

# **City Council Minutes**

## **Regular Meeting**

### **May 14, 2018**

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#### **PRESENT**

Mayor Eddie Ellington, Presiding; and Council Members, Sara M. Coffey, William Burnette, Melissa Elliott, Garry D. Daeke, Fearldine Simmons and George M. Daye

#### **ABSENT**

Council Members Marion B. Williams and D. Michael Rainey (*Clerk's Note: Ms. Williams was unable to attend this meeting due to a health concern. Mr. Rainey called to say he had a family matter to attend to and would arrive late. Mr. Rainey arrived at 6:20 p.m. Council Member Daye arrived at 6:07 p.m.*)

#### **STAFF PRESENT**

City Manager Frank Frazier, City Attorney D. Rix Edwards, City Clerk Esther J. McCrackin, Finance Director Joseph Fuqua, Police Chief Marcus Barrow, Fire Chief Steve Cordell, Assistant Fire Chief Curtis Tyndall, Assistant to City Manager Paylor Spruill, Engineering Director Clark Thomas, Human Resources Director Elgin Lane, Development Services Director Corey Williams, Henderson Water Reclamation Facility Director Lamont Allen and Kerr Lake Regional Director Christy Lipscomb

#### **CALL TO ORDER**

The 14 May 2018 Regular Meeting of the Henderson City Council was called to order by Mayor Eddie Ellington 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 Ellington a quorum was present.

#### **INVOCATION AND PLEDGE OF ALLEGIANCE**

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

#### **OPENING COMMENTS**

Mayor Ellington welcomed everyone on this warm evening.

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

Mayor Ellington asked if there were any adjustments to the Agenda. Council Member Coffey moved to accept the Agenda as presented. Motion seconded by Council Member Simmons, and unanimously approved.

## **APPROVAL OF MINUTES**

Mayor Ellington asked for any corrections to and/or approval of the minutes. Council Member Elliott moved the approval of the 9 April 2018 Regular Meeting minutes as presented. Motion seconded by Council Member Burnette, and unanimously approved.

## **PRESENTATIONS/RECOGNITIONS**

Finance Director Joey Fuqua made a presentation to Wanda Ball who retired on May 1, 2018. He said Ms. Ball worked for the City for 17 years and she will certainly be missed. He commented that you never realize the work someone does until they are no longer doing that work. Mr. Fuqua read the engraving on the clock he presented Ms. Ball and gave her a blanket with the City Seal woven into it.

## **PUBLIC HEARING**

**Holding a Public Hearing on the Question of Annexation for the Salvation Army, Pursuant to North Carolina General Statute 160-A-31, and 2) Consideration of Approval of Ordinance 18-07, 1) Extending the Corporate Limits of the City of Henderson, North Carolina; 2) Assignment of Newly Annexed Areas Ward 2, and 3) Directing the City Attorney to Record Annexation with Vance County Board of Elections, Vance County Register of Deeds and the North Carolina Secretary of State. (Reference: CAF 18-13-C, Ordinance 18-07)**

City Manager Frazier said the annexation petition from the Salvation Army was delayed during the last meeting as it was Council's desire for staff to talk with the Salvation Army to ensure they do not want to consider moving into one of the middle schools that will be closing due to consolidation after this school year. The Mayor and Mr. Frazier met with Captain Langley of the Salvation Army. He stated that if they had known several years ago that these building would be available they might have considered moving into possibly one of the them (Eaton Johnson or Henderson Middle School) downtown but they did not feel comfortable making a change now as they have spent considerable funds purchasing the land, as well as on engineering/architectural plans. Mr. Frazier added that the Salvation Army is considering opening a second store in the downtown area.

Mayor Ellington said he spoke to former Mayor O'Geary, a member of the Salvation Army Board who said they did not feel they could make a change because of what had already been invested in the current location.

Mr. Frazier reminded Council that the majority of the property is already within City limits and this action is only for the areas that would be used primarily for athletic and other outside events.

