

SUMMARY OF MINUTES

FINANCE COMMITTEE

4:00 p.m., Monday, February 13, 2017

COMMITTEE ROOM

Room 239, City Hall

MEMBERS PRESENT: Mayor Allen Joines (left at 6:06 p.m.)
Council Member Robert C. Clark, Chair
Council Member Denise D. Adams, Vice Chair
Council Member Vivian H. Burke
Council Member Jeff MacIntosh

OTHERS PRESENT: Council Member Derwin L. Montgomery
Council Member John C. Larson
Council Member James Taylor, Jr. (arrived at 5:55 p.m.)

Chair Clark called the meeting to order and stated that without objection, the Committee would first consider a special report from the Poverty Thought Commission which is Item G-1. Items C-3, C-6, C-7 and C-12(a)(b) were pulled by Council Member Burke. Item C-13 was pulled by Chair Clark. Item C-14 and C-17 were pulled by Council Member Larson.

Council Member Montgomery made a motion to approve the balance of the Consent Agenda. The motion was duly seconded by Council Member Adams and carried unanimously.

GENERAL AGENDA

G-1. PRESENTATION OF THE REPORT OF THE WINSTON-SALEM POVERTY THOUGHT FORCE.

Dr. Kirsh, Pro-Voce, Wake Forest University, gave a presentation on this item.

In response to Chair Clark, Mr. Kirsh stated additional information about this report is available online at povertythoughtforce.com.

Mayor Joines thanked Mr. Kirsch for the amazing job on the project. He suggested the City Council, County Commissioners and the Chamber of Commerce come together to adopt this example in the report, as a guide, to help make this poverty thought a success.

CONSENT AGENDA

- C-1. RESOLUTION AUTHORIZING AN EXTENSION OF A LEASE AGREEMENT WITH KDM OF WILMINGTON, LLC PROVIDING A SITE FOR A LEAF MULCHING FACILITY FOR THE SANITATION DEPARTMENT (NORTH WARD).
- C-2. CONSIDERATION OF A RESOLUTION AUTHORIZING THE SALE OF A CERTAIN CITY-OWNED VACANT LOT ON EAST TWENTY-FOURTH STREET UNDER THE UPSET BID PROCEDURE N.C.G.S. 160A-269 (NORTHEAST WARD).
- C-4. RESOLUTION AUTHORIZING RESTRUCTURING OF EXISTING LOANS FOR SUMMIT SQUARE GARDEN APARTMENTS. (EAST WARD).
- C-5. CONSIDERATION OF ITEMS RELATED TO DRAYTON PINES: (NORTH WARD).
- a. RESOLUTION AUTHORIZING MODIFICATION TO PERMANENT FINANCING FOR 44 UNITS OF AFFORDABLE HOUSING KNOWN AS DRAYTON PINES APARTMENTS AND THE DEED FROM THE CITY TO THE HOUSING AUTHORITY OF WINSTON-SALEM.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
- C-8. RESOLUTION AUTHORIZING THE QUITCLAIM ABANDONMENT OF A SEWEREASEMENT FOR THE WEST END STATION PROJECT (NORTHWEST WARD).
- C-9. RESOLUTION APPROVING AN APPLICATION FOR NORTH CAROLINA CLEAN WATER STATE REVOLVING FUND LOANS ASSOCIATED WITH DIGESTER AND THICKENING IMPROVEMENTS AT THE MUDDY CREEK WASTEWATER TREATMENT PLANT AND ARCHIE ELLEDGE WASTEWATER TREATMENT PLANT.
- C-10. CONSIDERATION OF ITEMS REGARDING THE EXPENDITURE OF CITY/COUNTY UTILITY COMMISSION FUNDS – IDOLS ROAD BUSINESS PARK:

- a. RESOLUTON AUTHORIZING THE EXPENDITURE OF CITY/COUNTY UTILITY COMMISSION FUNDS GENERATED BY OUT OF COUNTY SERVICES FOR THE DESIGN AND CONSTRUCTION OF MUNICIPAL INFRASTRUCTURE IMPROVEMENTS AT IDOLS ROAD BUSINESS PARK THROUGH AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF WINSTON-SALEM AND FORSYTH COUNTY.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
- C-11. CONSIDERATIN OF ITEMS REGARDING THE EXPENDITURE OF CITY/COUNTY UTILITY COMMISSION FUNDS – UNION CROSS BUSINESS PARK:
- a. ORDINANCE AMENDING CHAPTER 2 OF THE CITY CODE REGARDING ADMINISTRATION.
 - b. RESOLUTION RATIFYING AND AUTHORIZING THE EXPENDITURE OF CITY/COUNTY UTILITY COMMISSION FUNDS GENERATED BY OUT OF COUNTY SERVICES FOR THE DESIGN AND CONSTRUCTION OF MUNICIPAL IMPROVEMENTS AT UNION CROSS BUSINESS PARK THROUGH A REIMBURSEMENT AGREEMENT BETWEEN FORSYTH COUNTY, THE CITY OF WINSTON-SALEM, CITY/COUNTY UTILITY COMMISSION AND WINSTON-SALEM INDUSTRIAL PROPERTIES, LLC, A SUBSIDIARY OF JOHNSON DEVELOPMENT ASSOCIATES, INC.
 - c. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
- C-15. CONSIDERATION OF ITEMS RELATING TO A CHANGE ORDER TO H.M. KERN CORPORATION IN THE AMOUNT OF &165,000 FOR POLICE DISTRICT 2 FACILITY RENOVATIONS. (SOUTHEAST WARD).
- a. RESOLUTION AUTHORIZING A CHANGE ORDER TO H.M. KERN CORPORATION IN THE AMOUNT OF \$165,000 FOR POLICE DISTRICT 2 FACILITY RENOVATIONS.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
- C-16. CONSIDERATION OF AMENDMENTS TO THE FISCAL YEAR 2016-17 BUDGET ORDINANCES FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA.

- a. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
- C-19. RESOLUTION APPROVING RENEWAL OF THE MICROSOFT ENTERPRISE AGREEMENT. [*\$1,257,210.33*].
- C-20. IT FIBER NETWORK UPDATE.
- C-21. INFORMATION ON DESKTOP REPLACEMENT.
- C-22. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES – *January 9, 2017*.
- C-3. RESOLUTION AUTHORIZING A LEASE EXTENSION WITH FIFTH STREET INVESTMENTS, LLC PROVIDING SPACE FOR THE POLICE DEPARTMENT’S COMMUNITY RESOURCES UNIT.

Chair Clark requested information about the square footage of the Public Safety building downtown, and what is the square footage of the three new buildings, the Beatty building and the square footage of the building being rented.

In response to Chair Clark, Mr. Gregory Turner, Assistant City Manager, stated the square footages of all buildings requested will be given in the next Council package. He also stated the Public Safety Center will be completely taken down and removing all of the occupants during the renovation. The additional Public Safety facilities will be used to accommodate the relocation temporarily of that staff.

Council Member Burke requested information about how many office spaces are the City responsible for in this building.

Council Member Burke requested information about how much the tenants pay for rent in this building.

Chair Clark requested this item be held in Committee until March.

- C-6. RESOLUTION AUTHORIZING CONTINUATION OF A REVOLVING BRIDGE FUND FOR THE HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM (HAWS) AND EXPERIMENT IN SELF-RELIANCE, INC. (ESR) [*\$341,000*].

Mr. Ritchie Brooks, Community and Business Development Director, gave the staff presentation on this item.

Council Member Burke requested Mrs. Roebuck, Community and Business Development Committee, come to a Committee meeting and give an update on the houses of the Fifth Street development.

Council Member Burke made a motion to approve this item. The motion was duly seconded by Council Member MacIntosh and carried unanimously.

C-7. CONSIDERATION OF ITEMS RELATING TO THE OLD SALEM INFRASTRUCTURE IMPROVEMENT PROJECT:

- a. RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE CHANGE ORDERS WITH STANTEC CONSULTING SERVICES, INC. FOR ADDITIONAL PROFESSIONAL ENGINEERING SERVICES AND CONSTRUCTION SERVICES FOR THE OLD SALEM INFRASTRUCTURE IMPROVEMENT PROJECT.
- b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.

In response to Council Member Burke, Mr. Turner stated the intent is for the contract work to be restricted by the amount that Council approves. He also stated with a project like this, there are unknowns to what activity will be anticipated. But the amount of work has been scaled to an anticipation of the worst case scenario for what the consultant may find when constructing in the design of the investigation.

In response to Council Member Larson, Mr. Turner stated the intent is for staff to hire a consultant that can complete the rest of this aspect of the project. He also stated as Council Member requested to break the project up into two different phases. This would consist of a preliminary design work and the construction administration of that design work. However, it is best to have the same consultant to do all of the work to ensure proper implementation.

