



FINANCE COMMITTEE

Chaired by Council Member Moore

Members: Moore, Hudson, Ewing, and Jones

October 31, 2019 – 4:00 p.m.

3rd Floor Lobby Conference Room

Present (3): Acting Chairman Jason Ewing, Committee Member Wesley Hudson, Committee Member Jay Wagner, and Committee Member Victor Jones

Absent (1): Chairman Britt Moore

In the absence of Chairman Moore, Committee Member Ewing chaired the meeting.

Staff Present:

Randy McCaslin, Deputy City Manager; JoAnne Carlyle, City Attorney; Eric Olmedo, Assistant City Manager; Kenneth Shultz, Chief of Police; Laura Altizer, Budget and Performance Manager; Loren Hill, High Point Economic Development Corporation President; Robby Stone, Assistant Director of Public Services; Derrick Boone, Assistant Director of Public Services; Gary Smith, Fleet Services Director; Terry Houk, Public Services Director; Nawfal Shujaa, Project Engineer; Mark McDonald, Transportation Director; Bobby Fitzjohn, Director of Financial Services; Erik Conti, Purchasing Manager; Jeron Hollis, Communications and Public Engagement Director; Angela Kirkwood, Human Resources Director; Linda Price, Budget Analyst; Roslyn McNeill, Budget Analyst; and Mary S. Brooks, Deputy City Clerk

Acting Chairman Ewing called the meeting to order at 4:02 p.m.

FINANCE COMMITTEE - Council Member Britt W. Moore, Chair.

2019-466 NC State Contract - Purchase of Police Vehicles

City Council is requested approve the purchase of six (6) 2020 Dodge Chargers from Ilderton Chrysler Dodge in the amount of \$167,334.00 through the NC State Contract 070B.

Gary Smith, Fleet Services Director, advised the request was to place an order for six police package Dodge Chargers due to a projected shortage of vehicles in 2020; the six vehicles being requested now would provide enough vehicles until production resumes; said the production of the 2021 Dodge Charger would not begin until November 2020 which would

result in delivery delays; and the total cost would be \$167,334.00.

Committee Member Wagner asked if the funding for vehicles was in the Budget. Eric Olmedo, Assistant City Manager, replied there would be a request for a budget amendment to allocate the funds.

A motion was made by Acting Chairman Ewing, seconded by Committee Member Hudson, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-467 Ordinance - Budget Amendment - HPPD Dodge Chargers

City Council is requested to approve a budget ordinance amendment to appropriate funds in the amount of \$167,334.00 for the purchase of six (6) dodge charger vehicles for the HPPD.

Laura Altizer, Budget and Performance Manager, advised the requested budget amendment would come from the fund balance in the amount of \$167,334.00.

Acting Chairman Ewing inquired on how the funds would be allocated for the next budget. Eric Olmedo, Assistant City Manager, replied that funds would be allocated for a lesser amount for the next fiscal budget year.

A motion was made by Committee Member Hudson, seconded by Committee Member Wagner, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-46 Contract - Lawmen's Police & Tactical Supply- HPPD Shotguns

City Council is requested to award a contract to Lawmen's Police & Tactical Supply in the amount of \$94,340.00 for the purchase of 255 pre-owned shotguns for the High Point Police Dept.

Kenneth Shultz, Chief of Police, advised the request was for pre-owned shotguns; said the High Point Police Department currently has a fleet of 870 Remington shot guns; said some the shot guns were at least 30 years old; spoke to the discounted price received; described

what was included on the shot-guns to include a pistol grip, slim hard shell carrying case, sling, extended magazine tube, and ghost ring night sights; and said the request was for \$94,340.00.

Acting Chairman Ewing asked if the shot guns would be evaluated. Chief Shultz replied that they were already evaluated; spoke to the good condition; and that the weapons would be deployed in the spring.

A motion was made by Committee Member Hudson, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-46 Contract - Wharton Smith - Ward Water Treatment Plant Upgrades - Change Order #001

City Council is requested to approve change order #001 in the amount of \$154,124.00 for the following upgrades/repairs to the Ward Water Treatment Plant.

