

City Council Minutes
Special Called Meeting
26 October 2011

PRESENT

Mayor James D. O'Geary, Presiding; and Council Members, James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoc, D. Michael Rainey, Garry Daeke and George M. Daye.

ABSENT

Council Members Lonnie Davis, Jr., and Brenda G. Peace-Jenkins.

STAFF PRESENT

City Manager Ray Griffin, City Attorney John Zollicoffer, City Clerk Esther McCrackin, Assistant City Manager Frank Frazier, Finance Director Sandra Wilkerson, Interim Finance Director C. B. "Butch" Watson and City Engineer Peter Sokalski.

CALL TO ORDER

The 26 October 2011 Special Called Meeting of the Henderson City Council was called to order by Mayor James D. O'Geary at 12:08 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 that a quorum was present.

Mayor O'Geary then asked the City Clerk to begin the meeting with the first item of New Business

NEW BUSINESS

A Resolution Amending the Implementation Timetable for Amending the Current Practice of Turning Off Water Service for Delinquent Utility Accounts as Articulated in Resolution 11—70. (*Reference: CAF 11—B—16; Resolution 11—A—70*)

City Manager Griffin stated that during discussion at the last meeting, it was agreed to extend the implementation of the Pay One-Leave One policy from 1 November 2011 to 1 February 2012 and to leave the implementation of the Security Deposit portion of the Resolution 11—70 as originally agreed which was 1 November 2011.

There was no discussion and Mayor O'Geary asked for the pleasure of Council.

Council Member Rainey moved approval of Resolution 11—A—70, *A Resolution Amending the Implementation Timetable for Amending the Current Practice of Turning Off Water Service for Delinquent Utility Accounts as Articulated in Resolution 11—70*. Motion seconded by Council Member Kearney and APPROVED by the following vote: YES: Kearney, Coffey, Inscoc, Rainey, Daeke and Daye. NO: None. ABSENT: Davis and Peace-Jenkins. (See Resolution Book 2, p 142-A)

FY Budget Amendment #19, Authorizing an Adjustment to the Weed & Seed 2010 Budget. (Reference: CAF 11—139; Ordinance 11—65)

City Manager Griffin asked Finance Director Wilkerson to brief Council on this item as well as the following two budget amendments. (Amendment #21).

Ms. Wilkerson stated this amendment to the 2010 budget was previously approved by Council and approval has also been received from the Department of Justice on 15 September 2011 and the Weed and Seed Steering Committee on 18 August 2011 meeting. This amendment allows for the moving of \$2,055 from the Departmental Supplies account to the Salaries and Benefits Part-time to cover costs incurred by the part-time assistant through 30 September 2011.

There was no discussion. Mayor O'Geary then asked for the pleasure of Council.

Council Member Coffey moved approval of Ordinance 11—65, *FY Budget Amendment #19, Authorizing an Adjustment to the Weed & Seed 2010 Budget*. Motion seconded by Council Member Daye and APPROVED by the following vote: YES: Coffey, Inscoc, Rainey, Daeke and Daye. NO: None. ABSENT: Davis and Peace-Jenkins. (See Ordinance Book 8, p 333)

FY12 Budget Amendment #21, Closing out the 2009 Weed & Seed Grant. (Reference: CAF 11—69; Ordinance 11—69)

Ms. Wilkerson briefly stated that this Ordinance closes out the 2009 Weed & Seed Grant at a total cost of \$133,343.42 leaving \$8,658 in unexpended funds. Since the Grant only pays out what is expended, no funds needed to be refunded.

Council Member Kearney asked for more information on why this is being closed-out now. Ms. Wilkerson explained the grants are for twelve (12) months beginning on October 1 and ending on September 30. The 2009 grant covered the time period from October 1, 2009 to September 30, 2010. She also explained although the grant was closed out earlier, it has been policy to hold off bringing the close out to Council until after the official audit is completed.

With no further discussion, Mayor O'Geary asked for Council's pleasure.

Council Member Inscoc moved approval of Ordinance 11—69, *FY12 Budget Amendment #21, Closing out the 2009 Weed & Seed Grant*. Motion seconded by Council Member Rainey and APPROVED by the following vote: YES: Inscoc, Rainey, Daeke, Daye, Kearney, and Coffey. NO: None. ABSENT: Davis and Peace-Jenkins. (See Ordinance Book 3, p. 341)

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FY12 Budget Amendment #20 to Close Out the 2008 Weed & Seed Grant. (*Reference: CAF 11—140; Ordinance 11—67*)

Ms. Wilkerson stated the 2008 Weed & Seed Grant closed out at a total cost of \$121,515.99 leaving \$28,429.01 in unexpended funds. The unexpended funds were never received as this grant only paid out expenses incurred.

