

SUMMARY OF MINUTES

FINANCE COMMITTEE

4:00 P.M., MONDAY, OCTOBER 12, 2009

COMMITTEE ROOM

ROOM 239, CITY HALL

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 noted that staff requested to pull Item C-11. Council Member Clark requested to pull Items C-4, C-5, C-12(a) and C-13. Council Member Burke also requested to pull Item C-5. No other items were removed.

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. CONSIDERATION OF ITEMS RELATING TO THE ACQUISITION/SALE OF PROPERTY:

- a. RESOLUTION AUTHORIZING THE SALE OF CERTAIN CITY-OWNED PROPERTY UNDER THE PROVISIONS OF N.C.G.S. 160A-269 - *Property located on the southwest corner of Liberty Street and East Northwest Boulevard. [Receipt of \$60,000.]*
- b. RESOLUTION AUTHORIZING ACQUISITION OF PROPERTIES FOR MOTOR ROAD EXTENSION PHASE IV BY DEED OR CONDEMNATION - *Various lots located on Circle Drive, Motor Road, Baux Mountain Road, Old Rural Hall Road, School Street, Renigar Street, and Old Walkertown Road. [\$211,650 from General Obligation Bond funds.]*

Community and Economic Development

- C-2. RESOLUTION AUTHORIZING SUBMISSION OF CONTINUUM OF CARE HOMELESS GRANT APPLICATION, ACCEPTANCE OF GRANT FUNDS, AND EXECUTION OF SUBGRANTEE AGREEMENTS.
- C-3. RESOLUTION AUTHORIZING A COMMITMENT OF FUNDS TO FAITH SEEDS COMMUNITY RE-ENTRY COALITION, INC. FOR A RE-ENTRY PROGRAM. [*\$5,000 from Housing Finance Assistance funds.*]
- C-6. REPORT ON DEVELOPMENT REVIEW PROCESS.

Public Safety

- C-7. RESOLUTION AUTHORIZING ACCEPTANCE OF A LAW ENFORCEMENT VEHICLE FROM THE UNITED STATES MARSHALS SERVICE IN CONNECTION WITH THE WINSTON-SALEM POLICE DEPARTMENT'S PARTICIPATION IN THE U.S. MARSHALS SERVICE JOINT FUGITIVE TASK FORCE.
- C-8. RESOLUTION APPROVING AGREEMENT WITH GUMTREE FIRE AND RESCUE, INC. FOR PAYMENT OF DEBT AND APPROVING SUBMISSION OF PAYMENT SCHEDULE TO THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION FOR APPROVAL. [*\$7,828.92*]
- C-9. CONSIDERATION OF ITEMS RELATING TO THE CONSTRUCTION OF FIRE STATION 19 LOCATED OFF OF GLENN HI ROAD:
 - a. RESOLUTION AUTHORIZING THE CITY OF WINSTON-SALEM TO ACCEPT A GRANT FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR THE CONSTRUCTION OF FIRE STATION 19. [*\$2,008,550.*]
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2009-2010.
- C-10. CONSIDERATION OF ITEMS RELATING TO INTERLOCAL AGREEMENTS TO SHARE 2009 JUSTICE ASSISTANCE GRANT FUNDS WITH FORSYTH COUNTY AND THE TOWN OF KERNERSVILLE:
 - a. RESOLUTION AUTHORIZING INTERLOCAL AGREEMENT BETWEEN THE CITY OF WINSTON-SALEM, NORTH CAROLINA, THE COUNTY OF FORSYTH, NORTH CAROLINA, AND THE TOWN OF KERNERSVILLE, NORTH CAROLINA TO SHARE 2009 BYRNE JUSTICE ASSISTANCE GRANT PROGRAM AWARD.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL

YEAR 2009-2010.

- c. RESOLUTION AUTHORIZING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF WINSTON-SALEM, NORTH CAROLINA AND THE COUNTY OF FORSYTH, NORTH CAROLINA REGARDING THE PURCHASE OF A LAW ENFORCEMENT TACTICAL VEHICLE.

