

LAW AND FINANCE MEETING
Wednesday, February 11, 2015
5:00 P.M. in Council Chambers
225 East Weatherspoon St., Sanford, NC

The Law and Finance Committee met on Wednesday, February 11, 2015, in the Council Chambers of City Hall, located at 225 East Weatherspoon Street, at 5:00 P.M. The following people were present:

Law and Finance Committee:

Mayor T. Chet Mann	Mayor Pro Tem James Williams
Council Member Byron Buckels	Council Member Sam Gaskins
Council Member Jimmy Haire	Council Member Rebecca Wyhof
City Clerk Bonnie Davis	
City Manager Hal Hegwer	

Absent:

Council Member Norman Charles Post, III
Council Member Charles Taylor
City Attorney Susan Patterson

Mayor Chet Mann called the meeting to order.

Consider Resolution to Temporarily Close a Portion of Chatham Street and a Portion of the Chatham Street Parking Lot in Support of a Fundraising Event to Benefit the North Carolina Canine Emergency Response Team – (Exhibit A)

Traffic Services Supervisor Sedric Dalrymple explained that the resolution temporarily closes a portion of Chatham Street and a portion of Chatham Street parking lot, between McIver Street and Charlotte Avenue, in support of a fundraising event to benefit the North Carolina Canine Emergency Response Team. The event will be held on Saturday, March 14 between the hours of 12 P.M. and 4 P.M. They have submitted the proper request forms.

Council Member Gaskins asked if they have spoken with the businesses in that area. Mr. Dalrymple replied yes.

Consider Reimbursement Resolution – Streetscape Capital Project - (Exhibit B)

Financial Services Director Beth Kelly explained that this reimbursement resolution authorizes the City to advance \$1,400,000 for the streetscape capital project and then be reimbursed by installment purchase financing proceeds, which we are planning on receiving no later than April 2015.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2014-2015 – (Exhibit C)

Financial Services Director Beth Kelly explained that this ordinance amends the budget to appropriate the \$1,400,000 in fund balance to the streetscape capital project for construction costs. This contribution to the capital project fund will be paid back to fund balance once the installment purchase financing proceeds have been issued for the completion of this total project.

Consider Capital Project Ordinance Amendment – Streetscape - (Exhibit D)

Financial Services Director Beth Kelly explained that this is the capital project ordinance amendment that shows the contribution from the General Fund for the construction of the streetscape projects. This will appropriate the money so that City Council can award the streetscape project contracts on Tuesday.

Consider Ordinance Directing the Code Enforcement Officer to Remove or Demolish the Property Herein Described as Unfit for Human Habitation and Directing that a Notice Be Placed Thereon that the Same May Not be Occupied (1005 Goldsboro Avenue) and Award to EdiSons Inc. Grading Contractors of 303 Beal Drive, Sanford, North Carolina, the Amount of \$3,375 for Demolition of Structure, Removal of Debris and Grading and Seeding – (Exhibit E)

and

Consider Ordinance Directing the Code Enforcement Officer to Remove or Demolish the Property Herein Described as Unfit for Human Habitation and Directing that a Notice Be Placed Thereon that the Same May Not be Occupied (1004 S. Third Street) and Award to EdiSons Inc. Grading Contractors of 303 Beal Drive, Sanford, North Carolina, the Amount of \$2,095 for Demolition of Structure, Removal of Debris and Grading and Seeding – (Exhibit F)

Code Enforcement Supervisor Barbara McMillen stated that she will address the above two ordinances at one time. One ordinance is for the demolition of 1005 Goldsboro Avenue and the other for 1004 S. Third Street. Mrs. McMillan said that both properties have been in foreclosure for a number of years. She displayed a powerpoint presentation of the structures, showing their state of disrepair and being unfit for human habitation. Code Enforcement has had cases on the property located at 1005 Goldsboro Avenue for at least ten years. In 2012, Code Enforcement went in and cut the grass and in 2013, Code Enforcement had it boarded up. Edi Sons Inc. Grading Contractors submitted a quote of \$3,375 to remove/demolish the property, grade and seed the property.

Mrs. McMillen said that Code Enforcement has had 13 cases on the property located at 1004 S. Third Street, (Exhibit G) going back to approximately 2007. Code Enforcement has not been able to locate the individuals the property was deeded to. Staff has had seven overgrown lot cases on this property; three for trash and junk and two for nuisance vehicles. The building is unfit for human habitation. Edi Sons Inc. Grading Contractors submitted a bid of \$2,095 to remove/demolish the property, grade and seed the property.

