

AGENDA

FINANCE COMMITTEE

4:00 p.m., Monday, March 21, 2016

COMMITTEE ROOM

Room 239, City Hall

*COMMITTEE MEMBERS: Council Member Robert C. Clark, Chair
Council Member Denise D. Adams, Vice Chair
Council Member Vivian H. Burke
Council Member Derwin L. Montgomery*

GENERAL AGENDA

- G-1. CONSIDERATION OF ACTIONS RELATED TO PUBLIC ASSEMBLY AND RECREATION PROJECTS:
- a. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.
 - b. RESOLUTION APPROVING A CHANGE ORDER FOR RENOVATION WORK AT THE BENTON CONVENTION CENTER.
 - c. RESOLUTION APPROVING A CONSTRUCTION CONTRACT FOR SALEM LAKE PARK - *Hodgin Construction Company, Inc. - \$4,119,000 (Value Engineered Estimated Amount)* .
 - d. RESOLUTION AWARDED A CONSTRUCTION CONTRACT FOR RUPERT BELL PARK - *Dreambuilt Construction, Inc. - \$288,170 (Estimated Amount)*.
- G-2. RESOLUTION APPROVING MODIFICATIONS TO THE 2007 REIMBURSEMENT ASSISTANCE INCENTIVE AGREEMENT WITH WAKE FOREST UNIVERSITY HEALTH SCIENCES FOR WAKE FOREST INNOVATION QUARTER.
- G-3. CONSIDERATION OF ITEMS RELATING TO A CAPITAL IMPROVEMENT PROJECT AND THE CITY TO ENGAGE IN A PUBLIC-PRIVATE PARTNERSHIP:
- a. RESOLUTION FINDING THERE IS A CRITICAL NEED FOR A CAPITAL IMPROVEMENT PROJECT AND FOR THE CITY TO ENGAGE IN A

PUBLIC-PRIVATE PARTNERSHIP IN ACCORDANCE WITH G.S. 143-128.1C [*\$4,000,000*].

- b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.

- G-4. RESOLUTION AUTHORIZING THE SALE OF THE CENTER CITY WEST PARKING DECK AND THE HOLLY AVENUE SURFACE PARKING LOT UNDER THE UPSET BID PROCEDURE N.C.G.S. 160A-269 (NORTHWEST WARD) [*\$2,275,000*].

- G-5. RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO PERFORM DUE DILIGENCE WORK ON A LIBRARY SITE AND ECONOMIC DEVELOPMENT PROJECT FOR THE LUCIA SITE ON WAUGHTOWN STREET.

- G-6. REQUEST FROM THE UJIMA COMMUNITY DEVELOPMENT CORPORATION FOR THE DEVELOPMENT OF A 50-UNIT SENIOR HOUSING RENTAL DEVELOPMENT TO BE KNOWN AS EMMANUEL RETIREMENT VILLAGE.

- G-7. RESOLUTION ADOPTING FINANCIAL POLICIES AND RECOMMENDATIONS REGARDING CITY FUNDS FOR THE CITY OF WINSTON-SALEM.

- G-8. REQUEST TO FORGIVE LOAN AND FREE CITY-OWNED PROPERTY ON SECOND STREET FOR PARK DEVELOPMENT.

CONSENT AGENDAProperty Matters

- C-1. CONSIDERATION OF ITEMS RELATING TO THE ACQUISITION/SALE OF PROPERTY:
- a. RESOLUTION AUTHORIZING THE SALE OF A CERTAIN CITY-OWNED VACANT LOT ON EAST TWENTY-THIRD STREET UNDER THE UPSET BID PROCEDURE N.C.G.S. 160A-269 (NORTHEAST WARD). [*\$1,500*].
 - b. RESOLUTION GRANTING A PERMANENT UTILITY EASEMENT TO DUKE ENERGY CAROLINAS, LLC - *For a proposed substation at the Muddy Creek Wastewater Treatment Plant.*
 - c. RESOLUTION AUTHORIZING THE ABANDONING OF A PERMANENT SEWER EASEMENT WHICH IS NO LONGER NEEDED RELATED TO THE FERNBROOK LIFT STATION CONVERSION TO GRAVITY PROJECT.
 - d. RESOLUTION AUTHORIZING A FEE SIMPLE ACQUISITION OR EASEMENTS FOR CITY YARD STORMWATER RETENTION POND EXPANSION BY DEED OR CONDEMNATION (EAST WARD).

Community and Economic Development

- C-2. RESOLUTION APPROVING MODIFICATIONS TO A PREVIOUSLY APPROVED LOAN TO GOLER COMMUNITY DEVELOPMENT CORPORATION.
- C-3. UPDATE ON THE CONTRACT RENEWAL PROCESS FOR THE DOWNTOWN WINSTON-SALEM BUSINESS IMPROVEMENT DISTRICT.
- C-4. CONSIDERATION OF ITEMS RELATING TO URBAN DEVELOPMENT ACTION GRANT FUNDS IN A FORGIVABLE LOAN TO SOUTHEAST PLAZA INVESTORS, LLC.:
- a. RESOLUTION SUBSTITUTING ECONOMIC DEVELOPMENT FUNDS FOR URBAN DEVELOPMENT ACTION GRANT FUNDS IN A FORGIVABLE LOAN TO SOUTHEAST PLAZA INVESTORS, LLC.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.

Human Resources

- C-5. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NOVANT HEALTH FOR EMPLOYEE MEDICAL SERVICES. [*\$142,900*].
- C-6. RESOLUTION INCREASING THE CITY'S CONTRIBUTION CAP FOR RETIREE HEALTH INSURANCE AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH UNITED HEALTHCARE FOR THE PROVISION OF A MEDICARE ADVANTAGE PLAN FOR RETIREES.

Finance/Budget

- C-7. RESOLUTION REJECTING ALL BIDS FOR WINSTON LAKE PARK DEVELOPMENT (EAST WARD).
- C-8. RESOLUTION AUTHORIZING THE PURCHASE OF SOFTWARE MAINTENANCE FROM MITCHELL HUMPHREY & COMPANY - *Mitchell Humphrey & Company - \$134,030*.
- C-9. CONSIDERATION OF ITEM RELATING TO THE 28TH STREET STORMWATER DRAINAGE IMPROVEMENTS AND WATER AND SEWER REPLACEMENT:
- a. RESOLUTION AUTHORIZING A CHANGE ORDER TO CHARLES D. LOWDER INC. IN THE AMOUNT OF \$270,000 FOR REPLACEMENT OF A 72" CULVERT SYSTEM ON IVY AVENUE (NORTHEAST WARD).
 - b. RESOLUTION AUTHORIZING A CHANGE ORDER TO HDR ENGINEERING IN THE AMOUNT OF \$40,000 FOR CONSTRUCTION OBSERVATION AND ADMINISTRATION SERVICES.
 - c. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.
- C-10. CONSIDERATION OF ITEMS RELATED TO SAND FILTER CONVERSION AT BROOKWOOD BUSINESS PARK (NORTHEAST WARD):
- a. RESOLUTION AWARDED CONTRACT FOR THE SAND FILTER CONVERSION AT BROOKWOOD BUSINESS PARK - *Carolina Environmental Contracting, Inc. - \$98,815*.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.
- C-11. CONSIDERATION OF ITEMS RELATED TO CONTRACTS:

- a. RESOLUTION AWARDED CONTRACT FOR REPAIRS TO THE BRYCE A. STUART PARKING DECK - *Strickland Waterproofing Co., Inc.* - \$179,025.
 - b. RESOLUTION AWARDED CONTRACT FOR JOINT REPAIRS AT SIXTH/CHERRY/TRADE PARKING DECK - *Strickland Waterproofing Co., Inc.* - \$183,070.
 - c. RESOLUTION AWARDED CONTRACT FOR RENOVATIONS AT FOURTH AND CHURCH PARKING DECK - *Stone Restoration, LLC.* - \$118,992.
 - d. RESOLUTION AWARDED CONTRACT FOR RESURFACING CITY STREETS – BOND CONTRACT 3A - *APAC-Atlantic, Inc., Thompson-Arthur Division* - \$3,791,912.18 (Estimated Amount).
 - e. RESOLUTION AWARDED CONTRACT FOR RESURFACING CITY STREETS – BOND CONTRACT 3B - *APAC - Atlantic, Inc., Thompson-Arthur Division* - \$3,048,222,.06 (Estimated Amount).
 - f. RESOLUTION AWARDED PURCHASE ORDER FOR A REAR-LOADING REFUSE TRUCK - *Piedmont Peterbuilt, LLC* - \$159,619.
 - g. RESOLUTION AWARDED PURCHASE ORDER FOR TWO FRONT-LOADING REFUSE TRUCKS - *Piedmont Peterbuilt, LLC* - \$482,856.
- C-12. CONSIDERATION OF AMENDMENTS TO THE FISCAL YEAR 2015-2016 BUDGET ORDINANCES FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA :
- a. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE FISCAL YEAR 2015-2016.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE FISCAL YEAR 2015-2016.
- C-13. RESOLUTION AWARDED CONTRACT FOR EXAMINATION OF ANNUAL FINANCIAL STATEMENTS OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016. [*\$85,000*].
- C-14. RESOLUTION REQUESTING AN INCREASE IN NORTH CAROLINA CLEAN WATER STATE REVOLVING FUND LOAN ASSOCIATED WITH SANITARY SEWER EVALUATION STUDIES AND COLLECTION SYSTEM REHABILITATION PROJECTS. [*\$2,861,396*].
- C-15. RESOLUTION OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA, APPROVING A LEASE AGREEMENT AND RELATED MATTERS.

Transportation

- C-16. RESOLUTION OF SUPPORT WITH FINANCIAL COMMITMENT AND AUTHORIZATION TO APPLY FOR THE 2016 TRANSPORTATION INVEST GENERATING ECONOMIC RECOVERY GRANT.
- C-17. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH DAVENPORT FOR PROFESSIONAL ENGINEERING SERVICES FOR THE WHITAKER PARK NEW ROADWAY FEASIBILITY IMPROVEMENT PROJECT.
- C-18. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A MUNICIPAL AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION FOR TRAFFIC MODELING FOR THE BUSINESS 40 PROJECT.

General Government

- C-19. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES - *February 8, 2016.*

These projects are:

Public Assembly Facilities

The MC Benton Convention Center Renovation:	\$750,000
Convention Center Capital Reserves Reallocation:	\$250,000

Parks

The Salem Lake Park Project:	\$500,000
The Rupert Bell Park Project:	\$110,000
The Hanes Park Project:	\$750,000
The New North Ward Park:	\$750,000
The Eight Other Spray Parks:	\$800,000

Contingency	\$1,340,000
--------------------	-------------

Total	\$5,250,000
--------------	-------------

Sources

Debt Service Fund Reallocation (L.O.B.S.):	\$5,000,000
FY 16-17 Convention Center Capital Contribution:	\$250,000

TOTAL	\$5,250,000
--------------	--------------------

Details of the project elements that the above funding would cover are listed on Attachment A. Staff have also determined that there is sufficient capacity in the Debt Service Fund to provide this additional funding. Therefore, the attached Budget Ordinance proposes that funding be allocated as indicated in the listing above. This amendment would allocate the necessary funds for these projects, but the decision to award the contracts and to spend the money would be made by the Mayor and City Council once bids are received for each project.

Attachment A

Added Improvements – M.C. Benton Convention Center Renovations	Estimated Cost
• Install aluminum panels along the Cherry Street side from the skywalk to Sixth Street, as originally envisioned for the project.	\$347,000
• Replace toilets in meeting level restroom facilities.	200,000
• Move forward with the original scope for the existing terrace off the main level facing Cherry Street. Improvements would include removal of the existing skylights, deck repairs, glass railing, and a trellis roof.	108,000
• Extend façade improvements along the Cherry Street side of the building with precast concrete detailing and new glazing, as originally designed.	75,000
• Provide new glass railing panels as part of interior renovations.	20,000
Total of Additional Funding Needed	\$750,000

These improvements would provide for exterior improvements along the entire length of the Cherry Street side of the Convention Center. In addition, the enhancements to the terrace would provide more finished meeting space that would enhance the marketability of the building. The renovations to the meeting level restrooms would provide the appropriate configurations for those facilities.

Convention Center Capital Reserves Reallocation	Estimated Cost
• Perform a comprehensive cleaning of the air conditioning duct system in the building.	\$90,000
• Install a partition wall system in lower level to allow for more effective use of this space.	100,000
• Design consulting services to handle added project elements.	60,000
Total of Additional Funding Needed	\$250,000

Salem Lake Park Project	Estimated Cost
• Construct a playground set incorporating a swing and climbing fort structure near the entrance to the marina section of the park as originally envisioned in the project plan.	\$400,000
• Construct two small bathrooms; one for men and one for women at the Linville Road end of the park, and perform necessary site work to accommodate these structures.	200,000
• Savings from remaining project elements value engineered out of the project.	-100,000
Total of Additional Funding Needed	\$500,000

Rupert Bell Park Project	Estimated Cost
This project does not have costs that can be broken down by individual element but project features that would be covered by the additional funding include additional grading, improved site layout, sidewalk connectivity, and construction environment driven cost inflation.	\$110,000
Total of Additional Funding Needed	\$110,000

Hanes Park Project	Estimated Cost
<ul style="list-style-type: none"> • Make improvements to the tennis court facilities. Note this is not the Joe White Tennis Center. 	\$100,000
<ul style="list-style-type: none"> • Renovate the existing walking trails and/or construct park overlook stations. 	550,000
<ul style="list-style-type: none"> • Funding for other project elements to be value engineered down and for construction environment driven cost inflation. 	100,000
Total of Additional Funding Needed	\$750,000

North Ward Park Project	Estimated Cost
This project originate as a spray park but after public feedback has grown to a full neighborhood park. Additional features of the project are:	
<ul style="list-style-type: none"> - Park Shelter 	\$100,000
<ul style="list-style-type: none"> - Parking Lot 	200,000
<ul style="list-style-type: none"> - Restrooms 	150,000
<ul style="list-style-type: none"> - Playground 	200,000
<ul style="list-style-type: none"> - Construction environment driven cost inflation. 	100,000
Total of Additional Funding Needed	\$750,000

Eight Other Spray Parks	Estimated Cost
This funding would provide \$100,000 per park for the eight remaining spray parks. These park projects are particularly susceptible to the costs increases resulting from the Construction industry rebound and private sector work availability. Also, as these spray parks concepts have gone through public input and review, their estimated prices have grown significantly.	\$800,000
Total of Additional Funding Needed	\$800,000

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2015-2016 be amended to appropriate \$5 million in additional debt capacity to fund additional improvements for the Convention Center renovations project and select parks and recreation bond projects and to provide additional contingency funds and to appropriate the City’s FY 16-17 required capital contribution of \$250,000 for the Convention Center.

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on July 20, 2015, August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, December 21, 2015, January 19, 2016, and February 15, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

Capital Projects Fund Group

Capital Projects Fund

Recreation and Culture	
Water Spraygrounds (8)	\$800,000
New North Ward Park	750,000
Hanes Park	750,000
Salem Lake Park	500,000
Rupert Bell Park	110,000
	<hr/>
	2,910,000
 Contingency	 1,340,000
 Total Capital Projects Fund Expenditures	 \$4,250,000

Leasing Capital Projects Fund

Recreation and Culture	
Benton Convention Center Renovations	\$750,000
FY 16-17 Convention Center Capital Contribution	250,000

Total Leasing Capital Projects Fund Expenditures **\$1,000,000**

SECTION 2. That the following revenues will be available to meet the above listed appropriations.

Capital Projects Fund Group

Capital Projects Fund

Limited Obligation Bonds **\$4,250,000**

Total Capital Projects Fund Revenues **\$4,250,000**

Leasing Capital Projects Fund

Limited Obligation Bonds **\$750,000**

North Carolina Municipal Leasing Corporation **250,000**

Total Leasing Capital Projects Fund Revenues **\$1,000,000**

SECTION 3. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

RESOLUTION AUTHORIZING CHANGE ORDERS TO ARCHITECTURAL DESIGN ASSOCIATES PLLC AND TO RESOLUTE BUILDING COMPANY FOR \$60,000 IN ADDITIONAL DESIGN SERVICES AND FOR \$750,000 IN ADDITIONAL IMPROVEMENTS FOR THE M.C. BENTON, JR. CONVENTION CENTER RENOVATIONS PROJECT

WHEREAS, on November 17, 2014 the Mayor and City Council approved a \$1,896,220 contract with Architectural Design Associates, PLLC for renovation design services at the M.C. Benton Jr. Convention Center; and

WHEREAS, subsequent change orders have raised this contract by \$39,890; and

WHEREAS, on February 15, 2016, the Mayor and City Council awarded a construction contract to Resolute Building Company in the estimated amount of \$15,670,000 for renovations to the Convention Center; and

WHEREAS, the approved construction contract represented a value engineered estimate that required the exclusion of a number of improvements from the project scope, in particular improvements to the exterior of the building; and

WHEREAS, the Mayor and City Council directed City staff to prepare a proposal to add back improvements that would enhance the exterior of the building and the overall customer experience; and

WHEREAS, City staff have prepared a proposal that would invest an additional \$750,000 in this project, as a result of the City's increased debt capacity; and

WHEREAS, this change order will provide for additional improvements to the entire east façade of the Convention Center, the terrace adjacent to the skywalk, meeting level restrooms, and interior railing; and

WHEREAS, additional design costs have or will be incurred to implement these added-back features; and

WHEREAS, the cost of these additional design services is estimated at \$60,000.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Winston-Salem that an increase in the amount of \$750,000 is authorized for the construction contract awarded to Resolute Building Company for additional improvements to the M.C. Benton, Jr. Convention Center renovations project.

BE IT FURTHER RESOLVED that an increase in the amount of \$60,000 is authorized for the design contract awarded to Architectural Design Associates PLLC.

It is recommended that a contract be awarded to Hodgkin Construction Company, Inc., the low bidder meeting specifications, in the value engineered estimated bid amount of \$4,119,000.

The construction budget estimate was \$4,119,000.

M/WBE comment: This project was advertised on the city's website and iSQFT electronic plan room. In addition, 79 general contractors and 27 M/WBE subcontractors were notified directly of this opportunity. Hodgkin Construction Company, Inc. submitted Affidavit "D" committing to 2.21% with minority owned and 13.02% with women owned businesses.

Workforce Demographics: See Exhibit B

**RESOLUTION AWARDING CONTRACT FOR
SALEM LAKE PARK RENOVATIONS**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 4:00 PM, Tuesday, January 26, 2016, for the Salem Lake Park renovations project; and the following bids were received:

	<u>City/State</u>	<u>Total Base Bid</u>
Hodgin Construction Company, Inc.	Greensboro, NC	\$5,200,000
Central Builders, Inc. of Mebane	Mebane, NC	5,228,188
J.G. Coram, Inc.	Mount Airy, NC	5,698,000

WHEREAS, bids for this work exceeded the budget for this project and pursuant to N.C.G.S. 143-129, staff negotiated with the low bidder to bring the award amount within the project budget. Exhibit A, following the resolution, shows the original bid results and the value engineered revised bid results; and

WHEREAS, it is the recommendation of the Finance Committee that a contract for construction of the Salem Lake Park renovations project be awarded to Hodgin Construction Company, Inc., the low bidder meeting specifications, in the value engineered estimated bid amount of \$4,119,000.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Winston-Salem, that a contract for construction of the Salem Lake Park renovations project, is hereby awarded to Hodgin Construction Company, Inc., the low bidder meeting specifications, in the value engineered estimated bid amount of \$4,119,000, and that all other bids are rejected, and that the City Manager and City Secretary are authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney and bid deposit retained until the successful bidder has provided satisfactory contract, performance and labor and materials payment bonds.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City. The bid deposit shall be retained if the bidder fails to execute the contract or give satisfactory surety as required by N.C.G.S. 143-129.

BE IT FURTHER RESOLVED that Hodgkin Construction Company, Inc., will be required to subcontract as a minimum 2.21% of participation with certified minority and 13.02% women owned businesses as indicated on the Affidavit "D" submitted by the company.

BE IT FURTHER RESOLVED that funds have been previously appropriated and are available in account no. 305-532102-563202 to cover the cost of this contract.

Exhibit A

**Salem Lake Park Renovations
BID TABULATION**

Business	Base Bid	Alternate #1	Alternate #2	Total Bid with Alternates	M/WBE Project goals	
					M- 10%	W-10%
Hodgin Construction Company	\$5,200,000	\$29,600.00	\$13,700.00	\$5,243,300.00	2.40%	10.00%
Central Builders Inc. of Mebane	\$5,228,188	\$56,000.00	\$11,000.00	\$5,295,188.00	10.11%	10.60%
J.G. Coram Company, Inc.	\$5,698,000	\$54,000.00	\$11,000.00	\$5,763,000.00	0.00%	14.00%

Alternate No. 1 (Add): Provide GRFC animals & stepping stones in artificial river
 Alternate No. 2 (Add): Installation of Aluminum shutters at Marina Bait Shop

Salem Lake Park Renovations Bid Results after value Engineering

Bidder	Hodgin Construction Company
Base Bid	\$5,243,300
*Total Base Bid - deduct value engineer items amount	(\$1,124,300)
Total Construction Cost with value engineer items	\$4,119,000

***Salem Lake Park Value Engineering Major Items**

- Decorative boulders
- Asphalt toping of the parking lot
- Reduction of landscaping
- Changed deck railing design
- Changed to vinyl windows
- Shingled rood instead of metal
- Changed electrical fixtures
- Reduced deck size
- Reduced playground parking size
- Reduced both bathrooms size
- Reduced Linville road site work
- Eliminated boardwalk
- Eliminated picnic shelter
- Miscellaneous finish substitutions

Exhibit B

Project/Bid Description: Contract for Salem Lake Park Renovations
 Bidder's Company Name: Hodgin Construction Company, Inc
 City/State: Greensboro, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	6	2	8	0	0	0	0	8
% of Total	75.0%	25.0%	100.0%	0.0%	0.0%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: Jerry Bates, Purchasing Director

Council Action Requested:

Adoption of a Resolution Awarding Contract for Rupert Bell Park Sprayground. (East Ward)

Summary of Information:

Bids were received January 26, 2016, for construction of a sprayground at Rupert Bell Park. The project involves installation of a concrete splash pad and water spray equipment, a pump and equipment building, concrete walkways, site work, utility connections, and several alternates. Below is a summary of the bids accepted:

	<u>City/State</u>	<u>Base Bid</u>	<u>Total Bid with Alternates</u>
Dreambuilt Construction, Inc.	Advance, NC	\$308,075	\$443,421
Wishon-Carter Builders, Inc.	Yadkinville, NC	326,927	414,673
H.M. Kern, Inc.	Greensboro, NC	336,800	428,600
R.P. Murray, Inc.	Kernersville, NC	377,000	481,000
Aquatic Designs, Inc.	Climax, NC	488,000	576,060

Bids for this work exceeded the budget allocated for this project. Pursuant to N.C.G.S. 143-129, the city is allowed to negotiate with the low bidder to make reasonable changes to the work to bring the award amount within the project budget. Staff and the consultant worked with the low bidder to reduce the work and reached a negotiated price acceptable to both parties. Also, the original construction budget for this project was \$182,000, \$110,000 in additional funding has been requested through a budget amendment which is part of this Council Action item. The new \$292,000 construction budget is adequate to cover the construction contract.

It is recommended that a contract for construction of the Rupert Bell Park Sprayground be awarded to Dreambuilt Construction, Inc., the low bidder meeting specifications, in the negotiated estimated base bid amount of \$288,170. The consultant’s estimate for base bid and alternates was \$235,665.

Committee Action:

Committee _____ **Action** _____
For _____ **Against** _____

Remarks: _____

M/WBE comment: Notices were sent to 25 local area general contractors and eight pool contractors, including seven minority and woman owned businesses. Dreambuilt Construction, Inc. is a woman owned business and intends to subcontract approximately \$71,000 of work to other woman owned businesses.

Workforce Demographics: See Exhibit A

**RESOLUTION AWARDING CONTRACT FOR
RUPERT BELL PARK SPRAYGROUND**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 2:00 PM, Tuesday, January 26, 2016, for construction of a sprayground at Rupert Bell Park and the following bids were received:

	<u>City/State</u>	<u>Base Bid</u>	<u>Total Bid with Alternates</u>
Dreambuilt Construction, Inc.	Advance, NC	\$308,075	\$443,421
Wishon-Carter Builders, Inc.	Yadkinville, NC	326,927	414,673
H.M. Kern, Inc.	Greensboro, NC	336,800	428,600
R.P. Murray, Inc.	Kernersville, NC	377,000	481,000
Aquatic Designs, Inc.	Climax, NC	488,000	576,060

WHEREAS, bids for this work exceeded the budget for this project and pursuant to N.C.G.S. 143-129, staff negotiated with the low bidder to bring the award amount closer to the project budget; and

WHEREAS, it is the recommendation of the Finance Committee that a contract be awarded to Dreambuilt Construction, Inc., the low bidder meeting specifications, for construction of the Rupert Bell Park Sprayground in the negotiated estimated base bid amount of \$288,170.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Winston-Salem that the contract for construction of the Rupert Bell Park Sprayground is hereby awarded to Dreambuilt Construction, Inc., in the negotiated estimated base bid amount of \$288,170. The City Manager and City Secretary are authorized to execute the contract on behalf of the City, with contract and performance and payment bonds to be approved by the City Attorney.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

BE IT FURTHER RESOLVED that funds have been previously appropriated to cover the cost of this contract.

Exhibit A

Project/Bid Description: Contract for Rupert Bell Sprayground
 Bidder's Company Name: Dreambuilt Construction, Inc.
 City/State: Advance, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	2	3	5	0	0	0	0	5
% of Total	40.0%	60.0%	100.0%	0.0%	0.0%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form

Date: February 29, 2016

To: The City Manager

From: Derwick L. Paige, Assistant City Manager

Council Action Requested:

Adopt Resolution approving Modifications to the 2007 Reimbursement Assistance Incentive Agreement with Wake Forest University Health Sciences for Wake Forest Innovation Quarter.

Summary of Information:

In November 2006, the Mayor and City Council approved an economic development agreement totaling up to \$4,848,060 with Wake Forest University Health Sciences (WFUHS) to construct three new facilities in Wake Forest Innovation Quarter (formerly Piedmont Triad Research Park) with an estimated taxable value of \$47.6 million over the next 10 years (September 2017).

Under the agreement, the City’s assistance would be based upon a fixed amount equal to \$288,575/yr. for 10 years and a non-fixed amount equal to 85% of the net new taxes generated by the three new buildings constructed in the Central District. All City funds were intended to reimburse for public infrastructure improvements not reimbursed by other funding sources. While the payment term for each new building was 10 years, the guaranteed taxability period for each new building was at least 20 years; thereby, 100% of the net new taxes would be available for general fund purposes for at least 10 years.

The agreement also stipulated that if WFUHS failed to complete construction of a minimum of 100,000 square feet of new office, laboratory and light industrial space within 10 years of executing the agreement, WFUHS must repay the City all fixed incentive payments previously paid under this agreement. To date, fixed incentive payments have totaled \$2,020,025.

Because of several factors including the extended period required to relocate the railroad lines and build the stormwater retention pond; the availability of historic tax credits to advance the development of the Northern District; and the downturn in the economy, construction in the Central District has not advanced as originally anticipated. As a result, WFUHS has not constructed any qualifying office, laboratory or light industrial space under this agreement.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks:

WFUHS requests that the agreement be amended as follows:

- To extend the deadline for completion of minimum square footage by 10 years to September 10, 2027; and
- To increase the minimum capital investment requirement from 100,000 to 150,000 square feet of office, laboratory, and light industrial space by September 10, 2027; and
- To increase the total capital investment from 200,000 to 250,000 square feet with the addition of 50,000 square feet of mixed-use space (not incentivized) and 200,000 square feet to be office, laboratory, and light industrial use; and
- To require expenditure of approximately \$55 Million in capital investment anywhere within the Innovation Quarter Northern District, Phase 2 (formerly known as the Central District), through construction of up to three office, laboratory, or light industrial buildings with associated surface or structured parking facilities. Each building and parking facility constructed with the approximately \$55 million in capital investment must be maintained as fully subject to ad valorem property taxes for a period of at least 20 years from its completion; and
- If any square footage in the minimum capital investment requirement (150,000), includes residential uses, which do not meet the 2015 City guidelines for providing workforce/affordable housing, then there would be a 10% reduction of the total incentive payment (\$484,806); and
- The original incentive amount will not change; and
- To require Existing Park Facilities – A1, AP1, A1A to remain fully subject to ad valorem property tax for at least 25 years (from 2007 through 2032) from execution of the original agreement.

RESOLUTION APPROVING MODIFICATIONS TO THE 2007 REIMBURSEMENT ASSISTANCE INCENTIVE AGREEMENT WITH WAKE FOREST UNIVERSITY HEALTH SCIENCES FOR WAKE FOREST INNOVATION QUARTER

WHEREAS, on November 20, 2006, the Mayor and City Council approved an economic development agreement totaling up to \$4,848,060 with Wake Forest University Health Sciences (WFUHS) to construct three new facilities in the Central District of Wake Forest Innovation Quarter (formerly Piedmont Triad Research Park) with an estimated taxable value of \$47.6 million over the next 10 years; and

WHEREAS, the City's assistance would be based upon a fixed amount equal to \$288,575/yr. for 10 years and a non-fixed amount equal to 85% of the net new taxes generated by the three new buildings; and

WHEREAS, the agreement stipulated that if WFUHS failed to complete construction of a minimum of 100,000 square feet of new office, laboratory and light industrial space within 10 years of executing the agreement, WFUHS must repay the City all fixed incentive payments previously paid under this agreement; and

WHEREAS, WFUHS has not constructed any qualifying office, laboratory or light industrial space under this agreement and requests that the agreement be amended as follows:

- To extend the deadline for completion of minimum square footage by 10 years to September 10, 2027; and
- To increase the minimum capital investment requirement from 100,000 to 150,000 square feet of office, laboratory, and light industrial space by September 10, 2027; and

- To increase the total capital investment from 200,000 to 250,000 square feet with the addition of 50,000 square feet of mixed-use space (not incentivized) and 200,000 square feet to be office, laboratory, and light industrial use; and
- To require expenditure of approximately \$55 million in capital investment anywhere within the Innovation Quarter Northern District, Phase 2 (formerly known as the Central District), through construction of up to three office, laboratory, or light industrial buildings with associated surface or structured parking facilities. Each building and parking facility constructed with the approximately \$55 Million in capital investment must be maintained as fully subject to ad valorem property taxes for a period of at least 20 years from its completion; and
- If any square footage in the minimum capital investment requirement (150,000), includes residential uses, which do not meet the 2015 City guidelines for providing workforce/affordable housing, then there would be a 10% reduction of the total incentive payment (\$484,806); and
- The original incentive amount will not change; and
- To require Existing Park Facilities – A1, AP1, A1A to remain fully subject to ad valorem property tax for at least 25 years (from 2007 through 2032) from execution of the original agreement; and

WHEREAS, given the public benefit created by this project, the City of Winston-Salem is interested in assisting WFUHS with the expansion efforts of the WFIQ.

NOW, THEREFORE, BE IT RESOLVED, that after a duly advertised public hearing, that the Mayor and City Council of the City of Winston-Salem hereby approve modifications, as

described herein, to the economic development agreement, previously approved on November 20, 2006, pursuant to G.S. 158-7.1(a).

BE IT FURTHER RESOLVED, that the Mayor and City Council authorize the City Manager to execute any necessary agreements to consummate the arrangement, with all of the parties, upon the review and approval of the City Attorney.

Comparison of Requests from Wake Forest Innovation Quarter

	2007 Agreement	Requested Modifications
Completion Deadline	September 2017	September 2027
Approximate Capital Investment	\$47,600,000 in Central District	\$55,000,000 anywhere in Northern District
Minimum Square Footage	100,000 sq. ft. of office, laboratory, and light industrial space	150,000 sq. ft. of office, laboratory, and light industrial space
Guaranteed Taxability Period	At least 20 years from completion	At least 20 years from completion plus 5 additional years for existing buildings
Incentive Amount	\$4,848,060 over 10 years	\$4,848,060 over 20 years
Amount Paid to Date	\$2,020,025	\$2,020,025
Balance Due	\$2,828,035	\$2,828,035
Jobs	Between 500-600 transferred or new jobs and 75-100 new private sector jobs	Between 500-600 transferred or new jobs and 75-100 new private sector jobs
Clawbacks	On a pro rata share for failing to meet investment goals	1) On a pro rata share for failing to meet investment goals. 2) If any square footage in the minimum capital investment requirement (150,000) includes residential uses, which do not meet the 2015 City guidelines for providing workforce/affordable housing, then there would be a 10% reduction of the incentive payment.
Forsyth County Commitment	Up to \$6,657,336 over 10 years	Up to \$6,657,336 over 20 years



CENTRAL DISTRICT SITE DATA

Business Data				Parking Data				Other Space Data					
Blk#	Assignment	Area	Blk#	Area	Location	Spaced	Level	Parking	Area	Location	Spaced	Level	Parking
1	31,000	8	180,000	483	Deck 1	148	3	771					
2	13,400	3	67,000	164	Deck 2	194	3	975					
3	16,400	4	82,000	206	Deck 3	85	4	340					
4	11,600	3	58,000	146	Deck 4	215	3	772					
5	11,200	3	56,000	142	Deck 5	180	4	900					
6	26,200	7	131,000	327	Deck 6	281	3	415					
7	18,500	5	92,500	231	Surface & First Floor Parking			130					
8	12,000	3	60,000	150	On Street			156					
9	11,500	3	57,500	142	Other Parking Provided			4,046					
10	18,800	4	94,000	235									
11	11,600	3	58,000	146									
12	15,100	4	75,500	188									
13	17,800	5	89,000	221									
14	19,000	5	95,000	237									
15	24,800	6	124,000	310									
16	13,000	4	65,000	162									
17	13,200	4	66,000	164									
18	12,200	3	61,000	155									
19	10,500	3	52,500	132									
20	29,600	7	148,000	370									
21	27,800	7	139,000	345									
Total Business				2,297,400	4,304	Total Other Space (1999-11)				21,198	400		



©2013 Stimmel Associates, PA

City Council – Action Request Form

Date: February 29, 2016

To: The City Manager

From: Derwick L. Paige, Assistant City Manager

Council Action Requested:

Adopt a Resolution of the City of Winston-Salem finding there is a critical need: (i) for the City to acquire easements and rights-of-way for infrastructure (water, sewer and road) purposes and (ii) for City participation in enhancements to various buildings within the Whitaker Park Development project area utilizing its public-private partnership authority set forth in G.S. 143-128.1C.

Summary of Information:

The City of Winston-Salem has identified a critical need to install and enhance the infrastructure (water, sewer and roads) in the Whitaker Park Development project area while spurring much needed economic development on the north side of the City. With the installation, enhancement and provision of public water and sewer and road connectivity, Whitaker Park has the potential to be redeveloped into a mixed use development park including manufacturing, distribution, research and development, retail, services and residential uses. The project should significantly enhance the economic vitality of the City and the quality of life for the residents. At build-out, the project could support up to 7,500 jobs and have a private investment of more than \$100 million. Net, new City property taxes could exceed \$565,000/year based upon these projections.

The Whitaker Park Development Project presents an excellent opportunity for the City to utilize G.S. 143-128.1C to engage in a public-private partnership. As a part of the public-private partnership, the City will: (i) acquire easements for the installation and maintenance of public water and sewer infrastructure and for the provision of said services; (ii) acquire rights-of way for road expansion and connectivity purposes; and (iii) provide a secured loan to a private developer to repurpose and make tenant ready several buildings within Whitaker Park, all in an effort to spur economic development on the north side of town. As a part of the public-private partnership statute, the City must find a critical need for the capital improvement project, which the attached resolution accomplishes.

In 2015, R.J. Reynolds Tobacco Company (RJR) announced that they would donate a large portion of the Whitaker Park campus, including approximately 125 acres of prime commercial and industrial land along with buildings totaling approximately 1.7M square feet to the Whitaker Park Development Authority (“WPDA”) which is a nonprofit corporation created for economic

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks:

and redevelopment purposes with representatives from Winston-Salem Business, Inc., Winston-Salem Alliance, Wake Forest University, Piedmont Triad Partnership, Forsyth County, City of Winston-Salem and other at-large representation.

Based upon the foregoing, it is likely that WPDA will submit a response to the request for qualifications, which the City must issue pursuant to G.S. 143-128.1C for the development project. To undertake this work, WPDA is requesting \$4.0 million financial assistance from both the City and the County as the estimates for the work far exceed \$8.0 million. If approved, the City's assistance would be provided from the Economic Development General Obligation Funds.

As proposed, WPDA would use up to \$2.0 million of City funds towards the Private Enhancements to the 601 Buildings; 605-1, 7 and 10-13 Buildings; and 2-1 and 2-2 Buildings. These funds will be provided as a secured, market rate interest loan to WPDA. The loan would be at prime interest rate (on the date that the economic development agreement is executed), plus 1%, but in no case will the interest rate be less than 3% or greater than 5%. The loan shall be paid in full upon the sale of the building or buildings that serve as collateral for the loan. If the buildings are leased, then the City would receive a pro rata share of the lease payments to satisfy the City's loan. If the buildings are leased and the developer subsequently sells one or more of the 601 Buildings after making lease payments to the City, the City shall apply the lease payments against the loan balance and the remaining loan balance shall be paid upon the sale of the property. All funds repaid to the City would be available for future economic development purposes as directed by City Council.

The remaining \$2.0 million will be used to compensate WPDA for the fair market value of the real estate conveyed to the City along with the necessary infrastructure improvements including the water, sewer and road systems assuming these expenses have not been reimbursed by other sources including Forsyth County. It is anticipated that all of the buildings will be fully taxable; thus, there would be no adverse impact of removing taxable properties from the tax rolls, and the new property tax revenues generated from the enhancements will far exceed the City's investment.

It is important to note that the request for qualifications process is open to any private developer capable of undertaking the entire project. The private developer must be in a position to: (i) acquire the necessary land in Whitaker Park for the development project, (ii) convey to the City the real estate interest (easements and rights-of-way) desired by the City for public infrastructure purposes; (iii) convey to the City a security interest in certain buildings as collateral for a City loan; (iv) undertake or cause to be completed the entire project as outlined in the attached resolution and the subsequent request for qualifications; (v) contribute at least fifty percent (50%) of the financing for the total cost necessary to deliver the project; the value of the land contributed to the project by the developer may be considered as part of the developer's contribution; and (vi) comply with the requirements set forth in G.S. 143-128.1C.

Upon the finding by the City Council of a critical need for the capital improvement project, as set forth in the attached resolution, the City will commence the request for qualifications process, and negotiate a tentative contract with the successful developer for public consumption and City Council's approval following a public hearing.

