

FINANCE COMMITTEE
Chaired by Mayor Pro-Tem Jim Davis
FEBRUARY 2, 2015 – 4:30 P.M
CITY MANAGER’S CONFERENCE ROOM

MINUTES

PRESENT:

Committee Chair Jim Davis (Ward 5); Committee Members Cynthia Davis (At-Large), Chris Williams (Ward 2) and Alyce Hill (Ward 3).

OTHERS PRESENT:

Mayor Bill Bencini; Council Members Latimer Alexander (At-Large); Jeffrey Golden (Ward 1); Jay Wagner (Ward 4); and Jason Ewing (Ward 6).

STAFF PRESENT:

Greg Demko, City Manager; Randy McCaslin, Assistant City Manager; Eric Olmedo, Budget and Performance Manager; Jeron Hollis, Public Information; Jeff Moore, Director of Finance; Mark McDonald, Director of Transportation; Garey Edwards, Director of Electric Utilities; Angela Kirkwood, Director of Human Resources; Angela Wynes, Assistant Transit Manager; Steve Lingerfelt, Director of Information Technology Services; Loren Hill, President HP Economic Development Corp., JoAnne Carlyle, City Attorney; Lisa Vierling, City Clerk; Tom Vincent, Deputy City Clerk.

AGENDA ITEMS

150030 PCI Security Audit Contract - nGuard

Council is requested to approve a contract with nGuard in the amount of \$96,990.00 to perform an outside security audit each year to identify any security vulnerabilities in the various computer systems used to store critical information.

Steve Lingerfelt, Director of Information Technology Services, explained this audit is required every year by the Payment Card Industry since the City accepts credit card payments. The three-year proposed contract is with nGuard, the same company who developed the City’s firewalls and security systems. Committee Member Cynthia Davis asked if this audit was for the City’s entire system or just the credit card payment part. Mr. Lingerfelt said the audit is for the entire system. Committee Member Cynthia Davis expressed concern that her computer had been hacked. Mr. Lingerfelt said his staff would look into it.

A motion was made by Committee Chair J. Davis, seconded by Committee Member C. Davis to send this matter to City Council with a favorable recommendation for approval. Motion passed unanimously. (4-0 Vote)

150031 NCDOT – Supplemental Agreement – N. Main & Lexington Avenue Intersection Improvements

Council is requested to authorize the City Manager to execute a North Carolina Department of Transportation (NCDOT) Supplemental Agreement extending the required completion date of a project to make traffic signal and pedestrian improvements at the intersection of North Main Street and Lexington Avenue.

Mark McDonald, Director of Transportation, explained this is a supplemental agreement for a date extension for some funding that DOT has offered to do intersection improvements at Lexington and North Main Street. These improvements include new traffic signals, pedestrian signals and crosswalks. DOT is providing \$140,000, the City would have to pay any right-of-way, easement or utility relocation costs and any costs beyond \$140,000. The current estimate for the improvements is \$200,000.

Committee Member Jim Davis asked why the cost has rose 30% over two years. Mr. McDonald said that the \$200,000 figure is a guess on his part. The estimate that was done in 2011 that came out at \$158,000. DOT based the \$140,000 on that estimate. Committee Member Jim Davis pointed out the money in the Two-Thirds Bonds, \$5.7 million, the City adopted budget ordinances for burying lines on Main Street and other things and said he was under the impression the City had about \$700,000 and the City was going to use that toward the library. He wanted to know if the City was going to use the library funds toward this project. Assistant City Manager Randy McCaslin said there is still so much discussion about those projects and the City has money remaining in the Two-Thirds Bonds and has intersection improvement money from the 2004 bonds; therefore the City has the means to pay for this project.

Council Member Jason Ewing asked if this was the third time the City had asked for an extension on this project. Mr. McDonald replied this was the second extension and DOT likely would not grant the City another extension. Mr. Ewing asked if the project could be extended past 2016. Mr. McDonald said rather than asking for another extension it would be better to ask to repurpose the money.

