



AGENDA

Henderson City Council Regular Meeting

Monday 9 June 2014, 6:00 p.m.

**R. G. (Chick) Young, Jr. Council Chambers, Municipal Building
134 Rose Avenue
Henderson, North Carolina**

Mayor and City Council Members

Mayor James D. O'Geary, Presiding

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

Councilmember Brenda Peace-Jenkins
Councilmember Garry D. Daeke
Councilmember Fearldine A. Simmons
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. INVOCATION AND PLEDGE OF ALLEGIANCE

IV. OPENING REMARKS

In order to provide for the highest standards of ethical behavior and Transparency in Governance as well as provide for good and open government, the City Council has approved Core Values regarding Ethical Behavior¹ and Transparency in Governance². The Mayor now inquires as to whether any Council Member knows of any conflict of interest, or appearance of conflict, with respect to matters before the City Council. If any Council Members knows of a conflict of interest, or appearance of conflict, please state so at this time.

¹ **Core Value 4: Ethical Behavior:** We value the public trust and will perform our duties and responsibilities with the highest levels of integrity, honesty, trustworthiness and professionalism.

² **Core Value 10: Transparency in Governance:** We value transparency in the governance and operations of the City.

V. ADJUSTMENTS TO AND/OR APPROVAL OF THE AGENDA

VI. APPROVAL OF MINUTES

- a) 12 May 2014 Regular Meeting *[See Notebook Tab 1]*
- b) 19 May 2014 Special Called Meeting – Budget Presentation
- c) 20 May 2014 Budget Work Session #1
- d) 22 May 2014 Budget Work Session #2

VII. PRESENTATIONS/RECOGNITIONS

- a) Introduction of City Engineer Clark Thomas

VIII. PUBLIC HEARING

- a) Conduct Budget Public Hearing on FY14-15 Budget
 - Public Hearing
- b) Consideration of Approval of Ordinance 14-34, Adoption of FY14-15 Budget, and Resolution 14-42, Adoption of May 2014 Classification and Pay Study. (CAF 14-62-A) *[See Notebook Tab 2]*
 - Ordinance 14-34
 - Resolution 14-42

IX. PUBLIC COMMENT PERIOD ON AGENDA ITEMS

Citizens may only speak on non-Agenda items only at this time. Citizens wishing to address the Council must sign-in on a form provided by the City Clerk prior to the beginning of the meeting. The sign-in form is located on the podium. When recognized by the Mayor, come forward to the podium, state your name, address and if you are a city resident. Please review the Citizen Comment Guidelines that are provided below.³

³ Citizen Comment Guidelines

The Mayor and City Council welcome and encourage citizens to attend City Council meetings and to offer comments on matters of concern to them. Citizens are requested to review the following public comment guidelines prior to addressing the City Council.

- 1) Citizens are requested to limit their comments to five minutes; however, the Mayor, at his discretion, may limit comments to three minutes should there appear to be a large number of people wishing to address the Council;
- 2) Comments should be presented in a civil manner and be non-personal in nature, fact-based and issue oriented. Except for the public hearing comment period, citizens must speak for themselves during the public comment periods;
- 3) Citizens may not yield their time to another person;
- 4) Topics requiring further investigation will be referred to the appropriate city official, Council Committee or agency and may, if in order, be scheduled for a future meeting agenda;
- 5) Individual personnel issues are confidential by law and will not be discussed. Complaints relative to specific individuals are to be directed to the City Manager;
- 6) Comments involving matters related to an on-going police investigative matter and/or the court system will not be permitted; and
- 7) Citizens should not expect specific Council action, deliberation and/or comment on subject matter brought up during the public comment section unless and until it has been scheduled as a business item on a future meeting agenda.

X. OLD BUSINESS

- a) Consideration of Approval of Resolution 14-31, Rejecting the Offer by Prestigious Housing, Inc., to Purchase the Old First National Bank Building located at 213 S. Garnett Street. (CAF 14-54-A) [See Notebook Tab 3]
- Resolution 14-31

XI. NEW BUSINESS

- a) Consideration of Approval of: 1) Resolution 14-17-A, Authorizing the Execution of Change Order #4 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc. in the Amount of \$41,224.61, and 2) Ordinance 14-26-A FY14 Budget Amendment #37, Amending the CIP Sewer Fund for Change Order #4 to the Water Reclamation Facility Renovation Project. (CAF 14-06-A) [See Notebook Tab 4]
- Resolution 14-17-A
 - Ordinance 14-26-A
- b) Consideration of Approval of Resolution 14-11-A, Authorizing the Execution of Change Order #1 in Conjunction with the David Avenue Storm Sewer Replacement Project in the Amount of \$4,000 with M. T. Murphy, Inc. (CAF 14-17-A) [See Notebook Tab 5]
- Resolution 14-11-A
- c) Consideration of Approval of Resolution 14-45, Authorizing the Mayor to Execute an Agreement with ECS Carolinas, LLP to Perform Construction Materials Testing Services Relative to the Sandy Creek Pump Station Improvements Project. (CAF 14-71) [See Notebook Tab 6]
- Resolution 14-45
- d) Consideration of Approval of Resolution 14-19-A, Authorizing Additional Areas for Water Main and Services Replacement to the 2" Water Main and Services Replacement Project Subject to Approval from DWSRF and Availability of Remaining Funds. (CAF 14-26-A) [See Notebook Tab 7]
- Resolution 14-19-A
- e) Consideration of Approval of Ordinance 14-17, Providing for Four Additional Handicap Parking Spaces on Sunday Near the First Baptist Church. (CAF 14-67) [See Notebook Tab 8]
- Ordinance 14-17