**RESOLUTION FINDING THERE IS A CRITICAL NEED FOR A CAPITAL
IMPROVEMENT PROJECT AND FOR THE CITY TO ENGAGE IN A PUBLIC-
PRIVATE PARTNERSHIP IN ACCORDANCE WITH G.S. 143-128.1C**

WHEREAS, the City of Winston-Salem has identified a critical need to encourage and promote economic development and job creation on the north side of Winston-Salem while simultaneously addressing the City’s critical need to extend and enhance its infrastructure, including water, sewer and public roads in that same area; and

WHEREAS, the City of Winston-Salem has identified prime land on the north side of Winston-Salem that will provide an excellent opportunity for the City to address this critical economic development and job creation need while addressing the City’s critical infrastructure needs;

WHEREAS, the land that the City has identified is located within Whitaker Park, most of which is currently owned by RJ Reynolds Tobacco Company (“Reynolds”) as described below; and

WHEREAS, Reynolds is preparing to dispose of a significant portion of Whitaker Park, consisting of 120 acres of prime commercial and industrial land along with buildings totaling 1.7 million square feet with an ad valorem tax value well in excess of \$30 million which presents an opportunity for a developer to acquire the same, invest at least \$4 million to re-purpose the park and enter into a public-private partnership with the City which partnership will allow the City to effectively address its critical infrastructure needs and spur economic development in an area in desperate need of such; and

WHEREAS, one proposed development plan for the park details an effort to convert the buildings and land within Whitaker Park into a mixed use development park with manufacturing, distribution, research and development, retail, services and/or residential uses that will make

Whitaker Park a model for successfully and effectively re-purposing property and combining multiple uses to enhance the overall economic vitality of the entire City (“Whitaker Park Development Project”); and

WHEREAS, the Whitaker Park Development Project presents at least two distinct opportunities for the City to participate in a public-private partnership while addressing its critical infrastructure needs and spurring economic development; and

WHEREAS, those two opportunities are described below; and

WHEREAS, one way in which the City may participate in a public-private partnership with a developer of the Whitaker Park Development Project is for a developer to convey to the City: (i) utility easements including any existing, expanded and improved utility infrastructure necessary for the City to take a recordable interest in property and full ownership of said infrastructure for the provision of public water and sewer services to the park, and (ii) rights-of-way for an enhanced road system that is necessary to establish greater road connectivity on the north side of the City (collectively “City Infrastructure”), as identified in Exhibit A, which actions will address the City’s infrastructure needs, serve as a catalyst for economic development in Whitaker Park, and benefit the overall economic vitality of the businesses and residents in the immediate vicinity of the park; and

WHEREAS, all of the real estate interest to be conveyed by the developer to the City for City Infrastructure purposes shall be referred to hereinafter as the “Real Estate Interest”; and

WHEREAS, the City will compensate the developer for the fair market value of that Real Estate Interest conveyed to the City and necessary for the City to take full ownership of the City Infrastructure provided said compensation shall not exceed \$2 million; and

WHEREAS, the City may compensate the developer for any reasonable expenses related to the work conducted on the City’s Infrastructure to the extent the developer has not been reimbursed for the same by Forsyth County; and

WHEREAS, the second opportunity for the City to participate in the proposed public-private partnership consists of the City allocating funds, not to exceed \$2 million, to provide a loan, at prime interest rate, as of the date the development agreement is executed, plus 1%, but in no case with the interest rate be less than 3% or greater than 5% to a developer to renovate and make tenant ready several buildings in the park (“Developer Loan”) for the purpose of spurring economic development in an area in need of such; and

WHEREAS, there are at least two buildings within Whitaker Park identified on the map attached as Exhibit B as buildings 601-1 and 601-11 (collectively the “601 Buildings”) that need renovations, equipment and fixture installations, system upgrades and up-fits (collectively “Renovations”) which Renovations consist of, amongst other things: (1) separating and disconnecting the existing HVAC and related systems along with the steam system of the 601 Buildings from the building being retained by Reynolds; (2) disconnecting the central fire protection loop in the 601 Buildings from the building being retained by Reynolds and installing a new one in the 601 Buildings; (3) separating the electrical system of the 601 Buildings from the building being retained by Reynolds and installing new transformers and related systems in the 601 Buildings; (4) renovating the single space tenant 601 Buildings into facilities that will accommodate multiple tenants; (5) repairing or replacing, as necessary, the roofs on the 601 Buildings and (6) such additional work necessary to facilitate the occupancy of the 601 Buildings (collectively “Private Enhancements to the 601 Buildings”); and

WHEREAS, the above referenced Private Enhancements to the 601 Buildings are quite extensive and expensive and will likely require the use of City funds to complete; and

WHEREAS, the developer will also engage in similar private enhancements to additional buildings within Whitaker Park including the 605-1, 7 and 10-13 Buildings; and the 2-1 and 2-2 Buildings, all of which require a conversion from steam heat to a heating source that is more economical before the buildings can be renovated and made tenant ready which effort may require the developer to use City funds derived from the sale proceeds of the Real Estate Interest and/or proceeds from Developer Loan not used on the 601 Buildings; and

WHEREAS, the City is willing to permit the expenditure of City funds towards the Private Enhancements to the 601 Buildings, in an amount not to exceed \$2 million, which City paid for enhancements shall be identified as “Public Enhancements to the 601 Buildings”, provided the developer delivers to the City an executed loan agreement, promissory note, deed of trust and security agreement and UCC Financing Statement and any other instruments necessary to provide the City with a security interest in one or more of the 601 Buildings sufficient to preserve and protect the City’s loan (“Security Interest”); and

WHEREAS, the Developer Loan shall be repaid in a manner consistent with the following: (1) the developer shall make regular annual payments of interest only under the Developer Loan; (2) in the event the developer enters into a long-term lease (i.e., a lease term of ten (10) years or more, not including optional renewals) with a tenant with respect to any space in the 601 Buildings, the developer shall pay the City an agreed upon percentage of the lease payments after reasonable deductions for expenses including any maintenance reserve, which payments shall be applied against the outstanding loan balance; (3) in the event the developer sells either of the 601 Buildings, the loan (principal and interest) shall be repaid in full with the

proceeds of such sale; (4) the developer shall have the right to prepay the Developer Loan in full or in part at any time without penalty; and (5) unless sooner repaid in full, the Developer Loan shall be repaid in full not later than ten (10) years after the date such loan is made; and

WHEREAS, the City shall use the proceeds from the repayment of the Developer Loan for economic development purposes in compliance with the applicable statutes; and

WHEREAS, G.S. 143-128.1C was enacted to allow for public-private partnerships of the nature described herein; and

WHEREAS, G.S. 143-128.1C is the most appropriate statute to use for this type of public-private partnership in that it provides for construction, at a reasonable price, of the City's Infrastructure and Public Enhancements to the 601 Buildings, herein deemed to be critical, along with or in conjunction with the Private Enhancements to the 601 Buildings and other private enhancements to buildings within the park including the 605-1, 7 and 10-13 Buildings; and the 2-1 and 2-2 Buildings; and

WHEREAS, consistent with said statute the Winston-Salem City Council hereby finds that there is critical need for the City: (1) to obtain the Real Estate Interest necessary to address the City's critical infrastructure needs, and to add to City's infrastructure inventory on the north side of the City; (2) to construct, repair, renovate, enhance, upgrade said City Infrastructure to the extent the same has not been undertaken by the County; and (3) to provide a Developer Loan to support the Public Enhancements to the 601 Buildings and other buildings necessary to further the City's goal of providing facilities and amenities that will attract job creating businesses to Winston-Salem, particularly to the north side of the City which is in dire need of such job creating businesses; and

WHEREAS, the Winston-Salem City Council in moving forward with the desired public-private partnership hereby establishes certain criteria that must be met by any developer wishing to enter into such public-private partnership with the City; and

WHEREAS, any developer undertaking this proposed public-private partnership must have the capacity to: (i) acquire the land within the Whitaker Park Development Project; (ii) invest at least \$4.1 million in said park; (iii) convey or facilitate, in a timely manner, the conveyance to the City, at fair market value, all of the Real Estate Interest described above and depicted in Exhibit A for City Infrastructure purposes; (iv) complete or provide for the completion of any and all installations, modifications, upgrades and extensions to the City Infrastructure at a reasonable cost; (v) assist the City in acquiring, in a reasonable manner, the interest in land necessary for the installation, construction, renovation of a pedestrian and bicycle greenway and other recreational space, which may be part of a later stage of the Whitaker Park Development Project; (vi) execute and convey to the City a Security Interest, satisfactory to the City, in one or more of the 601 Buildings shown on Exhibit B, as collateral for the Developer Loan; (vii) complete or provide for the completion of both the Private Enhancements to the 601-Buildings and the Public Enhancements to the 601 Buildings at a reasonable cost in order to make said buildings tenant ready; (viii) complete or provide for the completion of the necessary conversion of the steam heating system in the 605-1, 7 and 10-13 Buildings and the 2-1 and 2-2 Buildings to a heating source that is more economical, all at a reasonable cost; and (ix) complete or provide for the completion of any additional steps necessary to successfully accomplish the overall Whitaker Park Development Project as described herein.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council: (i) that the City has a critical need to engage in the subject capital improvement project by acquiring the

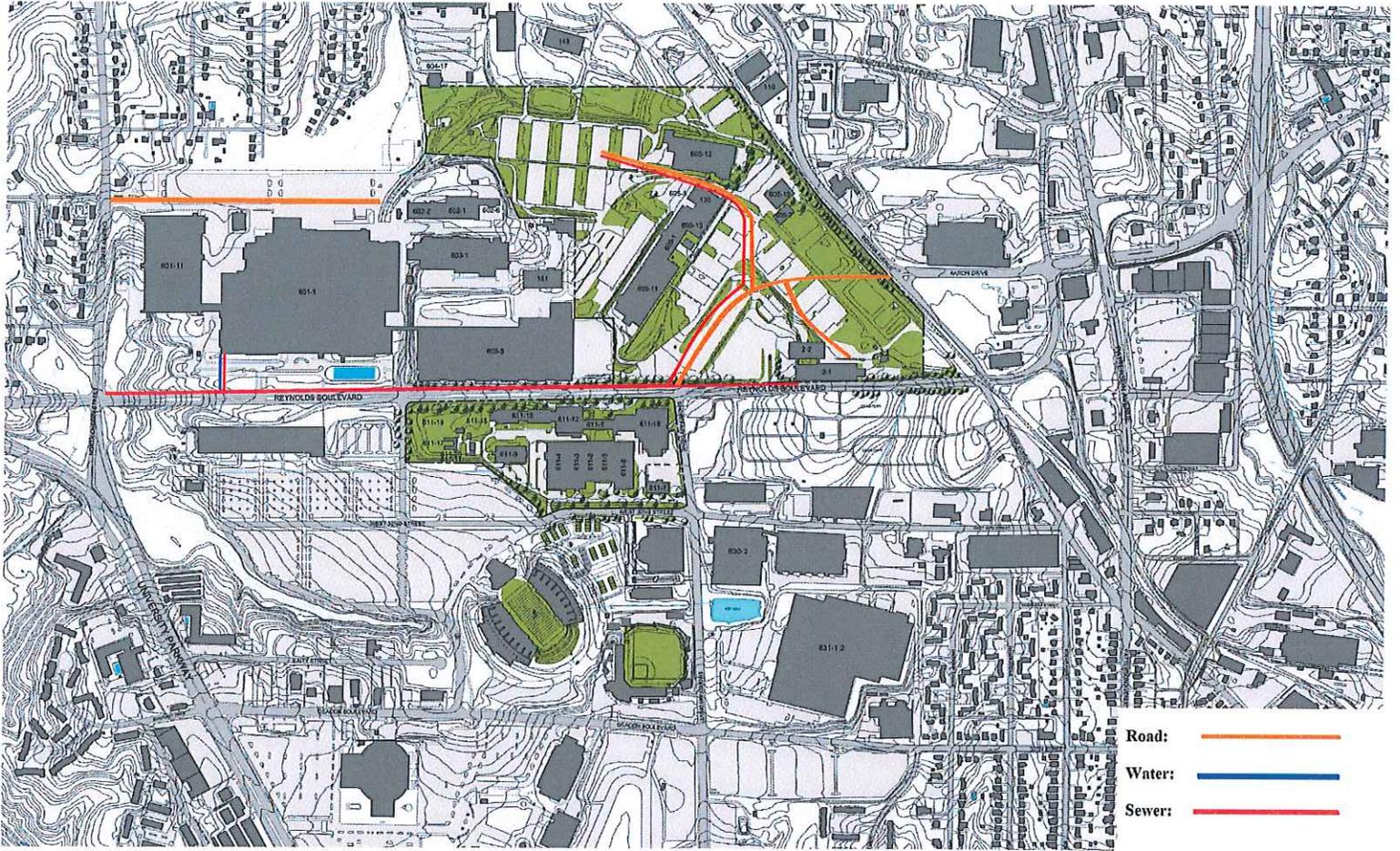
necessary Real Estate Interest and improvements to enhance and upgrade its water, sewer and road systems, (ii) that the Public Enhancements to the 601 Buildings and other buildings in the park are essential to addressing the City's critical need to make available, on the north side of town, tenant ready space/buildings for job creating companies that will spur economic development and growth as described herein; and (iii) that G.S. 143-128.1C is the most appropriate statute pursuant to which to address the critical needs identified herein.

BE IT FURTHER RESOLVED, that the purchase price for the Real Estate Interest, the work associated with the City's Infrastructure and the Developer Loan shall not exceed \$4 million, which is the total amount allocated by the City to the project described herein.

BE IT FURTHER RESOLVED, that City staff is hereby directed to undertake the necessary steps to prepare and publish the request for qualifications, the notices and the terms of the proposed development contract pursuant to G.S. 143-128.1C for City Council's consideration following a public hearing in accordance with said statute.

This Resolution shall become effective upon adoption.

EXHIBIT A

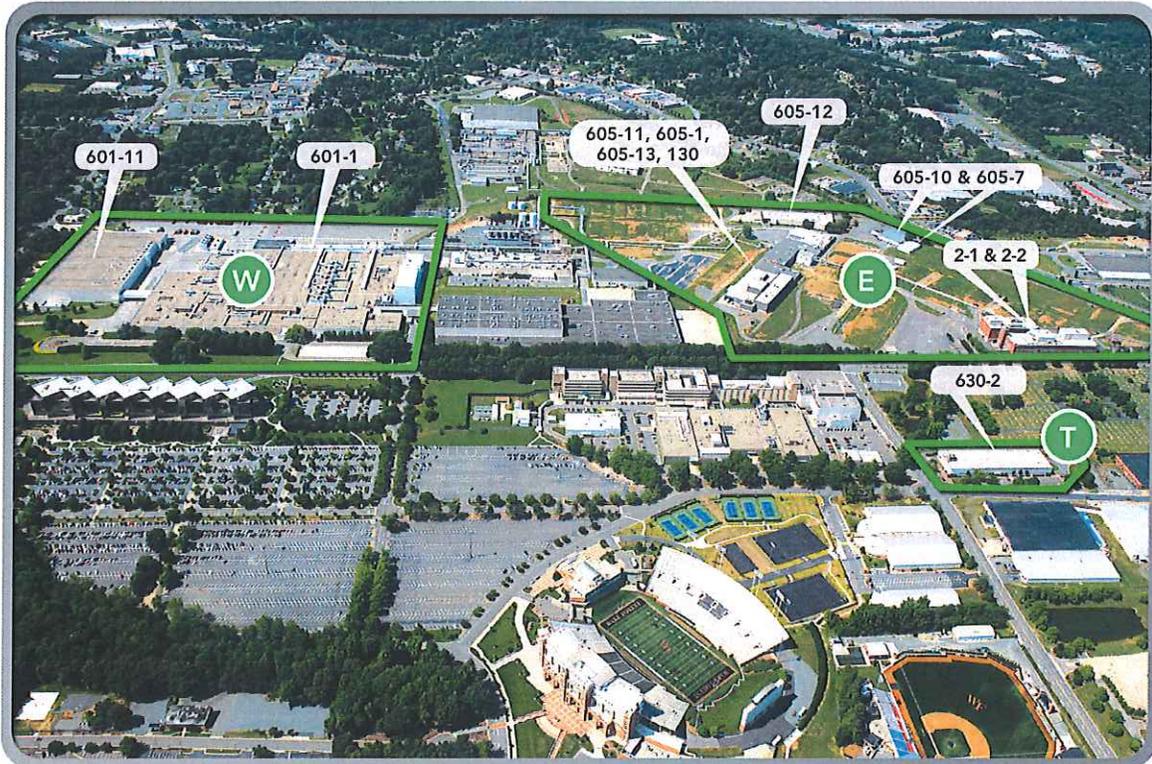


Whitaker Park Master Plan - Existing Conditions



WALTER
ROBBS
CALLAHAN
& PIERCE
ARCHITECTS PA

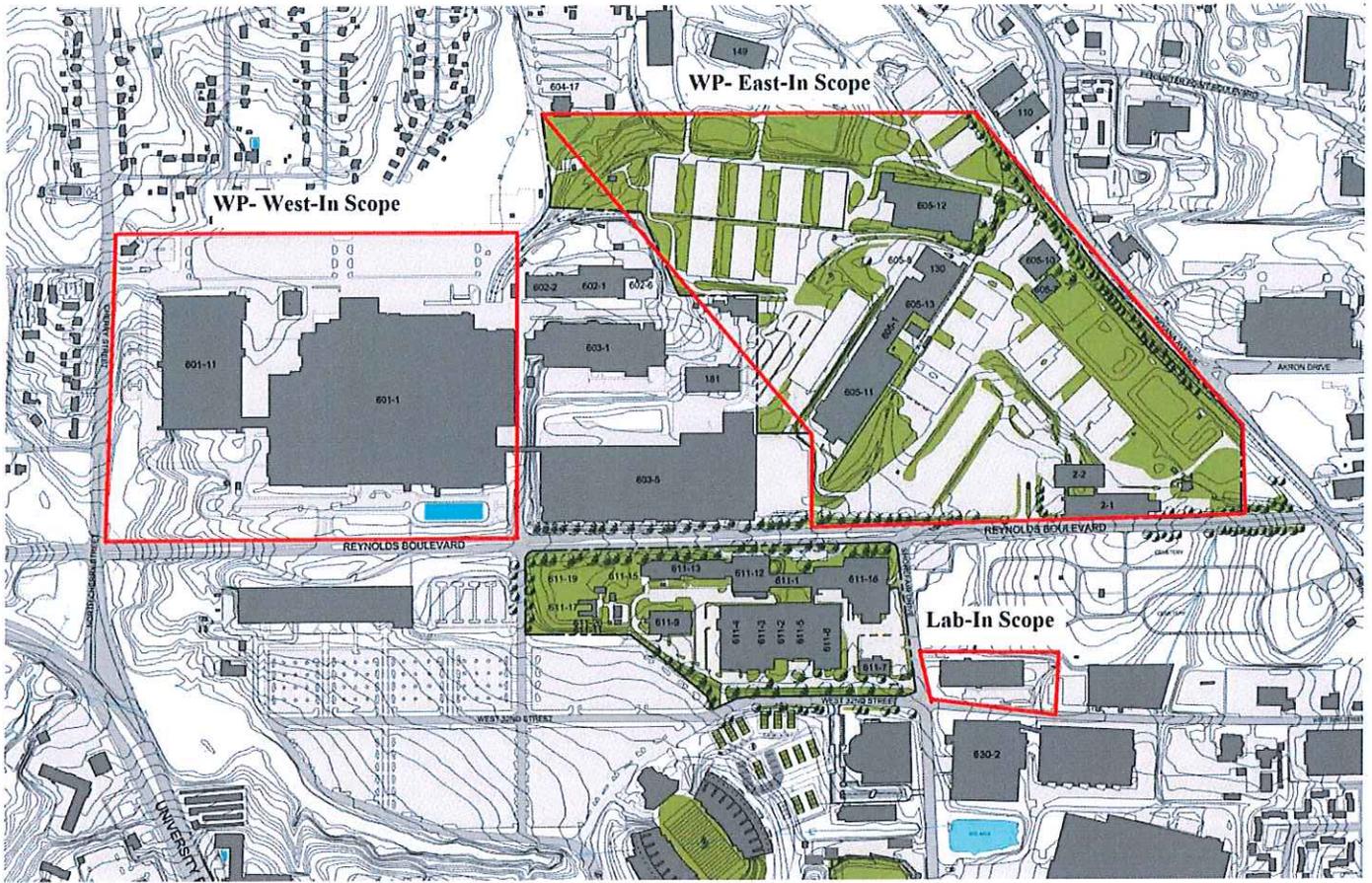
EXHIBIT B



WHITAKER PARK

(Available Summer of 2016)

W	Whitaker Park West	AVAILABLE SQ. FT.
	BUILDINGS: 601-1: Manufacturing	851,250
	601-11: Export and Surplus Mach. Storage	426,800
E	Whitaker Park East	AVAILABLE SQ. FT.
	BUILDINGS: 605-7 & 605-10: Utility Maint. & Personal Comp.	26,450
	605-12: Export Central Flavor & Adhesive	95,000
	2-1 & 2-2: Product Recovery	215,325
	605-11, 605-1, 605-13, 130	248,513
T	Toxicology Lab	AVAILABLE SQ. FT.
	BUILDING: 630-2: Toxicology	50,000



<i>Lab-In Scope</i>	Available Sq. Ft.
630-2: Toxicology	50,000
	*Available Spring of 2015
<i>West-In Scope</i>	Available Sq. Ft.
601-1: Manufacturing	851,250
601-11: Export and Surplus Mach. Storage	426,800
	*Available Summer of 2016
<i>East-In Scope</i>	Available Sq. Ft.
605-7 & 605-10: Utility Maint. & Personal Comp.	26,450
605-12: Export Central Flavor & Adhesive	95,000
2-1 & 2-2: Product Recovery	215,325
605-11, 605-1, 605-13, 130	248,513
	*Available Summer of 2016



**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2015-2016 be amended to transfer 2014 General Obligation Bonds for Whitaker Park.

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on July 20, 2015, August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, December 21, 2015, January 19, 2016, and February 15, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

Capital Projects Fund

Economic Development Projects	
Economic Development Sites/Infrastructure 2014 GO Bonds	-\$4,000,000
Whitaker Park	4,000,000
Total Capital Projects Fund Expenditures	\$0

SECTION 2. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:

Consideration of a Resolution Authorizing the Sale of the Center City West Parking Deck and the Holly Avenue Surface Parking Lot Under the Upset Bid Procedure (N.C.G.S. 160A-269) (Northwest Ward)

Summary of Information:

The City owns the Center City West Parking Deck located at 650 West Fourth Street and the Holly Avenue surface parking lot located in the 600 block of Holly Avenue, both of which are surplus to the City’s needs. The deck was built in 1995 and contains 730 parking spaces. The deck is further described as Tax Pin’s 6835-06-0641, 6835-06-1641, and 6835-06-2653. The surface lot contains 41 parking spaces and is described as Tax Pin 6835-06-1463.

The City Council at its January 19, 2016 meeting approved the sale of the deck and lot to Tight Lines Partners, LLC, 751 West Fourth Street, Winston-Salem, NC 27101 for the sum of \$2,050,000 subject to the conditions in the attached Exhibit A and the upset bid procedure of N.C.G.S. 160A-269.

Following the advertisement for upset bids, the following bids were received:

- February 4, 2016 Grubb Properties
 4601 Park Road, Suite 450
 Charlotte, NC 28209
 submitted higher offer of \$2,152,550

- February 18, 2016 Club Oaks Partners, LLC
 120 Club Oaks Court
 Winston-Salem, NC 27104
 submitted higher offer of \$2,275,000

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____
Remarks:	_____		

After the end of the upset bid period the high bidder of record, Club Oaks Partners, LLC entered into a collaborative agreement with the original bidder, Tight Lines Partners, LLC to create a joint venture between the two companies called City Center West Associates, LLC. City Center West Associates, LLC will be assigned the high bid of \$ 2,275,000 by Club Oaks Partners, LLC and the new entity will satisfy all of the conditions of purchase, as previously agreed and directed by City Council.

The attached resolution authorizes the assignment of the bid purchase of \$2,275,000 from Club Oaks Partners, LLC, the ultimate high bidder pursuant to N.C.G.S. 160A-269 and the January 19, 2016 resolution of the City Council, to City Center West Associates, LLC and also authorizes the sale of the Center City West Parking Deck and the Holly Avenue surface parking lot, Tax PINs 6835-06-0641, 6835-06-1641, 6835-06-2653, and 6835-06-1463 to City Center West Associates, LLC Winston-Salem, NC 27104 for \$2,275,000 subject to the conditions set forth in Exhibit A.

RESOLUTION AUTHORIZING THE SALE OF THE CENTER CITY WEST PARKING DECK AND THE HOLLY AVENUE SURFACE PARKING LOT UNDER THE UPSET BID PROCEDURE (N.C.G.S. 160A-269)

WHEREAS, the City owns the Center City West Parking Deck located at 650 West Fourth Street and the Holly Avenue surface parking lot located in the 600 block of Holly Avenue, both of which are surplus to the City’s needs; and

WHEREAS, the deck is further described as Tax Pin’s 6835-06-0641, 6835-06-1641, and 6835-06-2635 and the surface lot is described as Tax Pin 6835-06-1463; and

WHEREAS, the City Council at its January 19, 2016 meeting approved the sale of the deck and lot to Tight Lines Partners, LLC, 751 West Fourth Street, Winston-Salem, NC 27101 for the sum of \$2,050,000 subject to the conditions in the attached Exhibit A and the upset bid procedure of N.C.G.S. 160A-269; and

WHEREAS, following the advertisement for upset bids, the following bids were received:

- | | |
|-------------------|--|
| February 4, 2016 | Grubb Properties
4601 Park Road, Suite 450
Charlotte, NC 28209
submitted higher offer of \$2,152,550 |
| February 18, 2016 | Club Oaks Partners, LLC
120 Club Oaks Court
Winston-Salem, NC 27104
submitted higher offer of \$2,275,000 |

NOW, THEREFORE, BE IT RESOLVED THE that the Mayor and the City Council of the City of Winston-Salem, upon recommendation of the Finance Committee, that the City Council authorizes the assignment of the bid purchase of \$2,275,000 from Club Oaks Partners, LLC, the ultimate high bidder pursuant to N.C.G.S. 160A-269 and the January 19, 2016 resolution of the City Council to City Center West Associates, LLC.

BE IT FURTHER RESOLVED that the Mayor and the City Council of the City of Winston-Salem, upon recommendation of the Finance Committee, that the City Council authorizes the sale of property herein referenced as the Center City West Parking Deck and the Holly Avenue surface parking lot, as well as the assignment of all leases relating to the same, having been offered in accordance with the provisions of N.C.G.S. 160A-269, and a January 19, 2016 resolution of the City Council, be approved to City Center West Associates, LLC for the sum of \$2,275,000 subject to the conditions set forth in Exhibit A.

BE IT FURTHER RESOLVED that the appropriate City officials are hereby authorized to execute instruments required to complete the conveyance of the Center City West Parking Deck and the Holly Avenue surface parking lot to City Center West Associates, LLC, as stated herein, all such instruments to be in a form approved by the City Attorney.

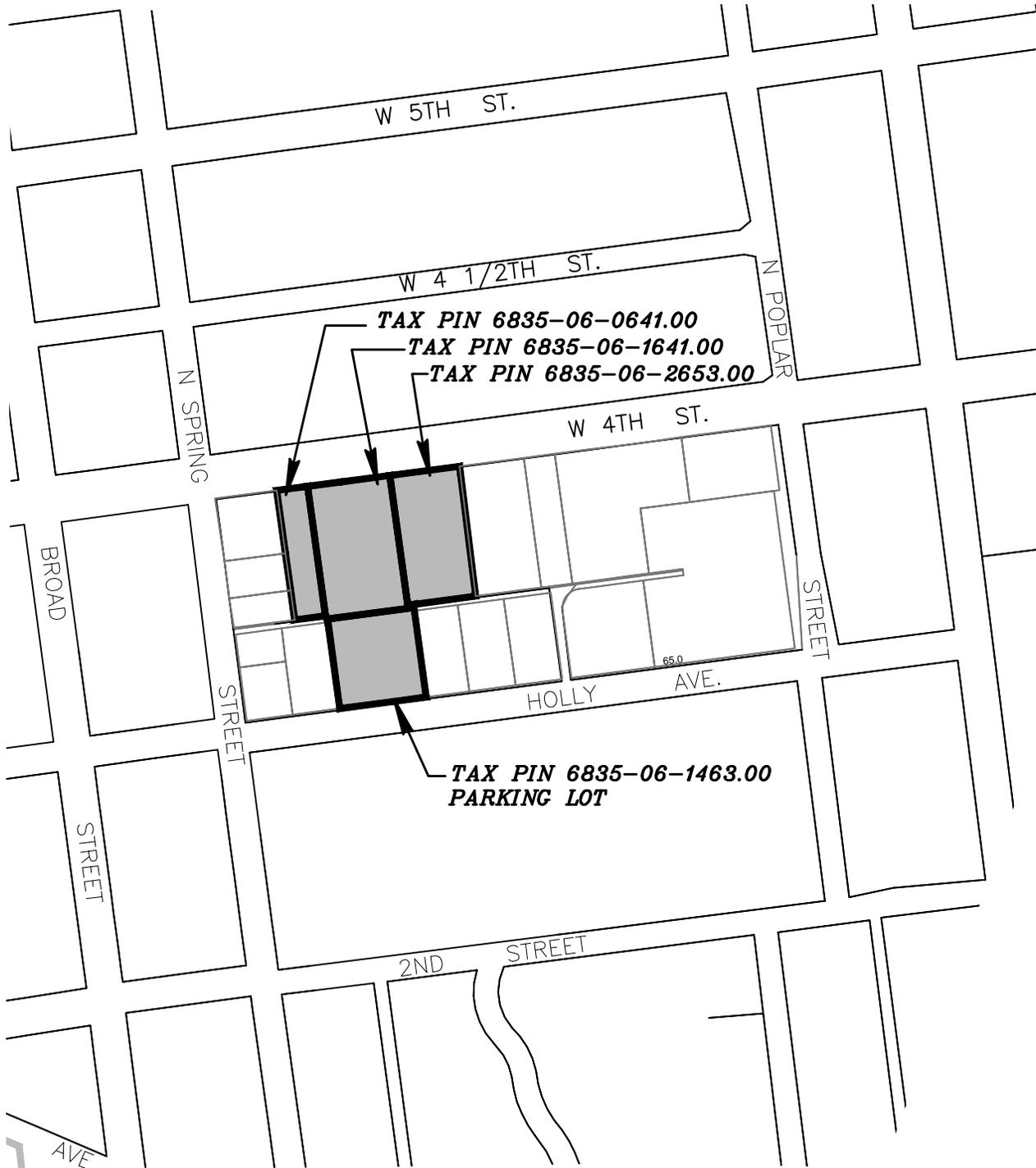
EXHIBIT A

MINIMUM REQUIREMENTS FOR A PURCHASE RECOMMENDED BY FINANCE COMMITTEE

Requirements

Purchase Price	\$2,050,000
Closing Date	The purchaser shall close on the property within 90 days unless there are extenuating circumstances in which case the City Attorney, upon finding such and notification to City Council, may extend the 90 day closing requirement by 30 days.
New Taxable Development	\$21,000,000
Time Allowance for New Development	4 years
Maximum Distance to New Development	2,000 feet
Work Force Housing	If a new development includes a residential component then, for a period of 15 years, at least 20% of that residential component must be designated for residents whose annual income is equal to or less than 80% of the area median income for a family of four for a two bedroom unit. The units must be built to the standard of the N. C. State Building Code.
Reserved Public Spaces	66
Period or Term Spaces Are Reserved for Public	20 years
Holly Avenue Lot	Reserve all 41 spaces for public use unless the lot is developed. Redevelopment of this lot restricted to residential development.
Baseball Parking	Holly Avenue lot to serve as Baseball Stadium Parking when needed unless it is developed as residential development.
Long Term Lease	Existing Long Term lease with Wells Fargo will be transferred to purchaser who should include any revenue from this lease in their offer price.
Future Use Limitation	The buyer shall obtain prior approval of the Winston-Salem City Council for any subsequent sale or transfer of the Center City West Parking Deck and Holly Avenue surface lot, as now known and as may be known in the future, that occurs on or before January 1, 2021, which approval shall not be unreasonably withheld.

PROPOSED SALE 650 W FOURTH STREET



CENTER CITY PARKING DECK

NOT TO
SCALE



**RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER
TO CONDUCT DUE DILIGENCE WORK ON THE LUCIA SITE FOR PURPOSES
OF A ECONOMIC DEVELOPMENT SITE ANCHORED BY A COUNTY
LIBRARY BUILDING**

WHEREAS, the City has invested \$2,200,000 in improvements to the old Lucia manufacturing factory on Waughtown Street to establish a Police District building; and

WHEREAS, the City has been approached about doing additional development on this site where this development would include both a library and a commercial component; and

WHEREAS, a preliminary cost estimate for this project indicates the cost may be approximately \$1,000,000; and

WHEREAS, Forsyth County is considering partnership agreements with two towns in the County where in the town acquires the land for a library and the County builds and operates the building; and

WHEREAS, this project proposes a similar agreement with the County for a library; and

WHEREAS, there is a need to perform additional due diligence work on the cost estimate and structure of an agreement with the County.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council does hereby authorize and direct the City Manager to conduct due diligence work on this development concept.



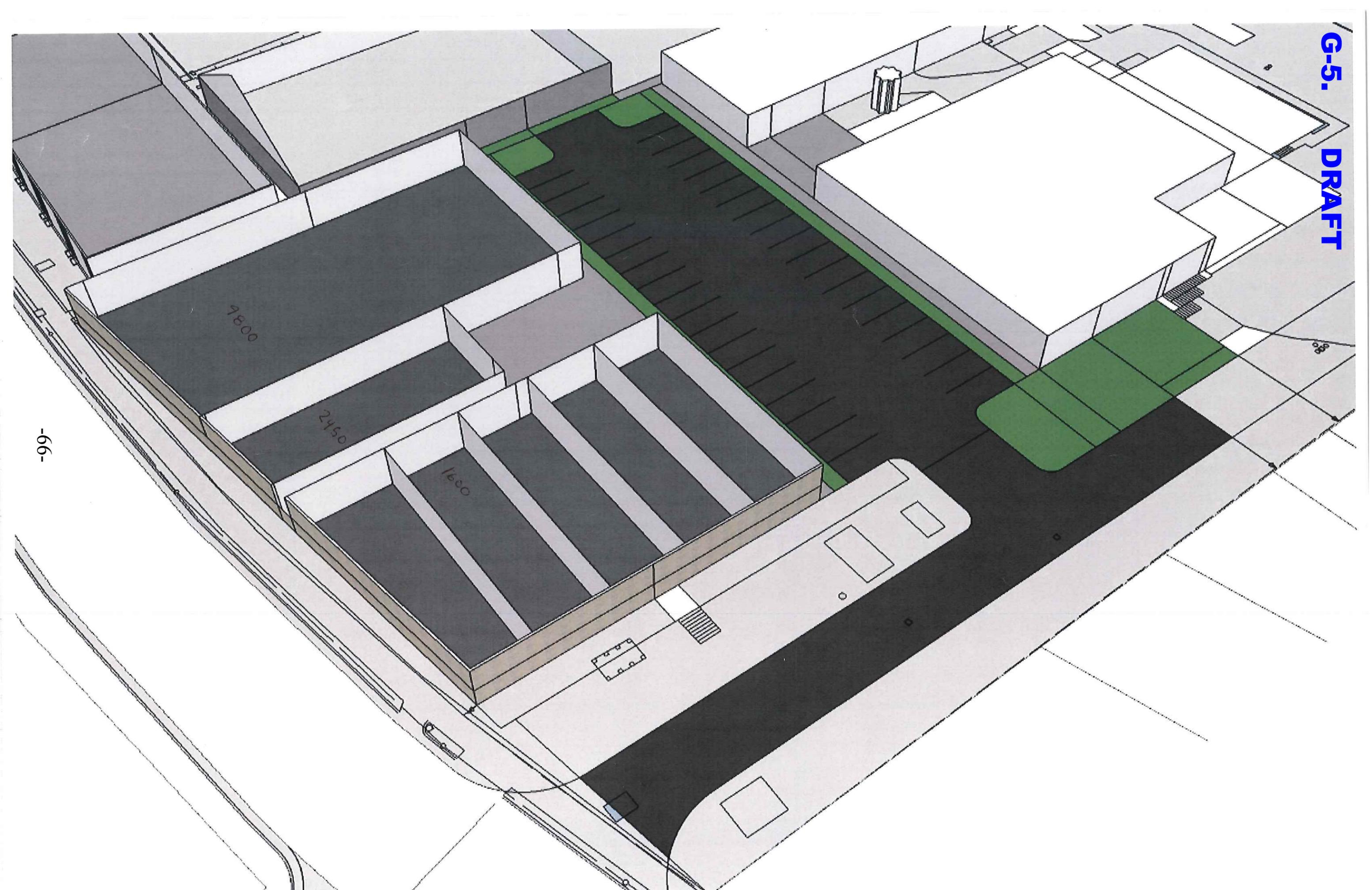
-63-

G-5.

DRAFT



PROPOSED LIBRARY SITE



Memorandum



Winston-Salem

Community and Business
Development Department

P.O. Box 2511
Winston-Salem, NC 27102
CityLink 311 (336.727.8000)
Fax 336.727.2878

TO: Mayor Joines and City Council Members
FROM: D. Ritchie Brooks, Director
DATE: March 14, 2016
SUBJECT: Ujima CDC Emmanuel Retirement Village
CC:

The City has received a request for assistance from Ujima Community Development Corporation, Inc. (CDC) to construct a 50-unit planned senior housing rental development on Barbara Jane Avenue, to be known as Emmanuel Retirement Village.

The development will consist of a two-story multi-family structure containing 28 one-bedroom units, eleven duplex structures containing 22 two-bedroom units, and a community center for use of the complex's residents and surrounding community. Unit size will be 684 square feet (s.f.) for the one-bedroom units and 960 s.f. for the two-bedroom units. Market rate rents will be \$899 per month for a one-bedroom unit and \$950 per month for a two bedroom unit. Staff discussed with the CDC City Council's desire to expand workforce housing opportunities throughout the City, and the CDC has agreed to set aside 10% of the 50 units for households earning 80% of the area median income, consisting of three one-bedroom units renting for \$784 per month and two two-bedroom units renting for \$899 per month. These affordability restrictions on the units will be recorded as a deed restriction to ensure compliance.

Ujima CDC was incorporated in 2005. It is run by a volunteer board of directors and received capacity building and funding support from the Winston-Salem Community Development Support Collaborative (The Collaborative disbanded June 30, 2015.). Since the CDC's offices are in the Enterprise Center, it receives services from that program also. The CDC provided three years of audited financial statements, which show an operating budget of approximately \$20,000 per year that is derived primarily from grants and also small contributions. It appears that there is no line of credit or working capital.

The Emmanuel Retirement Village is the CDC's first project. The CDC has used a development consultant to assist with financial feasibility and predevelopment activities and plans to use a local architect as the construction project manager. The City awarded the CDC a \$70,550 grant in FY13 to assist with predevelopment activities, such as preparation of surveys, drawings, and plans.

CityLink311

Call 311 or 336-727-8000
citylink@cityofws.org

City Council: Mayor Allen Joines; Vivian H. Burke, Mayor Pro Tempore, Northeast Ward; Denise D. Adams, North Ward; Dan Besse, Southwest Ward; Robert C. Clark, West Ward; Molly Leight, South Ward; Jeff MacIntosh, Northwest Ward; Derwin L. Montgomery, East Ward; James Taylor, Jr., Southeast Ward; City Manager: Lee D. Garrity

Projected total project cost is \$5,481,408, and funding sources would consist of bank financing and the requested City financing of \$2,500,000, as outlined below.

Bank Interim/Construction Loan	\$2,981,408
City Deferred/Forgiven Loan	500,000
City Loan	<u>2,000,000</u>
Total	\$5,481,408

A local bank is considering an interim/construction loan of up to \$3,000,000 for the project. The loan may only be used for construction costs. The loan is a five-year loan, and the CDC would refinance at that time. The City's financing would be subordinate to the interim/construction loan, and the City would agree to subordinate to the new permanent financing, subject to the City reviewing the terms of the new loan to assure that the borrower would be able to make payments on both the City loan and the new loan.

As City funds are provided as "gap" financing, the final rate and terms will be backed into upon completion of the financing package, and as determined by the requirements of the first mortgage loan. The CDC's request does not include debt service. Staff would support \$500,000 as a deferred loan at no interest that is forgiven after 15 years. A typical City loan for a market-rate project would be for 20 years at 2% interest. However, a \$2,000,000 loan with these terms would not meet the City's minimum debt coverage ratio of 1.15. A \$1,000,000 loan at 2% interest, deferred for three years and then a 40-year term, and a \$1,000,000 loan at 0% interest, deferred and due on sale or transfer of the property would be feasible. Since the bank loan would only pay for construction, the City's funds would be available for any project cost and could be disbursed throughout the project. If cost overruns were to occur, it is unlikely the CDC would be able to find a source of funds to cover them, and additional funds from the City would be required.

The proposed fund source is 2014 General Obligation Bond funds. The voters approved \$6,000,000 for housing/neighborhood development, of which \$2,500,000 is 41.7%. A total of \$5,350,000, or 89.2%, of the housing/neighborhood development bonds would be approved for Emmanuel Retirement Village, 757 North, and the Pepper Building.

G-7. DRAFT

If City Council approves these recommendations, the amounts will be included in the Budget for Fiscal Year Ended 2017.