Mr. McCaslin stated the Council needed to decide the scope of the project. The previous Council gave direction to start at Westwood and go up to Parkway. If the City does any repaving in that area and there are decorative sidewalks, the asphalt will be tracked over the sidewalks and ruin them. The City needs to coordinate the work and Council needs to determine exactly what area it wants to do the project on. Committee Member Cynthia Davis inquired if that was the reason the project had not been started. Mr. McCaslin said the project had not started because the issue of road dieting came up and the City could not do anything until that issue was settled. Council Member Ewing pointed out the City was on a time restraint and it would be easier to repurpose the money rather than get an extension. The City already has improvements to do on South Main. Council Member Ewing suggested the \$140,000 be repurposed for the South Main improvements.

Council Member Alexander said the Council wasn't ready to discuss moving curbs and said the City should go down to where the burying of the lines begins and see what improvements can be made there. Council Member Wagner said it makes more sense to do improvements there. Council Member Ewing expressed a desire to repurpose the grant for something the City is already working towards. Council Member Wagner pointed out the commitment was made to do the work at Lexington and Main. He said this was on the agendas of the City Project, the City and the Uptowne group and the merchants who operate on that corner are counting on this. Committee Member Cynthia Davis asked how much money was left in the 2004 Intersection Funds. Mr. McDonald said approximately \$490,000. Mr. McCaslin pointed out the City had intersection improvement projects that the money could be spent on instead of Lexington and Main. Council Member Alexander said he would like to see Lexington get done and go out for proposals with an A) and a B). If the City just did Lexington and then just did some pavement

markings down to where the line burying stops and see how much that costs. If the City can find the money to do the B) part, fine. If not, the City will do the A) part which is what has been promised and proposed. Committee Member Cynthia Davis said regardless of where the funds are coming from, the Council is working as a team. She added if the City has the funds and promises were made, then the City should do it. Council Member Ewing expressed concern about the timeline and that June of 2016 was too far away. Mr. Ewing suggested in the upcoming budget the City earmark \$140,000 for that specific project and use the DOT somewhere else that is already in process. He said he was concerned about the City losing the DOT money. Committee Member Cynthia Davis said staff was ready to start the work and was just looking for Council's approval. Council Member Wagner said merchants on Main Street will not cross the street to go to Kepley's Barbecue because it is not safe. Committee Member Jim Davis asked if these improvements would help with pedestrian safety at the intersection. Mr. McDonald said it would add pedestrian signals and better crosswalks. Committee Member Cynthia Davis said the Council should not worry about the choices between A) and B) and if the City is set on the \$200,000 the Council should trust staff to come up with a design that meets the needs for the intersection. She added she was concerned about the \$60,000 increase and was hopeful the City did not go over that.

A motion was made by Committee Member Alyce Hill and seconded by Committee Chair Jim Davis to refer this matter to City Council with a favorable recommendation authorization for the City Manager to execute a North Carolina Department of Transportation (NCDOT) Supplemental Agreement extending the required completion date of a project to make traffic signal and pedestrian improvements at the intersection of North Main Street and Lexington Avenue. Motion passed unanimously. (4-0 Vote)

150040 Contract – Automatic Transfer Switches

Council is requested to award a contract to HD Supply of Wake Forest NC in the amount of \$187,107.00 for the purchase of automatic transfer switches to replenish stock in the warehouse.

Garey Edwards, Director of Electric Utilities, explained these switches are used with generators and on circuits with critical loads. The stock in the warehouse needs to be refurbished. Committee Chair Jim Davis pointed out these are budgeted for every year. Committee Member Cynthia Davis asked how many the City were purchasing and if the City would purchase any extra switches in case any are defective. Mr. Edwards said the City is purchasing three, one is going to a customer and the others will be stock for the warehouse. Council Member Ewing asked if Electric Utilities reordered the switches when the supply was deleted. Mr. Edwards said normally they reorder when the stock is down to one switch.

A motion was made by Committee Chair Jim Davis and seconded by Committee Member Cynthia Davis to refer this matter to City Council with a favorable recommendation to award a contract to HD Supply of Wake Forest NC in the amount of \$187,107.00 for the purchase of automatic transfer switches to replenish stock in the warehouse. Motion passed unanimously. (4-0 Vote)

150032 Contract – CIGNA Healthcare – Employee Healthcare Benefits

Council is requested to authorize the City Manager to execute a 9-month contract with CIGNA Healthcare for the continuation of healthcare coverage for city employees during the short term plan year April 1, 2015 to December 31, 2015; and to authorize the City Manager to execute all related contractual documents during short term plan year.

Committee Member Cynthia Davis asked about the possibility of two 3% increases and if there was any way to set aside the money to pay for the possible increase(s). Angela Kirkwood, Human Resources Director, said the proposal being presented to the Committee is the same that will be presented to the City Manager and in May or June she will come back with information about what the costs are going forward. The only pricing information available is for right now. The price is also based on the City's claim history and Ms. Kirkwood said she did not see the need for the City to a set-aside of 3%. Ms. Kirkwood said the City's claims experience shows the City is very competitive.

A motion was made by Committee Member Alyce Hill and seconded by Committee Member Chris Williams to refer this matter to City Council with a favorable recommendation to authorize the City Manager to execute a 9-month contract with CIGNA Healthcare for the continuation of healthcare coverage for city employees during the short term plan year April 1, 2015 to December 31, 2015; and to authorize the City Manager to execute all related contractual documents during short term plan year. Motion passed unanimously. (4-0 Vote)

PENDING ITEMS

140387 Lease Agreement - SECU for CashPoints ATM Machine

Council is requested to authorize the City Manager to execute a Lease Agreement with the State Employees Credit Union (SECU) allowing for the installation of a CashPoints ATM on City property in the Commerce Street parking lot.

Committee Chair Jim Davis asked Committee Members to review the ATM information and take it out of pending next Council Meeting so the Council can make a decision. City Manager Greg Demko said he asked Angela Kirkwood, Director of Human Resources, to do more research on other banks in addition to the SECU and an inventory of parking spaces in the employee lots as well as Green and Commerce side. Council Member Alexander asked if there was any reason the City could not put the ATM in front of the Municipal Building. Mr. Demko said the reasons were cost and convenience because the space and the utilities are not available in the green space. He added there might be a reason that an ATM had not been located near City Hall before, it might because there is not enough traffic to justify it. Committee Chair Jim Davis urged everyone to study the provided information.

Discussion on Funding PART Call Center

Angela Wynes, Assistant Transit Manager, said the Regional Call Center is a joint project between the City of High Point and PART. The Call Center started with Winston-Salem, Greensboro, High Point and PART. Greensboro and Winston-Salem decided to withdraw because they were not willing to give up their existing call centers. The City of High Point does not have an existing Call Center, transit staff handles calls as they come into the office. Ms. Wynes explained if the calls could be diverted then staff could handle things to be in compliance with State and Federal mandates. The Call Center would handle fixed-route bus information calls, everything from where is the bus, when is the bus coming, and I need to plan a trip. The Call Center would also handle customer feedback. A regional transit website would also be developed. The Call Center would also assist people planning trips between different cities. The Call Center would be a one-stop-shop for transit customers. Council Member Alexander asked where the Call Center would be housed. Ms. Wynes said it would be housed at the PART offices. Council Member Ewing inquired what the estimated personnel need was. Ms. Wynes said it be a Call Center Supervisor, 2 full-time call takers and two part-time call takers. This staffing is based on 400 calls a day, 6:00 A.M. to 7:00 P.M. The total cost is \$148,614.00, the City of High Point's part would be \$42,638.00. Council Member Alexander asked what the City's net cost would be after State and Federal money is accounted

for. Ms. Wynes said the City's net cost would be approximately \$20,000.00. Council Member Alexander pointed out if the City wants to have this service, the City could not do it at that cost and this sounded like a good solution. Mayor Bencini asked how many calls the City currently receives each day. Ms. Wynes said some days as few as 100 calls and some days up to 400. Assistant City Manager Randy McCaslin asked when the City needed to make a commitment. Ms. Wynes said PART anticipates to have the Call Center up and running on August 3rd so the City would need budget the money. City Manager Greg Demko said the City could not have a staff member doing this for that amount of money. Ms. Wynes said she hoped in addition to bus route information, she hope the Call Center could handle the ADA and dial-a-lift calls to free up staff to work on compliance and oversight. Council Member Alexander asked if the Call Center would have radio communication with High Point and pointed out it would be worthwhile for the Call Center to have access to the radio to contact bus drivers directly.

ADJOURNMENT

The meeting adjourned at 5:00 p.m. on a motion duly made and seconded.

Respectfully Submitted,

Tom Vincent
Deputy City Clerk

Committee Chair James Davis.