

## SUMMARY OF MINUTES

### FINANCE COMMITTEE

4:00 P.M., MONDAY, DECEMBER 10, 2007

COMMITTEE ROOM

ROOM 239, CITY HALL

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*MEMBERS PRESENT:* Mayor Allen Joines  
Council Member Wanda Merschel, Chair  
Council Member Robert C. Clark, Vice Chair  
Council Member Vivian H. Burke  
Council Member Joycelyn V. Johnson

*OTHERS PRESENT:* Council Member Molly Leight

Chair Merschel called the meeting to order and stated that, without objection, the Committee would first consider the Consent Agenda.

Chair Merschel requested to pull Items C-2 and C-3, Council Member Johnson requested to pull Item C-8 and Council Member Clark requested to pull Item C-9. No other items were removed for discussion.

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

#### CONSENT AGENDA

##### Property Matters

C- 1. RESOLUTION AUTHORIZING ACQUISITION OF PROPERTY OWNED BY OXIA, LLC RELATING TO BURKE MILL ROAD WIDENING THROUGH A NEGOTIATED SETTLEMENT - *Lots 020B and 021 of Block 2096 located on Burke Mill Road. [\$114,096 from General Obligation Bond Funds.]*

##### Finance/Budget

C- 4. CONSIDERATION OF ITEMS RELATING TO CONTRACTS:

- a. RESOLUTION AWARDED CONTRACT FOR WINSTON-SALEM POLICE OFFICERS' RETIREMENT SYSTEM PENSION BENEFIT SOFTWARE AND CUSTOMIZATION SERVICES - *Tyler Technologies, Inc. - \$359,224.*
- b. RESOLUTION AWARDED CONTRACT FOR SEDANS FOR FLEET SERVICES - *Rice Toyota - \$221,832.*

- c. RESOLUTION AWARDED CONTRACT FOR ASPHALTIC CONCRETE FOR STREETS DIVISION - *Thompson-Arthur Division, APAC-Atlantic, Inc. - \$1,960,825 (Estimated Amount).*
  - d. RESOLUTION AWARDED CONTRACT FOR CONCRETE PIPE - *Smith, Setzer & Sons, Inc - \$163,563.90 (Estimated Amount).*
  - e. RESOLUTION AWARDED CONTRACT FOR READY MIXED CONCRETE - *Hartley Ready Mix Concrete Mfg., Inc. - \$250,895 (Estimated Amount).*
- C- 5. CONSIDERATION OF ITEMS RELATED TO CONTRACT FOR PURCHASE OF ROLLOUT REFUSE CARTS:
- a. RESOLUTION AWARDED CONTRACT FOR PURCHASE OF ROLLOUT REFUSE CARTS UNDER THE COMPETITIVE BIDDING GROUP PURCHASING PROGRAM OF N.C.G.S.143-129(e)(3) - *Toter, Inc. - \$311,820.*
  - b. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2007-2008.
- C- 6. CONSIDERATION OF AMENDMENTS TO THE FY 07-08 ANNUAL APPROPRIATION/TAX LEVY AND PROJECT 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 2007-2008.
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2007-2008.
- C- 7. RESOLUTION AWARDED A CONTRACT FOR TRUSTEE AND CUSTODIAL SERVICES AND EXECUTION OF REQUIRED TRUST AGREEMENTS FOR CITY INVESTMENTS. [*\$236,700 from Employee Benefits Fund.*]

#### General Government

- C- 10. RESOLUTION AUTHORIZING AN AMENDMENT TO THE WSTV13 OPERATING POLICY TO ALLOW UNDERWRITING. [*Item continued from the October Committee meeting.*]
- C- 11. APPROVAL OF A LOCAL GOVERNMENTS JOINT RESOLUTION CONCERNING THE HEART OF THE TRIAD.

#### Transportation

C- 12. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO ASSUMPTION AGREEMENTS WITH BROOKSTOWN DEVELOPMENT PARTNERS, LLC; SPORTS MENAGERIE, LLC; AND SPORTS MENAGERIE CORPORATION TO PASS THROUGH FEDERAL FUNDING FOR TRANSPORTATION IMPROVEMENTS RELATED TO THE CONSTRUCTION OF THE NEW BASEBALL STADIUM.

