

AGENDA
Henderson City Council Strategic Planning Retreat
Aycock Recreation Facility
Thursday, 26 January 2012

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| | <i>breaks will be taken at logical times during the day</i> |
| 7:30 | <i>Buffet breakfast</i> |
| 8:00 | Call to Order |
| | Roll Call |
| | Welcome by Mayor O'Geary |
| | Invocation |
| 8:05 | Getting Started, by Becky Veazey |
| | Introductions & Ice Breaker |
| 9:00 | Review and Agree on Retreat Agenda |
| | Role of Facilitator |
| | Ground Rules |
| 9:20 | Roles and Responsibilities: Mayor/City Council/City Manager |
| 10:00 | Discussion Items: |
| | <i>See discussion points list</i> |
| | |
| 12:00 | <i>Lunch</i> |
| | |
| 12:30 | Discussion Items Continued: |
| | <i>See discussion points list</i> |
| | |
| 3:30 | 2011 Strategic Plan Review and Update |
| | Vision Statement |
| | Confirm Mission, Vision, Values and Purpose statements, KSC's, KSA's, KSO's |
| | Deletion of Completed and Other Action Plans |
| | Identification of New Action Plans |
| 4:30 | Items to be Carried Forward to Work Sessions for Continued Discussion & Consensus |
| 4:45 | Retreat Critique and Wrap Up |
| 5:00 | Adjourn |
| | |

**HENDERSON CITY COUNCIL
ANNUAL STRATEGIC PLANNING RETREAT
Aycock Recreation Center
26 January 2012**

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

STAFF PRESENT: City Manager Ray Griffin, Assistant City Manager Frank Frazier, City Clerk Esther J. McCrackin, Finance Director Katherine Brafford, Planning Director Erris Dunston, Code Compliance Director Corey Williams, Fire Chief Danny Wilkerson, Police Chief Keith Sidwell, Henderson Water Reclamation Facility Director Tom Spain, Kerr Lake Regional Water Plant Manager Christy Lipscomb, Engineering Director Peter Sokalski, Parks & Recreation Director Alan Gill and Human Resource Manager Cathy Brown.

FACILITATOR: Becky Veazey of The Maps Group, Cary, NC

CALL TO ORDER:

The Retreat was called to order at 8:05 a.m. by Mayor O'Geary.

ROLL CALL:

City Clerk McCrackin called the Role and advised the Mayor a quorum was present.

INVOCATION:

Mayor O'Geary requested Council Member Peace-Jenkins to lead in prayer.

OPENING REMARKS:

Mayor O'Geary welcomed everyone to this Retreat. He expressed pleasure with the accomplishments of the past year, and specifically mentioned the water contract with Granville County. He gave a special thanks to City Manager Griffin and the Department Heads for their hard work and excellent team work. Mayor O'Geary then turned the meeting over to Facilitator Veazey.

GETTING STARTED by Becky Veazey

Ms. Veazey began the meeting by establishing the ground rules and values. The ground rules included sharing all relevant material, testing assumptions, need to be specific (give examples) and reasons for the action/statement. The values included sharing valid information, feeling free to speak and internal commitments. All attendees agreed with these guidelines.

She then asked attendees to break into groups to work on an ice breaker regarding the *Cash Register* story. The purpose of the ice breaker was to work together and to recognize the different personality types at work. Ms. Veazey was asked to refresh everyone on the acronyms used by Meyers-Briggs which she graciously did and several staff found they were listed under the wrong acronyms.

City Manager Griffin stated if anyone needs a copy of *Please Understand Me*, to let him know and he will be happy to provide a copy.

REVIEW AND AGREE ON RETREAT AGENDA:

Next, Ms. Veazey asked if there were any adjustments to the agenda. Council Member Incoe asked that the Financial City Services discussion be moved to second under the Discussion Items. As he felt finances affect all the discussion items. There were no other changes and the agenda was unanimously approved with the requested change.

