City of High Point

Municipal Office Building
211 South Hamilton Street
High Point, NC 27261

Meeting Minutes

Tuesday, September 8, 2009

4:45:00 PM

Council Chambers

Rebecca R. Smothers, Mayor
William S. Bencini, Mayor Pro Tem
Latimer B. Alexander, IV, Mary Lou Blakeney,
Foster Douglas, John Faircloth, Michael D. Pugh,
Bernita Sims, M. Christopher Whitley

ROLL CALL, PRAYER, PLEDGE OF ALLEGIANCE

Mayor Smothers called the meeting to order and offered the invocation; the Pledge of Allegiance followed.

Present: Mayor Smothers, Council Member Bencini, Council Member Alexander, Council Member Sims, Council Member Blakeney, Council Member Douglas, Council Member Faircloth, Council Member Pugh and Council Member Whitley

APPROVAL OF THE MINUTES FROM PREVIOUS MEETING

The minutes of the following meetings were unanimously approved as submitted upon motion by Council Member alexander and second by Council Member Whitley.

Finance Committee; Monday, August 17th @ 3:30 p.m.
Combined Meeting; Monday, August 17th @ 4:45/5:30 p.m.

FINAL ACTION TAKEN AT THIS MEETING

At the conclusion of the Committee of the Whole Session, and after all matters were heard by Council, **motion was made by Council Member Alexander and seconded by Council Member Whitley to suspend the rules in order to take final action on these matters at tonight's meeting. The motion carried unanimously. [9-0 vote]**

Motion was then made by Council Member Whitley, seconded by Council Member Alexander that all Committee recommendations stand as final action regarding these matters. The motion carried unanimously. [9-0 vote]

Note: As a result of this action, there is no need for the Thursday morning meeting.

PRESENTATION OF ITEMS

FINANCE COMMITTEE - Council Member Whitley, Chair
Committee Members: Bencini, Douglas and Alexander

(all were present)

Establish Public Hearing - Purchase of Real Estate

090209 Council is requested to establish the public hearing date of Monday, September 21, 2009 at 5:30 p.m.for the purpose of receiving public comment on financing the purchase of real estate (607 Idol Street) using a lease-purchase contract under GS-160A-20.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

Due to two dissenting votes from the Committee, this matter was forwarded to the full Council without a recommendation from the Finance Committee.

Approved the date of Monday, September 21, 2009 at 5:30 p.m. as the date and time to receive public comment regarding the financing of the purchase of real estate located at 607 Idol Street using a lease-purchase contract under N.C.G.S. 160A-20.

A motion was made by Council Member Sims, seconded by Council Member Alexander, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Alexander, Council Member Sims, Council Member Blakeney, Council Member Douglas, Council Member Faircloth and Council Member Pugh
Nay: Council Member Bencini and Council Member Whitley

Resolution - Filing of Application to Local Government Commission for Approval of Financing Contract

090210 Council is requested to authorize staff to make application to the Local Government Commission for approval of a financing contract under GS 160A-20 and establish certain findings of fact.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

Due to two dissenting votes from the Committee, this matter was forwarded to the full Council without a recommendation from the Finance Committee.

Adopted resolution authorizing staff to make application to the Local Government Commission for approval of a financing contract under N.C.G.S. 160A-20 and to establish certain findings of fact.

Resolution No. 1548/09-76 **Introduced 09/08/09**
Adopted 09/08/09
Resolution Book Volume XVI, Page 190

A motion was made by Council Member Sims, seconded by Council Member Alexander, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Alexander, Council Member Sims, Council Member Blakeney, Council Member Douglas, Council Member Faircloth and Council Member Pugh
Nay: Council Member Bencini and Council Member Whitley

Budget Ordinance Amendment - Mass Transit Vehicles and Equipment

090211 Council is requested to adopt an ordinance amending the 2009-2010 budget ordinance for American Recovery and Reinvestment stimulus funding from the Federal Transit Administration in the amount of $623,500 for the purchase of mass transit vehicles and equipment.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

Due to two dissenting votes from the Committee, this matter was forwarded to the full Council without a recommendation from the Finance Committee.