There was concern expressed about the Police Chief's comments in the Annexation Report stating that with current staffing levels, he did not feel the department could provide adequate coverage.

Council asked Police Chief Barrow to explain his comments. The Chief said the Salvation Army would need additional security for special events. Not only is staffing an issue but if the Salvation Army hired an off duty officer and an incident occurred, it would take his officers 15-20 minutes to arrive because of their proposed location at the outer edge of town.

Council Members Daeke, Coffey and Elliott all expressed their thoughts by saying they saw no advantage to either the City or the Salvation Army with annexing this property at this time. Council Member Rainey asked if this annexation was for the Salvation Army only. Mr. Frazier said that was correct and added that this petition is good for seven years and is required by ordinance when extending or connecting to water and sewer.

After a short discussion in which Council Members emphasized the Salvation Army's good work, they felt action at this time would not be appropriate. The Manager stated that he felt the city must be careful when considering annexations.

Mayor Ellington asked how Council would like to proceed. Council Member Elliott made a motion that no action be taken at this time on the annexation petition submitted by the Salvation Army.

Council Member Elliott made a motion that no action be taken at this time on Ordinance 18-07, regarding the annexation petition submitted by the Salvation Army. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Coffey, Elliott, Daeke and Daye. NO: Burnette and Rainey. ABSTAIN: None. ABSENT: Williams.

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

City Clerk McCrackin advised one citizen wished to address Council.

**Ardis Crews, 424 Hamilton St** Ms. Crews first thanked Council for approving the hoop houses. She then offered a suggestion for Council's consideration. She asked Council consider giving the property at 725 Roberson Street to Green Rural.

Council Member Coffey asked if she was asking for the City to sell the property or to give the property to Green Rural. Ms. Crews said they would like the property to be donated.

## OLD BUSINESS

### **Approving a Supplemental Agreement for Funding with the North Carolina Department of Transportation (NCDOT) for the Beckford Drive (SR 1165) Widening Project with High Impact Funds in the Amount of \$400,000.** (Reference: CAF 18-05-B; Resolution 18-05-A)

City Manager Frazier explained funding for this project was received from the U.S. Congress Transportation Reauthorization bill. All the needed easements and right-of-ways have been obtained and the City expects to bid this project in September. The estimated project cost is \$1,339,676 and NCDOT has agreed to provide an additional \$400,000 for this project.

Council Member Burnette asked where these funds would come from and Mr. Frazier said from the Powell Bill funds that were previously allocated. A question was asked about what happened if the bids came in higher than expected. The Manager responded that some components of the project such as sidewalks may have to be eliminated.

With no further discussion, Mayor Ellington asked Council how it wished to proceed.

Council Member Burnette moved the approval of Resolution 18-05-B, *Approving a Supplemental Agreement for Funding with the North Carolina Department of Transportation (NCDOT) for the Beckford Drive (SR 1165) Widening Project with High Impact Funds in the Amount of \$400,000*. Motion seconded by Council Member Daeke, and APPROVED by the following vote: YES: Coffey, Burnette, Rainey, Elliott, Daeke, Simmons and Daye.. NO: None. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 37-A)

### **Reimbursement of Special Use Permit Fees for Greenhouse Structures.** (Reference: CAF 18-43; Resolution 18-27)

City Manager Frazier said property on Roberson Street has been leased for about three years by Green Rural Redevelopment. He said there has been some confusion regarding the waiving of permit fees and could not find any written information that waived fees. So, to clarify, staff has generated this resolution as requested by Council, that would allow for reimbursement of Special Use Permit fees once specific requirements are met. This resolution pertains only to greenhouses and city/county owned property.

Council expressed concern about setting a precedent for other non-profits. Council Member Coffey requested information regarding how many non-profits have paid the Special Use permit fees. Ultimately Council felt it would be unfair to waive fees for this non-profit.