1. Remove and replace fitting valves at Greenleaf filters.
2. Electrical conduit conflict under the electrical building foundation.
3. Low voltage pump VFD output filters.
4. Electrical duct bank relocation. (Transformers new layout)

Terry Houk, Public Services Director, advised that the Ward Water Treatment Plant has been approved for electrical and HVAC upgrades to meet current industry standards and long-term functionality. The contract was awarded to Wharton Smith Inc. on 09/18/2018, and the work started in the winter of 2018. The items listed in the change order were required to assure the continuity of the project and the quality of work, to include the following:

- *Remove and replace fitting valves at Greenleaf filters.*
- *Electrical conduit conflict under the electrical building foundation.*
- *Low voltage pump VFD output filters.*
- *Electrical duct bank relocation. (Transformers new layout)*

Mr. Houk stated the change order amount was for \$154,124.00.

A motion was made by Acting Chairman Ewing, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-470 Contract - Crowder Construction - Riverdale Pump Station Phase 1 Repairs - Change Order #1

City Council is requested to approve a change order with Crowder Construction Company in the amount of \$248,884.00 for a change in pipe material from HDPE to ductile iron, the reinstallation of the existing pumps and the construction of concrete pressure hatches.

Terry Houk, Public Services Director, advised the change order request with Crowder Construction Company was for additional construction materials and work outside of the scope of the original contract; said they have been working since the last hurricane on the repairs and expansion of the project; the requested amount was for \$248,884.00; the change order was for a change in pipe material from HDPE to ductile iron; the reinstallation of the existing pumps; and the construction of concrete pressure hatches.

Randy McCaslin, Deputy City Manager, spoke to the Federal Emergency Management Agency (FEMA) reimbursing the city for expenses.

Acting Chairman Ewing inquired if the iron pipes were purchased yet. Mr. Houk replied no.

A motion was made by Committee Member Hudson, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-471 Contract - Hazen & Sawyer - Riverdale Pump Station Expansion- Amendment 1

City Council is requested to approve an amendment to a contract with Hazen & Sawyer in the amount of \$171,100 for additional construction, administration and inspection services for the Riverdale Pump Station Expansion.

Terry Houk, Public Services Director, advised the amendment with Hazen & Sawyer was for additional construction, administration, and inspection services for the Riverdale Pump Station Expansion; and said the amount requested was for \$171,100.

Acting Chairman Ewing inquired on the date of the initial contract with Hazen & Sawyer. Mr. Houk replied the contract was effective in October of 2018; said the city originally intended to do the repairs; but unexpected issues occurred in which expert waste water divers were needed in order to complete the project.

Committee Member Wagner left the meeting at 4:13 p.m. and returned at 4:15 p.m.

Acting Chairman Ewing inquired on how long the contract has been open, and on the dollar amount of the original contract versus the amount added. Mr. Houk replied the extended time line was due to extra time needed, materials, decisions made in the field by field engineers, and to requirements which caused work to become delayed.

A motion was made by Acting Chairman Moore, seconded by Committee Member Hudson, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-472 Contract - In Water Services, Inc. - Riverdale Pump Station - Change Order #4

City Council is requested to approve a change order with In-Water Services, Inc. in the amount of \$451,979.41 for additional work outside scope of the original contract for the emergency repairs to the wet well at the Riverdale Pump Station.

Terry Houk, Public Services Director, advised that In-water Services, Inc. were brought in for emergency repairs to the wet well at the Riverdale Pump Station; said the wastewater divers conducted the repairs; stated this would be the final change order for In-water Services, Inc.; and if Crowder should have any issues with the pump, they would be responsible for sub-contracting this company without any expense to the city. Staff requested the change order in the amount of \$451,979.41.

A motion was made by Committee Member Wagner, seconded by Committee Member Hudson, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-473 Contract - Hazen & Sawyer - Catalyst Project Phase 2- Amendment 2

City Council is requested to approve an amendment to a contract with Hazen & Sawyer in the amount of \$206,831.00 for construction management support to perform the water, sewer and stormwater improvements on Phase 2 of the Downtown Mixed Use - Catalyst Project.

Terry Houk, Public Services Director, advised the amendment with Hazen & Sawyer was for the water, sewer and stormwater improvements on Phase 2 of the Downtown Mixed Use- Catalyst Project; said the project lasted longer than anticipated; Phase 2 included Pine Street, Lindsey Street, Appling Way, and English street; spoke to having a completion date of June 2020. Staff requested the amendment in the amount of \$2206,831.00.

A motion was made by Acting Chairman Ewing, seconded by Committee Member Hudson, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-474 Contract - STV Engineering - Washington Street Relocation Engineering & Design Services

City Council is requested to award a contract to STV Engineering in the amount of \$369,758.00 for engineering and design services associated with the proposed relocation of a portion of Washington Street adjacent to the railroad.