During the presentation at the February Finance Committee, members asked several questions about cash and investments, debt outstanding and financial vendors engaged by the Financial Management Services Department of the City. Exhibit B attached includes detailed reports.

**RESOLUTION ADOPTING FINANCIAL POLICIES AND RECOMMENDATIONS
REGARDING CITY FUNDS FOR THE CITY OF WINSTON-SALEM**

WHEREAS, February 17, 2014 the City Council adopted financial policies; and

WHEREAS, under City Council’s guidance, the practices and policies have enabled the City to attain and maintain “AAA” credit ratings from all three credit rating agencies since 1999; and

WHEREAS, the financial policies include a fund balance policy of maintaining an unassigned general fund balance equivalent to 12.5% of estimated expenditures; and

WHEREAS, the City’s unassigned fund balance increased by \$2,894,437 in fiscal year 2015; and

WHEREAS, it is recommended to revise the financial policies to include a fund balance policy of maintaining an unassigned general fund balance equivalent to 14% of estimated expenditures; and

WHEREAS, it is recommended to include in the financial policies a transfer of the annual increase in unassigned fund balance to the Housing Financing Assistance Fund and Economic Development Projects Fund an amount equal to 25% of the annual increase to each fund and the remaining 50% would be available in general fund for appropriation.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council, that the attached financial policies and recommendations regarding City funds are adopted.

BE IT FURTHER RESOLVED that this resolution shall become effective on the date of its adoption.

March 2016

Financial Policies

City of Winston-Salem
Financial Management Services
Winston-Salem, North Carolina

Table of Contents

	<i>Page</i>
OPERATING BUDGET & FUND BALANCE POLICIES	1
Introduction.....	3
Operating Budget Policy.....	3
Revenue Policy	4
Expenditure Policy.....	5
Reserve and Fund Balance Policy.....	6
ASSET/LIABILITY MANAGEMENT POLICIES	9
Introduction.....	11
Capital Investment	11
Debt Policy.....	12
Cash Management and Investment Policy.....	14
ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICY.....	17
APPENDICES	21
Appendix 1 Swap Policy.....	23
Appendix 2 Investment Policy.....	29
Appendix 3 Winston-Salem Police Officers’ Retirement System Funding Policy	39

OPERATING BUDGET & FUND BALANCE POLICIES

OPERATING BUDGET & FUND BALANCE POLICIES

Introduction

The City of Winston-Salem maintains comprehensive financial policies that cover a broad range of the elements of the City's financial plans and financial systems and support the management of overall financial resources. These policies are intended to:

1. Expand and diversify sources of revenue other than property taxes;
2. Maintain relatively low property taxes;
3. Facilitate capital improvements by maintaining adequate resources and reasonable financing capacity;
4. Augment resources by astute cash management;
5. Enhance management techniques to improve productivity and efficiency;
6. Provide self-sufficient public services that are similar in operation to private enterprises;
7. To maintain the City's AAA credit ratings by meeting or exceeding the requirements of rating agencies through sound financial policies;
8. To maintain and increase investor confidence in the City and to provide credibility to the citizens of the City regarding financial operations;
9. To comply with the North Carolina Budget and Fiscal Control Act and the policies of the North Carolina Local Government Commission; and
10. Encourage the use of local revenue to provide basic services instead of depending upon uncertain federal and state sources.

The financial policies that follow have been compiled by City management and approved by City Council.

Operating Budget Policy

- a) The City's Annual Budget Ordinance will be balanced in accordance with the Local Government Budget and Fiscal Control Act (G.S. 159-8(a)) and adopted by each July 1 (G.S. 159-13(a)).
- b) Budgetary accounting will be used for management control of all funds of the City.
- c) Annual budget ordinances are adopted on the modified accrual basis at the fund level and amended as required for the operations of the general, debt service, certain special revenue, and proprietary funds.
- d) Project or program budgets spanning more than one fiscal year are adopted, and amended as required, for certain special revenue, capital projects, and proprietary capital improvements.
- e) Administrative control is maintained through the establishment of detailed line item budgets.
- f) Budget amendments to increase the expenditures of any fund or to transfer appropriations between functions, the legal level of budgetary control, require approval by City Council.

- g) City internal service funds operate under financial plans approved by City Council when the budget ordinance is adopted.
- h) City expenditures and collection of revenues against budget will be reported periodically to City departments, City management, and the City Council.
- i) All unencumbered budget appropriations, except project or program budgets lapse at fiscal year end.

Revenue Policy

- a) Ad Valorem Tax – As provided by the North Carolina Budget and Fiscal Control Act, estimated revenue from the Ad Valorem Tax levy will be budgeted as follows:
 - Assessed valuation will be estimated based upon historical trends and growth patterns in a conservative manner.
 - The estimated percentage of collection will not exceed the actual collection percentage of the preceding fiscal year, in accordance with State law.
 - The property tax rate will be set each year based upon the costs of providing general governmental services, meeting debt service obligations and building or maintaining any reserves or fund balances the Council deems necessary.
 - The Council committed to levy 5 cents of the base General Fund property tax rate beginning in fiscal year 1990-1991 as a funding source for the Debt Service Fund. The 5 cents shall be recalculated to an equivalent rate to generate the same dollar amount upon a revaluation of the property tax base.
- b) Economically Sensitive Revenues – The City has certain revenues, specifically occupancy and sales taxes, that can be adversely affected by regional and national economic conditions. Such revenues, while having the capability of substantial annual growth, will be budgeted in a conservative manner.
- c) User Fees may be established to cover the cost of services that can be individually identified and where costs are directly related to the provision of or to the level of service provided.
 - Emphasis on user fees results in the following benefits:
 - The burden on the Ad Valorem tax is reduced.
 - User fees are paid by all users, including those exempt from property taxes.
- d) Investment income is subject to variability based upon changes in prevailing interest rates, which cannot be predicted with certainty. Such revenue shall therefore be budgeted in a conservative manner within the Annual Budget Ordinance.
- e) The City is committed to seeking opportunities to invest in its programs and services by applying for grants from federal, state, and other outside agencies. The following guidelines shall be followed when considering any grant opportunities:

- Grant funding applications will be made after a grant has been evaluated for consistency with the City Council's goals and compatibility with City programs and objectives.
- All grant applications that require local matching funds and/or fund new positions shall be approved by the City Council prior to submitting the applications.
- All awarded grants can only be accepted by City Council action at which time the related budget shall be established. Recurring grants (e.g., HOME Investment Partnership Grants, Community Development Block Grants, etc.) that have been awarded in prior years are included in the project budget ordinance and adopted through the annual budget process.
- Grants that fund operating expenditures, including positions, but have a funding termination date must fully disclose that fact to the City Council prior to acceptance. Upon termination of the funding, City management will evaluate the benefit of funding those expenditures on an on-going basis with City funds and will make a recommendation to the City Council.
- The grant manager for each grant shall be the related department head. The grant manager is responsible for all grant monitoring, compliance, and reporting. The grant manager will provide copies of all documents to the Financial Management Services Department, which will maintain a grant file by fiscal year for each active grant.

Expenditure Policy

- a) Budgetary accounting is used for management control of all funds of the City. Annual Budget Ordinances are adopted on the modified accrual basis at the fund level and amended as required for the operations of the general, debt service, certain special revenue and proprietary funds.
- b) Project or program budgets spanning more than one year are adopted and amended as required for certain special revenue, capital projects, and proprietary capital improvements.
- c) Administrative control is exercised through the establishment of detailed line item budgets. Expenditure budgets shall be monitored throughout the fiscal year by department heads, the Financial Management Services Department, Budget Office and the City Manager. Budget compliance is the responsibility of the department head, Chief Financial Officer and the Budget Director.
- d) Budget amendments to total expenditures of any fund or between functions, which are the legal levels of budgetary control, require approval by the City Council. The City Manager or his designee is authorized to transfer appropriations within a fund or function.
- e) The budgeted expenditures for debt service for any variable rate debt or synthetic variable rate debt will be set to reflect the forecasted interest rate trend.

- f) For continuing contracts, funds will be appropriated in the Annual Budget Ordinance to meet current year obligations arising under the contract, in accordance with G.S. 160A-17.
- g) Payroll will be processed in accordance with the requirements of the Fair Labor Standards Act and IRS regulations. Overtime and benefit payments will be made in accordance with the City's Personnel Resolution.
- h) The City will utilize capital operating leases from the North Carolina Municipal Leasing Corporation for the procurement of equipment.
- i) The City will fund current expenditures with current resources and will strive to avoid balancing budgets utilizing one-time revenues.
- j) The City will employ the use of the carryover method for re-appropriating outstanding purchase orders and contracts as of the end of each fiscal year into the new fiscal year. The process shall be explained in detail in each year's budget ordinance.

Reserve and Fund Balance Policy

- a) In accordance with State Statute, appropriated fund balance in any fund will not exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts.
- b) The City's policy is to maintain a minimum unassigned fund balance of 14% of the estimated expenditures in the General Fund. These funds will be maintained to avoid cash flow interruptions, generate investment income, eliminate the need for short-term borrowing, and maintain the City's credit ratings. The annual increase to the unassigned fund balance will be transferred to the Housing Finance Assistance Fund and the Economic Development Projects Fund at 25% of the increase each in the following fiscal year.
- c) The City shall maintain a Debt Service Fund and all funds accumulated shall be used towards debt service, debt administration, and debt issuance. The City's policy is to maintain a minimum unassigned fund balance of 12.5% of the estimated expenditures in the Debt Service Fund.
- d) The City's goal is to maintain the following fund balances for internal service funds:
 - Workers' Compensation - a target fund balance of 1.0 times the operating expenditure budget to meet working capital needs and to serve as a reserve for catastrophic claims.
 - Health Benefits- a target fund balance of 12.5% of the operating expenditure budget to meet working capital needs and to serve as a reserve for catastrophic claims.
 - Dental and flex benefits - a target fund balance of 25% of the operating expenditure budget to meet working capital needs.
 - Fleet Services, Information Services, Central Warehouse and Employee Benefits – Rate charges should be established to be sufficient to cover

operating and debt service budgets. These funds will not accumulate a fund balance except to cover outstanding encumbrances at year-end. Any operating deficits will be charged out to the city departments as part of the normal year-end closing process

The City reserves the ability to retain some portion of any excess operating fund balance over the target range, from the preceding fiscal year for other purposes in a particular fiscal year.

- e) The City will maintain the following enterprise fund cash reserves, which are defined as a fund's cash and investments exclusive of bond proceeds:
- Water and Sewer Utility – a target cash reserve of 1.0 times the operating and debt service expenditure budget to meet working capital needs, fund pay-as-you-go capital spending needs, maintain revenue bond coverage requirements and serve as a hedge to variable rate debt.
 - Solid Waste Management – in addition to reserves legally required for closure and post-closure costs, a target cash reserve of 0.5 times the operating and debt service expenditure budget to meet working capital needs and fund pay-as-you go capital spending needs.
 - Stormwater Management – a target cash reserve of 2.0 times the operating and debt service expenditure budget to meet working capital needs and fund pay-as-you go capital spending needs.
 - Fairgrounds – a target cash reserve of 0.5 times the operating and debt service expenditure budget to meet working capital needs and fund pay-as-you go capital spending needs.

Any excess operating cash reserves over the target range, from the preceding fiscal year if any, may be used as a pay-as-you-go source for capital needs. The City reserves the ability to retain some portion of this excess, if needed, for other purposes (if legally permitted) in a particular fiscal year. The City will maintain cashflow modeling for all enterprise funds to assist in setting rates and user fees and capital improvement funding needs.

ASSET/LIABILITY MANAGEMENT POLICIES

ASSET/LIABILITY MANAGEMENT POLICIES

Introduction

1. The City will seek to incorporate investment and debt structuring decisions with the goal of using each side of the balance sheet to mitigate, or hedge, cash flow risks posed by the other side of the balance sheet.
2. The City considers short-term investments to be effective hedges to variable rate debt because movements in interest rates should have offsetting impacts upon both.
3. The Chief Financial Officer is designated to monitor and report on financial market conditions and their impact on performance of debt, investments, and any interest rate hedging products implemented or under consideration.
4. The Chief Financial Officer is designated as the individual responsible for negotiating financial products and coordinating investment decisions for debt structure. The Chief Financial Officer is designated as the individual responsible for recommending debt structure to the Council.
5. The City will pay the annual required contribution for its pension and other post-employment benefits, as determined by an independent actuary, to ensure its obligations to retired employees are met on a timely basis. A Funding Policy for the Winston-Salem Police Officers' Retirement System is attached.

Capital Investment and Debt Policy

Capital Investment Policy

- a) The City will update and readopt annually a six-year capital improvements plan (CIP) which projects capital needs and details the estimated costs, description and anticipated funding sources for capital projects.
- b) The CIP will be updated on an annual basis in conjunction with the annual operating budget process.
- c) The first year of the six-year CIP will be the basis of formal fiscal year appropriations during the annual budget process.
- d) The CIP will generally address those capital assets with a value of \$50,000 or more and a useful life of ten years or more.
- e) The City acknowledges pay-as-you-go as a capital financing source, but will ultimately determine the most appropriate financing structure for each capital project on an individual basis after examining all relevant factors of the project.
- f) The City will maintain a target funding of at least 10% of its Utility Fund operating budget from the budget of the fiscal year most recently ended as pay-as-you-go capital financing reserves.

- g) The capitalization threshold for fixed assets shall be \$5,000. The threshold will be applied to individual fixed assets and not to groups of fixed assets. Fixed assets will only be capitalized if they have a useful life of at least two years following the date of acquisition. A physical inventory of capitalized fixed assets will be performed, either simultaneously or on a rotating basis, so that all fixed assets are physically accounted for at least once every two years.

Debt Policy

- a) The City utilizes various financing techniques to assist in the funding of capital improvements and equipment purchases. Debt may be incurred for financing capital assets that, because of their long-term nature or because of budgetary restraints, cannot be acquired from current or budgeted resources. Debt will not be used for operational needs.
- b) In accordance with the Capital Improvement Program, planned issuance of financing includes: two-thirds general obligation bonds; general obligation bonds to be authorized by bond referenda; leasing through the North Carolina Municipal Leasing Corporation; special obligation bonds, revenue bonds for storm water and water and sewer utilities; limited obligation bonds; mortgages for housing development or any other financing instrument allowed under North Carolina law.
- c) The City will seek to structure debt and to determine the best type of financing for each financing need based on the flexibility needed to meet project needs, the timing of the project, taxpayer or rate payer equity, and the structure that will provide the lowest interest cost in the circumstances.
- d) A debt service fund is maintained to provide for the accumulation of resources and the payment of debt service for non-utility debt.
- e) Debt service models are maintained for utility and non-utility debt (serviced by the Debt Service Fund) which identifies resources available for current and future payment of principal and interest on all outstanding debt. Projections must be made prior to the issuance of additional debt which will clearly identify the impact of future debt service and the adequacy of designated resources. Requirements for future increases of designated resources must be included in the decision-making process for authorization of additional debt.
- f) Debt financing will be in the City Council's review and approval of the CIP.
- g) New debt issued by the city may be for varying maturity terms depending upon: (1) the expected life of the asset being financed; (2) the existence of cash and investment balances which may be used to reduce the overall cost of capital improvements.
- General Obligation debt will normally have a term of 20 years or less.
 - Other General Government debt will normally have a term of 20 years, debt that deals in areas of economic development, downtown development and other similar purposes may have up to a 25 year term.

- Utility (Water/Sewer) debt will normally have a term of 30 years or less and a target average maturity of no more than 20 years.
- h) Debt Service coverage for Water/Sewer Revenue bonds will be maintained in a range, with the lower end of the range approximating 1.20 to 1.50 times.
- i) Debt Service coverage for Stormwater Revenue Fee bonds will be maintained in a range, with the lower end of the range at a minimum of 2.0 times.
- j) Debt Affordability:
- The net general obligation debt of the City, as defined in G.S. 159-55, is statutorily limited to eight percent of the assessed valuation of the taxable property within the City. The City will utilize a self-imposed ceiling of 4%.
 - Annual general governmental debt service as a percentage of the general governmental expenditure budget will be targeted at 15% to 20%.
 - The City will not allow the amount of general obligation debt per capita to exceed \$1,000.
 - The City will amortize 50% or more of its General Obligation debt principal, on a moving average basis, within ten years.
 - The City will incorporate the use of variable rate debt as allowed by the Debt Management Section of the Local Government Commission, into its debt structure. Variable rate debt shall not exceed 20% of the City's total, non-Utility debt outstanding. Variable rate debt shall not exceed 30% of Utility fund debt outstanding.
 - The City will monitor the municipal bond market for opportunities to obtain interest rate savings by refunding by forward delivery, currently refunding or advance refunding outstanding debt. The estimation of net present value savings for a traditional fixed rate refunding should be, at a minimum of 3% of the refunded maturities before a refunding process begins. The estimation of net present value savings for a synthetic fixed rate refunding should be, at a minimum, in the range of 5% to 6% of the refunded maturities before a refunding process begins. Advance refunding should not be performed if the negative arbitrage is more than 25% of the Net Present Value of the refunding savings.
 - The City will strive to retain its AAA (the highest possible bond ratings) in order to minimize the City's interest costs. The City will also strive to retain no less than AA+ bond ratings on all Utility Fund debt issues.
 - The City will normally obtain three debt ratings (Fitch Ratings, Moody's, Standard & Poor's) for all publicly sold debt issues.
 - The City recognizes the significance of the debt portfolio and the need for the ability to properly manage and maintain that portfolio. The Chief Financial Officer will develop and maintain a current model of all debt utilizing appropriate software.
 - Interest Rate Swap Agreements may be a part of the City's borrowing strategy in conformance with the attached swap policy, general market

conditions, City liquidity and ability to manage swap risk and other similar strategies.

Cash Management and Investment Policy

a) Receipts

- Cash receipts will be collected as expeditiously as reasonably possible to provide secure handling of incoming cash and to move these moneys into interest bearing accounts and investments.
- All incoming funds will be deposited daily as required by State law.
- The Internal Audit Department is responsible for conducting at least two random or risk based internal audits of cash receipting locations per fiscal year.

b) Cash Disbursements

- The City’s objective is to retain monies for investment for the longest appropriate period of time.
- Disbursements will be made timely on the agreed-upon contractual date of payment unless earlier payment provides greater economic benefit to the City.
- Inventories and supplies will be maintained at minimally appropriate levels for operations in order to increase cash availability for investments purposes.
- The Chief Financial Officer’s or City Treasurer’s signature is required for City checks. Electronic signature of checks is approved via secured software.

c) Investment Policy

- Policy
It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow requirements of the City and conforming to all State statutes governing the investment of idle funds. The City’s Investment Policy is included as Appendix 2.
- Internal Control
The Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met.

- **Collateralization**

North Carolina General Statutes allow the State Treasurer and the Local Government Commission to prescribe rules to regulate the collateralization of public deposits in North Carolina banks. These rules are codified in the North Carolina Administrative Code – Title 20, Chapter 7 (20 NCAC 7). The Pooling Method of collateralization under 20 NCAC 7 allows depositories to use an escrow account established with the State Treasurer to secure the deposits of all units of local government. This method transfers the responsibility for monitoring each bank’s collateralization and financial condition from the City to the State Treasurer. The City will only maintain deposits with institutions using the Pooling Method of collateralization.
- **Pooled Cash and Allocation of Interest Income**

All moneys earned and collected from investments other than bond proceeds will be allocated monthly to the various participating funds and component units based upon the average cash balance of each fund and component unit as a percentage of the total pooled portfolio. Earnings on bond proceeds will be directly credited to the same proceeds. Investment earnings from all general governmental funds shall be allocated to the Debt Service Fund.
- **Software**

The City recognizes the significance of the size of its investment portfolio and of the requirements contained in this policy. The City will utilize investment software that enables efficient transaction processing and recording, sufficient portfolio monitoring and the ability to maintain reporting compliance with this policy.

**ACCOUNTING, AUDITING, AND FINANCIAL
REPORTING POLICY**

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICY

1. The City will maintain accounting systems in compliance with the North Carolina Local Government Budget and Fiscal Control Act and enable the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The basis of accounting within governmental funds will be modified accrual.

The basis for accounting within all Enterprise and Internal Service Funds will be the accrual basis.
2. Financial systems will be maintained to enable the continuous monitoring of revenues and expenditures or expenses. Monthly expenditure/expense reports will be provided to each director and department head for their functional area and online, real time, view only, access to the financial system will be made available to department heads and other staff as much as practical.
3. The City will place emphasis on maintenance of an accounting system which provides strong internal budgetary and financial controls designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, as well as the accountability of assets.
4. An annual audit will be performed by an independent certified accounting firm that will issue an opinion on the annual financial statements as required by the North Carolina Local Government Budget and Fiscal Control Act.
5. The City will solicit proposals from qualified independent certified public accounting firms for audit services. The principal factor in the audit procurement process will be the auditor's ability to perform a quality audit. The City will enter into a multiyear agreement with the selected firm for a period of three fiscal years. Firms are not barred from consecutive contract awards.
6. The Financial Management Services Department will conduct on an annual basis internal audit reviews, specifically focusing upon cash receipts procedures.
7. The City will prepare a Comprehensive Annual Financial Report (CAFR) in compliance with established criteria to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and will be submitted to that award program each year.
8. Full and complete disclosure will be provided in all regulatory reports, financial statements and debt offering statements.
9. The Financial Management Services Department will develop and maintain a Financial Procedures Manual as a central reference point and handbook for all financial, accounting and recording procedures.
10. The Information Systems Department will establish, document and maintain a Computer Disaster Recovery Plan and will provide for the daily backup of data and the offsite storage of the same.

APPENDICES

APPENDIX 1

SWAP POLICY

Purpose

Interest rate Swap Agreements can be an integral part of the City's asset/liability and debt management strategy. The City shall not enter interest rate swaps for speculative purposes. This policy will govern the use by the City of Winston-Salem, North Carolina of Swap Agreements.

Definitions

Chief Financial Officer - person serving as the responsible finance officer of the City.

City - City of Winston-Salem, North Carolina.

City Manager - the person serving as the City Manager of the City.

Swap Agreement - written contract entered into in connection with debt issued or to be issued by or on behalf of the City in the form of a rate swap agreement, basis swap agreement, forward rate agreement, interest rate option agreement, rate cap agreement, rate floor agreement, rate collar agreement, swaption, option, derivative, synthetic instrument or other similar agreement, including any option to enter into or terminate any of the foregoing or any combination of such agreements.

Authority

The City Manager will be authorized to execute Swap Agreements upon recommendation by the Chief Financial Officer and approval by the City Council. Each Swap Agreement must be a written contract reviewed and approved by the City Attorney or his designee. Each Swap Agreement shall set forth, where applicable, the notional amount, security, payment, and all other financial terms of the Swap Agreement between the City and the qualified swap counterparties. The Swap Agreement shall also include the operative agreements, contracts, and other documents to be used in the transactions.

The Conditions under which Swap Agreements may be entered into**A. Purposes**

The City may use a Swap Agreement for the following purposes only:

- (a) To achieve significant savings as compared to a product available in the debt market.
- (b) To achieve more flexibility in meeting the City's overall financial objectives than can be achieved in conventional markets.

B. Guidelines:

Legality - City must receive an opinion acceptable to the market from a nationally recognized bond counsel law firm acceptable to the City Manager and the Chief Financial Officer that the Swap Agreement is a legal, valid and binding obligation of the City and entering into the transaction complies with applicable law and that the Swap Agreement is consistent with this policy. Swap Agreements must meet the requirements of the Local Government Commission of North Carolina.

Goals - Swap Agreement must clearly state the goals to be achieved through the swap transaction and must have execution parameters consistent with the stated goals.

Rating Agencies - Swap Agreement will conform to outstanding covenants made to credit enhancer, liquidity providers, surety providers, bondholders, and other creditors.

Impact on Variable Rate Capacity - Impact of the Swap Agreement on the City's variable rate debt capacity must be quantified prior to execution so as not to hinder the City's ability to issue variable rate bonds or commercial paper.

Explanation of Risks and Benefits - Swap Provider/Counterparty shall provide analysis necessary for the City's staff, in consultation with the City's financial advisor, to explain the costs, benefits, risks and other considerations regarding each particular Swap Agreement to the City Council as required.

Debt Constraint - Swap Agreement will not contain terms that restrict the ability of the City to comply with additional bonds tests or anti-dilution tests and will not create cross defaults to the City debt below prescribed threshold amounts.

Exit Strategy - Mechanics for determining termination values at various times and upon various occurrences must be explicit in the Swap Agreement and the City should obtain estimates from its Financial Advisor and/or the Counterparty of the potential termination costs which might occur under various scenarios and consider how such costs would be funded.

C. Aspects of Risk Exposure Associated with a Swap Agreement

Before entering into a Swap Agreement, the City shall evaluate all the risks inherent in the transaction. These risks to be evaluated could include counterparty risk, termination risk, rollover risk, basis risk, tax event risk, and amortization risk.

- 1) **Management of Swap Transaction Risk** - Certain risks will be created as the City enters into swap transactions with Counterparties. In order to manage the associated risks, guidelines and parameters for each risk category are as follows:
 - a) **Counterparty Risk** - Risk of Counterparty default can be reduced by limiting swap transactions between the City and any single Counterparty. In addition, the City may require the Counterparty to post collateral on a mark-to-market basis, in accordance with the guidelines under Collateral Requirements.
 - b) **Termination Risk** - Optional Termination: City shall have the right to optionally terminate a swap transaction at any time over the term of the swap transaction (elective termination right) at the then-prevailing market value of the swap. In general, exercise of the elective termination right should produce a benefit to the City, either through receipt of a payment from a termination, or if a termination payment is made by the City, in conjunction with a conversion to a more beneficial (desirable) financial arrangement for the City.
 - c) **Amortization Risk (Term)** - City shall consider the slope of the swap curve, the marginal change in swap rates from year to year along the swap curve, termination value and the impact that the term of the swap transaction has on the overall exposure of the City in determining the appropriate term of any swap transaction. Each swap transaction shall reflect as closely as possible the amortization of the underlying debt or shall be in place for no longer than the period of time that matching assets are available to hedge the transaction.
 - d) **Liquidity Risk** - City will consider if the swap market is sufficiently liquid (i.e., if enough potential Counterparties participate actively in the market to assure fair pricing) for the type of swap transaction being considered and the potential ramifications of an illiquid market for such types of swap transactions. The City may enter into liquidity or credit agreements with liquidity providers and/or credit enhancers to provide for issuance of variable rate debt if part of the synthetic structure of the swap.
 - e) **Basis (Index) Risk (including Tax Risk)** - Any index chosen as part of an interest rate swap transaction shall be a recognized market index, including but not limited to The Bond Market Association Municipal Swap Index (BMA) or London Interbank Offering Rate (LIBOR).

D. Counterparty Selection Criteria

City may enter into a Swap Agreement if the counterparty has at least two long-term, unsecured credit ratings in at least the double A category from by at least two of the nationally recognized rating agencies (Fitch Ratings, Moody's or S&P) and the counterparty has demonstrated experience in successfully executing Swap Agreements and has a minimum capitalization of \$50 million. The City may also enter into a Swap Agreement if the counterparty has at least two long-term, unsecured credit ratings in the single A category or better from Fitch Ratings, Moody's, or S&P only if (a) the counterparty either provides a guarantor or assigns the agreement to a party meeting the rating criteria in the preceding sentence or (b) the counterparty (or guarantor) collateralizes the Swap Agreement in accordance with the criteria set forth in this Policy and the transaction documents.

If the rating of the counterparty, or if secured, the entity unconditionally guaranteeing its payment obligations, does not satisfy the requirements of the Counterparty Selection Criteria, then the obligations of the counterparty will be collateralized by direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America and such collateral must be deposited with financial institution serving as a custodial agent for the City.

E. Collateral Requirements

Collateral posting requirements between the City and each swap Counterparty should not be unilateral in favor of the Counterparty. As part of the swap transaction, the City may require that collateral to secure any or all swap payment obligations be posted.

F. Form of Swap Transactions and Other Documentation

Each interest rate swap transaction shall contain terms and conditions as set forth in the International Swap Dealers Association, Inc. ("ISDA") Master Agreement and such other terms and conditions included in any schedules, confirmations and credit support annexes as approved in accordance with City's swap policy pertaining to that swap transaction.

In negotiated swap transactions, the Counterparty shall provide a disclosure memorandum that shall include an analysis, by the Counterparty and the City's financial advisor, of the risks and benefits of the transactions, with amounts quantified. This analysis should include, among other things, a matrix of maximum termination values over the life of the swap transaction. In negotiated transactions, the Counterparty shall also affirm receipt and understanding of City's Swap Policy, and shall further affirm that the contemplated transactions fit within the Swap Policy as described. Modification of Swaps: Each swap resolution should provide specific approval guidelines for the swap transactions to which it pertains. These guidelines may provide for modifications to the approved swap transactions, provided such modifications do not extend the average life of the term of the swap, increase the overall risk to the City resulting from the swap, or increase the notional

amount of the swap beyond pre-approved levels. The City officials authorized to execute Swap Agreements are solely the authorized officials who can approve or execute modifications to Swap Agreements.

G. Methods by which a Swap Agreement is to be procured

- 1) ***Negotiated Method*** - City may procure a Swap Agreement by a negotiated method under any of the following conditions:
 - (a) If the Chief Financial Officer makes a determination that, due to the size or complexity of a particular swap, a negotiated transaction would result in the most favorable pricing and terms
 - (b) If a derivative embedded within a refunding issue is proposed and meets the City's savings target and if the City receives a certification from an independent financial institution or financial advisor that the terms and conditions of the Swap Agreement provides the City a fair market value as of the date of its execution in light of the facts and circumstances without incurring speculative risk then the City may proceed with the refunding.
- 2) ***Competitive Method*** - City may also procure a Swap Agreement by competitive bidding. The competitive bid can limit the number of firms solicited to no fewer than three. The City may determine which parties it will allow to participate in a competitive transaction. In situations in which the City would like to achieve diversification of counterparty exposure, the City may allow a firm or firms not submitting the bid that produces the lowest cost to match the lowest bid. The parameters for the bid must be disclosed in writing to all potential bidders.

H. Long-Term Implications

In evaluating a particular transaction involving the use of Swap Agreement, the City shall review long-term implications associated with entering into the Swap Agreement, including costs of borrowing, historical interest rate trends, variable rate capacity, credit enhancement capacity, opportunities to refund related debt obligations and other similar considerations.

The City will also review the underlying economics of each swap transaction with respect to the impacts on the annual City budget. The monetary sums included in the budget will be based on prudent expectations for swap economics to become available during a budget year. At the conclusion of the budget year an evaluation of actual performance to budget expectations will be conducted for purposes of making adjustments, if needed, to the current year budget.

The City shall not enter into leveraged swap transactions. The tax risk and impact to the City of each swap transaction shall be detailed through the Counterparty disclosure requirements and Other Documentation.

The City will perform on-going monitoring of the various provisions of the swap documents and payments to be made or received. The City will meet all GASB reporting requirements for Swap Agreements.

I. Swap Termination

The City will constantly monitor the existing swaps for the Water and Sewer Utility, and others entered into in the future, if any, to determine the economic viability of refunding the swapped transaction. Managing the potential future risks of a swap is also a City priority and will be considered as part of a refunding opportunity economic analysis.

Given that the City's general policy on swap transactions is that they will be more cost efficient than other options when entered into, if an ability to terminate the swap and refund the transaction arises on a break-even or better savings basis the City will consider doing so. As with all swap transactions the City will use a swap advisor and work with the LGC in determining the best use of City ability to terminate a swap.

J. Dodd Frank Act

Title VII of the Dodd-Frank Act requires regulators to establish regulations for the swap industry. These regulations apply to both swap products and market participants, including the City of Winston Salem. The Commodities Futures Trading Commission ("CFTC") regulates "swaps" and "swap dealers" and the Securities and Exchange Commission ("SEC") regulates "security-based swaps" and "security-based swap dealers." External Business Conduct Standards (EBCS) regulations issued by the CFTC apply to both the City of Winston Salem and its existing Swap counterparties (Citigroup Global Markets). EBCS applies not only to new swaps but to material amendments to, and novation of, existing swaps. EBCS compliance requires the City of Winston Salem to have a qualified independent representative (a "QIR") that is "independent" of the Citi swap dealer. The City of Winston Salem is required to have adopted policies and procedures to select its QIR. It is the City of Winston Salem's policy that its regular debt Financial Advisor will also serve as the City's QIR and will provide documentation as required that the Financial Advisor has qualified under CFTC regulations to serve in that capacity and that the QIR has not had any business relationships with Citigroup Global Markets or other counter party to a City of Winston Salem Swap that would disqualify it from serving as the QIR. Such documentation should be provided in letter form at least annually. Should the City's regular debt Financial Advisor not obtain or retain its QIR certification or should it have a conflict that will prevent it from serving as the QIR, then the City will solicit quotes and qualifications from at least three qualified Financial Advisors to serve as its QIR with the selection being based first on qualifications and secondly on price should qualifications be equal. The City will consult with its QIR when considering all swap proposals and swap transactions.

APPENDIX 2

INVESTMENT POLICY

The Investment Policy (the “Policy”) for the City of Winston-Salem, North Carolina (the “City”), applies to all funds, which are under the direct control of the City Council of the City. The Policy does not include any financial assets under the direct control of North Carolina Municipal Leasing Corporation and Risk Acceptance Management Corporation. At such time as the control of these assets passes to the City, then this Policy will apply.

I. Investment Policy

The City Council of the City of Winston-Salem, North Carolina, establishes this Policy for investment of all public, proprietary, and fiduciary funds in accordance with all applicable North Carolina General Statutes. The overall objective of this Policy is to use total return strategies that are intended to achieve investment returns comparable to financial market indices for each asset class in accordance with the guidelines stated herein.

II. Investment Authority

In accordance with North Carolina General Statute § 159-30(a), a local government may deposit at interest or invest all or part of the cash balance of any fund. The Chief Financial Officer shall manage investments subject to this Policy. The Chief Financial Officer shall have the legal authority to purchase, sell, or exchange securities on behalf of the City. The investment program for the City shall be managed so that investments and deposits can be converted into cash when needed. This Policy is established to supplement existing statutory authority.

III. Legal Requirements

Investment of governmental funds, which does not include retirement funds, other post-employment benefits reserves, employee benefit and risk reserves, cemetery perpetual care funds and amounts designated as capital reserves by the City Council, is controlled by N.C.G.S. § 159-30. Capital reserves for purposes of the Policy shall mean fund balance or net assets of any designated fund, which probably will not be required for liquidity purposes within 3 years and shall not mean capital reserves that may be established in accordance with §159-18 for the accumulation of funds for specified capital improvements.

Proceeds of debt issues, which may include, but are not limited to General Obligation, Special Obligation, Limited Obligation, Revenue bonds, Certificates of Participation, and Installment Purchases, shall be invested in N.C.G.S. § 159-30 compliant investments since these funds are required to be expended within 3 years.

Senate Bill 1479, authorizes the investment of retirement, employee benefits and risk reserves, cemetery perpetual care funds, and capital reserves as designated by the City Council to be invested in the types of “**Securities and other investments authorized by State Law for the State Treasurer**” in N.C.G.S. § 147-69.2 as now written or hereafter amended.

Investment Restrictions and Requirements in addition to N.C.G.S. § 147-69.2:

The City Council specifically authorizes the Chief Financial Officer and designees to invest eligible assets in any investment available to the State Treasurer under N.C.G.S. § 147-69.2, except as restricted in this policy. Qualified Investment Assets exclude amounts in demand deposit bank accounts and the North Carolina Capital Management Trust. The City Council specifically provides for differences and restrictions from N.C.G.S. § 147-69.2 as follows:

- No more than 4%, based upon market values, of the City’s total equity investments may be invested in one company.
- The City may own no more than 3% of the total issued and outstanding equity shares of a single company.
- No more than 50% of the market value of Qualified Investment Assets are permitted in investment companies registered under the Investment Company Act of 1940 (mutual funds and exchange-traded funds).
- Minimum qualifications for Investment Managers that may be selected to direct investment of City assets include \$200 million total assets under management and a 5-year performance record. The City Manager and Chief Financial Officer are authorized to make reasonable reductions to the minimum length of performance records and assets under management of minority-or women-owned Investment Managers with the recommendation of the Investment Consultant.
- Fixed income investments are restricted to Investment Grade bonds. Investment Grade is defined as a fixed income security bearing one of the four highest ratings of at least one nationally recognized rating service when acquired. Should the quality rating of any company, other organization, or legal entity fall below the four highest ratings after a security is acquired, the Chief Financial Officer, City Treasurer, Investment Analyst and Investment Consultant will assess the situation and respond according to the best long-term interest of the City.
- Fixed income investments shall at all times equal or exceed 20% of the market value of all Qualified Investment Assets of the City.
- Fixed income corporate securities for any entity located outside of the U.S. are required to be in Yankee bond form only.

- Fixed income mutual funds or exchange traded fixed income funds are limited to 5% of the market value of Qualified Investment Assets of the City and may invest in convertible bonds. Fixed income funds with minor allocations to foreign sovereign debt, emerging market debt, and high yield debt and bank loans are permitted within the 5% fund limit.
- The City may not invest in hedge funds, private equity funds, timber land, currency hedges, and other higher risk investments.
- The City is limited to investing in international equity securities that trade in U.S. dollar denominated form. A specific exception applies to this restriction such that the City may invest up to 5% of the Qualified Investment Assets in common or preferred stock issued in non-dollar denominated securities held in a mutual fund or exchange traded fund (e.g. emerging markets or developing markets).
- The City is limited to investing no more than 10% of the Qualified Investment Assets in public equity (REITs, REOC's) and Investment Grade public traded real estate debt. The City is not permitted to directly invest in real estate ownership.
- The City is limited to investing no more than 5% of the Qualified Investment Assets in an inflation protection portfolio that may include TIPs and investment grade floating rate domestic securities.

IV. Delegation of Authority

The implementation of this Policy is delegated to the City Manager and Chief Financial Officer. The City Manager and Chief Financial Officer are responsible for investment and accounting procedures, which will be managed by the City Treasurer and Investment Analyst, to safeguard assets and govern the day-to-day investment activities necessary to successfully execute this Policy. No person may engage in an investment transaction except as provided by procedures, which conform to this Policy. The Chief Financial Officer and City Treasurer shall be responsible for all transactions undertaken and shall establish a system of control to regulate the activities of external Investment Managers and subordinate employees.

Investment Consultants and Investment Managers — Investment Consultants have been employed to assist the City in the selection and on-going evaluation of Investment Managers for fixed income and equity investments. See “**Externally Managed Investments**” in this Policy.

V. Investment Objectives

The following objectives shall be considered in decision-making for investments of the various portfolios of the City:

Prudence — the standard to be used by city officials shall be the “**prudent person**” standard and shall be applied in the context of managing the overall portfolio. Investment officials and staff acting in accordance with this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or adverse market price changes, but are expected to take appropriate actions to minimize the effects of adverse market developments over a reasonable timeframe.

Safety of Capital — Safeguarding principal, over a reasonable timeframe depending upon asset allocation and risk tolerance of an individual portfolio, is the foremost objective of the investment program. To attain this objective, diversification is required to minimize potential losses on individual securities, and asset allocation strategies, which recognize each portfolio’s risk tolerance, to minimize losses on classes of investments.

Maintenance of Adequate Liquidity — Investment portfolios of the City shall be designed to remain sufficiently liquid to meet the operating requirements, which might be reasonably anticipated, for each individual fund.

To the extent possible, the City will match investment of operating funds with anticipated cash flow requirements. The City will not directly invest internally managed investments of operating funds in securities maturing more than five years from the date of the purchase.

Return on Investments — Investment portfolios shall be designed throughout budgetary and economic cycles, with the objective of attaining the rate of return (interest, dividends, and market value changes) over time (3 to 5 year timeframe for equity investments) commensurate with the risk constraints of each investment portfolio and the cash flow characteristics of the portfolio.

Risk Tolerance — The City provides risk tolerance information to its Investment Consultants and Investment Managers, so that assets are managed in a manner consistent with the City’s objectives and investment strategy as designated in this statement of investment policy. The City defines risk as the chance of recognizing a permanent loss, not simply short-term price fluctuation. The risk management objective is to manage the City’s assets with the goal of capital preservation relative to inflation risk by avoiding permanent impairment of the capital of the City. This is consistent with the long-term time horizons, diversification, and allocations mentioned throughout this Policy.