- f) Consideration of Approval of Resolution 14-43, Appointments to the Henderson Community Appearance Commission, Henderson-Vance Human Relations Commission, Henderson Redevelopment Commission and the Henderson Planning Board. (CAF 14-68) [See Notebook Tab 9]

- Resolution 14-43

XII. CONSENT AGENDA

All matters listed under the Consent Agenda have either been previously discussed by City Council during a previous meeting and/or are considered in the ordinary course of business by the City Council and will be enacted-on by one motion and a roll call vote in the form listed. If discussion is desired by either the Council or the Audience, the item in question will be removed from the Consent Agenda and considered separately after the revised consent agenda has been approved.

- a) Consideration of Approval of Resolution 14-44, Issuing Sewer Credit for Outside Watering of Lawns, Plants and Vegetation for the 1 June 2014 through 31 October 2014 Billing Statements. (CAF 14-70) [See Notebook Tab 10]

- Resolution 14-44

- b) Consideration of Approval of Tax Releases and Refunds from Vance County for the Month of April 2014. (CAF 14-66) [See Notebook Tab 11]

XIII. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

Citizens may only speak on non-Agenda items only at this time. Citizens wishing to address the Council must sign-in on a form provided by the City Clerk prior to the beginning of the meeting. The sign-in form is located on the podium. When recognized by the Mayor, come forward to the podium, state your name, address and if you are a city resident. Please review the Citizen Comment Guidelines that are provided below.⁴

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XIV. REPORTS

- a)** Mayor/Mayor Pro-Tem (No Report)
- b)** City Manager (No Report)
- c)** City Attorney (No Report)
- d)** City Clerk
 - i. Meeting and Events Calendar [*See Notebook Tab 12*]
 - ii. E-911 May Report

XV. CLOSED SESSION

- a)** Pursuant to G.S. §143-318.11 (a)(3) regarding Attorney/Client Privilege

XVI. ADJOURNMENT

City Council Minutes

Regular Meeting

9 June 2014

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 D. Daeke, Fearldine A. Simmons, and George M. Daye.

ABSENT

None.

STAFF PRESENT

City Manager A. Ray Griffin, City Attorney John H. Zollicoffer, Jr., City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, City Engineer Clark Thomas, Police Chief Marcus Barrow, Fire Chief Danny Wilkerson, Interim Recreation and Parks Director Steve Osborne, Youth Services Director Donna Stearns, Kerr Lake Regional Water Director Christy Lipscomb, Human Resources Director Cathy Brown, and Code Compliance Director Corey Williams.

CALL TO ORDER

The 9 June 2014 Regular Meeting of the Henderson City Council was called to order by Mayor O'Geary at 6:00 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.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Simmons led those present in a prayer and the Pledge of Allegiance.

OPENING COMMENTS

Mayor O'Geary said it was great to see so many in attendance this evening and welcomed everyone.

ADJUSTMENTS TO/APPROVAL OF AGENDA

Mayor O'Geary asked if there were any adjustments to the Agenda. City Attorney John Zollicoffer, Jr. said the Closed Session will be to discuss the lawsuit by the City of Oxford against the City of Henderson, Warren County and Granville County. Council Member Inscoe moved to accept the Agenda as presented. Motion seconded by Council Member Peace-Jenkins and unanimously approved.

APPROVAL OF MINUTES

Mayor O'Geary asked for any corrections to and/or approval of the minutes. Council Member Daeke moved the approval of the 12 May Regular Meeting; 19 May Special Called Meeting minutes; 20 May Budget Work Session #1 minutes and 22 May Budget Work Session #2 minutes, as presented. Motion seconded by Council Member Coffey and unanimously approved.

PRESENTATIONS/RECOGNITIONS

City Manager Griffin asked Assistant City Manager Frazier to introduce the newest member of management. Mr. Frazier said he is very pleased to introduce Mr. Clark Thomas as the new City Engineer. Today is his first day and he has already been in several meetings. Mr. Frazier said he has worked with Mr. Thomas previously and is looking forward to having him as part of the City. Mr. Thomas said he looks forward to working for the City.

City Manager Griffin announced that Ms. Sherry Moss, Zoning Administrator has submitted her resignation, effective 20 June. She will be moving to a position in Granville County where she will continue to grow and develop. Mr. Griffin said he is proud of her growth and that she will be sorely missed. Code Compliance Director Corey Williams is working on a transition plan as the Zoning Department now has no employees.

PUBLIC HEARING

FY14-15 Budget

City Manager Griffin began by saying the proposed FY14-15 Budget was presented to Council on 19 May 2014. Two budget work sessions were held on 20 May and 22 May at which time a consensus of Council was reached with the following recommendations:

Regional Water Fund – The recommended 5% rate increase was reduced to 4% by reducing contributions to Fund 78 (Regional Capital Reserve Fund).