Mark McDonald, Transportation Director, advised the contract with STV Engineering was for engineering and design services associated with the proposed relocation of a portion of Washington Street adjacent to the railroad; said Washington Street was on the Right of Way (ROW) of the railroad; the funding would come from residual funding; and staff was requesting the amount of \$369,758.00 be approved.

Acting Chairman Ewing inquired on how the project would be funded if the bonds did not get approved. Randy McCaslin, Deputy City Manager, replied the project would have to be completed regardless if the bonds get approved; and spoke to the benefits of the funding from the bonds to assist with the project.

A motion was made by Committee Member Wagner, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-475 Fire Apparatus Purchase

City Council is requested to acknowledge the transfer of contingency funds in the amount of \$80,000 for the purchase of a reserve ladder truck apparatus.

Laura Altizer, Budget and Performance Manager; spoke to the accident with the reserve ladder apparatus in September of 2019; said it was deemed a total loss, and the city would not receive insurance proceeds due to the age and damage done; advised that City Council must be notified when funds are appropriated from the General Fund Contingency Funds; the amount to be transferred was \$80,000.00.

Acting Chairman Ewing asked if there would be an impact to the use of the general contingency funds used for the High Point Police Department (HPPD).

Randy McCaslin, Deputy City Manager, replied that the fund balance for HPPD was allocated out of the fleet services fund; and it would not affect the general contingency fund.

A motion was made by Acting Chairman Ewing, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-476 Ordinance - Budget Amendment - High Point Community Foundation

City Council is requested to approve a budget ordinance amendment to appropriate funds in the amount of \$700,000.00 for a pass-through grant received from the High Point Community Foundation for the High Point Baseball Inc. for capital team expense.

Laura Altizer, Budget and Performance Manager; advised the budget amendment was to appropriate funds for a pass-through grant received from the High Point Community Foundation, which would be passed through to the High Point Baseball Inc. for capital team expenses in the amount of \$700,000.00; and said there would be no budget impact.

A motion was made by Committee Member Jones, seconded by Acting Chairman Ewing, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-477 Ordinance - Budget Amendment - Deep River Recreation Center & Park Playground Equipment

City Council is requested to approve a budget ordinance amendment to appropriate funds in the amount of \$29,918 received from the Declan Donoghue Foundation for replacement of playground equipment at Deep River Recreations Center & Park.

Laura Altizer, Budget and Performance Manager, spoke to a donation from Declan Donoghue Foundation last year; advised the request was for a budget amendment for another donation for replacement of playground equipment at Deep River Recreations Center and Park in the amount of \$29,918.00; and stated the amendment was to recognize receipt of grant funds for the project.

Acting Chairman Ewing asked if the existing playground equipment would be replaced. Ms. Altizer replied yes.

A motion was made by Acting Chairman Ewing, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-478 Ordinance - Budget Amendment - NCDOT Reimbursement N. Main & Lexington Intersection Improvements

City Council is requested to approve a budget ordinance amendment to appropriate funds for an expected reimbursement from North Carolina Department of Transportation (NCDOT) in the range amount of \$275,000-\$300,000 for improvements at the intersection of N. Main Street and Lexington Avenue.

Laura Altizer, Budget and Performance Manager, advised the request for the budget ordinance amendment was to appropriate funds for reimbursement from the North Carolina Department of Transportation (NCDOT) in the range amount of \$275,000-\$300,000 for improvements at the intersection of N. Main Street and Lexington Avenue.

Acting Chairman Ewing inquired on the extension received for April 30, 2020 as being the new project completion date. Randy McCaslin, Deputy City Manager, replied they anticipated to start after the Fall Furniture Market of 2019; and due to lack of responsible bids received, the bidding had to be re-advertised with a due date of November 20, 2019.

A motion was made by Committee Member Wagner, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-479 Report of Surplus Equipment Disposal

Council is requested to acknowledge receipt of the report of sale of surplus equipment for FY 2018-2019.

Eric Olmedo, Assistant City Manager, advised this report was for the sale of surplus equipment in the fiscal year 2018-2019 as required by the City of High Point Purchasing Policies and Procedures Manual to be acknowledged by council; and the money received went back into the Fleet Services Funds.

Acting Chairman Ewing inquired on the amount of fees paid by the city. Randy McCaslin, Deputy City Manager, replied that staff would provide that information.

A motion was made by Committee Member Hudson, seconded by Committee Member Wagner, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-480 Procurement Manual - Update

City Council is requested to approve the revised November 2019 Procurement Manual.

