



AGENDA

Henderson City Council Special Called Meeting

Monday 3 August 2017, 4:00 p.m.

R. G. (Chick) Young, Jr. Council Chambers, Municipal Building

134 Rose Avenue

Henderson, North Carolina

Mayor and City Council Members

Mayor Eddie Ellington, Presiding

Councilmember Marion B. Williams
Councilmember Sara M. Coffey
Councilmember Michael C. Inscoe
Councilmember D. Michael Rainey

Councilmember Melissa Elliott
Councilmember Garry D. Daeke
Councilmember Fearldine A. Simmons
Councilmember George M. Daye

City Officials

Frank Frazier, City Manager
D. Rix Edwards, City Attorney
Esther J. McCrackin, City Clerk

I. CALL TO ORDER

II. ROLL CALL

III. NEW BUSINESS

a) Consideration of Approval of Resolution 17-55, Accepting the USDA Loan/Grant to Finance the Fire Pumper Truck. (CAF 17-66-A)

- Resolution 17-55

IV. ADJOURNMENT

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PRESENT

Mayor Eddie Ellington, Presiding; and Council Members Marion B. Williams, Sara M. Coffey, Michael C. Inscoe, Melissa Elliott, Garry D. Daeke, Fearldine A. Simmons and George M. Daye

ABSENT

Council Member D Michael Rainey

STAFF PRESENT

City Manager Frank Frazier, City Clerk Esther J. McCrackin, Assistant to City Manager Paylor Spruill, Fire Chief Steve Cordell and Assistant Fire Chief Curtis Tyndall.

CALL TO ORDER

The 3 August 2017 Special Called Meeting of the Henderson City Council was called to order by Mayor Eddie Ellington at 4:00 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 Ellington a quorum was present.

NEW BUSINESS

Accepting the USDA Loan/Grant to Finance the Fire Pumper Truck. (*Reference: CAF 17-66-A; Resolution 17-55*)

City Manager Frazier reminded Council that it approved an application to the USDA, with the assistance of the Kerr-Tar Regional Council of Governments, at its last regular meeting. On Monday, July 31, 2017, verbal notice of a grant award of \$133,000 and a 20-year loan for the remaining amount of \$474,000 with 3.25%. Mr. Frazier then asked Ms. Monica Thornton from the USDA to present the details of this loan/grant.

Ms. Thornton began by thanking Council for attending this specially called meeting. She proceeded to say the object of this meeting is for Council to either approve or deny this grant/loan. She then explained the details and process involved. Ms. Thornton specifically said there is no penalty for prepayment, the USDA will hold the title until the truck is paid in full, the payments will be by draft and the loan will not close until the truck is received and everyone is happy with the truck. The first payment will be due one year after the loan closes. It is a

requirement that the City maintain 10% of the annual payment (\$32,602) in a reserve account. If the title, tag, taxes are more than anticipated, the City will be responsible for paying the difference. The USDA will require an annual audit and will notify the City when this information is due. Ms. Thornton added the Finance Director must be bonded for at least the amount of the annual payment.

Council Member Coffey asked if the reserve account would accumulate interest. Ms. Thornton said it would be up the City and added some municipalities place the funds in a CD while other just place in reserve.

Council Member Inscoe thanked Ms. Thornton for her guidance and consideration in processing the City's application. He appreciated her helpfulness, along with those individuals at the COG who assisted with the application. Mr. Inscoe did encourage the Manager to consider paying off this loan within ten years.

There were no further questions. Mayor Ellington then asked Council how it wished to proceed.

Council Member Inscoe moved the approval of Resolution 17-55, *Accepting the USDA Loan/Grant to Finance the Fire Pumper Truck*. Motion seconded by Council Member Elliott, and APPROVED by the following vote: YES: Williams, Coffey, Inscoe, Elliott, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: Rainey. (*See Resolution Book 5, p 279*)

With no further business, Mayor Ellington asked if Council was prepared to adjourn

ADJOURNMENT

Council Member Daeke moved for adjournment. Motion seconded by Council Member Coffey, and unanimously approved. The meeting adjourned at 4:10 p.m.

Eddie Ellington
Mayor

ATTEST:

Esther J. McCrackin, City Clerk