Adopted Ordinance amending the 2009-2010 Budget Ordinance for American Recovery and Reinvestment stimulus funding from the Federal Transit Administration in the amount of $623,500.00 for the purchase of mass transit vehicles and equipment.

Ordinance No. 6638/09-38 **Introduced 09/08/09**
Adopted 09/08/09
Ordinance Book Volume XVI, Page 123

A motion was made by Council Member Sims, seconded by Council Member Alexander, that this matter be adopted. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Alexander, Council Member Sims, Council Member Blakeney, Council Member Douglas, Council Member Faircloth and Council Member Pugh
Nay: Council Member Bencini and Council Member Whitley

Contract - Bid No. 03 - Kersey Valley Landfill Phase IV Construction

090212 Council is requested to approve contract for award of Bid No. 03 for the Kersey Valley Landfill Phase IV construction. Purchasing and Public Services recommend that contract be awarded to Triangle Grading & Paving in the amount of $4,597,517.00 which is the lowest responsible and responsive bidder meeting specifications.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

The Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation for approval.

Approved contract for the construction of the Kersey Valley Landfill Phase IV to Triangle Grading & Paving in the amount of $4,597,517.00 which is the lowest responsible and responsive bidder meeting specifications.

A motion was made by Council Member Whitley, seconded by Council Member Alexander, that this matter be approved. The motion carried unanimously.

Contract - Bid No. 10 - Rappelling Tower for Police Department Firing Range

090213 Council is requested to approve contract awarding Bid No. 10 for a Rappelling Tower for the Police Department Firing Range. Purchasing and the Police Department recommends that contract be awarded to Hamlett Construction, Inc. in the amount of $116,627.00 which is the lowest responsible and responsive bidder meeting specifications.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

The Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation.

Approved contract for the construction of a Rappelling Tower for the Police Department Firing Range with Hamlett Construction, Inc. in the amount of $116,627.00 which is the lowest responsible and responsive bidder meeting specifications.

A motion was made by Council Member Whitley, seconded by Council Member Alexander, that this matter be approved. The motion carried unanimously.

Contract - Bid No. 06 - Roof Replacement - High Point Public Library

090214 Council is requested to approve contract awarding Bid No. 06 for Roof Replacement at the High Point Public Library. Purchasing and the Facility Services Department recommends that contract be awarded to Bon/Tec, Inc. in the amount of $92,600.00 which is the lowest responsible and responsive bidder meeting specifications.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

The Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation for approval.

Approved contract for roof replacement at the High Point Public Library to Bon/Tec, Inc. in the amount of $92,600.00 which is the lowest responsible and responsive bidder meeting specifications.

A motion was made by Council Member Whitley, seconded by Council Member Alexander, that this matter be approved. The motion carried unanimously.

Contract - Bid No. 18 - Underground Line Truck for Electric Department

090215 Council is requested to approve contract awarding Bid No. 18 for the purchase of an Underground Line Truck for the Electric Department. Purchasing and Fleet Services recommends that contract be awarded to Piedmont Ford Truck Center in the amount of $184,806.00 which is the lowest responsible and responsive bidder meeting specifications.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m. prior to this meeting.

The Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation for approval.

Approved contract for the purchase of an Underground Line Truck for the Electric Department with Piedmont Ford Truck Center in the amount of $184,806.00 which is the lowest responsible and responsive bidder meeting specifications.

A motion was made by Council Member Whitley, seconded by Council Member Alexander, that this matter be approved. The motion carried unanimously.

Contract Extension - ElectriCities - Tree Trimming Contract

090216 Council is requested to approve a contract extension with ElectriCites for services with Asplundh Tree Service providing for treeing trimming services in the amount of $555,000.00. Contract is extended until January 31, 2010 with an option for one more renewal year.

This matter was discussed during a Finance Committee Meeting held at 4:00 p.m.

prior to this meeting.

Note: Committee Member Pugh was not present at the Finance Committee when the vote was taken on this matter.

The Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation.

Approved contract extension with ElectriCities for services with Asplundh Tree Service to provide tree trimming services in the amount of $555,000.000 (contract extended until January 31, 2010 with option for one additional renewal year).

