



FINANCE COMMITTEE

Chaired by Council Member Moore

Members: Moore, Hudson, Ewing, and Jones

January 11, 2018 – 4:00 P.M.

3rd FLOOR CONFERENCE ROOM

MINUTES

Present:

Chairman Britt Moore, and Committee Members Wesley Hudson, Jason Ewing, and Victor Jones

Also Present:

Council Member Donald Scarborough

Staff Present:

Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; Eric Olmedo, Budget & Administrative Director; Jeff Moore, Director of Financial Services; Terry Houk, Director of Public Services; Robby Stone, Assistant Director of Public Services; Derrick Boone, Assistant Director of Public Services; Keith Pugh, Director of Engineering Services; Angela Kirkwood, Director of Human Resources; Mark McDonald, Director of Transportation; Greg Venable, Transportation Administrator; Tim McKinney, Director of Facility Services; JoAnne Carlyle, City Attorney; and Lisa Vierling, City Clerk

News Media:

Pat Kimbrough, *High Point Enterprise*

Note: The following handouts were distributed and will be incorporated as a permanent part of these proceedings.

- *Map of Properties Acquired for the Stadium Project*

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

Agenda Items:**2018-02 Contract - ECS Southeast LLP - Catalyst Project**

Council is requested to approve a contract proposal with ECS Southeast, LLP in the amount of \$292,700.00 for construction materials testing, Geotechnical and special inspections for the construction of the High Point Multipurpose Sports and Entertainment Facility.

Tim McKinney, Director of Facility Services, reported that ECS has been working on the site since 2014 under an EPA Grant, and they are very familiar with the stadium project, as well as the surrounding areas. This a contract with ECS is to perform material testing, construction testing, Geotechnical services, and to inspect the footings, and special inspections that will allow work to be done 7 days a week should the need arise.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Ewing made a second, which carried by a 4-0 unanimous vote.

2018-03 Resolution - Lease Agreement with Piedmont Electric Repair Company (Perco)

Council is requested to adopt a Resolution approving a Lease Agreement between the City of High Point and Piedmont Electric Repair Company to allow the company to remain on the property located at 500 and 504 West English Road an additional year beginning January 1, 2019 through December 31, 2020.

Assistant City Manager Randy Hemann distributed copies of a map identifying the parcels that have been acquired for the stadium project. One of the properties acquired was Perco Electric (identified on the map as Lots #7 and #11 with the business itself being located on Lot #11). As part of the acquisition of this property, the city was to enter into a two-year lease agreement with Perco Electric to allow them to move their parking area to the portion of Lot #7 located at the corner of W. English and Pine Street. However, only a one-year lease agreement was approved, although it was supposed to be for a two-year period. This is actually the second year of the lease.

Mr. Hemann advised that this parcel was needed due to a little sliver of the property being under the stadium, which required it to be combined with the stadium lot. This prompted moving the parking area.

Deputy City Manager Randy McCaslin reiterated that the former City Council has already approved the first year of the lease and noted this lease agreement is for the additional one-year period beginning January 1, 2019 through December 31, 2020.

Chairman Moore entertained a motion regarding this matter.

Committee Member Hudson moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Ewing made a second to the motion, which carried by a unanimous 4-0 vote.

2018-04 Consulting Services - Alta Planning & Development - MPO Regional Bicycle Plan

Council is requested to approve the selection of Alta Planning and Design to assist with the development of a regional bicycle plan for the High Point Metropolitan Planning Organization (MPO).

Greg Venable, Transportation Administrator with the High Point Transportation Department and the MPO, advised that staff is requesting the selection of a consulting firm, Alta Planning & Design, to conduct a Regional Bicycle Plan for the MPO Area.

The contract for the project will come back to the City Council for approval sometime in February.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Ewing made a second, which carried by a unanimous 4-0 vote.

2018-05 Safe Routes to School - NCDOT Supplemental Agreement - Additional Funding

Council is requested to approve and authorize the Mayor to execute a Supplemental Agreement with the North Carolina Department of Transportation (NCDOT) for additional funding in the amount of \$560,000.00 for the Safe Routes to School sidewalk project.

