



## **AGENDA**

**Henderson City Council Regular Meeting**

**Monday 9 February 2015, 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**

Edward A. Wyatt, Interim City Manager

D. Rix Edwards, 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 Behavior<sup>1</sup> and Transparency in Governance<sup>2</sup>. 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.

---

<sup>1</sup> **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.

<sup>2</sup> **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) 26 January 2015 Short Regular Meeting and Work Session. [See Notebook Tab 1]
- b) 28 and 29 January Strategic Planning Retreat Report

**VII. PUBLIC COMMENT PERIOD ON AGENDA ITEMS**

Citizens may only speak on Agenda items 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.<sup>3</sup>

**VIII. NEW BUSINESS**

- a) Consideration of Approval of Resolution 15-01, Amending the Water and Sewer Capital Improvements Plan. (CAF 15-01) [See Notebook Tab 2]
  - Resolution 15-01
- b) Consideration of Approval of Ordinance 15-07, FY15 Budget Amendment #19, Amending the General, Water and Sewer Funds to Recode Debt Service Payments for the 2011 Revenue Bonds. (CAF 15-25) [See Notebook Tab 3]
  - Ordinance 15-07
- c) Consideration of Approval of Resolution 15-19, Agreement Setting Forth Mayor, City Council and City Manager Roles, Responsibilities and Expectations. (CAF 15-27) [See Notebook Tab 4]
  - Resolution 15-19

---

<sup>3</sup> **Citizen Comment Guidelines for Agenda Items**

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.

## **IX. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS**

Citizens may only speak on non-Agenda items 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.<sup>4</sup>

## **X. REPORTS**

- a)* Mayor/Mayor Pro-Tem (No Report)
- b)* Interim City Manager (No Report)
- c)* City Attorney (No Report)
- d)* City Clerk
  - i.* Meeting and Events Calendar [*See Notebook Tab 5*]

## **XI. ADJOURNMENT**

---

### **<sup>4</sup> Citizen Comment Guidelines for Non-Agenda Items**

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.

# **City Council Minutes**

## **Regular Meeting**

### **9 February 2015**

---

#### **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**

Interim City Manager Edward A. Wyatt, City Attorney D. Rix Edwards, City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Engineering Director Clark Thomas, Finance Director Kathy Brafford, Public Services Director Mike Ross, Recreation and Parks Director Kendrick Vann, and Human Resources Director Cathy Brown.

#### **CALL TO ORDER**

The 9 February 2015 Regular Meeting of the Henderson City Council was called to order by Mayor James D. 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 Peace-Jenkins led those present in a prayer and the Pledge of Allegiance.

#### **OPENING COMMENTS**

Mayor O'Geary greeted everyone and said it was good to see all the Council members in attendance.

## **ADJUSTMENTS TO/APPROVAL OF AGENDA**

Mayor O'Geary asked if there were any adjustments to the Agenda. Council Member Inscoe moved to accept the Agenda as presented. Motion seconded by Council Member Simmons and unanimously approved.

## **APPROVAL OF MINUTES**

Mayor O'Geary asked for any corrections to and/or approval of the minutes. Council Member Peace-Jenkins moved to approve the 26 January 2015 Short Regular Minutes and the 28 and 29 January 2015 Strategic Planning Retreat Report as presented. Motion seconded by Council Member Coffey and unanimously approved.

*(Clerk's Note: Council Member Daeke arrived at 6:08 p.m.)*

## **PUBLIC COMMENT PERIOD ON AGENDA ITEMS**

The City Clerk advised the Mayor and Council Members that no citizen wished to address Council at this time.

## **NEW BUSINESS**

**Amending the Water and Sewer Capital Improvements Plan.** *(Reference: CAF 15-01; Resolution 15-01)*

Interim City Manager Wyatt said this was brought before Council during the January Work Session and said this plan speaks well of Council action. Mr. Wyatt reminded Council that this is a "plan" which can certainly be adjusted as needed. He then asked Assistant City Manager Frazier to elaborate. Mr. Frazier highlighted the key sections of the plan which includes the Water, Regional Water and Sewer. He said the plan includes major equipment projections and specifically mentioned the need to replace the Jet Vac which is more than 12 years old.

Council Member Kearney asked Mr. Frazier to review the anticipated rate increases which Mr. Frazier read from the plan.