A motion was made by Council Member Whitley, seconded by Council Member Alexander, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Council Member Bencini, Council Member Alexander, Council Member Blakeney, Council Member Douglas, Council Member Faircloth and Council Member Whitley
Nay: Mayor Smothers, Council Member Sims and Council Member Pugh

Contract Extension - Piggyback - City of Concord

090217 Council is requested to approve a contract extension (piggyback) with the City of Concord for Electric Distribution Crews. Purchasing and the Electric Department recommends that contract be awarded to Pike Electric in the amount of $900,000.00 which is the lowest responsible and responsive bidder meeting specifications.

This matter was discussed during a Finance Committee Meeting held at 3:30 p.m. prior to this meeting.

The Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation for approval.

Garey Edwards, Director of Electric Utilities, pointed out this would be the second extension of five allowed extensions with a 2% annual price adjustment as allowed by the contract which was approved on November 9, 2006.

Approved contract extension (piggyback) with the City of Concord for Electric Distribution Crews and awarded contract to Pike Electric in the amount of $900,000.00 which is the lowest responsible bidder meeting specifications.

A motion was made by Council Member Whitley, seconded by Council Member Sims, that this matter be approved. The motion carried unanimously.

Pending Items

Revised Economic Incentive Policy

090050 Council is requested to adopt a revised economic incentive policy redirecting incentive dollars to the Core City and south High Point.

PUBLIC SAFETY COMMITTEE - Council Member Faircloth, Chair
Committee Members: Douglas, Pugh and Alexander

(all were present)

There were no matters appearing on tonight's Agenda for consideration by the Public Safety Committee.

PUBLIC SERVICES COMMITTEE - Council Member Sims, Chair
Committee Members: Blakeney, Faircloth, Whitley and Alexander

(all were present)

There were no matters appearing on tonight's Agenda for consideration by the Public Services Committee.

PLANNING & DEVELOPMENT COMMITTEE -Council Member Bencini, Chair
Committee Members: Blakeney, Pugh, Sims and Faircloth

(all were present)

There were no matters appearing on tonight's Agenda for consideration by the Committee.

MISCELLANEOUS

High Point Ecomonic Development Corporation Appointments/Reappointments

090219 Council is requested to consider the following appointments to the High Point Economic Development Corporation:

REAPPOINTMENTS:
Ruffin Price of Allstate Ruffin Price Insurance Agency
Annie Tyson Jett of B&C Associates
Ralph Wear of RalphLauren.com / High Point Direct

APPOINTMENTS:
Steve Holcombe of TransTech Pharma to fill the seat currently held by Dr. Adnan Mjalli, also of TransTech Pharma
Phil Fowler of Geneva Corporation / Covington Power Services to fill the seat currently held by Royster Tucker, III, of North State Communications

Appointments will be effective immediately and will expire June 30, 2011.

Approved the reappointments of Ruffin Price, Annie Tyson Jett and Ralph Wear to the High Point Economic Development Corporation.

Approved the appointment of Steve Holcombe and Phil Fowler to the High Point Economic Development Corporation.

Appointments to be effective immediately and will expire June 30, 2011.

A motion was made by Council Member Whitley, seconded by Council Member Alexander, that this matter be approved. The motion carried unanimously.

PUBLIC COMMENT PERIOD

No one was present to address Council during the Public Comment period.

PUBLIC HEARINGS ON ITEMS

FINANCE COMMITTEE

Public Hearing - Application for HUD Section 108 Loan Guarantee Program

090218 Tuesday, September 8, 2009 is the date established to receive public comments on the submitting of an application for HUD Section 108 Loan guarantee Program funds and to amend the currently existing Neighborhood Revitalization Strategy Area (NRSA).

Chairman Whitley announced this is the date and time advertised for a public hearing regarding the Application for the HUD Section 108 Loan Guarantee Program and asked Mike McNair, Director of Community Development and Housing to address Council's questions.

In summary, Mr. McNair explained that the Section 108 Lona Guarantee Program acts as a funding mechanism that would allow the city to borrow five times its entitlement to use for what would traditionally be used for CDBG activities. The city is proposing to borrow approximately $3.9 million from HUD to help establish a small business loan pool. The loan pool would be available to businesses located in the Core City with the purpose to attract investment into the Core City which would help with retainment and creation of jobs. Staff has been working with several banks to work out an agreement (three of which have agreed in principal) and work is underway to set up a loan committee. The loans would be structured in such a way so that the city will have 40% of the loan with the banks having 60%.