Council Member Rainey made a motion to refuse this request for waiving special use permit fees.

Mayor Ellington asked Council how it wished to proceed.

Council Member Rainey moved to **DENY** Resolution 18-27, *Reimbursement of Special Use Permit Fees for Greenhouse Structures*. Motion seconded by Council Member Elliott and APPROVED by the following vote: YES: Burnette, Rainey, Elliott, Simmons, Daye, and Coffey. NO: Daeke. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 81)

## NEW BUSINESS

**Awarding a Contract to North State Water and Sewer Inc., in the Amount of \$159,300 for the ROBCO Manufacturing Water and Sewer Line Extension.** (*Reference: CAF 18-40; Resolution 18-24*)

City Manager Frazier said staff was excited to receive the bid from North State Water and Sewer Inc., as it was within the bid estimate. North State Water and Sewer preferred the smaller projects and staff feels this project is a good fit for the company. Engineering Director Clark Thomas said they have been in business for over a decade and when asked by Council Member Coffey about where they are located, he said the company is out of Winston-Salem.

There was a short discussion about why this bid is so much lower than the local bids and the conclusion was the current amount of work in the area and North State's desire to work on smaller projects. Council Member Burnette asked at what point this project starts and Mr. Frazier responded by stating that was on Martin Creek Road near the City's overhead water storage tank.

With no further discussion, Mayor Ellington asked Council how it wished to proceed.

Council Member Elliott moved the approval of Resolution 18-24, *Awarding a Contract to North State Water and Sewer Inc., in the Amount of \$159,300 for the ROBCO Manufacturing Water and Sewer Line Extension*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Rainey, Elliott, Daeke, Simmons, Daye, Coffey and Burnette. NO: None. ABSTAIN: None. ABSENT: Williams. (*See Resolution Book 6, p 75*)

**Transferring Funds from General Fund Non-Departmental to Public Buildings and Grounds Budget for the Ash Tree Treatment Program.** (*Reference: CAF 18-44; Ordinance 18-17, Budget Amendment #18*)

Assistant to the City Manager Paylor Spruill said Lineberger's Tree Service, out of Raleigh, has submitted a \$2,700 estimate to apply the treatment necessary to save the ash trees in the downtown area. The grant requires the city to pay for this labor and Mr. Spruill said this estimate is about half of what the State provided for an anticipated treatment cost.

There was no discussion. Mayor Ellington asked Council how it wished to proceed.

Council Member Rainey moved the approval of Ordinance 18-17, *Transferring Funds from General Fund Non-Departmental to Public Buildings and Grounds Budget for the Ash Tree Treatment Program*. Motion seconded by Council Member Daeke, and APPROVED by the following vote: YES: Elliott, Daeke, Simmons, Daye, Coffey, Burnette and Rainey. NO: None. ABSTAIN: None. ABSENT: Williams. (*See Ordinance Book 9, p 527*)

**Approving the Execution of a Hydraulic Water Modeling Contract with Hazen and Sawyer in the Amount of \$66,900; Approving a Contract with Stantec to Develop a Financial Planning and Member Rate Analysis; Transferring Funds from KLRW Reserves to Contracted Services and for the Hazen & Sawyer Contract.** (Reference: CAF 18-45, Resolution 18-28, Resolution 18-31, Ordinance 18-18, Ordinance 18-22, Budget Amendment #19 and 22)

City Manager Frazier stated the City has used Hazen and Sawyer before and specifically with the hydraulic modeling. This is not part of the CDM contract but can be done within the funds for the first phase of the project. He felt this work would greatly help with Phase II of this project. He then asked Kerr Lake Regional Water Director Christy Lipscomb and Engineering Director Clark Thomas to explain the modeling need. Ms. Lipscomb said Hazen and Sawyer did a study in 2011 for both Regional Water and the Henderson water system. She said this study has been extremely helpful over the years. Mr. Thomas said this study is not just for the high service pump and will determine how much water can be pushed through the existing lines to accommodate the 20MGD project.

