories (ADDENDUM 3)</u></p> <ul style="list-style-type: none"> ▪ Essential / Must Do ▪ Key Needs / High priority ▪ Want to do / Depends on conditions ▪ Nice to have / Must have change in funding or staff time to pursue <p>Members: examples of what they might place in each category</p> <p>Discussion</p> <p>Seeking agreement (or revisions) on the categories</p>
8:30	Break
8:40	<p>2023 Priority Setting – Members’ Thinking about the Big Picture and Particular Goals</p> <ol style="list-style-type: none"> a. Short- and Longer-term considerations for setting 2023 priorities b. Views on sources of revenue (i.e., taxes, fees, grants) c. How 2023 priorities could affect 2024 and beyond d. One or two proposed items for top two categories <ul style="list-style-type: none"> ▪ Essential / Must Do ▪ Key Needs / High priority
9:35	<p>Wrapping up Part 1</p> <p>Possible adjustments to Part 2 agenda</p>
9:45	Recess for the evening

Agenda – Day Two

	Topic /Activity
5:15	Dinner
5:45	<p>Getting Started</p> <ul style="list-style-type: none"> ○ Summary of Retreat Part 1 ○ Questions from yesterday ○ Review Part 2 Agenda (revise as needed) ○ Review Group Expectations/ Ground Rules ○ Practice Consensus Scale – a fun example
6:00	<p>2023 Priority Setting – Part 2</p> <p>Continue Members’ thinking about the Big Picture and 2023 priorities</p>
6:30	<p>Create a List of Potential Priorities</p> <ul style="list-style-type: none"> ○ Items from March 1st ○ Mayor and Members: New items? ○ Review and discuss full list ○ Town Manager input
7:00	Break
7:15	<p>2023 Priority Setting – a Full Sort</p> <p><u>Member Go round: no more than three items in each of</u></p> <ul style="list-style-type: none"> ▪ Essential / Must Do ▪ Key Needs / High priority <p><u>Member Go round: items for</u></p> <ul style="list-style-type: none"> ▪ Want to do / Depends on conditions ▪ Nice to have / Must have change in funding or staff time to pursue <p>Discussion</p> <p>Testing for consensus</p> <ul style="list-style-type: none"> ▪ Essential / Must Do ▪ Key Needs / High priority
8:30	Break

8:45	<p>Discussion and Testing for Consensus</p> <ul style="list-style-type: none"> ▪ Essential / Must Do ▪ Key Needs / High priority ▪ Want to do / Depends on conditions ▪ Nice to have / Must have change in funding or staff time to pursue <p><u>Possible topics</u></p> <ul style="list-style-type: none"> a) Contingencies? b) Items which need more information? c) At what point would Council reconsider the prioritization? <p>Guidance for FY23-24 budget development</p>
9:30	<p>Wrapping up Part 2</p> <ul style="list-style-type: none"> ○ Fallback to Consensus Scale: Voting on priorities ○ Questions for staff investigation
9:45	Adjourn

Retreat Materials – A complete copy of the retreat materials and information provided to Council is on file in the City Clerk’s office.

Facilitator John Stephens introduced himself and went over the goals, group expectations and ground rules for the Retreat. The Retreat’s goal was for City Council to prioritize policy and program areas for 2023-24. Priorities are to guide the allocation of financial and human resources in city government. The Council used four categories of priorities:

- Category 1: Essential / Must Do
- Category 2: Key Needs / High Priority
- Category 3: Want To Do / Depends on Conditions
- Category 4: Nice To Have / Must Have Change in Funding or Staff Time to Pursue

Mr. Stephens provided the following summary of the discussion on Day One of the Retreat:

March 1, 2023

The first evening began with Mayor Copelof reviewing the 2022 Council priorities. (Addendum #1: Strategic Goals and Action from 2022). The mayor summarized the Council’s initial focus on “values to retain”:

- a. Our authenticity
- b. Sense of community
- c. Generational families
- d. Beauty of Brevard
- e. Friendly/feel lucky to be here
- f. Environment and sustainability

The six priority areas, which were not ranked, were Housing, Infrastructure, Workforce Capacity, Projects, Capital Projects, and Collaboration. The mayor noted where items had been completed, or there was tangible progress. Grants and one-time COVID relief monies were notable resources for 2022-23. The mayor reported on challenges encountered and what items did not see much or any progress. The final part was noting “other priorities” which were: fund balance, need to update the UDO, increase/improve communication (Dr. Becky McCann as the city’s first communications coordinator, hired February 2023), ways to pursue Ecusta Site potential and policies regarding green technology.