Ethics Standards and Conflicts of Interest — City officials and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. These officials and employees shall disclose to the City Manager and/or Chief Financial Officer any material personal financial interests in financial institutions that conduct business with the City’s investment program. In addition, they shall further disclose any material personal financial or investment position that could be related to the performance of the City’s portfolios.

VI. Authorized Financial Dealers and Institutions

The City Treasurer will maintain a list of the names and addresses of financial dealers, and institutions and contact officials that are authorized to be depositories of public funds, or provide safekeeping (custodian) of investment assets, and engage in investment transactions with or on behalf of the City.

Cash — Deposits of public funds shall be in qualified public depositories as established by North Carolina State Statutes. In addition, the City has authorized the Chief Financial Officer to establish deposit accounts, based upon valid business or liquidity needs, with any bank located in the City that participates in the North Carolina State Treasurer's collateral pool and with the North Carolina Capital Management Trust, established by the State Treasurer.

Internally Managed Investments — The Chief Financial Officer, City Treasurer, and employees, designated by the Chief Financial Officer, are authorized to purchase fixed income investments only from financial institutions and broker/dealers that have an office within the City. Financial institutions and broker/dealers that desire to become qualified dealers for investment transactions must supply the City Treasurer with the following: audited financial statements, proof of state registration, and proof of National Association of Security Dealers certification. An annual review of the financial condition and registrations of qualified dealers will be conducted by the City Treasurer.

VII. Externally Managed Investments

The City Council authorizes and approves Investment Consultants. The Chief Financial Officer and City Treasurer have the authority, with the active assistance of the Investment Consultants, to select and employ Investment Managers, subject to the approval of the City Manager, as needed to direct investment activities of City portfolios in accordance with this Policy. The City shall have at least three fixed income Investment Managers and at least three active equity Investment Managers.

Investment Managers selected in accordance with this Policy shall make all investments in equity securities on behalf of the City and none shall be made by City staff.

The assets authorized to be invested with external Investment Managers may be invested through any of the following:

- Investment companies registered under the Investment Company Act of 1940; and individual, common, or collective trust funds of banks and trust companies; that invest primarily in authorized investments as well as mutual funds and exchange traded funds.
- Contractual arrangements in which Investment Managers have full and complete discretion and authority to invest assets specified in such contractual arrangements in authorized investments. No Investment Manager is permitted to have custody of assets.

Multiple Investment Managers will be used to provide complimentary investment styles. All investment portfolios of the City of Winston-Salem will be adequately monitored for risk and performance considerations. The Investment Managers will employ appropriate risk control measures which are needed to respond to a rapidly changing investment environment. Appropriate investment targets and indices shall be communicated to Investment Managers and performance shall be reviewed quarterly by the Investment Consultant.

VIII. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the City or directed by Investment Managers on behalf of the City shall be conducted on a **delivery-versus-payment (DVP)** basis. Securities will be listed in the City's name if issued only in book entry form or held by a third party custodian designated by the Chief Financial Officer and City Treasurer and evidenced by safekeeping receipts.

IX. Asset Allocation and Diversification

To achieve growth on invested assets, it is important to use the concepts of asset allocation and diversification. Diversification is simply the concept of picking investments from each legally available class. Effectively, it is the "don't-put-all-your-eggs-in-one-basket" theory. This approach makes sense in investing because all investment classes do not generally behave the same way in given financial markets. In addition to selecting different asset classes for investments, selecting different Investment Managers using various styles and disciplines is an important part of diversification.

Asset allocation is the process of putting diversification into effect. It is the practice of selecting different amounts of each of the different available asset classes to create investment strategies designed to accomplish specific investment goals. In general, return on investments over time is largely due to the important concept of asset allocation. The Chief Financial Officer and Investment Consultants will determine strategic asset allocations between fixed income, equity and other portfolio asset classes depending upon expected market conditions. They will set percentage target allocations for each asset class in the portfolio, and set percentage limits that asset classes should not exceed without rebalancing. Similar target allocations will be set for the various investment styles within the equity and fixed income portfolios. Asset allocations are to be reviewed at least annually and more frequently if needed. Amounts authorized as eligible for investments in equities are included in Table 1.

The actual investments may exceed the asset allocations indicated in this Policy from time to time, as the result of additional resources and changes in financial markets. In these instances, the Chief Financial Officer and City Treasurer, with the assistance of the Investment Consultant, shall rebalance the portfolios, at a time and manner that they deem appropriate.

X. Designation of Capital Reserves

The City Council designates the following Capital Reserves (as defined in Section III) for investments permitted in N.C.G.S. 147-69.2 with the restrictions and requirements of this Policy.

Capital Reserve Funds	Designation Percentage
Water and Sewer	50%
Solid Waste Disposal	50
Stormwater Management	50
Equipment Leasing	30

XI. Other Requirements

Distribution of Return on Investments

North Carolina General Statute § 159-30(e) provides for return on investments to be distributed to funds whose assets earned the investment income. Cash of several funds may be combined for investment, if not otherwise prohibited by law or action of the City Council, and the investment income earned shall be prorated to the various funds on the basis of the average balances invested or some other sound accounting principle. The City Council has further determined that the investment income of the General Fund, Capital Projects Fund, and certain other funds shall be credited to the Debt Service Fund and used to service outstanding debt.

Accounting and Reporting on Investments

The City Treasurer and employees designated by the Chief Financial Officer shall monitor the accounting of all investment transactions on a daily basis. The City Treasurer shall also receive and reconcile investment reports from the asset custodians at least monthly. The City Treasurer shall include information on investments in the Comprehensive Annual Financial Report of the City.

Performance Standards

The City investment strategy is considered active and appropriate benchmark indices for each asset class will be used for comparative purposes and to measure the performance of the various portfolios. The Investment Consultants shall prepare and present performance information of each Investment Manager at least quarterly. The goal of the City is to have the Investment Managers rank in the top quartile of similar Investment Managers and public funds as measured over a full market cycle.

Training and Education

The City Council recognizes that the conduct of investment activities is time consuming and requires specialized skills. It is the Policy of the City to provide periodic training for investment personnel through courses and seminars offered by the Government Finance Officers Association, North Carolina Local Government Investment Association, and other nationally recognized organizations.

Effective Date of Revised Investment Policy

This Investment Policy, updated April 2013, shall be effective on the date of approval by the City Council of the City of Winston-Salem, or upon the date of subsequent amendments.

Table 1

Equity Allocation Maximums

Fund Name	Maximum Percentage
Capital Reserve Funds⁽¹⁾	
Capital Projects	0%
Water and Sewer	35
Solid Waste Disposal	35
Stormwater Management	35
Fairgrounds	0
Equipment Leasing	20
Retirement, Employee Benefits, Risk Reserves, and Perpetual Care Funds	
Employee Benefits	25%
Police Officers Retirement	80
Separation Allowance	80
Other Post-Employment Benefits	80
Cemetery Perpetual Care	80
Reserve for Debt Retirement	-

⁽¹⁾ Equity maximums are 70% of the designated capital reserves in Section X.

APPENDIX 3**FUNDING POLICY****WINSTON-SALEM POLICE OFFICERS'
RETIREMENT SYSTEM**

This Policy applies to the Winston-Salem Police Officers' Retirement System (System), which is under the direct control of the City Council of the City of Winston-Salem, North Carolina ("City").

I. Funding Policy

The City Council of the City establishes this Policy for the long-term funding and budgeting of the System's oversight, and related fiduciary funds in accordance with all applicable North Carolina General Statutes. The overall objective of this Policy is to assure stable employer contributions and adequate overall funding levels with the guidelines stated herein. This policy shall be subject to periodic review.

II. Annual Required Contribution

The City will obtain actuarial studies each year from a certified actuarial firm that calculates the Annual Required Contribution (the "ARC") for the System. It is the policy of the City to annually budget and contribute the full amount of the ARC from the most recent actuarial study. All budgeted funding provided for the ARC will be contributed annually to an irrevocable trust account held by the fiduciary Trustee.

The ARC is determined to include 1) the Normal Cost and 2) the amortization of any Unfunded Actuarial Liability (UAL) over a closed 25 year period. The closed amortization period will provide that the UAL be fully paid by the end of the period. Participation in the System has been closed as of December 31, 2013, to new sworn police officers.

Should assets in the System exceed the Actuarial Liability for benefits, the City shall contribute each year no less than the Normal Cost until all beneficiaries are deceased. Any residual amounts in the fund after all participant benefits have been paid revert to the City.

III. Actuarial Cost Method

The actuarial cost method for actuarial studies performed as of January 1, 2014, and all subsequent annual studies, will be Entry Age Normal

IV. Asset Smoothing

In order to reduce the impact of short-term investment volatility, the ARC calculations will be made using a seven year asset smoothing methodology.

V. Investment Return Assumptions

The investment return assumption for actuarial studies performed beginning January 1, 2014 will be 7.25% and is subject to periodic review with the System's actuary.

VI. Cost of Living Adjustments

Cost of Living Adjustments (COLA's) will not be granted without an actuarial study that shows the impact on the System liabilities, costs, and employer contributions.

COLA's must be approved by City Council after a recommendation by the Winston-Salem Police Officers' Retirement Commission. The City Council shall approve a separate policy for the provision of COLA's for System participants.

VII. Contribution Reserve Fund

In the event that assets in the System trust fund reach 100 % of the actuarial liability for plan benefits (fully-funded), then subsequent employer contributions will be deposited to a Contribution Reserve Fund (CRF) established as an irrevocable trust account within the Master Trust. If in any subsequent year, the assets in the System trust fund fall below 100% of the actuarial liability for plan benefits, then the City may draw upon funds in the CRF to maintain or increase the funding level of the System up to 100%.

VIII. Maintenance of Funding Effort after the Issuance of Bonds to Fund the System

In order to preserve System funding and financial stability for the long term, City may consider the issuance of bonds to supplement the funding level of the System. Bonds will not be issued to fund the City's ARC or for any cashflow needs of the System.

If bonds are issued and in consideration of the underlying objectives of this policy, the City will continue to contribute to the System at least the same level of employer contribution as required prior to the issuance of bonds, reduced only by the funding streams necessary to repay the bonds until the System reaches 100% fully funded status. After 100% fully funded status has been reached and any bonds issued for the System have been retired or defeased, the City may reduce its funding levels to Normal Cost.

Effective Date of Funding Policy

This Funding Policy shall be effective on the date of adoption by the City Council or upon the date of subsequent amendments.

Exhibit B

City of Winston-Salem
Cash and Investments
As of February 29, 2016

Cash

Bank of America Merrill Lynch	\$ 1,585,691
Bank of North Carolina	23,967,055
Branch Banking & Trust	37,021,286
First Tennessee	5,020,834
North Carolina Cash Management Trust	80,198,790
Wells Fargo	3,922,685
Total	\$ 151,716,341

Bond Proceeds

Bank of North Carolina	1,487,044
Branch Banking & Trust	51,903,589
Total	\$ 53,390,633

Investments-Internally Managed Fixed Income

Agencies	\$ 17,492,690
Commercial Paper	11,952,700
Total	\$ 29,445,390

Investments-Externally Managed Fixed Income

Garcia Hamilton & Associates	\$ 55,759,285
Invesco	5,127,465
Standish Mellon	57,624,583
US Bank	69,169
Wells Capital Management	28,611,908
Total	\$ 147,192,410

Investments-Externally Managed Equities

Deutsche Global Infrastructure Fund	\$ 4,310,239
Douglas C. Lane & Associates, Inc.	34,058,460
EARNEST Partners, LLC	8,959,975
Fairpointe Capital, LLC	8,705,796
Russell 1000 Growth Fund	14,413,995
Russell 1000 Value Fund	34,811,066
S&P 600 Growth Fund	10,478,704
Schafer Cullen	17,818,306
Systematic Financial Management, L.P.	15,522,711
Thornburg Investment Management	10,083,556
Vanguard Index Fund	27,966,721
WCM Investment Management	9,713,188
Total	\$ 196,842,717

Total Cash and Investments

	\$ 578,587,491
--	-----------------------

City of Winston-Salem
Long Term Liabilities
As of February 29, 2016

Bonds Description	Balance
Bonds Payable	
General obligation bonds, issues dated 2006 to 2014 with stated interest rates of 2.0% to 6.1%	
General government	\$ 74,555,000
Revenue bonds, water and sewer system	
Series 2007A, principal due annually through 2037 with stated interest rates of 3.7% to 5.0%	47,590,000
Series 2009, principal due annually through 2039 with stated interest rates of 2.5% to 5.0%	99,725,000
Series 2010A, principal due annually through 2023 with stated interest rates of 2.5% to 5.0%	23,525,000
Series 2010B, principal due annually through 2034 with stated interest rates of 5.144% to 5.294%	42,895,000
Series 2010C, principal due annually through 2040 with stated interest rate of 5.694%	37,000,000
Series 2010D, principal due annually through 2021 with stated interest rates of 2.5% to 3.0%	7,860,000
Series 2011A, principal due annually through 2017 with stated interest rate of 4.0%	5,080,000
Series 2014A, principal due annually through 2033 with stated interest rates of 4.0% to 5.0%	33,085,000
Series 2014B, principal due annually through 2018 with stated interest rates of .55% to 1.75%	15,135,000
Series 2015A, B & C, principal due annually through 2037 with stated and synthetic fixed interest rates of 2.96% to 3.706%	125,850,000
Revenue bonds, stormwater management	
Series 2013, principal due annually through 2033 with stated interest rates of 2.0% to 5.0%	11,575,000
Special obligation bonds, general governmental	
Series 2013, principal due annually through 2033 with stated interest rates of 3.0% to 5.0%	5,455,000
Series 2013, principal due annually through 2025 with stated interest rates of 3.0% to 5.0%	3,786,900
Special obligation bonds, solid waste management	
Series 2011A, principal due annually through 2026 with variable interest rate of 68% of 30-day LIBOR plus .85%, .962% at year end	7,746,060
Series 2013, principal due annually through 2018 with stated interest rates of 3.0% to 5.0%	3,330,000
Series 2013, principal due annually through 2016 with stated interest rates of 3.0% to 5.0%	473,100
Special obligation bonds, public assembly facilities management	
Series 2009, principal due monthly through September 1, 2016, with variable interest rate of 30-day LIBOR plus 1.0%, .901% at year end	11,075,823

Contracts Payable

Certificates of participation issued by North Carolina Municipal Leasing Corporation

Series 2004C, principal due annually through June 1, 2034, with variable interest rate on one month LIBOR rate plus 0.5% as determined by bondholder, 0.65100% at year end	3,635,000
Series 2006A, principal due annually through June 1, 2031, with stated interest rates of 4.0% to 5.0%	12,850,000
Series 2006B, principal due annually through June 1, 2021, with stated interest rates of 4.125% to 5.0%	5,555,000
Series 2006D, principal due annually through June 1, 2026, with stated interest rate of 4.81%	2,580,000

Limited obligation bonds issued by North Carolina Municipal Leasing Corporation

Series 2010A, principal due annually through June 1, 2024, with stated interest rates of 3.0% to 5.0%	12,855,000
Series 2012A, principal due 2015 and 2017: interest payable semi-annually with stated interest rates ranging from 2% to 5%	15,175,000
Series 2013A, principal due annually through June 1, 2038, with stated interest rate of 4.626%	28,850,000
Series 2013B, principal due annually through June 1, 2035, with stated interest rates of 4.0% to 5.0%	13,540,000
Series 2014A, principal due monthly through September 1, 2029; with variable interest rate, payable monthly on one month LIBOR rate plus 0.74% as determined by bondholder, at June 30, 2015 was .9240%	12,723,000
Series 2014B, principal due annually through June 1, 2034, with stated interest rates of .4% to 4.4%	8,815,000
Series 2014C, principal due annually through June 1, 2034, with stated interest rates of 2% to 5%	41,860,000
Series 2014D, principal due October 1, 2015, 2017, 2018 and 2019; with variable interest rate, payable monthly with 70% of the one month LIBOR rate plus .45% as determined by bondholder, at June 30, 2015 was .5788%	13,500,000

United States for construction of W. Kerr Scott reservoir by the Corps of Engineers, principal due annually through 2016 with fixed interest rate of 2.699%	30,756
HUD Section 108 loan, principal due annually through August 1, 2022, with stated interest rates of 1.75% to 6.67%	2,461,000
Installment financing contract, principal due annually through June 1, 2028, with stated interest rate of 3.29%	14,635,949
Clean water state revolving fund loan, payable over 20 years with stated interest rate of 2%	22,273,493

Other

Net pension liability - WSPORS	25,275,622
Net pension liability - separation allowance	8,264,028
Landfill closure and postclosure costs	16,123,637
Claims payable - employment and post-retirement benefits	6,937,953
Claims payable - Risk Acceptance Management Corporation	299,436

Total current and long-term liabilities

\$ 823,981,757

**City of Winston-Salem
Financial Management Services
Financial Service Vendors**

Vendors	Description	City Council Approved	City Manager ⁽¹⁾ Approved	Annual Contract
Branch Banking & Trust ⁽²⁾	Primary Banking Services	December, 2011		See Note
Boomershine Consulting Group	Actuarial Services	December, 2012		\$ 28,540
Dixon Hughes Goodman LLP	Auditors	March, 2016		85,000
Duetsche Bank Securities, Inc. ⁽²⁾	Equity Investment Advisory Services		February, 2008	99,500
Hubbell Consulting	Investment Advisory-457 Plan		August, 2014	15,000
Hubbell Consulting	Investment Advisory-WSPODC Plan		June, 2015	10,000
Stephens, Inc. ⁽²⁾	Fixed Income Investment Advisory Services		April, 2011	35,000
Wye River Capital, Inc.	Financial Advisory Services (Debt)	April, 2014		31,250

Investment Managers	Description	Date of Inception	Average
Douglas C. Lane & Associates, Inc.	Large Cap Core Manager	November, 2010	45 bps
Schafer Cullen	Large Cap Value Manager	April, 2012	50 bps
Systematic Financial Management, L.P.	Small Cap Value Manager	October, 1999	75 bps
Thornburg Investment Management	International Manager	August, 2004	50 bps
WCM Investment Management	International Manager	December, 2014	85 bps
EARNEST Partners, LLC ⁽³⁾	Mid Cap Value Manager	October, 2005	85 bps
Fairpointe Capital, LLC ⁽⁴⁾	Mid Cap Core Manager	December, 2014	75 bps
Garcia Hamilton & Associates ⁽³⁾	Fixed Income Manager	January, 1994	13 bps
Standish Mellon	Fixed Income Manager	April, 1992	25 bps
Wells Capital Management	Fixed Income Manager	September, 1993	18 bps

⁽¹⁾ Contracts were approved with City Manager's authority.

⁽²⁾ Request for Proposal will be completed in Fiscal 2016.

⁽³⁾ Minority owned business.

⁽⁴⁾ Woman owned business.

Note: Branch Banking & Trust pays above market earnings to offset discounted fees. The current earnings credit rate is 55 basis points.

In fiscal year 2015, the fees were \$174,023, which was offset by the earnings credits of \$181,207.

Memorandum



Office of the
City Manager

Courtney L. Driver, PE
Assistant to the City Manager

P.O. Box 2511
Winston-Salem, NC 27102
Tel 336.747.7315
Fax 336.748.3060
courtneyr@cityofws.org

TO: Mayor Joines and Members of City Council
FROM: Courtney Driver, Assistant to the City Manager
DATE: March 21, 2016
SUBJECT: Request to Forgive Loan and Free City-Owned Property on 2nd Street for Park Development
CC: Lee Garrity, City Manager
Derwick Paige, Assistant City Manager
Ritchie Brooks, Community and Business Development Director
Tim Grant, Recreation and Parks Director

There is interest in converting four City-owned lots on 2nd Street across from Shady Boulevard into City park property. This 77 acre site is currently undeveloped. At one time, local developer, Bill Benton, expressed an interest in developing the property and an option was extended. Mr. Benton subsequently elected not to move forward with development plans and the option expired. Since that time, there has been no activity on the property.

The subject property is located within the boundaries of the Holly Avenue National Register Historic District, which was designated in 2002 and is also part of the Salem Waterworks Reservation Archeological Site. Existing public and private easements place certain development restrictions on this property. A 30' private drainage easement runs along the northern and eastern property lines and a 20' public utility easement runs through the middle of the property.

The subject property has outstanding debt associated with it and the figures below are a current reflection of the financial status of the property. The table below reflects the entities associated with the property, the amounts written off by the City, and the remaining project balance. The funding source for each element of the project is listed in parentheses. Should City Council elect to forgive the outstanding balance, the property would be freed for the development of a passive park. The City Council has elected to forgive debt of this nature in many instances. Another comparable example would be instances in which the City has sold land to non-profit organizations at a reduced rate.

2nd Street Property Transaction Summary

\$ 754,176.96	Partners for Homeownership (PfH) Spring Street project (Housing Finance Assistance)
\$ 152,405.90	House demolition, re-routing of storm drain (CDBG)
\$ 11,157.55	Professional Services for Sustainable Housing, LLC (Housing Finance Assistance)
\$ 138,503.82	AIDS Care Building (50% Housing Finance, 50% CDBG)
\$1,056,244.23	Total Funds Expended
\$-411,565.11	Cash collections (Housing Finance Assistance)
\$ -51,676.33	Expenses forgiven for storm drain re-routing (CDBG)
\$ -11,157.55	Expenses forgiven for professional services (Housing Finance Assistance)

\$-138,503.82	AIDS Care Service obligation (50% Housing Finance Assistance, 50% CDBG)
\$-158,870.00	Amount to be forgiven when PfH transfers the AIDS Care Building to AIDS Care Service
\$ 284,472.00	Total Outstanding Balance

The City's Real Estate Division assessed the market value of the property and provided an estimate of value at \$100,000. The current debt on the property exceeds the market value of the land by approximately \$184,472. In order to recoup a portion of the remaining debt balance owed to the Housing Finance Assistance Fund, it is recommended for City Council to consider designating \$100,000 of bond funds earmarked for park land acquisition to extinguish some debt on the property. The remaining debt balance of \$184,472 would be forgiven.

Upon approval of this recommendation, a resolution will be presented at the April 2016 Finance Committee.

City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:

Consideration of a Resolution Authorizing the Sale of a Certain City-owned Vacant Lot on East Twenty Third Street Under the Upset Bid Procedure N.C.G.S. 160A-269 (Northeast Ward)

Summary of Information:

The City owns a vacant lot identified as Tax Pin 6836-84-2951, Forsyth County Tax Map located at 1605 East Twenty-Third Street that is surplus to the City’s needs. The lot is zoned residential and contains approximately 6,970 sq. ft. The current tax value is \$2,500.

David Quiterio Valentin and Casandra Nava Marin, 1613 East Twenty Third Street, Winston-Salem, NC 27105, have submitted an offer to purchase the lot. The offer is \$1,500. The lot is adjacent to the buyers’ home at 1613 East Twenty-Third Street. This property is purchased “As Is/Where Is And With All Faults”. The sale of this vacant lot will eliminate further City maintenance and place it back on the tax rolls with greater revenue realized for the City. It is believed to be in the best interest of the City to sell this lot now for the offered price.

Under the provisions of N.C.G.S. 160A-269, the City Secretary shall cause a notice of proposed sale, containing a general description of the properties, the amount and terms of the offer, and a notice that within ten days any person may raise the bid by not less than 10% of the first \$1,000 and 5% of the remainder, to be published, and without further authorization of the City Council, shall re-advertise the offer at the increased bid; this procedure shall be repeated until no further qualifying bids are received, at which time the City Council may accept the offer and sell the properties to the highest bidder or reject any and all offers. In the event that no upset bid is received, the properties will be sold to David Quiterio Valentin and Casandra Nava Marin without further City Council action. If raised bids are received, City Council confirmation is required.

The attached resolution authorizes the sale of Tax PIN 6836-84-2951, under the upset bid procedure to David Quiterio Valentin and Casandra Nava Marin or their assigns as herein stated.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks:

**RESOLUTION AUTHORIZING THE SALE OF A CERTAIN CITY-OWNED VACANT
LOT ON EAST TWENTY THIRD STREET UNDER THE PROVISIONS OF
N.C.G.S. 160A-269**

WHEREAS, the City is the owner of a vacant lot located at 1605 East Twenty Third Street, further identified as Tax PIN 6836-84-2951, Forsyth County Tax Map, that is surplus to the City's needs; and

WHEREAS, the City has received an offer to purchase this lot and advertise it for upset bids all in accordance with N.C.G.S. 160A-269; and

WHEREAS, David Quiterio Valentin and Casandra Nava Marin, 1613 East Twenty Third Street, Winston-Salem, NC 27105, have submitted an offer of \$1,500 for the 6,970 sq. ft. lot; and

WHEREAS, no warranty of merchantability, fitness for a particular purpose, or condition is made by the City relating to the sale of the property and the property is purchased "As Is/Where Is And With All Faults".

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council, upon the recommendation of the Finance Committee, hereby authorizes sale of Tax PIN 6836-84-2951, to David Quiterio Valentin and Casandra Nava Marin under the provisions of N.C.G.S. 160A-269; that the City Secretary shall cause a notice of proposed sale, containing a general description of the property, amount and terms of the offer, and a notice that within ten days any person may raise the bid by not less than 10% of the first \$1,000 and 5% of the remainder, be published, without further authorization of the City Council, shall re-advertise the offer at the increased bid; and this procedure shall be repeated until no further qualifying bids are received, at which time the City Council may accept the offer and sell the property to the highest bidder or reject any and all offers.

C-1.a. DRAFT

BE IT FURTHER RESOLVED, in the event that no raised bid is received, the offer set forth above is hereby accepted and the appropriate City officials are hereby authorized to execute instruments required to complete the conveyance to David Quiterio Valentin and Casandra Nava Marin or their assigns as stated herein.

BE IT FURTHER RESOLVED, the purchase of the property is voided and the refund of the earnest money or bid deposit is authorized if it is requested by the buyer within the due diligence period as specified in the Offer to Purchase Contract or the Bid Purchase of City Property Offer.

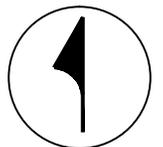
PROPOSED SALE

1605 East Twenty-Third Street



TAX PIN
6836-84-2951

NOT TO
SCALE



City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:
 Consideration of a Resolution Granting a Permanent Utility Easement to Duke Energy Carolinas, LLC

Summary of Information:

It is necessary to construct a Duke Energy substation on the Muddy Creek Wastewater Treatment Plant site to provide power to the new combined lift station and the existing plant. To supply power to the substation, Duke Energy requires that a 30-foot permanent easement be granted along the existing power line alignment from Cooper Road to the substation and that a 50 foot by 50 foot permanent easement be granted around the proposed substation. The approximate location is shown on the attached exhibit. The City/County Utility Commission and staff are supportive of the request.

The attached resolution authorizes the granting of a permanent utility easement to Duke Energy Carolinas, LLC as described herein.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks: _____

RESOLUTION GRANTING A PERMANENT UTILITY EASEMENT TO DUKE ENERGY CAROLINAS, LLC

WHEREAS, it is necessary to construct a Duke Energy substation on the Muddy Creek Wastewater Treatment Plant site to provide power to the new combined lift station and the existing plant; and

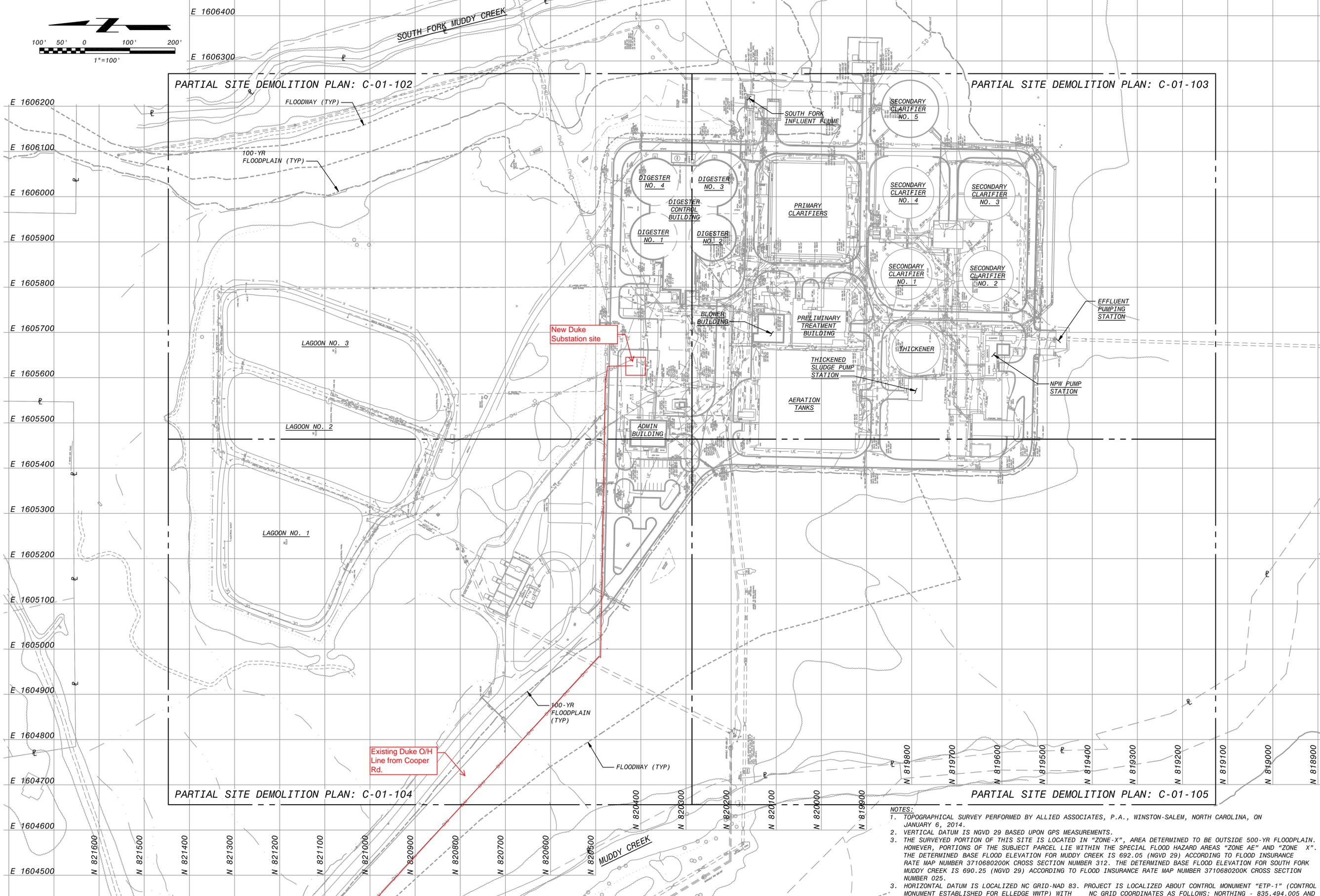
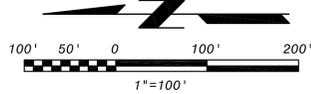
WHEREAS, to supply power to the substation, Duke energy requires that a 30-foot permanent easement be granted along the existing power line alignment from Cooper Road to the substation and that a 50-foot by 50-foot permanent easement be granted around the proposed substation; and

WHEREAS, the approximate location is shown on the attached exhibit; and

WHEREAS, the City/County Utility Commission and staff are supportive of the request.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and the City Council, upon the recommendation of the Finance Committee, hereby authorize the granting to Duke Energy Carolinas, LLC a 30-foot permanent utility easement and a 50-foot by 50-foot permanent utility easement for a proposed substation at the Muddy Creek Wastewater Treatment Plant as described herein, and as further illustrated in Exhibit A.

BE IT FURTHER RESOLVED that the appropriate City officials are hereby authorized to execute instruments required to complete the dedication of the fee simple right-of-way herein set forth.



- NOTES:
1. TOPOGRAPHICAL SURVEY PERFORMED BY ALLIED ASSOCIATES, P.A., WINSTON-SALEM, NORTH CAROLINA, ON JANUARY 6, 2014.
 2. VERTICAL DATUM IS NGVD 29 BASED UPON GPS MEASUREMENTS.
 3. THE SURVEYED PORTION OF THIS SITE IS LOCATED IN "ZONE-X", AREA DETERMINED TO BE OUTSIDE 500-YR FLOODPLAIN. HOWEVER, PORTIONS OF THE SUBJECT PARCEL LIE WITHIN THE SPECIAL FLOOD HAZARD AREAS "ZONE AE" AND "ZONE X". THE DETERMINED BASE FLOOD ELEVATION FOR MUDDY CREEK IS 692.05 (NGVD 29) ACCORDING TO FLOOD INSURANCE RATE MAP NUMBER 3710680200K CROSS SECTION NUMBER 312. THE DETERMINED BASE FLOOD ELEVATION FOR SOUTH FORK MUDDY CREEK IS 690.25 (NGVD 29) ACCORDING TO FLOOD INSURANCE RATE MAP NUMBER 3710680200K CROSS SECTION NUMBER 025.
 3. HORIZONTAL DATUM IS LOCALIZED NC GRID-NAD 83. PROJECT IS LOCALIZED ABOUT CONTROL MONUMENT "ETP-1" (CONTROL MONUMENT ESTABLISHED FOR ELLEDGE WTP) WITH NC GRID COORDINATES AS FOLLOWS: NORTHING - 835,494.005 AND EASTING - 1,612,810.478 AND A COMBINED FACTOR OF 0.99993592. THE HORIZONTAL GRID BEARING AND DISTANCE FROM "ETP-1" TO "MUD-5" IS S 27°29'01.6" E, 16,866.705 FT (GROUND DISTANCE = 16,867.787 FT).

<p>DESIGNED: KBP DETAILED: WDA CHECKED: JWB APPROVED: KAL DATE: 9/12/2014</p>		<p>PROJECT NO. 178963</p> <p>C-01-101</p> <p>SHEET 12 OF 306</p>					
<p>WINSTON-SALEM/FORSYTH COUNTY UTILITY COMMISSION MUDDY CREEK WASTEWATER TREATMENT PLANT CONSOLIDATED INFLUENT PUMPING IMPROVEMENTS</p>							
<p>THIS DRAWING WAS ORIGINALLY SEALED BY RANDALL DEAN ASHBURN ON 9/27/14, A LICENSED PROFESSIONAL ENGINEER IN THE STATE OF NORTH CAROLINA, NO. 10713.</p>		<p>BLACK & VEATCH Building a world of difference.</p> <p>Black & Veatch International Company Business License No. F-0794 10715 David Taylor Drive, Suite 240 Charlotte, North Carolina 28262</p>					
<p>REVISED AND RECORD OF ISSUE</p> <table border="1"> <tr> <th>NO.</th> <th>BY</th> <th>APP.</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>			NO.	BY	APP.		
NO.	BY	APP.					

City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:
 Consideration of a Resolution Authorizing the Abandoning of a Permanent Sewer Easement Which is no Longer Needed Related to the Fernbrook Lift Station Conversion to Gravity Project

Summary of Information:
 It is necessary that the City of Winston-Salem acquire easements for the Fernbrook Lift Station Conversion to Gravity Project. As part of the new project, one existing sewer easement will no longer be needed on property of an existing property owner. The property owner will not sign for acquisition of the new easement unless the old easement is abandoned. The old easement will not be abandoned until such time that the new sewer line is in operation and the old sewer line is no longer needed. This existing easement is, thus, recommended for abandonment. The easement requested for abandonment is described on the attached exhibits. The City/County Utility Commission and staff are supportive of the request.

The attached resolution authorizes the abandoning of the easement described in the attached exhibits.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____
Remarks:	_____		

RESOLUTION REQUESTING THE CITY COUNCIL OF THE CITY OF WINSTON-SALEM ABANDON PERMANENT SEWER EASEMENT WHICH IS NO LONGER NEEDED RELATED TO THE FERNBROOK LIFT STATION CONVERSION TO GRAVITY PROJECT

WHEREAS, it is necessary that the City of Winston-Salem acquire easements for the Fernbrook Lift Station Conversion to Gravity Project; and

WHEREAS, as part of the new project, one existing sewer easement will no longer be needed on property of an existing property owner; and

WHEREAS, the old easement will not be abandoned until such time that the new sewer line is in operation and the old sewer line is no longer needed; and

WHEREAS, this existing easement is, thus, recommended for abandonment; and

WHEREAS, the easement requested for abandonment is described on the attached exhibits; and

WHEREAS, the City/County Utility Commission and staff are supportive of the request.

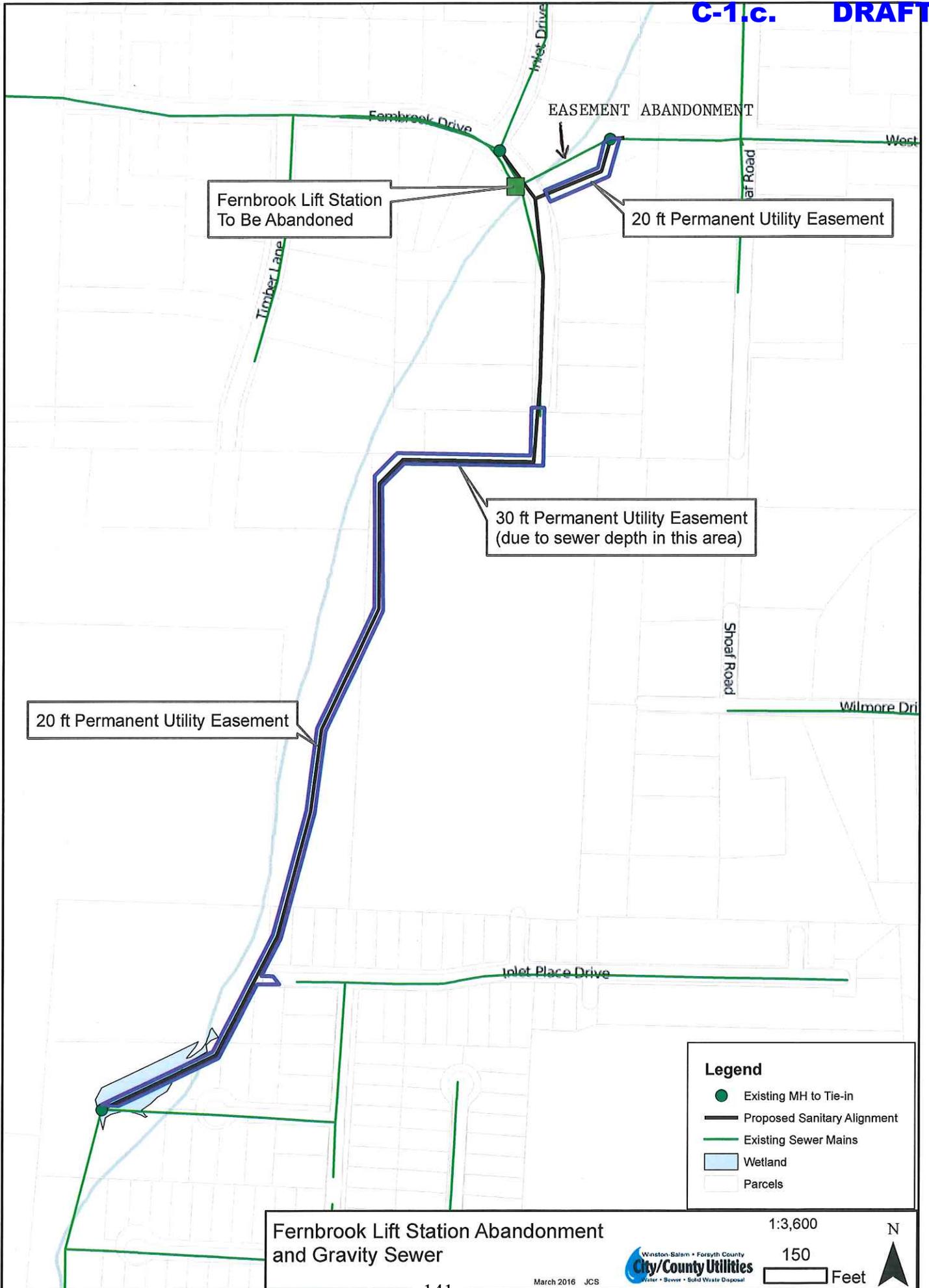
NOW, THEREFORE, BE IT RESOLVED that the Mayor and the City Council, upon the recommendation of the Finance Committee, hereby authorize the abandoning of a permanent sewer easement which is no longer needed related to the Fernbrook Lift Station Conversion to Gravity Project as described herein, and as further illustrated in the attached exhibits.

