



FINANCE COMMITTEE

Chaired by Council Member Moore

Members: Moore, Hudson, Ewing, and Jones

September 27, 2018 – 4:00 P.M.

Third Floor Lobby Conference Room

MINUTES

Present: Chair Britt Moore, Committee Members: Wesley Hudson, Victor Jones and Jason Ewing

Staff: Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; Jeff Moore, Financial Services Director; Gary Smith, Director of Fleet Services; Chris Blackwell, Fleet IS Specialist; Lee Tillery, Director of Parks and Recreation; Terry Houk, Public Services Director; Robby Stone, Assistant Public Services Director; Derrick Boone, Assistant Public Services Director; Matt Carpenter, Traffic Signal Engineer; Gary Edwards, Electric Utilities Director; Keith Pugh, Engineering Services Director; Kim Thor, Right-of-Way Coordinator; Angela Wynes, Transit Manager; Eric Olmedo, Budget & Administrative Director; Laura Altizer, Senior Budget Analyst; Lisa Vierling, City Clerk; and Sandra Keeney, Deputy City Clerk

Others: Barry Kitley, Director of Special Projects, High Point University

Media: Pat Kimbrough, High Point Enterprise

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

2018-367 Contract - Purchase of Equipment - Electric Bucket Truck

Council is requested to approve a contract with Altec to purchase a new International truck with an Altec AA-55 body in the amount of \$207,784.00 and declare the old truck as surplus and disposing through the online auction process.

Chris Blackwell, Fleet IS Specialist, advised the Electric Department has a 2010 Ford F750 with a Terex bucket in need of replacement due to increasing maintenance costs. Using the Sourcewell (former NJPA) Contract 012418-ALT an International truck with

Altec Model AA55 body is being recommended as well as a request to surplus and dispose of the old truck through the online auction process.

Chair Moore asked about the current inventory of these trucks. Mr. Blackwell stated there are 5 trucks total.

Council Member Ewing asked if this was the same truck that was purchased last month. Mr. Blackwell replied yes, this truck is very similar.

Chair Moore asked if this type truck could be utilized to help with disasters. Mr. Blackwell replied yes.

Council Member Ewing questioned why this truck is \$7,000 more than the one last month. Mr. Blackwell replied each one of these trucks are customized to meet specific needs.

A motion was made by Council Member Ewing, seconded by Council Member Jones, that this matter be recommended to the City Council for approval and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous 4-0 vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-368 Contract - Purchase of Equipment - Signal Bucket Trucks

Council is requested to approve a contract with Terex to purchase two (2) new Ford F550 trucks with a Terex LTM40 body in the amount of \$306,224.00 and declare the old trucks as surplus and disposing through the online auction process.

Chris Blackwell, Fleet IS Specialist, advised the Signal Division of the Transportation Department has two Ford F550 bucket trucks in need of replacement due to age and worn condition of the bodies. Using the Sourcewell (former NJPA) Contract 012418-TER the Ford F550 truck with Terex Model LTM40 body is being recommended as well as declaring the old trucks as surplus and dispose through the online auction process.

A motion was made by Committee Member Jones, seconded by Committee Member Hudson, that this matter be recommended to the City Council for approval and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried with the following unanimous 4-0 vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-369 Contract - Sole Source Annual Contract - Westside WWTP

Council is requested to approve a contract with Piedmont Technical Services in the amount of \$30,000.00. Contract will allow for six service visits per year at 2-month intervals for maintenance at the Westside WWTP's Trojan UV 4000 Plus Disinfection System.

Terry Houk, Public Services Director, advised this is a proposal for Piedmont Technical Services to perform six service visits per year at 2-month intervals at the Westside Waste Water Treatment Plant Trojan UV 4000 UV Disinfection System.

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-370 Contract - Sole Source Annual Contract - Eastside WWTP

Council is requested to approve a contract with Piedmont Technical Services in the amount of \$45,000.00. Contract will allow for six service visits per year at 2-month intervals for maintenance at the Eastside WWTP's Trojan UV 4000 Disinfection System.

