



## **AGENDA**

**Henderson City Council Work Session  
Monday, 27 August 2012 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 Vernon L. Brown  
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 Approval of Resolution 12-71, Authorizing the Execution of a Contract with Environmental Engineering & Technology (EE&T) for Engineering/Inspection Services in Conjunction with a State Revolving Fund Loan for the High Service Pump Replacement and New Warren County Meter Vault for the Regional Water System. (CAF 12-A-88) [See Notebook Tab 6]
- Resolution 12-71
- b)* Consideration of Approval of Resolution 12-64, Approving the Submission of the Application of an Urban Progress Zone Designation. (CAF 12-93) [See Notebook Tab 7]
- Resolution 12-64

- c) Consideration of Approval of Ordinance 12-58, Approving Demolition of 301 Charles Street; Ordinance 12-59, Approving Demolition of 309 Charles Street; Ordinance 12-60, Approving Demolition of 315 Charles Street; and Ordinance 12-61, Approving Demolition of 318 Rowland Street. *(CAF 12-106; 12-107; 12-108 and 12-109) [See Notebook Tab 8]*
- Ordinance 12-58
  - Ordinance 12-59
  - Ordinance 12-60
  - Ordinance 12-61
- d) Consideration of Approval of Ordinance 12-62, Approving Demolition of 587 Beckford Drive. *(CAF 12-110) [See Notebook Tab 9]*
- Ordinance 12-62
- e) Consideration of Approval of Ordinance 12-63, Approving Demolition of 707 Marshall Street. *(CAF 12-111) [See Notebook Tab 10].*
- Ordinance 12-63
- f) Consideration of Approval of Ordinance 12-64, Approving Demolition of 710 Marshall Street. *(CAF 12-112) [See Notebook Tab 11]*
- Ordinance 12-64
- h) Consideration of Approval of Resolution 12-05, Consideration of Declaring the Old SNB Bank Building on Garnett Street as Surplus Property and Authorizing the Solicitation of Proposals from Realtors to Market and Sell said Building. *(CAF 12-18) [See Notebook Tab 12]*
- Resolution 12-05
- i) Consideration of CM 12-12, Electric Pole Replacement Downtown. *[See Notebook Tab 13]*
- j) Consideration of Update on Henderson Water Reclamation Facility. Power Point Presentation. *No documents for this agenda provided.*

## V. ADJOURNMENT

**City Council Minutes**  
**Work Session**  
**27 August 2012**

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**PRESENT**

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoe, D. Michael Rainey, Brenda Peace-Jenkins, Garry Daeke, Vernon L. Brown, and George M. Daye.

**ABSENT**

None.

**STAFF PRESENT**

City Manager Ray Griffin, City Clerk Esther McCrackin, Assistant City Manager Frank Frazier, Finance Director Kathy Brafford, Engineering Director Peter Sokalski, Planning Director Erris Dunston, Code Compliance Director Corey William, Henderson Water Reclamation Facility Director Tom Spain and Kerr Lake Regional Water Director Christy Lipscomb.

**CALL TO ORDER**

The 27 August 2012 Work Session of the Henderson City Council was called to order by Mayor James D. O'Geary at 7:31 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 if there were any adjustments to the Agenda. No requests were made to adjust the Agenda. Mayor O'Geary asked for the pleasure of Council and it was the consensus of Council to accept the Agenda as presented.

## WORK SESSION ITEMS

**Authorizing the Execution of a Contract with Environmental Engineering & Technology (EE&T) for Engineering/Inspection Services in Conjunction with a State Revolving Fund Loan for the High Service Pump Replacement and New Warren County Meter Vault for the Regional Water System.** *(Reference: CAF 12-A-88; Resolution 12-71)*

City Manager Griffin asked Assistant City Manager Frazier to lead this discussion. Mr. Frazier reminded Council that at the last meeting the resolution for the high speed pump replacement was approved. He said this is part of the process and is also part of the 20MGD project. EE&T did the original design and staff requests approval of this contract to take the project to the next level. There was no discussion.

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

**Approving the Submission of the Application of an Urban Progress Zone Designation.** *(Reference: CAF 12-93; Resolution 12-64)*

City Manager Griffin asked Planning Director Erris Dunston and Economic Development Commission Director Stuart Litvin to update Council on the Urban Progress Zone Designation. Ms. Dunston said this designation is an incentive for businesses to locate in low income areas. According to the State program criteria, Henderson qualifies as a Tier 1 County and Ms. Dunston said the zones meeting the criteria were identified from the 2010 census. Ms. Dunston recently spoke with State personnel to confirm areas abutting these zones may also be considered as part of the low income areas. There are three zones within Henderson that meet the criteria --- census tracts 960500, 960700 and 960900 within the City.