BE IT FURTHER RESOLVED that the appropriate City officials are hereby authorized to execute instruments required to complete the dedication of the fee simple right-of-way herein set forth.

Permanent Sanitary Easement (PSE)

All square footage is approximate. Figures rounded as needed and appropriate.

Harold G. & Geraldine C. Welch 4419 Inlet Street Winston-Salem, NC 27127	Tax PIN: 6833-02-7513 3,627.7 sq. ft. PSE 4419 Inlet Street
--	---



Fernbrook Lift Station
To Be Abandoned

20 ft Permanent Utility Easement

30 ft Permanent Utility Easement
(due to sewer depth in this area)

20 ft Permanent Utility Easement

Legend

- Existing MH to Tie-in
- Proposed Sanitary Alignment
- Existing Sewer Mains
- Wetland
- Parcels

Fernbrook Lift Station Abandonment and Gravity Sewer

1:3,600

150

Feet

N



City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:

Resolution Authorizing a Fee Simple Acquisition or Easements for City Yard Stormwater Retention Pond Expansion by Deed or Condemnation (East Ward)

Summary of Information:

The City of Winston-Salem has partnered with the Wake Forest Innovation Quarter to implement regional stormwater controls within the downtown district of Winston-Salem. A main component of this redevelopment effort includes construction of the City Yard Stormwater Retention Pond. Once expanded, this retention wet pond will receive stormwater runoff from the Center of Design Innovation area as well as City Yard. During pond expansion activities, the City Yard property must be remediated for diesel fuel and coal combustion byproduct. Due to numerous physical constraints, the City Yard Stormwater Retention Pond needs to make the most of all available space in order to yield the greatest benefit for water quality enhancement and quantity attenuation. Thus, the proposed stormwater pond design extends to the adjacent property of 701 Salem Avenue, Tax Pin 6835-42-6729, in order to maximize increase pollutant removal efficiency as well as providing side slope stability. In addition, vehicular access is desired for maintaining an up-gradient drainage ditch, which will be release off-site stormwater runoff into the City Yard Retention Pond.

It would be most desirable to purchase the entire lot at 701 Salem Avenue in fee simple if the owner is agreeable and authorization is requested to acquire by deed for the appraised value. If the owner is not agreeable to sell the entire lot, then authorization is requested to purchase some fee simple and temporary construction easement by deed or condemnation, based on the appraised value. The recommended purchases are described further in the attached exhibits.

The attached resolution authorizes staff to proceed with the fee simple acquisition or easement acquisition as stated herein.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks: _____

RESOLUTION AUTHORIZING A FEE SIMPLE ACQUISITION OR EASEMENTS FOR CITY YARD STORMWATER RETENTION POND EXPANSION BY DEED OR CONDEMNATION

WHEREAS, the City of Winston-Salem has partnered with the Wake Forest Innovation Quarter to implement regional stormwater controls within the downtown district of Winston-Salem; and

WHEREAS, a main component of this redevelopment effort includes construction of the City Yard Stormwater Retention Pond; and

WHEREAS, the proposed stormwater pond design extends to the adjacent property of 701 Salem Avenue, Tax Pin 6835-42-6729, in order to maximize increase pollutant removal efficiency as well as providing side slope stability; and

WHEREAS, it would be most desirable to purchase the entire lot at 701 Salem Avenue in fee simple if the owner is agreeable and authorization is requested to acquire by deed for the appraised value; and

WHEREAS, if the owner is not agreeable to sell the entire lot, then authorization is requested to purchase some fee simple and temporary construction easement by deed or condemnation, based on the appraised value; and

WHEREAS, the recommended purchases are described further in the attached exhibits.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and the City Council, upon recommendation of the Finance Committee hereby approves the acquisition of said fee simple and easements as described in Exhibit A through deed or condemnation and the total recommended purchase price specified in Exhibit A is hereby charged to Account No. 813-8131-531103-661104

BE IT FURTHER RESOLVED that it is the intent of the City Council that the City Manager or his appropriate designee(s) proceed with acquisition of said easements by deed or condemnation and that the City Manager or his designee(s) may acquire additional easement square footage in a dollar amount not to exceed \$800 for reasons such as unforeseen field conditions or design revisions during construction that would result in net cost savings to the project.

Sheet No. 1 of 1, dated March 21, 2016 attached to Resolution Authorizing Acquisition of properties by Deed or Condemnation. All square footage is approximate. Figures rounded as needed and appropriate.

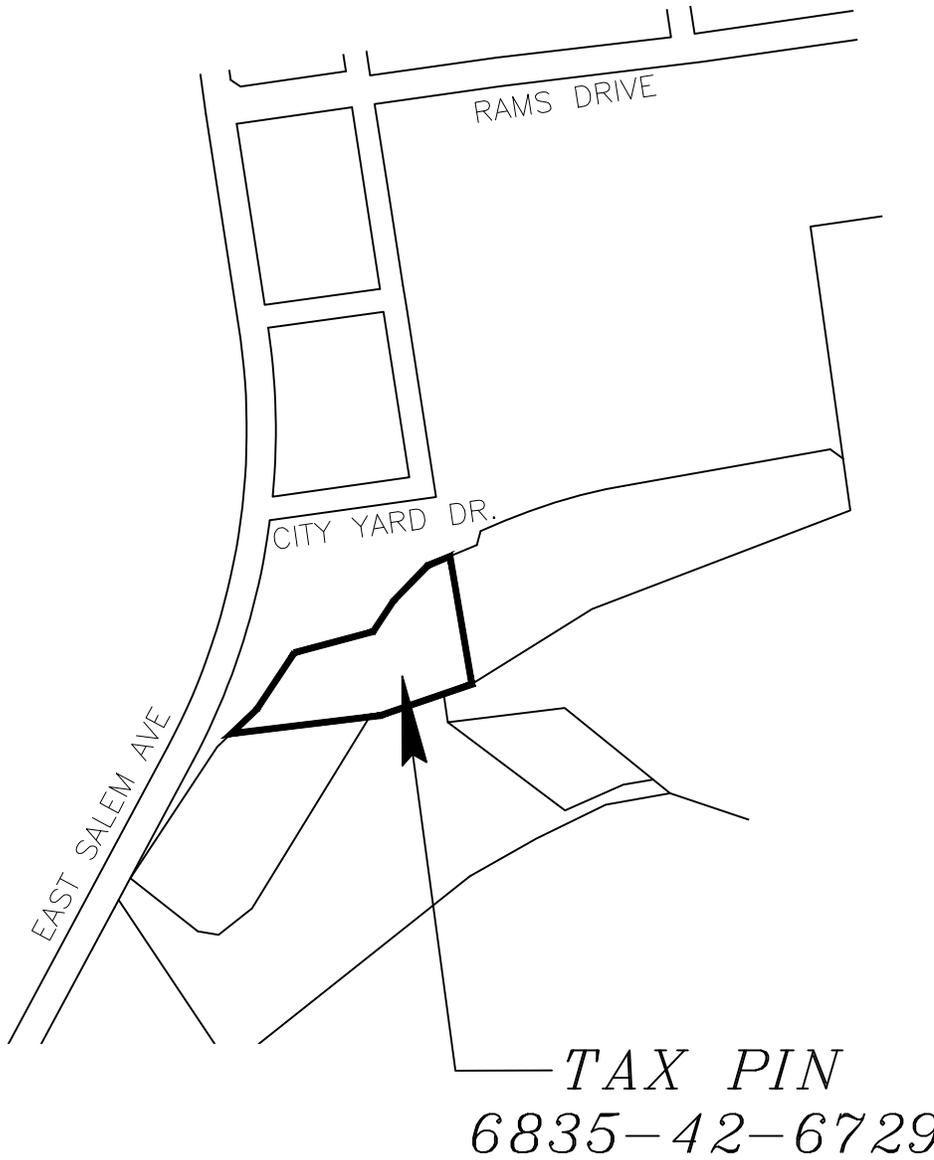
PROJECT: City Yard Stormwater Retention Pond Expansion

PROJECT NO.: 813-8131-531103-661104

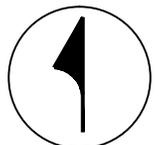
INTEREST TO BE ACQUIRED: Easements:
 Fee Simple (FS)
 Temporary Construction (TCE)

Property Owner	Description	Appraised Value	Recommended Purchase Price
TR Investments, LLC 3820 Will Scarlet Road Winston-Salem, NC 27104	Tax PIN: 6835-42-6729 1.21 ac. FS 701 Salem Ave	\$16,975	\$16,975
TR Investments, LLC 3820 Will Scarlet Road Winston-Salem, NC 27104	Tax PIN: 6835-42-6729 8,235.80 sq. ft. FS 39,890 sq. ft. TCE 701 Salem Ave	\$5,850	\$5,850

FEE SIMPLE AND TEMPORARY
CONSTRUCTION EASEMENT
ACQUISITIONS



NOT TO
SCALE



City Council – Action Request Form

Date: February 29, 2016

To: The City Manager

From: Derwick L. Paige, Assistant City Manager

Council Action Requested:

Adopt Resolution approving modifications to a previously approved loan to Goler Community Development Corporation.

Summary of Information:

In April 2001, City Council authorized a \$200,000 loan to Goler Community Development Corporation (Goler) for the acquisition of land on the east and west sides of Chestnut Street. The land was acquired for future development purposes and was to be forgiven as developed. To date, \$62,500 has been forgiven at \$12,500/unit with the development of five owner-occupied townhouses on the west side of Chestnut Street. The current balance on this loan is \$137,500; however, a sixth townhouse was also constructed, but currently it is not owner-occupied.

In December 2008, City Council authorized purchasing approximately 3.0 acres of property from Local Initiative Support Corporation (LISC) on behalf of Goler. Long-term plans were for Goler to purchase this property from the City for some type of mixed-use development. Since the original loan in 2001, the intent has been that when Goler purchased this land from the City, then all outstanding loans associated with the property would be paid in full; thus, the value of the land was based upon four loans totaling \$870,000.

However, it was recently determined that portion of the aforementioned 2001 loan should have been included in the transaction. Of the remaining loan balance of \$137,500, an amount of \$125,000 should have been included in the sales price for the land, and the offer to purchase would have been structured slightly different, but this loan would have still been paid in full with the sale of the land. The remaining \$12,500 should also be forgiven based upon the construction of the sixth townhouse.

To avoid any delays in the 757 North project, this item proposes reducing the loan balance each year based upon the net, new taxes paid on the completed building. This forgiveness is permitted under NCGS 160A-20.1 and 160A-456. It is projected that the forgiveness period will be approximately two to three years.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks: _____

**RESOLUTION APPROVING MODIFICATIONS TO A PREVIOUSLY APPROVED
LOAN TO GOLER COMMUNITY DEVELOPMENT CORPORATION**

WHEREAS, on April 16, 2001, the Mayor and City Council authorized a \$200,000 loan to Goler Community Development Corporation (Goler) for the acquisition of land on the east and west sides of Chestnut Street for future development purposes; and

WHEREAS, it has always been proposed that the aforementioned loan would be forgiven as the property has been developed and to date, \$62,500 has been forgiven with the development of five owner-occupied townhouses on the west side of Chestnut Street; thus leaving a balance of \$137,500; and

WHEREAS, it was recently determined that portion of the aforementioned 2001 loan should have been included in the sale of land to 757 North, LLC; and

WHEREAS, per NCGS 160A-20.1 and 160A-456, this item authorizes reducing the remaining loan balance of \$137,500 each year based upon the net, new taxes paid on the completed building.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Winston-Salem hereby approve modifications, as described herein, to the \$200,000 loan previously approved to Goler Community Development Corporation on April 16, 2001.

BE IT FURTHER RESOLVED, that the Mayor and City Council of the City of Winston-Salem authorize the City Manager to execute any necessary agreements to consummate the arrangement, with all of the parties, upon the review and approval of the City Attorney.



Budget and Evaluation

City of Winston-Salem
 P.O. Box 2511
 Winston-Salem, NC 27102
 CityLink 311 (336-727-8000)
 Fax 336-734-1224
www.cityofws.org

TO: Mayor Allen Joines and Members of the City Council
FROM: Stephen M. Hawryluk, City Manager's Designee, Downtown Winston-Salem Business Improvement District Advisory Committee
DATE: 3/9/2016
SUBJECT: Update on the Contract Renewal Process for the Downtown Winston-Salem Business Improvement District
CC: Lee D. Garrity, City Manager
 Ben Rowe, Assistant City Manager

During last year's session of the North Carolina General Assembly, several changes were made to Article 23 (Municipal Service Districts) of North Carolina General Statute 160A-536 – Purposes for which districts may be established. North Carolina G.S. 160A-536 (d1) (1-3) now reads:

- (1) *The city shall solicit input from the residents and property owners as to the needs of the service district prior to entering into the contract.*
- (2) *Prior to entering into, or the renewal of, any contract under this section, the city shall use a bid process to determine which private agency is best suited to achieve the needs of the service district. The city shall determine criteria for selection of the private agency and shall select a private agency in accordance with those criteria. If the city determines that a multiyear contract with a private agency is in the best interest of the city and the service district, the city may enter into a multiyear contract not to exceed five years in length.*
- (3) *The city shall hold a public hearing prior to entering into the contract, which shall be noticed by publication in a newspaper of general circulation, for at least two successive weeks prior to the public hearing in the service district.*

These changes became effective October 1, 2015.

In order to comply with the updated legislation, the City will be holding a public input session on Wednesday, March 23, 2016 from 6-7:30 pm at the M.C. Benton, Jr. Convention and Civic Center. This meeting will allow staff to provide some history and background regarding the Downtown Winston-Salem Business Improvement District and provide residents and property owners an opportunity to discuss the needs for the district. Input will also be solicited via the City website and the citizen feedback line. Information compiled at this meeting, as well as input from the City website and citizen feedback line, will be presented to the Downtown Winston-Salem Business Improvement District Advisory Committee for consideration in the work plan for FY 2016-2017.

Also, the City will be issuing a request for qualifications (RFQ) in April to select an agency to implement the enhanced services within the Downtown Winston-Salem Business Improvement District. A team of City staff will score the proposals, and a recommendation will be made to the Mayor and City Council for awarding the contract for services. A public hearing will be held prior to award of the contract. The services and new contract for FY 2016-2017 will begin on July 1, 2016.

If you have any questions or need additional information, please do not hesitate to contact me at 747-7093.

City Council – Action Request Form

Date: March 7, 2016

To: The City Manager

From: D. Ritchie Brooks, Community & Business Development Director

Council Action Requested:
 Adoption of a Resolution substituting Economic Development funds for UDAG funds in a forgivable loan to Southeast Plaza Investors, LLC

Summary of Information:
 In February of 2015 City Council approved additional assistance totaling \$825,500 to property owner Southeast Plaza Investors, LLC (SEPI) for the Southeast Plaza Shopping Center. SEPI also committed to an additional investment of \$900,000 into the project, increasing total private investment to approximately \$8,000,000 and City assistance to \$2,079,500.

A portion of this assistance converted a \$250,000 Urban Development Action Grant (UDAG) low interest loan into a forgivable loan. When UDAG funds were originally approved for the project in 2013, it triggered compliance with the Davis-Bacon Act which requires payment of prevailing wage rates to all labors and mechanics on Federal or Federally assisted construction contracts. It has since been determined that compliance with Davis-Bacon would be retroactive to the beginning of the project in 2011, creating a difficulty in capturing the specific documentation required for Davis-Bacon compliance. For example, SEPI noted that several large subcontractors who worked on the initial phases of the project are no longer in business.

As the project continues to support growth and job opportunities, staff recommends substituting **RUCA Infrastructure funds (\$159,820) and Economic Development Project funds (\$90,180)** for the UDAG funds. The substitution of local funds does not trigger retroactive compliance with Davis-Bacon and does not increase total City assistance in the project.

Committee Action:

Committee		Action	
For		Against	
Remarks:			

RESOLUTION SUBSTITUTING ECONOMIC DEVELOPMENT FUNDS FOR UDAG FUNDS IN A FORGIVABLE LOAN TO SOUTHEAST PLAZA INVESTORS, LLC

WHEREAS, in 2015 City Council approved additional assistance totaling \$825,500 to property owner Southeast Plaza Investors, LLC (SEPI) for the further renovation and redevelopment of Southeast Plaza Shopping Center; and

WHEREAS, SEPI committed to an additional investment of \$900,000 into the project, increasing total private investment to approximately \$8,000,000 and City assistance to \$2,079,500;

WHEREAS, a portion of the total City assistance was in the form of an Urban Development Action Grant (UDAG) low-interest loan in the amount of \$250,000 that was subsequently converted by Council into a forgivable loan; and

WHEREAS, the infusion of federal dollars in the project triggered compliance with the Davis-Bacon Act retroactive to the beginning of the project in 2011, creating a difficulty in capturing the specific documentation required for Davis-Bacon compliance; and

WHEREAS, the City continues to support small business growth, sustainability, and employment opportunities in the RUCA area; and

NOW, THEREFORE BE IT RESOLVED, that the Winston-Salem City Council hereby authorizes the substitution of RUCA Infrastructure funds (\$159,820) and Economic Development Project funds (\$90,180) for the UDAG funds.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2015-2016 be amended to replace Urban Development Action Grant (UDAG) funds with Economic Development Project Fund reserves and Dell replacement funds for a loan to Southeast Plaza Investors, LLC (SEPI).

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on July 20, 2015, August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, December 21, 2015, January 19, 2016, and February 15, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

Special Revenue Funds

Urban Development Action Grant (UDAG) Fund	
Southeast Plaza Revitalizing Urban Commercial Areas (RUCA) Project	-\$250,000
Economic Development Project Fund	
Transfer to Capital Projects Fund	90,180
Total Special Revenue Funds Expenditures	-\$159,820

Capital Projects Fund

Economic Development Projects	
Southeast Plaza Shopping Center	\$250,000
RUCA Infrastructure	-159,820
Total Capital Projects Fund Expenditures	\$90,180

SECTION 2. That the following revenues will be available to meet the above listed appropriations.

Special Revenue Funds

Urban Development Action Grant (UDAG) Fund	
Fund Balance Appropriation	-\$250,000
Economic Development Projects Fund	
Fund Balance Appropriation	90,180
Total Special Revenue Funds Revenues	-\$159,820

Capital Projects Fund

Economic Development Projects	
Transfer from Economic Development Project Fund	\$90,180
Total Capital Projects Fund Revenues	\$90,180

SECTION 3. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

City Council – Action Request Form

Date: March 10, 2016

To: Mayor Allen Joines and City Council Members

From: Carmen Caruth, Human Resources Director

Council Action Requested:

Consideration of a Resolution Authorizing the City Manager to Enter Into An Agreement With Novant Health for the Provision of Employee Medical Services

Summary of Information:

Effective July 1, 2014, the City of Winston-Salem entered into a contract with Novant Health for the provision of the following employee medical services at a cost not to exceed \$99,200: pre-employment medical examinations and screenings; random, post-accident and reasonable suspicion drug screenings; medical director services; on-site clinic support/nurse practitioner; and annual flu shot clinics. As authorized by City Council, this contract was renewed for an additional year on July 1, 2015 at the same not to exceed amount of \$99,200.

Under this contract, the City opened an on-site health clinic for employees on April 16, 2015. This clinic operates four hours/day, two days/week for a total of eight hours/week, with Novant providing mid-level medical care for employees using on-site nurse practitioners. Lab equipment and supplies have been purchased that allow the clinic staff to do urinalysis, blood sugar level testing, strep tests, flu tests, and other limited diagnostic testing. The nurse practitioners are licensed to assess and treat illnesses, consult about disease processes, disease management, and minor emergency treatment; and prescribe medications and evaluate responses to medications and treatment regimens, thereby reducing employee primary care visits and lost time from work.

Since the nurse practitioner clinic started in April, 2015, there have been 438 clinic visits by employees, averaging 38 visits per month. Typical conditions treated/diagnoses have been flu, sore and strep throat, sinus infections, hypertension, skin problems, and musculoskeletal issues like sprains, strains and backaches. Additionally, more serious conditions treated during this

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks:

period have been asthma, extremely high blood sugar, extremely high blood pressure, fractures, and wound sutures. Over this period, 577 prescriptions have been written and 260 new diagnoses made.

The cost of staffing this on-site clinic since April 15, 2015 has been \$16,320 (\$60/hour/nurse practitioner) and the cost for medical and lab equipment and medical supplies has been \$4,690, for a total cost of \$21,010. The per visit rate for a nurse practitioner's services at a Novant facility ranges from \$120 to \$240, with additional fees for labs and other diagnostic tests. If the actual services provided at the City's on-site clinic, had been provided by the same staff at a Novant clinic, the cost would have been \$100,943. This represents a \$79,933 savings in the City's health care cost by providing these employees' treatments on site, plus the additional benefits of convenience for the employee, fewer primary care physician visits, and less lost work time.

With the end of the contract approaching, Novant has submitted a proposal for continuing to provide the routine employee medical services including pre-employment medical examinations and screenings; random, post-accident and reasonable suspicion drug screenings; and medical director services at the same rate as the current fee schedule. However, to recover the unanticipated costs for electronic medical records administration associated with the nurse practitioner clinic, Novant has proposed an hourly fee of \$80/hour/nurse practitioner compared with the current rate of \$60/hour/nurse practitioner, with a 3% annual escalator after the first year. A copy of that proposal is attached.

City staff has been satisfied with the medical services provided by Novant Health and recommends continuation of this contractual arrangement. Additionally, because of the demand for the nurse practitioner clinic and its success, staff recommends extending the hours of the clinic from eight hours/week to 16 hours/week. Currently, the clinic operates on Tuesday mornings (four hours) and Thursday afternoons (four hours). The additional hours would allow staff to expand the clinic's availability to four days/week.

The accompanying resolution authorizes the City Manager to enter into a one year agreement with Novant Health for the aforementioned employee medical services, including the expanded hours for the nurse practitioner clinic, at a cost not to exceed \$142,900. Funds are budgeted for these services in the Employee Benefits Fund and the Human Resources Department budget. Further, the resolution authorizes the City Manager to extend the contract annually for two years in accordance with the proposal submitted by Novant Health to maintain the current fee schedule for all services except the nurse practitioner fee, which would increase by 3% annually.

**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN
AGREEMENT WITH NOVANT HEALTH FOR THE PROVISION OF EMPLOYEE
MEDICAL SERVICES**

WHEREAS, the City of Winston-Salem contracts with Novant Health for the provision of pre-employment medical examinations and screenings; random, post-accident and reasonable suspicion drug screenings; medical director services; on-site clinic support/nurse practitioner; and annual flu shot clinics at a not to exceed amount of \$99,200; and

WHEREAS, under this current contract, the City opened an on-site health clinic for employees on April 16, 2015 which operates eight hours per week providing mid-level medical care for employees using on-site nurse practitioners provided by Novant Health; and

WHEREAS, the nurse practitioners assess and treat illnesses; consult about disease processes, disease management and other minor emergency treatment; and prescribe medications and evaluate responses to medications and treatment regimens, thereby reducing employees' primary care visits and lost time from work; and

WHEREAS, since April, 2015, there have been 438 clinic visits by employees averaging 38 visits per month, 577 prescriptions written and 260 new diagnoses made; and

WHEREAS, the nurse practitioner services provided under this contract have enabled the City to operate this on-site clinic for employees that has saved approximately \$79,900 in employee health care costs; and

WHEREAS, the current contract with Novant Health for the provision of the aforementioned services expires on June 30, 2016; and

WHEREAS, with the end of the contract with Novant Health approaching, Novant has submitted a proposal for continuing to provide the routine employee medical services including

pre-employment medical examinations and screenings; random, post-accident and reasonable suspicion drug screenings; and medical director services at the same rate as the current fee schedule; and

WHEREAS, to recover unanticipated costs for electronic medical records administration associated with the nurse practitioner clinic, Novant has proposed a fee of \$80/hour/nurse practitioner compared with the current rate of \$60/hour/nurse practitioner, with a 3% annual escalator after the first year; and

WHEREAS, City staff has been satisfied with the medical services provided by Novant Health and recommends continuation of this contractual arrangement; and

WHEREAS, based on demand for the nurse practitioner clinic, City staff recommends extending the hours of the clinic from eight hours per week to sixteen hours per week, which would allow the clinic hours to be expanded to four days per week; and

WHEREAS, City staff recommends that the City enter into an agreement with Novant Health to provide pre-employment medical examinations and screenings; random, post-accident and reasonable suspicion drug screenings; medical director services; and on-site clinic support/nurse practitioner at a cost not to exceed \$142,900; and

WHEREAS, funds are budgeted for these services in the Employee Benefits Fund and the Human Resources Department budget.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Winston-Salem City Council, that the City Manager is hereby authorized to enter into a one-year agreement with Novant Health to provide the aforementioned services at a cost not to exceed \$142,900.

BE IT FURTHER RESOLVED, that the City Manager is authorized to extend the agreement annually for two years in accordance with the proposal submitted by Novant Health to

maintain the current fee schedule for all services except the nurse practitioner fee, which would increase by 3% annually.

BE IT FURTHER RESOLVED, that this resolution is effective upon adoption.



A proposal created especially for the City of Winston-Salem

Prepared by Karen Cline
2/18/2016

You deserve a partner who cares as
much about the health and wellness of
your employees as you do.



Novant Health

Your Partner in Health

Novant Health is a not-for-profit, integrated healthcare system serving over 4 million people in Georgia, South Carolina, North Carolina, and Virginia. Novant Health's Corporate Health Department is committed to providing employers with a wide range of healthcare and worksite wellness services, designed to help improve the health of your employees. We work closely with our employer partners to ensure the best possible outcome for both the employee and the employer. Our commitment is to deliver the most appropriate services for a remarkable experience.

Employees are an organization's greatest asset. They are an investment as important as new technology and/or equipment. Novant Health commits to providing City of Winston-Salem (CoWS) employees with a comprehensive wellness program that will positively impact the health and quality of life of employees and complement efforts to create a culture of wellness.

Objectives

The objectives of offering a comprehensive wellness program for CoWS employees include: create an atmosphere for healthy change, create awareness of disease risk, provide education on disease prevention and management, and improve the overall health of the company by offering a remarkable wellness program.

Novant Health is committed to:

- Provide onsite wellness center
- Provide *CareNow* Line
- Create a culture of health
- Reduce the risk of disease through education
- Provide onsite wellness programs
- Provide educational materials on various health topics
- Provide occupational medicine & workers compensation services

Novant Health welcomes the opportunity to partner with CoWS in this vital role to positively impact the health of your workforce. Novant Health offers a medical team of lifestyle specialists that includes board certified physicians, Medical Review Officer (MRO), registered nurses, registered dietitians, health promotion specialists, and clinical exercise physiologists. This medical team offers CoWS proper expertise to provide services to improve the health of your workforce.

Novant Health Corporate Health has a comprehensive plan designed to create a culture of wellness for your employees while focusing on:

- reducing healthcare expenses;
- creating a work environment that engages healthy behaviors;
- increasing employee satisfaction;
- improving overall productivity; and
- reducing employee turnover.

Corporate wellness is one of the most vital investments you can make this year. Corporate Health is not only an investment in the physical wellness, safety and mental health of your employees, but it creates a healthier, more productive work environment that benefits everyone.

The complete Novant Health Corporate Health wellness plan offers:

- Biometric screenings (blood pressure, BMI, waist circumference, lipid panel, glucose & A1C)
- Health risk assessments
- Executive summary for your workforce leaders

- Know Your Numbers report (confidential for each participating employee)
- A baseline one-on-one wellness coaching session with participating employees
- Regular face-to-face coaching sessions with employees identified as low, moderate and high risk
- Ongoing BMI and blood pressure monitoring
- Monthly educational bulletin boards
- Monthly wellness newsletters
- Educational sessions
- Lifestyle management programs
- Coordination with primary care physician of patient's choice
- Navigation to appropriate medical and community resources

Pricing

ONSITE WELLNESS CENTER:

\$80/hour plus supply cost*

* 3% annual escalator each year after year 1

PRE-EMPLOYMENT MEDICAL SERVICES

Post Offer Drug Screening:

DOT 6 panel with MRO services included

Collected at vendor site \$30

Non DOT 9 panel with MRO services included

Collected at vendor site \$30

Post Offer Physical Examination for all New Hires Except Certified Fire and Sworn Police:

Performed at vendor site \$52

Post Offer Physical Examination for Certified Fire:

Performed at vendor site \$150

Post Offer Criminal Justice Physical for Sworn Police:

Performed at vendor site \$80

RANDOM, POST-ACCIDENT, AND REASONABLE SUSPICION DRUG SCREENING -

DOT 6 panel with MRO services included

Collected at vendor site \$30

Collected at City of Winston-Salem Employee Medical site: \$30/test plus \$50 site fee

Non DOT 9 panel with MRO services included

Collected at vendor site \$30

Collected at City of Winston-Salem Employee Medical site \$30/test plus \$50 site fee

Breath alcohol test

Collected at vendor site \$24

Collected at City of Winston-Salem Employee Medical site \$24/test plus \$50 site fee

Breath alcohol test confirmation \$30

After hours testing fee \$150

Novant Health Corporate Health

866-634-9425 • NovantHealth.org/corporatehealth



NFPA PHYSICALS AND NFPA CERTIFIED FIRE MEDICAL PROVIDER

NFPA 1582 Physical - inclusive fee for the following: \$200

Medical history review

Physical examination

Executive Blood Panel (CBC w/diff, platelets, glucose, lipids, TSH)

Comprehensive Metabolic Profile (14)

PPD screening - tuberculosis

Vision testing (Titmus)

Pulmonary function (Spirometry)

Respiratory questionnaire review

Urinalysis

Pulse oximetry

Audiogram review

Aerobic capacity testing (treadmill)

Physician consultation

b. Additional services:

1.) Prostate Specific Antigen (PSA) - age and race specific \$25

2.) Tdap \$25

3.) EKG (> age 40) \$50

URINE COTININE SCREENING CLINIC FOR CERTIFIED FIRE DEPT. PERSONNEL

Fee per cotinine screen (inclusive of urine test kit and administration costs) \$25

MEDICAL DIRECTOR SERVICES

Physician hourly rate \$200

Time increments for charging: 15 minutes

City Council – Action Request Form

Date: March 10, 2016

To: Mayor Allen Joines and City Council Members

From: Carmen Caruth, Human Resources Director

Council Action Requested:

Consideration of a Resolution Increasing the City’s Contribution Cap for Retiree Health Insurance and Authorizing the City Manager to Enter Into An Agreement With UnitedHealthcare for the Provision of a Medicare Advantage Plan for Retirees

Summary of Information:

The City of Winston-Salem offers a Medicare Advantage health insurance plan for retirees (age 65+) who are eligible for Medicare coverage. This coverage supplements retirees’ Medicare Parts A (hospital insurance) and B (medical insurance) coverage and provides a benefit that closely matches the health insurance coverage provided for employees and pre-65 retirees. The current provider of this plan is UnitedHealthcare, and the current Medicare Advantage plan provides coverage for 685 retirees and 196 retiree spouses.

In 1991, City Council adopted a resolution limiting the City’s contribution to retiree health insurance to \$2,400 annually (\$200/month) for each retiree. The City does not contribute to retiree spouse and dependent coverage; however, spouses and dependents of retired city employees may purchase coverage through the City’s plans at the full coverage cost.

Each year, City staff reviews the Medicare Advantage coverage options offered by the insurance provider and selects a plan that closely matches the plans provided for City employees and pre-65 retirees. For 2016, City staff executed an agreement for a plan that was under the \$200/month/retiree cap and which was intended to mirror the other plans. However, we have been made aware of new facts indicating that the better plan choice would have been a plan at a \$209.13/month/retiree rate, which is slightly higher than the cap. This plan maintains the lower prescription co-pays that were in effect in the 2015 plan and ensures that retirees receive a 90-day supply of generic mail order drugs at no co-pay. UnitedHealthcare has agreed to implement

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks:

this plan retroactive to January 1, 2016.

Because the rate for this plan exceeds the \$200/month/retiree cap, City staff is recommending that the cap on the City's contribution to retiree health insurance be raised to \$210/month/retiree for an annual per retiree cap of \$2,520. Boomershine Consulting Group, the City's actuary and retirement plan consultant, has completed an actuarial analysis on this change and it would increase the actuarial accrued liability of the plan at an annual cost of \$122,800.

In the interest of better serving our retirees, the accompanying resolution approves the following staff recommendations: (1) the City's annual contribution cap for retiree health insurance be increased to \$210/month/retiree for an annual per retiree cap of \$2,520, (2) the City enter into an agreement with UnitedHealthcare for the provision of a Medicare Advantage plan for retirees at a rate of \$209.13/month/retiree for plan year 2016, and (3) the City market the Medicare Advantage plan for 2017 to ensure the most competitive pricing for retiree health care coverage.

**RESOLUTION INCREASING THE CITY'S CONTRIBUTION CAP FOR RETIREE
HEALTH INSURANCE AND AUTHORIZING THE CITY MANAGER TO ENTER
INTO AN AGREEMENT WITH UNITED HEALTH CARE FOR THE PROVISION OF
A MEDICARE ADVANTAGE PLAN FOR RETIREES**

WHEREAS, the City of Winston-Salem offers a Medicare Advantage health insurance plan for retirees (age 65+) who are eligible for Medicare coverage; and

WHEREAS, this coverage supplements retirees' Medicare Parts A and B coverage and provides a benefit that closely matches the health insurance coverage provided for employees and pre-65 employees; and

WHEREAS, the current provider of this plan is UnitedHealthcare; and

WHEREAS, the Medicare Advantage plan provides coverage for 685 retirees and 196 retiree spouses; and

WHEREAS, in 1991, City Council adopted a resolution limiting the City's contribution to retiree health insurance to \$2,400 annually (\$200/month) for each retiree; and

WHEREAS, each year, City staff reviews the Medicare Advantage coverage options offered by the insurance provider and selects a plan that closely matches the plans provided for City employees and pre-65 retirees; and

WHEREAS, for 2016, City staff executed an agreement for a plan that was under the \$200/month/retiree cap which was intended to mirror the other plans; and

WHEREAS, City staff has been made aware of new facts indicating that the better plan choice for City retirees would have been a plan at a \$209.13/month/retiree rate, which is higher than the City's contribution cap; and

WHEREAS, this plan maintains the lower prescription co-pays that were in effect in the 2015 Medicare Advantage plan provided for City retirees; and

WHEREAS, UnitedHealthcare has agreed to implement the better plan retroactive to January 1, 2016; and

WHEREAS, because the rate for this plan exceeds the current \$200/month/retiree cap, City staff recommends that the City's contribution cap for retiree health insurance be raised to \$210/month/retiree for an annual per retiree cap of \$2,520; and

WHEREAS, Boomershine Consulting Group, the City's actuary and retirement plan consultant, has completed an actuarial analysis on this change and determined that the actuarial liability of the plan would be increased at an annual cost of \$122,800; and

WHEREAS, City staff recommends that (1) the City's annual contribution cap for retiree health insurance be increased to \$210/month/retiree for an annual per retiree contribution cap of \$2,250, (2) the City enter into an agreement with UnitedHealthcare for the provision of a Medicare Advantage plan for retirees at a rate of \$209.13/month/retiree for plan year 2016, and (3) the City market the Medicare Advantage plan for 2017 to ensure the most competitive pricing for retiree health care coverage.

WHEREAS, funds are budgeted for these premiums in the Retiree Benefits Fund.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Winston-Salem City Council, that the City's annual contribution cap for retiree health insurance be increased to \$210/month/retiree for an annual per retiree contribution cap of \$2,250.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to enter into an agreement with UnitedHealthcare for the provision of a Medicare Advantage plan for retirees at a rate of \$209.13/month/retiree for plan year 2016.

BE IT FURTHER RESOLVED, that this resolution is effective upon adoption.

C-7. DRAFT

Should the City Council agree with the findings of the Internal M/WBE Committee, the Citizen's M/WBE Advisory Committee, and that all bids have exceeded the allowable timeframe of the specification, it is recommended that a contract for construction of the Winston Lake Park Development project not be awarded and that all bids for this project be rejected.

The construction budget for this project is \$4,747,140.

M/WBE comment: This project was advertised on the city's website, iSQFT electronic plan room, and 46 general contractors and 11 M/WBE subcontractors were notified directly of this opportunity. W.C. Construction Company, LLC is a minority-owned business.

**RESOLUTION REJECTING ALL BIDS FOR
WINSTON LAKE PARK DEVELOPMENT**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 2:00 PM, Friday, December 11, 2015, for the Winston Lake Park development project; and the following bids were received:

	<u>City/State</u>	<u>Total Base Bid</u>
Wishon & Carter Builders, Inc.	Yadkinville, NC	\$5,248,124
Bar Construction Company, Inc.	Greensboro, NC	5,439,000
W.C. Construction Co. LLC	Winston-Salem, NC	5,621,861

WHEREAS, bids for this project exceeded the budget and pursuant to N.C.G.S. 143-129, staff negotiated with the low bidder to bring the award amount within the project budget. Exhibit A, following the resolution, shows the original bid results and the value engineered revised bid results; and

WHEREAS, the low bidder, Wishon & Carter Builders, Inc., agreed to M/WBE subcontract goals other than those established for this project; and

WHEREAS, the City's Internal M/WBE Committee and the Citizen's M/WBE Advisory Committee met to consider the bidder's good faith efforts and both committees determined that the bidder did not make necessary good faith efforts to achieve the goals established for this project; and

WHEREAS, all bids have exceeded the allowable period of 60 days for the purposes of reviewing all bids and investigating contractor qualifications and should no longer be considered for an award; and

WHEREAS, it is the recommendation of the Finance Committee that a contract for construction of Winston Lake Park development project not be awarded and that all bids be rejected.

C-7. DRAFT

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council, that a contract for construction of Winston Lake Park development project will not be awarded and that all bids be rejected.

Exhibit A

**Winston Lake Park Renovations
BID TABULATION**

Business	Base Bid	5% Contingency	Total Base Bid	Alternate #1	Alternate #2	Alternate #3	M/WBE Project goals	
							M- 10%	W-10%
Wishon & Carter Builders, Inc.	\$4,998,213.00	\$249,911.00	\$5,248,124.00	-\$38,016.00	-\$15,797.00	-\$44,959.00	2.43%	44.09%
Bar Construction Company, Inc.	\$5,181,917.00	\$257,083.00	\$5,439,000.00	-\$34,000.00	-\$15,000.00	-\$65,000.00	0.00%	34.00%
W.C. Construction, Inc.	\$5,354,154.00	\$267,707.00	\$5,621,861.00	-\$80,000.00	-\$15,000.00	-\$40,000.00	2.00%	9.00%

Alternate No. 1 (Deduct): Eliminate asphalt pavement surface course from southwest parking lot except for designated handicap spaces and isles
 Alternate No. 2 (Deduct): Eliminate asphalt pavement surface course from northeast parking lot.
 Alternate No.3 (Deduct): Eliminate northeast parking lot in its entirety; keep erosion control measures if landform area is to be utilized for waste of unsatisfactory soils.

Winston Lake Park Development Bid Results after value Engineering

Bidder	Wishon & Carter Builders, Inc.
Base Bid	\$5,248,124
*Total Base Bid - deduct value engineer items amount	(\$503,124)
Total Construction Cost with value engineer items	\$4,745,000

M/WBE COMMENTS
CONTRACT: Winston Lake
General Contractor: Wishon & Carter Builders Inc.

The established M/WBE participation goals for this contract were MBE 10%, WBE 10%. The apparent lowest bidder, Wishon & Carter Builders Inc., failed to meet the established goals; therefore, they have submitted documentation or responded to the following good faith criteria outlining their efforts to meet the goal. The criteria and their responses are as follows:

Awarded/Possible Points

- (a) Attending pre-solicitation or pre-bid meetings that are scheduled by the City to inform M/WBEs of contracting, subcontracting and supply opportunities.

A company representative did attend the pre-bid conference.

10/10 points

- (b) Advertising in general circulation, trade association, and minority-focus media concerning subcontracting opportunities.

