



AGENDA

Henderson City Council Regular Meeting

Monday 13 July 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, Sr.
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 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) 22 June 2015 Short Regular Meeting and Work Session [*See Notebook Tab 1*]

VII. PRESENTATIONS/RECOGNITIONS

- a) Recognition of Mr. Elson S. Floyd

VIII. PUBLIC HEARING

- a) Consideration of Approval of Resolution 15-51, Approving an Incentive Agreement Between North Central Medical Transport, Inc., and the City of Henderson. (CAF 15-81) [*See Notebook Tab 2*]

- Public Hearing
- Resolution 15-51

- b) Consideration of Approval of Resolution 15-58, Closing Out the 2012 Talent Enhancement Capacity Building (TECB) Community Development Block Grant, Project Number 12-C-2455. (CAF 15-86) [*See Notebook Tab 3*]

- Public Hearing
- Resolution 15-58

IX. 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.³

³ 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.

X. OLD BUSINESS

a) Consideration of Approval of 1) Resolution 15-09, Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc., in the Amount of \$218,712; 2) Resolution 15-53, Amendment #1 to the Agreement for Engineering Services with McGill Associates for Said Project; and 3) Ordinance 15-33, FY16 Budget Amendment #2, Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project. *(CAF 15-11) [See Notebook Tab 4]*

- Resolution 15-09
- Resolution 15-53
- Ordinance 15-33

XI. NEW BUSINESS

a) Consideration of Approval of Resolution 15-26, Authorizing the Execution of a Contract for Professional Engineering/Grant Administration Services for the Newton Dairy and Birch/Bobbitt Sewers Relative to the Community Development Block (CDBG) Infrastructure Grant to McGill Associates, P.A. *(CAF 15-41) [See Notebook Tab 5]*

- Resolution 15-26

b) Consideration of Approval of Resolution 15-54, Authorizing the Mayor to Sign a Corporate Resolution for First Citizens Bank Updating Signatory Information and Re-issuing the First Citizens Bank Credit Card. *(CAF 15-82) [See Notebook Tab 6]*

- Resolution 15-54

c) Consideration of Approval of Resolution 15-24, Authorizing a Contract with Cartegraph Systems, Inc., for a Work Order/Asset Management System. *(CAF 15-39) [See Notebook Tab 7]*

- Resolution 15-24

d) Consideration of Approval of Resolution 15-44, Authorizing the Execution of a Contract between Southern Lawn Services, LLC and the City of Henderson Relative to the Contracting of Landscape Management Services at Elmwood Cemetery and Blacknall Cemetery. *(CAF 15-75) [See Notebook Tab 8]*

- Resolution 15-44

e) Consideration of Approval of Resolution 15-55, Appointments to the Airport Authority, E-911, Henderson Community Appearance Commission, Henderson-Vance Human Relations Commission, Library Board, Henderson Redevelopment Commission, Recreation and Parks Commission and Henderson Board of Adjustment. *(CAF 15-83) [See Notebook Tab 9]*

- Resolution 15-55

- f) Consideration of Approval of Tax Releases and Refunds from Vance County for the Month of June 2015. (CAF 15-88) [See Notebook Tab 10]

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 Ordinance 15-02, Amending Sec. 15-42.1 and Sec. 15-42.2 of the City Code Providing for Adjustment to Sewer Charges. (CAF 15-04) [See Notebook Tab 11]

- Resolution 15-02

- b) Consideration of Approval of 1) Resolution 15-12, Authorizing the Execution of Change Order #1 for the Sandy Creek Pump Station Project to Turner Murphy Company, Inc., in the Amount of \$91,129; and 2) Ordinance 15-30, FY16 Budget Amendment #1, Amending the CIP Sewer Fund for Above Mentioned Change Order. (CAF 15-70) [See Notebook Tab 12]

- Resolution 15-12
- Ordinance 15-30

XIII. 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.⁴

⁴ 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.

XIV. REPORTS

- a)** Mayor/Mayor Pro-Tem
- b)** City Manager
 - i. Declaration of Surplus Property *[See Notebook Tab 14]*
- c)** City Attorney
- d)** City Clerk
 - i. Meeting and Events Calendar *[See Notebook Tab 13]*
 - ii. Fire Department Monthly Report

XV. CLOSED SESSION

- a)** Pursuant to G.S. §143-318.11 (a)(6) regarding a Personnel Matter

XVI. ADJOURNMENT

City Council Minutes

Regular Meeting

13 July 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, Fearldine A. Simmons, and George M. Daye.

ABSENT

Council Member Garry D. Daeke

STAFF PRESENT

Interim City Manager Edward A. Wyatt, City Attorney D. Rix Edwards, City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Public Services Director Mike Ross, Engineering Director Clark Thomas, Finance Director Kathy Brafford, Assistant Finance Director Michelle Daniels, Recreation and Parks Director Kendrick Vann, Development Services Director Corey Williams, and Henderson Water Reclamation Facility Director Tom Spain.