Mr. Litvin first thanked Council for their affirmation of the Rural Grant for Prospect 12-3 and went on to explain more about the Tier 1 program. He said the 2006 tax credit program, called Article 3J Credits, provides businesses with tax credits for creating jobs, investing in business property and investing in real property. Ultimately, a business could receive up to \$15,500 per job. Mr. Litvin said the program does not include retail businesses/

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

**Consideration of Approval of Ordinance 12-58, Approving Demolition of 301 Charles Street; Ordinance 12-59, Approving Demolition of 309 Charles Street; Ordinance 12-60, Approving Demolition of 315 Charles Street; and Ordinance 12-61, Approving Demolition of 318 Rowland Street.** *(Reference: CAF 12-106; 12-107; 12-108 and 12-109)*

City Manager Griffin said these four properties are grouped together because they are all owned by the same individual. He then asked Code Compliance Director Corey Williams to address council regarding these demolition requests. Mr. Williams explained that these properties are all owned by Mr. Luis Medina and wife, Veronica who currently reside in Texas and directed

Council to the e-mail Mr. Medina sent on 23<sup>rd</sup> August. He said Mr. Jack Blackburn is representing Mr. Medina and asked Mr. Blackburn to present Mr. Medina's request.

Mr. Blackburn explained how Mr. Medina came to own these properties in 2005, and said that because of the turnaround in the housing situation soon after, Mr. Medina was unable to "flip" the property and has only been able to keep current with the mortgage payments. Mr. Blackburn said Mr. Medina is asking for a 90 day grace period so he can arrange for a short sale of the property. Mr. Carl Pike, from Triangle North Realty, also sent an e-mail stating he has inspected the properties and is willing to prepare a listing, depending on Council's decision.

Council Member Kearney asked how many properties were initially purchased and where the lending bank is located. Mr. Blackburn responded initially 6 houses and 1 vacant lot. Mr. Medina later purchased two more properties with structures. The New Republic Bank is currently located in Rocky Mount, NC.

Council Member Daeke asked about the timeframe and Mr. Blackburn responded 90 days. Mr. Blackburn went on to say Mr. Medina understood the situation and did not want the City to have to be responsible for demolition, thus needing time to sell. Mr. Blackburn said Mr. Medina is planning to remove the out-buildings on the properties.

Council Member Coffey asked if the Medina's had made any money from the properties and what it would cost to bring the properties up to code. She also asked if Mr. Medina would redo securing the buildings if broken into and whether Mr. Pike was confident he could sell the property. Mr. Blackburn said he thought a couple might have been rented for a short time. The cost to bring them up to code would be substantial, however, Mr. Medina knows he cannot continue to own and is willing to keep the grass cut and board up the buildings until they are sold. Mr. Blackburn said it would be Mr. Medina's responsibility to keep the buildings secure and he said he thought Mr. Pike had potential buyers.

Council Member Rainey asked about the cost of demolition. Mr. Williams said \$20,000 was a conservative figure.

Council Member Inscoc asked if the properties can be sold once the City approves demolition. City Manager Griffin said confirmation with the City Attorney would be necessary but he thought a bond could be placed up until a demolition contract is signed. Mr. Inscoc asked that Mr. Medina provide the city with a letter/document confirming his agreement to secure the buildings, mow grass, etc. be received prior to Council approving the 90 day extension. Mr. Blackburn felt Mr. Medina would be willing to do this.

Council Member Kearney questioned whether there was an option to have both timelines run concurrent (i.e., the 90 day extension and the City's next step in the demolition process). Mr. Williams said yes.

Council Member Brown asked for verification that Mr. Blackburn and Mr. Pike would not leave Mr. Medina stranded during the process. Mr. Blackburn said they would not.

Code Compliance Director specifically mentioned lis pendens had already been filed and that Mr. Medina is aware the process continues even with the extension. He also said code requires sealing the structures with boards placed into the window frames, etc. so it is well sealed and more difficult to vandalize. It was also verified the 90 day extension would begin with Council's approval at the September meeting.

With no further discussion, it was the consensus of Council to bring this matter forward to the next regular meeting.

**Demolition of 587 Beckford Drive.** *(Reference: CAF 12-110; Resolution 12-62)*

Code Compliance Director Corey Williams said the proper code enforcement process has been followed and no problems are foreseen with going forward with this demolition. There was no discussion.

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

**Demolition of 707 Marshall Street.** *(Reference: CAF 12-111; Resolution 12-63)*

Code Compliance Director Corey Williams said heirs currently own this property which has been abandoned for a few years. He said proper enforcement procedures have been followed and no problems are foreseen. There was no discussion.