The company did not advertise in two of the three required media. 0/15 points

- (c) Submit copies of solicitations for quotes to at least three (3) minority business firms from the source list provided by the Owner for each subcontract to be let under this contract. Each solicitation shall contain a specific description of the work to be subcontracted, location where bid documents can be reviewed, representative of the prime bidder to contact, and location, date and time when quotes must be received. Solicitation was made at least 10 days before bids were due.

They provided a bid solicitation letter that listed where the plans can be found, their address, contact person, and phone number. The list of work to be subcontracted was not listed.

12/15 points

- (d) Submit a copy of a telephone log listing follow-up calls to each firm sent a solicitation.

The company followed up by phone calling M/WBE firms.

9/10 points

- (e) Identifying and selecting portions of the work to be performed by M/WBEs in order to increase the likelihood of M/WBE participation (including where appropriate, breaking down contracts into economically feasible units to facilitate M/WBE participation).

The company identified the portions of work to be performed by MWBE's by including a copy of each division from a specifications book.

8/15 points

- (f) Providing interested M/WBEs with equal access to specifications, plans, and requirements of the contract.

The company sent solicitation letters both email and fax with a link to their Blue Book plan room.

10/10 points

- (g) Negotiating fairly with interested M/WBEs. For subcontracts where a minority business firm is not considered the lowest responsible sub-bidder, submit copies of quotes received from all firms submitting quotes for that particular subcontract.

The company provided evidence to support that they received quotes from interested M/WBEs. There was no evidence of negotiation with M/WBE firms.

15/25 points

- (h) Using the services of the City of Winston-Salem or correspondence with minority business, community, or contractor organizations utilized in an attempt to meet the goal.

The company only used the City of Winston M/WBE HUB Directory.

5/10 points

- (i) Assisting minority businesses in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letter of credit, including waiving credit that is ordinarily required.

The company did offer assistance in this area, in the form of joint pay agreements and provided copies of implemented agreements

10/20 points

- (j) Providing assistance in obtaining required bonding or insurance or providing alternatives to bonding or insurance for subcontractors.

This assistance was offered in advance. Evidence of implementation on a prior project was not provided.

13/25 points

- (k) Did the company offer to joint venture or partner with MWBE firms?

The assistance was not offered nor implemented.

**1/10
points**

- (l) Provide quick pay agreements and policies to enable minority contractors and suppliers to meet cash flow demands.

Quick pay agreements were offered in the solicitation letter.

6/15 points

The City's M/WBE Citizen's Advisory Committee reviewed the documentation on February 3, 2016 and found that Wishon & Carter Builders, Inc., did not demonstrate a Good Faith Effort to meet the recommended goals for **the Winston Lake Project**. The company accumulated an average score of **99 points out of the possible 180**, not surpassing the **115 required point criteria** for demonstrating a Good Faith Effort.

City Council – Action Request Form

Date: March 8, 2016
To: The City Manager
From: Thomas Kureczka, Chief Information Officer

Council Action Requested:

Approval to purchase software maintenance from Mitchell Humphrey & Company.

Summary of Information:

A \$1.55 million dollar technology solution was approved in 2001 to support the City’s core financial system needs. The solution included licensing and software from Mitchell Humphrey & Co., computer hardware, and professional services. The Mitchell Humphrey software continues to provide these core financial needs and additional services added since 2001. The components include fund accounting and general ledger, budgeting, accounts receivable, accounts payable, fixed assets, purchasing, inquiry and reporting capabilities.

The terms of the original agreement with Mitchell Humphrey require payment of an annual maintenance fee for technical support, software updates, and account management. This support is required in order to ensure that the Mitchell Humphrey software will support new government and tax reporting requirements, operate on new hardware, be compatible with changes in the network and computer server systems, and remain compatible with other software applications that interface with it. Since 2001, maintenance fees have increased between three to ten percent annually, consistent with the software industry. Annual fees have also increased at times to cover additional modules as purchased. The total maintenance fee to Mitchell Humphrey for the annual period of April 1, 2016 through March 31, 2017 is \$134,030.

Approval is requested to renew the annual maintenance agreement with Mitchell Humphrey & Co. Funding is included in the FY15-16 Information Systems budget. It is further requested that the authorization be provided to renew for three consecutive years at an amount not to exceed 10% annual increases.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____
Remarks:	_____		

**RESOLUTION AUTHORIZING THE PURCHASE OF SOFTWARE MAINTENANCE
FROM MITCHELL HUMPHREY & COMPANY**

WHEREAS, a \$1.55 million dollar technology solution was approved in 2001 to support the City's core financial system needs; and

WHEREAS, the solution included licensing and software from Mitchell Humphrey & Co., computer hardware, and professional services; and

WHEREAS, the Mitchell Humphrey software continues to provide these core financial needs and additional services added since 2001, including fund accounting and general ledger, budgeting, accounts receivable, accounts payable, fixed assets, purchasing, inquiry and reporting capabilities; and

WHEREAS, the terms of the original agreement with Mitchell Humphrey require payment of an annual maintenance fee for technical support, software updates, and account management; and

WHEREAS, this support is required in order to ensure that the Mitchell Humphrey software will support new government and tax reporting requirements, operate on new hardware, be compatible with changes in the network and computer server systems, and remain compatible with other software applications that interface with it; and

WHEREAS, since 2001 maintenance fees have increased between three to ten percent annually, consistent with the software industry; and

WHEREAS, the total maintenance fee to Mitchell Humphrey for the annual period of April 1, 2016 through March 31, 2017 is \$134,030; and

WHEREAS, approval is requested to renew the annual maintenance agreement with Mitchell Humphrey & Co. with funding included in the FY15-16 Information Systems budget; and

WHEREAS, it is further requested that the authorization be provided to renew for three consecutive years at an amount not to exceed 10% annual increases.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council, upon recommendation of the Finance Committee, does hereby authorize entering into a contract with Mitchell Humphrey & Co. for software maintenance services in an amount of \$134,030, and renewal maintenance in future years subject to approved funding through the annual budget process.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute the contract on behalf of the City.

City Council – Action Request Form	
Date:	March 8, 2016
To:	The City Manager
From:	Gregory M. Turner, Assistant City Manager
Council Action Requested:	
<p>Consideration of item relating to the 28th Street Stormwater Drainage Improvements and Water and Sewer Replacement:</p> <ul style="list-style-type: none"> a) Consideration of a resolution authorizing a change order to Charles D. Lowder Inc. in the amount of \$270,000 for replacement of a 72”culvert system on Ivy Avenue (Northeast Ward); b) Consideration of a resolution authorizing a change order to HDR Engineering in the amount of \$40,000 for construction observation and administration services; c) Ordinance Amending the Project Budget for the fiscal year 2015-2016 to appropriate funds. 	
Summary of Information:	
<p>On December 14, 2014 City Council awarded a unit price construction contract to Charles D. Lowder Inc. in the estimated amount of \$6,399,703. The purpose of this capital improvement project was to repair, rehabilitate, and/or replace deficient drainage, sewer, and water infrastructure in an area bounded by Indiana Avenue to the north, Liberty Street to the east, 25th Street and Blum Park to the south, and Ivy Avenue to the west. An integral part of the drainage work was the re-purposing of a portion of Blum Park that frequently flooded. This area was converted to a constructed wetland, i.e. a natural stormwater management facility (SMF) that provides flooding attenuation and water quality enhancements.</p> <p>During construction of the SMF’s outlet structure, a segment of the existing outfall culvert failed. This outfall culvert is a 72” diameter corrugated metal pipe that conveys stormwater from approximately 168 acres through Blum Park and under Ivy Avenue before it discharges into an open channel. An inspection of the culvert revealed that this metal pipe was severely corroded and had reached the end of its service life.</p>	
Committee Action:	
Committee	Action
For	Against
Remarks:	

Staff requests a change order to install 276' of a 72" corrugated metal pipe from Blum Park through Ivy Avenue. To cover the cost of the excavation, pipe, stone for subgrade and additional paving a contract change order of \$270,000 is requested bringing the total contract value to \$6,669,703 for Charles D. Lowder, Inc.

In addition, a contract change order of \$40,000 is requested for HDR Engineering to provide construction inspection, observation and administration services to complete the Ivy Avenue culvert replacement and the remainder project. The amended contract value for HDR Engineering would be \$157,744.

The attached budget amendment covers the cost of these change orders, as well as the cost for additional engineering, inspection and testing expenses.

**RESOLUTION AUTHORIZING A CHANGE ORDER TO CHARLES D. LOWDER INC.
IN THE AMOUNT OF \$270,000 FOR WORK ON THE 28TH STREET STORMWATER
DRAINAGE IMPROVEMENTS AND WATER AND SEWER REPLACEMENT
PROJECT**

WHEREAS, on December 14, 2014, City Council awarded a unit price construction contract to Charles D. Lowder, Inc. in the estimated amount of \$6,399,703 for 28th Street drainage improvements and water and sewer replacement; and

WHEREAS, this drainage improvement and utility replacement project is a unit price contract and the City pays for actual quantities used; and

WHEREAS, during construction, a 72” diameter pipe located downstream from the stormwater management facility failed and is in need of replacement.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that an increase in the purchase order in the amount of \$270,000 is authorized to Charles D. Lowder Inc. for additional quantities of work and additional contract contingency associated with the 28th Street drainage improvements and water and sewer replacement project.

**RESOLUTION AUTHORIZING A CHANGE ORDER TO HDR ENGINEERING, INC.
OF THE CAROLINAS IN THE AMOUNT OF \$40,000 FOR WORK ON THE 28TH
STREET STORMWATER DRAINAGE IMPROVEMENTS AND WATER AND SEWER
REPLACEMENT PROJECT**

WHEREAS, City Council awarded a construction services contract to HDR Engineering Inc. of the Carolinas in the amount of \$117,744 for 28th Street drainage improvements and water and sewer replacement; and

WHEREAS, during construction, a 72” diameter pipe located downstream from the stormwater management facility failed and is in need of replacement; and

WHEREAS, additional construction inspection, observation and administration services are needed to complete the project.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that an increase in the purchase order in the amount of \$40,000 is authorized to HDR Engineering, Inc. of the Carolinas for additional inspection, construction observation and administration services associated with the 28th Street drainage improvements and water and sewer replacement project.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

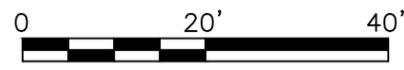
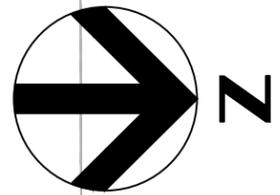
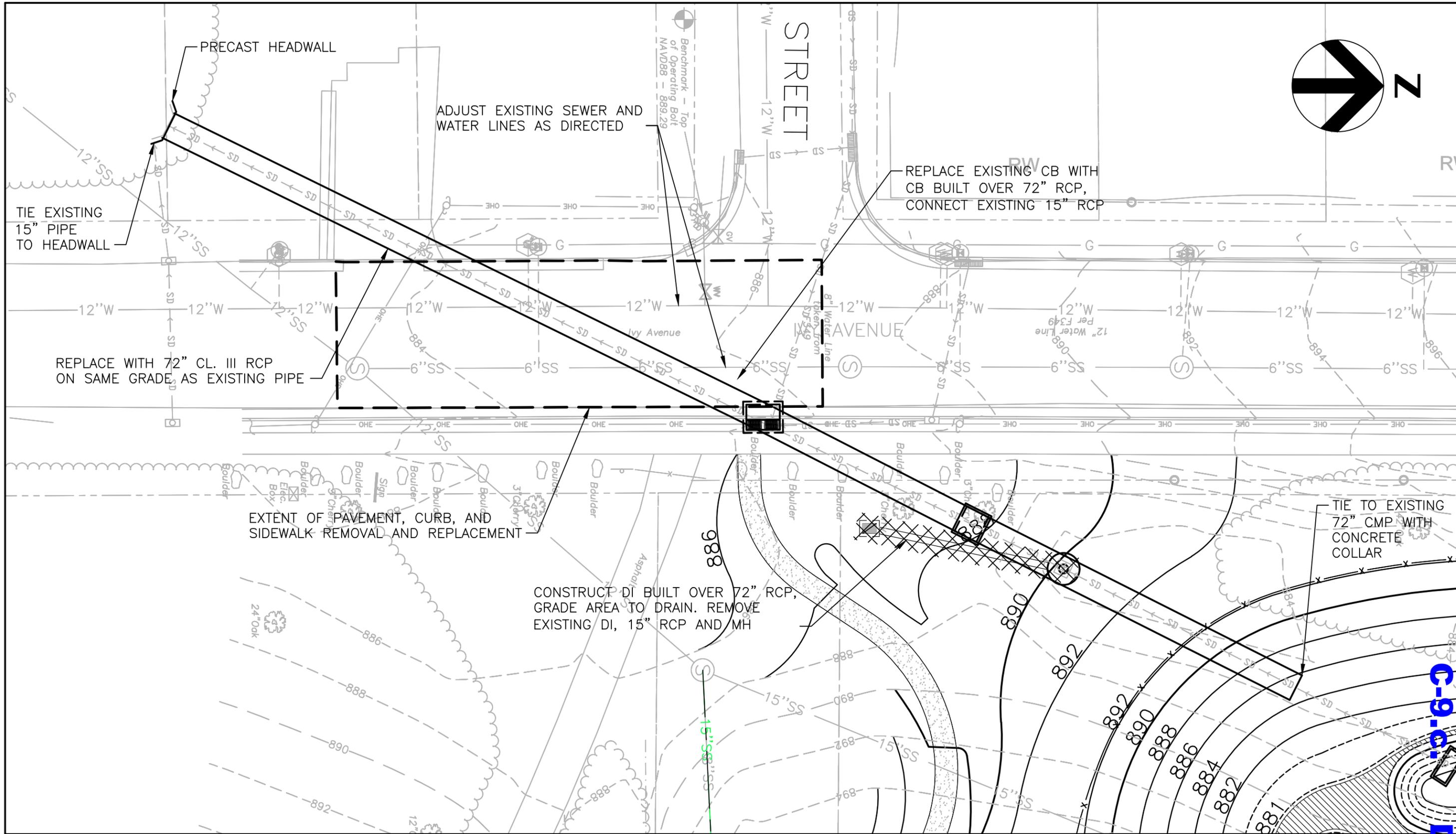
BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2015-2016 be amended to transfer funds for change orders to the 28th Street Stormwater Drainage Improvements project.

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on July 20, 2015, August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, December 21, 2015, January 19, 2016, and February 15, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

Enterprise Capital Projects Funds

Stormwater Capital Projects Fund	
Stormwater Infrastructure Projects	-\$310,000
28 th Street Stormwater Drainage Improvements	310,000
Total Enterprise Capital Projects Funds Expenditures	\$0

SECTION 2. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.



HDR Engineering Inc.
of the Carolinas
440 S Church St. Suite 1000
Charlotte, NC 28202-2075
704.338.6700
N.C.B.E.L.S. License Number F-0116

IVY AVENUE DRAINAGE MODIFICATION

Winston Salem - 28th Street Drainage Improvements

DATE 02/2016
FIGURE Figure 1

C-9-a
DRAFT

City Council – Action Request Form		
Date:	March 28, 2016	
To:	The City Manager	
From:	Jerry Bates, Purchasing Director	
Council Action Requested:		
Consideration of Items Related to Sand Filter Conversion at Brookwood Business Park:		
A. Adoption of Resolution Awarding a Contract for the Sand Filter Conversion at Brookwood Business Park. (Northeast Ward)		
B. Project Budget Ordinance Amendment to Appropriate Additional Funds.		
Summary of Information:		
Bids were received March 3, 2016, for a stormwater collection pond repair project at the Brookwood Business Park development site. Below is a summary of the bids accepted:		
	<u>City/State</u>	<u>Total Bid</u>
Carolina Environmental Contracting, Inc.	Mount Airy, NC	\$98,815
Backwater Environmental, a Division of The Osborne Company of North Carolina, Inc.	Eden, NC	98,900
River Works, Inc.	Raleigh, NC	119,220
It is recommended that a contract for construction of the Sand Filter Conversion be awarded to Carolina Environmental Contracting, Inc., the low bidder meeting specifications, in the estimated amount of \$98,815.		
An amendment to the Project Budget Ordinance is attached which appropriates funds to complete this project.		
M/WBE comment: Notices were sent to 40 grading and site work contractors, including 6 minority owned and 13 woman owned businesses from the City's database. Carolina Environmental Contracting, Inc. is a woman owned business.		
Workforce Demographics: See Exhibit A.		
Committee Action:		
Committee	Action	
For	Against	
Remarks:		

RESOLUTION AWARDING A CONTRACT FOR THE SAND FILTER CONVERSION AT BROOKWOOD BUSINESS PARK

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 2:00 PM, Thursday, March 3, 2016, for construction of the sand filter conversion at the Brookwood Business Park development site; and the following bids were received:

	<u>City/State</u>	<u>Total Bid</u>
Carolina Environmental Contracting, Inc. Backwater Environmental, a Division of The Osborne Company of North Carolina, Inc. River Works, Inc.	Mount Airy, NC Eden, NC Raleigh, NC	\$98,815 98,900 119,220

WHEREAS, it is the recommendation of the Finance Committee that a contract for construction of the sand filter conversion at the Brookwood Business Park development site be awarded to Carolina Environmental Contracting, Inc., in the estimated total bid amount of \$98,815.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that a contract for construction of the sand filter conversion at the Brookwood Business Park development site is hereby awarded to Carolina Environmental Contracting, Inc. in the estimated total bid amount of \$98,815 and that all other bids are rejected. The City Manager and City Secretary are hereby authorized to execute the contract on behalf of the City, with contract forms to be approved by the City Attorney.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

BE IT FURTHER RESOLVED that funds have been previously appropriated and will be made available in account no. 306-532109-574103 to cover the cost of this contract.

Exhibit A

Project/Bid Description: Sand Filter Conversion at Brookwood Park
 Bidder's Company Name: Carolina Environmental Contrating, Inc.
 City/State: Mount Airy, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	46	4	32	4	13	0	1	50
% of Total	92.0%	8.0%	64.0%	8.0%	26.0%	0.0%	2.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2015-2016 be amended to transfer 2014 General Obligation Bonds for Brookwood Business Park infrastructure.

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on July 20, 2015, August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, December 21, 2015, January 19, 2016, and February 15, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

Capital Projects Fund

Economic Development Projects	
Economic Development Sites/Infrastructure (2014 GO Bonds)	-\$100,000
Brookwood Business Park Infrastructure	100,000
Total Capital Project Fund Expenditures	\$0

SECTION 2. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

City Council – Action Request Form

Date: March 28, 2016

To: The City Manager

From: Jerry Bates, Purchasing Director

Council Action Requested:

Adoption of a Resolution Awarding a Contract for Repairs to the Bryce A. Stuart Parking Deck. (South Ward)

Summary of Information:

Bids were received February 23, 2016, for repairs to the Bryce A. Stuart Parking Deck at 155 South Church Street. The scope of work involves structural repairs and drainage improvements, with work at all five levels of the parking deck while remaining in operation. The following bids were received:

	<u>City/State</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Total Bid</u>
Strickland Waterproofing Co., Inc.	Charlotte, NC	\$149,915	\$29,100	\$179,025
Stone Restoration, LLC	Charlotte, NC	157,051	22,686	179,737
Statesville Roofing & Building Restoration, Inc.	Statesville, NC	348,785	27,000	375,875

Alternate #1 is for replacing horizontal joint seals on the top level. It is recommended that a contract be awarded to Strickland Waterproofing Co., Inc., the low bidder meeting specifications, for repairs to the Bryce A. Stuart Parking Deck for the base bid and alternate #1 total bid amount of \$179,025.

This amount is below the engineer’s estimate of \$195,000.

M/WBE comment: Notices of this bid were sent to 27 contractors, including eight M/WBE businesses, who are past bidders and perform this type of work. No M/WBE firms offered a bid.

Workforce Demographics: See Exhibit A

Committee	_____	Action	_____
For	_____	Against	_____
Remarks:	_____		

**RESOLUTION AWARDING A CONTRACT FOR REPAIRS TO
THE BRYCE A. STUART PARKING DECK**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 1:00 PM, Tuesday, February 23, 2016, for repairs to Bryce A. Stuart Parking Deck; and the following bids were received:

	<u>City/State</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Total Bid</u>
Strickland Waterproofing Co., Inc.	Charlotte, NC	\$149,915	\$29,100	\$179,025
Stone Restoration, LLC	Charlotte, NC	157,051	22,686	179,737
Statesville Roofing & Building Restoration, Inc.	Statesville, NC	348,785	27,000	375,875

WHEREAS, it is the recommendation of staff that a contract be awarded to Strickland Waterproofing Co., Inc., for the base bid and alternate #1 total bid amount of \$179,025; and

WHEREAS, it is the recommendation of the Finance Committee that a contract for repairs to Bryce A. Stuart Parking Deck be awarded to Strickland Waterproofing Co., Inc., for the base bid and alternate #1 total bid amount of \$179,025.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that a contract for repairs to Bryce A. Stuart Parking Deck is hereby awarded to Strickland Waterproofing Co., Inc. for the base bid and alternate #1 total bid amount of \$179,025 and that all other bids are rejected. The City Manager and City Secretary are hereby authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney, and bid deposit retained until the successful bidder has delivered satisfactory contract and performance and payment bonds.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

C-11.a. DRAFT

BE IT FURTHER RESOLVED that funds have been previously appropriated and are available in account no. 8152-532102-610101 to cover the cost of this contract.

Exhibit A

Project/Bid Description: Repairs at Bryce A. Stuart Parking Deck
 Bidder's Company Name: Strickland Waterproofing Co., Inc.
 City/State: Charlotte, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	114	4	65	8	45			118
% of Total	96.6%	3.4%	55.1%	6.8%	38.1%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form

Date: March 28, 2016
To: The City Manager
From: Jerry Bates, Purchasing Director

Council Action Requested:

Adoption of Resolution Awarding Contract for Joint Repairs at 6th/Cherry/Trade Parking Deck. (North Ward)

Summary of Information:

Bids were received February 16, 2016, for joint repairs at the 6th/Cherry/Trade Parking Deck. The general scope of work on this project will include repairs to horizontal and vertical concrete expansion joints as well as additional structural repairs. A total of 44 contractors were extended an invitation to bid on the project, with three bids being received as follows:

	<u>City/State</u>	<u>Base Bid</u>
Strickland Waterproofing Co., Inc.	Charlotte, NC	\$143,130
Stone Restoration, LLC	Charlotte, NC	143,500
Watertight Systems, Inc.	Lexington, SC	271,960

In addition to the total base bid, pricing was requested for 3 add alternates. See Exhibit A for a full bid tabulation and description of each add alternate.

It is recommended by staff that a contract be awarded to Strickland Waterproofing Co., Inc., the lowest responsive, responsible bidder meeting specifications, for joint repairs at the 6th/Cherry/Trade Parking Deck in the base bid amount of \$143,130 plus replacement of the brick support structure as described in add alternate #3 in the amount of \$39,940 for the total award amount of \$183,070.

M/WBE comment: Notices of this bid were sent to fourteen M/WBE contractors but none elected to offer a proposal on the project.

Workforce Demographics: See Exhibit B

Committee	Action
For	Against
Remarks:	

**RESOLUTION AWARDING A CONTRACT FOR JOINT REPAIRS AT
6TH/CHERRY/TRADE PARKING DECK**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 Noon, Tuesday, February 16, 2016, for joint repairs at 6th/Cherry/Trade Parking Deck; and the following bids were received:

	<u>City/State</u>	<u>Base Bid</u>
Strickland Waterproofing Co., Inc.	Charlotte, NC	\$143,130
Stone Restoration, LLC	Charlotte, NC	143,500
Watertight Systems, Inc.	Lexington, SC	271,960

WHEREAS, it is the recommendation of the Finance Committee that a contract be awarded to Strickland Waterproofing Co., Inc., the lowest responsive, responsible bidder meeting specifications, for joint repairs at the 6th/Cherry/Trade Parking Deck in the base bid amount of \$143,130 plus replacement of the brick support structure as described in add alternate #3 in the amount of \$39,940 for the total award amount of \$183.070.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that a contract is hereby awarded to Strickland Waterproofing Co., Inc., the lowest responsive, responsible bidder meeting specifications, for joint repairs at the 6th/Cherry/Trade Parking Deck in the base bid amount of \$143,130 plus replacement of the brick support structure as described in add alternate #3 in the amount of \$39,940 for the total award amount of \$183.070 and that all other bids are rejected. The City Manager and City Secretary are hereby authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney, and bid deposit retained until the successful bidder has delivered satisfactory contract and performance and payment bonds.

C-11.b. DRAFT

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

BE IT FURTHER RESOLVED that funds have been previously appropriated and are available in account no. 8152-532102-610204 to cover the cost of this contract.

EXHIBIT A**Joint Repairs at 6th/Cherry/Trade Parking Deck****Bid opening: February 16, 2016 12:00 Noon****Bid No. IF16172****BID TABULATION**

Business	Total Base Bid	Alt #1	Alt #2	Alt #3
		Steel Cleaned & Painted over Ext Walkway	Entry Tower Renovation	Brick Support Angle Replacement
Strickland Waterproofing Co., Inc.	\$143,130	\$58,212	\$54,115	\$39,940
Stone Restoration, LLC	\$143,500	\$4,400	\$15,500	\$26,500
Watertight Systems, Inc.	\$271,960	\$36,634	\$77,803	\$102,363

Exhibit A

Project/Bid Description: Joint Repairs at 6th/Cherry/Trade Parking Deck
 Bidder's Company Name: Strickland Waterproofing Co., Inc.
 City/State: Charlotte, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	114	4	65	8	45			118
% of Total	96.6%	3.4%	55.1%	6.8%	38.1%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form

Date: March 28, 2016

To: The City Manager

From: Jerry Bates, Purchasing Director

Council Action Requested:

Adoption of Resolution Awarding Contract for Renovations at 4th & Church Parking Deck. (North Ward)

Summary of Information:

Bids were received March 3, 2016, for renovations at 4th & Church Parking Deck. The general scope of work on this project will include repairs to concrete surfaces and expansion joints as well as additional structural repairs. A total of 15 contractors were extended an invitation to bid on the project with five bids being received as follows:

	<u>City/State</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Total Bid</u>
Stone Restoration, LLC	Charlotte, NC	\$116,892.00	\$ 2,100	\$118,992.00
Strickland Waterproofing Co., Inc.	Charlotte, NC	190,316.00	4,719	195,035.00
Statesville Roofing & Building Restoration, Inc.	Statesville, NC	199,850.00	17,000	216,850.00
High Rock Waterproofing, Inc.	Lexington, NC	227,368.00	47,480	274,848.00
IQ Contracting, LLC	Raleigh, NC	257,399.06	26,000	283,399.06

Alternate #1 is for miscellaneous painting per bid specifications. It is recommended by staff that a contract be awarded to Stone Restoration, LLC, the lowest responsive, responsible bidder meeting specifications, for renovations at 4th & Church Parking Deck in the base bid amount of \$116,892 plus alternate #1 miscellaneous painting in the amount of \$2,100 for the total award amount of \$118,992.

M/WBE comment: Notices of this bid were sent to two M/WBE contractors; however, neither elected to offer a proposal on the project.

Workforce Demographics: See Exhibit A

Committee	_____	Action	_____
For	_____	Against	_____
Remarks:	_____		

**RESOLUTION AWARDING A CONTRACT FOR RENOVATIONS AT
4TH & CHURCH PARKING DECK**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 Noon, Thursday, March 3, 2016, for renovations at 4th and Church Parking Deck; and the following bids were received:

	<u>City/State</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Total Bid</u>
Stone Restoration, LLC	Charlotte, NC	\$116,892.00	\$ 2,100	\$118,992.00
Strickland Waterproofing Co., Inc.	Charlotte, NC	190,316.00	4,719	195,035.00
Statesville Roofing & Building Restoration, Inc.	Statesville, NC	199,850.00	17,000	216,850.00
High Rock Waterproofing, Inc.	Lexington, NC	227,368.00	47,480	274,848.00
IQ Contracting, LLC	Raleigh, NC	257,399.06	26,000	283,399.06

WHEREAS, it is the recommendation of the Finance Committee that a contract be awarded to Stone Restoration, LLC, the lowest responsive, responsible bidder meeting specifications, for renovations at 4th & Church Parking Deck in the base bid amount of \$116,892 plus alternate #1 miscellaneous painting in the amount of \$2,100 for the total award amount of \$118,992.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that a contract is hereby awarded to Stone Restoration, LLC, the lowest responsive, responsible bidder meeting specifications, for renovations at 4th and Church Parking Deck in the base bid amount of \$116,892 plus alternate #1 miscellaneous painting in the amount of \$2,100 for the total award amount of \$118,992 and that all other bids are rejected. The City Manager and City Secretary are hereby authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney, and bid deposit retained until the successful bidder has delivered satisfactory contract and performance and payment bonds.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

BE IT FURTHER RESOLVED that funds have been previously appropriated and are available in account no. 8152-533102-610503 to cover the cost of this contract.

Exhibit A

Project/Bid Description: Renovations at 4th & Church Parking Deck
 Bidder's Company Name: Stone Restoration LLC
 City/State: Charlotte, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	105	8	63	24	24	0	0	113
% of Total	92.9%	7.1%	55.8%	21.2%	21.2%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form													
Date:	March 28, 2016												
To:	The City Manager												
From:	Jerry Bates, Purchasing Director												
Council Action Requested:													
Adoption of Resolution Awarding Contract for Resurfacing City Streets – Bond Contract 3A.													
Summary of Information:													
<p>Bids were received February 25, 2016, for bond contract 3A to resurface City streets during the period of May 1, 2016, through December 30, 2016. The complete listing of streets scheduled to be resurfaced (Attachment A) follows the resolution. Below is a summary of bids accepted:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; width: 20%;"><u>City/State</u></th> <th style="text-align: center; width: 20%;"><u>Bid</u></th> </tr> </thead> <tbody> <tr> <td>APAC-Atlantic, Inc., Thompson-Arthur Division</td> <td style="text-align: center;">Winston-Salem, NC</td> <td style="text-align: right;">\$3,791,912.18</td> </tr> <tr> <td>Yadkin Valley Paving, Inc.</td> <td style="text-align: center;">Winston-Salem, NC</td> <td style="text-align: right;">3,933,168.14</td> </tr> <tr> <td>Sharpe Bros., a Division of Vecellin & Grogan, Inc.</td> <td style="text-align: center;">Greensboro, NC</td> <td style="text-align: right;">3,996,028.86</td> </tr> </tbody> </table> <p>The low bidder, APAC-Atlantic, Inc., Thompson-Arthur Division has agreed to the goals established for this project of 5% with minority-owned businesses and 5% with women-owned businesses. It is recommended that a contract be awarded to APAC-Atlantic, Inc., Thompson-Arthur Division., the low bidder meeting specifications, in the estimated amount of \$3,791,912.18.</p> <p>M/WBE comment: Yadkin Valley Paving, Inc. a certified woman-owned business.</p> <p>Workforce Demographics: See Exhibit B</p>			<u>City/State</u>	<u>Bid</u>	APAC-Atlantic, Inc., Thompson-Arthur Division	Winston-Salem, NC	\$3,791,912.18	Yadkin Valley Paving, Inc.	Winston-Salem, NC	3,933,168.14	Sharpe Bros., a Division of Vecellin & Grogan, Inc.	Greensboro, NC	3,996,028.86
	<u>City/State</u>	<u>Bid</u>											
APAC-Atlantic, Inc., Thompson-Arthur Division	Winston-Salem, NC	\$3,791,912.18											
Yadkin Valley Paving, Inc.	Winston-Salem, NC	3,933,168.14											
Sharpe Bros., a Division of Vecellin & Grogan, Inc.	Greensboro, NC	3,996,028.86											
Committee Action:													
Committee	Action												
For	Against												
Remarks:													

**RESOLUTION AWARDING CONTRACT FOR
RESURFACING CITY STREETS – BOND CONTRACT 3A**

WHEREAS, after due advertisement bids were received and publicly opened by the City/County Purchasing Department at 2:00 p.m., Thursday, February 25, 2016, for bond contract 3A to resurface City streets per Attachment A during the period of May 1, 2016, through December 30, 2016, and the following bids were accepted:

	<u>City/State</u>	<u>Bid</u>
APAC-Atlantic, Inc., Thompson-Arthur Division	Winston-Salem, NC	\$3,791,912.18
Yadkin Valley Paving, Inc.	Winston-Salem, NC	3,933,168.14
Sharpe Bros., a Division of Vecellin & Grogan, Inc.	Greensboro, NC	3,996,028.86

WHEREAS, it is the recommendation of the Finance Committee that bond contract 3A to resurface City streets per Attachment A be awarded to APAC-Atlantic, Inc., Thompson-Arthur Division, the low bidder meeting specifications, in the estimated amount of \$3,791,912.18.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that bond contract 3A to resurface City streets per Attachment A during the period of May 1, 2016, through December 30, 2016, is hereby awarded to APAC-Atlantic, Inc., Thompson-Arthur Division, in the estimated amount of \$3,791,912.18, and that all other bids are rejected, and that the City Manager and City Secretary are authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney, and bid deposit retained until the successful bidder has delivered satisfactory contract, performance, and labor and materials payment bonds.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the

contract until the contract is duly executed by the City. The bid deposit shall be retained if the bidder fails to execute the contract or give satisfactory surety as required by N.C.G.S. 143-129.

BE IT FURTHER RESOLVED that APAC-Atlantic, Inc., Thompson-Arthur Division, will be required to subcontract 5.06% of this contact with certified minority owned businesses and 5.06% with certified women owned businesses as indicated on Affidavit “C” submitted by the company.

BE IT FURTHER RESOLVED that funds will be appropriated with the fiscal year 2016-17 budget and available in account no. 30-304-533116-5411 to cover the cost of this contract.

ATTACHMENT A

City Streets Contract 3A

STREET	WARD	FROM	TO
Bruce St.	East	Williamson St.	Timlic Ave.
Jubilee Trail	East	Oak Garden Dr.	Ember Ln.
Lake Garden Ct.	East	Toucan Ln.	Cul De Sac
Lowery Ct.	East	Lowery St.	W 5th St.
Martindale Rd.	East	Kernersville Rd.	High Point Rd.
New Greensboro Rd.	East	Dead End	Linville Rd.
		Dead End	Change Width
		Change Width	Linville Rd.
Oak Garden Dr.	East	Oak Grove Church Rd.	Sedge Garden Rd.
		Oak Grove Church Rd.	Embark Dr
		Embark Dr	Sedge Garden Rd.
Oak Grove Church Rd.	East	Oak Garden Dr.	Glenn Hi Rd.
		Oak Garden Dr.	Change Width
		Change Width	Oak Tree Dr
		Oak Tree Dr	Change Width
		Change Width	Glenn Hi Rd.
Spaulding Dr.	East	New Walkertown Rd.	New Walkertown Rd.
Stewart Rd.	East	Kernersville Rd.	Cul De Sac
Timlic Ave.	East	Williamson St.	Williamson St.
Wayside Dr.	East	Young St.	Old Wayside Dr.
Wayside Dr.	East	High Point Rd.	Bedford Park Ct.
Williamson St.	East	Bruce St.	Mlk Jr. Dr.
STREET	WARD	FROM	TO
Beth Ave.	South	Konnoak Dr.	Buchanan St.
Briar Glen Rd.	South	Laurel Grove Rd.	Ebert Rd.
Carriage Cove Ln.	South	Lois St.	Old Salisbury Rd.
Denise Ln.	South	Glenshire Dr.	Shetland Dr.
		Glenshire Dr.	End Curb & Gutter
		End Curb & Gutter	Shetland Dr.
Ebert Village Ct.	South	Briar Glen Dr.	Cul De Sac
Granville Dr.	South	Apple St.	W. Walnut St.
		Apple St.	Franklin St
		Franklin St	W Bank St
		W Bank St	W Academy St
		W Academy St	W. Walnut St.
Gyro Dr.	South	Old Salisbury Rd.	Ralee Dr.
Hartman St.	South	Trent St.	Buchanan St.
		Trent St.	Cockerham St

		Cockerham St	End Curb & Gutter
		End Curb & Gutter	Buchanan St.
Lois Ct.	South	Cul De Sac	Lois St.
Old Salisbury Rd.	South	Brierwood St.	W. Clemmons ville
		Brierwood St.	Gyro Dr
		Gyro Dr	Change Width
		Change Width	W. Clemmons ville
Quillmark Ct.	South	Cul De Sac	Quillmark Rd.
Quillmark Rd.	South	Palmira Trail	Cul De Sac
Shetland Dr.	South	Darwick Rd.	End Maintenance
South Park Blvd.	South	Brewer Rd.	Old Salisbury Rd.
		Brewer Rd.	Change Width
		Change Width	Peters Creek Pkwy
		Peters Creek Pkwy	Change Width
Thompson Dr.	South	Old Salisbury Rd.	W. Clemmons ville
Trademart Blvd.	South	Peters Creek Pkwy.	Old Salisbury Rd.
W.Bank St.	South	Granville Dr.	Peters Creek Pkwy.
		Granville Dr.	Gregory St
		Gregory St	Peters Creek Pkwy.
STREET	WARD	FROM	TO
Bretton St.	Southeast	Peachtree St.	Pleasant St.
Butler St.	Southeast	Begin Curb	Waughtown St.
Marne St.	Southeast	Milford St.	Pleasant St.
Peachtree St.	Southeast	Simmons St.	Dead End
		Simmons St.	Verdun St
		Verdun St	Bretton St
		Bretton St	Ernest St
		Ernest St	Dead End
Pleasant St.	Southeast	Peachtree St.	Rockford St.
S. Main St.	Southeast	Bridge Over Creek	52 South Exit Ramp
S. Main St.	Southeast		Back Forty Dr.
Shalimar Dr.	Southeast	Glenmont Rd.	Reynolds Park Rd.
		Glenmont Rd.	Glenmont Rd
		Glenmont Rd.	Reynolds Park Rd.
W. Sedgefield Dr.	Southeast	Pleasant St.	Palmetto Dr.
W. Sedgefield Dr.	Southeast	Palmetto Dr.	Pleasant St.

STREET	WARD	FROM	TO
Arlington Dr.	Southwest	End Divided	Dead End
Ashwood Dr.	Southwest	Dead End	Dead End
Benton Rd.	Southwest	Us 421 Nt	Dead End
Birchwood Dr.	Southwest	Dead End	Bethesda Rd.
Blackwood Ave.	Southwest	Ashwood Dr.	Birchwood Dr.
Bridgeport Dr.	Southwest	Carrollwood Dr.	Cul De Sac
Collier St.	Southwest	Dead End	Margaret St.
Creekway Ct.	Southwest	Cul De Sac	Creekway Dr.
Creekway Dr.	Southwest	Dead End	Sylvia St.
Elderwood Ave.	Southwest	Ashwood Dr.	N. Westview Dr.
Hannaford Rd.	Southwest	Vest Mill Rd.	Cul De Sac
Healy Dr.	Southwest	Collier St.	Plaza Dr.
		Collier St.	S Stratford Rd
		S Stratford Rd	Plaza Dr.
Johnsborough Ct.	Southwest	Cul De Sac	Old Vineyard Rd.
Kester Mill Rd.	Southwest	Change Width	Kirk Rd.
Knollwood St.	Southwest	Business 40 Nt	S. Stratford Rd
Margaret St.	Southwest	Cul De Sac	Samuel St.
Old Vineyard Rd.	Southwest	S. Stratford Rd.	Business 4o Nt
		S. Stratford Rd.	Cul De Sac
		Maureen Rd	Business 40 Nt
Weatherwood Ct.	Southwest	Cul De Sac	Weatherwood Ln.
Westbrook Plaza Dr.	Southwest	Begin Divided	S. Stratford Rd.
Westbrook Plaza Dr.	Southwest	Vest Mill Rd.	Westgate Center Dr.
Westgate Center Dr.	Southwest	Westbrook Plaza Dr.	Hanesmall Blvd.