Consider Renewal of Deer Urban Archery Season – (Exhibit G)

City Manager Hal Hegwer stated that this is a renewal form from the N. C. Wildlife Resources Commission asking if the City of Sanford is interested in participating in the Urban Archery Season. If approved, it gets advertised and put in the appropriate hunting regulation digest. It was the consensus to allow the renewal to go forward.

Consider Award of Bid for Downtown Streetscape Construction Project – (Exhibit H)

City Engineer Paul Weeks explained that on December 4, 2014, staff opened bids for the Downtown Streetscape Construction Project. We had three contractors to submit bids for consideration. After reviewing the bids and tabulating them, the apparent low bidder turned out to be Fred Smith Company. Staff did their due diligence and Fred Smith Company has the appropriate licenses; they are prequalified with the Department of Transportation, which is not necessary for City jobs, but we like to see that happen. Fred Smith Company has done some work

for the City. They did some construction work on the Endor Iron Furnace Trail, as a subcontractor to Narron, and they did an excellent job. Therefore, staff recommends awarding the Downtown Streetscape Project to Fred Smith in the amount of \$4,746,856.

Consider Award of Bid for Jonesboro Streetscape Construction Project – (Exhibit I)

City Engineer Paul Weeks explained that on December 4, 2014, staff opened bids for the Jonesboro Streetscape Construction Project. We had four contractors to submit bids for consideration. After reviewing the bids and tabulating them, the apparent low bidder turned out to be Fred Smith Company. Staff did their due diligence and it was positive. Therefore, staff recommends awarding the Downtown Streetscape Project to Fred Smith in the amount of \$2,663,972.50.

Consider Award of Bid for Sidewalk Construction Project) – (Exhibit J)

City Engineer Paul Weeks explained that on December 2, 2015, staff opened bids for the Sidewalk Bond Projects. Staff divided the project areas into Bid A and Bid B, so we opened two sets of bids at the same time. Bids were reviewed and tabulated. We found discrepancies but the discrepancies did not affect the ranking or the outcome of the award. Staff just wanted to point the discrepancies out to Council Members.

In Bid A, Muter Construction had a discrepancy in that they totaled their numbers wrong. That addition error did not affect the ranking.

In Bid B, Muter Construction again had an addition error. Sandhills Contractors made an extension error. When staff puts together a bid form, we put number of units of a particular item a contractor will put in. Sandhills put in the price they charge for each unit; they multiplied wrong. This error did not change the ranking. In both cases of Bid A and Bid B, Sandhills Contractors was the apparent low bidder. The total cost came in above budget and staff entered into negotiations with Sandhills Contractors and staff was able to successfully complete the negotiations; therefore, staff recommends the award of Bid A in the amount of 776,898.60 and Bid B in the amount of \$372,071 to Sandhills Contractors.

Mr. Weeks advised that this project does not include the greenways and the sidewalks that the Department of Transportation will participate in.

Mr. Weeks explained what will take place after the bids are awarded to the contractors. Mayor Mann suggested placing signage stating “City Bonds at Work” to inform the citizens and to let them know the bond projects are being done. Mr. Weeks said that they will be looking to see where they can place one.

Council Member Buckels asked about the two projects that the Department of Transportation (DOT) awarded the City a grant for that were not included in the sidewalk bids. Mr. Weeks replied that the City had a cost-sharing arrangement with the DOT. The DOT awarded the City some funds to install some sidewalks on Horner Boulevard and also in front of the school and those were the two projects that were not bid. We have not bid those two projects because there are certain processes you have to go through before the DOT will allow you to bid them and we have not finalized that yet.

Mr. Weeks stated that this sidewalk project includes Fields Drive, a small section of McIver Street, Vance and Gulf Streets, Lee Avenue, a section in front of the community college, and also a section in front of O. T. Sloan Park. Once the DOT section is complete, we will have complete sidewalk from O.T. Sloan Park to Lee County High School and then down to the community college. The portion in front of O.T. Sloan Park will go down to Seventh Street and the other direction to Horner Boulevard.