Terry Houk, Public Services Director, stated this item is similar to the previous item. This item is for the Eastside Waste Water Treatment Plant, this facility is a lot older than the previous and requires more maintenance.

A motion was made by Committee Member Victor Jones, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-371 Extension of Contract - Corrosion Inhibitor Ward Water Treatment Plant

Council is requested to approve an extension to the contract with Sterling Water Technologies in the amount of \$95,964.00 for corrosion inhibitor at the Ward WWTP.

Terry Houk, Public Services Director, advised this product is used to protect the pipes in the distribution system from corrosion and to help keep lead and copper from leaching into the system. Staff is requesting a contract extension in the amount of \$95,964.00 to Sterling Water Technologies for one year.

A motion was made by Committee Member Jason Ewing, seconded by Committee Member Wesley Hudson, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-372 Contract - Resurfacing of City Streets

Council is requested to approve contract with Blythe Construction, Inc in the amount of \$2,661,308.62 for resurfacing of specific streets throughout the city.

Robby Stone, Public Services Assistant Director, advised this annual resurfacing contract is different from the past in that in addition to working with Blythe Construction, Inc. staff is working with a local company Kao Specialties America to incorporate an asphalt anti-rutting polymer additive into the asphalt mix on specific portions of the resurfacing as part of a test pilot for Kao Specialties America in which the US Headquarters is based in High Point. Randy McCaslin, Deputy City Manager, explained Kao Specialties will reimburse the City for the full amount of Alternative Bid #1 (\$10,000).

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-373 Contract - Rain for Rent - Riverdale Pump Station Emergency Pump Bypass

Council is requested to approve the emergency purchase order to Rain for Rent in the amount of \$121,443.84 to assist with repairs at the Riverdale Pump Station. During the past storm event the pump station flooded, damaging the three (3) pumps. Currently Public Services has one of the three pumps operational. To complete the repairs, the pump station will need to be bypassed.

Derrick Boone, Public Services Assistant Director, advised this contract is for an emergency pump station bypass. During Hurricane Florence the Riverdale Pump Station flooded with 19 feet of water, damaging three pumps. Currently staff has one of the three pumps operational. To complete the repairs, the pump station will need to be by passed. Staff is requesting approval of an emergency purchase order to Rain for Rent in the amount of \$121,443.84 to assist with repairs at the Riverdale Pump Station.

Committee Member Jones asked how long the repairs would take. Mr. Boone explained approximately a month.

Chair Moore asked if insurance would help. Mr. Boone explained the insurance company has been contacted to come and review the damage.

A motion was made by Chair Britt Moore, seconded by Committee Member Victor Jones, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

2018-374 Contract - Broad Avenue Roadway Improvements

Council is requested to award a contract to P&S Grading, LLC in the amount of \$196,665.32. The purpose of this contract is to install curb and gutter (on the RR side of Broad Avenue) for storm drainage control and resurface Broad Avenue to complete the overall city obligations for improvements between Wrenn Street and Centennial Street.

Keith Pugh, Engineering Services Director, gave the staff report on this item explaining this is the final piece of the agreement with the City, North Carolina Railroad and Norfolk Southern for drainage improvements along Wrenn Street and Centennial Street. This will complete the work performed for storm water improvements along Broad Avenue which will install curb and gutter for storm drainage control and resurface Board Avenue. Staff is recommending approval of a contract to P & S Grading, LLC in the amount of \$196,665.32 which is approximately \$50,000 less than estimated.

Chair Moore questioned when the project began. Mr. Pugh stated in 2015.

A motion was made by Committee Member Jason Ewing, seconded by Committee Member Victor Jones, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-375 Contract - Purchase of Six (6) Steel Transmission Poles I-74 & NC-68 NCDOT Widening Project

Council is requested to award a contract to Valmont (Lekson Associates) in the amount of \$93,172.00 to purchase six (6) steel transmission poles for North Carolina Department of Transportation (NCDOT) intersection widening project at I-74 and NC-68.