Project/Bid Description: Contract for Resurfacing City Streets – Bond Contract 3A
 Bidder's Company Name: APAC-Atlantic, Inc., Thompson-Arthur Division
 City/State: Winston-Salem, NC

WORKFORCE DEMOGRAPHICS

Gender		Race/Ethnic Identification					Total
Male	Female	White	African-American	Hispanic	Asian	Native-American	
222	20	156	52	33	0	1	242

% of Total 91.7% 8.3% 64.5% 21.5% 13.6% 0.0% 0.4%

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form													
Date:	March 28, 2016												
To:	The City Manager												
From:	Jerry Bates, Purchasing Director												
Council Action Requested:													
Adoption of Resolution Awarding Contract for Resurfacing City Streets – Bond Contract 3B.													
Summary of Information:													
<p>Bids were received February 25, 2016, for bond contract 3B to resurface City streets during the period of May 1, 2016, through December 30, 2016. The complete listing of streets scheduled to be resurfaced (Attachment A) follows the resolution. Below is a summary of bids accepted:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; width: 20%;"><u>City/State</u></th> <th style="text-align: center; width: 20%;"><u>Bid</u></th> </tr> </thead> <tbody> <tr> <td>APAC-Atlantic, Inc., Thompson-Arthur Division</td> <td style="text-align: center;">Winston-Salem, NC</td> <td style="text-align: right;">\$3,048,222.06</td> </tr> <tr> <td>Yadkin Valley Paving, Inc.</td> <td style="text-align: center;">Winston-Salem, NC</td> <td style="text-align: right;">3,253,174.75</td> </tr> <tr> <td>Sharpe Bros., a Division of Vecellin & Grogan, Inc.</td> <td style="text-align: center;">Greensboro, NC</td> <td style="text-align: right;">3,857,831.34</td> </tr> </tbody> </table> <p>The low bidder, APAC-Atlantic, Inc., Thompson-Arthur Division has agreed to the goals established for this project of 5% with minority-owned businesses and 5% with women-owned businesses. It is recommended that a contract be awarded to APAC-Atlantic, Inc., Thompson-Arthur Division., the low bidder meeting specifications, in the estimated amount of \$3,048,222.06.</p> <p>M/WBE comment: Yadkin Valley Paving, Inc. a certified woman-owned business.</p> <p>Workforce Demographics: See Exhibit B</p>			<u>City/State</u>	<u>Bid</u>	APAC-Atlantic, Inc., Thompson-Arthur Division	Winston-Salem, NC	\$3,048,222.06	Yadkin Valley Paving, Inc.	Winston-Salem, NC	3,253,174.75	Sharpe Bros., a Division of Vecellin & Grogan, Inc.	Greensboro, NC	3,857,831.34
	<u>City/State</u>	<u>Bid</u>											
APAC-Atlantic, Inc., Thompson-Arthur Division	Winston-Salem, NC	\$3,048,222.06											
Yadkin Valley Paving, Inc.	Winston-Salem, NC	3,253,174.75											
Sharpe Bros., a Division of Vecellin & Grogan, Inc.	Greensboro, NC	3,857,831.34											
Committee Action:													
Committee	Action												
For	Against												
Remarks:													

**RESOLUTION AWARDING CONTRACT FOR
RESURFACING CITY STREETS – BOND CONTRACT 3B**

WHEREAS, after due advertisement bids were received and publicly opened by the City/County Purchasing Department at 2:00 p.m., Thursday, February 25, 2016, for bond contract 3B to resurface City streets per Attachment A during the period of May 1, 2016, through December 30, 2016, and the following bids were accepted:

	<u>City/State</u>	<u>Bid</u>
APAC-Atlantic, Inc., Thompson-Arthur Division	Winston-Salem, NC	\$3,048,222.06
Yadkin Valley Paving, Inc.	Winston-Salem, NC	3,253,174.75
Sharpe Bros., a Division of Vecellin & Grogan, Inc.	Greensboro, NC	3,857,831.34

WHEREAS, it is the recommendation of the Finance Committee that bond contract 3B to resurface City streets per Attachment A be awarded to APAC-Atlantic, Inc., Thompson-Arthur Division, the low bidder meeting specifications, in the estimated amount of \$3,048,222.06.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that bond contract 3B to resurface City streets per Attachment A during the period of May 1, 2016, through December 30, 2016, is hereby awarded to APAC-Atlantic, Inc., Thompson-Arthur Division, in the estimated amount of \$3,048,222.06, and that all other bids are rejected, and that the City Manager and City Secretary are authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney, and bid deposit retained until the successful bidder has delivered satisfactory contract, performance, and labor and materials payment bonds.

BE IT FURTHER RESOLVED that the award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the

contract until the contract is duly executed by the City. The bid deposit shall be retained if the bidder fails to execute the contract or give satisfactory surety as required by N.C.G.S. 143-129.

BE IT FURTHER RESOLVED that APAC-Atlantic, Inc., Thompson-Arthur Division, will be required to subcontract 5.08% of this contract with certified minority-owned businesses and 5.09% with certified women-owned businesses as indicated on Affidavit “C” submitted by the company.

BE IT FURTHER RESOLVED that funds will be appropriated with the fiscal year 2016-17 budget and available in account no. 30-304-533116-5411 to cover the cost of this contract.

ATTACHMENT A

City Streets Contract 3B

STREET	WARD	FROM	TO
Brian Center Ln.	North	Bethabara Park Blvd.	Change Curb & Gutter
		Bethabara Park Blvd.	Change Width
		Change Width	Change Curb & Gutter
		N Cherry St	Wakefield Dr
Brownsboro Rd.	North	Sugarcreek Dr.	University Pkwy.
Burton St.	North	Pittsburg Ave.	N Cherry St.
Chancellorsville Dr.	North	Dead End	Chickamauga Dr.
Eastwell Pl.	North	Cul De Sac	Hartford St.
Edgebrook Dr.	North	Bethabara Rd.	Dead End
Linn Station Rd.	North	Brownsboro Rd.	North Point Blvd.
Long	North	Ewing	University Pkwy.
Garfield Ct.	North	Garfield Ave.	Cul-De-Sac
Harpwell Dr.	North	Dead End	Murray Rd.
Kress Dr.	North	Waycross	University Pkwy.
Morningside Dr.	North	Reynolda Rd.	Dead End
		Reynolda Rd.	Layston Dr
		Layston Dr	Dead End
Ranch Dr.	North	Waycross	University Pkwy.
Wilderness Rd.	North	Dead End	Chancellorsville Dr.
STREET	WARD	FROM	TO
E. 17th St.	Northeast	Patterson Ave.	Maple St.
Ogburn Ave.	Northeast	N. Glenn Ave.	Newton St.
Leo St.	Northeast	34th St.	End Divided
		34th St.	End Maint.
		Change Width	End Divided
		End Divided	End Divided
		End Curb & Gutter	Dead End
Manchester St.	Northeast	Bowen Blvd.	Frazier View Ln.
		Bowen Blvd.	W 25th St
		W 25th St	Frazier View Ln.
Maple St.	Northeast	E. 16th St.	W. 17th St.
Mineral Ave.	Northeast	Peden St.	Kapp St.
		Peden St.	Ontario St
		Ontario St	Kapp St.
N. Cherry St.	Northeast	Change Width	University Pkwy.
N. Cherry St.	Northeast	Retnuh Dr.	Change Width
S. Glenn Ave.	Northeast	N. Chestnut St.	Greenway Ave.
S. Glenn Ave.	Northeast	N. Chestnut St.	Sm Caesar Dr.
Summit Square Blvd.	Northeast	End Divided	E. Hanes Mill Rd.
		End Divided	E. Hanes Mill Rd.

Tise Ave.	Northeast	Akron Dr.	Motor Rd.
Village Oak Dr.	Northeast	Cul De Sac	Nc 65 Hwy
W. Hanes Mill Rd.	Northeast	Corporate Square Dr.	Change Width
W. Hanes Mill Rd.+	North/Northeast	Corporate Square Dr.	Bethania Station Rd.
STREET	WARD	FROM	TO
Abingdon Way	Northwest	Polo Rd.	Cul De Sac
		Polo Rd.	End Divided
		End Divided	Cul De Sac
Basswood Ct.	Northwest	Cul De Sac	Oakland Dr.
Good Hope Rd.	Northwest	Silas Creek Pkwy.	Saint George Rd.
		End Divided	Emory Dr
		Emory Dr	Fortune St
		Fortune St	Dead End
Greenvalley Rd.	Northwest	Dead End	Polo Rd.
Greenvalley Rd.	Northwest	Willowlake Rd.	Foxhall Dr.
Greenvalley Rd.	Northwest	Polo Rd.	Willowlake Rd.
Loch Dr.	Northwest	Ransom Rd.	Reynolda Rd.
		Ransom Rd.	Briarcliffe Rd
		Briarcliffe Rd	Reynolda Rd.
Loch Lomond Ct.	Northwest	Cul De Sac	Loch Dr.
Meade Ln.	Northwest	Cul De Sac	Abingdon Way
Millerwood Dr.	Northwest	Polo Rd.	T-Turn Around
Oakland Dr.	Northwest	Fairlawn Dr.	Dead End
Old Town Dr.	Northwest	Reynolda Rd.	Bethabara Rd.
		Reynolda Rd.	Briarcliffe Rd
		Briarcliffe Rd	Dawn St
		Dawn St	Bonbrook Dr
		Bonbrook Dr	Bethabara Rd.
Petree Rd.	Northwest	Polo Rd.	Change Width
Petree Rd.	Northwest	Huntingreen Ln.	Chancery Ln.
Springwater Ct.	Northwest	Cul De Sac	Ridgemere Ln.
Swan Dr.	Northwest	Cul De Sac	Ransom Rd.
Tangle Ln.	Northwest	Mill Creek Rd.	Greenmeade Rd.
Red Oak Ln.	Northwest	Cul De Sac	Abingdon Way
Ridgemere Ln.	Northwest	Petree Rd.	Cul De Sac
Rosedale Cir.	Northwest	Polo Rd.	Polo Rd.

STREET	WARD	FROM	TO
Bennett Dr.	West	Country Club Rd.	Lukon Ln.
Billie Sue Dr.	West	Tiffany Ave.	Lynhaven Dr.
Burkeridge Ct.	West	Flyntvalley Dr.	Cul De Sac
Cavalier Dr.	West	Begin Maintenance	Cul De Sac
		Begin Maintenance	Longwood Dr
		Longwood Dr	Cul De Sac
Derbyshire Rd.	West	Quarterstaff Rd.	Friar Tuck Rd.
Fairmont Rd.	West	Buena Vista Rd.	Cul De Sac
Flyntvalley Ct.	West	Cul De Sac	Flyntvalley Dr.
Flyntvalley Ct.	West	Flyntvalley Dr.	Cul De Sac
Flyntvalley Dr.	West	Flyntvalley Ct.	Westoak Trail
S. Stratford Rd.	West	Country Club Rd.	Business 40 Nt
Sally Kirk Rd.	West	Thornhill Ln.	End Curb
Shadylawn Dr.	West	Clyde Dr.	End Curb
Thales Rd.	West	Vinegar Hill Rd.	N. Peace Haven Rd.
Thornhill Ln.	West	Kinlough Ln.	Tallison Dr.
Tiffany Ave.	West	Dead End	N. Peace Haven Rd.
Tipperary Ln.	West	Country Club Rd.	Pine Needles Dr.
Vinegar Hill Rd.	West	Change Width	Thales Rd.
Virginia Rd.	West	Oaklawn Ave.	Roslyn Rd.
Wesleyan Ln.	West	Monticello Dr.	Marguerite Park Dr.

Project/Bid Description: Contract for Resurfacing City Streets – Annual Contract 2016
 Bidder's Company Name: APAC-Atlantic, Inc., Thompson-Arthur Division
 City/State: Winston-Salem, NC

WORKFORCE DEMOGRAPHICS

Gender		Race/Ethnic Identification					Total
Male	Female	White	African-American	Hispanic	Asian	Native-American	
222	20	156	52	33	0	1	242

% of Total 91.7% 8.3% 64.5% 21.5% 13.6% 0.0% 0.4%

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form											
Date:	March 28, 2016										
To:	The City Manager										
From:	Jerry Bates, Purchasing Director										
Council Action Requested:											
Adoption of Resolution Awarding Purchase Order for Rear-Loading Refuse Truck.											
Summary of Information:											
<p>On February 17, 2016, bids were accepted for the purchase of a rear-loading refuse truck for Fleet Services intended for use by the Winston-Salem Sanitation Department. This truck is a scheduled replacement for vehicle #421, a 2006 Chevrolet T7500 with 116,230 miles, acquired cost of \$93,724 and accumulated maintenance and repair costs of \$66,847. Below is a summary of the bids received:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 30%; text-align: center;"><u>City/State</u></th> <th style="width: 30%; text-align: center;"><u>Total Bid</u></th> </tr> </thead> <tbody> <tr> <td>Piedmont Peterbuilt, LLC.</td> <td style="text-align: center;">Greensboro, NC</td> <td style="text-align: right;">\$159,619</td> </tr> <tr> <td>MHC Kenworth of Greensboro</td> <td style="text-align: center;">Greensboro, NC</td> <td style="text-align: right;">162,500</td> </tr> </tbody> </table> <p>The bid offered by MHC Kenworth of Greensboro failed to meet the requirements of the specifications including the lack of a properly authorized signature; therefore, the bid cannot be considered.</p> <p>The City’s FY 2015-16 capital equipment budgets include \$159,619 for this purchase; therefore, it is recommended that a purchase order be awarded to Piedmont Peterbuilt, LLC, low bidder meeting specifications, for the purchase of a 2017 Peterbilt/Heil 200 rear-loading refuse truck in the amount of \$159,619.</p> <p>The purchase of this vehicle will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2015-16 budget.</p> <p>M/WBE comment: There are no known area minority or woman owned companies that sell these vehicles.</p> <p>Workforce Demographics: See Exhibit A</p>				<u>City/State</u>	<u>Total Bid</u>	Piedmont Peterbuilt, LLC.	Greensboro, NC	\$159,619	MHC Kenworth of Greensboro	Greensboro, NC	162,500
	<u>City/State</u>	<u>Total Bid</u>									
Piedmont Peterbuilt, LLC.	Greensboro, NC	\$159,619									
MHC Kenworth of Greensboro	Greensboro, NC	162,500									
Committee Action:											
Committee	Action										
For	Against										
Remarks:											

**RESOLUTION AWARDING PURCHASE ORDER FOR
A REAR-LOADING REFUSE TRUCK**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 noon, Thursday, February 17, 2016, for the purchase of a rear-loading refuse truck; and the following bids were received:

	<u>City/State</u>	<u>Total Bid</u>
Piedmont Peterbuilt, LLC.	Greensboro, NC	\$159,619
MHC Kenworth of Greensboro	Greensboro, NC	162,500

WHEREAS, City’s FY 2015-16 capital equipment budgets include \$159,619 for this purchase; therefore, it is the recommendation of the Finance Committee that a purchase order be awarded to Piedmont Peterbuilt, LLC in the amount of \$159,619 for the purchase of a rear-loading refuse truck, per bid specifications at \$159,619 each.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Winston-Salem that a purchase order for a rear-loading refuse truck bid specifications is hereby awarded to Piedmont Peterbuilt, LLC in the total amount of \$159,619.

BE IT FURTHER RESOLVED that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the purchase order is duly executed by the City.

BE IT FURTHER RESOLVED that the purchase is included in the FY 2015-16 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2015-16 General Fund budget.

BE IT FURTHER RESOLVED that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

Exhibit A

Project/Bid Description: Rear-Loading Refuse Truck
 Bidder's Company Name: Piedmont Peterbilt, LLC
 City/State: Greensboro, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	63	5	65		2		1	68
% of Total	92.6%	7.4%	95.6%	0.0%	2.9%	0.0%	1.5%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form																
Date:	March 28, 2016															
To:	The City Manager															
From:	Jerry Bates, Purchasing Director															
Council Action Requested:																
Adoption of Resolution Awarding Purchase Order for Two Front-Loading Refuse Trucks.																
Summary of Information:																
<p>On February 4, 2016, bids were accepted for the purchase of two front-loading refuse trucks for Fleet Services intended for use by the Winston-Salem Sanitation Department. These trucks are scheduled replacements for vehicle #471, a 2001 Volvo WX64 with 164,334 service hours, acquired cost of \$141,909 and accumulated maintenance and repair costs of \$171,919 and vehicle #473, a 2001 Volvo WX64 with 129,009 service hours, acquired cost of \$141,909 and accumulated maintenance and repair costs of \$159,541. The City requested base bid pricing for the cab, chassis, and bodies as well as optional pricing on a Global Search Eye Backup System, an Air Weigh Binmaxx Scale System with printer, and an Airweigh XL downloading package.</p> <p>Summary of bids received:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 20%;"><u>City/State</u></th> <th style="width: 15%;"><u>Base Bid</u></th> <th style="width: 15%;"><u>With Options</u></th> <th style="width: 20%;"><u>Total Bid</u></th> </tr> </thead> <tbody> <tr> <td>Piedmont Peterbuilt, LLC.</td> <td>Greensboro, NC</td> <td style="text-align: right;">\$226,378</td> <td style="text-align: right;">\$241,428</td> <td style="text-align: right;">\$482,856</td> </tr> <tr> <td>Transource, Inc.</td> <td>Colfax, NC</td> <td style="text-align: right;">226,904</td> <td style="text-align: right;">241,954</td> <td style="text-align: right;">483,908</td> </tr> </tbody> </table> <p>The City’s FY 2015-16 capital equipment budgets include \$482,856 for this purchase; therefore, it is recommended that a purchase order be awarded to Piedmont Peterbuilt, LLC, low bidder meeting specifications, for the purchase of two front-loading refuse trucks and requested optional equipment in the amount of \$482,856.</p> <p>The purchase of these vehicles will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2015-16 budget.</p> <p>M/WBE comment: There are no known area minority or woman owned companies that sell these vehicles.</p> <p>Workforce Demographics: See Exhibit A</p>			<u>City/State</u>	<u>Base Bid</u>	<u>With Options</u>	<u>Total Bid</u>	Piedmont Peterbuilt, LLC.	Greensboro, NC	\$226,378	\$241,428	\$482,856	Transource, Inc.	Colfax, NC	226,904	241,954	483,908
	<u>City/State</u>	<u>Base Bid</u>	<u>With Options</u>	<u>Total Bid</u>												
Piedmont Peterbuilt, LLC.	Greensboro, NC	\$226,378	\$241,428	\$482,856												
Transource, Inc.	Colfax, NC	226,904	241,954	483,908												
Committee Action:																
Committee	Action															
For	Against															
Remarks:																

**RESOLUTION AWARDING PURCHASE ORDER FOR
TWO FRONT-LOADING REFUSE TRUCKS**

WHEREAS, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 noon, Thursday, February 4, 2016, for the purchase of two front-loading refuse trucks; and the following bids were received:

	<u>City/State</u>	<u>Base Bid</u>	<u>With Options</u>	<u>Total Bid</u>
Piedmont Peterbuilt, LLC.	Greensboro, NC	\$226,378	\$241,428	\$482,856
Transource, Inc.	Colfax, NC	226,904	241,954	483,908

WHEREAS, City’s FY 2015-16 capital equipment budgets include \$482,856 for this purchase; therefore, it is the recommendation of the Finance Committee that a purchase order be awarded to Piedmont Peterbuilt, LLC in the amount of \$482,856 for the purchase of two front-loading refuse trucks with selected options, per bid specifications at \$241,428 each.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Winston-Salem that a purchase order for two front-loading refuse trucks bid specifications at \$241,428 each is hereby awarded to Piedmont Peterbuilt, LLC in the total amount of \$482,856.

BE IT FURTHER RESOLVED that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the purchase order is duly executed by the City.

BE IT FURTHER RESOLVED that the purchase is included in the FY 2015-16 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2015-16 General Fund budget.

BE IT FURTHER RESOLVED that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

Exhibit A

Project/Bid Description: Two Front-Loading Refuse Trucks
 Bidder's Company Name: Piedmont Peterbilt, LLC
 City/State: Greensboro, NC

WORKFORCE DEMOGRAPHICS

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	63	5	65		2		1	68
% of Total	92.6%	7.4%	95.6%	0.0%	2.9%	0.0%	1.5%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

City Council – Action Request Form

Date: March 9, 2016

To: The City Manager

From: Ben Rowe, Assistant City Manager

Council Action Requested:
 Consideration of Amendments to the FY 15-16 Budget Ordinances for the City of Winston-Salem, North Carolina.

Summary of Information:

The proposed amendments to the FY 15-16 budget ordinances authorize adjustments for the following purposes.

Appropriation of Grants and Other Revenues Received

- o In November 2016, the Mayor and City Council approved the sale of City-owned land located on the east side of Chestnut Street between Seventh Street and Martin Luther King, Jr. Drive to 757 North, LLC for \$325,000. Said parcel is identified as Parcel Identification Number (PIN) 6835-38-1972 on Forsyth County Tax Maps and contains approximately 1.73 acres. The land will be used for residential housing, 25% of which will initially be available as workforce housing. Due to soil compaction and possible soil quality issues, the Mayor and City Council also approved further assistance through a \$325,000 grant to 757 North, LLC. The proposed amendment allocates the sale of land proceeds towards the grant.

Committee		Action
For	_____	Against
Remarks:	_____	_____

Outstanding Women Leaders Recognition Program

- The city's longest serving council member, Vivian H. Burke, has long espoused the strength and effectiveness of women leaders in Winston-Salem. Her creation of the Outstanding Women Leaders recognition program in 2003 formalized that effort. Over the last 13 years, the program has recognized CEOs, doctors, attorneys, and women of numerous professions as an effort to shine a light on the significant contributions made by women leaders in the community. The proposed amendment appropriates \$5,000 for this program.

Black-Phillips-Smith Government Center

- In February a report was taken to the Community Development/Housing/General Government Committee regarding the Black-Phillips-Smith Government Center located at 2301 North Patterson Avenue in Winston-Salem. Staff has evaluated current services and the potential expansion of services at this location. This location, in addition to existing services provided, would serve as a destination for residents and visitors to come learn about Winston Salem's City government and their elected officials, past and present. The proposed amendment appropriates \$7,000 in general fund balance for phase I of this project.

Fire Department Equipment and Medical

- The proposed amendment appropriates \$125,000 in the Fire Department's operating budget to cover costs for the following purposes. An appropriation of \$17,000 will be used to replace beds and other furniture that are in need of replacement due to age and wear from normal use as well as damage caused by pest remediation.

An appropriation of \$8,000 will be used to upgrade radios to increase on-scene safety by providing radio hardware and software that will minimize coverage issues, allow fire personnel in confined spaces to get an adequate signal to communicate with safety personnel, and allow the Fire Department to more easily communicate with other agencies as necessary by upgrading to dual-band technology.

The proposed amendment also appropriates \$40,000 for turnout gear and supplies for the recently graduated recruit class. The Fire Department's budget does not include enough funds to purchase an additional set of turnout gear for a second recruit class. The City normally runs one recruit class per year; however, a second recruit class was authorized to help deal with attrition and manpower issues. This funding will provide a second set of turnout gear for newly graduated recruits, which will allow them to change gear at a working scene as needed and provide a back-up set in case the primary set becomes damaged. Currently, the City's policy is for all certified firefighters to have two sets of turnout gear.

The proposed amendment also appropriates \$60,000 in additional funds to cover enhanced annual physical assessments and medical costs. The Fire Department began

this year conducting more in-depth physical screenings of certified fire personnel as recommended by the National Fire Protection Association (NFPA). The additional testing includes electrocardiograms (EKGs) and increased hazardous materials testing as deemed necessary by NFPA standards and medical professionals.

**ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY
ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Annual Appropriation and Tax Levy Ordinance for the Fiscal Year 2015-2016 be amended to cover changes in the following fund as described herein.

SECTION 1. That the Annual Appropriation and Tax Levy Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, January 19, 2016, and February 15, 2016, shall be amended by changing the expenditure appropriations in the following fund.

General Fund

General Government	
Outstanding Women Leaders Recognition Program	\$5,000
Transfer to Capital Projects Fund (Black-Phillips-Smith Government Center)	7,000
Public Safety	
Fire Department Equipment and Medical Expenses	125,000
Total General Fund Expenditures	\$137,000

SECTION 2. That the following revenues will be available to meet the above listed appropriations.

General Fund

Contributions	\$1,000
Fund Balance Appropriation	136,000
Total General Fund Revenues	\$137,000

SECTION 3. That this amendment to the Annual Appropriation and Tax Levy Ordinance shall become effective as of the date of adoption.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2015-2016**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2015-2016 be amended to cover changes in the following funds as described herein.

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 15, 2015 and amended on July 20, 2015, August 17, 2015, September 21, 2015, October 26, 2015, November 16, 2015, December 21, 2015, January 19, 2016, and February 15, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

Special Revenue Funds

Housing Finance Assistance Fund 757 North, LLC	\$325,000
Total Special Revenue Funds Expenditures	\$325,000

Capital Projects Fund

General Government Projects Black-Phillips-Smith Government Center – Phase I	\$7,000
Total Capital Projects Fund Expenditures	\$7,000

SECTION 2. That the following revenues will be available to meet the above listed appropriations.

Special Revenue Funds

Housing Finance Assistance Fund Sale of Real Estate	\$325,000
Total Special Revenue Funds Revenues	\$325,000

Capital Projects Fund

General Government Projects	
Transfer from General Fund	\$7,000
Total Capital Projects Fund Revenues	\$7,000

SECTION 3. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

CITY COUNCIL – ACTION REQUEST FORM

Date: March 28, 2016
To: The City Manager
From: Lisa M. Saunders, Chief Financial Officer

Council Action Requested:

Consideration of Resolution Awarding Contract for Examination of Annual Financial Statements of the City of Winston-Salem, North Carolina for Fiscal Year 2016.

Summary of Information:

The attached resolution authorizes the contract award for examination of annual financial statements of the City of Winston-Salem, North Carolina, to Dixon Hughes Goodman LLP (DHG) independent certified public accountants, as required by North Carolina General Statute 159-34. The audit shall be performed in accordance with generally accepted auditing standards and all of the Federal and State audit regulations and guidelines.

The City of Winston-Salem has received proposals from three highly qualified “regional” firms: McGladrey, LLP, Dixon Hughes Goodman, LLP, and Cherry Bekaert, LLP. The fees for a three year period are as follows:

Fiscal Year	Annual Fees		
	McGladrey, LLP	Dixon Hughes Goodman, LLP	Cherry Bekaert, LLP
2016	\$80,250	\$85,000	\$87,500
2017	82,600	86,500	88,400
2018	85,200	88,000	89,300

DHG has served as an external auditor for the City of Winston-Salem from 1995 – 2007. They have a local office in Winston-Salem and have been very active in the community since 1980. DHG has a strong diversity recruitment plan and commitment as evidenced by their involvement in the National Association of Black Accountants, Association of Latino Professionals in Finance and Accounting, and several employees serve on the Inclusion and Diversity Council.

Committee Action:

Committee _____ **Action** _____
For _____ **Against** _____

Remarks: _____

C-13. DRAFT

We recommend approval of the attached resolution, which appoints DHG as auditors for fiscal year 2016 and also authorizes the City Manager and Chief financial Officer to execute additional contracts with this firm for the following two years. DHG has committed more hours to the audit, has a local office, and a commitment to diversity.

MWBE Comment

DHG has indicated the firm's active minority recruitment program and expects the participation in the audit by women to be 55 % and minority staff to be 21 %.

Workforce Demographics: See Exhibit A

**RESOLUTION AWARDING CONTRACT FOR
EXAMINATION OF ANNUAL FINANCIAL STATEMENTS
OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA,
FOR FISCAL YEAR 2016**

WHEREAS, Dixon Hughes Goodman LLP, independent certified public accountants, propose to audit the financial statements of the City of Winston-Salem, North Carolina, for the fiscal year ending June 30, 2016; and

WHEREAS, the examination shall be made in accordance with generally accepted auditing standards and all of the Federal and State audit regulations and guidelines, including provisions of U.S. Office of Management and Budget (OMB) Circular A-133, the industry audit guide, Audits of State and Local Governmental Units, and OMB Compliance Supplement; and

WHEREAS, the City Manager and Chief Financial Officer recommend that the audit contract be awarded to Dixon Hughes Goodman LLP with a fee in the amount of \$85,000.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the City Council of the City of Winston-Salem, North Carolina, that Dixon Hughes Goodman LLP be appointed as the independent auditors for the City of Winston-Salem, for fiscal year 2016, and the City Manager and Chief Financial Officer are hereby authorized and directed to execute the “Contract to Audit Accounts” and to submit it to the Local Government Commission for approval.

BE IT FURTHER RESOLVED by the Mayor and the City Council of the City of Winston-Salem, North Carolina, that the City Manager and Chief Financial Officer are hereby authorized to execute annual contracts for fiscal year 2016 at a proposed annual fee of \$85,000 and fiscal years 2017, and 2018 at the proposed annual fee of \$86,500 and \$88,000.

City Council – Action Request Form

Date: March 28, 2016

To: The City Manager

From: Gregory M. Turner, Assistant City Manager
 Lisa Saunders, Chief Financial Officer

Council Action Requested:

Consideration of a Resolution Requesting an Increase in North Carolina Clean Water State Revolving Fund Loan Associated with Sanitary Sewer Evaluation Studies and Collection System Rehabilitation Projects.

Summary of Information:

Approval of the attached resolution requests an increase in the amount of loan from the North Carolina Clean Water State Revolving Fund in the amount of \$2,861,396.

On November 17, 2014, the City Council approved acceptance of a Revolving Loan in the amount of \$9,399,200 for a term of 20 years and 2% interest rate.

On December 2, 2015, the City of Winston-Salem received a letter from the North Carolina Department of Environmental Quality (DEQ) stating that the eligible costs for the projects has exceeded the approved loan amount of \$9,399,200 by \$2,861,396. The DEQ has notified the City that we can apply for an increase in state loan increase of \$2,861,396 for a cumulative loan total of \$12,260,596. The funds will be used for projects like those described on the next page.

We recommend City Council approve the request to apply for an increase in the amount of loan from the North Carolina Clean Water State Revolving Fund.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____

Remarks: _____

Project Descriptions

21st, 22nd, & 23rd Street Rehabilitation – This project includes the complete rehabilitation of the existing sewer lines on 21st, 22nd, 23rd, and surrounding streets. The project limits include streets within the boundaries of Liberty Street to the west, 25th St. to the north, Bowen Blvd. to the east, and 14th St. to the south. The estimated ages of these lines are between 70-90 years old. The majority of the lines were installed between 1920 and 1940 based on the record drawings. A recent project in this area was completed which focused on high priority repairs with the intent of a comprehensive rehabilitation project

Ardmore Sewer Rehabilitation – This project includes a multi-year rehabilitation of the existing sewer lines within the Ardmore area. The project limits include streets within the boundaries of Stratford Road to the west, Business 40 to the north, Peter Creek Parkway to the east, and Silas Creek Parkway to the south. The estimated ages of these lines are between 70-100 years old. The majority of the lines were installed between 1920 and 1940 based on the record drawings. Recent projects completed in this area have been a comprehensive rehabilitation focused on highest priority areas. Of the 13 phases evaluated and recommended for rehabilitation, three areas have been completed to date.

Muddy Creek Sub-Basins Rehabilitation - This project is part of an ongoing rehabilitation plan to reduce inflow and infiltration (I/I) into the sewer system. During rain events, the Muddy Creek sewer basin sees increased flows that affect available WWTP capacity and sewer system capacity and has the potential to cause overflows. Reducing I/I will aide in preventing sewer overflows and regain available sewer capacity for future services. The average age of the pipe being replaced or rehabbed is 50+ years old, with at least 92% of the pipe being greater than 40 years old. Any sewer main being replaced will be replaced with a pipe of the same size, unless it is a 6-inch main. All 6-inch mains being replaced will be replaced with 8-inch mains to meet the minimum size criteria. Future project areas include Paddington Lane, Monarcus Creek outfall (Brownsboro Rd area), and Clemmons No.1 lift station sub basin.

Peters Creek Outfall – The SSES on the Peters Creek Outfall in the Salem Creek Basin has been recently completed. The Peters Creek Outfall collection area is 40 + years old, with the record drawings dating back to 1954. Rehabilitation and replacement recommendations have been made to address asset conditions and I/I.

**RESOLUTION REQUESTING AN INCREASE IN NORTH CAROLINA CLEAN
WATER STATE REVOLVING FUND LOAN ASSOCIATED WITH
SANITARY SEWER EVALUATION STUDIES AND COLLECTION SYSTEM
REHABILITATION PROJECTS**

WHEREAS, the North Carolina Clean Water Revolving Loan and Grant Act of 1987 has authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater treatment works, wastewater collection systems, and water supply systems, water conservation projects; and

WHEREAS, the North Carolina Division of Water Quality has approved a State Revolving Loan in the amount of \$9,399,200 for the construction of various sanitary sewer evaluation studies and collection system rehabilitation projects; and

WHEREAS, the City/County Utility Commission (CCUC) intends to construct said projects in accordance with the approved plans and specifications; and

WHEREAS, the North Carolina Department of Environmental Quality has notified the City that there are \$2,861,396 in additional eligible costs above the approved loan amount; and

WHEREAS, the CCUC requested that the City Council of the City of Winston-Salem approve requesting a North Carolina Clean Water State Revolving loan increase in the amount of \$2,861,396 associated with the construction of various sanitary sewer evaluation studies and collection system rehabilitation projects for a cumulative loan total of \$12,260,596.

NOW THEREFORE, BE IT RESOLVED that the Mayor and the City Council of Winston-Salem, North Carolina, do hereby request an increase of \$2,861,396 from the North Carolina Division of Water Quality for a cumulative loan of \$12,260,596.

BE IT FURTHER RESOLVED that the City Manager, or designee so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above and to execute such other documents as may be required in connection with the application.

BE IT FURTHER RESOLVED that the Mayor and the City Council, have substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and City Secretary of the City of Winston-Salem hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council of the City of Winston-Salem duly held on the ____ day of _____, 20 __; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20____.

(SEAL)

MELANIE JOHNSON
City Secretary
City of Winston-Salem, North Carolina

CITY COUNCIL – ACTION REQUEST FORM

Date: March 28, 2016

To: The City Manager

From: Lisa M. Saunders, Chief Financial Officer

Council Action Requested:

Adopt a Resolution of the City of Winston-Salem, North Carolina, Approving a Lease Agreement and Related Matters.

Summary of Information:

The City of Winston-Salem, North Carolina, established a leasing program for certain real and personal property in 1984. This resolution approves a new lease financing under this program, principally for operating equipment, in the amount of \$20,000,000, which should be sufficient to meet the City’s personal property needs for the next 18 to 24 months.

The leasing program provides low-cost financing for the acquisition of needed equipment for all operations of the City and certain real property, such as police cars, fire trucks, heavy operating equipment and computer equipment. The accompanying resolution authorizes the execution of a lease agreement in the amount of \$20,000,000 with Bank of America, N.A. to finance budgeted equipment for fiscal year 2016 and estimated acquisitions for fiscal year 2017.

The financing will be structured as a tax-exempt variable interest rate lease for an approximately 58-month term. The City has received a Commitment Letter from Bank of America, N.A. which is attached as Exhibit A. The terms of the lease includes a variable interest rate of 70% of LIBOR plus 55 basis points (0.55%).

The resolution further approves all acts and doings of the Mayor, the City Manager, the Chief Financial Officer, and the City Secretary that are in conformity with the purposes and intents of the resolution for the execution, delivery, and performance of any agreements, and/or other documents necessary to carry out the Lease Agreement.

Committee Action:

Committee _____

Action _____

For _____

Against _____

Remarks:

**RESOLUTION OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA,
APPROVING A LEASE AGREEMENT AND RELATED MATTERS**

WHEREAS, the City of Winston-Salem, North Carolina (the “*City*”) is a duly and regularly created, organized and existing municipal corporation, validly existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “*State*”); and

WHEREAS, the City Council of the City (the “*City Council*”) has the power, pursuant to North Carolina General Statutes, Section 160A-19 to enter into lease purchase agreements in order to provide for the financing of property used, or to be used, for governmental purposes; and

WHEREAS, the City Council has determined that the City is in need of certain personal property (the “*2016 Leased Property*”) to be leased by Bank of America, N.A, a national banking association duly created and existing under the laws of the United States of America (the “*Lessor*”), to the City for public purposes; and

WHEREAS, for the purpose of financing the acquisition of the 2016 Leased Property, the City Council has determined and hereby determines that it is in the best interests of the City that the City and the Lessor enter into a Lease Agreement to be dated on or about April 15, 2016 (the “*Lease*”) to provide for leasing by the City from the Lessor of the 2016 Leased Property; and

WHEREAS, the obligation of the City to pay Base Rentals and Additional Rentals (both as defined in the Lease) shall constitute in each year a contractual obligation, payable from the City’s general fund and from the earnings and all income received by the City from whatever source derived, subject to the limitations set forth in North Carolina General Statutes § 160A-209(d); and

WHEREAS, the proceeds will be disbursed by the City for the acquisition of the 2016 Leased Property and for other purposes set forth in the Lease; and

WHEREAS, the City will acquire all rights and title to the Leased Property on payment of all costs.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of Winston-Salem, North Carolina, as follows:

Section 1. Ratification of Instruments. That all actions of the City, the City Manager, the Chief Financial Officer, the City Secretary, the City Attorney and their respective designees, whether previously or hereinafter taken, in effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Lease.

Section 2. Authorization to Execute Lease. That the City shall provide for the acquisition, installation and equipping of the 2016 Leased Property

pursuant to the Lease, and the form and content of the Lease shall be and the same hereby are in all respects authorized, approved, ratified and confirmed, and the City Manager of the City and the City Secretary shall be and they hereby are authorized, empowered and directed to execute and deliver the Lease, including necessary counterparts, in substantially the form and content presented to the City Council, but with such changes, modifications, additions or deletions therein as may to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all changes, modifications, additions or deletions therein from the form and content of the Lease presented to the City Council and that from and after the execution and delivery of the Instruments, the City Manager of the City and the City Secretary are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Lease, as executed.

Section 3. City Representative. That the Mayor, the City Manager, the City Secretary and the Chief Financial Officer of the City are hereby authorized, empowered and directed to do any and all other acts necessary to execute any and all other documents, which they, in their discretion, may deem necessary and appropriate in order to consummate the transactions contemplated by (1) this Resolution, (2) the Lease and (3) the documents presented to this meeting; except that none of the above shall be authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Resolution, (b) the specific provisions of the Lease, (c) any agreement to which the City is bound, (d) any rule or regulation of the City or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State.

Section 4. General Authority. That from and after the execution and delivery of the documents hereinabove authorized, the Mayor, the City Manager, the City Secretary and the Chief Financial Officer of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents to be executed, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary in the execution and delivery of the Lease. The Mayor, the City Manager, the City Secretary and the Chief Financial Officer of the City are authorized and directed to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions, or other papers and perform all other acts as may be required by the documents contemplated hereinabove or as he may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 5. Severability. That if any section, phrase or provision of this Resolution is for any reason declared invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 6. Repealer. That all motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 7. Effective Date. This Resolution will take effect immediately on its adoption.

EXHIBIT A

CITY OF WINSTON-SALEM, NORTH CAROLINA

\$20 million Equipment Lease Financing

February 15, 2016

Bank of America, N.A.
214 N. Tryon Street, NC1-027-17-01
Charlotte, NC 28255





February 15, 2016

Ms. Lisa Saunders
Chief Financial Officer
City of Winston-Salem
101 N. Main Street, Suite 244
Winston-Salem, NC 27102

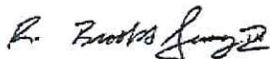
Dear Lisa:

On behalf of the entire Bank of America Merrill Lynch ("BofAML") team, we are pleased to submit our firm's proposal to the City of Winston-Salem, North Carolina (the "City") in connection with its Request for Proposal for \$20 million equipment lease financing.

Our Municipal Banking and Markets Group ("MBAM"), which combines the firm's industry-leading Municipal Markets Group and Government Banking businesses into a single coordinated business unit, offers our municipal clients a central platform for their capital-raising, credit, and treasury needs. The firm has a history of innovation in the municipal market and as a market leader is well qualified to serve the City in implementing its financing objectives.

We are confident that our qualifications, leadership, and experience distinguish us from the competition. It would be our sincere pleasure to work with Winston-Salem on its equipment funding needs, and as such we are ready to quickly and efficiently execute the contemplated transaction.