Mr. Buckels said that originally Woodland Avenue was included in the DOT project and was removed and then they talked about a portion of it. He asked where it falls in with these bids. Mr. Weeks replied that project is not in this particular set of bids that we have been discussing. Completely separate from this, the DOT has said they have an extra \$110,000 they would like to award the City to use on sidewalks and asked staff to pick a project area. Since Woodland Avenue was taken out, we are trying to look at how we can do Woodland or a portion of Woodland. The DOT has indicated to him that we must spend the DOT money in the DOT right of way. Two things staff is looking at is not only the section of Woodland from Courtland to Horner Boulevard, but potentially to Courtland Drive from Woodland back to Horner Boulevard. That way, we can possibly better utilize that entire grant but right now, we are trying to get the DOT's okay on it and determine the overall cost. Depending on what we think our local match would be, I think the intent is to include that in the budget request.

Public Works Director Vic Czar added that the intent was to bid that project as a separate project. You will not have the funding until the budget is approved July 1, 2015 so there is no way we can award that project. There is \$100,000 annually in the Street Capital budget for sidewalk repair and curb and gutter repair. The recommendation that staff gave was let's use that as a one-time appropriation for new sidewalk and put it towards this project on Woodland Avenue between Courtland Drive and Horner Boulevard. We think that will put the City's additional contribution at about \$60,000 to \$70,000; we would rather do this as a one-time payment rather than pay for it over ten years. Mr. Czar stated that staff feels pretty confident that we will get the money.

Council Member Buckels clarified that with the DOT, if awarded the funding, it would cost the City about \$60,000. Mr. Czar replied that in addition to the \$100,000 we annually get for maintenance, we would defer to construction for this one year.

Mr. Buckels said that the total overall cost for that project with DOT funding is approximately \$200,000. Mr. Czar replied yes, maybe a little more than that.

Mr. Hegwer clarified that the \$100,000 is not DOT funds; it is the City's annual appropriation that we make towards sidewalk, curb and gutter, repairs, etc. We take that annual contribution and utilize it and still may need an additional \$60,000 to make it happen.

Mr. Buckels stated for the record, that he knows that part of the sidewalk project was for connectivity primarily from Downtown Jonesboro and Downtown Sanford, and also part of that was to make sure we provide safety for the pedestrians who are using these sidewalks. He said there is a lot of foot traffic on Woodland Avenue, and he would hope the DOT would award us the money so that we can provide the safety that is needed in that area. He wanted to make sure that we continue to keep that in the forefront as we talk about what we are doing in the City; how we are growing the City and the safety level we are providing for the pedestrians and citizens of this

City. Woodland is a vital part of what we are trying to do – to provide safety for that community and those people who are walking every day to different areas in that part of the City.

Consider Additional Customer Service Representative Position from February 20, 2015 through March 31, 2015 and Consider Ordinance Amending the Annual Operating Budget for FY 2014-2015.

Financial Services Director Beth Kelly stated that we have a customer service representative in the Utility Administration Department who has submitted her retirement paperwork and her retirement will be effective April 1, 2015. She would like to hire a replacement prior to April 1 so that the replacement can be trained on our collection processes and software, and still allow us to maintain our customer service level and adequate staffing coverage level.

Staff is requesting that Council approve an additional Customer Service Representative position in the Utility Administration Department for the time period of February 20, 2015, thru March 31, 2015 so that a replacement can be hired and trained prior to April 1.

Mrs. Kelly stated that this is an ordinance amending the budget transferring \$15,000 in Contingency to the Utility Fund Administration. This will help with the cost of the additional salaries, benefits and training of the new position that we did not anticipate and also for the vacation benefit payouts to the retiree.

Other Business

Council Member Wyhof stated that we had a planning session this morning with the Latino Building Integrated Communities Project and she wanted to let everybody know there is going to be a public meeting component to it. There will be two public meetings; the first on March 2 at the Civic Center at 6 P.M. and she encouraged citizens to come and learn more about this project and contribute to it. It is a great chance to build a better, stronger community.

Community Development Director Marshall Downey gave an update on the Latino Building Integrated Communities Project. The City was awarded this project in spring of last year and it is an opportunity to reach out to our Latino residents and hopefully get them involved in all levels of government.

Council Member Haire informed the community that Duke Energy has started implementing its Neighborhood Energy Saver Program. He saw their truck on Third Street today.