Water Fund – The recommended 5% rate increase was reduced to 3.5% by reductions in the 30-818 (Purchase for Resale line item) and transfer to 79 (Rate Stabilization Fund Capital Reserve Fund) to compensate for the reduced revenues.

Sewer Fund – No changes were made to the fund or the recommended 3% rate increase.

General Fund – No Property Tax or Sanitation Fee increases were recommended. However, Council did ask the City Manager to find \$800 in the proposed budget to support the Boys and Girls Club. To accomplish this, \$400 was transferred from each of the following funds 10-510 (Police) and 10-530 (Fire). All other recommendations in this Budget were accepted.

Other Funds – No changes were made to any of the following funds: 11 (Powell Bill); 40 (Library Trust Fund) ; 50 (LEO Trust Fund); 51 (Elmwood Cemetery Trust Fund); 70 (Capital Reserve Utilities Fund); 72 (Capital Reserve General Fund); 73 (Capital Reserve Economic Development Fund)

Before opening the Public Hearing, Mayor O’Geary reminded citizens to sign-in if they wish to address Council on any item other than the Budget. He asked those speaking on the budget to limit their comments to no more than three (3) minutes. He then opened the Public Hearing by asking if anyone present wished to speak in favor of the proposed budget.

No one came forward. so Mayor O’Geary then asked if anyone was present who wished to speak in opposition to the proposed budget.

Mr. Phil Hart, Louisburg. Mr. Hart is Chair of the Henderson-Vance Downtown Development Commission (DDC) and owns a business in downtown Henderson. He spoke on behalf of the DDC and began by saying several members of its Board are in attendance as a show of support. Those members were Curtis White, Lois Williams, David Carroll, David Headley, Stuart Litvin, John Barnes, and Marcus Barrow. Mr. Hart then read three pages of reasons for retaining the Main Street Manager position. The document is incorporated by reference and hereby made part of these minutes (See Attachment A)

Mr. Tom Church, Henderson (address not provided). Mr. Church asked Council to reconsider funding the Main Street Manager position. He said the position is needed to help revitalize downtown and to improve the economy of Henderson.

Mr. Stuart Litvin, 935 South Chestnut Street. Mr. Litvin said he was speaking mainly as a citizen this evening although he is the Henderson Vance Economic Development Director. He said the Main Street Manager position should be viewed as an investment, not an expense. Mr. Litvin feels the opening of the performing arts center puts the City on the cusp of something great and does not want the City to send the wrong message. He added a point person is needed and respectfully requested the Council to reconsider retaining the Main Street Manager position.

Ms. Andrea Harris, 340 West Rock Spring Street. Ms. Harris asked that Council be sensitive to its citizens. She felt Council should be honest because although taxes are not increasing the fees will increase and many are on fixed income. She asked Council to identify needs and increase its efforts to meet those needs. She also spoke on behalf of the Downtown Development Commission position.

No other citizens came forward so Mayor O'Geary closed the Public Hearing and asked for Council's pleasure,

Council Member Daeke thanked everyone for their comments. He felt Council should reconvene on Tuesday evening to consider these comments along with several issue he has concerns about such as not having any contingency funds, the fleet management fund, and no street resurfacing program. Mr. Daeke felt Council should talk more about priorities and how to address those issues.

Council Member Rainey agreed and added citizen input is good and they have valid points. He also said Council works to do its best ability to do what is right for the City and citizens.

Council Member Coffey clarified that although Coffey Bail Bonds is listed on part of the document presented by Mr. Phil Hart, Chair of the Henderson-Vance Downtown Development, as having moved out of downtown, she only relocated her business because she is in the process of retiring.

Council Member Inscoe made a motion to continue the budget discussion on Tuesday 10 June.

Council Member City Manager Kearney concurred with another meeting, but asked if Council would be willing to meet on Thursday instead of Tuesday. Thursday evening was inconvenient for several and after a brief discussion it was the consensus to meet on Wednesday 11 June at 6:00 p.m. City Manager Griffin suggested Council recess this meeting rather than adjourn for further budget discussions and for discussion on any other items of business.

For the record, Council Member Kearney stated by Statute monies in the water and sewer fund cannot be used for General Fund purposes and the increase is required due to decreased usage. City Manager concurred saying the water/sewer funds cannot be used to support the General Fund and neither can the General Fund monies be used to support the Water/Sewer Funds.

Council Member Rainey asked Mr. Hart about the expenses for the Zene Street property. Mr. Hart said the general liability insurance policy of approximately \$3,000 requires power and water be current on the property.

In response to Ms. Harris' comment about raising taxes instead of fees, Council Member Coffey emphasized the City has fewer homeowners than renters which means the homeowners would carry the bulk of the cost.

Council Member Inscoe commented citizens need to understand that the General Assembly, in its wisdom, is doing away with the privilege license tax which will reduce the City's income in the coming years by an estimated \$211,000.

Adoption of FY14-15 Budget and Adoption of May 2014 Classification and Pay Study.
(Reference: (CAF 14-62-A, Ordinance 14-34, Resolution 14-42)

(Clerk's Note: Because Council will continue budget discussions at a later date, this item was not considered for approval during this meeting.)