Council Member Inscoe made note that the sewer rate is approximately two and a half times higher than the water rate which is a significant difference.

Council Member Daeke noted if the customer base increases, the necessary rate increases will be less.

With no other comments, Mayor O'Geary asked for the pleasure of Council.

Council Member Kearney moved the approval of Resolution 15-01, *Amending the Water and Sewer Capital Improvements Plan*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke and Simmons. NO: None. ABSTAIN: None. ABSENT: Daye. (*See Resolution Book 4, p 143*)

**Amending the General, Water and Sewer Funds to Recode Debt Service Payments for the 2011 Revenue Bonds.** (*Reference: CAF 15-25; Ordinance 15-07; FY 15 Budget Amendment #19*)

Interim City Manager Wyatt briefly explained this is a re-occurring issue which has been brought before Council for the same action since refinancing the bonds. He then asked Finance Director Brafford to address Council. Ms. Brafford explained the original 2001 Revenue Bonds were refinanced in 2011. Currently the entire principal bond amount is recorded in the Water Fund. To reconcile with the audit records and financial statements, the General Fund and Sewer Fund portions of bond payment will be transferred to the Water Fund and the debt service payment will now be paid out of the Water Fund. In summary, Ms. Brafford said all that is happening is a re-coding of the payment location.

There were no questions. Mayor O'Geary asked for Council's pleasure.

Council Member Rainey moved the approval of Ordinance 15-07, *Amending the General, Water and Sewer Funds to Recode Debt Service Payments for the 2011 Revenue Bonds*. Motion seconded by Council Member Peace-Jenkins, and APPROVED by the following vote: YES: Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons and Kearney. NO: None. ABSTAIN: None. ABSENT: Daye. (*See Ordinance Book 9, p 207*)

**Agreement Setting Forth Mayor, City Council and City Manager Roles, Responsibilities and Expectations.** (*Reference: CAF 15-27; Resolution 15-19*)

Interim City Manager Wyatt said as requested by Council during the Retreat, he has reviewed the Manager portion of this agreement and would suggest no changes at this time. Since no changes were suggested by Council during the Retreat, this is a housekeeping matter

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

Council Member Daeke moved the approval of Resolution 15-19, *Agreement Setting Forth Mayor, City Council and City Manager Roles, Responsibilities and Expectations*. Motion seconded by Council Member Simmons, and APPROVED by the following vote: YES: Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons, Kearney and Coffey. NO: None. ABSTAIN: None. ABSENT: Daye. (*See Resolution Book 4, p 179*)

*(Clerk's Note: Council Member Daye arrived at 6:22 p.m.)*

## **PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS**

The City Clerk advised the Mayor and Council Members that one citizen wished to address Council at this time.

**Ms. Susan Laws, 460 Tanglewood Circle, Roxboro, NC.** Ms. Laws is a Special Project Coordinator representing Aflac as an independent associate. Ms. Laws distributed an Enrollment Overview Report for the City and stated she was present to encourage the City to continue to allow employees to keep existing policies and to continue to allow payroll deductions to pay the policies for employees. *(Clerk's Note: The City is currently in the process of eliminating payroll deductions for various individual insurance policies. Staff is not being asked to change policies, just to make their own policy payments. – See the "Other" section below.)*

Mayor O'Geary thanked Ms. Laws for expressing her concerns.

## **REPORTS**

- a) Mayor/Mayor Pro-Tem (No Report)
- b) Interim City Manager - Mr. Wyatt commended Mr. Frazier, along with Public Services Director Ross and the entire staff involved in dealing with the water line break on Flemingtown Road. It was a two-day project to restore the line and expressed how grateful everyone was for a parallel line which allowed water to continue to flow. Mr. Wyatt also thanked Council Member Coffey for her kindness in providing food for the employees as they worked overnight on the break. He added the company that severed the line will be billed by the City.

Mr. Frazier said the severed pipe was installed in 1974 and the necessary part had to come from Mississippi. He said many of the employees had never seen this type of pipe so it was an experience for them.

Council Member Kearney asked if there are any warranties. Mr. Frazier responded the Hanson Pipe Company encased the repaired/replaced section of pipe in concrete.

