



FINANCE COMMITTEE

Chaired by Council Member Moore

Members: Moore, Hudson, Ewing, and Jones

June 14, 2018 – 4:00 P.M.

Third Floor Lobby Conference Room

MINUTES

Present: Chairman Britt Moore, and Committee Members, Jason, and Victor Jones

Absent: Committee Member Wesley Hudson

Staff Present: Randy McCaslin, Deputy City Manager; Tommy Reid, Fire Chief; Terry Houk, Director of Public Services; Melanie Bruton, MRF Superintendent; Derrick Boone, Assistant Director of Public Services; Angela Wynes, Transit Manager; Jeff Moore, Director of Financial Services; Jeron Hollis, Director of Communications & Public Engagement; Ryan Ferguson, Communications & Public Engagement; Angela Kirkwood, Director of Human Resources; Laura Altizer, Senior Budget Analyst; Mark McDonald, Director of Transportation; Sandra Keeney, Deputy City Clerk, and Lisa Vierling, City Clerk

Others Present: Debbie Lumpkins, Executive Director, High Point Arts Council; Steve Ilderton, Chairman Elect, High Point Arts Council

No News Media present.

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

2018-196 Ordinance - Budget Amendment - Insurance Reserve Fund

City Council is requested to adopt an ordinance amending the 2017-2018 Annual Budget to appropriate funds in the amount of \$1,240,610 for expenditures for the Insurance Reserve Fund projected to exceed the budget due to increased health and dental care costs.

Deputy City Manager Randy McCaslin explained this budget amendment is needed to increase appropriations for the Insurance Reserve Fund due to increased employee premiums paid and expenses for health care and dental care claims. He advised that expenditures for health, dental and life insurance claims would exceed the budgeted amount by \$1,240,610 (7.8%) and this would require an additional \$668,000 to be transferred from various operating funds to the Insurance Reserve Fund to cover the additional expense. This amount will be funded by vacancy savings from the following funds: General Fund, Water/Sewer Fund, Electric Fund, Stormwater Fund, Solid Waste Fund.

Committee Member Ewing asked if this takes into account an increase in expenditures for the 2018-2019 budget year. Mr. McCaslin explained that it does take the numbers into consideration, but it is possible that other adjustments may be necessary next year. He added that the city received an excellent renewal rate for the upcoming year.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be forwarded to the City Council and recommended for approval, consent agenda. The motion carried by the following 3-0 unanimous vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-197 Ordinance - Budget Amendment - Market Authority

City Council is requested to adopt an ordinance amending the 2017-2018 Annual Budget to appropriate funds in the amount of \$75,000 for additional revenue received from Occupancy Tax and Showroom tax that have been received above the amount budgeted.

Laura Altizer, Senior Budget Analyst, advised that the city received additional funds on the occupancy tax over and above what was budgeted, thus resulting in a \$75,000 increase in the International Home Furnishings Market Authority budget.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 unanimous vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-198 International Home Furnishings Market Authority - 2018-2019 Annual Budget

City Council is requested to consider the FY 2018-2019 annual budget for the International Home Furnishings Market Authority (Market Authority).

A motion was made by Chairman Ewing, seconded by Committee Member Jones, that this matter be recommended for approval, consent agenda. The motion carried by the following 3-0 unanimous vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-199 High Point Convention & Visitors Bureau - 2018-2019 Annual Budget/Contract

City Council is requested to consider the annual budget for the High Point Convention & Visitors Bureau (CVB) for FY 2018-2019 and authorize the City Manager to execute contract between the High Point Convention and Visitors Bureau for FY 2018-2019.

Laura Altizer, Senior Budget Analyst, advised that a copy of the 2018-2019 Annual Budget/Contract for the High Point Convention & Visitors Bureau has been provided to the City Council.

Committee Member Ewing noted the agreement that the CVB submitted with the budget was contradictory to the one that was adopted a month ago and sent back. He asked if this was the original submission or the revised submission. Deputy City Manager Randy McCaslin advised that it appears this is the agreement that was revised in accordance to the discussions that have taken place.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended to City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-200 City of High Point/Forsyth County - Tax Collection

Council is requested to authorize the appropriate City Official to execute an agreement between Forsyth County and the City of High Point for the collection of the 2018 and for the collection of 2017 and prior years' taxes by the Forsyth County Tax Administration office for areas of High Point located in Forsyth County.

Jeff Moore, Director of Financial Services, explained that High Point is unique in that it lies in four counties: Guilford, Davidson, Forsyth, and Randolph. The city has a tax collection contract with each respective county; however, the Forsyth County Tax Collector's Office requires an annual affirmation of their authority to administer and collect High Point's taxes within Forsyth County.

A motion was made by Council Member Ewing, seconded by Council Member Jones, that this matter be recommended to City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-201 Contract - Hazen & Sawyer - Eastside WWTP Incinerator Restart Project

City Council is requested to approve a professional engineering service agreement to Hazen and Sawyer in the amount of \$492,830.00 for Eastside Waste Water Treatment Plant incinerator restart project.

Terry Houk, Director of Public Services, advised the current solids handling equipment was replaced and upgrades as part of a capital improvement project; however, during test start-up of the incinerator, a key component of the air emission system (Mercury Control Scrubber) caught on fire and suffered significant damage. Staff is recommending award of the professional engineering services agreement to Hazen and Sawyer to assist them in this process.