Council offered observations about the experience of setting the priorities and seeing how they were pursued. Discussion centered on staff capacity, financial resources, and what constitutes a feasible set of priorities. A concern was how “new opportunities” (mainly an offer of funding or in-kind donation) moved some lower priorities higher during 2022. How can Council be more deliberate about making changes to priorities and be ready to see the effects of one priority moving up and other higher priorities being delayed or deferred? One view was “to be more disciplined” about assessing the new opportunities compared to the higher priorities (which may take longer due to concerted staff time or committing city resources over several budget cycles).

Members engaged on impressions of the urgency of certain needs, such as housing, acknowledging their complexity and range of factors affecting what city government can do. Another view was to touch on several priorities in order to make notable, if more modest, progress for a “balanced” approach. Stormwater was an example of a potentially important priority, but something which may be relatively invisible to much of the public. Discussion of the values included perhaps identifying more clearly what the Council wants to prevent, and how to manage the public’s expectations around continuing key services while pursuing new efforts. A pithy phrasing was to “distinguish between plans and promises.”

The hiring of a new city manager was noted as an important step for building administrative capacity and for working on 2023-24 priorities. The discussion concluded with reflections or lessons on the previous priority setting process for the current work.

City Manager Wilson Hooper presented a revenue review for several funds: General Fund, Sanitation Fund, Water/Sewer Fund, Fire Department Fund, Health Insurance Fund, and various reserve funds. He also addressed rising costs (through inflation in general, and for health insurance) and other factors for his FY23-24 budget development.

Then, through presentation and discussion Hooper highlighted “Five Pressures” on the City’s Budget for FY23-24 (and beyond). They are:

1. Endow the Housing program / Housing Trust Fund. Hooper supports the current small and regular items of direct support for qualified renters or property owners, but he thinks there needs to be a sizable fund in place to support a private developer’s proposal for affordable / workforce housing.
2. Competitively compensate employees. Hooper noted the preliminary results from the class and compensation study and plans to propose a cost of living allowance (COLA) of 6.5% for all employees. His tentative target amount to cover re-classification of positions and the all COLA across funds is \$750,000.
3. Build up the fund balance. The balance is currently 36% and Hooper’s recommendation is to reach 50%. He said this is especially important for water and sewer. A healthy fund balance provides readiness in case of a large, unexpected cost. There was discussion about comparison with other municipalities; several comparable cities have a 60% fund balance. There was discussion about recent use of some fund balance for 2022 priorities.
4. Inflation: effects on city government costs. Hooper cited fuel, building materials and health care costs.
5. Evolving models of service provision. Hooper noted Fire Services recently added three full-time positions for a total of four. The rest of the force is part-time. It is increasingly hard to find part-time people. This raises the question: should Brevard move to a full-time fire service? Solid waste was also noted. It is likely that recycled materials will become a cost rather than a source for revenue, due to decreasing demand for recycled materials.

Hooper also noted that revenue collections have been running higher than projected for FY22-23.

Exercise: example priorities by category

The facilitator asked the mayor and council members to use index cards and four baskets (corresponding to the priority categories) and write down one item to place in each basket as an example of a priority they would put in that category. This was not committing the member to keep that priority in that category, but for the whole Council to see the collected ideas of “what could fit where.”

The greatest overlap of index cards were for the Bracken Preserve in category four and Housing in category one. Discussion focused on how to consider:

- a. Short- vs. long-term priorities: what kinds of actions can and should be taken in 2023-24 for a long-term priority
- b. The complexity and inter-relatedness of certain needs and priorities
- c. How much city government can do on its own versus working with partners.

Retreat Recessed – At 8:50 p.m. Mr. Jones moved, seconded by Mr. Baker to recess the Strategic Planning Retreat and reconvene tomorrow at 5:15 p.m. at the Mary C. Jenkins Community & Cultural Center. The motion carried unanimously.

Thursday, March 2, 2023 – Day Two

The Brevard City Council reconvened the Strategic Planning Retreat on Thursday, March 2, 2023 at 5:15 p.m. at the Mary C. Jenkins Community & Cultural Center, with Mayor Maureen Copelof presiding.

Present - Mayor Maureen Copelof, Mayor Pro Tem Gary Daniel, Council Members Mac Morrow, Maurice Jones, Aaron Baker and Geraldine Dinkins.

Staff Present – City Attorney Mack McKeller, City Manager Wilson Hooper, Assistant City Manager/Finance Director Dean Luebbe, City Clerk Denise Hodsdon, and Communications Coordinator Becky McCann.

Facilitator – John Stephens, Associate Professor at UNC School of Government.

Press – Jon Rich, Transylvania Times

Come Back to Order – At 5:33 p.m. Mr. Daniel moved, seconded by Mr. Morrow to come out of recess and reconvene the Retreat. The motion carried unanimously.