Mr. Thomas said Stantec will review the water billing/water rate charges to ensure equal and equitable rates for the three partners. The reason for this is both Henderson and Warren County have received grant and/or loan funds; however, Oxford has not received any funds for this project, particularly grant funds. It was noted that Oxford used funds specifically for their water system. The outcome is to formulate a payment plan that is fair to all three partners.

With no specific discussion, Mayor Ellington asked Council how it wished to proceed.

Council Member Coffey moved the approval of Resolution 18-28, *Approving the Execution of a Hydraulic Water Modeling Contract with Hazen and Sawyer in the Amount of \$66,900; Resolution 18-31, Approving a Contract with Stantec to Develop a Financial Planning and Member Rate Analysis; Ordinance 18-18, Transferring Funds from KLRW Reserves to Contracted Services* and Ordinance 18-22, *for the Hazen & Sawyer Contract*. Motion seconded by Council Member Burnette, and APPROVED by the following vote: YES: Daeke, Simmons, Daye, Coffey, Burnette, Rainey and Elliott. NO: None. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 83 and 89, Ordinance Book 9, p 529 and 537)

**Accepting a Grant/Loan from DWSRF for the Kerr Lake Regional Water System Plant Improvement Project in a Total Amount of \$15,000,000.** (Reference: CAF 18-42; Resolution 18-26)

City Manager Frazier said overall this is a good deal for the three partners as the loan interest will be 1.53% for 20 years plus the grant funds accepted by Warren County as mentioned with the previous action item. There was no discussion.

Mayor Ellington asked Council how it wished to proceed.

Council Member Daeke moved the approval of Resolution 18-26, *Accepting a Grant/Loan from DWSRF for the Kerr Lake Regional Water System Plant Improvement Project in a Total Amount of \$15,000,000*. Motion seconded by Council Member Elliott, and APPROVED by the following

vote: YES: Simmons, Daye, Coffey, Burnette, Rainey, Elliott and Daeke. NO: None. ABSTAIN: None. ABSENT: Williams. (*See Resolution Book 6, p 79*)

**Awarding Change Order #1 for the Newton Dairy Road, Birch & Bobbitt Project and Amending the Budget for the CDBG Infrastructure Project #18-I-2658.** (*Reference: CAF 18-48, Resolution 18-34, Ordinance 18-20, Budget Amendment #20*)

City Manager Frazier said the majority of the lines for this sanitary sewer project have been laid within the Birch/Bobbitt area; however, a utility conflict has caused the sewer main to be relocated in the middle of both Birch and Bobbitt streets. Rather than totally patch the work, it is preferable to overlay the streets. This has created an additional cost of \$27,500 if Council approves the overlay work; however, this is an allowable cost for the CDBG funds. Staff, along with the Engineer, recommends approval of this change order with the work being completed by H.G. Reynolds.

Council Member Daeke asked if other overruns are expected since this work will leave only \$21,250 in contingency. Engineering Director Thomas said there is no way of knowing if other unknowns will arise but did feel that the remaining contingency funds would be needed.

With no further discussion, Mayor Ellington asked Council how it wished to proceed.

Council Member Burnette moved the approval of Resolution 18-34, *Awarding Change Order #1 for the Newton Dairy Road, Birch & Bobbitt Project* and Ordinance 18-20, *Amending the Budget for the CDBG Infrastructure Project #18-I-2658*. Motion seconded by Council Member Simmons, and APPROVED by the following vote: YES: Daye, Coffey, Burnette, Rainey, Elliott, Daeke and Simmons. NO: None. ABSTAIN: None. ABSENT: Williams. (*See Resolution Book 6, p 95, Ordinance Book 9, p 533*)

**Approve Change Order #2 to Replace Water Services to H.G. Reynolds for the Newton Dairy Road, Birch and Bobbitt Project and Amending the Budget for the CDBG Infrastructure Project 14-I-2658 (Newton Dairy Road/Birch and Bobbitt Street Sewer Extension Project).** (*Reference: CAF 18-47, Resolution 18-33, Ordinance 18-21, Budget Amendment #21*)

City Manager Frazier explained this is not something that has to be done; however, it has become apparent that the existing galvanized water lines running under the road need to be replaced as there would probably be future leaks. It would be preferable to replace these lines now rather than having to dig up the road after it has been repaved/overlayed.

