



NORTH CAROLINA'S INTERNATIONAL CITY™

FINANCE COMMITTEE

Chaired by Council Member J. Davis

Members: J. Davis, C. Davis, Hill, and Mayor Bencini

November 15, 2017 – 3:30 P.M.

3rd FLOOR CONFERENCE ROOM

MINUTES

Present:

Committee Chairman Jim Davis and Committee Members Cynthia Davis, Alyce Hill and Mayor Bencini

Staff Present:

Randy McCaslin, Deputy City Manager; Eric Olmedo, Budget & Administrative Manager; Jeff Moore, Director of Financial Services; Mark McDonald, Director of Transportation; Lee Tillery, Director of Parks & Recreation; Robby Stone, Assistant Director of Public Services, Derrick Boone, Assistant Director of Public Services, Trevor Spencer, Public Services Project Engineer, Heidi Galanti, Senior Planner, Philip Hiatt, Senior Electrical Engineer, Cynthia Duncan-Smith, Executive Assistant.

Chairman J. Davis called the meeting to order at 4:00 p.m.

Agenda Items:

Contract – Ensales-Virginia Transformer

Council is requested to award a contract to Ensales-Virginia Transformer in the amount of \$1,715,805.00 for the purchase of three (3) medium power (substation) transformers for the upgrade of the Linden Substation and the Penny Road Substation.

Philip Hiatt, Senior Electrical Engineer, addressed the Committee and stated that bids were received in October of this year for three transformers for use with the renovations of the Linden Substation and the Penny Road Substation. The Electric Department is changing from 69 KV transformers to 100 KV.

Randy McCaslin, Deputy City Manager, stated this upgrade has been a part of our Capital program for the past several years.

Motion by Chairman J. Davis, seconded by Mayor Bencini, to forward this matter to the City Council with a favorable recommendation. The motion carried unanimously. [4-0 vote]

Contract – Yates Construction Company

Council the requested to award a contract to Yates Construction Company in the amount of \$1,095,050.00 for the installation of a new location 8-inch gravity sewer that will eliminate the need of a pump station and the cost associated with perpetual maintenance at the Old Thomasville Road pump station (pump station will be abandoned).

Derrick Boone, Assistant Director of Public Services, addressed the Committee and reported that this is part of the overall upgrade to pump stations throughout the City. This project is to abandon the pump station at Old Thomasville Road and replace with the installation of an 8-inch gravity sewer line to South Road. Installation of the gravity line would eliminate the need for the pump station and the costs associated with the perpetual maintenance. This will also extend the life of the system as a pump station will normally last 30 to 40 years and a gravity sewer line will last much longer.

Motion by Chairman J. Davis, seconded by Committee Member C Davis, to forward this matter to the City Council with a favorable recommendation. The motion carried unanimously. [4-0 vote]

Contract – Creative Bus Sales

Council is requested to award a contract to Creative Bus Sales in the amount of \$334,386.00 for the purchase of three (3) new light transit vehicles; and declare the old equipment as surplus and authorize staff to dispose of through the online auction process.

Mark McDonald, Director of Transportation, stated that three of the current buses in our fleet are over 8 years old and have over 200,000 miles on them. The new buses are low-floor for easier passenger access and have a flip-down ramp versus a wheel chair lift for easier loading of wheelchair passengers. The new buses have a 15-passenger capacity and includes room for two (2) wheelchair passengers. Delivery will be in 4 to 6 months.

Chair J. Davis asked if this was a state contract and if it was the same contract that PART uses.

Jeff Moore, Director of Finance, stated it was a state contract, but he was not sure if it was the same that PART uses.

Motion by Chairman J. Davis, seconded by Committee Member C Davis, to forward this matter to the City Council with a favorable recommendation. The motion carried unanimously. [4-0 vote]

Contract – Spatial Data Consultants

Council is requested to award a contract to Spatial Data Consultants in the amount of \$168,745.00 for the purchase of new high-resolution aerial photography and oblique aerial view imagery from flight data to be obtained in early 2018.

Heidi Galanti, Senior Planner, stated that this is a project we do every four (4) years and we piggy back off the State Contract to benefit cost savings. The last update was in 2014 and it encompassed the entire planning area and just beyond for a total of 165 square miles. In addition, to obtaining aerial photography, the City has the opportunity to obtain oblique aerial view imagery (building elevation view). This information is used daily by the various City departments and the public.

Chair J Davis asked if this information is turned over to the tax department.

Ms. Galanti responded that we have it on our website and anyone can access it including the county tax department.

Motion by Chairman J. Davis, seconded by Committee Member C Davis, to forward this matter to the City Council with a favorable recommendation. The motion carried unanimously. [4-0 vote]

Ordinance – Budget Amendment – Business Incubator Grant

Council is requested to adopted a Budget Ordinance amending the City of High Point 2017-2018 Budget Ordinance to appropriate funds in the amount of \$250,000 for a grant received from the Rural Economic Development Division of the North Carolina Department of Commerce for a Business Incubator Grant. These funds will be transferred to Business High Point to develop a business incubator with space for entrepreneurs, designers, small scale manufacturers, international guests and young professionals to grow their businesses.