Gary Edwards, Electric Utilities Director, gave the staff report on this item stating this is in conjunction with the North Carolina Department of Transportation project regarding the intersection widening project at I-74 and NC-68. An existing transmission line that is currently located in the north west quadrant of the intersection will need to be relocated further west to accommodate the new interchange. Staff request the contract be awarded to Valmont (Lekson Associates) in the amount of \$93,172.00. Funds have been budgeted for this proposal and are 100% reimbursable from the NCDOT.

Committee Member Hudson asked why the low bid was not accepted. Mr. Edwards stated they did not meet the specifications and there were delivery issues.

A motion was made by Chair Britt Moore, seconded by Committee Member Wesley Hudson, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-376 Contract - Pavement Markings - City Streets

Council is requested to award a contract to Triad Road Maintenance in the amount of \$171,822.96 for the maintenance of pavement markings on streets within the Corporate Limits of the City of High Point. This is a three-year contract (\$57,822.96 annually) and renewable for two (2) additional years.

Matt Carpenter, Traffic Signal Engineer, advised that staff is requesting approval of a contract to Triad Road Maintenance in the amount of \$171,822.96 for maintenance of pavement markings on the City's streets.

A motion was made by Chair Britt Moore, seconded by Committee Member Wesley Hudson, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-377 Resolution - Exchange of Property - High Point University - Portion of McCain Park

Council is requested to adopt a resolution authorizing the exchange of land between the City of High Point and High Point University. The City of High Point will receive two tracts of land located on Irwin Avenue, while conveying two tracts of land, a portion of McCain Park located off of East Lexington Avenue to High Point University.

Lee Tillery, Parks and Recreation Director, explained that the City of High Point will receive two tracts of land located on Irwin Avenue, while conveying two tracts of land, a portion of McCain Park located off of Lexington Avenue to High Point University. The exchange of land involves park property that was developed with assistance from the Land Water Conservation Fund, approval from the National Park Service (NPS) to address the conversion of the property was required. A conversion involves locating sufficient replacement of parkland at an equal or greater value and replacing any recreational amenities with like facilities. The NPS required a public 30-day comment and review period that took place from July 3, 2017 until August 2, 2017. The NPS approved the conversion on May 21, 2018. Now the City is ready to move forward with the exchange of land. The two properties that the City will acquire is in Westchester Park and will be very beneficial when the park is renovated. The Parks and Recreation Commission endorsed this land exchange at the July 2016 meeting. Staff is requesting City Council approve the land exchange between the City of High Point and High Point University.

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-379 Resolution - Sale of City Owned Property - 2425 Martin Luther King Jr. Drive

Council is requested to adopt a Resolution authorizing the sale of the property located at 2425 Martin Luther King Jr. Drive through the upset bid procedure of N.C.G.S. 160A-269 and direct the City Clerk to publish a public notice of the proposed sale in accordance with N.C.G.S. 160A-269. Pogg Enterprises LLC, owner of 2423 Martin Luther King Jr. Drive has offered a bid of \$2,000.

Kim Thor, Right of Way Coordinator, gave the staff report on this item explaining this surplus land was acquired in 2005 from North Carolina Department of Transportation (NCDOT) and was left over from a roadway project. The City has no need for the land and will receive \$2,000 from the sale of this parcel of property. Staff is requesting Council adopted a resolution authorizing the sale of the property located at 2425 Martin Luther King Jr. Drive through the upset bid procedure of N.C.G.S. 106A-269.

Chair Moore asked if this property was located in a commercial area. Ms. Thor stated yes, but the parcel is small and would not be sufficient for development.

A motion was made by Committee Member Wesley Hudson, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-380 Resolution - Condemnation - 225 N. Elm Street

Council is requested to adopt a Resolution authorizing the Finance Director to issue a check in the amount of \$234,840.00 to the Clerk of Superior Court; and authorize the City Attorney to file the necessary proceedings under Chapter 40A if the North Carolina General Statutes to acquire the needed easement at 225 N. Elm Street.

Randy Hemann, Assistant City Manager, advised this property will be the service utility alley for the Stadium. He noted an offer was made on the property and was refused. Staff is recommending Council adopt a Resolution authorizing the Finance Director to issue a draft in the amount of \$234,840.00 which the City has determined to be just compensation for the property.

