

City of High Point

*Municipal Office Building
211 S. Hamilton Street
High Point, NC 27260*



Minutes - Final

Thursday, June 2, 2022

3:00 PM

The Agenda has been reposted to reflect a time change.

3rd Floor Conference Room

Finance Committee

Britt Moore, Chair

Committee Members:

Michael Holmes

Monica Peters, Mayor Pro Tem

Victor Jones

Jay Wagner, Mayor (Alternate)

FINANCE COMMITTEE - Britt W. Moore, Chair

Present 5 - Chair Britt Moore, Michael Holmes, Mayor Pro Tem Monica Peters, Victor Jones, and Jay Wagner

CALL TO ORDER**CALL TO ORDER (Virtual Roll Call)**

Chairman Moore called the meeting to order at 3:00 p.m.

Following roll call by Chairman Moore, the following Committee Members were

Present (4):

Chairman Britt W. Moore
Committee Member Monica Peters
Committee Member Michael Holmes
Committee Member Victor Jones [arrived at 3:05 p.m.]

Staff Members Present:

Tasha Logan Ford, City Manager; Greg Ferguson, Deputy City Manager; Eric Olmedo, Assistant City Manager; JoAnne Carlyle, City Attorney; Meghan Maguire, Assistant City Attorney; Jeron Hollis, Managing Director; Tyler Berrier, Electric Utilities Assistant Director; Robby Stone, Public Services Director; Bobby Fitzjohn, Financial Services Director; Stephen Hawryluk, Budget Manager; Roslyn McNeill, Budget Analysis; and Mary S. Brooks, Deputy City Clerk

Also Present:

Shamus McKenna, Summer Intern-Wake Forest School of Law

Present 4 - Chair Britt Moore, Michael Holmes, Mayor Pro Tem Monica Peters, and Victor Jones

Absent 1 - Jay Wagner

PRESENTATION OF ITEMS**[2022-259](#)****Contract - WESCO Distribution, Inc. - Subsurface 3 Phase Switches (Underground Cable)Warehouse Stock**

City Council is requested to award a contract to WESCO Distribution, Inc. in the amount of \$315,420.00 for the purchase of Subsurface 3 Phase Switches (Underground Cable)Warehouse Stock.

Attachments: [1. Contract – WESCO Distribution, Inc. – Subsurface 3 Phase Switches \(Und](#)

Tyler Berrier, Electric Utilities Assistant Director reported that this request was to purchase to purchase 10 underground (submersible) 3 phase switches that were commonly used by the Electric Utilities Department; this purchase would replenish warehouse stock; funds are included in the current operating budget to cover this material purchase; staff had reviewed the bid submittal and evaluated the information provided; and is recommending that the bid for this Cable be awarded to WESCO

Distribution, Inc. for \$315,420.00.

Chairman Moore asked how many switches were currently used in the city. Mr. Berrier responded that an estimated amount of 200 to 300 switches were currently used in the city; and explained the effects that outages/failure would have on neighborhoods.

Committee Member Holmes moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Chairman Moore made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 3-0 unanimous vote:

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

Absent (1): Committee Member Peters

A motion was made by Holmes, seconded by Chair Moore, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 3 - Chair Moore, Holmes, and Mayor Pro Tem Peters

Absent: 2 - Jones, and Wagner

[2022-260](#)

Contract - Breece Enterprises, Inc. - Water & Sewer Maintenance/Emergency

Repair

City Council is requested to award a contract to Breece Enterprises, Inc. in the amount of \$1,847,940.00 for an annual contract for water & sewer maintenance and emergency repair and that the appropriate City official and/or employee be authorized to execute all necessary documents.

Attachments: [2. Contract – Breece Enterprises, Inc. – Water & Sewer Maintenance-Emerg](#)

Robby Stone, Public Services Director reported The City of High Point routinely used an outside contractor to supplement efforts to maintain and repair existing water and sewer distribution and collection lines; this contract included scheduled maintenance and emergency repairs; on Wednesday, May 18, 2022 the City of High Point received bids for Contract ENG-2022-002; this was the second attempt to receive bids for this contract work due to an insufficient number of bids to proceed with opening on the first attempt; one responsive bidder was received, Breece Enterprises, Inc.; this was an annual contract with a completion date of June 30, 2023; the purpose of this contract was to perform maintenance work and emergency repairs on existing water and sewer utilities; funds for this contract are available in the FY 2022-2023 budget; and staff is recommending approval of a contract with Breece Enterprises, Inc. in the amount of \$1,847,940.00.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Peters made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

A motion was made by Chair Moore, seconded by Mayor Pro Tem Peters, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-261](#)

Contract Amendment #2- WithersRavenel Professional Engineering Services - Kersey Valley Road / Landfill

City Council is requested to approve Contract Amendment #2 with WithersRavenel in the amount of \$45,000 for additional Surveying, Right-Of-Way Exhibits, Easement Exhibits, and Legal Descriptions for the 12 affected parcels within the project limits.

