



## **AGENDA**

**Henderson City Council Regular Meeting**

**Monday 12 May 2014, 6:00 p.m.**

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

**134 Rose Avenue**

**Henderson, North Carolina**

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### **Mayor and City Council Members**

Mayor James D. O'Geary, Presiding

Councilmember James C. Kearney, 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 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.

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<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) 28 April 2014 Short Regular Meeting [See Notebook Tab 1]
- b) 28 April 2014 Work Session

**VII. 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.<sup>3</sup>

**VIII. OLD BUSINESS**

- a) Consideration of Approval of 1) Keeping the Offer to Purchase the Old SNB Building on the Table; 2) Resolution 14-41, Approving a Procedure for Purchasing City Owned Property and Approving an Offer to Purchase City Owned Property Agreement; and 3) Remanding Offer to Purchase Back to Land Planning & Development Committee for Further Discussion. (CAF 14-64) [See Notebook Tab 2]

- Resolution 14-41

**IX. NEW BUSINESS**

- a) Consideration of Approval of Resolution 14-39, Authorizing an Application for U.S. Department of Justice's 2014-2015 BJA Justice Assistance Grant Program. (CAF 14-61) [See Notebook Tab 3]

- Resolution 14-39

- b) Consideration of Approval of Resolution 14-38, Award of FY14 Audit Contract Between the City of Henderson and William L. Stark and Company to Conduct the Annual Audit for Fiscal Year 2013-2014. (CAF 14-58) [See Notebook Tab 4]

- Resolution 14-38

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<sup>3</sup> **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.

- c) Consideration of Approval of Resolution 14-16, Authorizing Execution of Agreement with the North Carolina Department of Transportation (NCDOT) Relative to the Chavasse Avenue Widening Project (WBS Element: 38404). (CAF 14-29) [See Notebook Tab 5]
  - Resolution 14-16
- d) Consideration of Approval of Resolution 14-40, Allowing Vance County Relay for Life to Place a Banner Across the Charles Street Overpass. (CAF 14-63) [See Notebook Tab 6]
  - Resolution 14-40

## **X. 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 14-10, Demolition of 712 Champion Street. (CAF 14-40) [See Notebook Tab 7]
  - Resolution 14-10
- b) Consideration of Approval of Ordinance 14-12, Demolition of 407 Pettigrew Street (CAF 14-46) [See Notebook Tab 8]
  - Resolution 14-12
- c) Consideration of Approval of Ordinance 14-32, FY14 Budget Amendment #36, Amending the CIP Sewer Fund to Reflect Revised Approval of Project Bid Information on the Sandy Creek Pump Station Improvement Project Received from NCDENR on March 14, 2014. (CAF 14-60) [See Notebook Tab 9]
  - Ordinance 14-32
- d) Consideration of Approval of 1) Ordinance 14-30, FY 13-14 Budget Amendment #34; To Amend the CIP Sewer Fund; and 2) Ordinance 14-31, FY13-14 Budget Amendment #35: To Amend and Close Out the 2013 Governor's Crime Commission Mobile Data Terminal Grant. (CAF 14-59) [See Notebook Tab 10]
  - Ordinance 14-30
  - Ordinance 14-31

- e) Promissory Note for High Speed Pump at Kerr Lake Regional Water Plant – State Project #H-LRX-F-11-1692. (CM 14-17) [See Notebook Tab 11]

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

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## **XII. REPORTS**

- a) Mayor/Mayor Pro-Tem (No Report)  
b) City Manager  
    i. Financial Report – 1<sup>st</sup> Nine Months FY 2014 (CM 14-18) [See Notebook Tab 12]  
c) City Attorney (No Report)  
d) City Clerk (No Report)  
    i. Meeting and Events Calendar [See Notebook Tab 13]  
    ii. Fire Department April Report

### **Five Minute Recess**

## **XIII. WORK SESSION**

- a) Consideration of Approval of Resolution 14-42, Adopting and Implementation Plan of the 2014 Henderson Classification and Pay Study with Personnel Policy, May 2014. (CAF 14-65) [See Notebook Tab 14]
- Resolution 14-10

## **XIV. ADJOURNMENT**

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### **<sup>4</sup> Citizen Comment Guidelines**

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- 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**  
**12 May 2014**

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**PRESENT**

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoe, D. Michael Rainey, Brenda Peace-Jenkins, Garry 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, Police Chief Marcus Barrow, Fire Chief Danny Wilkerson, Assistant Fire Chief Cordell, Battalion Chief Moss, Battalion Chief Twisdale, Fire Fighter Boyd, Recreation and Parks Director Alan Gill, 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 12 May 2014 Regular Meeting of the Henderson City Council was called to order by Mayor O'Geary at 6:03 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 welcomed the staff and citizens by saying it is always good to see individuals in attendance.

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

Mayor O'Geary asked if there were any adjustments to the Agenda. Council Member Rainey 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 Peace-Jenkins moved the approval of the 28 April Short Regular minutes and the 28 April Work Session minutes, as presented. Motion seconded by Council Member Rainey and unanimously approved.

## **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**

**Keeping the Offer to Purchase the Old SNB Building on the Table; Approving a Procedure for Purchasing City Owned Property and an Offer to Purchase City Owned Property Agreement and Remanding the Offer to Purchase Back to the Land Planning & Development Committee for Further Discussion. (Reference: CAF 14-64; Resolution 14-41)**

City Manager Griffin said the Land Planning Committee has reviewed the procedures in this three-part item which are: 1) allowing the bid to purchase to remain on the table pending Council's review this evening; 2) approving the proposed policy/agreement and 3) taking the tabled bid back to the Land Planning Committee vis-à-vis the new approved policy. Mr. Griffin then asked City Attorney Zollicoffer, Jr. to review the policy before Council this evening.

Attorney Zollicoffer, Jr. said the policy and offer form specifically include conditions regarding taxes being paid in full on all other properties owned by the potential buyer. The documents also specify the buyers' expenses regarding closing costs. The potential buyer will be responsible for the cost of advertising of the initial bid but the City will be responsible for advertising any upset bids.

Council Member Rainey asked if the City is in a position to not sell the property. Attorney Zollicoffer, Jr. responded the City is able to refuse to accept a bid but it cannot discriminate on race, etc.

Council Member Coffey asked if this replaces anything in existence and if the policy/offer form need to be approved this evening. The Attorney responded nothing is currently in place.

Council Member Kearney expressed concern regarding the buyer fees. Attorney Zollicoffer, Jr. said it customary for there to be buyer fees and other municipalities are passing on these costs to the buyer. He added the policy and procedure are similar to what Vance County has in place. Mr. Kearney also asked about the warranty on properties. The Attorney responded the properties are sold “as is.”

Council Member Rainey asked how long the bid can remain on the table. The Attorney responded 90 days.

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

Council Member Coffey moved the approval of Resolution 14-41, *Keeping the Offer to Purchase the Old SNB Building on the Table; Approving a Procedure for Purchasing City Owned Property and an Offer to Purchase City Owned Property Agreement and Remanding the Offer to Purchase Back to the Land Planning & Development Committee for Further Discussion.* Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons, and Daye. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 29)

The City Manager then asked the Mayor to call for a voice vote to remand the tabled bid back to the Land Planning Committee for further consideration in light of the approval of this resolution.

A motion was made by Council Member Daeke to remand the tabled bid back to the Land Planning Committee for further consideration in light of the approval of Resolution 14-41. Council Member Daye seconded the motion and Mayor O’Geary asked for all those in favor to say aye. He then asked for those who are not in favor to voice their disagreement. The vote was unanimous to remand the tabled bid back to the Land Planning Committee for further consideration.

## **NEW BUSINESS**

**Authorizing an Application for U.S. Department of Justice’s 2014-2015 BJA Justice Assistance Grant Program.** (Reference: CAF 14-61; Resolution 14-39)

City Manager Griffin asked Police Chief Barrow to come forward. Chief Barrow said this is a grant which offers a 60/40 split between the Henderson Police department and Vance County’s Sherriff’s department. The City’s \$10,161 portion will be used to purchase/replace three (3) in-car mobile camera audio/video records.

Council Member Simmons asked why the split was 60/40. Chief Barrow responded the City is the main holder of the grant and that is the way the grant works.

Council Member Coffey asked if the \$10,161 will cover the cost of the cameras. Chief Barrow responded yes.

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

Council Member Kearney moved the approval of Resolution 14-39, *Authorizing an Application for U.S. Department of Justice's 2014-2015 BJA Justice Assistance Grant Program*. Motion seconded by Council Member Daye 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 4, p 25)

**Award of FY 14 Audit Contract Between the City of Henderson and William L. Stark and Company to Conduct the Annual Audit for Fiscal Year 2013-2014.** (Reference: CAF 14-58; Resolution 14-38)

City Manager Griffin explained this is consistent with the third year of a three year proposal with this auditing firm. The fee for auditing FY13-14 is s \$43,650 which is slightly higher than prior years. Mr. Griffin added the Local Government Commission requires the completion of the audit by the end of October and this firm has agreed to complete the audit by 31 October 2014. A Request for Proposal (RFP) will be needed for a new three-year period. He said this firm has done an excellent job and it is recommended that Council approve this contract.

Council Member Daeke asked why the increase. Mr. Griffin responded auditor's fees increase for the City just as they do for any other client. Council Member Coffey felt \$43,650 was a lot of money. Mr. Griffin responded the auditors have to go through every line item and review over \$35M in assets.

(Clerk's Note: City Attorney Zollicoffer, Jr. asked that the wording used in #25 of the Contract to Audit Accounts for the City of Henderson, be used in all future contracts -- just change the word "Auditor" to the appropriate contract information.)

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

Council Member Rainey moved the approval of Resolution 14-38, *Award of FY 14 Audit Contract Between the City of Henderson and William L. Stark and Company to Conduct the Annual Audit for Fiscal Year 2013-2014*. Motion seconded by Council Member Peace-Jenkins 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 4, p 23)

**Authorizing Execution of Agreement with the North Carolina Department of Transportation (NCDOT) Relative to the Chavasse Avenue Widening Project (WBS Element: 38404)** (Reference: CAF 14-29; Resolution 14-16)

City Manager Griffin asked Assistant City Manager Frank Frazier to update Council on this matter. Mr. Frazier reminded Council this was discussed at the last Work Session. This project began in 2007 but was delayed by the State because of the High Speed Rail project. The project has now been revived and as requested, Mr. Jim Crawford, who serves on the State DOT

committee, has been contacted both verbally and in writing regarding State assistance with its request that the City pick up any unanticipated costs. Mr. Frazier added the State is willing to allow Council to review the bids received by the DOT prior to moving forward with the project.

City Manager Griffin said he received a call from Mr. Crawford late Friday afternoon. Mr. Crawford said there might be a 'little bit' of funding available for sidewalk construction. Mr. Griffin then asked Mr. Frazier if a resolution needed to be passed this evening or if Council could review the bids first. Mr. Frazier said he was not sure but did not think waiting would be a problem.

Council Member Inscoe asked if the right-of-way appraisal has been received and if it has been submitted to the property owner. Mr. Frazier said he expects it within the next 7-10 days and that a copy will be provided to the property owner.

City Attorney Zollicoffer, Jr. said he is very concerned about the liability clause in the *Locally Administered Project – State Contingency Agreement* (especially the underlined portion). Although this is a State road and State project, the DOT wants the City to agree to:

*“indemnify and hold the Department and the State of North Carolina, their respective officers, directors, principals, employees, agents, successors, and assigns from and against any and all claims for damage and/or liability in connection with the right of way acquired for Project activities performed pursuant to this Agreement including construction of the Project. The Department shall not be responsible for any damages claims, which may be initiated by third parties.*

Council Member Daeke asked if this wording has been used in other project agreements. Mr. Frazier said he did not remember.

Council Members Coffey and Kearney expressed concern regarding the lack of liability responsibility by the State.

Council Member Simmons asked what happens if the State won't change its stance. Mr. Griffin said this could be a major risk management issue. The project was delayed by the State, not the City --- it's a State project and but it expects the City to pick up the costs for anything over \$700,000. Mr. Griffin said the City does not have enough dollars to cover the costs of street work within the City and asked why the City should be expected to pay for State roads when it cannot even pave its own local streets.

Council Member Inscoe suggested this item be tabled for further discussion with Mr. Crawford.

Motion was made by Council Member Inscoe that this issue be **TABLED** until Mr. Crawford is contacted and verification is made as to whether this is the State's standard contractual language. Motion was seconded by Council Member Rainey and **APPROVED** by the following vote: YES: Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey and Inscoe. NO: None. ABSTAIN: None. ABSENT: None.

**Allowing Vance County Relay for Life to Place a Banner Across the Charles Street Overpass.** (*Reference: CAF 14-63; Resolution 14-40*)

City Manager Griffin asked Code Compliance Director/Interim Planning Director Corey Williams to come forward. Mr. Griffin thanked Mr. Williams for stepping up to the plate and appreciated his willingness to take on additional duties until a Planning Director is hired.

Mr. Williams said he was approached by the Relay for Life representative, Mr. James Baines, about placing a banner across the Charles Street Overpass. According to City Code, this is not allowed unless approved by Council. He said Mr. Baines is present to answer any questions by Council. Mr. Williams added the banner will be in place until 30 June 2014 which allows Relay for Life a week to remove the banner after the conclusion of the event.

Council Member Daeke asked about liability insurance and said the banner would need to be very securely fastened to the overpass.

Council Member Rainey asked if permission has been obtained from CSX, who owns the overpass. Mr. Baines said not yet.

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

Council Member Rainey moved the approval of Resolution 14-40, *Allowing Vance County Relay for Life to Place a Banner Across the Charles Street Overpass*. Motion seconded by Council Member Coffey and APPROVED by the following vote: YES: Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey, Inscoe and Rainey. NO: None. ABSTAIN: None. ABSENT: None. (*See Resolution Book 4, p 27*)

**CONSENT AGENDA**

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

**Demolition of 712 Champion Street.** (*Reference: CAF 14-40, Ordinance 14-10*) Proper enforcement procedures have been followed in accordance with Section 21A of the NCGS 160A-429,443 and 445. Taxes are due for 2012 and 2013 in the amount of \$669.54. (*See Ordinance Book 9, p 83*)

**Demolition of 407 Pettigrew Street.** (*Reference: CAF 14-46, Ordinance 14-12*) Proper enforcement procedures have been followed in accordance with Section 21A of the NCGS 160A-429,443 and 445. Taxes are due from 2009 through 2013 in the amount of \$2,451.80. (*See Ordinance Book 9, p 87*)

**Amending the CIP Sewer Fund (FY14 Budget Amendment #36) to Reflect Revised Approval of Project Bid Information on the Sandy Creek Pump Station Improvement Project Received from NCDENR on 14 March 2014.** (*Reference: CAF 14-60, Ordinance 14-32*) This is a housekeeping matter that reflects the new estimated loan amount to be \$1,696,874

with a principal forgiveness of \$848,437 for the Sandy Creek Pump Station Improvement project. (See Ordinance Book 9, p 127)

**To Amend the CIP Sewer Fund (FY 13-14 Budget Amendment #34) and to Amend and Close Out the 2013 Governor's Crime Commission Mobile Data Terminal Grant (FY13-14 Budget Amendment #35).** (Reference CAF 14-59, Ordinance 14-30 and Ordinance 14-31) Budget Amendment #34 corrects Budget Amendment #22 as the engineering design portion of the CIP Sewer Fund was incorrectly decreased by \$68,000. Budget Amendment #35 amends the project budget for funds not spent and closes out the project. (See Resolution Book 4, p 11)

**Promissory Note for High Speed Pump at Kerr Lake Regional Water Plant State Project - #H-LRX-F-11, 1692.** (Reference: CM 14-17) This loan (see Attachment A) was accepted by Council on 23 July 2012 and serves as a matter of record and status of the project.

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

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

City Clerk McCrackin advised no citizen wished to address Council.

#### **REPORTS**

- a) Mayor/Mayor Pro-Tem – Mayor Pro-Tem Rainey said there was a terminally ill citizen living on Beechwood Drive, and over the weekend there was a sewer problem. He thanked Mr. Frazier, Mr. Griffin and the staff for their prompt response.
- b) City Manager - Mr. Griffin echoed Mr. Rainey's comments by saying Mr. Frazier and the Public Service responders did a top notch job on Beechwood Drive. He added the problem was caused by the failure of a 30 plus year old pump which will have to be updated. This pump replacement is not in the current budget so they are looking to see what adjustments can be made to find the funds to purchase the new pump motors.

Mr. Griffin said the Finance Director is unable to attend this meeting but has compiled a Nine Month FY2014 Financial Report. He said Ms. Brafford will be happy to respond to any questions Council may have and will include any information Council would like to see in the future.

c) City Attorney (No Report)

d) City Clerk - Ms. McCrackin reminded Council of St. Baldrick's Day May 31<sup>st</sup> and reminded Council that there is a Special Called Meeting scheduled for Monday, 19 May 2014 at 6:00 p.m. to receive the City Manager's proposed FY15 budget.

Council Member Kearney commended Mr. Griffin and Recreation and Parks Director Alan Gill for responding to a piece of broken equipment at King Kids Park. Mr. Kearney said he anticipates the spring rider will be replaced in the near future.

Mr. Kearney asked the City Manager to contact the Chamber President, Mr. John Barnes to discuss Mr. Barnes supposed concerns regarding the recently passed sign ordinance. Mr. Griffin said he would contact Mr. Barnes.

Mr. Griffin asked Alan Gill to stand so he could be recognized as this is his last City Council meeting before his retirement at the end of this month. Mr. Griffin said Mr. Gill has been with the City for over 30 years and thanked him for all he has accomplished. Alan's last day is May 30 and wished Alan well as he "spends his time fishing".

Mayor O'Geary then called for a five (5) minute recess to allow Ms. Becky Veazey from The MAPS Group to prepare for the Work Session presentation. The meeting recessed at 6:50 p.m. and reconvened at 6:55 p.m.

## **WORK SESSION**

### ***Adopting and Implementation Plan of the 2014 Henderson Classification and Pay Study with Personnel Policy, May 2014. (Reference: CAF 14-65; Resolution 14-42)***

City Manager Griffin began by saying Council is well aware that the City is lagging behind in job wage/salary and now finds itself about 23% below market value. He said through the League of Municipalities, Ms. Becky Veazey of The MAPS Group has worked with the City staff to provide the City with an up-to-date Position Classification and Personnel Policy (Classification and Pay Study) and a five-year implementation plan which will allow the City to be more competitive over the coming years.

Mr. Griffin then introduced Ms. Veazey who is no stranger to Council as she has worked for several years with Council on its Annual Strategic Planning process.

Ms. Veazey greeted Council and began by explaining the process and methodology that took place in compiling this 4-part plan. The process began with meetings with the City Manager and Human Resources Director. Then meetings were set to explain the entire process to all the current staff. At that time questionnaires were distributed to each staff member and after a set time, were returned. Interviews were conducted with employees, supervisors and management to clarify duties and responsibilities. Then Ms. Veazey and her team set about compiling the information to create the following components of the plan:

1) Classification specifications were written for each classification and a market survey was conducted with area local governments and private sector employees to identify pay rates. Ms. Veazey emphasized that classification has everything to do with the job and nothing to do with the person performing the job. She also said some job titles (classifications) needed to be re-titled as existing titles were outdated or no longer fit the job. She used Meter Readers as an example of a classification. Meter Readers basically do the same thing; however, some readers, such as a new hire, may only know how to read a meter while other readers who have been doing the same job for twenty years are able to do more detailed work such as repairing broken pipes. This brought her to the compensation portion of the plan.

2) Compensation is recommended by classification which is set into a specific pay grade. Within each pay grade there is a salary range with a low, mid and high point. Using the same example as above, the salary of the new meter reader would be lower than that of the twenty-year employee. Once an employee reaches the maximum of the pay grade they would remain there until they are promoted to a new pay grade or a salary adjustment is approved by Council for the entire grade.

3) A Personnel Policy is part of the proposed plan. The policy reflects regulatory and legislative changes and removes the majority of the City's existing procedures from the current policy manual.

4) Benefits – This plan provides comparative benefits information and recommendations. Some of the suggested changes include an equitable leave accrual for all employees regardless of the number of scheduled hours averaged per week; providing supervisory training, developing a succession plan for each department, longevity pay changes, along with changes to vacation accrual.

Throughout the presentation, Ms. Veazey responded to various questions such as what cities were used for comparisons, how fair employee evaluations would be conducted, how the different classifications were determined in a particular job grade. She explained the cities used are listed in the manual which she distributed (*a copy of which is filed in the City Clerks Vault*). As far as performance evaluations, Mr. Griffin said the next step would be to have Ms. Veazey return to train supervisors on how to conduct an evaluation with proper checks and balances so no individual is treated as “the favorite.” She urged Council to review the Plan and will return during a budget work session to respond to questions.

Ms. Veazey said if the City continues to lag behind, it will eventually become impossible for the City to hire any quality employees. She added the loss of an employee, costs the City approximately 2/3 of the annual salary for that position. She also said when you are in a position of only being able to hire less qualified employees, the supervisors spend all their time training and are unable to properly supervise the entire department.

A few of the comments made by Council were the City cannot continue to put band aids on the problem --- Council Member Inscoe commented the lack of economic development within both the City and County; Council Member Coffey mentioned the expense to train employees;

Council Member Rainey commented that a raise cannot be given if there are no funds available. Council Member Kearney mentioned from his work experience sometimes employees see a salary reduction and Council Member Daeke asked about how competitive municipalities were selected and mention flaws in providing cost of living (COLA) increases.

Lastly, Ms. Veazey thanked Council for its attention and again reiterated that she would be happy to respond (either by phone or in person) to any questions Council may have after reviewing the material. Mr. Griffin advised one of the upcoming budget work sessions will be dedicated to reviewing the pay plan recommendations and asked if Ms. Veazey could plan to attend that specific work session.

Mayor O'Geary now 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 8:33 p.m.

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D. Michael Rainey  
Mayor Pro-Tem

***ATTEST:***

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Esther J. McCrackin  
City Clerk

4/24/14

## City of Henderson

Schedule for Federal Revolving Loan  
Prepared by the Department of State Treasurer

Amount:	\$1,129,000	LGC Approval Date:	June 5, 2012
Term (Years):	20	Approval Amount:	\$1,129,000
Interest Rate:	0.00%	Loan Amount:	\$1,129,000
Est. Date of Completion:	January 11, 2015	Certified Completion Date:	
State Project Number:	H-LRX-F-11-1692		

Fiscal Year	Outstanding Balance	Interest Rate		May 1 Principal Payment	Total Payment
05/01/16	\$ 1,129,000.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/17	\$ 1,072,550.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/18	\$ 1,016,100.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/19	\$ 959,650.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/20	\$ 903,200.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/21	\$ 846,750.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/22	\$ 790,300.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/23	\$ 733,850.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/24	\$ 677,400.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/25	\$ 620,950.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/26	\$ 564,500.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/27	\$ 508,050.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/28	\$ 451,600.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/29	\$ 395,150.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/30	\$ 338,700.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/31	\$ 282,250.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/32	\$ 225,800.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/33	\$ 169,350.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/34	\$ 112,900.00	0.000%		\$ 56,450.00	\$ 56,450.00
05/01/35	\$ 56,450.00	0.000%		\$ 56,450.00	\$ 56,450.00
				\$ 1,129,000.00	\$ 1,129,000.00