Human Resources

C- 2. RESOLUTION AMENDING THE CITY OF WINSTON-SALEM PERSONNEL RESOLUTION, ARTICLE III. BENEFITS.

Chair Merschel requested to know which employees were eligible for this benefit and for staff to provide examples.

Mrs. Martha Wheelock, Assistant City Manager, stated that staff will develop policy guidelines but any employee who is eligible for benefits from the City will be eligible for this benefit.

In response to Council Member Johnson's question, Mrs. Wheelock stated that the flat rate applies to temporary or seasonal employees.

Mr. Lee Garrity, City Manager, noted that employees who are eligible for workers compensation will also be eligible for this benefit, and that legally, any employee on the City payroll will be eligible.

Council Member Johnson expressed concern that any employee, regardless of the number of hours worked, could suffer an injury resulting in death and that all should be given equal consideration for this benefit.

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

Finance/Budget

C- 3. RESOLUTION AUTHORIZING THE CREATION OF A TAX INCREMENT COLLECTION FUND FOR REVITALIZING URBAN COMMERCIAL AREAS.

In response to Chair Merschel's inquiry, Mr. John Allen, Development Director, stated that there are approximately \$1.4 million left in the fund for Revitalizing Urban Commercial Areas (RUCA). He also confirmed that \$1 million has been pledged to upcoming projects. He further stated that a list of projects included in the initial request would be completed with the RUCA funds and that funds originally earmarked for specific projects will be allocated for first use prior to utilizing the remaining fund balance.

In response to Council Member Clark's question, Mr. Allen stated that although this project will not generate a lot of money. He further stated that a larger investment would allow for a larger profit. Council Member Johnson noted that with more construction taking place in these areas, property values will increase and some additional funding could be the result.

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

C- 8. CONSIDERATION OF ITEMS RELATED TO THE CITY'S AGREEMENT WITH THE FERGUSON GROUP:

- a. RESOLUTION AUTHORIZING THE CITY TO CONTINUE ITS AGREEMENT WITH THE FERGUSON GROUP AND APPROVE THE FEDERAL FISCAL YEAR 2009 AGENDA FOR THE CITY OF WINSTON-SALEM.
- b. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2007-2008.

In response to Council Member Johnson's question, Ms. Leslie Mozingo, representative of The Ferguson Group, stated that the City is not competing for funds with any other city being represented by The Ferguson Group.

In response to Council Member Johnson's question, Mr. Derwick Paige, Deputy City Manager, stated that the City's benefit from The Ferguson Group outweighs the cost of the contract, even though the cost is no longer shared between the City and Forsyth County. Mr. Paige further stated that staff has had preliminary conversations with Ms. Mozingo regarding other partnership opportunities within the community.

Council Member Johnson made a motion to approve the item. The motion was duly seconded by Council Member Clark. The motion carried on a vote of three in favor and one abstaining. Those voting in favor of the motion were Council Members Merschel, Clark and Johnson, with Council Member Burke abstaining from the vote.

General Government

C- 9. RESOLUTION AUTHORIZING DEVELOPMENT OF A SPONSORSHIP POLICY ALLOWING CITY DEPARTMENTS TO SEEK AND ACCEPT FINANCIAL AID AND/OR IN-KIND CONTRIBUTIONS. *[Item continued from the October Committee meeting.]*

In response to Council Member Clark's request for a synopsis of the policy, Mrs. Wheelock stated that a similar process is already utilized for similar programs such as Rock the Block, and staff will work with individual departments to design the policy. She further stated that staff will ensure the guidelines emphasize the City as the center of the policy and the primary responsibilities will fall on Marketing and Communications with the support of the individual departments. Mrs. Wheelock also indicated there may be a need for a third party to be involved in formatting the guidelines.

Council Member Burke requested to know who will not be allowed to participate as a sponsor and that guidelines be monitored and periodically be presented for review.

In response to Council Member Johnson's question, Mrs. Wheelock stated that the Coliseum negotiated a contract with the Budd Group that would reduce their fees in exchange for recognition. She further stated that the sponsorship policy would help individual departments to offset costs or add new programs rather than focus on advertising of a specific company.