Sincerely,



Brooks Scurry, Senior Vice President
Bank of America, N.A.
Phone: 980-386-5452
Email: r.b.scurry@baml.com

CC: Denise Bell, Wye River Group, Inc.
Pam Kelly, Wye River Group, Inc.
Sarah Strickland, Bank of America Merrill Lynch
Lora Prisock, Bank of America Merrill Lynch

- A. LESSEE:
City of Winston-Salem, North Carolina (the “City” or “Lessee”)
- B. LESSOR:
Bank of America, N.A. (the “Lessor” or “Bank”)
- C. FACILITY:
Tax-Exempt Drawdown Term Facility (the “Facility”).
- D. COMMITMENT AMOUNT:
\$20 million.
- E. PURPOSE:
The proceeds of the Facility shall be used to purchase essential real and personal property, as detailed in the RFP.
- F. FUNDING:
Drawn amounts available under the Facility (each an “Advance”) may be drawn on the effective date (the “Closing Date”) or thereafter until the second anniversary of the Closing Date; however, once the City has repaid a portion of the amount drawn, the amount available under the Facility will be reduced permanently by the amount repaid.
- G. SECURITY:
The City’s payment obligation under the Facility is a valid and binding continuing contract, subject to repayment from the City’s general fund and taxes levied under North Carolina General Statutes Section 160A-209(d), if required.
- H. INTEREST RATE:
Each Advance will bear interest at a rate equal to 70% of 1-Month LIBOR + 0.55% (55 basis points) per annum.
- I. TAX TREATMENT:
This transaction assumes that this will be a non bank qualified tax-exempt obligation subject to legal opinions acceptable to the Bank and the Bank’s counsel. In the event it is determined that the Advance is not a tax exempt obligation, standard gross up provisions shall apply.
- J. DEFAULT RATE:
Interest Rate plus 4%.
- K. MAXIMUM RATE:
An interest rate per annum equal to the lesser of: (i) the maximum non usurious rate of interest permitted by applicable law and (ii) 25%.
- L. COMMITMENT (UNDRAWN) FEE:
Until the date that the Facility is 50% drawn, the City will pay a quarterly fee (the “Commitment Fee”) in an amount of 0.20% (20 basis points) per annum on the actual daily unused amount of the Facility. Thereafter, there is no Commitment Fee.
- M. OUT-OF-POCKET EXPENSES:
None.
- N. LEGAL FEES:
The City will pay the Bank’s reasonable legal fees. Legal fees to review documents shall be capped at \$10,000. The fee will be \$20,000, if Bank Counsel drafts a separate continuing covenants agreement in connection with an



assignment of Revenues received by a nonprofit corporation. Mary Nash Rusher of Hunton & Williams LLP will be the primary point of contact.

O. REPAYMENT:

The Advance shall be repaid in eight (8) consecutive and equal semi-annual payments of principal in the amount of \$2.5 million, commencing August 1, 2017 through and including February 1, 2021 (the "Maturity Date"). Interest shall be payable monthly in arrears on the first business day of each month. All calculations of interest payable to the Bank shall be made on the basis of actual days elapsed in a 360-day year.

P. PREPAYMENT:

The City may prepay in whole or in part at any time without penalty.

Q. FINANCIAL INFORMATION:

The City must provide the Bank with annual then current, audited fiscal year-end financial statements for the City within 270 days of the end of each fiscal year.

R. COST AND YIELD PROTECTION; TAXES:

If a change in laws, rules, guidelines, accounting principles or regulations (or their interpretation, implementation or administration) shall occur or be implemented and shall increase the cost to the Bank, its parent companies or participants (if any) of issuing or maintaining the Facility or decrease the return on the Bank's, its parent companies' or any of its participants' capital, or on the capital of the holding company of any participant, the Bank may increase the Commitment Fee by such amount as is necessary to compensate it, its parent companies or such participant for such increased costs or decreased return. In addition, the loan agreement shall contain customary provisions providing for all payments to the Bank to be made free and clear of taxes and other claims and, to the extent the City is required by law to withhold amounts to the Bank, its parent companies or its participant's, the City shall be required to gross up those payments. The foregoing shall include costs and charges that result from the implementation of the Dodd-Frank Act and the Basel Committee on Banking Supervision.

S. CONDITIONS PRECEDENT TO CLOSING:

The closing and the initial Advance under the Facility will be subject to satisfaction of the conditions precedent deemed appropriate by the Bank including, but not limited to:

- The negotiation, execution and delivery of definitive documentation (including, without limitation, satisfactory legal opinions, a customary tax opinion, and other customary closing documents) for the Facility satisfactory to the Bank,
- Absence of any material adverse change in the financial condition, operations or prospects of the City, or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction or the City's ability to perform its obligations thereunder, to be determined in the Bank's sole discretion.

T. CONDITIONS TO ALL EXTENSIONS OF CREDIT:

Usual and customary for transactions of this type including, without limitation, the following:

- All of the representations and warranties in the loan documentation shall be true and correct as of the date of such Advance,
- No event of default under the Facility or inchoate default shall have occurred and be continuing, or would result from such Advance,
- Opinion of tax counsel in form and substance acceptable to the Bank or, alternatively, an opinion of tax counsel delivered at closing expressly authorizing the Bank to rely on same in connection with each tax-exempt Advance.

U. DOCUMENTATION:

On the Closing Date, the City and the Bank will enter into a lease agreement (the "Agreement") pursuant to which the Bank will agree to Advance funds to the City on the terms and conditions described herein as well as



provisions that are customary and standard with respect to conditions precedent, representations and warranties, covenants, events of default and remedies.

V. FUTURE MODIFICATIONS:

The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility amount as described in this Term Sheet and are subject to revision in the event that (i) the Facility amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was initially described in the RFP or in conjunction therewith, or (iv) the proposed financing does not close within 90 days of the receipt by the Bank of a signed term sheet.

W. NO ADVISORY OR FIDUCIARY ROLE:

The City acknowledges and agrees that: (i) the transaction contemplated by this Term Sheet is an arm's length, commercial transaction between the City and the Bank in which the Bank is acting solely as a principal and for its own interest; (ii) the Bank is not acting as a municipal advisor or financial advisor to the City; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank has provided other services or is currently providing other services to the City on other matters); (iv) the only obligations the Bank has to the City with respect to the transaction contemplated hereby expressly are set forth in this Term Sheet; and (v) the Bank is not recommending that the City take an action with respect to the transaction contemplated by this Term Sheet, and before taking any action with respect to the contemplated transaction, City should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If City would like a municipal advisor in this transaction that has legal fiduciary duties to City, City is free to engage a municipal advisor to serve in that capacity. This Term Sheet is provided to City pursuant to and in reliance upon the "RFP exemption" and the "bank exemption" provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq.

X. AGREEMENT BY THE CITY:

The City hereby agrees to engage the Bank to provide the Facility, which is the subject hereof, pursuant to the terms and conditions stated herein. Please evidence your acceptance of the foregoing by signing and returning a copy of the document to the Bank.

This commitment as outlined herein is agreed to and accepted this 2nd day of March, 2016.

Winston-Salem, NORTH CAROLINA *Subject to City Council Approval on*
(SEAL) *March 28, 2016*

By: *[Signature]*
Its: City Manager



City Council – Action Request Form	
Date:	March 21, 2016
To:	The City Manager
From:	Gregory M. Turner, Assistant City Manager
Council Action Requested:	
Consideration of a Resolution of Support with Financial Commitment and Authorization to apply for the 2016 Transportation Investment Generating Economic Recovery Grant.	
Summary of Information:	
<p>The U.S. Department of Transportation released the Notice of Funding Opportunity for the next round of Transportation Investment Generating Economic Recovery (TIGER) competitive grants on February 23, 2016. The Consolidated Appropriations Act, 2016, appropriated \$500 million to be awarded by the US Department of Transportation for National Infrastructure Investments.</p> <p>The 2016 TIGER discretionary grant program will continue to make transformative surface transportation investments by providing improvements over existing conditions. The grant program will focus on capital projects that generate economic development and improve access to reliable, safe and affordable transportation for communities. Funds will be awarded on a competitive basis for projects that will have a significant impact on the nation, a metropolitan area or a region.</p> <p>The minimum grant request for urban areas is \$5 million and maximum request is \$100 million. Applications for TIGER grant funding must be submitted by April 29, 2016. Funds are available for obligation until September 30, 2019.</p> <p>Staff has consulted with Leslie Mozingo, Strategies Consulting LLC concerning this year’s grant and potential candidate projects for submission. After discussing the candidate projects, she advised that the Multi-Use Path was the most viable project at this time. Ms. Mozingo also advised that applications with a high commitment for the local match have a higher probability for success.</p>	
Committee Action:	
Committee	Action
For	Against
Remarks:	

C-16. DRAFT

The multi-use bicycle and pedestrian path (MUP) adjacent to Business 40 will link Baptist Medical Center with BB&T Ballpark, downtown Winston-Salem, the Wake Forest Innovation Quarter (WFIQ) with nearby residential neighborhoods and commercial areas. A portion of the work for the MUP is included in the Business 40 project. The remaining segments of the MUP are requested in the Capital Improvement Plan at an estimated cost of \$10 million. Staff recommends requesting a 50/50 cost share with the minimum \$5 million in TIGER funds and local match of \$5 million.

The attached resolution supports the submission of the MUP for grant consideration and provides a financial commitment to provide a 50% match for the project.

**RESOLUTION OF SUPPORT WITH FINANCIAL COMMITMENT AND
AUTHORIZATION TO APPLY FOR THE 2016 TRANSPORTATION INVESTMENT
GENERATING ECONOMIC RECOVERY GRANT**

WHEREAS, the U.S. Department of Transportation released the Notice of Funding Opportunity for the next round of Transportation Investment Generating Economic Recovery (TIGER) competitive grants on February 23, 2016; and

WHEREAS, the Consolidated Appropriations Act, 2016, appropriated \$500 million to be awarded by the US Department of Transportation for National Infrastructure Investments; and

WHEREAS, the minimum grant request for urban areas is \$5 million and maximum request is \$100 million and applications for TIGER grant funding must be submitted by April 29, 2016; and

WHEREAS, the multi-use bicycle and pedestrian path (MUP) adjacent to Business 40 will link Baptist Medical Center with BB&T Ballpark, downtown Winston-Salem, the Wake Forest Innovation Quarter (WFIQ) with nearby residential neighborhoods and commercial areas and is considered the most viable project for TIGER grant submission; and

WHEREAS, a portion of the work for the MUP is included in the Business 40 project and the remaining segments of the MUP are estimated at \$10 million; and

WHEREAS, staff recommends a 50/50 cost share with the minimum \$5 million in TIGER fund request and local match of \$5 million.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem supports the Multi-Use Path and approves the project for submission for the 2016 TIGER grant and commits to fund a 50% local match if a grant is awarded.

City Council – Action Request Form

Date: March 21, 2016
To: The City Manager
From: Gregory M. Turner, Assistant City Manager

Council Action Requested:

Consideration of a Resolution Authorizing the City Manager to enter into an Agreement with DAVENPORT for Professional Engineering Services for the Whitaker Park New Roadway Feasibility Improvement Project.

Summary of Information:

R. J. Reynolds Tobacco Company opened a manufacturing facility in Whitaker Park in 1961. It had 2000 workers at this location at its peak. In 2010 the company announced the closure of the plant. The Whitaker Park Development Authority (WPDA), a non-profit group, has been formulating plans for redevelopment of 120 acres from this site which was recently donated to them. WPDA commissioned a study in 2012 by the Urban Land Institute to assess redevelopment of the site. This study recommended “extending Akron Drive to the west and building an architecturally significant bridge over Indiana Avenue and the Norfolk Southern Railroad line” to provide direct access to US 52.

In March of 2014, Winston –Salem residents, business owners and government officials gathered to participate in a community design workshop focused on the vicinity of Polo Road and North Cherry Street in the City’s North Ward. The workshop was facilitated by the Center for Creative Economy through its Design Link program. This workshop developed alternatives to improve accessibility incorporating complete streets implementation strategies and again emphasized the need for better east-west connectivity from University Parkway to US 52. The workshop also looked at redevelopment potential in the area and cultivated redevelopment ideas for underutilized properties. The potential for Whitaker Park with long term phased redevelopment could include industrial, some mixed use commercial and medium density residential could create 3500 jobs over the next 15 years.

Committee Action:

Committee	_____	Action	_____
For	_____	Against	_____
Remarks:			

The City desires to assess the feasibility of construction a roadway on new alignment through the park and crossing the railroad at Indiana Avenue and Akron Drive. The City selects firms for professional engineering services in accordance with public policy established in N.C.G.S. §143-64.31, which provides for a qualifications-based selection process. In November 2015, the City of Winston-Salem received Letter of Interest/Statement of Qualifications to perform professional engineering services for this project from four engineering firms. After review of these proposals, City staff identified DAVENPORT as the most qualified firm to provide professional engineering services for this project.

The City and DAVENPORT have negotiated the full scope of professional engineering services to be provided for this study. A fee of \$150,000 has been negotiated with DAVENPORT to provide professional engineering services for the planning, functional designs and project oversight, and that the fee has been determined to be fair and reasonable based on the scope of services to be provided.

The Transportation Advisory Committee will review a request for approval of planning grant funds for this project on March 17, 2016, prior to the March 21 City Council meeting. If approved, funds for this study are available in 145010-329304-527105.

**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN
AGREEMENT WITH DAVENPORT FOR PROFESSIONAL ENGINEERING
SERVICES FOR THE WHITAKER PARK NEW ROADWAY FEASIBILITY STUDY**

WHEREAS, the Whitaker Park Development Authority (WPDA), a non-profit group, has been formulating plans for redevelopment of 120 acres in Whitaker Park; and

WHEREAS, WPDA commissioned a study in 2012 by the Urban Land Institute to assess redevelopment of the site and this study recommended “extending Akron Drive to the west and building an architecturally significant bridge over Indiana Avenue and the Norfolk Southern Railroad line” to provide direct access to US 52; and

WHEREAS, in March of 2014 a community design workshop in the area developed alternatives to improve accessibility incorporating complete streets implementation strategies and again emphasized the need for better east-west connectivity from University Parkway to US 52; and

WHEREAS, the City desires to assess the feasibility of constructing a roadway on new alignment through the park and crossing the railroad at Indiana Avenue and Akron Drive; and

WHEREAS, the City selects firms for professional engineering services in accordance with public policy established in N.C.G.S. §143-64.31, which provides for a qualifications-based selection process; and

WHEREAS, in November 2015, the City of Winston-Salem received Letter of Interest/Statement of Qualifications to perform professional engineering services for this project from four engineering firms; and

WHEREAS, after review of these proposals, City staff identified DAVENPORT as the most qualified firm to provide professional engineering services for this project; and

WHEREAS, the City and DAVENPORT have negotiated the full scope of professional engineering services to be provided for this study; and

WHEREAS, a fee of \$150,000 has been negotiated with DAVENPORT to provide professional engineering services for the planning, functional designs and project oversight, and that the fee has been determined to be fair and reasonable based on the scope of services to be provided; and

WHEREAS, the selection process and fee negotiation followed public policy established in N.C.G.S. §143-64.31; and

WHEREAS, funds for these professional engineering services have been approved by the Transportation Advisory Committee.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem hereby authorizes the City Manager and City Secretary to enter into an agreement with DAVENPORT to provide professional engineering services for the Whitaker Park New Roadway Feasibility Study for a fee of \$150,000.

City Council – Action Request Form	
Date:	March 21, 2016
To:	The City Manager
From:	Gregory M. Turner, Assistant City Manager
Council Action Requested:	
<p>Consideration of a Resolution Authorizing the City Manager to Enter into a Municipal Agreement with North Carolina Department of Transportation for Traffic Modeling for the Business 40 Project</p>	
Summary of Information:	
<p>The North Carolina Department of Transportation (NCDOT) conducted intensive Traffic Modeling, Traffic Analysis and Capacity Analysis for the Business 40 project to determine the impacts the project would have on the road network. City staff requested the study include during construction in detour conditions and in the longer term with the reconfiguration of ramps within downtown Winston-Salem. This analysis was imperative to understand the potential traffic impacts to the local street network during construction.</p> <p>Attachment A is a summary of the work conducted. The detour analysis was conducted between 2012-2015 and included work tasks from Supplement 5 and 6. The analysis determined intersection improvements that would be necessary to accommodate changes in travel patterns. These improvements are the addition of turn lanes mostly by restriping and will be included in the Business 40 Project.</p> <p>This agreement for cost sharing of the study is coming to Council after the work has been performed. The Business 40 Project is the first accelerated construction project in the state. This made determining the total study cost and proportion to be covered by the City difficult. This is evident based on the need for six supplemental agreements. In analyzing the cost of the study, the total cost of the additional study is \$1,050,297. The City's share is approximately 45% or \$476,341.63 shown in Attachment B. The Transportation Advisory Committee will review a recommendation to approve this project at the March 17, 2016 meeting, prior to the March 21st City Council meeting. If approved, funds are available in 145010-329202, 329204 and 329304.</p>	
Committee Action:	
Committee	Action
For	Against
Remarks:	

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION FOR TRAFFIC MODELING FOR THE BUSINESS 40 PROJECT

WHEREAS, the North Carolina Department of Transportation (NCDOT) will begin the design/build process to re-construct the bridges and interchanges on Business 40 in downtown Winston-Salem in early 2016; and

WHEREAS, the NCDOT and City agreed that a Project Planning and Environmental and Engineering Study is needed to evaluation and coordinate improved transportation service both during the project construction and in the design year; and

WHEREAS, the City of Winston-Salem requested that NCDOT prepare and Area Model Analysis and Operational Analysis for detouring traffic to supplement the planned study with the use of Planning Grant funds; and

WHEREAS, the portion of the study subject to cost sharing between NCDOT and the City of Winston-Salem totals \$1,050,297; and

WHEREAS, the City would be responsible for reimbursement of 45% of the estimated cost or \$476,341.63; and

WHEREAS, the funding for the study is available in Planning Grant funds which have been approved by the Transportation Advisory Committee.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council authorizes the City Manager and City Secretary to sign and execute a municipal agreement with the NCDOT for Traffic Modeling, Traffic Analysis and Capacity Analysis for the Business 40 project.

Business 40 NCDOT Traffic Modeling Agreement Attachment A

U-2827B Traffic Modeling, Traffic Analysis and Capacity Analysis
NCDOT / RS&H Contract

Contract	Type	Date	Description of Work	Cost
TPB Contract No. 6300013456	Original	01/31/2006	Origin-Destination study for project	\$250,479.27
	Supplement No. 1	02/28/2007	Develop Area Model and Traffic Forecast (2015)	\$60,000.00
	Supplement No. 2	09/26/2007	Prepare Alternative Roadway Scenarios, Develop Peak Hour Volumes, and Intersection Capacity Analysis and Simulation	\$68,472.30
	Supplement No. 3	11/25/2008	Supplemental Intersection Capacity Analysis and Public Involvement	\$204,538.79
	Supplement No. 4	07/13/2011	Traffic Forecasting (2011 Existing, 2040 No-Build and 2 -2040 Build Alternatives) and Traffic Operations Analysis	\$302,481.07
	Supplement No. 5	04/11/2012	Supplemental traffic counts, Travel Demand Model update (2007 to 2011), 2020 Base Model, 2020 Closure Models, Capacity Analysis and Traffic Operations Analysis	\$758,328.74
RS&H Planning and Design LSA Contract No 6300040608	U-2827B TO No. 6	07/22/2015	Additional Travel Demand Model Analysis, Daily Capacity Analysis, 2021 Detour Traffic Operations Analysis - 2021 No-Build and Build, Additional Traffic Operations Analysis - 2040 Build and Public Involvement	\$477,042.40
Total				\$2,121,342.57

Business 40 NCDOT Traffic Modeling Agreement Attachment B

U-2827B Traffic Modeling, Traffic Analysis and Capacity Analysis
NCDOT & City of Winston-Salem Proportional Shares

Item	Total Cost	%	NCDOT Cost	%	City W-S Cost
TPB Contract No. 6300013456 - Supplement No. 5					
Analysis - Tasks 1 -7*	\$699,884.99	54	\$377,937.89	46	\$321,947.10
Directs					
Analysis*	\$13,143.75	54	\$7,097.63	46	\$6,046.13
Counts**	\$45,300.00	69	\$31,257.00	31	\$14,043.00
RS&H Planning and Design LSA Contract No 6300040608 - U-2827B TO No. 6					
Analysis - Task 3*	\$291,968.26	54	\$157,662.86	46	\$134,305.40
TOTAL	\$1,050,297.00		\$573,955.38		\$476,341.63

* Based on the list of 91 intersections when compared to the network proportional split (NCDOT 54%, City W-S 46%).

** Based on the list of 42 intersections; 29 intersections are within the NCDOT portion and 13 intersections are within the City W-S portion. Resulting in a 69% - 31% split.

Q. WORK ZONE, TRAFFIC CONTROL AND CONSTRUCTION PHASING

The tentative Construction Phasing for the project is stated in Section IV.P [Work Zone, Traffic Control and Construction Phasing] of the EA. Final Work Zone, Traffic Control and Construction Phasing will be developed based on final plans.

R. LIGHTING

The Peters Creek Parkway interchange will be lit with high mast lighting. The City of Winston-Salem has requested that the US 421/I-40 Business corridor have lighting on the shoulders with conduit in the median for future decorative lighting. The City of Winston-Salem has requested lighting of the Green Street pedestrian/utility bridge and the Strollway pedestrian bridge and under bridge lighting of the US 421/I-40 Business crossing of Brookstown Avenue.

The City of Winston-Salem is reviewing the Broad, Marshall, Cherry, Liberty, Main and Church Street Bridges to determine appropriate lighting requirements. Once appropriate lighting is determined for the facilities within the project area the City of Winston-Salem will assume maintenance responsibilities per a municipal agreement prior to construction.

S. OFF-SITE IMPROVEMENTS

Traffic patterns shifts will occur as a result of the project. Some of these shifts are temporary during construction and others will become permanent changes resulting from the construction of the project. To mitigate the impacts of the shifting traffic, off-site improvements may be required. Both temporary and long term off-site improvements are discussed below.

1. Temporary (During Construction) Off-Site Intersection Improvements

The thirteen (13) intersections with recommended improvements were determined to be constructible with only minor impacts/changes but would yield significant improvement in the intersection operations. The thirteen intersection locations with the proposed temporary improvements listed in Table 13 below.

Table 13. Temporary Off-Site Intersections Improvements

No.	Location	Proposed Improvement
1	Peters Creek Parkway at I-40 Business Eastbound Ramp (New)	Use the on-ramp pavement to provide two left turn lanes and two right turn lanes on the off-ramp (loop)
2	Peters Creek Parkway at I-40 Business Westbound Ramp (New)	Convert the left most southbound through lane to a separate left turn lane (providing a second left turn lane)
3	Peters Creek Parkway/Second Street at First Street	Provide a second left turn lane eastbound and a third left turn lane westbound

Table 13. Temporary Off-Site Intersections Improvements (Cont.)

No.	Location	Proposed Improvement
4	Broad Street at Second Street	Convert the left most eastbound through lane to a shared left/through lane
5	Broad Street at Fifth Street	Provide a separate left turn lane westbound
6	Broad Street at Sixth Street	Provide a separate left turn lane westbound
7	Marshall Street at Academy Street	Provide a separate left turn lane southbound
8	Third Street at Liberty Street	Provide a separate left turn lane westbound
9	Martin Luther King Jr. Drive at Marshall Street & Cherry Street	Provide a second left turn lane southbound
10	First Street at Northwest Boulevard	Provide a separate right turn lane westbound
11	First Street at Hawthorne Road	Provide a separate right turn lane northbound
12	Northwest Boulevard at Broad Street/Thurmond Road	Provide a separate left turn lane eastbound
13	Peters Creek Parkway at Silas Creek Parkway	Provide a second left turn lane southbound, convert the right most eastbound left turn lane to a through lane and convert the right most eastbound through lane to a second right turn lane

2. Temporary (During Construction) Off-Site Roadway Improvements

The project was analyzed for areas where temporary improvements may be necessary during construction in the year 2021, worst case construction scenario, with the closure of US 421/I-40 Business and the removal of Broad, Marshall and Cherry Street bridges or the removal of Broad, Liberty and Main Street bridges. The analysis included the roadway network and major intersections to determine the impacts on traffic. The Traffic and Community Working Group (T&C WG) has reviewed the results of the analysis and made suggestions as to road network improvements and possible detour options. Additional coordination with the public, the City of Winston-Salem and NCDOT staff is needed prior to construction to determine offsite roadway improvements and proposed detour routes during construction.

3. Long Term (2021 Project Opening) Off-Site Intersection Improvements

The future Levels of Service (LOS) - 2021 No-Build for the road network within the PSA is discussed in Section II.C.4 [Traffic Carrying Capacity] of the Environmental Assessment. The future LOS - 2021 Build Conditions for the Preferred Alternative showed no change, i.e. remained the same as No-Build, in 114 of the 164 intersections analyzed. The Preferred Alternative will have varying effects on the roadway network in and around the PSA; providing a net positive improvement to 37 intersections and minor degradation of 13 intersections in the network.

At the project opening, 2021, the Marshall Street and Cherry Street at Martin Luther King, Jr. Drive intersections indicate the need for improvements under the Preferred

Alternative. The improvements span from Marshall Street to east of Trade Street on Eighth Street/Martin Luther King Jr. Drive and are the same as those needed for 2040, see Section VII.P.4 below.

4. Long Term (2040 Design Year) Off-Site Intersection Improvements

Shifts in travel patterns were anticipated as a result of eliminating and reconfiguring interchanges with each alternative. To better understand the shifts in travel patterns the project was analyzed in the build year 2040 for both alternatives. The analyses included the roadway network and major intersections to determine the impacts on traffic.

Of the forty-two (42) major intersections analyzed for the Preferred Alternative, the following three (3) were identified for improvement:

- **Peters Creek Parkway/Second Street at First Street** intersection improvements were based on the reversion of First and Second Streets from a one-way pair to each being two-way. Though the City of Winston-Salem has been discussing the reversion of First and Second Streets no decision has been made if or when the reversion will occur. The proposed improvements are not required for the one-way pair system, thus the Peters Creek Parkway /Second Street at First Street intersection improvements were deleted from the Preferred Alternative.

The remaining two (2) intersections locations with recommended improvements are listed below.

- Peters Creek Parkway at Academy Street – widen Academy Street to the south on both approaches to the intersection to provide a westbound exclusive right turn lane, see Figure 7.
- Marshall Street at Martin Luther King, Jr. Drive and Cherry Street at Martin Luther King, Jr. Drive. Due to the short distance between the two (2) intersections they work as one (1) intersection. The improvements span from Marshall Street to east of Trade Street on Eighth Street/Martin Luther King Jr. Drive. Intersection improvements, see Figure 8, for this location include the following:
 - Add an additional southbound left turn lane from Marshall Street to Eighth Street;
 - Add an additional lane to provide a three (3) lane section from Marshall to Cherry Streets;
 - Add an additional lane to provide a four (4) lane section from Cherry to Trade Streets which will tie to existing four lane section, and;

- Construct a center median from Cherry to Trade Streets to prohibit left turns and convert the off-set Oak Street intersections to right in/right out.

While shifts will occur during construction, bicycle and pedestrian access will be maintained to the greatest level possible in accordance with the NCDOT Accommodating Pedestrians within Work Zones procedure.

T. SIGNAGE

Due to the shifts in travel patterns with the proposed project, the City of Winston-Salem requested additional Trailblazing signage (a.k.a. Wayfinding signage) to augment the existing Trailblazing signage within the Downtown area, see Appendix C. An estimated 70 additional signs will be needed at an estimated cost of \$400,000.00. This cost includes the planning and engineering, removal of additional or unnecessary signs and the installation of new signs. NCDOT and FHWA concur with the request provided the proposed signs meet the Manual on Uniform Traffic Control Devices (MUTCD) standards.

U. FUTURE TRAFFIC VOLUMES

Based on the Traffic Projections, all roadways in and around the PSA will experience an increase in traffic volumes in the 2021 and 2040 No-Build Condition, see Section II.C.4.b [Future Traffic Volumes] of the Environmental Assessment (EA) for further details. The 2021 and 2040 Build Conditions for both Alternatives were analyzed to provide an assessment of the proposed improvements to the network, see Section IV.S [Future Traffic Volumes] of the EA for further details.

The Preferred Alternative projected traffic volumes for the 2040 Build Conditions - AADT volumes with design hourly volume, directional splits and truck percentages are shown in Figure 9.

V. FUTURE LEVELS OF SERVICE

The future Levels of Service (LOS) - 2040 No-Build for the road network within the PSA is discussed in Section II.C.4 of the EA and is shown in Figure 10. The future LOS - 2040 Build Conditions for the Preferred Alternative are shown in Figure 11. The significant changes in LOS between the 2040 No-Build and the 2040 Build Conditions for the Preferred Alternative are shown in Table 14 below. The LOS of all other streets within the PSA remain the same between the 2040 No-Build and the 2040 Build Conditions for the Preferred Alternative.

SUMMARY OF MINUTES

FINANCE COMMITTEE

4:30 p.m., Monday, February 8, 2016

COMMITTEE ROOM

Room 239, City Hall

MEMBERS PRESENT: Mayor Allen Joines
Council Member Robert C. Clark, Chair
Council Member Vivian H. Burke
Council Member Derwin L. Montgomery (in at 4:34 p.m.)

MEMBER ABSENT: Council Member Denise D. Adams, Vice Chair

OTHERS PRESENT: Council Member Molly Leight
Council Member Dan Besse
Council Member Jeff MacIntosh
Council Member James Taylor, Jr. (in at 5:44 p.m.)

Chair Clark called the meeting to order and stated that without objection, the Committee would first consider the Consent Agenda. Chair Clark removed Items C-3, C-4, C-6 (d), Council Member Montgomery removed item C-2 and C-6 (b), Chair Clark removed item C-9 on behalf of Council Member Besse. No other items were removed.

Council Member Burke made a motion to approve the balance of the Consent Agenda. The motion was duly seconded by Council Member Clark and carried unanimously.

CONSENT AGENDA

Property Matters

- C-1. CONSIDERATION OF A RESOLUTION ACQUIRING EASEMENTS FOR THE OLD TOWN DRIVE SIDEWALK PROJECT (NORTHWEST WARD).

Finance/Budget

- C-5. RESOLUTION AUTHORIZING UNITED WAY OF FORSYTH COUNTY, INC. TO RETAIN AND USE FUNDS FOR AN INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM.
- C-6. CONSIDERATION OF ITEMS RELATED TO CONTRACTS:
 - a. RESOLUTION AWARDDING PURCHASE ORDER FOR CHEVROLET

TAHOE SPECIAL SERVICE VEHICLES - *Parks Chevrolet - \$221,550.*

- c. RESOLUTION AWARDING CONTRACT FOR WAKE FOREST INNOVATION QUARTER RAIL TRAIL NORTH GREENWAY- *Smith-Rowe, LLC \$3,959,092.35 (Estimated Base Bid Amount).*

- C-7. CONSIDERATION OF WATER AND SEWER REVENUE REFUNDING BONDS - *\$142,000,000.*

Transportation

- C-8. CONSIDERATION OF ITEMS RELATING TO WORK ON THE RUNNYMEDE ROAD DRAINAGE IMPROVEMENTS AND WATER AND SEWER REPLACEMENT PROJECT:

- a. RESOLUTION AUTHORIZING A CHANGE ORDER TO RAMEY, INC. IN THE AMOUNT OF \$35,000 FOR WORK ON THE RUNNYMEDE ROAD STORMWATER DRAINAGE IMPROVEMENTS AND WATER AND SEWER REPLACEMENT PROJECT (NORTHWEST WARD).
- b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE FISCAL YEAR 2015-2016.

General Government

- C-10. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES - *January 11, 2016.*

Community and Economic Development

- C-2. RESOLUTION APPROVING ALLOCATION OF FUNDING FOR THE REVITALIZING URBAN COMMERCIAL AREAS (RUCA) PHASE III PROGRAM. *[Item continued from the November and December meetings of the Finance Committee.]*

Mr. Ken Millet, Senior Project Supervisor, Community and Business Development Department, gave the staff presentation on this item.

Council Member Montgomery requested 2936 Old Greensboro Road and be removed from this item and held in Committee.

Council Member Montgomery made a motion to approve 3001 Old Greensboro Road and 536 Barbara Jane Avenue. The motion was duly seconded by Council Member Burke and carried unanimously.

Environmental Health

- C-3. RESOLUTION AUTHORIZING THE CITY'S PARTICIPATION IN THE REQUEST FOR PROPOSAL PHASE OF THE 2016 CLEAN FUEL ADVANCED TECHNOLOGY PROJECT GRANT PROGRAM.

Mr. James Mitchell, Director, General Services Division, gave the staff report on this item.

In response to Chair Clark, Mr. Mitchell stated staff is looking at the area around the convention center for placement of the charging station. He explained the charging station will be a rapid charger and will charge an electric car to an 80% charge in 45 minutes. He further explained for the first year the charging station is in use there will be no charge for the consumer. After one year customers will have to pay for the use of the charging station.

Council Member Burke requested more information on the amount of people using the charging stations already in place throughout the city.

Council Member Burke made a motion to approve the remaining portion of this item. The motion was duly seconded by Council Member Montgomery and carried unanimously.

Finance/Budget

- C-4. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.

Council Member Burke made a motion to excused Council Member Montgomery from voting on this item. Council Member Clark duly seconded the motion and carried unanimously.

Mr. Ben Rowe, Assistant City Manager, gave the staff report on this item.

Council Member Burke made a motion to approve this item. The motion was duly seconded by Council Member Clark. The item passed with two in favor, none opposed and one abstaining. Council Members Clark and Burke voted in favor, Council Member Montgomery abstained from the vote.

- C-6. CONSIDERATION OF ITEMS RELATED TO CONTRACTS:

- b. RESOLUTION AWARDED CONTRACT FOR UNION STATION GRADING AND DEMOLITION – PHASE 1 - *R.P. Murray, Inc. -\$945,000 (Estimated Base Bid Amount)*.

Mr. Jerry Bates, City-County Purchasing Director, and Mr. Robert Prestwood, City Engineer, gave the staff report on this item.

In response to Council Member Montgomery, Mr. Bates stated the portion of subcontractors hired by the General Contractor would be 9.1% of the base bid amount to minority-owned business and 5.3% of women-owned business.

Council Member Montgomery requested staff investigate if the company awarded the contract can report the diversity of the subcontractors actual workforce to Council.

Council Member Montgomery made a motion to send this item forward without recommendation. It was duly seconded by Council Member Clark. The item passed with two in favor, none opposed, and one abstaining. Council Members Clark and Montgomery voted in favor, Council Member Burke abstained from the vote.

- d. RESOLUTION AWARDDING CONTRACT FOR M.C. BENTON, JR. CONVENTION CENTER RENOVATION - *Resolute Building Company* - \$15,670,000 (*Value Engineered Estimated Base Bid Amount*).

In response to Chair Clark, Mr. Prestwood explained the feedback he has received from contractors is they are extremely busy at this time, and that is why they have not placed bids on this project.

Mr. Lee Garrity, City Manager, explained this item is time sensitive and since the building will have to be completed one section at a time in order to keep it open for use it creates some issues for the contractors.

Council Member Montgomery request staff include information on the amount the city would lose if the convention center were closed during the renovation.

Mr. Garrity explained the impact of closing the convention center would be enormous due to the loss of money not only to the convention center but the surrounding hotels, parking decks, restaurants and other vendors in town as well.

Chair Clark requested staff include what was agreed to in the value engineering process to the packet for the Council Meeting on February 15, 2016, and provide a brief presentation.

Council Member Burke made a motion to send this item forward without recommendation. It was duly seconded by Council Member Clark. The item passed with two in favor, none opposed, and one abstaining. Council Members Clark and Burke voted in favor, Council Member Montgomery abstained from the vote.

C-9. CONSIDERATION OF ITEMS RELATED TO THE BUSINESS 40 PROJECT BETTERMENTS:

- a. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION FOR PEDESTRIAN AND SIDEWALK IMPROVEMENTS ON CLOVERDALE AVENUE AND MILLER STREET.

- b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE FISCAL YEAR 2015-2016.

Mr. Gregory Turner, Assistant City Manager, gave the staff presentation on this item.

Council Member Besse requested this item be forwarded to Council without a recommendation.

Council Member Burke made a motion to send this item forward without recommendation. It was duly seconded by Council Member Montgomery and carried unanimously.

GENERAL AGENDA

- G-1. CONSIDERATION OF ITEMS RELATING TO A COMPREHENSIVE LABOR MARKET ANALYSIS OF WINSTON-SALEM'S LABOR FORCE:
 - a. RESOLUTION APPROVING FUNDING TO CONDUCT A COMPREHENSIVE LABOR MARKET ANALYSIS OF WINSTON-SALEM'S LABOR FORCE.
 - b. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE FISCAL YEAR 2015-2016.
 - c. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE FISCAL YEAR 2015-2016.

Mr. Derwick Paige, Assistant City Manager, gave the staff presentation on this item.

Council Member Montgomery noted he is looking forward to what is gained by this analysis.

Council Member Montgomery made a motion to approve this item. The motion was duly seconded by Council Member Burke and carried unanimously.

- G-2. PRESENTATION ON THE FUND BALANCE. *[Item continued from the January meeting of the Finance Committee.]*

Mrs. Lisa Saunders, Director, Finance Department, gave the staff presentation on this item.

In response to Chair Clark, Mrs. Saunders replied the Government Finance Officers Association recommends retaining 16% in the fund balance, and the State requires a minimum of 8%.

In response to Council Member Montgomery, Mrs. Sanders stated the rating agencies could see the continual drawing down of the fund balance as a negative but drawing down for a one time need should be acceptable. She further explained Council could assign funds out of the fund balance to go towards housing and economic development.

Council Member Burke requested Council be made aware of when and why the City changes who manages the money.

Chair Clark requested a breakdown on how money the City has in the fund balance in cash, stocks, bonds, and who manages each and also how much the City carries in debt and the interest rates on that debt.

Council Member Montgomery requested when this item returns to Council staff include options for extra funds to be moved towards economic development and housing needs.

G-3. REQUEST FROM WAKE FOREST INNOVATION QUARTER REGARDING AMENDMENT TO THE 2007 ECONOMIC DEVELOPMENT AGREEMENT.

Mr. Paige gave the staff report on this item.

Mr. Eric Tomlinson, Chief Innovation Officer, Wake Forest Innovation Quarter, explained the fire marshal requested renaming anything north of I-40 the Northern District.

Council Member Montgomery requested it is made clear this development is not a part of Bailey Power Plant.

In response to Council Member Montgomery, Mr. Tomlinson stated the property will be mixed use and not necessarily a hotel.

In response to Council Member MacIntosh, Mr. Paige stated industrial, and office space have been mentioned but not hotels.

In response to Council Member Besse, Mr. Tomlinson stated the area will be new construction only, and this amendment will not allocate any more funds only increase the time period.

In response to Council Member Montgomery, Mr. Paige explained the 10% penalty for workforce housing can be increased if Council chooses.

In response to Council Member Montgomery, Mr. Graydon Pleasant, Real Estate Development, Wake Forest Baptist Medical Center, explained the location for the Center for Design Innovation was due to the proximity of the Colleges and universities that use it and also due to the State mandates on acquiring property. He added the opening of the Salem Connector will increase traffic and development in that area.

Chair Clark request more information on the residential component if the developers decide to include it.

G-4. REQUEST FOR FINANCIAL ASSISTANCE FROM WHITAKER PARK DEVELOPMENT AUTHORITY.

Mr. Paige gave the introduction to this item.

Mr. Robert Leak, Winston-Salem Business Inc., gave the presentation on this item.

In response to Council Member Besse, Mrs. Angela Carmon, City Attorney, replied the easement rights to the property would be taxable.

Council Member Besse requested more information on what the adverse tax implications would be for this property.

Council Member Burke requested the history of Whitaker Park be included in the item when it returns to the Committee.

Chair Clark requested more information on leasing options, a map of the area and more details on the development plans when this item returns to the Committee.

G-5. MANAGING FOR RESULTS UPDATE.

This item was continued to the March Finance Committee Meeting.

ADDITIONAL ITEM:

Ms. Joanne Allen, P.O. Box 284, Winston-Salem, spoke on an unrelated item. She expressed concern over city officials using their position to do favors for friends and become wealthy.

ADJOURNMENT: 6:14 p.m.