Council Member Alexander asked Mr. McNair to share any anticipated pitfalls of the program. Mr. McNair replied that he's not aware of any and noted that Fayetteville has participated in the loan program for the past twelve years and have had only one default, but they still got the money back and he believed that Greensboro has participated for the past five or six years with only one default, but in this case, the proprietor still paid off the note.

Council Member Faircloth asked Mr. McNair if he could elaborate on the process one would go through if a person aspired to start a new business in the Washington Drive area. Mr. McNair replied that the first step would be to have all the necessary infrastructure in place, then work with the applicants/applications received to get them ready to go to the loan committee. The loan committee would only meet if there is an approvable loan. Once the loan package is complete, it will be sent to the loan committee and a meeting called to review it. If the loan is approved, then the bank acting as a servicing agent would handle all the collections, all the documentation, all the numbers, all the recording, all the distributions, etc.....

Mr. McNair explained that proceeds received for the loan payments would be used to pay back the money borrowed and the city would only pull down what was actually needed with the only liability being whatever money is loaned from the city's pooled funds. He reported that the funds from HUD would be based on the liable rate which is substantially lower than the prime rate and the banks will not go below 4 1/4%. Staff is proposing an agreement with the banks that the loan would be 1% less than their rate.

Council Member Sims asked if the city's ability to borrow the money would impact the anticipated annual CDBG funding because of the outstanding loans and if there would be any limitations as to the types of businesses that would actually be able to participate in the loan pool. Mr. McNair explained that it would not affect the CDBG funding, but it would be pledged as collateral. He noted that the loans would be driven by a business decision as to how good of a credit risk the business would be and it would also be dependent on the types of businesses that are currently allowed by the existing ordinance. Additionally, he added that the loan program was designed for businesses in the Core City area. Mayor Smothers pointed out that staff would have to start referring it to the City Project area.

Chairman Whitley asked if there were any additional comments or questions by Council. There being none, he opened the public hearing and asked if there were any comments regarding this matter.

Aaron Clinard, 803 W. Farriss Avenue, High Point, endorsed and spoke in support of the loan program. He explained that the board is completely in support of it and pointed out six of the twenty board members were present at tonight's meeting. He encouraged Council to vote in the affirmative.

Chairman Whitley asked if there were any additional comments. There being none, the public hearing was declared closed.

No one spoke in opposition.

Following the conclusion of the public hearing, the Committee recommended this matter be placed on Thursday's Agenda with a favorable recommendation for approval.

Approved the submittal of the application for HUD Section 108 Loan Guarantee Program funds and amended the current existing Neighborhood Revitalization Strategy Area (NRSA).

A motion was made by Council Member Whitley, seconded by Mayor Pro Tem Bencini, that this matter be approved. The motion carried unanimously.

Miscellaneous Item

Resolution Opposing Closure of the Furnitureland Post Office

090235 A request by Council Member Latimer Alexander for the City Council to adopt a resolution opposing the closure of the Furnitureland Post Office located at 913 W. Fairfield Road, High Point.

Council Member Alexander asked Council to consider adopting a resolution opposing the closing of the Furnitureland Post Office. He pointed out that it was a much needed convenience to businesses and other folks on the southside.

Adopted Resolution Opposing Closure of the Furnitureland Post Office.

A motion was made by Council Member Alexander, seconded by Council Member Pugh, that this matter be adopted. The motion carried unanimously.

For Information Only:

Special Recognition- Silver Spirits
Allen Oliver, Director of Parks & Recreation, recognized the following Silver Spirit ladies who recently placed 3rd in the 2009 Summer National Senior Games for the 65+ Female (basketball).

Sara Clark; Doris Lightfoot, Mary Newton, Patsy Williard, Larry Williard (Coach), Richard Lightfoot, Manager

Vickie Frye also played on the team, but was not at the Council Meeting.

Congratulations were extended to these women for receiving national recognition for this accomplishment. [applause and standing ovation].