PUBLIC COMMENT PERIOD ON AGENDA ITEMS

The City Clerk advised the Mayor and Council Members that no citizen wished to speak to Council on agenda matters.

OLD BUSINESS

Rejecting the Offer by Prestigious Housing, Inc., to Purchase the Old First National Bank Building Located at 213 South Garnett Street. (Reference: CAF 14-54-A; Resolution 14-31)

City Manager Griffin explained the Land Planning Committee met on 22 May 2014 to consider the action taken by Council on 12 May 2014. In light of the adoption of a Procedure for Purchasing City Owned Property, it was the unanimous decision of the Committee to recommend rejection of the bid offer by Kenneth G. Stevenson, owner of Prestigious Housing, Inc., in light of the significant amount in back taxes owed by several businesses owned by Mr. Stevenson.

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

Council Member Rainey moved the approval of Resolution 14-31, *Rejecting the Offer by Prestigious Housing, Inc., to Purchase the Old First National Bank Building Located at 213 South Garnett Street.* Motion seconded by Council Member Kearney and APPROVED by the following vote: YES: Kearney, Coffey, Inscoc, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 9)

NEW BUSINESS

Authorizing the Execution of Change Order #4 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc. in the Amount of \$41,224.61 and FY14 Budget Amendment #37, Amending the CIP Sewer Fund for Change Order #4 to the Water Reclamation Facility Renovation Project. (Reference: CAF 14-06-A; Resolution 14-17-A, Ordinance 14-26-A)

City Manager Griffin said the next several items would be reviewed by Assistant City Manager Frank Frazier. Mr. Frazier said this change order includes modifications to the electrical service (\$10,558.49) and the addition of an Oxidation Ditch (30,666.12). He then asked Mr. Doug Chapman, from McGill Associates, to explain these changes further. Mr. Chapman said after discussions with staff it was determined placing the electrical service underground would be advantageous. He said the additional PLC is for backup purposes.

Council Member Inscoe asked what each PLC costs. Mr. Chapman said approximately \$10,000. Mr. Inscoe felt \$10,000 was a large amount for backup when the work can be completed manually until replacement parts arrive if one PLC fails.

Council Member Daeke asked if a decision could be delayed. Mr. Chapman and Mr. Frazier both said it would be best to make a decision at this time.

Council Member Peace-Jenkins asked if the second PLC is convenience oriented. Mr. Chapman responded it would offer security. Council Member Kearney asked if the second PLC would extend the life of the primary PLC. Mr. Chapman responded no.

Council Member Rainey asked how many PLC's are there. Mr. Chapman said he could not say with certainty but they are on all the equipment.

Council Member Kearney suggested this item be referred back to staff. Mr. Frazier said there is a time crunch with the electrical portion of this item and asked if Council would be willing to separate this item so the electrical portion could be considered this evening. City Manager Griffin suggested amending this item and bringing it back to Council on Wednesday evening.

It was the consensus of Council to bring this item back to Council on 11 June 2014 for further consideration.

Authorizing the Execution of Change Order #1 in Conjunction with the David Avenue Storm Sewer Replacement Project in the Amount of \$4,000 with M.T. Murphy, Inc.
(Reference: CAF 14-17-A; Resolution 14-11-A)

Assistant City Manager Frazier said this replacement project was approved on 24 February 2014. The project is nearly complete; however, there is a small portion of a 15" concrete pipe that has been found to be in need of replacement. The cost to make this replacement is \$4,000. A portion of this expense will come from the Storm Drain Improvement Account (\$1,578) and the remaining amount will be transferred from the Resurfacing Account (\$2,422).

Council Member Kearney asked why it costs \$265 per foot. Mr. Frazier said he suspected overhead costs along with mobilization costs as the contract has removed much of his equipment.

Council Member Coffey asked if this would finish the project. Mr. Frazier responded yes.

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

Council Member Kearney moved the approval of Resolution 14-11-A, *Authorizing the Execution of Change Order #1 in Conjunction with the David Avenue Storm Sewer Replacement Project in the Amount of \$4,000 with M.T. Murphy, Inc.* Motion seconded by Council Member Rainey and APPROVED by the following vote: YES: Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney and Coffey. NO: None. ABSTAIN: None. ABSENT: None. *(See Resolution Book 3, p 285-A)*

Authorizing the Mayor to Execute an Agreement with ECS Carolinas, LLP to Perform Construction Materials Testing Services Relative to the Sandy Creek Pump Station Improvements Project. (Reference: CAF 14-71; Resolution 14-45)

Mr. Frazier said this project is underway but just like the Henderson Water Reclamation Project, testing of concrete and other portions of this project need to be performed for the Sandy Creek project. Both City staff and McGill Associates have reviewed the proposal from ECS Carolinas, LLP and it is recommended that Council approve this agreement. There are sufficient funds within the Legal, Testing, and Administration line items to cover the testing costs.

There was no discussion.

