



## AGENDA

Henderson City Council Work Session  
Monday, 25 July 2011 Immediately Following Regular Session  
R. G. (Chick) Young, Jr. Council Chambers, Municipal Building  
134 Rose Avenue  
Henderson, North Carolina

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### Mayor and City Council Members

Mayor James D. O'Geary, Presiding

Councilmember James C. Kearney, Sr.  
Councilmember Sara M. Coffey  
Councilmember Michael C. Inscoe  
Councilmember D. Michael Rainey

Councilmember Brenda G. Peace—Jenkins  
Councilmember Garry D. Daeke  
Councilmember Lonnie Davis, Jr.  
Councilmember George M. Daye

### City Officials

A. Ray Griffin, Jr., City Manager  
John H. Zollicoffer, Jr., City Attorney  
Esther J. McCrackin, City Clerk

### **I. CALL TO ORDER**

### **II. ROLL CALL**

### **III. ADJUSTMENTS TO AND/OR APPROVAL OF THE AGENDA**

### **IV. REGULAR WORK SESSION**

- a)* Consideration of Resolution 11—71 and Ordinance 11—48, Authorizing the Execution of a Utility Agreement with the North Carolina Department of Transportation Relative to a Water Main Relocation in Conjunction with a Bridge Replacement Project and Ordinance 11—48, FY 12 Budget Amendment # 3. (CAF 11—97) [See Notebook Tab # 9]
- Resolution 11—71
  - Ordinance 11—48
- b)* Consideration of Resolution 11—75, Amendments to City Administrative Policy 6.11, Harassment Policy. (CAF 11—103) [See Notebook Tab # 10]
- Resolution 11—75

- c) Consideration of CAF 11-101, Amending Voting Ward Boundary Maps and Descriptions Pursuant to 2010 Federal Decennial Census Redistricting Requirements. [*Notebook Tab # 11*]
  - CAF 11-101
- d) Consideration of Ordinance 11—08, Amending Chapter 15 of the City Code Providing for Security Deposits and Various Other Amendments. (*CAF 11—16*)[*See Notebook Tab # 12*]
  - Ordinance 11—08
- e) Consideration of Resolution 11—78, Approving Letter of Agreement with Robert S. Segal. (*CAF 11—105*) [*See Notebook Tab # 13*]
  - Resolution 11—76
- f) Bennett Perry House. [*See Notebook Tab # 14*]

## VI. ADJOURNMENT

**City Council Minutes**  
**Work Session**  
**25 July 2011**

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**PRESENT**

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael Inscoe, D. Michael Rainey, Brenda G. Peace—Jenkins, Garry Daeke, -Lonnie Davis, Jr., and George M. Daye.

**ABSENT**

None.

**STAFF PRESENT**

City Manager Ray Griffin, City Attorney John Zollicoffer, City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Finance Director Sandra Wilkerson, Engineering Director Peter Sokalski, Human Resources Director Cathy Brown, and Planning Director Erris Dunston.

**CALL TO ORDER**

The 25 July 2011 Work Session of the Henderson City Council was called to order by Mayor James D. O'Geary at 7:21 p.m. in the R. G. "Chick" Young, Jr. Council Chambers, Municipal Building, 134 Rose Avenue, Henderson, NC.

**ROLL CALL**

The City Clerk called the roll and advised Mayor O'Geary a quorum was present.

**ADJUSTMENTS TO/APPROVAL OF AGENDA**

Mayor O'Geary asked for any corrections to and/or approval of the agenda. City Clerk McCrackin asked Council's approval to move Item *d) Consideration of CAF 11—101, Amending Voting Ward Boundary Maps and Descriptions Pursuant to 2010 Federal Decennial Census Redistricting Requirements*, and Item *f) Bennett Perry House* to the top of the agenda so the City Attorney could be present to answer questions. Council Member Inscoe moved the approval of the agenda with the abovementioned changes. Motion was seconded by Council Member Coffey and unanimously approved.