Certification of Quorum – City Clerk Denise Hodsdon certified a quorum present.

Mr. Stephens provided the following summary of the discussion held on Day Two and the final priorities identified by Council:

March 2, 2023

Review of the initial exercise of example priorities for each category from mayor and council led to several points¹ of discussion:

- a. How the soon-to-be-adopted comprehensive land use plan affects Council thinking on 2023-24 priorities
- b. The Downtown Master Plan
- c. An interest in setting and keeping to a 20-year road paving schedule (instead of falling behind)

¹ Topics are not in order of actual discussion. Inter-relationships are numerous.

- d. Sidewalk maintenance: to similarly stick to regular maintenance and perhaps supplement the Powell bill monies for adequate upkeep
- e. Extensive dialogue on the wastewater treatment plant upgrade, including state laws and procedures; projections of residential, business and industrial customers; funding options and possible debt load
- f. Careful consideration of money and staff time for choosing and pursuing priorities, including staff time for seeking grants or other “outside” resources
- g. Hotel and parking: clarification from the city attorney about existing contractual obligations and timelines on parking improvements. Parking fees and parking related to the Bike and Pedestrian plan were discussed.
- h. Space needs and constraints for police, fire and other functions. The old courthouse was raised as a potential opportunity for municipal space.
- i. How to think about and the relative emphasis of shorter-term vs. multi-year priorities. Different views about focusing on “one big thing” or breaking things down to work on several priorities. The potential attention to and “balance” for the groups in Brevard was highlighted
- j. The ability and constraints of working with partners on certain priorities (e.g., Ecusta Trail and other connections, and its fit with the Bike and Pedestrian plan)
- k. The efforts to seek and leverage partners’ resources, which can be uncertain or extend the timeline of action, vs. smaller “city money only” work that can be more certain.
- l. The appropriate role for city government for larger-scale priorities: where does city involvement “bring value?”
- m. If a new project arises (i.e., a plan becomes more active due to a potential in-kind or financial donation), should there be a way to “rate it” compared to the existing priorities (e.g. a point system; or cost/benefit for staff time needed to implement)?
- n. For pursuing the Housing priority: the potential need for additional staff

Completing the prioritization

As noted above, Category Four items were briefly noted and affirmed. Category Three items received extensive discussion and tests for consensus. The facilitator then directed discussion to potential Category One items, with discussion, proposed trade-offs and tests for consensus.

The retreat turned to the potential Category Two items, with significant differences about

- a. how important certain items were for this priority or should be moved to Category Three,
- b. if there should be a limit on the number of items in Category Two, and
- c. if there should be a ranking of items within Category Two.

The facilitator guided the Council in testing for consensus about which items should be placed in Category Two, and then used the two dots ranking method noted above.

The priorities are:

Category 1: Essential / Must Do

- Personnel compensation + COLA increase
- Wastewater treatment plant
- Additional Housing Funding / Housing Policy Action (including researching new options for city government action)

Category 2: Key Needs / High priority

Members chose to rank items within this category, each person got “two dots” to distribute

- Downtown Master Plan (4 dots)
- Estatoe Trail (and connections to FBR and BC - 4 dots)

- Paving road to keep on 20-year cycle (approximately \$200,000 per year – 2 dots)
- Sidewalk repair/extension (1 dot)

Category 3: Want to do / Depends on conditions (Note: Edited by Staff)

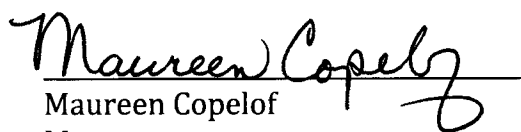
- Stormwater Management plan
- More space for City Operations

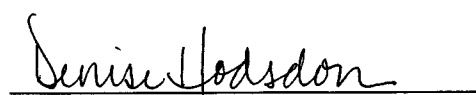
Category 4: Nice to have / Must have change in funding or staff time to pursue
(Note: Edited by Staff)

- Ecusta Trail
- Finish Silversteen Park
- Bracken Preserve / Bracken Platform

There was one item without consensus on its placement: Parking plan with Hotel. There were split results when testing for consensus for placing this in category three or four. Category Four items were briefly discussed and agreed to. The major discussion focused on categories 1, 2 and 3.

Adjourn – There being no further business, at 9:37 p.m. Mr. Morrow moved, seconded by Ms. Dinkins, to adjourn the meeting. The motion carried unanimously.


Maureen Copelof
Mayor


Denise Hodsdon, CMC
City Clerk

Minutes Approved: April 17, 2023