Attachments: [3. Contract Amendment #2- WithersRavenel Professional Engineering Servi](#)

Robbie Stone, Public Services Director reported that the Public Services Department was looking to extend the life of the Kersey Valley Landfill; an additional life of ten plus years can be gained by relocating Kersey Valley Road and merging the two existing landfills; staff approved Amendment 1 in April 2021 for additional Environmental Site Assessments due to findings of unregulated landfill material throughout the project limits in the amount of \$89,870.00; this extended the contract total amount to \$474,370.00; this unregulated landfill material finding required additional soil borings and a redesign of the typical roadway section by WithersRavenel; and that staff is recommending to approve Amendment 2 in the amount of \$45,000, bringing the total contract price for WithersRavenel to \$519,370.00.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Jones made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and

A motion was made by Chair Moore, seconded by Jones, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-263](#)

Ordinance - Fuel Budget

City Council is requested to approve a budget ordinance to appropriate funds in the general fund and the central services fund to cover fuel costs for the remainder of the year due to increased prices.

Attachments: [5. Ordinance – Fuel Budget](#)
[ORD Fuel Costs Funds Appropriation](#)

Stephen Hawryluk, Budget Manager reported that this request was to appropriate funds to cover increased fuel cost for the remainder of the fiscal year due to increased prices; provided a history on the price difference in fuel from 2021 to present; current budgets in the general fund and central services fund were insufficient to meet year-end projections; the proposed amendment appropriates \$534,000 to the general fund, covered by better-than-expected sales and use tax revenues; in addition, the proposed amendment appropriated an additional \$1,242,000 to Fleet Services, which purchased fuel for city departments and charged departments for its use; the increased costs for all funds have been factored into the FY 2022-23 budget; and that staff is recommending the approval of the budget amendment ordinance.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Holmes made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

A motion was made by Chair Moore, seconded by Holmes, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-264](#)

Ordinance - Occupancy Tax - Showroom License Convention&Visitor's Bureau (Visit High Point) Market Authority

City council is requested to approve a budget ordinance to appropriate additional occupancy tax and showroom license revenues that will be passed along to the Convention and Visitor's Bureau (Visit High Point) and Market Authority.

Attachments: [6. Ordinance – Occupancy Tax – Showroom License Convention&Visitor's E](#)
[ORD Occupancy Tax and Showroom License Revenues](#)

Stephen Hawryluk, Budget Manager reported that the City of High Point passes through occupancy tax revenues to the Convention and Visitor's Bureau (Visit High Point) and occupancy taxes and showroom license revenues to the Market Authority; based on revenues received to date, and projections for the remainder of the year, these revenues were projected to exceed budget; the proposed amendment appropriates the additional projected revenues that will exceed budget, which will then be passed along to the Convention and Visitor's Bureau (Visit High Point) and Market Authority, respectively; an additional budget of \$475,000 in occupancy tax revenue was projected for Visit High Point; an additional \$100,000 in occupancy tax revenues and \$25,000 in showroom license revenues was projected for the Market Authority; there was no net budget impact; and that staff is recommending the approval of this budget amendment.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Peters made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

A motion was made by Chair Moore, seconded by Mayor Pro Tem Peters, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-265](#)

Ordinance - GASB 87 Lease Budget Amendment

City Council is requested to adopt a budget ordinance amendment which will allow the proper accounting of the capital lease.

Attachments: [7. Ordinance - GASB 87 Lease Budget Amendment](#)
[ORD Appropriate Capital Lease Funds](#)

Bobby Fitzjohn, Financial Services Director reported that Generally accepted accounting principles (GAAP) required that all leases be capitalized and receive specialized accounting treatment; when a lease was capitalized, it required budgetary authorization, similar to a purchase of capital equipment; the attached ordinance would allow the City to properly record leases that had previously been entered; budgeted expenses associated with capitalizing leases were equal to the associated accounting revenue recognized by entering into the lease; and that staff recommending approval of the attached budget ordinance amendment which would allow the proper accounting of the capital lease.

Committee Member Jones moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Holmes made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

A motion was made by Jones, seconded by Holmes, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-266](#)

Budget Ordinance - Opioid Settlement Funds

City Council is requested to approve a budget ordinance creating a special revenue fund and appropriating \$51,076 in opioid settlement funds.