The change order of \$26,000 is to replace all the water services prior to repairing/overlaying the street. The additional cost would be covered by Rate Stabilization funds.

Council Member Daeke asked why this was not known before starting the project. Engineering Director Clark Thomas stated that we were aware of the condition of the services and it was known that CDBG would not have paid for it. This is an opportunity to eliminate another 2" line as the City has been working to reduce the amount of 2" mains throughout the system.

Overall, Council agreed that this is the time to make these repairs.

There was no further discussion so Mayor Ellington asked Council how it wished to proceed.

Council Member Burnette moved the approval of Resolution 18-33, *Approve Change Order #2 to Replace Water Services to H.G. Reynolds for the Newton Dairy Road, Birch and Bobbitt Project* and Ordinance 18-21, *Amending the Budget for the CDBG Infrastructure Project 14-I-2658 (Newton Dairy Road/Birch and Bobbitt Street Sewer Extension Project)*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Coffey, Burnette, Rainey, Elliott, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 93, Ordinance Book 9, p 557)

**Authorizing the Demolition of 314 Hillside Alley.** (Reference: CAF 18-46, Resolution 18-32)

City Manager Frazier said this structure burned and it is considered unsalvageable for rehabilitation and possible homesteading; therefore, approval for demolition is requested. Mr. Frazier added that it is doubtful the demolition will take place within the current fiscal year but would review the amount of existing available funds.

There was no discussion so Mayor Ellington asked Council how it wished to proceed.

Council Member Daeke moved the approval of Resolution 18-32, *Authorizing the Demolition of 314 Hillside Alley*. Motion seconded by Council Member Elliott, and APPROVED by the following vote: YES: Coffey, Burnette, Rainey, Elliott, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 91)

**Authorizing the Application for a State Farm Community Grant by the Henderson Fire Department in the Amount of \$25,000.** (Reference: CAF 18-49, Resolution 18-35)

City Manager Frazier explained the Fire Department is asking for approval to apply for this grant that will be used for purchasing smoke alarms, carbon monoxide detectors, stovetop firestops and an inflatable safety house if awarded. There is no match required for this grant.

There was no discussion so Mayor Ellington asked Council how it wished to proceed.

Council Member Elliott moved the approval of Resolution 18-35, *Authorizing the Application for a State Farm Community Grant by the Henderson Fire Department in the Amount of \$25,000*. Motion seconded by Council Member Burnette, and APPROVED by the following vote: YES: Burnette, Rainey, Elliott, Daeke, Simmons, Daye and Coffey. NO: None. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 97)

## **CONSENT AGENDA**

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

**Establishing a No Parking Zone on Zeb Robinson Road.** (Reference: CAF 18-38, Ordinance 18-16) This action will make it illegal to park on both sides of Zeb Robinson Road, starting 700 feet south of the intersection of Charles Rollins Road and Zeb Robinson Road and ending at the intersection of Market Street and Zeb Robinson Road. (See Ordinance Book 9, p 525)



**Tax Releases and Refunds from Vance County for the Month of February 2018.** (Reference: CAF 18-39) The Finance Director has reviewed the following releases/refunds and found them to be in order. This action approves the tax releases and refunds for February 2018.