Finance/Budget

C-12. CONSIDERATION OF ITEMS RELATING TO CONTRACTS:

- b. RESOLUTION APPROVING CONTRACTS FOR HDR ENGINEERING OF THE CAROLINAS AND THE ENVIRONMENTAL ASSISTANCE OFFICE OF THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE TO PROVIDE PROFESSIONAL ENGINEERING SERVICES FOR STORMWATER MASTERPLANNING UPDATES OF THE BRUSHY FORK CREEK, PETERS CREEK AND LOWER SALEM CREEK WATERSHEDS - *HDR Engineering of the Carolinas, Inc. - \$487,600; Environmental Assistance Office, University of North Carolina at Charlotte - \$48,000.*

General Government

- C-14. CITIZENS' BASEBALL STADIUM REVIEW COMMITTEE MONTHLY REPORT TO THE CITY COUNCIL.
- C-15. MONTHLY REPORT ON ECONOMIC STIMULUS PROJECTS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT.
- C-16. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES - *September 14, 2009.*
- C-4. RESOLUTION AUTHORIZING A FUNDING COMMITMENT TO ONE ECONOMY CORPORATION, INC. FOR INSTALLATION OF A WIRELESS NETWORK FOR SHARED INTERNET SERVICE AND PROVISION OF HIGH-SPEED INTERNET SERVICE AT LADEARA CREST ESTATES. [*\$24,500 from Housing Finance Assistance funds.*]

Mr. Derwick Paige, Deputy City Manager, stated that previously appropriated funds were part of the Five-Year Consolidated Plan to provide internet service through One Economy Corporation, Inc. for individuals that were participating in the Individual Development Account program, and that plan did not receive the demand that was expected.

Council Member Clark noted that the first plan was not effective because it provided assistance only for hardware and costs mounted because there was no ongoing service assistance provided.

Mr. Paige noted that the new grant provides hardware and ongoing service assistance and other sources may be able to help provide some personal computers or laptops to participants in need. In response to Council Member Clark's question, Mr. Paige stated that after three years, there is no

service commitment, so further service would be up to the community or resident.

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

Council Member Burke noted that this is a great program that provides tools for citizens in need so they do not fall behind in school or in pursuing an education.

The motion for approval carried unanimously.

C-5. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2009-2010 TO APPROPRIATE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM FUNDING PROVIDED THROUGH THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009. [*\$1,091,170.*]

In response to Council Member Burke's request for background information on Eureka Ministry, Inc., Mr. Tim West, Housing and Neighborhood Development Program Supervisor, stated that Eureka Ministry began in 2001, is located on Emerald Street and works primarily with participants from Project Re-Entry to provide transitional housing.

Council Member Clark noted that in a letter to the editor from several months ago, a company obtained grant money to assist citizens facing foreclosure and 90% of the funding was spent on consultants, with very little money going to help the citizens. He requested to see the contract stipulations that specifies how this grant funding is to be spent.

Mr. West stated that this grant cannot provide purchase assistance to citizens facing foreclosure, rather it is applied to eviction prevention through rental assistance and can help to re-house a family that has already been evicted.

Council Member Clark requested to know what percentage of the grant funding was being spent on counselors and the percentage being spent on citizens.

Council Member Burke requested to know how many previously incarcerated participants have returned, how they are tracked and if they are gainfully employed.

Mr. West noted that staff receives regular reports from Project Re-Entry on these participants.

Council Member Burke requested to know which community agencies are working with the homeless population, statistics regarding the homeless population, how funding is allocated and the end results that are being seen.

Mr. West noted that staff tracks these trends in Housing and Urban Development (HUD) funded projects and the number one goal is to place the homeless in permanent housing. Over 500 homeless persons were placed in housing last year through HUD funded programs.

In response to Chair Merschel's question, Mr. Paige stated that there is some additional time to review the item, but it needs to be approved by November 9 to meet the deadline.

By consensus, the Committee agreed to forward the item to the November 2 City Council meeting, without a recommendation.