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

**Demolition of 710 Marshall Street.** *(Reference: CAF 12-112; Resolution 12-64)*

Code Compliance Director Corey Williams said this property is currently owned by a finance company and although proper enforcement procedures have been followed, the finance company has not responded. There was no discussion.

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

**Consideration of Declaring the Old SNB Bank Building on Garnett Street as Surplus Property and Authorizing the Solicitation of Proposals from Realtors to Market and Sell said Building.** *(Reference: CAF 12-18; Resolution 12-05)*

City Manager Griffin said the Land Planning Committee met on 22 August to discuss the disposition of the old bank building which continues to be vacant and deteriorating. The Committee unanimously recommends selling the property. Mr. Griffin also shared a 2007 appraisal which valued the property at \$60,000. Since that time the property has continued to deteriorate. He also said at one time this building was considered as an option for the High Speed Rail Station; however, the building is no longer considered for a station due to the location.

Council Member Daeke asked if individuals could be exempt if they expressed interest prior to the signing of a sales contract. Mr. Griffin said yes.

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

#### **Downtown Progress Energy Pole Replacements** (*Reference: CM 12-12*)

City Manager Griffin asked Assistant City Manager Frazier to present this issue. Mr. Frazier said this is a project that has been in the works for some time and although it still needs work, it is appropriate to bring to Council for consideration at this time. Mr. Frazier said Mr. Gerial Proctor from Progress Energy will present the project.

Mr. Proctor said the existing poles in the downtown area of Henderson are approximately 75-80 years old and no longer meet code. It is the suggestion of the power company to replace the poles with decorative black poles which match/compliment the existing poles in the Embassy block. Mr. Proctor said there is no cost to the City for these replacements other than incidental costs (i.e., sidewalk repair and the like) and he did say the cost of lighting is slightly higher but it is anticipated there will be fewer light poles as the new lights will be LED lights. The poles will also be higher which may be an issue with second floor residential units. Another issue will be the need to shut off power at various times; however, Progress Energy will work on weekends and nights to limit the inconvenience.

Council Member Kearney inquired about the estimated \$25,000 construction costs to the City. Mr. Frazier responded that is a guesstimate for things like sidewalk repair and brick layout around the poles.

Council Member Rainey asked if the poles could be used for Christmas decorations. Mr. Proctor said yes.

Mr. Frazier said part of this project would involve the NCDOT raising traffic signals to the proper height and installing LED lights.

There were no further questions and this replacement project will be brought back to Council when it is ready to proceed which is anticipated to be sometime the beginning of the year.

City Manager Griffin thanked Mr. Proctor for all his work in finding a win-win situation.

#### **Update on Henderson Water Reclamation Facility. Power Point Presentation.** (*No Reference material*)

Assistant City Manager Frank Frazier, Henderson Water Reclamation Facility Director Tom Spain and McGill Associates Andy Lovingood presented an update on this project. Mr. Lovingood said there have been some changes since the last update --- items that will make the plant more cost efficient such as building new clarifiers rather than updating the old clarifiers

and re-aligning the plant structure so the waste will flow through 17 pumps one time rather than the current 41 pumps 3 times. After completing his presentation showing what the new plant will look like, he opened the floor for questions.

Council Member Inscoe asked how much horsepower reduction is anticipated. Mr. Lovingood said he could not provide specific information at this time but felt it would be significant. Mr. Spain said there will be significant reduction in the amount of chemicals used. Mr. Inscoe asked for verification that once complete, the plant will be a state-of-the-art generic facility. Mr. Lovingood said yes and reminded Council that the City will be well positioned for future new regulations.

Council Member Coffey asked if this is the first of its kind or if others exist. Mr. Lovingood mentioned several municipalities either in the process of or already using --- Hickory, Statesville, and Oxford.

Council Member Rainey asked about down time and Mr. Lovingood said none is expected and went on to say approximately 65,000 man hours are expected to complete the construction.

Mr. Lovingood said the next step in the process is requesting bids which should go out in September with the bid openings in October. Council Member Coffey asked about the bidding timeframe and Mr. Lovingood said because of the size of the project the bidding time may be extended.

Council was in agreement the project is moving forward in a timely manner.

Mayor O'Geary asked if there were any other items of business. There being none, he asked if Council was ready to adjourn.

## **ADJOURNMENT**

Council Member Rainey moved for adjournment. Motion seconded by Council Member Daye and unanimously approved. The meeting adjourned at 8:47 p.m.

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James D. O'Geary  
Mayor

***ATTEST:***

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Esther J. McCrackin, City Clerk