PROCLAMATION- National Hispanic Heritage Month
Al Heggins, Director of Human Relations, introduced Gema Gonzalez, Program Director Hispanic Services and Tony Lowe, Human Relations Specialist. Mayor Smothers read a proclamation into the record proclaiming September 15th through October 15th as Hispanic Heritage Month and presented the proclamation to Ms. Gonzalez.

Meeting Reminder (Public Safety Committee)
Chairman Faircloth announced that the Public Safety Committee would meet on Wednesday, September 9th at 9:00 a.m. to discuss the boards and commissions. Council Member Alexander called Council's attention to the four slots that need to be filled on the Theatre Board. Council Member Sims pointed out that a decision was

made to hold appointments until Council could come up with some kind of policy.

Beach Blast Festival/Core City Project/City Project

The Mayor asked Wendy Fuscoe to announce the upcoming beach blast. Ms. Fuscoe announced that this Thursday would be the first Ilderton Beach Blast Festival and would continue for four consecutive Thursday's 5:30 to 8:30 p.m. at the old Armadillo Grill site on N. Main Street. She also announced that the Committee would be unveiling the new logo and name change as recommended by the consultants (change from Core City Project to City Project). There were several inquiries by Council Members about methods the Committee would use to get the word out about the name change. Some methods cited were making presentations before civic organizations, press release, and a special public unveiling at the beach festival. Aaron Clinard added that they have a marketing group that is assisting with this and assured Council that it would be done legally and correctly.

Mayor Smothers expressed concerns that there be some identification for the Core City project since they would be identifying the uptown and there would be more than one project associated with it. Mr. Clinard explained that in many of the meetings that have taken place, the Core City has been interpreted as downtown (the Core City project) and because the City Project being much broader than with an 11 square mile area, the marketing group recommended the name change to the City Project. He noted it also has a tagline with it too that has the High Point Urban Style of Living name to it and felt this would be a very unique way of presenting it.

Council Member Pugh asked if there would be other projects planned that would bring folks in and mentioned an antique car show he recently attended in Pilot Mountain that brought in thousands of visitors. Mr. Clinard explained the Committee has already started working on the creation of an International John Coltrane Jazz Festival. Council Member Sims felt it was important to make note that there is not a focus on N. Main Street--it just happens to be one of the areas where the business owners are kind of taking charge of their destiny, getting involved and excited around the prospect of what could happen. She reiterated that it' is not that the focus has been redirected, but rather a matter of those business owners saying they are ready to do some things and were excited about the prospect of what could happen in that part of the community.

Mr. Clinard encouraged the City Council Members to attend the meetings being held the 1st Monday of each month at 1:30 p.m. at the Chamber of Commerce and informed them that the committee would try to meet with the Council every quarter in an effort to keep everyone updated as things progress.

Clarification- Prayer Meetings @ Elm Towers (Housing Authority)

Council Member Pugh made a point of clarification regarding a recent article that appeared in the newspaper regarding prayer meetings at the Elms Towers. He explained that the Housing Authority received a policy from HUD notifying them that the Prayer Meetings were not allowed and clarified that it was not the Housing Authority that made this decision. Since then, however, HUD reviewed the matter again and has made a ruling that the prayer meetings would be allowed, but the

Housing Authority would be responsible for formulating a policy for the prayer meeting services.

Council Member Alexander-Nomination for 2nd Vice President- NCLM

Mayor Smothers mentioned the memo that was sent out regarding the nomination for Council Member Alexander for 2nd Vice President of the North Carolina League of Municipalities. She informed Council that the Nominating Committee would meet on Sunday, October 25th during the League Conference and encouraged those attending to support Council Member Alexander in his nomination for candidacy of 2nd Vice President. She noted a resolution supporting his candidacy would be drafted and presented to the City Council for adoption.

Rosetta C. Baldwin Museum

Council Member Sims called Council's attention to a request made by Julius Clark for assistance with funding for the Baldwin Museum. She explained this is a one-time situation and they were in dire need of funding to keep the lights on. Council Member Alexander felt additional information was needed to evaluate the situation. The Mayor encouraged dialogue and discussion of this request at the Public Safety Committee since it seemed to be a matter of urgency.

ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 5:45 p.m. upon motion duly made and seconded.

Respectfully Submitted,

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Rebecca R. Smothers, Mayor

Attest:

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Lisa B. Vierling, MMC
City Clerk