Council Member Johnson requested to know the specifics of contracts that various companies have with the Coliseum.

In response to Council Member Burke's inquiry, Mrs. Wheelock noted that Windsor Jewelers provided funding for some renovations at the Coliseum in exchange for name recognition, and they also have a multi-year funding commitment.

In response to Council Member Leight's concern, Mrs. Wheelock stated that a section regarding gifts and favors will be included within the sponsorship policy.

Mr. Garrity suggested that long-term or permanent sponsorship opportunities be brought to the Community Development/Housing/General Government Committee for approval prior to being posted.

Council Member Clark suggested that when sponsorship opportunities arise, a letter of notification, including the price, could be sent to potential sponsors and they could respond accordingly.

Council Member Burke suggested that TV13 be utilized to advertise sponsorship opportunities.

Mrs. Wheelock stated that staff will carefully develop the policy to benefit the individual departments as well as the City.

Council Member Clark made a motion to approve the item. The motion was duly seconded by Council Member Johnson and carried unanimously.

#### ADDITIONAL ITEMS

- At this time, Mrs. Denise Bell, Finance Director, introduced Ms. Patricia Bonnemere of the US Bank Institutional Trust & Custody, Inc. as her guest.
- Council Member Johnson inquired about the Habitat for Humanity artwork that was recently donated to the City and costs for installing it. She noted that Council will approve donations of large items from time to time and she requested that the cost for City involvement be included in information provided to the Council for approval.

Mr. Paige stated that when Council approved the Habitat donation, it was agreed that it would be the responsibility of Habitat to complete the project and put it in place, and it would be the City's responsibility to maintain it.

#### GENERAL AGENDA

G- 1. RESOLUTION AUTHORIZING ADDITIONAL FUNDING TO PARTNERS FOR HOMEOWNERSHIP, INC. FOR DEVELOPMENT OF THE RIDGEWOOD PLACE SINGLE-FAMILY SUBDIVISION. [*\$150,000 from Housing Finance Assistance Funds.*]

Ms. Mellin Parker, Director, Housing/Neighborhood Development Department, stated that in addition to the amount approved by Council in 2000 for this project, staff is requesting that the contract be extended through 2011 and that an additional \$150,000 in financing be provided.

Council Member Johnson made a motion to approve the item. The motion was duly seconded by Council Member Clark.

Council Member Leight noted that the City has had a good partnership with the company which is proven by the success of loans that have been granted.

In response to Council Member Clark's question, Ms. Jane Milner, Executive Director, Partners for Homeownership, stated that she would like to enhance their marketing tools to attract more people to the program so home buyers will not get into problem loans.

In response to Council Member Burke's inquiry, Ms. Milner stated that only three homes have ever been foreclosed and two of those were within the City. She further stated that none of those buyers utilized the loan programs offered by the organization.

Ms. Milner commented that Partners for Homeownership encourages buyers to get involved in their loan programs so they can receive financing that is manageable.

In response to Chair Merschel's question, Ms. Parker stated that although some builders opted not to work on the Ridgewood Development due to project constraints, it has not been a problem. She stated that although the housing market is soft, builders are still willing to build when a buyer has been secured. She also stated that although real-estate agents were taking advantage of some of the home-buyers and were not encouraging manageable loans, they were not being reported for ethics violations. Ms. Milner indicated that Partners for Homeownership would like to enhance their marketing tactics to attract buyers to use their loan programs instead.

Chair Merschel requested that City staff ensure these procedures will not affect the build-out.

Council Member Johnson suggested that an interest group be created to monitor the progress of this project.

The motion for approval was carried unanimously.

G- 2. RESOLUTION OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA AUTHORIZING INVESTMENT CONSULTING SERVICES CONTRACTS. [*\$134,500 from Investment Earnings.*]

Mrs. Bell stated that the City's program is sophisticated in that there are long-term funds that are invested in equities and fixed incomes and those are maintained by outside managers. She also stated that when a request for proposal was sent out to see who was interested in the market, 13 proposals were received and the two chosen to work with the City are Citigroup Global Markets, Inc. and Deutsche Bank Alex. Brown. She further stated that staff is recommending a change to the manner in which these consulting firms are paid, to include a fixed rate contract for equity and income payments with an option to extend the contract for an additional two years after the initial three year contract.