Council Member Rainey moved the approval of Resolution 14-45, *Authorizing the Mayor to Execute an Agreement with ECS Carolinas, LLP to Perform Construction Materials Testing Services Relative to the Sandy Creek Pump Station Improvements Project*. Motion seconded by Council Member Coffey and APPROVED by the following vote: YES: Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey and Inscoe. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 37)

Authorizing Additional Areas for Water Main and Services Replacement to the 2” Water Main and Services Replacement Project Subject to Approval From DWSRF and Availability of Remaining Funds. (Reference: CAF 14-26-A; Resolution 14-19-A)

Assistant City Manager Frank Frazier said this is better news --- this project is approximately 95% complete and the total cost to date is \$987,867.00. With approximately 57% of the total project cost expended, it is possible for up to an additional seven (7) streets to be included in this project as long as the State approves. In anticipation of approval by NCDENR and DWSRF, preliminary designs are being drafted for the following streets: Orchard and Vicksboro roads and Eaton, Walnut, Railroad, Mulberry and Montgomery streets. pation of replacing the water mains.

Council Member Kearney asked about the patching impact on the budget. Mr. Frazier said the loan does not allow for overlay.

Council Member Coffey asked then what happens since patches don't last. Mr. Frazier said the only thing the City can do is to ensure the patches are well done until the streets can be properly resurfaced.

Mayor O'Geary now asked for the pleasure of Council.

Council Member Daeke moved the approval of Resolution 14-19-A, *Authorizing Additional Areas for Water Main and Services Replacement to the 2” Water Main and Services Replacement Project Subject to Approval From DWSRF and Availability of Remaining Funds*. Motion seconded by Council Member Daye, and APPROVED by the following vote: YES: Daeke, Simmons, Daye, Kearney, Coffey, Inscoe, Rainey and Peace-Jenkins. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 3, p 303-A)

Providing for Four Additional Handicap Parking Spaces on Sunday Near the First Baptist Church. (Reference: CAF 14-67; Ordinance 14-17)

Assistant City Manager Frazier said a request was received from the First Baptist Church due to the aging population. The Church is requesting a total of four (4) additional handicap parking spaces to be located on Wyche and Winder streets. The proposed spaces are for Sunday only and the approximate cost of additional signs and poles is \$40 each, not including labor for placing the signs.

Council Member Rainey asked if the signs would reflect this is for Sundays only so no tickets will be given out during the week. Mr. Frazier said the signs would be marked appropriately and Police Chief Barrow confirmed tickets would only be issued on Sundays.

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

Council Member Inscoc moved the approval of Ordinance 14-17, *Providing for Four Additional Handicap Parking Spaces on Sunday Near the First Baptist Church*. Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Simmons, Daye, Kearney, Coffey, Inscoc, Rainey, Peace-Jenkins, and Daeke. NO: None. ABSTAIN: None. ABSENT: None. (See Ordinance Book 9, p 97)

Appointments to the Henderson Community Appearance Commission, Henderson-Vance Human Relations Commission, Henderson Redevelopment Commission and the Henderson Planning Board. (Reference: CAF 14-68; Resolution 14-43)

City Manager Griffin asked City Clerk Esther McCrackin to enlighten Council on this matter. Ms. McCrackin said the Boards and Commissions Committee met on both 22 May 2014 and 4 June 2014 to consider four applications. It is the unanimous recommendation that the following be appointed to the various committees for the suggested terms: 1) David Carroll and Patricia Newman to the Appearance Commission for a full three-year term expiring 30 June 2017; 2) Jason Spriggs to the Henderson-Vance Human Relations Commission for a full two-year term expiring 30 June 2016; 3) Keith Coffey to the Redevelopment Commission for a full two-year term expiring 30 June 2016; and 4) Keith Coffey to the Henderson Planning Board as an Alternate for a full two-year term expiring 30 June 2016.

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

Council Member Daeke moved the approval of Resolution 14-43, *Appointments to the Henderson Community Appearance Commission, Henderson-Vance Human Relations Commission, Henderson Redevelopment Commission and the Henderson Planning Board*. Motion seconded by Council Member Peace-Jenkins, and APPROVED by the following vote: YES: Daye, Kearney, Coffey, Inscoc, Rainey, Peace-Jenkins, Daeke and Simmons. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 33)

CONSENT AGENDA

The City Clerk read the Consent Agenda, summarized as follows:

Issuing Sewer Credit for outside Watering of Lawns, Plants and Vegetation for the 1 June 2014 through 31 October 2014 Billing Statements. (*Reference: CAF 14-70; Resolution 14-44*) As in years past, this resolution offers customers a credit for watering during the specified timeframe. The City has the discretion to discontinue the credit at any time if it is in the best interest of the City (such as drought and/or implementation of water conservation measures. (*See Resolution Book 4, p 35*))

Tax Releases and Refunds from Vance County for the Month of April 2014. (*Reference: CAF 14-66*). This is a routine matter which has been reviewed and approved by the Finance Director and the releases and refunds are listed below.