## WORK SESSION ITEMS

### **Amending Voting Ward Boundary Maps and Descriptions Pursuant to 2010 Federal Decennial Census Redistricting Requirements. (Reference CAF 11-101)**

City Manager Griffin asked both Planning Director Erris Dunston and City Attorney John Zollicoffer, Jr., to explain the process.

Ms. Dunston explained the methodology used by stating that three maps were used to create the new boundaries. First, from the 2010 census, the City blocks had to be separated from the County blocks leaving 570 blocks within City boundaries. Then the blocks were broken into existing wards. The total population of the City of Henderson at this point was 15,368. Then the population by ward was determined as follows:

Ward 1 = 3,636	Ward 3 = 4,300
Ward 2 = 4,215	Ward 4 = 3,216

These figures showed one ward more than 19% out of balance with the other wards.

The next step was to take the total population and divide by 4 providing a mean number of 3,384. To create equal wards, a proposed map was created showing Ward 4 needed 661 people to reach the mean number (mainly due to the loss of the Beacon Light apartments). That number was taken from Ward 3 which meant that Ward 3 then became out of balance by 451 people. Ward 2 gave to Ward 3 and Ward 1 creating four (4) wards balanced within 1% of each other. The new proposed ward populations look like the following:

Ward 1 = 3,814	Ward 3 = 3,849
Ward 2 = 3,828	Ward 4 = 3,877

City Attorney Zollicoffer credited Ms. Dunston with doing a yeoman's job in accomplishing the proposed wards as required by the Department of Justice. He went on to state that there was no substantial deviation in the racial makeup of the city and noted that since the 70's, division of wards had been easily established by using major roads, rivers, etc.

Attorney Zollicoffer stated that the next step would be for Council to adopt a resolution of intent at their August 8<sup>th</sup> meeting to adopt the proposed wards. Then a public hearing would need to be called with the final ordinance coming before Council in September. He stated he would post the maps in the Court House and Ms. Dunston will post the maps in a public location at City Hall.

Council Member Rainey said good job and then asked if he understood correctly that people on one side of a street could be in one ward and people on the other side of a street could be in another ward. Attorney Zollicoffer, stated yes and shared the best way to determine the wards would be by say those on the north (or east) side of the street are in such and such a ward and

those on the south (or west) side are in such and such a ward (or you could use the odd/even street addresses).

Council Member Coffey mentioned that 911 is looking to revamp their maps, and Council Member Kearney stated the Board of Education/Board of Elections use different maps also. Both thanked Ms. Dunston and Attorney Zollicoffer for their hard work.

It was the consensus of Council to bring this Resolution forward to the next regular Council meeting.

### **Bennett Perry House**

Since most of the Council Members have toured the Bennett Perry Home, City Manager Griffin asked City Attorney Zollicoffer to brief everyone on the time table for accepting the offer. Attorney Zollicoffer stated the deadline is October but he strongly suggested a decision prior to that month as letters to the Executor and Clerk of Court would need to be drafted if Council decides to exercise the option of accepting the house as a museum.

Mr. Griffin then asked Council Member Inscoe for his input on possible refurbishing needs. Mr. Inscoe stated the house is certainly a grand old place which he felt should be preserved and then listed several items he noted during his brief tour of the building: no insulation, no A/C, lead paint, asbestos, electrical upgrade, steam heat and probably fuel tanks for the radiators that would need to be removed. Mr. Inscoe asked for time to revisit the home and to make an itemized, realistic listing of cost estimates. He also suggested working with the community in obtaining financing for these needs (i.e., donations from citizens, Vance County and others).

Attorney Zollicoffer mentioned handicap accessibility. Mr. Griffin stated if the house is listed on the national register, accessibility/ADA standards can be somewhat flexible.

Council Member Coffey asked about the roof. Mr. Inscoe stated it seemed to be in good condition.

Council Member Rainey agreed that the house is representative of the City and should be preserved as history is important. He also asked about yearly costs to maintain and whether there was any endowment left in Mr. Perry's will. Attorney Zollicoffer, Jr., stated he was not privy to that information but he doubted there was any endowment.