Council Member Larson requested staff to provide answers to what the problem is, what the solution is and what the estimated cost is to that solution and what services will Stantec provide and supervise.

Chair Clark suggested this item be held in Committee until March.

C-12. CONSIDERATION OF ITEMS RELATED TO CONTRACTS:

- a. RESOLUTION AWARDED PURCHASE ORDER FOR COMPUTERS – Dell Marketing L.P. - \$192,989.11 *[Item remanded to Finance Committee at the January 17, 2017, City Council Meeting.]*

Mr. Tom Kurezcka, Chief Information Officer, gave the staff report on this item.

Council Member MacIntosh requested staff pay close attention to the process as fairly large purchases are conducted. He also stated the budget office is in collaboration with this process.

In response to Council Member Burke, Mr. Kurezcka stated staff is currently in the process of implementing a new program called Granicus. This product will be submitted on the same platform as the current software program SIRE.

In response to Council Member Burke, Mr. Garrity stated by May the City will go paperless and the new software program Granicus will be used to provide information to City officials instead of the agenda books.

Council Member MacIntosh made a motion to approve this item. The motion was duly seconded by Council Member Adams and carried unanimously.

- b. RESOLUTION AWARDING CONTRACTS FOR MOWING SERVICES – *Riverhill Landscaping, Inc.*, - Contracts D, E, I, L, Q and R for roadway mowing and Contract U for vacant lot mowing - \$103,476. (Estimated Amount). *RussellRice, dba Russell & Son Landscaping* – Contracts C, H, J, for roadways and Contracts S, T, V, W, and X for vacant lot mowing - \$44,148.48 *Lawnmasters Lawn dba Yards by Us* – Contracts F, G, N, and O for roadway mowing - \$58,728.32. (Estimated Amount). *Gregory E. Crawford dba Crawford Landscaping* – Contracts M and P for roadway mowing - \$20,464. (Estimated Amount) – with an option to extend four additional annual periods.

Mr. Jerry Bates, Purchasing Director, gave the staff report on this item.

In response to Council Member Burke, Mr. Lee Garrity, City Manager, stated the Vegetation Management Department works with the contracted services for mowing.

Council Member MacIntosh made a motion to approve this item. The motion was duly seconded by Council Member Adams and it carried unanimously.

- c. RESOLUTION AWARDING CONTRACT FOR ROADWAY/SIDEWALK IMPROVEMENTS ALONG EBERT STREET, ARDMORE ROAD AND BETHABARA ROAD – *Smith-Rowe, LLC* - \$1,976,854.79. (Estimated Amount).

C-13. CONSIDERATION OF ITEMS RELATING TO A CONTRACT FOR THE PASSAGEWAY PROJECT:

- a. RESOLUTION AWARDING CONTRACT FOR THE PASSAGEWAY PROJECT – *New Restoration and Recovery Services, LLC*. - \$67,241.05. (Estimated Amount).

In response to Chair Clark, Mr. Bates stated the City has previously done business with New Restoration and Recovery Services and they are going to subcontract a portion of the scope of work with another firm that does this type of work routinely.

Council Member Adams made a motion to approve this item. The motion was duly seconded by Council Member MacIntosh and carried unanimously.

- C-14. RESOLUTION AUTHORIZING A CHANGE ORDER TO ARCHITECTURAL DESIGN ASSOCIATES PLLC FOR \$47,000.00 IN ADDITIONAL DESIGN SERVICES AND TO RESOLUTE BUILDING COMPANY IN THE AMOUNT OF \$565,000 FOR WORK ON THE M.C. BENTON, JR. CONVENTION CENTER RENOVATION PROJECT. (NORTH WARD)

In response to Council Member Larson, Mr. Ben Rowe, Assistant City Manager, stated the construction contract with Resolute Building Company would increase by \$853,000.

Council Member MacIntosh made a motion to approve this item. The motion was duly seconded by Council Member Adams and carried unanimously.

- C-17. RESOLUTION CHANGING FISCAL YEAR 2016-2017 ADOPTED USER FEE SCHEDULE FOR STREET CLOSING PERMITS.

In response to Council Member Larson, Mr. Turner stated under the statute the City has a requirement to host the information about a street closure and to publish the information in the newspaper. Included in this fee, is an amount for staff time and there is the cost of the ad. For each street closure there is a \$1400 fee. For three to four street closures at one time, the fee would be \$2600.