Committee Member Ewing asked the balance of the \$15 million. Mr. Hemann answered approximately \$3 million dollars.

A motion was made by Committee Member Jason Ewing, seconded by Committee Member Victor Jones, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-381 Budget Ordinance Amendment - Transfer of Funds to the Core City CDC

Council is requested to adopt an ordinance amending the 2018-2019 Budget Ordinance of the City of High Point, North Carolina to transfer funds in the amount of \$80,000 to the Core City CDC to purchase properties.

Eric Olmedo, Budget and Administrative Director, advised this is a Budget Ordinance Amendment requesting that Council appropriate \$80,000 to be transferred to the Core City CDC for the purchase of properties.

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-400 Contract - Habitat for Humanity - Affordable Housing

Council is requested to approve a contract with Habitat for Humanity in the amount of \$80,000; and to construct two affordable homes in the neighborhood adjacent to Washington Terrace Park (209 Murray Street; 1807 Brooks Avenue); and authorize the appropriate City Staff to execute all necessary documents.

Randy McCaslin, Deputy City Manager, advised this is a contract with Habitat for Humanity in the amount of \$80,000 to construct two affordable homes. The \$80,000 will be committed from the City's HOME Investment Partnership Program which are allocated by HUD.

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-382 Closure of the Water Reserve Fund and the Sewer Reserve Fund

City Council is requested to adopt a resolution to close the Water Capital Reserve Fund and to close the Sewer Capital Reserve Fund; and to adopt a budget amendment in the amount of \$4,106,777 to appropriate the funds into the Water Sewer Capital Projects Fund for the Incinerator Project at the Eastside WWTP.

Eric Olmedo, Budget and Administrative Director, advised these are two Capital Reserve Funds that have been in place for a number of years. Staff is recommending Council to adopt a resolution to close the Water Capital Reserve Fund and to close the Sewer Capital Reserve Fund; and to adopt a budget amendment to appropriate the funds into the Water Sewer Capital Projects Fund for the Incinerator Project at Eastside Waste Water Treatment Plant. The total balance of the Reserve Funds is \$4,106,777.

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-383 Resolution - Final Authorization-Issuance of Series 2018 General Obligation Public Improvements (2/3) Bonds

Council is requested to approve the attached "Order Authorizing \$6,600,000 General Obligation Bonds, Series 2018"; and approve the attached "Resolution Repealing the Unissued Balance of a General Obligation Refunding Bond Order Adopted September 6, 2016."

Jeff Moore, Financial Service Director, gave the staff report on this item stating this is the final step in issuing the 2/3 bonds. The Local Government Commission is expected to approve the issuance of these bonds on October 2, 2018. Staff is requesting Council approve an "Order Authorizing \$6,600,000 General Obligation Bonds, Series 2018 and approve the attached Resolution Repealing the Unissued Balance of a General Obligation Refunding Bond Order adopted September 6, 2016.

A motion was made by Chair Britt Moore, seconded by Committee Member Jason Ewing, that this matter be recommended for approval to the City Council and placed on the consent agenda for the October 1, 2018 City Council meeting. The motion carried by the following unanimous vote:

Aye (4): Chairman Moore and Committee Members: Hudson, Jones, and Ewing

2018-384 Public Hearing - Public Transportation Program Resolution for State Funding

Monday, October 1, 2018 at 5:30pm is the date and time established to receive public comments on the Public Transportation funding program. City Council is requested to 1) adopt the resolution enabling the City Manager to execute the required agreement with NCDOT to receive reimbursement funds for the project; and 2) authorize the submittal of the grant application to FTA and the execution of the grant by the City Manager upon award.

Angela Wynes, Transit Manager Assistant, advised that staff is applying for State funding for several projects such as vehicle and technology purchases. She explained State funds had been reduced but the State has made some Congestion Mitigation and Air Quality (CMAQ) funds available through a matching grant process. It is a requirement to conduct a Public Hearing to ensure the Public has a chance to voice their concerns.

This is an information only item.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 4:36 p.m. upon motion duly made and seconded.

Sandra Keeney, Deputy City Clerk

Britt Moore, Chairman

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