ROLES AND RESPONSIBILITIES:

Ms. Veazey continued the meeting by reviewing each role and responsibility of the Mayor, City Council and City Manager. The following changes were suggested:

Under City Council's Needs & Expectations of Other Council Members

1. It was suggested "f" become "b" for a better flow and subsequent letters be changed accordingly.
2. That the word "openly" be added to the old "b" which will now be "c" (i.e., Share your positions on issues with other Council Members *openly*).
3. A new item be added as "T" and worded as follows:
Address or initiate issues and concerns with other Council Members; do not let concerns linger and build.

Under City Manager's Needs and Expectations of Mayor & City Council

1. A new item be added as "H" and worded as follows:
Discuss agenda items with City Manager so full picture is perceived prior to meeting.

The consensus of Council was to approve these changes.

Council Member Kearney asked if and how the City Manager receives a yearly evaluation. City Manager Griffin stated he is reviewed yearly and this normally occurs in January.

At this time, City Manager Griffin thanked Council for their salary considerations to members of the police force, the cost of living increase for the general population and the \$100 increase of the one-time salary supplement at holiday time.

(Clerk's Note: Council Member Daye arrived at approximately 9:45 a.m.)

DISCUSSION ITEMS:

Ms. Veazey then opened the discussion items with Economic Development.

Economic Development - City Manager Griffin stated there seems to be good news with a slight upswing trend over the last two (2) years.

Council Member Kearney commented that new businesses should be good for the City and consideration as to whether new businesses would compete with existing businesses.

Council Member Inscoe commended everyone for their work on the water agreement with Granville County for Research Triangle North. He stated although this agreement is not City specifically, hopefully it will increase development throughout the region. Mr. Inscoe reminded attendees that new businesses such as Semprius and Vescom add to the tax base which grows the General Fund.

Council Member Kearney asked for clarification regarding the Urban Progress Zone. City Manager Griffin stated if accepted into the program, economic incentives are offered to stimulate job creation and new investments into economically distressed areas.

Discussion then turned to what incentives would be beneficial. Increased taxes were seen as a deterrent; streamlined check lists would be beneficial; and renovation of existing buildings was also mentioned.

Planning Director Erris Dunston stated a checklist exists and is available at City Hall.

City Manager Griffin stated the Chamber has had discussions on "one stop" permits so there would only be one entity for businesses to deal with as opposed to the current system but no decision regarding changes has been made.

Council Member Rainey expressed caution needs to be taken in offering incentives as some businesses have been known to leave communities shortly after receiving an incentive. He also mentioned he felt feeder industries are the type industry that would thrive in the area.

Council Member Inscoe stated businesses relocating not only look for incentives but they also look at quality of life, education and crime statistics for the area. City Manager Griffin echoed this as IAMS representatives recently commented that many of their executives reside closer to Raleigh-Wake Forest for those specific reasons.

Council Member Coffey asked where to start as the issue seems to be the proverbial "what comes first, the chicken or the egg." City Manager Griffin felt multiple things need to occur at the same time and cited an example of the need for an interlocal comprehensive approach along with cleaning up major approaches to the City.

Mayor O'Geary stated he felt good changes are occurring and he is hopeful they will continue.

Council Member Coffey asked if new hires could be required to live within the City limits. Police Chief Sidwell shared that statewide this requirement no longer exists due to economic problems finding qualified employees.

Council Member Daeke felt the Economic Development Committee should look for incentives.

Council Inscoe moved the discussion on to developing a comprehensive marketing plan and how to communicate the plan to our citizens. Council Member Daeke felt the web would be a starting place. Council Member Coffey suggested community action groups and Franklin-Vance-Warren Opportunity, Inc. could be instrumental. Mr. Inscoe requested an action plan be developed with a timeline and a steward assigned to each action.