- c) City Attorney (No Report)
- d) City Clerk – Ms. McCrackin verified with Council that they would like to hold a Strategic Planning Retreat in 2016. Council was in full agreement to hold another Retreat with a 2016 date to be determined later on in this year. She also extended an invitation to Council to attend the Service Awards Banquet which will be held March 19 at the Henderson Country Club.

## **OTHER**

Council Member Coffey asked that the insurance issue mentioned by Ms. Laws during the Public Comment Period be added to the next Work Session. Council Member Rainey also felt this issue should be further discussed.

Mr. Wyatt said, as explained in his memo to Council on February 5, which is incorporated by reference and hereby made part of these minutes, this is an administrative matter that addresses process improvements. Mr. Wyatt said the changeover is currently in process and he then asked Human Resources Director Cathy Brown to elaborate on the process and how the change came about. Mr. Phillip Burnette, the City's broker was also present and offered input, as did Finance Director Brafford and Engineering Director Clark Thomas.

Council expressed concerns they have heard from employees who do not wish to make their own insurance payments and would like to continue to have payroll act as their bookkeeper.

A lengthy discussion ensued after which the Mayor asked Council for a consensus as to whether the City should proceed with the changeover or if at this time the process should be stopped. The Consensus of Council was as follows to continue the process: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. Both Council Member Coffey and Simmons added they would like existing payroll deductions to be allowed to continue.

With no further business Mayor O'Geary asked if Council was prepared to adjourn

## **ADJOURNMENT**

Council Member Rainey moved for adjournment. Motion seconded by Council Member Kearney, and unanimously approved. The meeting adjourned at 7:05 p.m.

---

James D. O'Geary  
Mayor

***ATTEST:***

---

Esther J. McCrackin  
City Clerk



## *Office of the City Manager*

*134 Rose Avenue, P. O. Box 1434, Henderson, NC 27536*

*Phone 252.430.5701 : Fax 252.492.7935 : E-mail [ewyatt@ci.henderson.nc.us](mailto:ewyatt@ci.henderson.nc.us)*

[www.ci.henderson.nc.us](http://www.ci.henderson.nc.us)

---

February 5, 2015

**To:** Mayor O'Geary and Members of City Council

**From:** Ed Wyatt, Interim City Manager

**Re:** **M/CC-38: Voluntary Insurance Deductions**

Some of you have been approached concerning the program described below. Currently the City provides payroll deduction for various insurance policies furnished by 4 insurance agencies. Please see enclosed a list of jurisdictions who are Whole Life participants.

The City is planning to switch to an agency endorsed by the North Carolina League of Municipalities (NCLM) which many jurisdictions utilize. *(Please see enclosed a list of jurisdictions who are member of Municipal Benefits, Inc.'s Whole Life participants)*. There are a number of programs included that will save our employees an average of 20% in cost for these policies as opposed to the existing companies and at the very least, provide a higher level of insurance coverage. This agency also provides a service directly to the client/employee, rather than, as has happened in some cases, through our personnel office that had to locate the agent in order for the client/employee to have issues resolved.

The finance department's work, to some degree, will be reduced as they will no longer have to process payments to these current four agencies, but only to the one broker who will in turn, pay the agencies directly. This is part of a process improvement to provide more efficient financial operations in order to better service employees. The city is not paid by these insurance companies to do their bookkeeping. In the past there has been some issues regarding late information provided to the City of changes to employee deductions from these agencies, which has resulted in over/under charging employees for these policies.

This program was presented in the fall of 2014 at a Department Directors meeting with then City Manager Ray Griffin. Each director was directed to communicate to their employees this impending change.

I am very sorry that some of you have had our employees complain of not being aware of this change. Through this whole process, we have been assisted by Mr. Philip Burnette. As you know Mr. Burnette has worked as a representative of the City since 2007 as it related to

*Minute Book 43*

9 February 2015 Regular Meeting Minutes

Page 6 of 7

negotiations with Blue Cross/Blue Shield. He has no conflict of interest with companies that would be affiliated with NCLM.

Certainly employees can continue to keep their policies with their current agencies if they so choose. However, they would no longer have the advantage of payroll deductions and, in some cases, the pre-tax status that some policies offer.

The staff of Municipal Benefits, Inc. is currently hard at work meeting with each department individual employees, if they so request, to explain these options and the offerings of the new agencies.