



FINANCE COMMITTEE

Chaired by Council Member Moore

Members: Moore, Holmes, Peters, and Jones

January 30, 2020 – 4:00 p.m.

3rd Floor Lobby Conference Room

Present (4): Chairman Britt Moore, Committee Member Michael Holmes, and Committee Member Victor Jones

Absent (1): Committee Member Monica Peters

Staff Present:

Randy McCaslin, Deputy City Manager; JoAnn Carlye, City Attorney; Eric Olmedo, Assistant City Manager; Greg Ferguson, Assistant City Manager; Bobby Fitzjohn, Director of Financial Services; Tyler Berrier, Electric Utilities Assistant Director; Jeron Hollis, Communications and Public Engagement Director; Laura Altizer, Senior Budget Analyst; Roslyn McNeill, Budget Analyst; Lisa Vierling, City Clerk; and Mary S. Brooks, Deputy City Clerk

Chairman Moore called the meeting to order at 4:35 p.m.

Note: The meeting was delayed until a quorum of the committee was present.

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

2020-37

Contract - WESCO Distribution, Inc. - Fiber Optic Cable

City Council is requested to award a contract to WESCO Distribution, Inc. in the amount of \$301,200 to replace the current 14 pair cable with the new industry standard of 144 pair cable, replace the outdated cable, bring other components, such as cameras, back online.

Tyler Berrier, Electric Utilities Assistant Director, reported the current fiber optic network that the City maintains is "14 pair cable". Many of the fibers have been deemed unusable or have gone off-line. This fiber is utilized by the Electric Department to communicate with our substation transformers and circuit breakers. The newest sections of the current fiber network are 25+ years old. Replacing the current 14 pair cable with the new industry standard of 144 pair cable will replace the outdated cable. The Electric Department would be replacing the fiber optic network that provided the communication for the SCADA

(Supervisory Control and Data Acquisition) system; and would self-perform all of the associated work. This bid \$303,200, would allow for the purchase of the actual materials which included 45.5 miles of fiber optic cable at \$1.255 per foot.

Chairman Moore inquired if the project would be a full system change out. Mr. Berrier replied that the full system change out would take about one year.

A motion was made by Chairman Moore, seconded by Committee Member Jones, that this matter be recommended for approval and placed on the February 17, 2020 City Council consent agenda. The motion carried by the following unanimous 3-0 vote:

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

Absent (1): Committee Member Peters

2020-38 Resolution - Issuance of Series 2020 General Obligation Refunding Bonds

City Council is requested to approve a “Resolution of the City Council of the City of High Point, North Carolina Making Certain Statements of Fact Concerning Proposed Bond Issue” and to adopt a “Bond Order Authorizing the Issuance of Not to Exceed \$14,100,000 General Obligation Refunding Bonds of the City of High Point, North Carolina”

Bobby Fitzjohn, Financial Services Director, reported no action was needed at this time; that this was for informational purposes only; and that this item would have to be voted on by Council at the February 3, 2020 meeting. The Financial Services Department recommended that the City Council take the first steps to authorize the issuance of up to \$14,100,000 Series 2020 General Obligation Refunding Bonds. Actions requested included making certain statements of fact concerning the proposed bond issue and secondly, adopting a preliminary order to issue refunding bonds at a not-to-exceed amount of \$14,100,000 which will be published in the High Point Enterprise. The bond market is currently favorable for refunding some of the City’s outstanding Series 2010B General Obligation Bonds. The proposed resolutions, prepared by the City’s bond attorneys, provide staff the authorization to issue up to \$14,100,000 for refunding these bonds. Staff would not pursue refunding bonds for any bonds that do not provide for at least 3% net present value savings. At the time of this writing, estimated cash flow savings are in excess of \$150,000 annually for the next 10 years which approximates 11% net present value savings. Final maturity dates would remain the same; and the LGC would consider the refunding authorization for approval at their March 3, 2020 meeting.

Committee Member Holmes inquired on the maturity of the bonds. Mr. Fitzjohn replied in North Carolina that the maturity of bonds could not be extended; and that the bonds would be maturing in 2030.

Added Item**Non-Profit Funding Request- National Dental Society**

The Finance Committee is requested to approve a \$1,000 funding request for National Dental Society, a non-profit agency, for security provided by the High Point Police Department. The money will be paid out of the undesignated funding set aside for non-profit agencies.

Randy McCaslin, Deputy City Manager, reported he was informed by the High Point Police Department that the North Carolina Dental Society Foundation would have a free community clinic in High Point for two days in March. The non-profit agency requested security for that time frame. The estimated cost for police overtime pay would be for \$1,000. Staff is recommending approval of the funding for this event.

A motion was made by Chairman Moore, seconded by Committee Member Holmes, that \$1,000 in funding be approved for police overtime to provide security for the non-profit agency, the North Carolina Dental Society Foundation. The motion carried by the following unanimous 3-0 vote:

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

Absent (1): Committee Member Peters

PENDING ITEMS**2020-24 Agreement - Forward High Point**

City Council is requested to approve an agreement with Forward High Point to provide professional services in exchange for the City's financial support in the amount of \$250,000 paid in four (4) quarterly installments of \$62,500.

2019-548 Public Hearing - 201 W. English Road

This is the date and time established for City Council to hold a public hearing on December 16, 2019 at 5:30 p.m. for consideration of a lease for the property located at 201 West English Road. At the request of the company, the public hearing was continued to the January 21, 2020 Council Meeting. Due to a scheduling conflict, the company is requesting that the public hearing be continued to the Monday, February 17, 2020 Council Meeting.

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.

ADJOURNMENT

There being no further business to come before the Finance Committee, the meeting adjourned at 4:43 p.m. upon motion duly made and seconded.

Respectfully Submitted,

Mary S. Brooks, Deputy City Clerk

Britt Moore, Chairman

DRAFT