April 2014 Tax Releases & Refunds			
Name	Reason	Tax Year	Amount
Real & Personal Property			
Releases			
Manning, William & Beulah	Taxes Lost to Foreclosure	2003	15.25
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2003	15.25
Manning, William & Beulah	Taxes Lost to Foreclosure	2004	16.00
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2004	16.00
Manning, William & Beulah	Taxes Lost to Foreclosure	2005	16.75
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2005	16.75
Manning, William & Beulah	Taxes Lost to Foreclosure	2006	16.75
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2006	16.75
Manning, William & Beulah	Taxes Lost to Foreclosure	2007	16.75
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2007	16.75
Manning, William & Beulah	Taxes Lost to Foreclosure	2008	16.95
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2008	19.78

April 2014 Tax Releases & Refunds			
Name	Reason	Tax Year	Amount
Manning, William & Beulah	Taxes Lost to Foreclosure	2009	17.55
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2009	20.48
Manning, William & Beulah	Taxes Lost to Foreclosure	2010	17.55
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2010	20.48
Martinez, Jose	Personal Prop. Billed	2010	34.78
Champion, Alvin	Personal Prop. Billed	2011	34.78
Manning, William & Beulah	Taxes Lost to Foreclosure	2011	17.55
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2011	20.48
Champion, Alvin	Personal Prop. Billed	2012	34.78
Manning, William & Beulah	Taxes Lost to Foreclosure	2012	17.55
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2012	20.48
Adcox, Steven Ronald	Lot Lien Billed	2013	220.00
Champion, Alvin	Personal Prop. Billed	2013	36.86
Crue, Julio	Personal Prop. Billed	2013	50.60
Feggins, Kristal J	Lot Lien Billed	2013	220.00
Hawkins, Rose Lee Brow		2013	(420.93)
Manning, William & Beulah	Taxes Lost to Foreclosure	2013	18.60
Marrow, Walter Heirs	Taxes Lost to Foreclosure	2013	21.70
NCDOT	State Assessed	2013	20,891.78
Peoples, Jackie Wayne, Jr.	Personal Prop. Billed	2013	9.92
Valdes, Evelin	Personal Prop. Billed	2013	50.60
Total R&P Property Releases			\$ 21,555.32
Real & Personal Property			
Refunds			
Stokes, David	Personal Prop. Billed	2012	34.78
Stokes, David	Personal Prop. Billed	2013	36.86
Total R&P Property Refunds			\$ 71.64
Total R&P Prop. Rel. & Ref.			\$ 21,626.96
Vehicle Releases			
Ayscue, Michael Kevin	Correct Situs	2010	\$ 16.03
Ayscue, Michael Kevin	Correct Situs	2012	\$ 60.30
Ayscue, Michael Kevin	Correct Situs	2013	\$ 25.74
Cash, William Allen	Pro-Rate	2013	\$ 37.66
Garcia, Perez Jose Luis	Correct Situs	2013	\$ 148.82
Peace, Tracey Latrell	Pro-Rate	2013	\$ 9.06
Seward, Matthew William	Pro-Rate	2013	\$ 12.59
Sutton, Sandra Bullock	Pro-Rate	2013	10.1
Thompson, Robert Calvin	Correct Situs	2013	23.46
Total Vehicle Releases			\$ 343.76
Vehicle Refunds			
Broadnax, Robert Wayne	Pro-Rate	2013	\$ 0.52
Gregg, Marjorie Williams	Pro-Rate	2013	\$ 4.22
Stark, William Luther	Pro-Rate	2013	\$ 11.67
Williams, Michael Anthony	Pro-Rate	2013	2.33
Total Vehicle Refunds			\$ 18.74
Tot. Veh. Rel. & Ref.			\$ 362.50
Total All Releases & Refunds			\$ 21,989.46

Mayor O'Geary asked if anyone wished to remove an item from the Consent Agenda. There were no requests. Mayor O'Geary then asked for a motion to approve the consent Agenda

Council Member Rainey asked about the timing on the watering credit. He said several citizens have approached him as re-sodding is normally done in March and/or April. There was a brief discussion which culminated with Finance Director Kathy Brafford explaining this credit is for the May usage which is billed in June through the September usage billed in October.

City Manager Griffin said Henderson is extremely generous by continuing to offer this credit. He said many municipalities require irrigation installation for outside watering.

Council Member Coffey asked how this credit is determined. Mr. Griffin said it is determined by the consumer's average consumption and a mathematical equation.

Mayor O'Geary again asked if anyone wished to remove an item from the Consent Agenda. There were no requests. Mayor O'Geary then asked for a motion to approve the consent Agenda

Council Member Kearney moved the approval of the Consent Agenda as presented. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Kearney, Coffey, Inscoc, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: None.

PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

City Clerk McCrackin advised one citizen wished to address Council.

Ms. Andrea Harris, 340 West Rock Spring Street. Ms. Harris began by mentioning a book entitled "When Work Disappears." She said Henderson has made progress but more needs to be done and has two requests for Council. 1) To clean up the old city dump site and 2) to remove the temporary port-a-potty on the basketball court on Chestnut Street.

REPORTS

- a) Mayor/Mayor Pro-Tem (No Report)
- b) City Manager (No Report)
- c) City Attorney (No Report)
- d) City Clerk (No Report)

OTHER

Council Member Simmons thanked Ms. Harris for her comment about the port-a-potty saying she drives by that area often and never noticed it.