March 2018 Tax Releases & Refunds			
Name	Reason	Tax Year	Amount
<b>Real &amp; Personal Property Releases</b>			
Macon, Mattie	Lost To Forclosure	2010-2017	\$ 428.08
Watkins, C.F.	Real Property Billed In Error	2011-2017	\$ 499.30
Mayfield, Gertrude	Lost To Forclosure	2012-2017	\$ 1,424.03
Unknown	Lost To Forclosure	2012-2017	\$ 56.52
Anoviv Realty	Corrected Value	2016-2017	\$ 7,238.38
Edgett, Harold	Personal Property Billed In Error	2016-2017	\$ 6.16
Pulley, Robert	Corrected Value	2016-2017	\$ 378.08
Cash, Corbett	Personal Property Billed In Error	2017	\$ 4.44
Dubinski, Mark	Personal Property Billed In Error	2017	\$ 1,519.34
Edwards, Vincent	Personal Property Billed In Error	2017	\$ 128.83
Person, George	Personal Property Billed In Error	2017	\$ 55.53
Vaughn, Frances	Remove Solid Waste	2017	\$ 99.94
West, Gary	Personal Property Billed In Error	2017	\$ 3.08
Tippett, Philip	Personal Property Billed In Error	2018	\$ 80.37
			\$ -
<b>Real &amp; Personal Property Releases - Total</b>			<b>\$ 11,922.05</b>
<b>Real &amp; Personal Property Refunds</b>			
			\$ -
<b>Real &amp; Personal Property Refunds - Total</b>			<b>\$ -</b>
<b>Audit Discoveries</b>			
Kindred Nursing Center		2018	\$ 1,411.43
North Central Medical		2018	\$ 1,010.66
<b>Audit Discoveries - Total</b>			<b>\$ 2,422.09</b>
<b>Total Refunds &amp; Releases</b>			<b>\$ 14,344.14</b>

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

Council Member Coffey moved the approval of the Consent Agenda as presented. Motion seconded by Council Member Burnette, and APPROVED by the following vote: YES: Rainey, Elliott, Daeke, Simmons, Daye, Coffey and Burnette. NO: None. ABSTAIN: None. ABSENT: Williams.

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

City Clerk McCrackin advised one citizen wished to address Council.

**Yolanda Oxendine, 112 W. Winder Street** Ms. Oxendine, representing Lilyco Services, addiction recovery and counseling specialists, made a brief presentation regarding their services and desire to become team players within the community. They serve the five county area but are located here in Henderson.

**REPORTS**

- a) Mayor/Mayor Pro-Tem - Mayor Ellington reported on several events he attended throughout the month: Child Abuse Month, National Day of Prayer Breakfast and service, National Public Works Week luncheon, St. Baldrick’s Day events and visited two nursing homes for Nursing Home Week.

Mayor Pro-Tem Daeke commented on the Intergovernmental meeting and the National Public Works Week luncheon and said everyone enjoyed.

b) City Manager - Mr. Frazier reported on the following:

- i. Please let the Manager know your comments regarding the MOU regarding the Rec Players. This issue will be on the June agenda.
- ii. There seems to be a fair amount of interest in the Adopt-A-Park program.
- iii. The State has looked at the most recent sewer spill. Temporary measures are being taken to rebuild the piers to avoid further problems, especially with the heavy rain expected later this week and further work on the piers is being scheduled to be done by H.G. Reynolds.
- iv. Fire Station 2 renovations are nearly complete and a dedication/open house is being planned. The old municipal building renovations are approximately 90% complete.

c) City Attorney - (No Report)

d) City Clerk – The on-demand ethics training will be available in July and details on how to access the training will be distributed at that time.

At this time, Mayor Ellington asked if Council was prepared to go into Closed Session and stated 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)(3) for a Client-Attorney Matter. Motion seconded by Council Member Burnette, and unanimously approved.