CALL TO ORDER

The 13 July 2015 Regular Meeting of the Henderson City Council was called to order by Mayor James D. O'Geary at 6:01 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. Ms. Peace-Jenkins specifically mentioned Council Member Coffey's upcoming surgery, and the recent death of Elson Floyd and his family.

OPENING COMMENTS

Mayor O'Geary opening the meeting by saying it was indeed a pleasure to see so many in attendance.

ADJUSTMENTS TO/APPROVAL OF AGENDA

Mayor O'Geary asked if there were any adjustments to the Agenda. City Clerk McCrackin said with Council's permission several new items will be added to the Closed Session pursuant to GS 143-3189-11(a)(3) Attorney- Client Matters, one of which regards the Oxford lawsuit. Council Member Coffey moved to accept the Agenda as adjusted. 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 22 June Short Regular Meeting and Work Session as presented. Motion seconded by Council Member Simmons, and unanimously approved.

PUBLIC HEARING

Approving an Incentive Agreement Between North Central Medical Transport, Inc., and the City of Henderson. (Reference: CAF 15-81; Resolution 15-51)

Interim City Manager Wyatt said Council Member Inscoe has been instrumental in this incentive and asked him to summarize the project. Mr. Inscoe said due to the need for expansion this ambulance service business is willing to move from Oxford to Henderson where it will build a new facility and hire additional staff. The facility will cost at least \$225,000.00 and require additional equipment estimated to cost approximately \$300,000.00.

Council Member Kearney asked if the value of the incentive is known. Mr. Inscoe said that information will be furnished by the audit which will be completed at the end of the year.

With no further discussion, Mayor O'Geary opened the Public Hearing by asking if anyone was present who wished to speak in favor of this incentive.

Mr. Stuart Litvin, 935 South Chestnut Street Mr. Litvin is the director of the Henderson-Vance Economic Development Commission (EDC). He asked Council to support this incentive saying it will bring a new 6,000 sq. ft. building, and jobs. He added the terms of the agreement must be met before incentive dollars are paid.

As no other citizen came forward to speak in favor of this incentive, Mayor O'Geary asked if anyone was present who wished to speak in opposition to the incentive.

When no one came forward, Mayor O'Geary closed the Public Hearing and asked for Council's pleasure.

Council Member Inscoe moved the approval of Resolution 15-51, *Approving an Incentive Agreement Between North Central Medical Transport, Inc., and the city of Henderson*. Motion seconded by Council Member Daye, and APPROVED by the following vote: YES: Kearney,

Coffey, Inscoe, Rainey, Peace-Jenkins, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: Daeke. (See Resolution Book 4, p 243)

Closing Out the 2012 Talent Enhancement Capacity Building (TECB) Community Development Block Grant, Project Number 12-C-2455. (Reference: CAF 15-86; Resolution 15-58)

Interim City Manager Wyatt explained this is a formality required by the State. This Grant was originally closed out and approved by Council on August 25, 2014. However, the public notice for the 2014 close out lacked the Language Access information which now requires another public hearing, along with the properly published/posted notices.

There was no discussion, so Mayor O'Geary opened the Public Hearing by asking if anyone was present who wished to speak in favor of this closeout.

No one came forward to speak in favor of this closeout, so Mayor O'Geary asked if anyone was present who wished to speak in opposition to the closeout. No one came forward.

Mayor O'Geary then closed the Public Hearing and asked for Council's pleasure.

Council Member Rainey moved the approval of Resolution 15-58, *Closing Out the 2012 Talent Enhancement Capacity Building (TECB) Community Development Block Grant, Project Number 12-C-2455*. Motion seconded by Council Member Peace-Jenkins, and APPROVED by the following vote: YES: Coffey, Inscoe, Rainey, Peace-Jenkins, Simmons, Daye and Kearney. NO: None. ABSTAIN: None. ABSENT: Daeke. (See Resolution Book 4, p 257)

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.