Financial (City) Services - City Manager Griffin stated Finance Director Brafford would be contributing background information. He then directed attendees to several charts which showed information regarding issues such as *Total Assessed Value, Property Tax Collection Rates, Sales Tax Receipts, Water and Sewer Fund Operations Ratios and Debt Service Ratio*. In summary, he shared that tax collections have increased for the second year in a row, sales tax receipts have increased and the water department is making more than they spend, Sewer is also in good shape. Overall, the City's debt continues to decline.

Ms. Brafford presented information regarding collection percentages of major revenue. Council Member Rainey asked for clarification regarding the budget amounts versus the collection amounts. Ms. Brafford and City Manager stated there may be a data entry problem which needs to be reviewed.

In response to Council Member Kearney's question regarding the effects of the institution of security deposits, Mr. Griffin shared that since the City instituted the policy, arrears are being reduced significantly and the security deposits now provide protection against potential losses on bad accounts.

Council Member Peace-Jenkins inquired about how new policy is being conveyed to citizens. Mr. Griffin stated it has been printed on monthly statements and the Customer Service ladies have been advising citizens as they come to the payment window.

With no further discussion, City Manager Griffin turned the discussion to Code Compliance and Utility arrears. He asked Code Compliance Director Corey Williams to explain this process improvement. Mr. Williams stated the Billings and Collections Supervisor Shay Bennett has notified him monthly of residents with no water. Mr. Williams then goes through due process which can ultimately lead to housing violations. Since starting this process with the August billing cycle, units/businesses without water continue to improve.

Council Member Coffey stated citizens can be difficult and she expressed appreciation on behalf of Council for staff helping citizens recognize the need for compliance.

The uniqueness of the two departments working together was recognized by Mr. Griffin.

Council Member Inscoc asked Finance Director Brafford and City Manager Griffin to prepare a graph showing retiring and new debt, along with expected costs for the next ten years. Mr. Inscoc also asked that a certain percentage of funds be reserved for Fund Balance. After a brief discussion it was decided that 10% minimum go to the Fund Balance and it was agreed this amount could be adjusted if needed during budget discussions.

Council Member Rainey stated he felt dollars should be reinstated for Council to attend conferences. Council agreed.

LUNCH:

Lunch was served at approximately 12:00 p.m. and the group recessed for approximately thirty (30) minutes.

DISCUSSION ITEMS (Con't):

City Manager Griffin reviewed the finance discussion by confirming Council's wish to set aside 10% reserve for the Fund Balance, reinstate travel and other priorities that were cut for Council Members and their wish for a compilation of graphs.

Crime - Police Chief Keith Sidwell read his accomplishments and objectives. Highlights were partnership with WIZS radio providing crime prevention tips and addressing unsolved cases with community members; weekly *Shoplifter of the Week* press releases which began in July 2011; *Officer of the Month*; and use of social media such as Facebook and Twitter. All these have produced positive feedback for helping reduce crime. Close association with Federal Alcohol, Tobacco and Firearms (ATF) department led to the indictment of fifteen (15) individuals for sale of narcotics and firearm possession. Neighborhood Crime Watch groups have increased from ten (1) to twenty-nine (29) and in the spring of 2012 Chief Sidwell plans to introduce a *Business Watch* specific to either geographic location or similar consumers. He plans to continue working with the Sheriff's department to improve the quality of life for the citizens of Henderson.

Council Member Coffey stated she finds crime to be a generational issue and complimented the Chief and his team for taking major players off the streets. Council Member Kearney asked if removing these players had made a difference. The response was the E-40 gang no longer exists.

Chief Sidwell also mentioned the success of the four (4) zone concept which mirrors Council wards and the outreach the force does at holiday time. He also complimented his officers for taking their own time to attend watch group meetings in their zone.

Council Member Peace-Jenkins inquired about the permanency of watch group officers and asked what effect the raises have had in the department. Chief Sidwell stated they are permanent until movement is required for narcotic undercover work, transfers, or the like.

Chief Sidwell responded that the raises have helped with turnover; thus more stability, especially with veteran officers. There are currently four (4) vacancies within the force and some of those occurred due to lower salaries than neighboring forces.