With no further discussion, Mayor O'Geary asked if Council was prepared to go into Closed Session and stated there would be no report following the session.

CLOSED SESSION

Council Member Rainey moved for Council to convene in closed session pursuant to G.S. §143-318.11(a)(3) for an Attorney-Client Privilege Matter regarding the lawsuit by the City of Oxford against the City of Henderson, Warren County and Granville County. Motion seconded by Council Member Daye and unanimously approved.

Council Member Rainey moved for Council to convene in open session. Motion seconded by Council Member Peace-Jenkins and unanimously approved.

Mayor O’Geary asked if Council was prepared to adjourn.

MEETING RECESSED

Council Member Inscoe moved to recess this meeting until 11 June 2014 at 6:00 p.m. for further discussion regarding the FY14-15 Budget, Change Order #4 to the Henderson Water Reclamation Facility and to consider any other items of business that may properly come before Council. Motion seconded by Council Member Daye and unanimously approved. The meeting recessed at 7:55 p.m.

James D. O’Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk

City Council Minutes
Recessed 9 June 2014 Regular Meeting
11 June 2014

PRESENT

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoc, D. Michael Rainey, Brenda Peace-Jenkins, Garry D. Daeke, Fearldine A. Simmons, and George M. Daye.

ABSENT

None.

STAFF PRESENT

City Manager A. Ray Griffin, City Attorney John H. Zollicoffer, Jr., City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, City Engineer Clark Thomas, Police Chief Marcus Barrow, Fire Chief Danny Wilkerson, Assistant Fire Chief Steve Cordell, Kerr Lake Regional Water Director Christy Lipscomb, Human Resources Director Cathy Brown, and Code Compliance Director Corey Williams.

CALL TO ORDER

The 11 June 2014 Recessed Meeting of the Henderson City Council was reconvened and to order by Mayor O'Geary at 6:00 p.m. in the lobby of the Municipal Building, 134 Rose Avenue, Henderson, NC with staff observing from Council Chambers. *(Clerk's Note: Council chose to meet in the lobby as there was an electrical outage throughout the entire building and the lobby provided enough light to conduct business)*

ROLL CALL

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

OPENING COMMENTS

Mayor O'Geary welcomed everyone to this meeting and reminded those present that tonight's meeting is a continuation of the Monday 9 June 2014 meeting.

ADJUSTMENTS TO/APPROVAL OF AGENDA

Mayor O'Geary asked if there were any adjustments and/or approval of the agenda. It was the consensus of Council to accept the agenda as presented.

Mayor O'Geary then asked City Manager Griffin to continue the FY14-15 Budget discussion.

FY14-15 Budget

City Manager Griffin said good comments were received from citizens on Monday evening. He said it was Council's desire to contemplate those comments as three of the four citizen comments regarding restoring the Main Street Manager position and one citizen commented on the increase in the water/sewer rates.

The Mayor then opened the floor for discussion.

Council Member Daeke began by saying he had some thoughts which he emailed to those Council Members for whom he had addresses for and brought copies for the others. He apologized for not getting the copies to everyone earlier but summarized his thoughts by saying Council could look at core services and make provisions to do these services well or Council could choose to do a lot of things not so well. He said he would propose re-designating the Main Street Manager position and wondered if the duties could be incorporated into the Redevelopment Committee. Mr. Daeke suggested putting more funds into the Downtown Development Commission for specific purposes such as signage and facades. He felt funds could be used from the vacant Planning and Community Development Director position until that position is filled. Mr. Daeke said he would like to see the current Main Street Manager moved to another position and felt the Downtown Development Commission would remain intact under the leadership of the current president, Phil Hart.

Council Member Kearney applauded Mr. Daeke for his efforts. Mr. Kearney's initial concern was maintaining some public image in with the Economic Development Commission. He felt input needed to be heard from the Redevelopment Committee before making such a transition and suggested the City try Mr. Daeke's suggestion for a year. He also suggested that there be a limit on any potential new Downtown Development funds of \$20,000.

Council Member Rainey thought this was a good suggestion. He sees moving the current Main Street Manager to the Zoning Administrator position as a way to ease the pressure in the Planning Department.

Council Member Inscoe clarified that this would be to fill the Zoning Administrator's position and not the vacant Director of Planning and Community Development. City Manager Griffin said that is correct.

Council Member Peace-Jenkins said she was impressed with the plan, but asked if Downtown Development would lose its Main Street designation and potential grants. Mr. Griffin responded that is correct and Council Member Inscoe added that there have not been many available grants in the last 5-7 years.

Council Member Simmons asked if the Main Street Manager's main duties are to apply for grants. City Manager Griffin responded that was part of the duties which included staff support for the Downtown Development Commission and working with the community.

Council Member Inscoe mentioned the existing USDA small business grant that one grantee is current in default on but is being paid back in small monthly payments. He reiterated that the Redevelopment Committee has the ability to work with grants and could help with this grant.

Council Member Kearney said it is not likely that Main Street grants would be offered in the near future but said if they are, the City would reapply for the designation.

Council Member Coffey said Henderson will no longer be considered a Main Street city, and since the Performing Arts Center will not be opening in the near future did not consider this a problem. City Manager Griffin said it can be reactivated at any time.