OLD BUSINESS

Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc., in the Amount of \$218,712; Amending the Agreement for Engineering Services with McGill Associates for Said Project; and Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project. (Reference: CAF 15-11; Resolution 15-09, Resolution 15-53, Ordinance 15-33, Budget Amendment #2)

Interim City Manager Wyatt asked that discussion on this item be postponed until after the Closed Session.

Mayor O'Geary asked for the consensus of Council and the consensus was as follows: YES: Kearney, Coffey, Inscoe Rainey, Peace-Jenkins, Simmons and Daye. NO; None. ABSTAIN: None. ABSENT: Daeke.

NEW BUSINESS

Authorizing the Execution of a Contract for Professional Engineering/Grant Administration Services for the Newton Dairy and Birch/Bobbitt Sewers Relative to the Community Development Block (CDBG) Infrastructure Grant to McGill Associates, P.A.
(Reference: CAF 15-41; Resolution 15-26)

Interim City Manager Wyatt explained the importance of securing engineering services to properly design the project and then asked Assistant City Manager Frank Frazier to provide more details. Mr. Frazier said McGill Associates prepared the application which awarded the City the funds for these projects. The Newton Dairy pump station will be done away during this project. Mr. Frazier said there is a lot of environmental work that needs to be done due to the wetlands involved and there is a lot of technical requirements that need administration which is a reason to retain McGill Associates. He also mentioned the possibility of new sewer customers with the work on Birch/Bobbitt streets.

Council Member Coffey inquired about the \$15,000 line item for easements. Mr. Frazier said it remains to be seen how many property owners this project may effect.

Council Member Kearney asked about the “soft” costs and why our staff could not do the grant administration. Mr. Frazier feels the current staff does not have the knowledge or time to administer a grant with so many environmental concerns.

Council Member Inscoe inquired about the criteria for the proposals. Mr. Frazier said the engineering services are not normally bid until a firm had been selected and although both firms submitted similar proposals, McGill was selected because of their prior knowledge of City projects/needs.

At this time, Mr. Wyatt suggested a change to the Resolution as the City Attorney did not have the opportunity to review the contract before coming to Council. A new *“Be It Further Resolved that the Mayor is authorized to sign all agreements and documents necessary regarding this contract with McGill Associates following review by the City Attorney”* was added to provide the attorney time to review the contract.

There was a general discussion regarding the possibility of overruns, the timeframe needed to make a decision on going forward with this project and how some of the design work performed by John Hamme was paid.

Council Member Coffey and others said they have no ill-will toward McGill Associates but wondered why McGill often took preference over other companies.

Mr. Wyatt responded traditionally municipalities stay with one particular firm unless there are smaller projects involved such as surveying which local firms can perform.

With no further questions, Mayor O’Geary asked for the pleasure of Council.

Council Member Kearney moved the approval of Resolution 15-26, *Authorizing the Execution of a Contract for Professional Engineering/Grant Administration Services for the Newton Dairy and Birch/Bobbitt Sewers Relative to the Community Development Block (CDBG) Infrastructure Grant to McGill Associates, P.A.* Motion seconded by Council Member Peace-Jenkins, and APPROVED by the following vote: YES: Inscoe, Rainey, Peace-Jenkins, Simmons, Daye, Kearney and Coffey. NO: None. ABSTAIN: None. ABSENT: Daeke. (*See Resolution Book 4, p 193*)

Authorizing the Mayor to Sign a Corporate Resolution for First Citizens Bank Updating Signatory Information and Re-issuing the First Citizens Bank Credit Card. (*Reference: CAF 15-82; Resolution 15-54*)

Interim City Manager Wyatt explained this is a housekeeping matter as Finance Director Kathy Brafford's last day with the City is July 24th. The updated information will allow Assistant City Manager Frank Frazier to continue as a signer and will add Interim Finance Director Michelle Daniels as the second signer for City accounts with First Citizens Bank.

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

Council Member Rainey moved the approval of Resolution 15-46, *Authorizing the Mayor to Sign a Corporate Resolution for First Citizens Bank Updating Signatory Information and Re-issuing the First Citizens Bank Credit Card.* Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Rainey, Peace-Jenkins, Simmons, Daye, Kearney, Coffey and Inscoe. NO: None. ABSTAIN: None. ABSENT: Daeke. (*See Resolution Book 4, p 249*)

Authorizing a Contract with Cartegraph Systems, Inc., for a Work Order/Asset Management System. (*CAF 15-39, Resolution 15-24*)

Interim City Manager Wyatt said this is conceptually a good project which was first addressed before the budget process began. Council deferred a decision until after the budget was approved and this system was approved as part of the FY15-16 budget. He added the North Carolina League of Governments (NCLG) has encouraged municipalities, both small and large, to develop such a program and then asked Assistant City Manager Frazier to come forward.

Mr. Frazier explained currently work orders are generated by hand which does not provide good tracking of things such as materials used, the time to complete a project or an understanding of why failures occur in specific areas. He said many systems have been reviewed by staff and Cartegraph met the criteria of staff. Mr. Frazier then asked Engineering Director Clark Thomas to review the system for Council.

Mr. Thomas showed a brief PowerPoint presentation summarizing the positives of the system and how the system will be utilized by the City.

After the presentation, Mayor O'Geary said he saw this as something the City needs and as a cost savings.

Council Member Kearney asked if current staff is qualified and if more staff will be needed to use the system. Mr. Clark responded no staff will need to be hired as the current staff is qualified. He did say work may lag for a while for the GIS person until the system is up and running.

Council Member Coffey asked if any computer updates are needed and if there is a sufficient back-up system. Mr. Thomas responded no updates are needed and it is his understanding back-ups are automatically done each night. He did say Apple tablets may be needed for the Code Compliance department. He also said Council members can even be provided passwords which will allow them to view live time information from their home.

Council Member Rainey inquired about the permits mentioned in the presentation. Mr. Thomas said this would expedite the one-stop permitting process that has been discussed so often in the past.

Council Member Inscoe asked if his understood correctly that after the first three years the annual cost of the system would be \$1.00 per citizen of Henderson . Mr. Thomas said that is correct. Mr. Inscoe said he is one hundred percent for technology and process improvement but felt he needed to remind Council that this system has an on-going expense and to balance the budget this year, it took approximately \$345,000.00 from the Fund Balance so he is concerned on how the expense will be covered in coming years.

Mr. Inscoe then asked if McGill will continue to provide CIP updates or if staff can provide this information. Mr. Clark said the information gathered through the system will provide more exact information for McGill to formulate a more accurate plan.

Council Member Coffey asked who would inventory and log the equipment. Mr. Clark said the laborious process would be completed by staff.

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

Council Member Kearney moved the approval of Resolution 15-24, *Authorizing a Contract with Cartegraph Systems, Inc., for a Work Order/Asset Management System*. Motion seconded by Council Member Peace-Jenkins and APPROVED by the following vote: YES: Peace-Jenkins, Simmons, Daye, Kearney, and Coffey. NO: Inscoe and Rainey. ABSTAIN: None. ABSENT: Daeke. (See Resolution 15-24, p 189)

Authorizing the Execution of a Contract between Southern Lawn Services, LLC and the City of Henderson Relative to the Contracting of Landscape Management Services at Elmwood Cemetery and Blacknall Cemetery. (CAF 15-75, Resolution 15-44)

Interim City Manager Wyatt said due to an 18% increase in the existing contract with Perk's Lawn Care, staff has advertised this contract and received two responsive bids. It is the

recommendation of staff to approve a contract with Southern Lawn Services, the lowest bidder, in the amount of \$82,800.00.

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

Council Member Rainey moved the approval of Resolution 15-44, *Authorizing the Execution of a Contract between Southern Lawn Services, LLC and the City of Henderson Relative to the Contracting of Landscape Management Services at Elmwood Cemetery and Blacknall Cemetery*. Motion seconded by Council Member Inscoe, and APPROVED by the following vote: YES: Simmons, Daye, Kearney, Inscoe, Rainey and Peace-Jenkins. NO: Coffey. ABSTAIN: None. ABSENT: Daeke. (See Resolution Book 4, p 229)

Appointments to the Airport Authority, E-911, Henderson Community Appearance Commission, Henderson-Vance Human Relations Commission, Library Board, Henderson Redevelopment Commission, Recreation and Parks Commission and Henderson Board of Adjustment. (Reference: CAF 15-83; Resolution 15-55)

City Clerk McCrackin said since the Boards and Commissions meeting on June 23, 2015, Ms. Marguerite Anduze who currently serves on the Planning Board and is up for re-appointment this year, has contacted the Clerk and would like to be considered for re-appointment to the Planning Board, along with a new appointment to the Library Board. Council Member Daeke, who is chair of the Boards and Commissions committee indicated he was fine with bringing this request before Council this evening for consideration along with these fourteen (14) applications for re-appointment and one application for appointment, all of which are before Council this evening for approval.

Council was in agreement to add Ms. Anduze to be approved for a full three-year term on the Planning Board.

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

Council Member Peace-Jenkins moved the approval of Resolution 15-55, *Appointments to the Airport Authority, E-911, Henderson Community Appearance Commission, Henderson-Vance Human Relations Commission, Library Board, Henderson Redevelopment Commission, Recreation and Parks Commission and Henderson Board of Adjustment*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Simmons, Daye, Kearney, Coffey, Inscoe, Rainey and Peace-Jenkins. NO: None. ABSTAIN: None. ABSENT: Daeke. (See Resolution Book 4, p 251)

Council Member Kearney asked if Council would have a moment of silence and asked the Mayor if Council Member Peace-Jenkins could offer a brief prayer at this time for one of the Planning Board members, Arthur Henderson, who is currently on life support at WakeMed following an accident last week. Mayor O'Geary said he was sorry to hear this and called for a moment of prayer with Ms. Peace-Jenkins offering a verbal prayer to follow.

Tax Releases and Refunds from Vance County for the Month of June 2015. (*Reference: CAF 15-88*)

Interim City Manager Wyatt asked Finance Director Brafford to explain the \$112,000 amount listed for Maria Parham Hospital. Ms. Brafford gave a lengthy explanation which is incorporated by reference and hereby made part of these minutes (see Attachment A)

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

Motion was made by Council Member Coffey to approve the *Tax Releases and Refunds from Vance County for the Month of June 2015*. Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Daye, Kearney, Coffey, Inscoc, Rainey, Peace-Jenkins and Simmons. NO: None. ABSTAIN: None. ABSENT: Daeke.

CONSENT AGENDA

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

Amending Sec. 15-42.1 and Sec. 15-42.2 of the City Code Providing for Adjustment to Sewer Charges. (*Reference: CAF 15-04; Ordinance 15-02*) This action incorporates into the City Code policies related to sewer credits issued for outside watering of grass, plants and vegetation along with unintentional leaks in customer water lines wherein portions of the water leakage does not enter the City's sanitary sewer service. (*See Ordinance Book 9, p 197*)

Authorizing the Execution of Change Order #1 for the Sandy Creek Pump Station Project to Turner Murphy Company, Inc., in the Amount of \$91,129 and Amending the CIP Sewer Fund for Above Mentioned Change Order. (*Reference: CAF 15-70, Resolution 15-12, Ordinance 15-30, Budget Amendment #1*) This action approves various changes to the Sandy Creek Pump Station Project. (*See Resolution Book 4, p 165, Ordinance Book 9, p 253*)

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

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

PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

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

REPORTS

a) Mayor/Mayor Pro-Tem (No Report)

b) Interim City Manager – Mr. Wyatt thanked Assistant City Manager Frazier and the City Clerk for preparing the new conference room for Council to use this evening for its Closed Session.

c) City Attorney (No Report)

d) City Clerk – (No Report)

OTHER

Council Member Peace-Jenkins asked for assistance in preparing the lot on Arch and Marshall for planting. She said a tractor to till the soil is needed. Mayor O’Geary said he thought the Appearance Commission had a hand tiller that they do not use. Other suggestions were the Farm Bureau, Mr. Hester and Mr. Burgess

Council Member Inscoe commented on all the good work that has been done at the Perry Museum. He said the museum will be open for the car show in October and asked if the City has any artifacts it would like displayed in the museum. Mr. Frazier will check into possibilities.

Council Member Coffey thanked everyone for their care and concern during her recent illness and shared a hand-made card she received from the Public Services Department. She will have surgery this week and fully expects to be back to full capacity quickly.

With no other comments, Mayor O’Geary asked if Council was prepared to go into Closed Session and said there may be a 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)(6) for a Personnel Matter and also G.S. §143-318.11(a)(3) for Attorney-Client matters, including the Oxford lawsuit litigation. Motion seconded by Council Member Peace-Jenkins, and unanimously approved.

Council Member Coffey moved for Council to convene in open session. Motion seconded by Council Member Kearney, and unanimously approved.

OPEN SESSION

Two items were now brought before Council for consideration.

Oxford Lawsuit. The City Attorney in the matter of the Oxford litigation explained that a settlement has been reached and Attorney John H. Zollicoffer, Jr. recommends the City sign the following documents:

- *Termination of Utility Sales Agreement* with Granville County (with Henderson refunding all of the allocation fees paid to it except for \$1,030,000.00);
- The *Settlement Agreement* (between all parties);
- The “*Fifth Amendment*” to the Kerr Lake Regional Water System Agreement; *and*
- The “*Memorandum of Understanding*” with Warren County; *and* further that it accept the Bill of Sale and Assignment” from Warren County; *and* pay Warren County \$60,000 for the same.

Attorney Zollicoffer, Jr. asked that he be authorized to agree to any minor insignificant changes in the documents (e.g., a typo in Paragraph 5 of the *Memorandum of Understanding* which was discovered this afternoon). The Attorney also asked to be authorized to pay Warren County \$60,000.00 for the *Bill of Sale and Assignment* and to pay \$1,823,415.74 to Granville County as a partial refund of the allocation fees previously paid to Henderson (with Henderson retaining the balance of \$1,030,000.00)

Council thanked Attorney Zollicoffer, Jr. for all his work on this difficult litigation.

Mayor O’Geary asked for the pleasure of Council.

Council Member Inscoe moved the approval of settlement of the *Oxford* Lawsuit with Attorney Zollicoffer, Jr. authorized to pay Warren County \$60,000.00 and to make minor insignificant changes in the documents. Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Coffey, Inscoe, Rainey, Peace-Jenkins, Simmons, Daye and Kearney. NO: None. ABSTAIN: None. ABSENT: Daeke.

Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc., in the Amount of \$218,712; Amending the Agreement for Engineering Services with McGill Associates for Said Project; and Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project. (*Reference: CAF 15-11; Resolution 15-09, Resolution 15-53, Ordinance 15-33, Budget Amendment #2*)

Assistant City Manager Frazier said after discussion in Closed Session, Item # 7, *Add pH monitoring of Oxidation Ditches to SCADA* on Change Order #6 has been removed from the list of potential changes. This will reduce the change order by \$30,904.82 bringing the total amount of Change Order #6 to \$187,807.49.

Council Member Peace-Jenkins moved the approval of Resolution 15-09, *Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc., in the Amount of \$187,807.49*; and Resolution 15-53, *Amendment #1 to the Agreement for Engineering Services with McGill Associates for Said Project*; and Ordinance 15-33, FY 16 Budget Amendment #1, *Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Inscoe, Rainey, Peace-Jenkins, Simmons, Daye, Kearney and Coffey. NO: None. ABSTAIN: None. ABSENT: Daeke. (*See Resolution Book 4, p *** and 245, Ordinance Book 9, p 259*)

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 Daye, and unanimously approved. The meeting adjourned at 8:47 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk

DLP (Maria Parham Medical Center)

Tax Releases reflected on June report presented at July 13, 2015 City Council Meeting

In August of 2012, DLP Maria Parham Medical Center (DLP) was billed for personal property valued at \$10,717,661. That bill was paid in April 2013. A discovery bill for an additional \$10,609,001 of personal property was sent to DLP in October 2012. DLP appealed that discovery to the Property Tax Commission and refused to pay the tax on the discovery until the appeal was settled.

A settlement was reached on the appeal in June 2015. The initial settlement was to be \$6,805,363; however, when Mr. Evans (Evans Appraisal) re-checked the paperwork that had been presented to him, he discovered an error in the amount of \$127,308, which increased the value of the discovered personal property to \$6,932,671.

The initial appeal was for tax year 2012. Therefore, the amount of tax initially billed to DLP totaled \$62,062.66 (tax rate at that time was \$.585). With the late listing penalty of \$6,206.26, total tax billed was \$68,268.92.

Tax on the final settlement value of \$6,932,671 was \$40,556.13. With the late listing penalty of \$4,055.61, total tax owed was \$44,611.74.

The amount of the tax release for tax year 2012 for the discovery of this additional personal property totals \$23,657.18.

The report of Tax Releases and Refunds for June 2012 reflects a release value of \$112,061.42. As a result of a technical correction which was made on the books to adjust the amount of the initial settlement and the final settlement amount, this release amount is offset by \$88,404.24 of "Additions to Levy" which are reflected on the June tax report which accompanies the monthly tax check from the County.

Additional discoveries in the amount of \$42,982.56, along with late listing penalties of \$4,298.25, for a total of \$47,280.81 will be billed to DLP for each of the tax years 2013, 2014 and 2015. These billings are each based on the current tax rate of \$.62 per \$100 valuation.