Mark McDonald, Director of the High Point Transportation Department, provided some background regarding the Safe Routes to Schools sidewalk project. In 2013, the Southwest Renewal Foundation approached the city about pursuing federal funding through the Safe Routes to School Program for two schools in that area: Oak Hill Elementary, and Fairview Elementary Schools. At that time, the cost was estimated at \$200,000 to infill and extend the sidewalk around these schools.

After meeting with the North Carolina Department of Transportation (NCDOT) on the funding and agreement process, NCDOT offered up to \$500,000 for other additional schools that would also meet the criteria. Staff approached other schools and recommended including sidewalk expansion around Triangle Lake Montessori, Johnson Street Global, and Shadybrook School in addition to Oak Hill Elementary and Fairview Elementary Schools.

Mr. McDonald reported that when NCDOT offered the \$500,000, there was no city match required, but the city would be responsible for the utility relocations, adjustments, and any right-of-way or easements that would be required as a result of the project. Approximately \$100,000 was identified out of some residual bond funding to cover these expenses, bringing the total funding to \$600,000 to do these sidewalk projects at these five schools.

Due to the lapse of time and going back and forth with NCDOT on the review of these projects to meet the federal guidelines, the bids came in at about \$1.1 million. This was a much higher level of funding with only \$600,000 available for the projects. As a result, staff approached NCDOT again for additional funding and NCDOT offered some additional transportation enhancement

plan funding in the amount of \$560,000. The \$560,000 required a \$140,000 city match, for a total of \$700,000 in additional dollars, and a total project budget of \$1.2 million.

Staff advised that this supplemental agreement is to approve the additional \$560,000 grant from the federal program.

Council Member Scarborough inquired about the process used to determine the specific schools chosen. Mr. McDonald explained that Oak Hill Elementary and Fairview Elementary are in the Southwest area and part of the original proposal from the Southwest Renewal Foundation. Additionally, staff consulted with the local Western area Superintendent for Guilford County Schools, and the schools had to meet certain criteria requiring a link back to a state-owned facility (i.e. state maintained road). Engineering Services Director Keith Pugh further pointed out part of the project is to replace some of the existing sidewalk in proximity to these schools that do not meet current standards, and to bring the sidewalks up to ADA standards.

Chairman Moore questioned if the cost increased proportionately in the two-year delay due to staff's effort to get everything for the project ready to bid. Mr. McDonald felt the increase was due, in part, to an improved economy and a lot of contractors bidding on projects.

The completion time for the contract is anticipated to be 250 days.

Committee Member Ewing moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Jones made a second to the motion, which carried by a unanimous 4-0 vote.

2018-06 Budget Ordinance Amendment - Safe Routes to School Grant

Council is requested to adopt a budget ordinance amending the 2017-2018
Budget Ordinance to appropriate funds in the amount of \$560,000 for
supplemental funding from the North Carolina Department of Transportation
(NCDOT) for the Safe Routes to School sidewalk project.

Eric Olmedo, Budget & Administrative Director, reported that this budget amendment appropriates the additional \$560,000 received from NCDOT for the Safe Routes to School sidewalk project.

Committee Member Ewing moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hudson made a second to the motion, which carried by a unanimous 4-0 vote.

2018-07 Contract - Yates Construction Company - Safe Routes to School Sidewalk Improvements

Council is requested to approve award of contract to Yates Construction Company in the amount of \$1,099,247.00 for the Safe Routes to School Sidewalk Improvements.

Staff is recommending award of the contract for the Safe Routes to School Sidewalk Improvements to Yates Construction.

Keith Pugh, Director of Engineering Services, advised that some of the challenges associated with the cost of these sidewalk improvements was due to the wheelchair ramps for ADA accessibility. He explained these costs came in more than double from what was estimated, and there were several other items in the bid that came in 60% over what was originally estimated.

Committee Member Ewing inquired about the timing of the contract and asked if it would be completed before school resumes in the Fall. Staff advised that the completion date for the project would come in after school starts back up.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Ewing made a second, which carried by a unanimous 4-0 vote.

2018-08 Architectural and Design Firms - On Call Agreement

Council is requested to execute Master Professional Service Agreements for architectural services with ADW, Clark Patterson Lee, Creech & Associates, HH, McAdams, and Wright to provide services for City Departments on an as needed basis.