Eric Olmedo, Budget & Administrative Manager, advised the Committee that the City applied for and received this grant to assist Business High Point to develop a business incubator. This is part one of a two-part grant. Part 2 is a challenge grant of \$1.5 million. Business High Point will need to raise \$1.5 million in private funds in order to receive an additional \$1.5 million.

Motion by Chairman J. Davis, seconded by Committee Member C Davis, to forward this matter to the City Council with a favorable recommendation. The motion carried unanimously. [4-0 vote]

Comprehensive Master Plan – Parks & Recreation Department

Council is requested to approve the selection of McAdams Company to assist with the development of a Comprehensive Master Plan for the Parks & Recreation Department.

Lee Tillery, Director of Parks and Recreation, stated that this approval is part of the RFQ process. Seven proposals were received to help develop a Comprehensive Master Plan for the Parks and Recreation Department. These applications were reviewed by the selection team and after evaluating all proposals they are recommending McAdams Company to develop the new master plan. It will take about 6 to 8 months to develop and should be finished in June. The City has budgeted \$75,000, but a contract has not been negotiated at this time.

Randy McCaslin, Deputy City Manager stated that Council need to approve the selection of the firm to develop the Master Plan, however, the contract will be lower than the amount required to be approved by City Council.

Chairman J Davis asked if the Senior Center was looked at and a part of this plan.

Committee Member C Davis asked if they would be abandoning the old Senior Center or building a new one.

Mr. Tillery stated that the Senior Center has been looked at as part of the Master Plan.

Mr. McCaslin reminded the Committee that the City did a Space Needs Study in the Spring of this year and it did include the Senior Center.

Mayor Bencini asked if they are considering a Cricket Pitch.

Mr. Tillery said that will be taken into consideration. The Department will be guided by Council and citizen input. They are also looking at the programming side.

Motion by Chairman J. Davis, seconded by Committee Member C Davis, to forward this matter to the City Council with a favorable recommendation. The motion carried unanimously. [4-0 vote]

Parks and Recreation Department Fee and Charges Policy – Fees and Charges Adjustments

Council is requested to approve new and adjusted fees to the High Point Parks and Recreation Department Fee and Charges Policy for the City's park facilities.

Lee Tillery, Director of Parks and Recreation stated that his department reviews the fee schedule every three to four years. The last increase was in 2014. This revised fee and charges schedule is light in comparison to ones in the past.

Mr. Tillery distributed copies of the proposed changes to the Committee and briefly went over them. The first part is mostly Administrative Charges dealing with rental fees for various facilities and/or fields. There is a comparison column showing how our fees relate to neighboring municipalities.

The second part is new Athletic Fees. Again, there is a comparison column showing how the City is in line with other municipalities.

The third part is Facility Rentals and a change in the pricing structure. In the past a time block was used for rental of recreation centers and now we are recommending an hourly rate for use of the Recreation Centers.

The last part is new golf fees. New proposed fees provide a variety of price points at different times of the day and add rates for junior golfers and college aged student golfers. The golf courses are using Dynamic Pricing to adjust rates, both up and down for golfers booking tee times through our online tee booking program. Prices are based on demand, availability, how far in advance the tee times are being booked, and the weather. Dynamic pricing looks at forecast and then can determine what the price should be according to the weather.

Chair J Davis asked if a family pass will be available like they have at many of the beach golf courses.

Mr. Tillery stated that we do not provide that service.

Mayor Bencini asked if it consideration had been given to incentivize the rate for people who use the fields. Many times the day after an event the fields are covered in mounds of trash. If they leave the field clean it's one price, if we have to use crews to clean after their event it will be another price.

Mr. Tillery stated they have never entertained charging for not cleaning up.

Committee Member C Davis asked if the city maintains the bleachers around the Simeon Stadium because they are very dirty.

Mr. Tillery stated the Simeon Stadium belongs to Guilford County School System.

Committee C Davis suggested charging a penalty fee instead of an incentive fee to try to keep the charges low.

Committee Member Hill stated it needs to be kept in mind that we need cover costs so we get a refund of our tax dollars. Maintenance is expensive.

Mr. Tillery added that it cost more to maintain the fields as they are used more. We don't want to get into field issues. We don't have artificial turf on any of our fields. This new fee structure enables us to do a better job maintaining our fields.

Committee Member C Davis stated she has noticed we have a lot of underutilized fields. Increasing fees is not necessary as we are not utilizing the fields we have now.

Motion by Chairman J. Davis, seconded by Mayor Bencini, to forward this matter to the City Council with a favorable recommendation. The motion carried on a 3-0 vote. Committee Member voted "no" on the motion. This item will appear on the Regular Agenda of City Council.

Acknowledge Receipt of the City of High Point Comprehensive Annual Financial Report for 2016-2017

City Council is requested to acknowledge receipt of the City of High Point Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2017 and related required communications from the City's auditors, Cherry Bekaert LLP.

Jeff Moore, Director of Financial Services stated the staff from Cherry Bekaert will make a presentation at the Council Meeting on Monday evening on the annual audit. The audit is complete and copies will be available on Monday.

With no other business to come before the Finance Committee, the meeting adjourned at 3:50 p.m.

Respectfully Submitted,

Cynthia C. Duncan-Smith
Executive Assistant

Jim Davis, Chair