Bobby Fitzjohn, Financial Services Director, advised this request was to approve the revised November 2019 Procurement Manual; outlined the changes made; said there were required revisions due to changes with City threshold limits, Uniform Guidance requirements and Transportation procurement processes. This revision will decrease restrictions on City departments providing more discretionary decision making on smaller departmental projects in the micro spending threshold level.

Acting Chairman Ewing inquired on the modification made for the legal department's process for approval. Mr. Fitzjohn replied the change was incorporated into the policy; and that all commodity purchase contracts, construction contracts, service contracts and all other City related contracts, excluding legal services exceeding \$90,000 and above, must be approved by City Council prior to full execution of such contracts.

JoAnne Carlyle stated that discussion on legal fees would not be presented in open session; and that they were mostly discussed in closed sessions.

A motion was made by Committee Member Wagner, seconded by Committee Member Hudson, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

2019-481 Public Hearing - LLFlex, LLC - EDC Performance Based Incentives

Monday, November 4, 2019 at 5:30pm is the date and time established for the purpose of receiving public input on a funding request from LLFlex, LLC to locate at Gallimore Industrial Center 738 Gallimore Dairy Road. The High Point City Council will consider authorizing up to \$45,000 in Performance based incentives for the LLFlex LLC location project; and also authorize the City Manager to execute a performance agreement containing benchmarks for the company to achieve and a schedule for the payment of such financial incentives.

Loren Hill, High Point Economic Development Corporation President, pointed out errors in the staff report; and stated council would be provided with a corrected version at the council meeting on Monday. Mr. Hill advised a legal notice went out to the public; said this was to inform council a public hearing was established for Monday, November 4, 2019 at 5:30 p.m. for input on a funding request from LLFlex, LLC to locate at Gallimore Industrial Center 738 Gallimore Dairy Road; the High Point City Council would consider authorizing up to \$45,000 in performance based incentives for the location project; and also authorize the City Manager to execute a performance agreement containing benchmarks for the company to achieve and a schedule for the payment of such financial incentives.

PENDING ITEMS

2018-169 Amendment to License Agreement - Cingular Wireless PSC, LLC (AT&T)

City Council is requested to approve an Amendment to the License Agreement with Cingular Wireless PCS, LLC (AT&T) which allows the location of communication equipment at the City's Ward Water Plant; and authorize the City Manager to execute the agreement.

Added Item

HP365 MOU Extension

City Council is requested to consider the extension of the MOU between the City of High Point and the High Point Chamber Foundation, Inc. that was approved on August 20,

2018. The request is to extend the end date of the project to October 31, 2020.

Eric Olmedo, Assistant City Manager, advised the request was to extend the end date of the HPU365 Incubator project to October 31, 2020; said the original end date was October 31, 2019; and that the project was in the process of taking longer than originally planned.

Acting Chairman Ewing asked if the state was required to acknowledge the change that was requested. JoAnne Carlyle replied yes. Mr. Olmedo replied the extension with the state was already completed; and that this extension was with the High Point Chamber of Commerce.

A motion was made by Acting Chairman Ewing, seconded by Committee Member Hudson, that this matter be recommended for approval and placed on the November 4, 2019 City Council consent agenda. The motion carried by the following unanimous 4-0 vote:

Aye (4): Acting Chairman Ewing, Committee Member Hudson, Committee Member Wagner, and Committee Member Jones

Absent (1): Chairman Moore

Discussion-Grant Request for Ferndale Middle School

Committee Member Hudson spoke to a request for funding in the amount of \$500.00 to hire a Muralist to do art work, along with the students, at Ferndale Middle School; said he was asked to head the project; his company was doing a partnership with school; it would be beneficial to the City of High Point to partnership with the education department; if the city did, it would be announced through the media; and stated the Art's council could not provide funding for the request at this time.

Eric Olmedo, Assistant City Manager, stated there was \$2,500 left in the non-profit funding.

Discussion took place regarding negative feedback; doing a pass-through grant; different avenues the city could sponsor the program for the school; fairness to other schools; using the funding for other needs; and reaching out to Business High Point to request funding.

Acting Chairman Ewing suggested creating a citywide program for all schools, not just individual schools; and for the school to submit a formal grant request application in January of 2020.

ADJOURNMENT

There being no further business to come before the Finance Committee, the meeting adjourned at 4:37 p.m. upon motion duly made and seconded.

Respectfully Submitted,

Mary S. Brooks, Deputy City Clerk

Jason P. Ewing, Acting Chairman