Council Member Clark stated that he works with Deutsche Bank Alex. Brown on another board and they have always done a good job.

Mr. Garrity thanked Council Member Burke for suggesting that the City re-visit business relationships within the community to determine that it has partnered with the most qualified companies.

Council Member Clark made a motion to approve the item. The motion was duly seconded by Council Member Johnson and carried unanimously.

Council Member Burke encouraged staff to motivate any business partners to always be good stewards of the citizens' money.

**G- 3. RESOLUTION AUTHORIZING A LEASE AGREEMENT WITH FRED D. GODLEY FOR SPACE FOR POLICE TRAINING AND DRIVING RANGE. [*\$3,000 per month.*]**

Mr. Kirk Bjorling, Real Estate Administrator, stated that the City has paid no rent on the property that it currently uses and the property owner has also paid the utilities. The proposed lease agreement will cover the cost of the office space and driving range and the property owner will continue to pay the utilities.

In response to Council Member Clark's question, Mr. Garrity stated that the facility on Patterson Avenue will open in the next 12 to 18 months. He further stated that while the facility is considered office space, it will be used for police training and the parking lot will serve as a driving range.

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

**G- 4. RESOLUTION AUTHORIZING THE CITY MANAGER TO ESTABLISH AN APPLICATION PROCESS FOR PUBLIC ART DONATIONS AND TO ACCEPT PUBLIC ART BY DONATION ON BEHALF OF THE CITY.**

Mrs. Ann Jones, Budget & Evaluation Director presented the item to establish procedures for donated art within the City, the cost to maintain the art, how it will be inventoried, and the endorsement process. She also stated that the City is currently testing the process with a piece of art that is in the process of being donated.

In response to Council Member Burke's question, Mrs. Jones stated that placement of the art will be based on recommendations, visibility of the piece, and staff review of the placement, which will then be brought to the Council for approval. She also stated that installation of the art may increase property

values and that an Operations and Fiscal Impact Review Committee will be established to oversee the process.

Mr. Garrity noted that this will be a two-part process and currently, staff is working on the application process and how best to present the opportunity to the community.

In response to Council Member Johnson's question, Mrs. Jones stated that the Community Appearance Commission (CAC) is not interested in being involved with the project at this time.

Ms. Glynis Jordan, Deputy Director of Planning, stated that the CAC is interested in the location of the art, but not reviewing the art due to its subjective nature, and believes the review responsibility should lie with the Arts Council. She also responded to Council Member Johnson that staff is trying to ensure all aspects of the project are covered, such as zoning, right-of-way, and vehicular perspectives.

Mrs. Jones stated that staff is also working with the Arts Council to inventory all existing outdoor public art.

Council Member Johnson requested that the CAC review its description to determine the level of involvement it should have with this project.

Council Member Leight stated that she understands the need for engineers and zoning officers to be involved in the placement of outdoor art, but suggests that a committee be formed to determine the appropriateness of a piece of art.

Ms. Jordan noted that the second part of the project will address who will be determining which art is appropriate.

In response to Council Member Burke's question, Mrs. Jones stated that as a part of the review, it will be determined how long a piece of art will stay in one place.

Ms. Jordan noted that staff is looking at long-term implications of outdoor art, such as the mosaic piece at the bus station, which currently is in need of repair. She also noted that the placement of all current pieces of outdoor art were chosen by the artist along with staff input.

In response to Council Member Burke's comment, Ms. Jordan noted this program will enhance Winston-Salem's City of the Arts moniker and that art may be incorporated into sound barriers, retaining walls and other areas that may seem unsightly.

Council Member Burke requested that gateway areas of the City be considered as potential locations.

Mayor Allen Joines requested that staff review any previous art the City has received through the former Artist of the Year program and ensure it is permanently displayed.

Chair Merschel requested that when an artist determines placement of a piece that the Council is notified and can give that item consideration.

Council Member Johnson expressed concern that if artists are given the choice of placement, some areas of the City may be neglected, and staff should ensure the art is equally dispersed within the community.

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

ADJOURNMENT: 5:00 p.m.