(Clerk's Note: Council Member Daye left the meeting at 1:54 p.m.)

Bennett Perry House (Museum) - City Manager Griffin stated a \$2,500 donation has been received for the renovation of the house. Mayor O'Geary stated fund raising is on-going and more donations are expected.

Agenda Review - It was the consensus of Council of carry review of the agenda prior to Council meetings to a future work session.

Transparency and Openness – Fair Treatment - Council Member Kearney had raised this issue and felt that it had been dealt with appropriately.

Inmate Re-Entry Program - Council Member Coffey asked if there were ways to assist ex-felons re-enter the community. She felt individuals return to their community after release and would like to be helpful if possible. Council Member Peace-Jenkins felt a KSO to brainstorm on how to help would be appropriate. It was the consensus to carry this item to a future work session.

Customer/Citizen Relations - City Manager Griffin stated this item regards disseminating information to the public. Council Member Inscoe suggested not only media but also a monthly report from the Mayor's office. He stated if citizens would be educated on what we have, what needs to be changed and when the changes might come, citizens might be more understanding. Council Member Daeke felt various media should be used. Engineering Director Peter Sokalski suggested the City look at ways to find out how citizens see the City, what their goals are and what direction they would like to see the City move in --- like town hall meetings quarterly.

Planning Director Erris Dunston spoke to the smaller areas of the City that need appearance changes such as the Parham Road gateway to the City.

(Clerk's Note: Council Member Davis arrived at 2:21 p.m. and left at 2:40 p.m. due to health issues.)

Council Member Inscoe felt business and citizen commitment was important and also suggested clergy involvement. Mayor O'Geary shared some work has been done with clergy with little success.

Council Member Davis stated generally there is enthusiasm from the evangelical side but that enthusiasm decreases quickly.

City Manager Griffin asked if a KSO action plan should be developed for citizen involvement. The consensus was yes and Council Member Inscoe asked that a definitive timeline be developed.

Community Revitalization - City Manager Griffin asked Code Compliance Director Corey Williams to address Council. Mr. Williams spoke about the demolition of 108 units at the Beacon Light complex. Mr. Williams stated there is minimal work remaining on the Beacon Light property and then the project will be complete. He told Council that since 2004, 290 units have been demolished and 97 have been identified as needing enforcement. Additional funding

is needed in order to catch up on the backlog for demolition and to address the additional 97 identified units. Fire Chief Wilkerson was thanked for his assistance in burning several buildings approved for demolition. These buildings were used for training.

Lastly Mr. Williams explained that Wards 3 and 4 had been surveyed and approximately 150 units were found to need code upgrades. He said Wards 1 and 2 still need to be surveyed.

Discussion then turned to Redevelopment zones and Council Member Kearney asked about zone areas such as Orange/Breckenridge and Zene Street.

Planning Director Dunston gave a summary of the REEF/Zene Street project saying a warehouse was donated to the Downtown Development Committee. Exterior renovation is scheduled to begin in June and tenants can demand specific upfits for the interior of the building. This project incorporates an approximate 10 block area.

Ms. Dunston asked the that the City consider budgeting \$50,000 in the FY 2013 budget to the project to be used for matching grant funds to redevelop the warehouse and pay for the Master Plan.

City Manager Griffin asked if an action item for budget should be drafted. It was the consensus of Council to draft an action item under KSO 3-5.

Discussion then turned to the American Value Inn which is a magnet for crime and has been closed at least twice for safety violations. Currently the building is in court proceedings and Ms. Dunston strongly suggested Council tailor a plan now for the entire area, rather than wait until the property is reoccupied. She stressed the importance of a small area plan. Police Chief Sidwell stated the electricity is substandard and the walls are covered with mold. After a discussion City Manager Griffin asked is the creation of a long term action plan would be appropriate for that corridor of the City. It was the consensus of Council to proceed.

