



November 5, 2010

TO: Mayor and Members of Council
FROM: Rashad M. Young, City Manager 
SUBJECT: Items for Your Information

Contact Center Feedback

Attached is the weekly report generated by our Contact Center for the week of 10/25/10 – 10/31/10.

Water & Sewer Rates

Attached is a memorandum, dated November 5, 2010, from me, describing the challenges that the utility system may face if the water and sewer rates are decreased.

November 9, 2010, City Council Meeting

- **PowerPoint Presentation:** Attached is a PowerPoint presentation from Dan Curry, Community Sustainability Manager, which will be presented at the November 9, 2010, City Council Meeting.
- **Change Order (Change in Scope)** –Attached is a memorandum from Ted Partrick, Engineering Manager, dated November 4, 2010, providing details on anticipated change orders for transportation projects funded by ARRA (stimulus). The change order for Contract 2008-008 S. Elm-Eugene Roadway Improvements, will be brought up as an addendum at the November 9, 2010, City Council meeting.

Request For Proposals for City Lobbyist

At the January 26, 2010, Council Work Session, Council approved the City going forward with the process to engage federal lobbying representation and directed staff to pursue collaborating with the Greensboro Partnership to cover the cost and coordinate our efforts. The Greensboro Partnership has agreed to help with the cost of federal lobbying representation. We are in the process of developing a Request for Proposal (RFP) to go out for solicitation November 10, 2010. You can find a copy of the draft RFP in the Clerk's Office. Once a finalist has been determined, Council will have a chance to vote on the contract and whether to go forward to engage federal lobbying representation as directed at the work session.

Curb and Gutter Special Assessments

Attached is a memorandum from Robert Morgan, Deputy City Manager, dated November 4, 2010, providing background information as well as options regarding curb and gutter special assessments. Staff will bring this item to an upcoming City Council meeting.

Additional Congestion Mitigation and Air Quality (CMAQ) Funding for GTA

Attached is a memorandum from Adam Fischer, Director of Transportation, dated November 2, 2010, providing an update on the use of CMAQ funding for the Greensboro Transit Authority (GTA) to provide two new HEAT routes and purchase one hybrid electric vehicle.

FREE Small Business Workshop

Attached is a flyer regarding the FREE Small Business Workshop “Small Business Owners: What You Don’t Know Can \$Cost You” that is being held on November 13, 2010, at the Blandwood House. Flyer has all registration information.

**Public Affairs Department
Contact Center Weekly Report
Week of 10/25/10 - 10/31/10**

Contact Center

4825 calls answered this week

Top 5 calls by area

Water Resources

Balance Inquiry – 1227
Bill Extension – 237
New Signup – 203
Cutoff – 114
Adjustments – 103

Field Operations

Bulk Guidelines – 73
Appliance Pickup – 53
No Service/Garbage – 45
Dead Animal Pickup – 41
Repair Can/Garbage – 33

All others

Police/Watch Operations – 325
Courts/Sheriff – 91
Police Records - 87
Transfer/HHW - 68
Streetlight Out – 32

Comments

We received a total of 3 comments this week:

Field Operations – 1 comment:

- Customer called to say thank you for the fast repair of a pothole.

Public Affairs – 1 comment:

- Customer wants to state there is no justification for the city to spend the money to print the “At Your Service” feature included in the water bills. He believes a council member brought it up before and he was just thinking about how wasteful it is when everyone could pick up a phone, watch 13, or read the newspaper if they needed the information.

Water Resources – 1 comment:

- Customer is extremely frustrated over water rate increases; feels we are just too high on how we charge for water. Customer is unemployed, family of two in home, and usage has been pretty normal/average for two people.

Overall

Calls relating to the water bill changes increased last week as customers continue to adjust to these changes. Calls for dead animals and street light outages also increased. We also experienced a slight increase in calls about Halloween and loose leaf collection. Otherwise, call volume was busy through the end of the week.



Office of the City Manager
City of Greensboro

November 5, 2010

TO: Mayor and Members of Council
FROM: Rashad M. Young, City Manager
SUBJECT: Water and Sewer Rates

The November 9, 2010, City Council Agenda contains an agenda item to reduce water/sewer rates back to the rates that existed prior to July 1, 2010. The water/wastewater utility is one of the most valuable resources that we have and a key economic development tool in order to bring more jobs and industry to the City. If the decision is made to lower the rate, Council should be aware of potential challenges that may arise related to funding current and future economic development opportunities as it relates to water/sewer infrastructure as well as the health of the utility system.