Council Member Gaskins said that Council Member Post has received a couple of major awards in the past couple of weeks. One was “The Top Forty Under Forty” and another where he was ranked in the “Top 50” of young, upcoming attorneys. It is very impressive because we have a Council Member who is doing exceptionally well.

City Manager Hegwer reminded Council that we will hold a retreat on Wednesday, February 25, 2015, at 5 P.M., in the West End Conference Room. The Law and Finance Committee meeting scheduled for that day is cancelled. The City Council meeting scheduled for March 3, 2015, at 7 PM, has been moved to Wednesday, March 4, 2015, at 5 PM, in the Council Chambers, so that Council Members can have the opportunity to attend the Annual Chamber of Commerce Banquet on March 3.

Mayor Mann mentioned a couple of items he would like to bring up for discussion. He has spent some time thinking about non-profits and the agencies and people in need in Sanford. He has met with United Way and volunteered some with Volunteer-Lee.com. It is hosted and supported by United Way of Lee County. Last year, their website had 32,000 views and responded to 292 people or organizations in need. This year, they have already had 39 need responses. They have 64 organizations including the American Red Cross, the Salvation Army and schools depending on their service and over 1,000 individual participants. Their network is quite broad and anybody can go onto their site and sign up. If you are a business that has support services, you can be vetted through them and meet their criteria; then you can be allowed to be on their site. The system is working. They are getting ready to roll out some scholarship money and they have basically become the organization where he feels the City should go. They are reaching so many people. There are a lot of good-hearted people that are duplicating efforts. He wondered if Council would entertain thinking about this maybe at the retreat. He would like to know how much we give to non-profits and would we be better served to get out of that business deciding as to who gets what and who does not, and let United Way and the Volunteer Lee decide. They have a committee of five people that is outside their board who has a very strict criteria of points that determines who gets what and how much. We might be better served to fund some level to this group rather than have applications come in for those in need here. That takes the politics out of who is going to receive help and who is not. Anyone who comes for help, send them to United Way or Volunteer Lee and they will respond to those needs.

Mayor Mann said that the opportunity for another Citizens' Academy will be here before we know it. We need to be ready for that staff wise. This program went well and he did not want it to sneak up on anybody.

Mayor Mann said that maybe we could farm out the decisions on who gets need and assistance to a professional administration/a financial services organization, maybe a local accounting firm that would offer it services to area non-profits. A lot of times, the non-profits that come to Council are in financial trouble and often times they do not have the resources to spend \$10,000 to \$15,000 on accounting/legal services. If the non-profit paid in a small fee every year of \$1,000, then we could farm them to that professional setup, maybe in partnership with United Way. If you ask for assistance, you have to be in this organization. You have to pay a nominal fee to be sure that someone is overseeing your accounting. If the non-profits would participate in this group before coming to Council, we would ask the question, are you paying into the administration fund to get that oversight; instead of paying \$10,000 for your services, you would pay \$1,000, but you would have the benefit of having that professional firm watch your finances and accounting. This would help non-profits to adopt best practices and standards so that they do not get in trouble; seek to offer bonuses to non-profits for additional training and attachments of benchmarks, funding from local governments could be conditioned on such benchmarks and standards. Hopefully, we could do that in a way to help non-profits stay on their feet and not get behind. He would like to have a directional change on how the non-profits in Sanford function and give them a place for help for a nominal fee before they come to Council in dire straits. This is just an idea and he wanted to vet the idea before the next budget.

Council Member Gaskins said it is not a crazy idea because we have talked with Jan Hayes about the possibility of evaluating our forms. United Way does a very thorough investigation on each agency.

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Council Member Buckels said that we still have those organizations, at this moment, that are not a part of what Mayor Mann just talked about, who are in dire need of grants. He feels it is a wonderful idea and something Council needs to entertain; however, at the same time, what is it going to do for organizations now who actually need some assistance and guidance.

Adjournment

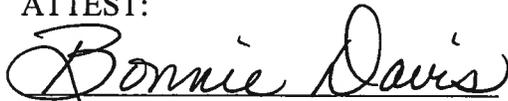
Council Member Gaskins made the motion to adjourn the meeting. Seconded by Council Member Haire, the motion carried unanimously.

Respectfully Submitted,



T. Chet Mann, Mayor

ATTEST:



Bonnie Davis, City Clerk