Attachments: [8. Budget Ordinance – Opioid Settlement Funds](#)
[AG Josh Stein Letter 06.21.22 \(opioid settlement\).pdf](#)

Bobby Fitzjohn, Financial Services Director reported in accordance with the Memorandum of Agreement between the State of North Carolina and Local Governments on Proceedings Related to the Settlement of Opioid Litigation to abate the impacts of the opioid epidemic an allocation of funds were to be received and expended over an 18-year period; the City of High Point was estimated to receive \$1,329,435 over the period and this amendment request budgets the first allocation of \$51,076; a payment schedule had been received and future payments would be budgeted with the annual budget ordinance; these funds must be held in a fund dedicated to their use; there were no local budget impacts; these were 100% federal funds; and that staff is recommending to approve the budget ordinance creating a special revenue fund and appropriating \$51,076 in opioid settlement funds.

Chairman Moore asked which department would be responsible for the dedicated use of said funds. Eric Olmedo, Assistant City Manager responded that public safety would be responsible regarding how the funds would be used.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Holmes made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

A motion was made by Chair Moore, seconded by Holmes, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-267](#)

Resolution - Capital Reserve Fund - System Development Fees

City Council is requested to adopt a resolution establishing a capital reserve fund for System Development Fees.

Attachments: [9. Resolution – Capital Reserve Fund – System Development Fees](#)

Bobby Fitzjohn, Financial Services Director reported that the purpose for this request was to offset cost for new development; State Statutes required System Development Fees (SDFs) to be accounted for in a capital reserve fund, this resolution would create a capital reserve fund; there were no budgetary impacts; the capital reserve fund would be amended as part of the annual budget ordinance in subsequent years; and that staff is recommending the approval of the attached resolution establishing a capital reserve fund for System Development Fees.

Chairman Moore moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Peters made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

A motion was made by Chair Moore, seconded by Mayor Pro Tem Peters, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

[2022-268](#)

Tax Collection Orders- Forsyth County Tax Administration- for Collection of Fiscal Year 2022 Taxes and Collection of 2021 and Prior Years' Taxes

City Council is requested to approve the Tax Collection Orders as requested by the Forsyth

County Tax Administration for collection of Fiscal Year 2022 Taxes and collection of 2021 and prior years' taxes by the Forsyth County Tax Administration office for areas of High Point located in Forsyth County, and to authorize the appropriate City Official to execute the Tax Collection Orders.

Attachments: [10. Tax Collection Orders- Forsyth County Tax Administration- for Collection](#)

Bobby Fitzjohn, Financial Services Director reported that the City of High Point was the only municipality in North Carolina that had taxable property in four different counties - Guilford, Randolph, Davidson, and Forsyth; each county tax administration office handled their tax administration function differently; the Forsyth County Tax Collector's Office required an annual affirmation of their authority initially approved by City Council in 2012 to administer and collect High Point's taxes within Forsyth County; the Annual Budget for FY 2022-2023 included the tax collection and administration costs for all four counties; and that staff is recommending council to authorize the appropriate City Official to execute an agreement between Forsyth County and the City of High Point for the collection of the 2022 taxes and for the collection of 2021 and prior years' taxes by the Forsyth County Tax Administration office for areas of High Point located in Forsyth County.

Committee Member Holmes moved to forward this matter to the City Council with a favorable recommendation and place it on the June 6, 2022, City Council Finance Committee Consent Agenda for approval. Committee Member Peters made a second to the motion. Following a roll call vote by Chairman Moore, the motion carried by the following 4-0 unanimous vote:

Aye (4): Chairman Moore, Committee Member Peters, Committee Member Holmes, and Committee Member Jones

DISCUSSION-OUTSIDE AGENCY FUNDING

Chairman Moore advised that a place holder would be included in the proposed budget for outside agency funding; and that discuss for said funding would be discussed at a later date.

A motion was made by Holmes, seconded by Mayor Pro Tem Peters, that this matter be recommended for approval, consent agenda. The motion carried by the following vote:

Aye: 4 - Chair Moore, Holmes, Mayor Pro Tem Peters, and Jones

Absent: 1 - Wagner

ADJOURNMENT

ADJOURNMENT

There being no further business to come before the Finance Committee, Chairman Moore asked if there were any objections to adjourn the meeting. There being none, the meeting was adjourned at 3:36 p.m.

Respectfully Submitted,

Britt Moore, Chairman

Attest:

Mary S. Brooks, CMC
Deputy City Clerk