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

Following the Closed Session, Council took action on the following:

**Declaring the Intent to Join a Class Action Lawsuit Seeking Payment of Damages by Pharmaceutical Manufacturers and Distributors of Opioids and Approval of a Contract Retaining the Law Firm of McHugh Fuller Law Group, LLC to Represent the City in the Class Action.** (*Reference: CAF 18-33-A; Resolution 18-16-A*)

City Manager Frazier said in April this was discussed and that he and the City Attorney have reviewed this class action lawsuit and after discussing further in Closed Session it is now before Council for action.

*Daily Dispatch* report Ryan Hedrick took a photo of the Council surrounding the Mayor as he signed the Resolution.

There was no further discussion so Mayor Ellington asked how Council would like to proceed.

Council Member Elliott moved the approval of Resolution 18-16-A, *Declaring the Intent to Join a Class Action Lawsuit Seeking Payment of Damages by Pharmaceutical Manufacturers and Distributors of Opioids and Approval of a Contract Retaining the Law Firm of McHugh Fuller Law Group, LLC to Represent the City in the Class Action*. Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Elliott, Daeke, Simmons, Daye, Coffey, Burnette and Rainey. NO: None. ABSTAIN: None. ABSENT: Williams. (See Resolution Book 6, p 33-A)

*(Clerk's Note: Council Member Elliott left the meeting at 8:00 p.m.)*

## **BUDGET PRESENTATION**

Mr. Frazier began his FY18-19 proposed budget presentation by thanking the staff and specifically the budget team that was made up of Finance Director Joey Fuqua, Assistant Finance Director Lisa Boyd, Executive Assistant Patricia Pearson and Assistant to the city Manager, Paylor Spruill. He then made a PowerPoint presentation that highlighted the proposed budget which is incorporated by reference and hereby made part of these minutes.

Specifically Mr. Frazier began by sharing this budget proposes 1) a recommended 5% increase in Regional Water and Water; 2) no Tax increase; 3) no Sewer increase.

In an effort to be competitive with the surrounding area, he thanked Council for bringing salaries within 8% of current market rates. He said several new positions were requested and this budget includes a maintenance worker for the Recreation and Parks department along with a part-time position for Development Services.

He said tax collection rates have increased and the Fund Balance is well above the LGC recommendation of 8%. It is also above Council's goal of 30%.

Mr. Frazier then reviewed each fund, shared general information, big-ticket items and debt service, and said each fund will be discussed in depth during the work sessions.

Mr. Frazier stated insurance premiums with Aetna are budgeted to increase 7%. There are some options that the Human Resources Committee has reviewed and will need to be discussed during the budget process.

One new item for the budget is the re-establishment of the city contributing to a 401(k) for all employees beginning at 1%. He has also included a 5% salary increase beginning in August for consideration.

In closing, Mr. Frazier again thanked staff for their assistance in compiling the budget and reminded Council that the first budget work session is scheduled for Tuesday, May 15<sup>th</sup> with the discussion focusing on Regional Water, Water and Sewer. He also asked that Council contact him if they would like more information before any budget session.

Council Member Coffey asked if a restaurant tax is included. Mr. Frazier said it is not because the tax is still being researched.

## **OTHER**

Council Member Daeke asked about the landscaping portion of the pavilion project. Mr. Frazier said a meeting with a landscape architect is scheduled for this Friday.

Council Member Coffey made a presentation to the City Manager of a framed copy of a *Daily Dispatch* newspaper article from 1942 regarding the Leggett Brothers who were prominent businessmen in Henderson. She asked that this be placed in the Corbitt Museum for all to enjoy. Mr. Frazier graciously accepted the gift and will see that it goes into the Museum.

Mayor Ellington asked if there was anything further or if Council was prepared to adjourn.

## **ADJOURNMENT**

Council Member Daeke moved for adjournment. Motion seconded by Council Member Burnette, and unanimously approved. The meeting adjourned at 8:40 p.m.

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Eddie Ellington  
Mayor

***ATTEST:***

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Esther J. McCrackin, City Clerk