

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 AWARDED 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.