Given the financial requirements that are put on the City's utility because of its outstanding debt, we have to carefully monitor our financial position and balance that position with the health of the system's infrastructure and the demands for expanding the system. Historically, we have been able to balance this while maintaining solid coverage ratios (required by investors and equals net revenues divided by debt service) and investing in our utility system. This is not the case anymore given our aging infrastructure, the significant capital investments we have made over the last decade to deal with water supply and environmental/public health issues (Latham Park), and the substantial needs we have currently and in the future as it relates to regulatory compliance (most notably, Jordan Lake Rules). Moreover, this does not take into account the infrastructure needs for economic development to accommodate future business growth and/or expansion.

Depending on how the MCI settlement and water/sewer trust money is used will determine the impact to the utility's financial performance, including the impact to the coverage ratios, and the capital projects that can be funded. The receipt of these moneys do not help coverage in the first year because they cannot be counted as operating revenue (per GASB requirements and rating agency coverage calculations) so in order for the money to help coverage, it would need to be used to reduce expenses vis a vis retiring debt and/or issuing less debt. With the money made available by the MCI settlement and the dissolution of the water/sewer trust, we have several options for its use with varying benefits, they are as follows:

- 1) Retire available debt (benefit: reduces total debt service costs therefore reduces operating expenses);
- 2) Fund capital with cash (pay-go) to eliminate the need for issuing debt (benefit: reduces total debt service costs and therefore reduces operating expenses);
- 3) Keep the funds in reserve and use them to pay for economic development related activities such as over-sizing lines, building a pump station in East Greensboro, etc. (benefit: positions the City to have sites available and ready for business); or,

4) A combination of the above.

Maintaining coverage around 2.0x not only is our policy and preferred by investors, but it also funds the utility's pay-go (i.e. cash funded) capital needs, at roughly \$25 million per year (10-year average). When the coverage decreases, there is less money to fund capital with cash and therefore the City will need to fund more utility capital projects with debt financing. Based on the current capital plan, approximately 60% of the utility's capital program is funded by cash. The utility is already below its policy level for the coverage ratio and although the rating on the City's utility revenue bonds has not been downgraded, continued erosion of the financial ratios will most likely cause a rating downgrade. Given that a decrease in the coverage ratios also substantially reduces our pay-go cash funding program, the utility will experience an increase in its operating expense as more of its capital needs will be funded by debt and possibly an increase in the cost of borrowing the additional funds (higher interest rates, if downgraded). However, issuing more debt to offset the decrease in pay-go funding cannot be the only solution as there is a limitation to the amount of debt that can be issued due to the utility's ability to absorb future debt service.

The attached document shows the impact to the coverage ratios by eliminating the 6% rate increase in January 2011 and no future rate increases through Fiscal 2014-2015. The calculation assumes that the MCI settlement money will be used to retire debt and eliminate the need to borrow money this fiscal year (for the incinerator and clearwell replacement) and that the money from the trust fund dissolution will be reserved for economic development projects (for unplanned projects). The impact of this is that of the \$109 million in pay-go capital planned from Fiscal 2010-2011 through Fiscal 2014-2015, \$32.8 million in pay-go capital funding will be deferred or will be paid for through the issuance of bonds, in order to maintain our unrestricted cash reserves at 50% of the utility's operating and maintenance costs, and therefore are not included in the calculation in the attached chart. The projects impacted are mostly capacity and expansion related projects as these are identified as the most discretionary and include: Young's Mill Road Lift Station; Brown Summit Water Loop; Hilltop Road Lift Station; Lake Brandt Pumping Station; Water and Sewer Upsizing Policy; Airport Lift Station; Hilltop Road Waterline; and, McLeansville Road Waterline. Additionally, by FY 2014-2015 without future rate increases, the City would have to fund a cash reserve equal to \$8.76 million because we would fall below the 1.5x coverage level (bond indenture requirement). If the rates are decreased by 6%, in order to maintain coverage at the City's policy level (2.0x), a 4.65% rate increase in July 2011 would be followed by 3.65%, 0.0%, and 10.5% each subsequent year (assuming all assumptions remain the same).

Given this, I recommend that we maintain rates at their current level as this will not jeopardize our capital plan, will maintain the fiscal health of the system, and requires no or minimal rate increases of 0.0%, 2.5% and 0.0% over the next three years.