A motion was made by Committee Member Ewing, seconded by Committee Member Jones, that this matter be recommended to City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-202 Contract - Temporary Services - Material Recovery Facility

Council is requested to approve a contract with People Ready in the estimated amount of \$100,000.00 - \$120,000.00 to provide temporary labor services at the Material Recovery Facility (MRF).

Terry Houk, Director of Public Services, explained that temps are used to help support the city's resources during and after market and staff recommends approval of the contract with People Ready. Committee Member Ewing made an inquiry regarding the number of hours that the city hires temps for subsidizing for the Furniture Market. Melanie Bruton, MRF Superintendent, replied that temps are generally used around five weeks with each market and pointed out they have realized an uptick as far as tonage for the cardboard collection. She emphasized that they do not have adequate manpower to get through the Furniture Market now, so the temps are vital to the efforts.

A motion was made by Committee Member Jones, seconded by Committee Member Ewing, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-203 Contract -Water and Sewer Scheduled Maintenance

City Council is requested to award a contract to Breece Enterprises, Inc. in the amount of \$338,105.00 for the Water and Sewer Scheduled Maintenance.

In the absence of staff from Engineering Services, Terry Houk, Director of Public Services agreed to provide some background information regarding this matter. He explained that the City of High Point routinely uses an outside contractor to supplement efforts in maintaining existing water and sewer distribution and collection lines. This contract is for the scheduled maintenance work on the existing water and sewer system.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-204 Contract - Sidewalk Improvements

City Council is requested to award a contract to ASJ Wilson Construction, Inc. in the amount of \$886,541.70 for eight new sidewalk projects. These projects were identified and prioritized by the High Point Department of Transportation.

Mark McDonald, Director of Transportation, advised that staff recommends award of the contract for these sidewalk projects to ASJ Wilson. He explained that in 2014, the prior Council approved the list of sidewalk sections to be reconstructed with two-thirds bond monies. Three vendors submitted bids with ASJ Wilson being the lowest at \$886,541.70.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-205 Budget Ordinance Amendment - Sidewalk Improvements

City Council is requested to adopt an ordinance amending the 2017-2018 Annual Budget to appropriate funds in the amount of \$107,000.00 for the sidewalk improvement contract project.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-206 Contract - Purchase and Install New Parking Access and Revenue Control System

City Council is requested to approve a contract with Southern Time in the amount of \$209,392.00 for the purchase and installation of a new PARC (Parking Access and Revenue Control) system at the Plaza and Broad Street parking decks.

Mark McDonald, Director of Transportation reported that these improvements are needed to upgrade for parking access and revenue control systems at the Plaza and Broad Street parking decks. He explained they are now currently operating under a DOS-based system, which is no longer manufactured or supported. After soliciting and receiving results from a study that was conducted, a recommendation was made and bids were solicited. Six vendors submitted proposals. Staff is recommending approval of a contract with Southern Time in the amount of \$209,392.00 for the purchase and installation of a new PARC (Parking Access and Revenue Control) system at the Plaza and Broad Street parking decks.

Committee Member Ewing asked about how time sensitive this issue is and mentioned that he learned at the PART Board meeting that they are looking at every bus to have the same card system in the region he believed the vendor that was chosen includes parking garages. He suggested there might be an ability to tie into PART's contract with this vendor and use the same system the buses are on.

Mr. McDonald advised the goal is to have the upgrades to the parking plazas before the next Furniture Market. A short discussion followed regarding the timing sensitivity of the bids. Jeff Moore, Director of Financial Services, reported that the bids are good until June 25th. Committee Member Ewing suggested removing this matter from the Consent Agenda to check with PART and look into whether or not this is even feasible. Mr. McDonald pointed out that PART is not in the "parking" business. Chairman Moore suggested reaching out to Southern Time to see if it might be possible to extend the bid for 30 additional days.

Mr. McCaslin noted this item could be pulled from the Consent Agenda if necessary. Mr. McDonald expressed concerns that if the contract is not approved, they would lose the opportunity to get it done by the next Furniture Market.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 vote.

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-207 Contract - New Flyer Industries - New City Transit Bus

City Council is requested to award a contract to New Flyer Industries in the amount of \$467,639.90 for the purchase of a bus to replace a bus in the current fleet that is no longer serviceable.

Angela Wynes, Hi Tran Manager, reported that this contract is based off the original contract with New Flyer Industries with a small CPI increase. CMAQ funding will be used with 80% in federal funding; 10% in state funding; and 10% from the city.

A motion was made by Council Member Ewing, seconded by Council Member Jones, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 unanimous vote:

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

2018-208 Public Hearing - Transit Operating and Capital Grant Application

Monday, June 18, 2018 at 5:30 p.m. is the date and time established to receive public comments on the filing of the FY2019 FTA Section 5307 operating, capital and planning grant application for High Point Transit and the Thomasville portion of Davidson County Transportation System.

Angela Wynes, Hi Tran Manager, explained this is part of an annual process that allows the city to present the Transit Program projects with an explanation on how the associated federal dollars are spent. She noted after the public hearing is held, the City Council would authorize and approve the submission of the contract to the Federal Transit Authority (FTA).

A motion was made by Council Member Jones, seconded by Council Member Ewing, that this matter be recommended to the City Council for approval, consent agenda. The motion carried by the following 3-0 unanimous vote:

Aye (3): Chairman Moore, Committee Member Jones, and Committee Member Ewing

Absent (1): Committee Member Hudson

ADJOURNMENT

There being no further discussion, the meeting adjourned at 4:43 p.m. upon motion by Committee Member Jones and second by Committee Member Ewing.

Lisa B. Vierling, MMC
City Clerk

Britt Moore, Chairman