Council Member Kearney mentioned a letter from the Historical Society stating they would be willing to help preserve the house and asked if there was a timeframe in establishing the museum.

Attorney Zollicoffer felt some time would be allowed for renovations. Council Member Coffey asked if any of the furnishings would be left. Attorney Zollicoffer stated no. Mayor O'Geary stated he had spoken to the executor about leaving some furnishings just for historical value.

It was the consensus of Council to move forward to review estimated costs.

**Authorizing the Execution of a Utility Agreement with the North Carolina Department of Transportation Relative to Water Main Relocation in Conjunction with a Bridge Replacement Project.** *(Reference CAF 11—97, Resolution 11—71; Ordinance 11—48)*

City Manager Griffin asked Assistant City Manager Frazier to explain this item. Mr. Frazier stated the NC Department of Transportation plans to replace the bridge over Red Bud Creek on Vance Academy Road early in 2012. Part of the project involves the City moving a 400' water main. By law the City is required to pay the cost of moving this water main, and the NCDOT has provided an estimate of \$119,000. The State mandates payment in full must be made at the time the work is performed.

Council Member Coffey reiterated either way the City pays. Mr. Frazier agreed.

Council Member Inscoe asked where the funds were coming from for all three major utility items (Spring Street/Shirley Drive and this bridge). Finance Director Sandra Wilkerson stated the Spring Street and bridge repairs could come from the Capital Utilities Reserve Fund and suggested the Shirley Drive repairs come from the Water Reserve.

A discussion followed as to how these reserves are funded and Mr. Griffin emphasized the important of keeping them above certain percentages because they are not easily replenished. However, the work does need to be done. Talks then revolved around the age of the infrastructure and that the City is facing huge financial burdens in the future.

Council Member Daeke asked what system the State uses to decide how work is selected for repair. Mr. Frazier stated the State inspects bridges and develops a priority list based on inspection findings.

Council Member Kearney asked if there were any right-of-way issues involved. Mr. Frazier stated no and added that lines can no longer be attached to bridges.

Council Member Inscoe asked for a projection of Capital Improvements to help understand the future needs of the City and the estimated costs involved. Mr. Griffin stated a partial list would be compiled and brought to Council a section at a time. Council Member Coffey felt the public should be prepared going forward for the major issues that will be coming up in the next few years.

It was the consensus of Council to bring this Resolution forward to the next regular Council meeting.

**Amendments to City Administrative Policy 6.11, Harassment Policy.** (Reference: CAF 11-103; Resolution 11—75)

City Manager Griffin invited Human Resources Director Cathy Brown to the podium. Ms. Brown stated that the Human Resources Committee met on July 18<sup>th</sup> to discuss amending the existing City Administrative Policy 6.11, Harassment. She stated the policy needed clarification of harassment on a day to day basis and that included proper/improper behavior. The Committee recommends the addition of 6.11.01 *Hostile Work Environment* and 6.11.02 *Violence in the Workplace*.

There was no discussion and it was the consensus of Council to bring this Resolution forward to the next regular Council meeting.

**Amending Chapter 15 of the City Code Providing for Security Deposits and Various Other Amendments.** (Reference: CAF 11—106; Ordinance 11—08)

City Manager Griffin stated he has been in discussion over the last 18 months or so with both the Finance Director Sandra Wilkerson and Assistant City Manager Frank Frazier regarding two issues: security deposits and revamping the utility billing cycle. Council is being asked to allow implementation of security deposits and to make utility bills due upon receipt. Mr. Griffin then reviewed the current and proposed changes in the billing cycle. Finance Director Wilkerson added there probably would be problems initially establishing the change in billing but it would help people from becoming delinquent in payments in the long run.