C-11. CONSIDERATION OF ITEMS RELATED TO FEDERAL GRANTS FOR THE WINSTON-SALEM POLICE DEPARTMENT:

- a. RESOLUTION ACCEPTING A 2009 PAUL COVERDELL NATIONAL FORENSIC SCIENCES IMPROVEMENT ACT FORMULA GRANT TO FUND THE PURCHASE OF EQUIPMENT AND PROVIDE TRAINING FOR THE FORENSIC SERVICES DIVISION OF THE WINSTON-SALEM POLICE DEPARTMENT.
- b. RESOLUTION ACCEPTING A 2009 RECOVERY ACT BYRNE MEMORIAL COMPETITIVE GRANT TO FUND THREE NEW CRIME ANALYSTS AND ONE NEW NETWORK ADMINISTRATOR FOR THE WINSTON-SALEM POLICE DEPARTMENT.
- c. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2009-2010.
- d. RESOLUTION ACCEPTING A 2009 SMART POLICING: EVIDENCE-BASED POLICING DEMONSTRATION INITIATIVE GRANT TO FUND THE IMPLEMENTATION OF AN INTELLIGENCE-LED PROBLEM ORIENTED POLICING PROJECT.
- e. RESOLUTION AUTHORIZING THE CITY TO ENTER IN TO A MEMORANDUM OF UNDERSTANDING WITH THE WINSTON-SALEM STATE UNIVERSITY CENTER FOR COMMUNITY SAFETY FOR IMPLEMENTING THE 2009 SMART POLICING: EVIDENCE-BASED POLICING DEMONSTRATION INITIATIVE GRANT.

Council Member Clark expressed concern that while the City is receiving assistance to hire some staff, after a certain period of time, it is the City's responsibility to fund these positions.

Chair Merschel requested that staff indicate any items that are represented in this item that were identified in the Risk Management Association (RMA) review.

Mrs. Ann Jones, Budget and Evaluation Director, stated that the positions are required to be fulfilled for an additional year after the funding expires and staff is currently reviewing employment assumptions for future years. She also stated that these positions represent an additional obligation at the end of that funding period.

In response to Council Member Clark's question, Mr. Lee Garrity, City Manager, stated that the largest deficiency from the RMA study within the forensics area of crime analysis, was in people, training and equipment. At the end of the three-year period, during the fourth year, the City will be obligated to fund approximately \$100,000 in salary for these personnel. He also stated that the additional personnel are not required, but will place the City at a higher level as far as forensics opportunities are concerned.

In response to Council Member Burke's question, Mr. Garrity noted that funding for these personnel will be allocated from the General Fund as has been done in the past in similar situations.

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

C-12. CONSIDERATION OF ITEMS RELATING TO CONTRACTS:

- a. RESOLUTION AWARDED CONTRACT FOR FIRE PUMPER TRUCKS - *The Sutphen Corporation* - \$909,403.82.

In response to Council Member Clark's concern that a bond is not required for this contract, Mr. Marshall Mathers, Purchasing Director, stated that staff has worked with this company many times in the past, they have a good track record for fulfilling their obligations, maintain an excellent relationship with staff, and they have earned contracts from other agencies.

Council Member Clark questioned if staff had any financial information on this company and if they felt comfortable providing 25% down with no bond required.

Chair Merschel noted that she shared Council Member Clark's concern. She also noted that even with a bond requirement, the City would still net a gain from this contract. She requested that staff review the need for a formal policy requiring performance bonds on contracts.

In response to Council Member Leight's question, Mr. Mathers stated that there is only a written requirement for bonds on formally bid construction.

Mr. Garrity noted that staff would bring forward a formal proposal for bond requirements.

Council Member Clark made a motion to approve the item with the requirement of a performance bond. The motion was duly seconded and carried unanimously.

C-13. RESOLUTION DECLARING CERTAIN CITY-OWNED EQUIPMENT SURPLUS AND AUTHORIZING THE SALE THEREOF.