Please let me know if you have any further questions or concerns.

RMY/nls

cc: CMO
Allan Williams, Director, Water Resources
Rick Lusk, Director, Finance Department
Kenney McDowell, Deputy Director, Water Resources

Rate Decrease Scenarios Effect on Key Ratios

6% Rate Decrease (6 mos. January through June 2010) for FY 10-11

	Key Assumptions:	Impact:
<ul style="list-style-type: none"> - Rescind July 1, 2010 Water & Sewer Rate Increase for City residents - No rate increases for the next (4) years - Revenue growth of 0.5% annually and expenditure growth of 2.2% annually - Use MCI pmt. to Retire \$5,040,000 in outstanding Debt and Eliminate the FY 10-11 \$27,300,000 Bond Issue with PAYGO funding of Incinerator replacement and clearwell replacement of \$22,696,455 - Maintain Unrestricted Cash at 50% of O&M Expenses - City/County Trust Fund proceeds reserved for Unplanned Economic Development projects 		<ul style="list-style-type: none"> - Fall Below Min. Debt Service Coverage Goal - Reduce Debt Service Cost Next (3) Years - FY 14-15: Fund Required Debt Service Reserve of \$8,760,000 when Coverage Ratio drops to 1.50 per Bond Covenant - Delay \$32.8 million in PAYGO capital improvements or include them in FY12-13, FY13-14 & FY14-15 Bond Issues

Annual Debt Service Coverage

	Actual	Actual	Actual	Estimated	Estimated	Estimated	Estimated	Estimated
(times Net Revenue can cover Debt Service)	2008	2009	2010	2011	2012	2013	2014	2015
Actual Results	2.58	2.23	2.45					
6% Rate Increase 6 mos. (July to Dec. 2010)				1.84				
No Rate Increase July 2011, 2012, 2013 & 2014					1.80	1.65	1.67	1.31
July Rate Inc. of 4.65%, 3.65%, 0.0% & 10.5%					2.00	2.00	2.02	2.00

Goal = 85% to 100% of Aa1 median (1.99 to 2.34)

- Moody's MEDIAN (Aaa) 2.74
- Moody's MEDIAN (Aa1) 2.34
- Moody's MEDIAN (Aa2) 2.22

Unrestricted Reserves as a Percentage of O&M

	Actual	Actual	Actual	Estimated	Estimated	Estimated	Estimated	Estimated
(Unrestricted Cash per Statement of Net Assets)	2008	2009	2010	2011	2012	2013	2014	2014
Actual Results	52.2%	60.7%	69.2%					
6% Rate Increase 6 mos. (July to Dec. 2010)				56.2%				
No Rate Increase July 2011, 2012, 2013 & 2014					50.0%	50.0%	50.0%	50.0%

Goal = 85% to 100% of Aa1 median (81.1% to 95.4%)

- Moody's MEDIAN (Aaa) 96.9%
- Moody's MEDIAN (Aa1) 95.4%
- Moody's MEDIAN (Aa2) 75.6%

ENERGY EFFICIENCY AS A PATHWAY TO COMMUNITY HEALTH AND WEALTH

A community effort to improve health, comfort and energy
efficiency of existing buildings



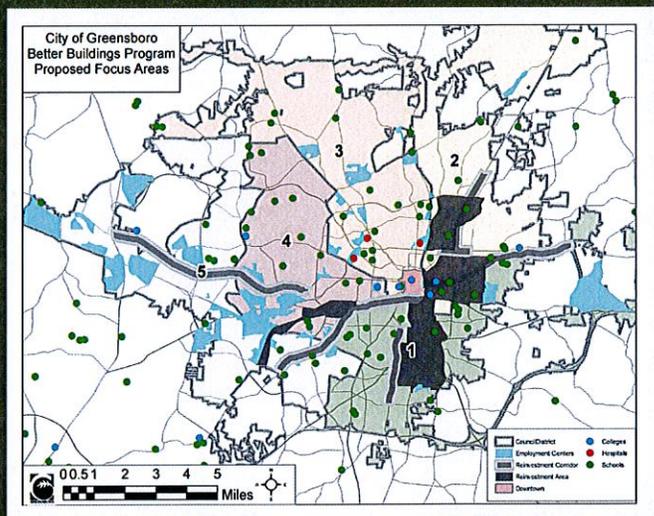
DEPT OF ENERGY EXPECTATIONS:

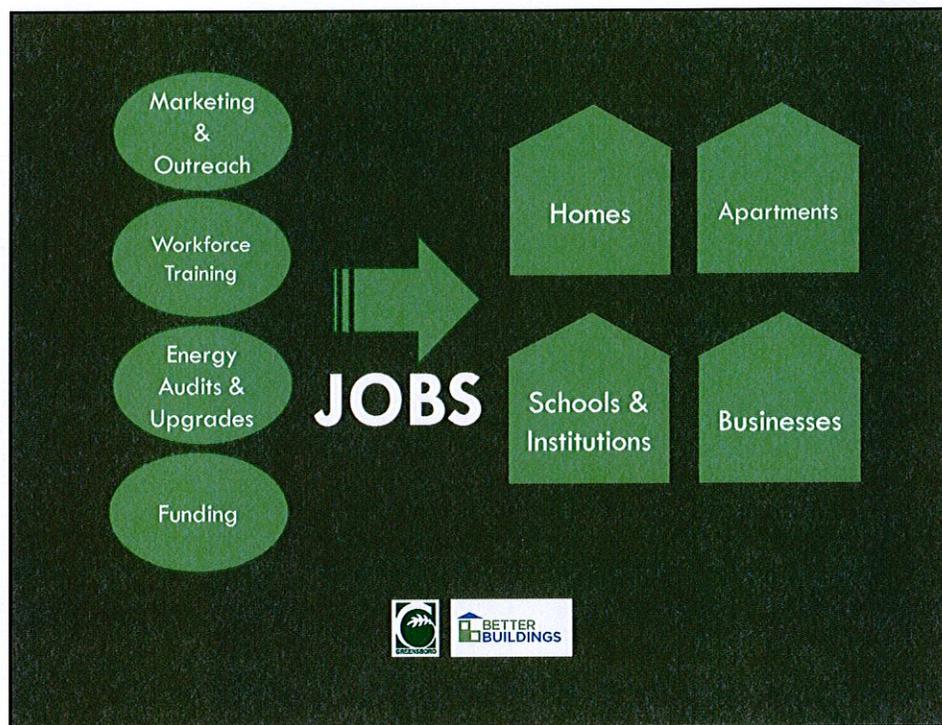
- Maximize the creation or retention of jobs
- Deliver verified energy savings
- Achieve broad market participation
- Efficiency upgrades to a large fraction of buildings in the targeted areas
- Leverage \$5 for every \$1 of grant funds
- Best Practices that continue beyond the grant period



GREENSBORO'S KEY OBJECTIVES:

- Reduce energy consumption in residential buildings by **20-30%** and in commercial buildings by at least **10%**
- Target **3,400 homes** and **200 commercial buildings** with potential for **\$1 million** in annual energy savings
- Undertake a “**healthy, wealthy and wise**” neighborhood outreach campaign to spread the word about health and cost saving benefits of repairing homes, businesses and making better energy choices
- Create or retain up to **280 jobs**







Marketing & Outreach

Workforce Training

Energy Audits & Upgrades

Funding

- **Workforce Development Office Coordination**
- Priority to unemployed & under-employed
- Job readiness and credential skills
- Train to hiring needs
 - Bldg evaluators
 - General contractors
 - Insulation & air sealing
 - HVAC
 - Measurement & verification





Marketing & Outreach

Workforce Training

Energy Audits & Upgrades

Funding

- Audit establishes pre & post energy usage
- Pre-qualified contractors
- Jobs created for local/ small contractors
- 20% or > energy reduction target
- **Interested partners**
 - Habitat for Humanity – 200 homes
 - Housing Greensboro – 100 homes
 - City rehab/lead program – 70 units






- Marketing & Outreach
- Workforce Training
- Energy Audits & Upgrades
- Funding

- **Upgrades can include**
 - Insulation
 - Window & door weather-stripping
 - Air sealing
 - Caulking
 - HVAC tune-ups
 - Appliance replacements






- Marketing & Outreach
- Workforce Training
- Energy Audits & Upgrades
- Funding**

- **Free energy saving items**
- **Weatherization Assistance Program for low income**
- **HUD energy efficient mortgage if refinancing**
- **Affordable loans**
 - Payments not > than energy bill savings
 - State-wide energy efficiency loan program coming in 2011
 - Strong credit union interest
 - 5-7% likely interest rate
 - Unsecured loans – not property debt






Marketing & Outreach

Workforce Training

Energy Audits & Upgrades

Funding →

Typical Home Energy Efficiency Loan

1,250 SF Home

Energy saving measures include air & duct sealing, insulation upgrades and HVAC repairs

Pre-upgrade monthly energy cost	\$187
Post upgrade monthly energy cost	<u>\$131</u>
Monthly utility savings (~30%)	\$ 56
Monthly loan cost (\$4,000 loan at 6.5%/10 yrs)	\$ 47
Monthly cash flow savings	\$ 9






Marketing & Outreach →

Workforce Training

Energy Audits & Upgrades

Funding

- Many building types
 - Apartments
 - Schools /Institutional
 - Commercial
 - Industrial
- Downtown and revitalization corridors could be a focus
- Interested outreach partners
 - Chamber of Commerce
 - Downtown Greensboro, Inc.
 - East Market Street Development Corp.






COMMERCIAL

- Marketing & Outreach
- Workforce Training
- Energy Audits & Upgrades
- Funding

- Workforce Development
- Office Coordination
- Training programs designed for more specialized commercial building trades
 - Electricians
 - Plumbers
 - Mechanical trades
 - Lighting technicians






COMMERCIAL

- Marketing & Outreach
- Workforce Training
- Energy Audits & Upgrades
- Funding

- Audit establishes pre & post energy usage
- Contractors must be certified for type of work performed
- Jobs created for local/ small contractors
- 10% or > energy reduction target
- Interested partners
 - Guilford County Schools
 - Affordable Housing Mgmt . Inc. - 81 rental units






- Marketing & Outreach
- Workforce Training
- Energy Audits & Upgrades
- Funding

• Upgrades can include

- Lighting upgrades
- Heating
- Air Conditioning
- Building controls
- Water conservation
- Hot water system upgrades






- Marketing & Outreach
- Workforce Training
- Energy Audits & Upgrades
- Funding

Typical Commercial Project
 200,000 SF Commercial Building (ca 1970s)
 Lighting and HVAC upgrades

Pre-upgrade monthly energy cost	\$ 30,000
<u>Post upgrade monthly energy cost</u>	<u>\$ 27,000</u>
Monthly utility savings (~10%)	\$ 3,000
Monthly loan cost (\$150,000 loan at 6.5%/10 yrs)	\$ 1,400
Monthly cash flow savings	\$ 1,600
Annual Return on Investment	11%




PROJECTED USES OF FUNDS:

Consulting Services		\$ 1,837,500
Program Design Services	\$ 150,000	
Marketing & Outreach Training	\$ 263,500	
Workforce Training	\$ 112,500	
Energy Efficiency Audits	\$1,237,500	
Measurement & Verification	\$ 74,000	
Energy Efficiency Construction Services		\$ 2,291,963
(Incl. labor & material costs for bldg. upgrades)		
Direct Install Supplies (CFL's, HVAC filters, etc.)		\$ 386,663
Administration/Reporting		\$ 483,874
Total		\$ 5,000,000

**PROJECTED TIMELINE:**

November 2010	City Council Consideration of Budget Ordinance
December 2010	Issue RFP's for: <ul style="list-style-type: none"> - Communications and Outreach - Lender Proposals - Workforce Training
January 2011	Select Pilot Neighborhoods
February 2011	City Council Approval of Financing Programs
February 2011	Launch Pilot Neighborhoods
August 2011	Transition to Full Program
May 2013	3-year Grant Cycle Ends



SUMMARY

JOBS Over 200 new or retained jobs mostly with small local firms

LEVERAGE \$5 million grant should leverage over \$20 million in private investment, donations and in-kind services

SAVINGS 3,600 more energy efficient residential and commercial buildings would save owners over \$1 million/year in energy costs





November 4, 2010

TO: Rashad Young –City Manager
Robert Morgan – Deputy City Manager
Walter Simmons – Director, Engineering & Inspections

FROM: Ted Partrick – Engineering Manager, Engineering & Inspections

SUBJECT: Contingency Use on Three ARRA “Stimulus” Contracts

This memorandum is to alert you to anticipated cost overruns on the transportation ARRA contracts. The NCDOT has provided sufficient funds in a contingency to cover the overruns in each case. Therefore, Engineering is projecting that no City funds will be affected. A discussion of contingencies and change orders on NCDOT/Federal funded projects follows below.