Council Member Daeke said this Council and the City are still committed to downtown and felt the Main Street Manager will provide good assistance in transitioning to these suggestions.

City Manager Griffin commented that the Redevelopment Committee can do things that the City cannot and felt it would be a natural partner with the Downtown Development Commission. He added it is important that the Redevelopment Commission keep active and felt this is "another leg to the stool." He sees this as an opportunity to reinvent and reinvigorate downtown.

Council Member Coffey asked if the Christmas Parade would still be held. Mr. Daeke said he would like to see it continue even if the City has to provide volunteers. Council Member Peace-Jenkins said at one time the Ministers Partnership did the parade and thought they might like to assist.

Council Member Kearney summarized the conversation by suggesting the City continue to fund the Downtown Development Commission with the \$10,000 already in the budget and to look for up to another \$20,000 as the year goes on. He continued saying an attempt should be made to reorganize and better align the Downtown Development Commission with the Redevelopment Committee. This would be subject to discussions with the Redevelopment Committee and Council Member Daeke said he would be happy to discuss this with the Redevelopment Committee.

Council Member Inscoe added to the summary that there is to be no ad valorem tax or sanitation fee increase, and a 4% Regional Water rate increase in FY 14-15, there will be a 3% increase in Sewer rates and a 3.5% increase in Water rates.

Council Member Daeke added he would like any additional funds for the Downtown Development Commission to be earmarked for signage and façade work to bring physical changes to downtown.

At this time, the Mayor asked if Council was willing to hear comments from a citizen. Council unanimously agreed.

Mr. Jim Populorum, 1517 Peace Street. Mr. Populorum briefly stated his agreement that downtown needs to be kept in good appearance but felt, according to the paper, that \$53,000 was too much to spend on the Main Street Manager position.

Mayor O'Geary thanked Mr. Populorum for his comments. He then asked Council for a consensus regarding the discussion so far. The consensus to approve the FY14-15 Consensus Budget and goals for some additional funding for the Downtown Development Commission pursuant to this discussion was as follows: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: None.

Subsequent to this confirmation by Council, Mayor O'Geary asked for a motion to approve the Budget Ordinance.

Adoption of FY14-15 Budget and Adoption of May 2014 Classification and Pay Study.
(Reference: (CAF 14-62-A, Ordinance 14-34, Resolution 14-42)

Adoption of FY14-15 Budget (CAF 41-62-A, Ordinance 14-34)

Motion was then made by Council Member Kearney to adopt Ordinance 14-34, *FY14-15 Budget* as presented and to look for up to no more than an additional \$20,000 as the year goes on for Downtown Development façade and sign grants. Motion was seconded by Council Member Coffey and APPROVED by the following vote: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: None.

City Manager Griffin said there is a second part to the budget approval process that needs to be considered regarding the acceptance of the May 2014 Classification and Pay Study.

Adoption of May 2014 Classification and Pay Study (CAF 14-62-A, Resolution 14-42)

Council Member Inscoe clarified that this action is to approve the whole plan and implementation of Phase 1 of the five (5) year phase in plan. Mr. Griffin agreed.

Motion was made by Council Member Coffey to approve Resolution 14-42, *Adoption of May 2014 Classification and Pay Study*. Motion was seconded by Council Member Daeke and APPROVED by the following vote: YES: Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons, Daye and Kearney. NO: None. ABSTAIN: None. ABSENT: None.

Authorizing the Execution of Change Order #4 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc. in the Amount of \$10,558.49 and FY14 Budget Amendment #37, Amending the CIP Sewer Fund for Change Order #4 to the Water Reclamation Facility Renovation Project. (Reference: CAF 14-06-A; Resolution 14-17-A, Ordinance 14-26-A)

City Manager Griffin asked Assistant City Manager Frank Frazier to explain this item. Mr. Frazier said Council requested the removal of the PLCs from what was brought for consideration to the 9 June meeting. Mr. Frazier said the change order being considered tonight only includes the duct work for power. He added staff is looking into alternatives for the PLC's and this will be brought back before Council at a later date.

Council Member Inscoe asked how much remains in the contingency fund. Mr. Frazier responded \$448,646 less the \$10,558.49.

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

Council Member Inscoe moved the approval of Resolution 14-17-A, *Authorizing the Execution of Change Order #4 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc. in the Amount of \$10,558.49* and Ordinance 14-26-A, *FY14 Budget Amendment #37, Amending the CIP Sewer Fund for Change Order #4 to the Water Reclamation Facility Renovation Project*. Motion seconded by Council Member Coffey and APPROVED by the following vote: YES: Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons, Daye, and Kearney. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 3, p 299-A and Ordinance Book 9, p 115-A)

Council Member Inscoe thanked City Manager Griffin and the staff for creating a budget with very little controversy and reminded everyone that there will be no ad valorem tax increase and best of all there is no need to use the "savings" account to balance the budget.

Mayor O'Geary said it was good to have citizens in attendance and asked if Council was prepared to adjourn.

ADJOURNMENT

Council Member Inscoe moved for adjournment. Motion seconded by Council Member Simmons and was unanimously approved. The meeting adjourned at 6:30 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk