



FINANCE COMMITTEE

Chaired by Council Member J. Davis

Members: J. Davis, Alexander, C. Davis, and Hill

JULY 12, 2017 – 4:00 P.M.

3rd FLOOR CONFERENCE ROOM

MINUTES

Present:

Committee Chairman Jim Davis and Committee Members Latimer Alexander, Cynthia Davis, and Alyce Hill

Staff Present:

Randy McCaslin, Deputy City Manager; Terry Houk, Director of Public Services; Lee Tillery, Parks & Recreation Director; Jeff Moore, Director of Financial Services; Robby Stone, Public Services Assistant Director; Mark McDonald, Transportation Director; Tommy Reid, Fire Chief; Brian Evans, Assistant Fire Chief; Garey Edwards, Electric Utilities Director; Bob Martin, Customer Services Director; Gary Smith, Fleet Services Director; Steve Lingerfelt, Communication and Information Services Director; Maria Smith, Deputy City Clerk and Lisa Vierling, City Clerk

Others Present: Judy Stadler, TREBIC

News Media:

Pat Kimbrough, *High Point Enterprise*

Chairman J. Davis called the meeting to order at 4:01 p.m.

Due to a major water line break requiring immediate attention, Terry Houk Public Service Director, reported on his items first.

Professional Services Engineering Agreement - Sanitary Sewer Master Plan

Council is requested to approve a Professional Engineering Services agreement with CDM Smith in the amount of \$410,300.00 for a sanitary Sewer Master Plan for evaluating wastewater capacity for current conditions and for future development.

Terry Houk, Director of Public Services, reported that the first Sewer Master Plan was done in 1988 and the last one was done in 1996. He stated that the Water Master Plan has already been awarded and the contractor has started. Staff recommends approval.

Both the Water Master Plan and Sewer Master Plan will be used to evaluate the current capacity of water and sewer with a recommendation for each service.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Professional Engineering Services Agreement - Schnabel Engineering South, P.C.

Council is requested to approve contract with Schnabel Engineering South, P.C. in the amount of \$186,720.00 for the evaluation of alternatives to rehabilitate the Arnold Koonce City Lake Dam.

Mr. Houk reported that Public Services is proposing a dam upgrade in the future to improve the discharge capabilities of the water for the spillway. This is considered a large size, high hazard dam, and it should have significant spillway capacity to convey $\frac{3}{4}$ of the probable maximum precipitation. He advised the estimated project increase would be \$8 million. This is for preliminary engineering work to evaluate alternatives.

Chairman J. Davis wanted to know how the city would budget for the \$8 million. Mr. McCaslin suggested it would be a revenue bond as part of the Capital Improvement Program. These are planned out years in advance.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Change Order Westside WWTP - Shook Construction Company

Council is requested to approve a change order to the Shook Construction Company contract in the amount of \$117,266.42 to address safety issues that have been identified by the City of High Point Safety and Health Department.

Mr. Houk explained this change order is needed primarily to address two safety issues, one identified by the city's, Safety and Health Division.

- 1. New emergency eye wash and shower stations*
- 2. Aluminum platform for sludge*

He reported that the platform would allow access for repairs without standing on the transfer belts. He added the change order would allow 65 days for completion time. Staff recommends approval.

Chairman J. Davis questioned why this came up at the last minute. Mr. Houk stated due to the upgrade for the eye wash station, there was a requirement to convert them to tepid water which meant there needed to be a water heater installed and a recirculation system. He added that it needed to be installed during construction and noted that the platform was never part of the project, but was identified during the safety and health inspection.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Purchase of Compact Refuse Trucks

Council is requested to approve the award of contract to Amick Equipment Company for the purchase of three (3) new 2017 Isuzu trucks with a New Way Diamondback compact rear loading body in the amount total contract amount of \$296,169.96 and declare the old equipment as surplus and dispose of through the online auction process.

Gary Smith, Fleet Services Director, reported on replacing the two rear loading refuse trucks with compact rear loading trucks. He added that the trucks would be smaller, but would still work as well. Purchasing three trucks instead of two would allow for a compact spare, which they do not currently have.

Committee Member C. Davis asked what the city is currently doing for a spare; Mr. Smith reiterated that there is no spare. He noted another advantage of the compact refuse truck is that a CDL license is not required for operation. Randy McCaslin, Deputy City Manager, explained that the lack of a spare requires staff to work longer which results in overtime and longer hours. Purchasing the compact refuse trucks would result in a net savings of \$55,000 and they would perform just as well as the big trucks.

Committee Member Alexander asked if the truck and the compaction unit would wear out at the same time. Mr. Smith replied that the compaction body piece wears down and would be extremely expensive to rebuild so it would be better to sell as a complete unit.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Purchase of Side Loading Refuse Trucks

Council is requested to approve the award of contract to Amick Equipment Company for the purchase of three (3) Peterbilt trucks with New Way side loading refuse body in the amount of \$764,424.99 and declare the old equipment as surplus and dispose of through the online auction process.

Mr. Smith advised that staff is recommending replacing three of the refuse side loading trucks with three of the new ones. He noted that the three trucks being replaced were some of the original trucks back from 2010 when the program began. He stated they were purchased used, so they would not have to come up all at once for replacement during the budget year. He added when these three trucks are out of the system, they would probably go down to two a year from this point forward. He stated that all three trucks have between 10 - 12,000 hours and they begin to look at replacing the trucks around 10,000 hours. He suggested that to move the current three trucks into the spare pool, then take three from the spare pool and sell those which have 13,000 – 15,000 hours.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Janitorial Services for Parks & Recreation Facilities

Council is requested to approve the award of a contract to Rocky Top Cleaning for janitorial services at the Morehead, Southside and Allen Jay facilities in the amount of \$201,600.00 and Matt's Janitorial for janitorial services at the Deep River, Oakview, Piedmont Environmental Center and the Washington Terrace Community Building in the amount of 93,240.00.

Lee Tillery, Parks & Recreation Director, explained the Parks and Recreation Department has transitioned over the last three to four years from full-time positions to contracting those facilities out with the retention of some of those custodial positions. He pointed out there are two contracts for seven facilities with a three-year contract that comes up for renewal every year. Staff recommends approval.

Committee Member C. Davis questioned the lack of bids from local companies. Mr. McCaslin explained that the bids were advertised and these eight were the only ones to respond.

Committee Member Alexander pointed out anyone interested in submitting bids could go through the Purchasing Department and register to be put on the bid list.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Purchase of Water Meters

Council is requested to approve the award of a contract to Carolina Meter and supply in the amount of \$1,295,100 for the purchase of new 5/8 water meters.

Customer Services Director Bob Martin reported this is for 8,000 water meters, primarily residential. He explained this is the third year the city has been using these types of meters, which allow the meter readers to do the readings from a farther distance. It also retains about 45 days of data, which allows staff to go back to research any water leaks for about 1 ½ months. He noted that it represents a larger quantity than they normally purchase and would allow the city to do drive-by readings. This would be a one-year contract with three, one-year renewals.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Wesco - Underground Cable

Council is requested to award contract to WESCO in the amount of \$202,350.00 for the purchase of 750 MCM Copper Underground Cable.

Garey Edwards, Electric Utilities Director, reported on the underground 750 MCM copper underground cable that is 40 years old and in need of replacement. He advised this would restock what the city currently has. Mr. McCaslin added by ordering a larger amount, the city received a better price per foot. Mr. Edwards shared that this resulted in a \$3-4 dollars' savings per foot.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hill made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Motorola Solutions, Inc. - Police Department Radios

Council is requested to award contract to Motorola Solutions, Inc., in the amount of \$493,894.75 for the replacement of 113 portable radios.

Steve Lingerfelt, Communication and Information Services Director, explained this is part of the annual replacement and staff is requesting to purchase 113 portable radios in the eight-year cycle. The radios will be used for the Police Department and will be purchased off State contract. Committee Member C. Davis asked how often the radios are replaced in the Fire Department. Mr. Lingerfelt replied they are replaced every eight years.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member C. Davis made a second to the motion. The motion carried by a 4-0 unanimous vote.

Contract - Atlantic Emergency Solutions - Pierce Fire Apparatus

Council is requested to approve award of contract to Atlantic Emergency Solution in the amount of \$1,897,933.00 for the purchase of three (3) Pierce Fire Apparatus (pumper, pumper tanker and rescue/service truck); and declare the old equipment as surplus and dispose of through the online auction process.

Tommy Reid, Fire Chief, reported this is the third-year of the replacement plan that was adopted by Council during the 2015-2016 budget. This would put them on a normal cycle to purchase two trucks every year. He advised these three trucks would replace three others and they plan to sell the trucks taken out of the fleet on GovDeals.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member C. Davis made a second to the motion. The motion carried by a 4-0 unanimous vote.

Revised Interlocal Agreement - Guilford County

Consideration of Resolution amending the Interlocal Agreement with Guilford County for revenue collections.

Mr. McCaslin explained that Guilford County is in the process of revising the agreement. The changes would amend the agreement that has been in place since 2016 and would allow them to continue collecting High Point's tax revenues, and would also authorize them to bill and collect for High Point's liens (nuisance liens, securings, demolitions, etc....). He advised that the recent tax bills for 2017 have the liens identified and reported there are about 800 properties with about 2,700 different liens totaling close to \$1 million.

Committee Member C. Davis wanted to know if they could split their bill or if it was possible for them to pay their High Point and Guilford County taxes and ignore the liens. Mr. McCaslin replied that it would be up to Guilford County as to the collection and how they would apply it.

Since the document was not ready, Chairman J. Davis suggested this matter be placed on the regular agenda for further discussion/consideration.

Transit Section 5303 Planning Grant Agreement with NCDOT

Council is requested to authorize the City Manager to execute an Agreement with the North Carolina Department of Transportation (NCDOT) for the FY 2018 Metropolitan Planning Program Grant (Section 5303) in the amount of \$49,500.00.

Mark McDonald, Transportation Director, advised this would be an annual agreement with NCDOT for Transit, which totals \$55,000 with High Point's share being \$5,500. He explained it is used for the collection of ridership data, transit planning activities, execution of responsibilities associated with compliance, civil rights, accessibility, etc....

Chairman J. Davis wanted to know how we are doing with our advertising on the new buses and if we are making a profit. Mr. McDonald believes that the response has been good and positive. Mr. McCaslin stated that staff will follow up and get more information regarding the advertising on the buses.

Committee Member C. Davis shared that she received a complaint about having a handful of people on the buses while operating all day. Mr. McCaslin pointed out there are opposite complaints that the buses do not run long enough or cover enough routes, so he was unsure how to address the complaints. Committee Member C. Davis advised that this individual making the complaint suggested creating some kind of call-in or database to track the individuals using it for work and suggested the routes be adjusted so the buses would not have to run as frequent.

Committee Member J. Davis moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member C. Davis made a second to the motion. The motion carried by a 4-0 unanimous vote.

Transit Operating and Capital Grant Application - Public Hearing

Monday, July 17, 2017 at 5:30 p.m. is the date and time established to receive public comments on the filing of the FY2018 FTA Section 5307 operating, capital and planning grant application for High Point Transit and the Thomasville portion of Davidson County Transportation System.

Mr. McDonald reported that this public hearing is required for the 5307-Capital Operating Grant System for FTA and NCDOT.

Committee Member Alexander reported on the disintegrating condition of High Street between Lindsay and Elm. He questioned the integrity of the railroad cut and believed there is enough distortion along there which indicates more is going on underneath. Mr. McCaslin stated staff would investigate the area.

Mr. McDonald reported on the bank stabilization project that Engineering and Public Services would be working on between Elm and Centennial would be starting soon to address similar problems.

Request for Signage on English at Lindsay

Committee Member C. Davis suggested placing a sign on Lindsay alerting motorists that the lane shifts and they need to be turning right. She felt this was not very clear because people do not understand while sitting at the Lindsay red light that they really need to be shifted by that point.

Round-about on Hamilton at Saint George's Greek Orthodox Church

Mr. McDonald felt it would be possible and mentioned that several years ago, staff studied some concepts on how this could be addressed in the area where the triangle and the merge section is. Mr. McCaslin advised staff will review this further.

There being no further business to come before the Committee, the meeting adjourned at 4:32 p.m. upon motion duly made and seconded.

Respectfully Submitted,

Maria A. Smith
Deputy City Clerk

Jim Davis, Chairman

DRAFT