S. Elm-Eugene Roadway, Sidewalk and Median Improvements, Contract 2008008: This \$1,416,015 contract has anticipated overruns in milling and paving of approximately \$94,000, assuming the maximum adjustment for the price of liquid asphalt. The actual cost overrun should be available by December 1. A change order for alterations to one of the median islands and two driveways is being prepared for Council approval on November 9 for approximately \$55,000. The total amount of contingency in this agreement is \$216,632. The remaining contingency will be approximately \$47,000.

Lake Jeanette Roadway and Sidewalk Improvements, Contract 2008074: This \$2,493,272 project is approximately 30% complete. Early projections on overruns in utility relocations, clearing & grubbing, and asphalt adjustments indicate a cost of \$161,697. The contingency in this agreement is \$413,305.

Resurfacing of Streets, Contract 2009001: This \$1,501,890 project is functionally complete. Overruns in asphalt quantities and patching were forecast at \$120,000 back in July, 2010, but Engineering now projects that the final cost will be below the contract. Savings in later phases of the construction were produced by the City construction inspectors and the contractor. The amount of contingency in this agreement is \$195,899.

Effective with the first contracts funded by the NCDOT and the Federal Highway Administration in 2009, all the contingency funds have been removed from the City’s contracts for roadway, street resurfacing and sidewalk construction. It is the NCDOT policy to budget for contingencies and construction in two separate amounts in the City’s municipal agreements with them. The separation of the construction contract amount and the contingency is NCDOT’s standard internal procedure, but it is different from the City’s. The customary procedure for City contracts

has been to include a contingency from 5% to 15% of the estimated construction cost in the contract itself, not as a separate budget item. The standard NCDOT contingency is 15%.

One result of removing the contingency from the contract is that change orders are probable in contracts funded by or through the NCDOT. Any change in the contract amount exceeding \$20,000 requires Council approval (Section 2-118, City of Greensboro Code of Ordinances). Because the contingency funds are not included in the City's construction contracts, use of the funds provided by NCDOT will always require change orders when exceeding \$20,000. The three contracts referred to in this memorandum are in this category.

The primary reason to use contingencies in construction contracts is to reduce the cost of the construction. To reduce the risk of under-estimating and under-funding the amount of work required to provide the desired product, a contingency is used. The contingency funds prepare the City's construction managers to respond to field conditions during construction – conditions that are too costly to completely verify before construction commences. [See also the IFYI, October 8, 2010, Walter Simmons memorandum "Change Orders on Construction Contracts" for a discussion of field conditions.]

Summary: The three ARRA transportation contracts have contingency funds in the municipal agreements. Two contracts will require change orders approved by the City Council in order to use the contingency funds.

THP

cc: Dale Clark



November 4, 2010

TO: Rashad Young, City Manager
FROM: Adam Fischer, Director of Transportation
SUBJECT: Curb and Gutter Special Assessments

Background:

Pursuant to Section 6.131 of the Charter of the City of Greensboro and NCGS § 160A-216, the City of Greensboro has the authority to make local improvements and to assess the cost against the benefited property. Though the City has the ability to make special assessments, it is not required to do so. Currently the City of Greensboro assesses for water, sewer, and roadway improvements which include the installation of curb and gutter. The City of Greensboro does not assess for sidewalk improvements.

The City's current policies indicate that the street assessment fee for roadway improvements should recover 50% of the roadway improvement costs. Assessment rates for roadway improvements have been increased twice over the past twenty five (25) years, July 1, 1988 and July 1, 1999. In practice only about 6% of the overall roadway construction costs are typically recovered through curb and gutter assessments. The current assessment rate for roadway improvement projects with curb and gutter is \$23/linear foot.

Accordingly, the City has the ability to discontinue curb and gutter assessments for roadway improvement projects that have not already been assessed. If the City were to institute such a policy change, the policy would apply to all future properties to be benefited by local roadway improvements. The City also has the ability to discontinue curb and gutter assessments for roadway improvements to properties already impacted by a resolution ordering improvements, where the final assessment rolls have not yet been confirmed. It is important to note that the discontinuance of curb and gutter assessments must be instituted in a uniform manner to meet constitutional requirements. It is not recommended that the City retroactively discontinue assessments where City Council has already authorized assessments and payments are in progress. If property owners are granted relief from past assessments, there will be some property owners who have paid their assessments in full and others who have outstanding payments remaining. It could be argued that that property owners are not being treated uniformly, thus exposing the City to certain constitutional challenges.