Discussion ensued regarding the \$12 past due fee and the \$40 reconnect fee. Council Member Davis asked how long the \$40 reconnect fee has been implemented. Ms. Wilkerson said approximately 10 years. Council Member Coffey felt citizens should have time to adjust to the changes but also felt this would be a good change as people often allow payments to lapse for 2-3 months. Council Member Kearney understood how it would improve cash flow. Council Member Rainey agreed with the idea and felt there should be times when exceptions are made for legitimate excuses. Several Council Members felt the \$40 reconnect fee was too high.

Ms. Wilkerson explained that once a bill exceeds \$300 the meter is pulled from the residence. When the customer pays the bill the meter readers have to return to the property and reinstall the meter. In all accounts, the \$40 reconnect fee only pays for the gasoline and time. Ms. Wilkerson also stated there is payment plan in place and that the City is willing to work with those in arrears.

Mr. Griffin reminded Council that five (5) days were added to the billing cycle several years ago at the request of former Council Member Evans.

Council Member Inscoe turned the discussion to security deposits at this time.

Mr. Griffin indicated that the City currently does not require security deposits. With the long-term practice of allowing customers to accrue two months past due bills before terminating

service without any type of security deposit allows for larger losses than necessary on bad accounts.

If agreeable, all new customers would be required to pay a security deposit of \$200, unless a letter of reference from his/her most recent water/sewer utility provider is presented. If an existing customer ceases to be in good standing, (i.e., their account is delinquent) they would be required to pay the security deposit plus the reconnect fee.

Either way, once the security deposit has been paid, it would be returned after a minimum of 12 months if the account is kept in good standing. State law does not require interest be paid on these deposits.

Along with the security deposits for utilities, the City would like to implement a fee for lost and/or stolen garbage carts. Waste Industries reported that 258 carts were stolen between August 1, 2010 and April 12, 2011 which is an exceptionally high number. A security deposit of \$75 is suggested for the garbage carts.

Council Member Coffey asked to whom you report a stolen/missing garbage carts. Council Member Rainey suggested the meter readers look for the carts when they cut off service when people move. Council Member Daeke felt the carts belong to Waste Industries and that customers should not have to pay a deposit.

Mayor O'Geary asked for a consensus of Council on these two issues and Council responded as follows:

	Kearney	Coffey	Inscoe	Rainey	Peace-Jenkins	Daeke	Davis	Daye
Billing Cycle	Yes	Yes	Yes	Yes	Yes****	Yes	Yes	Yes
Security Deposits	No **	Yes	Yes***	Yes	Yes	Yes*****	Yes	Yes

\*\*No problem with new service. Problem with existing service.

\*\*\* Would like to see a more recent survey of comparable cities.

\*\*\*\*Would like to see advanced notice – gradual implementation.

\*\*\*\*\*Would like some tweaking done so with good history deposit could be reduced.

Overall, the consensus was to 1) proceed with both revision to billing cycle and security deposits and 2) to find out what other communities are doing with their security deposits and to bring that information to the next regular Council meeting.

**Approving Letter of Agreement with Robert S. Segal.** (Reference: CAF 11-105; Resolution 11-79)

City Manager Griffin stated that if Council accepts, this agreement would provide a consultant with “external eyes” to look for savings for the City. If savings were found the consultant would

be paid 50% of the amount of savings. If no savings found, the consultant would not be paid.

Council Member Inscoe stated he has seen how some of these programs work, and would like to see the entire contract. Mr. Griffin stated the entire agreement was included in the agenda package.

Council Member Coffey stated she was against the agreement. She stated the City Manager and staff do a good job in searching out grants and other ways to save money and she did not like the references supplied.

Council Member Kearney suggested encouraging staff to look for ways to find savings and perhaps share the savings with the employees. Council Member Daeke agreed.

It was the consensus of Council *not* to move forward with this Resolution.

Mayor O'Geary asked if there was any other business before adjournment.

#### **ADJOURNMENT**

Council Member Inscoe moved for adjournment. Motion seconded by Council Member Coffey and unanimously approved. The meeting adjourned at 9:21 p.m.

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James D. O'Geary  
Mayor

***ATTEST:***

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Esther J. McCrackin  
City Clerk