Council Member Coffey asked for clarification that the unspent dollars were never received. Ms. Wilkerson confirmed the funds are not received until they are expended.

Mayor O'Geary then asked for the pleasure of council.

Council Member Coffey moved approval of Ordinance 11—67, *FY12 Budget Amendment #20, to Close Out the 2008 Weed & Seed Grant*. Motion seconded by Council Member Kearney and APPROVED by the following vote: YES: Rainey, Daeke, Daye, Kearney, Coffey and Inscoe. NO: None. ABSENT: Davis and Peace-Jenkins. (*See Ordinance Book 3, p 337*)

Approving an Exemption to the Mini Brooks Act Relative to Engineering Services Needed in Conjunction with Improvements at the Henderson Water Reclamation Facility. (*Reference: CAF 11—A—134; Resolution 11—103*)

City Manager Griffin asked Assistant City Manager Frank Frazier to brief Council.

Mr. Frazier introduced Doug Chapman and Joel Whitford from McGill Associates and then reminded Council that this exemption is being requested mainly due to the time factor placed by the State in completing the next step in obtaining funding for the capital improvements at the Henderson Water Reclamation Facility. Mr. Frazier stated the Mayor received a letter earlier this week stating the Preliminary Engineering Report had been approved. The next step in the loan process is to deliver the project specifications to the State by 1 June 2012. In the interest of saving time and expense, Staff asks that this exemption be approved as they feel going with a firm other than McGill would involve sending out request for proposals, review of the proposals, and then interviewing 2-3 firms to select a firm and then asking for a final proposal. Bids cannot be asked for prior to the selection process.

Council Member Inscoe asked if all proposed contracts would be reviewed by Council. Mr. Frazier responded yes.

City Attorney John Zollicoffer stated the Mini Brooks Act allows for exceptions in the event of special emergencies for safety measures.

Council Member Daeke stated he remembered a request for ballpark figures and that a comparison of other projects might be available. Mr. Frazier responded when the proposed contract(s) is drafted, the information would be available with the proposed contract.

Council Member Coffey asked if the deadline is in June what would be the problem if it goes to bid and how would Council know if the City received a fair bid. Mr. Frazier responded a

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detailed scope of the project is necessary before a price for the work can be submitted. Action today only allows the staff to start the negotiation process with McGill to bring back a proposed contract for the engineering services. In the event a reasonable figure cannot be reached, the City may select to negotiate with another firm

City Manager Mr. Griffin stated it normally takes 30 days to review the project and for qualification requests to be submitted.

Council Member Kearney stated he understood staff to find this an unusual situation that met the Mini Brooks Act and asked that management provide a complete discussion on how they arrive at their decision.

City Manager Griffin summarized the discussion by: 1) this Resolution allows project to move forward to the next step; 2) allows for meeting deadline of State for project specifications; 3) staff will present a fair and reasonable scope 4) McGill did the preliminary engineering report and wrote the grant proposal for the project which received a very timely response from the State; and 5) the timely response speaks to the need for the plant upgrade. Mr. Griffin emphasized the staff will honor Council's request to be fair in their decision making.

Council Member Daeke asked if there is any room for negotiation on the loan and Council Member Inscoe asked if a grant extension might be considered. Mr. Frazier referred these questions to Mr. Doug Chapman from McGill who stated he has never known the State to negotiate or allow an extension. Mr. Frazier read a portion of a State letter enclosed with the agenda package, which stated if the deadline was not met the grant would be forfeited. This spoke to the submittal of the Preliminary Engineering Report.

City Manager Griffin asked Mr. Frazier to speak with the State official for an official answer to Council's questions. He then reminded Council that this is a \$16.5M project with \$1M in the form of principal forgiveness and indicated he felt this was the best opportunity the City would receive for the project without getting involved in a bond issue.

There was no other discussion so Mayor O'Geary asked for Council's pleasure.

Council Member Kearney moved approval of Resolution 11—103, *Approving an Exemption to the Mini Brooks Act Relative to Engineering Services Needed in Conjunction with Improvements at the Henderson Water Reclamation Facility*. Motion seconded by Council Member Rainey and APPROVED by the following vote: YES: Rainey, Daeke, Daye, Kearney, and Inscoe. NO: Coffey. ABSENT: Davis and Peace-Jenkins. (See Resolution Book 8, p 207)

OTHER BUSINESS

Mayor O'Geary asked if there were any other items of business.

City Manager Griffin then introduced C. B. Butch Watson as the Interim Finance Director who will fill Finance Director Sandra Wilkerson's position after she retires October 31st. Council Members welcomed Mr. Watson.

ADJOURNMENT

Council Member Inscoe moved for adjournment. Motion seconded by Council Member Kearney and unanimously approved. The meeting adjourned at 12:30 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk

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