The following tables show 1.) Roadway Improvements that are complete and final assessments have been authorized; 2.) Roadway Improvements that are complete but final assessments have not been authorized; 3.) Roadway Improvements under construction, City Council has authorized with intent to assess.

Table 1				
Construction is Complete				
City Council has Authorized Final Assessments/Payments are in progress				
	Assessment	ROW Payments	Construction Cost	Recovery
New Garden Road Ph 1	\$158,657	\$214,663	\$2,948,339	5.4%
S. Elm – Eugene Street	\$118,008	\$478,630	\$2,685,558	4.4%
Total	\$276,665	\$693,293	\$5,633,897	4.9%

Table 2				
Construction is Complete				
Projects Authorized with Intent to Assess				
City Council Has Not Authorized Final Assessment				
	Estimated Assessment	ROW Payments	Construction Cost	Recovery
Hilltop Road	\$254,453	\$562,522	\$4,213,937	6.0%
Franklin Boulevard	\$296,336	\$320,057	\$2,614,240	11.3%
Total	\$550,789	\$885,579	\$6,828,177	8.1%

Table 3				
Under Construction				
City Council Has Authorized Project with Intent to Assess				
	Estimated Assessment	ROW Payments	Construction Cost	Recovery
New Garden Rd. Ph II	\$140,000	\$1,118,213	\$4,668,000	3%
Lake Jeanette Road	\$168,735	\$696,794	\$3,064,242	5.5%
Hornaday Road	\$86,705	\$167,779	\$1,800,000	4.8%
Total	\$395,440	\$1,982,786	\$9,532,242	4.1%

Issues:

The curb and gutter assessment requirement can reduce public support for roadway improvement projects. Adjacent property owners who will benefit from the project because of increased property values, often times do not realize the benefit of the improvements. Payments to property owners for right-of-way are made several years in advance of the curb and gutter assessment and the property owner does not realize the “trade-off” between the right-of-way payment and the assessment, especially where property changes hands in the mean time.

The City does not assess for sidewalk installation; however, some sidewalk installation requires the placement of curb and gutter because of grade and drainage issues. Current City policy requires the City to assess property owners when roadway improvements with curb and gutter are made, even if the curb and gutter is installed for the primarily purpose to construct the sidewalk. This has been an issue with recent sidewalk projects where the addition of curb and gutter is necessary for the installation of sidewalk, including the Heath Community Organization (sidewalks on Lowdermilk Street and Holt’s Chapel Road), and from residents in the vicinity of Guilford Middle School who have requested sidewalks along Lindley Road leading to the School. These residents want/need the sidewalk in their neighborhood, but do not want to pay the curb and gutter assessments.

Options:

The following are options for City Council to consider with regards to assessments for street improvements with curb and gutter:

1. Continue the current policy to assess adjacent property owners for all street improvements where new curb and gutter is installed. *(This option would not address any of the issues raised above.)*
2. Discontinue the policy to assess for street improvements initiated by the City for public necessity which involve the installation of curb and gutter. The improvement projects in Table 1 (New Garden Road Phase I and South Elm-Eugene Street) would continue with assessments since City Council has already approved the final assessment rolls for these roadway improvement projects and payments are being made. The improvement projects in Table 2 and Table 3 would not be assessed for curb and gutter as City Council has not approved the final assessment rolls for these roadway improvement projects. *(This option would address all of the issues raised above, but would eliminate a source of revenue which is used to off-set about 6% of the construction cost for roadway improvement projects. This option however would still assess those projects where the City received petitions.)*
3. Continue to assess for roadway improvement projects where new curb and gutter is installed except in cases where curb and gutter is being installed for the main purpose of constructing sidewalks. All the projects listed in Table 1, Table 2 and Table 3 above as well as future roadway improvement projects (Creek Ridge Road, Horse Pen Creek Road, and Alamance Church Road) would still be assessed for curb and gutter. Sidewalk installation projects like Holts Chapel Road, Lowdermilk Street, and Lindley Road would be exempt from the curb and gutter street improvement assessment. *(This option would address the issue of curb and gutter assessments for sidewalk projects while still retaining assessment revenue for roadway improvements)*