Jeff Moore, Director of Financial Services, advised that the state law allows municipalities to prequalify a list of consultants/firms for services such as architectural, engineering, etc....to allow the departments to reach out and negotiate specific pricing on an as-needed basis. He explained that oftentimes, many of these services are in the \$25,000 to \$60,000 range, which would allow the department to proceed in making preparations, get approval from the manager, and move forward on the projects without delays. However, for any of these that come in over the required statutory threshold, it would require approval from the City Council.

Eleven firms submitted proposals and staff shortlisted this to six and recommends approval of Master Professional Service Agreements for architectural design services for the following:

- 1. ADW Architects;*
- 2. Clark Patterson Lee;*
- 3. Creech & Associates;*
- 4. HH Architecture, PA;*
- 5. McAdams;*
- 6. Wright Architecture, PA*

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Jones made a second, which carried by a unanimous 4-0 vote.

2018-09 Budget Ordinance Amendment - Guilford County Board of Education

Council is requested to approve a budget ordinance amendment in the amount of \$221,961 to appropriate fund balance funds for payment to the Guilford County Board of Education for prior collected property tax late listing penalties.

Jeff Moore, Director of Financial Services, advised that the City of High Point turns over police department fines, forfeitures to the school system on a regular basis. He reported that when Guilford County changed their tax software in 2011, it changed the way that they remit funds to the City. This prompted additional property tax agreements with Davidson, Randolph, and Forsyth Counties and any collections for late listing penalties by them is remitted to those school systems. It was High Point's understanding that Guilford County was following the same procedures, but this was not the case.

As a result, the Guilford County Board of Education is requesting that the City of High Point turn over those funds previously considered budgeted High Point property tax revenues for Guilford County property tax late listing penalties.

Mr. Moore advised that the following two actions would be necessary for this matter:

- 1. Adoption of the Budget Amendment to appropriate fund balance; and*
- 2. To authorize payment to the Guilford County Board of Education for Prior Collected Property Tax Late Listing Penalties.*

Deputy City Manager Randy McCaslin reported that it was also discovered that the same issues arose with the City of Greensboro and Guilford County for non-payment of these late listing fees. City Attorney JoAnne Carlyle advised that the Guilford County Board of Education is also looking at identifying other fees that may have not been remitted (i.e. towing fees, illegal parking fees, fire code occupancy fines, etc....).

Mr. McCaslin noted that staff is currently working with the Guilford County Tax Department and may be bringing an amendment to the contract to the City Council for approval, that would allow the county to collect these fees and remit them directly to the Guilford County Board of Education.

Council Member Scarborough questioned how this would help High Point schools and expressed some fear that the money would not be spent on the schools in High Point. Committee Member Ewing agreed, and noted that although this would result in additional money for the School Board, there is nothing that would require them to spend the money on High Point schools.

Committee Member Ewing inquired about the threat by the Guilford County Board of Education's attorney to collect for damages, in addition to collecting the fees that were owed. Ms. Carlyle advised there has been no further mention of collecting for damages, and they have not been verbally cordial. She suggested that the 3-year statute of limitations on the payments be discussed in the future.

Committee Member Ewing moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Hudson made a second, which carried by a unanimous 4-0 vote.

2018-26 Resolution - Contract - Envitech

Council is requested to adopt a Resolution authorizing staff to enter into a contract with Envitech for disposal of biosolids for both wastewater plants through incineration.

Deputy City Manager McCaslin reported that another company, Envitech, has been hired to come in with a proposal to fix the problems with the city's incinerator to get it operational again. Staff is in the process of negotiating a contract with Envitech. And is requesting adoption of a resolution that authorizes the mayor to execute the contract with Envitech, once in is put in its final condition, for an amount not to exceed \$750,000. This will be paid for with monies that the city is holding in retainage from the other contract. Mr. McCaslin advised that timeliness is of the essence to get away from additional hauling costs to dispose of the sludge.

City Attorney Carlyle advised that this contract is a little unusual in that it is not a construction contract, nor is it a contract just for professional services. She assured the Committee that all the usual protections would be incorporated with a cap of not to exceed \$750,000. She felt an additional delay would certainly cause further harm to the city.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation for approval. Committee Member Ewing made a second, which carried by a unanimous 4-0 vote.

There being no further business to come before the Finance Committee, the meeting adjourned at 4:35 p.m. upon motion by Chairman Moore and second by Committee Member Ewing.

Respectfully Submitted,

Lisa B. Vierling, MMC
City Clerk

Britt Moore, Chairman