Council Member Adams made a motion to approve this item. The motion was duly seconded by Council Member MacIntosh and carried unanimously.

- C-18. RESOLUTION APPROVING THE FY 2018 FEDERAL AGENDA FOR THE CITY OF WINSTON-SALEM.

Council Member Adams requested a breakdown monetarily of the projects themselves. She also stated for example, the report should provide the money and the project and the year.

GENERAL AGENDA

- G-2. RESOLUTION APPROVING FUNDING TO SHARE FOR A FEASIBILITY STUDY AND CONSULTING SERVICES TO EVALUATE THE DEVELOPMENT OF A COOPERATIVE GROCERY STORE IN WINSTON-SALEM. [\$21,800].

Mr. Derwick Paige, Assistant City Manager, gave the staff presentation on this item.

Council Member Adams stated the grocery stores should be put where the most need for them is. She also stated it's a great concept however, the stores should be put where the people say they want them.

Reverend Willie Bass, 3412 Millhaven Road, spoke on behalf of the study and is aware of the need of addressing the members in these communities where the need is for the grocery stores.

Council Member MacIntosh made a motion to approve this item. The motion was duly seconded by Council Member Adams with Chair Clark abstaining.

Council Member Montgomery stated in part the challenge is a transportation problem in that people are not able to get to the grocery stores. However, transportation by itself will not solve this issue. There is a limit to how many shopping bags are allowed on the buses. The meaning normally used as food deserts is not clearly defined.

Council Member Burke suggested staff meet with the committee of the consulting services to provide all information needed to properly place the grocery stores.

G-3. PRESENTATION OF THE BUDGET FORECAST FOR FISCAL YEAR 2017-2018.

Ms. Patrice Toney, Budget Director, and Mrs. Carmen Carruth, Human Resources Director, gave the staff presentation on this item.

Council Member Adams requested more information on a projection for the years 2017/2018 for what positions are going to be changed involving the one-third position classification and compensation forecast. And, what would it look like compared to surrounding cities. Also, please provide the strategic plan for the police pay retention.

G-4. PROFORMA REGARDING WINSTON LAKE YMCA.

Mr. Paige gave the staff report on this item.

In response to Chair Clark, Mr. Paige stated one of the key work items on the agenda is to look at the business models for the recreation centers. The recreation director is currently working on this. He stated community meetings will be scheduled in April to get input from the community members to see what extra hours of operation are needed.

Council Member Adams requested information to what programs would be moved to the Winston Lake YMCA.

In response to Council Member Montgomery, Mr. Paige stated the \$202,480 needed for additional staff cost comprises of paying the facility managers, custodians, aquatic program supervisor and five part-time lifeguards.

Council Member MacIntosh requested information on operating costs for Polo Park Recreation Center.

G-5. PLOTT'S BAKERY PRODUCTS APPEAL OF SMALL BUSINESS LAIN COMMITTEE'S DENIAL OF REQUEST FOR ASSISTANCE.

Mr. Evan Raleigh, Office of Business Inclusion & Advancement Director, gave the staff report on this item.

In response to Chair Clark, Mr. Raleigh stated the City has done 20 to 30 M/WBE (Minority Women's Business Enterprise) loans over the course of the last ten years.

Ms. Evelyn Burney, 4901 Germanton Road, spoke on behalf of this appeal and provided information concerning her loan application denial.

In response Chair Clark, Ms. Burney stated she would need \$982,550 to start-up her business.

Mr. Paige stated Golden Leaf is a fund program provided through the City.

Mr. Doug Atkinson, Small Business Loan Committee, 1008 Glossman Road, gave information about the denial of Ms. Burney's loan application.

In response to Council Member Adams, Mr. Paige stated Ms. Burney has been working with the Business Inclusion office but not to the extent that she is needing currently since the denial.

In response to Council Member Montgomery, Mr. Atkinson stated with respect to expertise on the Committee, essentially the technical expertise beyond the committee, the suggestion is that loan applicants connect within other organizations in the community to help fund these types of loans that are denied.

Chair Clark suggested this item be held in committee to March.

Chair Clark requested staff research and get more information on Golden Leaf.

Council Member Taylor requested information concerning prospective contracts that Ms. Burney may petition to bid on.

ADJOURNMENT: 6:15 p.m.