AF

cc: Andy Scott, Assistant City Manager
Bob Morgan, Deputy City Manager



November 2, 2010

TO: Rashad M. Young, City Manager

FROM: Adam Fischer, GDOT Director

SUBJECT: Additional CMAQ Funding for GTA

At the conclusion of the period of performance for the Congestion Mitigation and Air Quality (CMAQ) grant, which funded the first three years of the HEAT Transit Service, approximately \$956,106 in Federal Funds was unexpended. Funds established in the original CMAQ grant for HEAT were not completely utilized because one of the major partners was not ready to participate in the program at the time of implementation. CMAQ grants can only be used to support new transit services and the City received authorization from the Federal Transit Administration (FTA) earlier this year to use the unexpended Federal Funds remaining from the original CMAQ HEAT grant to support the FY 2010-2011 and FY 2011-2012 operating expenses for two (2) new HEAT routes and the purchase of one (1) hybrid electric vehicle.

At the June 24, 2010, Greensboro Urban Area Metropolitan Planning Organization (MPO) Meeting, the Technical Advisory Committee (TAC) adopted an amendment to the Metropolitan Transportation Improvement Plan (MTIP) to utilize the unexpended CMAQ grant funds for the two (2) new HEAT routes and the purchase of one (1) hybrid electric vehicle. At the July 1, 2010 North Carolina Department of Transportation (NCDOT) Board meeting, an amendment to the State Transportation Improvement Plan (STIP) was approved by the NCDOT Board which authorized the use of the unexpended CMAQ funds and on July 22, 2010 the GTA Board approved using the remaining unexpended CMAQ funds and the required 20% matching GTA funds to implement two (2) new HEAT routes (Route 76 Express HEAT East and Route 78 Express HEAT West) and purchase one (1) hybrid electric vehicle. The new HEAT Transit routes connect the colleges and universities directly with the Four Seasons Town centre, the retail stores located on West Wendover Avenue and Pyramids Village Shopping Center on east Cone Boulevard. HEAT routes can be utilized by regular GTA customers and the new HEAT routes provide missing transit links to shopping and work opportunities to our regular GTA customers as well as our HEAT partners.

The CMAQ Grant requires a 20% local match and GTA has included (\$197,000) in the FY2010-2011 budget to pay for this match. Additional budget adjustments will be required to structure funds in the appropriate accounts. The HEAT College and University partners in conjunction with GTA staff identified the need for the new routes and once the Federal CMAQ Grant has expired at the end of FY 2011-2012, the partners will be required to cover 100% of the cost. The new HEAT routes (Route 76 Express Heat East and Route 78 Express HEAT West) began on August 16, and have been very well utilized since the first day of service. Ridership is averaging

20 passengers per hour on each of these new routes making them two of the most utilized routes in the HEAT transit system. The award winning HEAT transit service has been a huge success with the colleges and universities now funding 100% of the original HEAT program operating expenses. Ridership on HEAT has grown each year since starting in 2006 and HEAT now provides 195,000 passenger trips for students and 15,000 passenger trips for regular GTA customers each year. As new student housing and apartment projects are being developed to serve the 40,000 student population in Greensboro, location in close proximity to HEAT service is often a prime consideration. This is seen both in the frequent location of such projects convenient to HEAT service, by requests for service extensions from developers of off-service locations, and from direct input from developers and the student community.

Please let me know if you have additional questions.

AF

F-R-E-E SMALL BUSINESS WORKSHOP

entitled

“Small Business Owners: What You Don’t know can \$Cost You”

DATE: November 13, 2010

TIME: Registration 8:30 a.m. – Session 9:00 – 12:30 p.m.

LOCATION: Blandwood House, 400 W. McGee Street in Greensboro

To reserve a seat, contact the City of Greensboro’s M/WBE Office at (336) 373-2674 or you can e-mail your reservation to dena.davis@greensboro-nc.gov

This special workshop is geared towards teaching small business owners how to establish and set important business practices and policies in place which will prohibit or minimize costly financial liabilities against the company. The workshop will focus on practices needed to manage and operate the company successfully. The workshop will engage small business owners in establishing which personnel policies are right for their business, as well as how to put in place policies related to “at-will” employment, hiring policies, classification of employees, vacation and attendance policies, safety and accident rules, harassment, workplace violence and substance abuse policies, Workmen’s Compensation, contract liabilities and penalties, and key information for small businesses regarding the Fair Labor Standards Act/FLSA.

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