Council Member Clark noted that he was curious as to why the City was getting rid of several vehicles with low mileage and questioned if they had been wrecked. He presented his particular items of concern to Mr. Garrity and requested a report on those specified.

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

GENERAL AGENDA

G-1. ORDINANCE AMENDING CHAPTER 10 OF THE CITY CODE RELATING TO BUILDING PERMIT FEES.

Mr. Charles Norton, Inspections Director, stated that staff requests to add a new fee for an evaluation permit for the inspection of existing commercial buildings, which will take place prior to the issuance of licensing. Staff has worked with commercial realtors and property owners for several months and along with the Change of Use Task Force, have determined several goals and enhancements to improve the process. The Task Force feels it would be a benefit to have information prior to leasing a space or buying a building so the owner can know what to expect. This process will allow Inspectors to perform the evaluation on the building, electrical, plumbing and mechanical needs, as well as fire and zoning inspections, if warranted. Once the evaluation is complete, the Inspector will provide written documentation as to his findings and whether or not the project moves forward, staff can capture and utilize the gathered data. The property owner will receive information on whether or not the proposed use is feasible, requirements of the building code, Unified Development Ordinance inadequacies, and any other issues that may be triggered.

This information will be presented to the Community Development/Housing/General Government Committee as well. A public hearing on the proposed change will be held and the item will probably move forward to the full Council in November. In response to Chair Merschel's question, Mr. Norton stated that the evaluation will only provide general information to the applicant as to his or her proposed use and it will be noted that the information is general in nature and based upon the Inspector's observations. If there is a specific use in mind, the Inspector can taper the evaluation to that use and may also provide some information to outside agencies that may be of service.

Chair Merschel requested to know if there will be an acknowledgement in the evaluation that if the end result is not what was anticipated, the fee may be negotiable, even though there may be a limited need for it.

Council Member Clark noted a building on Patterson Avenue a few years ago, where a permit was issued based on a use that was not appropriate for that area and requested a safety measure for staff errors. He also encouraged staff to carefully word any disclaimers or guarantees.

Mr. Norton noted that the evaluation will be geared toward a specific use based upon the building owner's needs. Staff will provide information as outlined in applicable ordinances, and the occupant will be able to determine some information on their own.

Council Member Burke noted that the building owner can still have his or her own engineer evaluate the building.

Mr. Norton stated that staff will advise further evaluation based upon what the Inspector observes, which will provide more information that the building owner can utilize to determine his or her options.

In response to Chair Merschel's comment that there are repeated issues with fire exits and the Americans with Disabilities Act (ADA) requirements, Mr. Norton noted that the amount of work that needs to occur in an existing building depends on the amount of work the building owner is willing to do. Building owners are required to spend a certain amount of money on ADA requirements based upon the commercial building code.

Chair Merschel requested a rebate toward the permit fee or something that will indicate to a perspective buyer of a building that the City is willing to reimburse an applicant if something is overlooked. This rebate program could be offered for the first year as an additional step towards customer service, and hopefully make the process less daunting for applicants.

In response to Council Member Johnson's question regarding the City's liability for expenses incurred by the building owner, Mr. Garrity stated that any report to the building owner will be limited to their stated, intended use and the rebate would have to be tied to said use.

Mr. Norton noted that the rebate would need to be discussed with the Change of Use Task Force and the City Attorney's office.

Council Member Leight noted that for \$250, the applicant cannot expect a full-scale investigation of the building. Applicants should be assured they are receiving good information, but should be told that anything beyond that initial evaluation is not covered or guaranteed.

Mr. Norton stated that in change of use requests, 99% of the time, an applicant has already rented the space and moved in. He also stated that a disclaimer should be included on the application so an applicant realizes the information will not be all-inclusive, rather it will be general information to provide guidance in the decision making process.

Chair Merschel requested that staff define the scope of the evaluation procedure and that the work will be verified.

By consensus, this item will remain in Committee to be considered again at the November 9 meeting.

ADJOURNMENT: 4:49 p.m.