Infrastructure - Assistant City Manager Frank Frazier told Council that the water and sewer projects are moving ahead as planned. Some components will need updating and will be brought before Council as appropriate. Mr. Frazier said there is a sewer meeting next week so that major renovation project is moving forward. He said the Beckford Drive project will go out for bid mid-March. Approval from the State has been received for the SRF project which should be out for bid in April. Mr. Frazier said approximately \$108,000 was left from the UV project at the Water Reclamation Facility and those dollars will be used for other projects. Major design projects for Winder, Hillside, Birch Circle and others will be looked at this year. Lastly he advised Council that the League should approve the Granville County water project by April.

Human Relations - City Manager Griffin stated issues such as turnover in the police department, exit interviews and employment diversity were issues Council wished to know more about.

Human Relations Director Cathy Brown advised Council that nine (9) of twenty-nine (29) employees completed the exit interview form. Concerns on the forms were addressed properly. Ms. Brown shared as discussed earlier, the police department is stabilizing the vacancy situation. However, she did mention that water and sewer vacancies are increasingly difficult to fill due to

the specialty of those positions. Henderson Water Reclamation Facility Director Tom Spain reiterated this comment saying if the economy was not so bad he felt he would not have been able to hire the excellent employee(s) he currently has on staff.

Council Member Peace-Jenkins asked if Council Members could review exit interview forms. Ms. Brown said due to the confidential nature, no.

Council Member Kearney asked if trends could be presented periodically. In an effort to help Council understand State law, Mr. Griffin will arrange a meeting with Kari Johnson, a legal attorney well versed in State law.

Discussion turned to diversity and Council Member Kearney made a statement that overall we should look like who we serve. Ms. Brown said when jobs are publicized, minority programs are utilized but qualifications for the position are important.

City Manager Griffin said a classification study needs to be conducted as one has not been done for over twenty years and the recommended timeframe is every five (5) years. The League does a biannual comparison but that is only of towns who submit information and is not broken down to specific positions.

(Council Members Daeke and Inscoe left at 4:04 p.m.)

ITEMS TO BE CARRIED FORWARD TO WORK SESSIONS FOR CONTINUED DISCUSSION AND CONSENSUS and STRATEGIC PLAN REVIEW AND UPDATE:

Because only three (3) Council Members were still in attendance, it was decided that the City Appearance section would be moved to a future work session. It was also decided that the Strategic Plan would be drafted and presented at a future work session for consideration.

RETREAT CRITIQUE AND WRAP UP:

Comments regarding this meeting were:

Went Well

Liked Ice Breaker (group activity)
 Good Food
 Pace of Discussion went well
 Very good materials
 Good to review in advance
 Had enough time to review materials
 Reviewing Roles gives self-governing feeling

Do Differently

Roles & Expectations session took too long
 Lost too many Council Members
 Police Chief could have summarized more
 Speed up Review of Roles
 Dept. Heads arrive after the Roles discussion

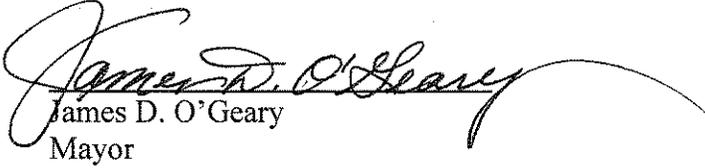
Engineering Director Sokalski inquired about the *Staff Suggested Items for Action Plans* which was not discussed.

Before adjourning, City Manager Griffin asked if it would be appropriate to have a date set aside in July in case there are new Council members after the May elections. Since July is a "vacation" month it was decided 23 August 2012 (Thursday) would be an appropriate date. The date for the next Retreat was tentatively set for 31 January 2013 (Thursday).

With no further discussion, Mayor O'Geary asked if Council was ready to adjourn.

ADJOURNMENT:

It was the consensus of Council to adjourn at 4:22 p.m.


James D. O'Geary
Mayor

ATTEST:


Esther J. McCrackin
City Clerk