



AGENDA

Henderson City Council Short Regular Meeting

Monday 25 August 2014, 6:00 p.m.

**R. G. (Chick) Young, Jr. Council Chambers, Municipal Building
134 Rose Avenue
Henderson, North Carolina**

Mayor and City Council Members

Mayor James D. O'Geary, Presiding

Councilmember James C. Kearney, Jr.
Councilmember Sara M. Coffey
Councilmember Michael C. Inscoe
Councilmember D. Michael Rainey

Councilmember Brenda Peace-Jenkins
Councilmember Garry D. Daeke
Councilmember Fearldine A. Simmons
Councilmember George M. Daye

City Officials

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 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) 11 August 2014 Regular Meeting *[See Notebook Tab 1]*

VII. PRESENTATIONS & RECOGNITIONS

VIII. PUBLIC HEARING

- a) Consideration of Approval of **1)** Resolution 14-53, Requesting the Closeout of the 2012 Talent Enhancement Capacity Building (TECB) Community Development Block Grant, Project Number 12-C-2455 and; **2)** Ordinance 14-40, FY15 Budget Amendment #5 Amending Fund 55: to Closeout the Above Mentioned Project Budget. (CAF 14-91) *[See Notebook Tab 2]*

- Resolution 14-53
- Ordinance 14-40

IX. 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.³

X. NEW BUSINESS

- a) Consideration of Approval of Ordinance 14-34-B, FY15 Budget Amendment #4, Amending the Annual Fee Schedule Providing for Technical Corrections. (CAF 14-62-D) *[See Notebook Tab 3]*
- Ordinance 14-34-B

³ **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.

- b) Consideration of Approval of Tax Releases and Refunds from Vance County for the Month of July 2014. (CAF 14-93) [See Notebook Tab 4]**

XI. PUBLIC COMMENT PERIOD ON NON-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.⁴

XII. REPORTS

- a)** Mayor/Mayor Pro-Tem
- b)** City Manager
 - i. Declaring Surplus Property (*CM 14-30*)[*See Notebook Tab 5*]
- c)** City Attorney
- d)** City Clerk
 - i. Meeting and Events Calendar [*See Notebook Tab 6*]

XIII. CLOSED SESSION

- a)** Pursuant to G.S.§143-318.11 (a)(3) regarding three (3) Attorney/Client Privilege Matters.
- b)** Pursuant to G.S.§143-318.11 (a)(6) regarding a Personnel Matter.

XIV. ADJOURNMENT

⁴ Citizen Comment Guidelines

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- 1) Citizens are requested to limit their comments to five minutes; however, the Mayor, at his discretion, may limit comments to three minutes should there appear to be a large number of people wishing to address the Council;
- 2) Comments should be presented in a civil manner and be non-personal in nature, fact-based and issue oriented. Except for the public hearing comment period, citizens must speak for themselves during the public comment periods;
- 3) Citizens may not yield their time to another person;
- 4) Topics requiring further investigation will be referred to the appropriate city official, Council Committee or agency and may, if in order, be scheduled for a future meeting agenda;
- 5) Individual personnel issues are confidential by law and will not be discussed. Complaints relative to specific individuals are to be directed to the City Manager;
- 6) Comments involving matters related to an on-going police investigative matter and/or the court system will not be permitted; and
- 7) Citizens should not expect specific Council action, deliberation and/or comment on subject matter brought up during the public comment section unless and until it has been scheduled as a business item on a future meeting agenda.

City Council Minutes - DRAFT

Regular Meeting

11 August 2014

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, Jr., City Attorney John H. Zollicoffer, Jr., City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Police Chief Marcus Barrow, City Engineer Clark Thomas, and Code Compliance Director Corey Williams

CALL TO ORDER

The 11 August 2014 Regular Meeting of the Henderson City Council was called to order by Mayor O'Geary at 6:00 p.m. in the R. G. "Chick" Young, Jr. Council Chambers, Municipal Building, 134 Rose Avenue, Henderson, NC.

ROLL CALL

The City Clerk called the roll and advised Mayor O'Geary a quorum was present.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Peace-Jenkins led those present in a prayer and the Pledge of Allegiance.

OPENING COMMENTS

Mayor O'Geary said it is good to see everybody: Council Members and citizens alike.

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 a third item will be added to the Closed Session, pursuant to G.S. §143-318.11(a)(3). City Attorney Zollicoffer added this will be to discuss the City of Oxford, Granville County law suit. Council Member Rainey moved to accept the Agenda as adjusted. Motion seconded by Council Member Coffey 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 July Short Regular and Work Session Minutes, as presented. Motion seconded by Council Member Simmons and unanimously approved.

PRESENTATIONS/RECOGNITIONS

Mayor O'Geary said he is already hearing how much Lt. Robinson is missed. The Mayor read a Resolution of Appreciation and expressed his thanks for Lt. Robinson's 35 years of service. Mayor O'Geary also presented an engraved clock and a City of Henderson throw.

Council Member Peace-Jenkins added her thanks and said over the years Lt. Robinson practically became part of the Greater Little Zion Church family because he spent so much time there for various City functions.

City Manager Griffin said Lt. Robinson's family has a long history with the police department and he has made his family proud, along with the City and wished him the very best.

Lt. Robinson said he is looking forward to volunteering and working as a reserve officer in the very near future.

PUBLIC HEARING

Authorizing the Resubmission of an Application for the North Carolina Department of Environment and Natural Resources (NCDENR) Division of Water Infrastructure for a CDBG Infrastructure Project. *(Reference: CAF 14-10-E, Resolution 14-02-A)*

City Manager Griffin explained the original application was not funded and this is an attempt to reapply. He then asked Assistant City Manager Frazier to come forward to explain this item in more detail. Mr. Frazier said on 24 March 2014 Council authorized the submission of an application for a CDBG Infrastructure grant from NCDENR. According to McGill Associates, who submitted the application on behalf of the City, funding from NCDENR was narrowly missed and the proposed projects scored well. Some tweaks have been made to the application and staff is hopeful it will be accepted. The project areas include Newton Dairy Road Gravity Sewer Extension and sewer extension for Birch and Bobbitt streets.

Council Member Inscoe asked for verification that no match is required from the City. Mr. Frazier responded no but added there would be some hook-up costs.

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 amendment. No one came forward so Mayor O'Geary then asked if anyone was present who wished to speak in opposition to the amendment. 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 14-02-A, *Authorizing the Resubmission of an Application for the North Carolina Department of Environment and Natural Resources (NCDENR) Division of Water Infrastructure for a CDBG Infrastructure Project*. Motion seconded by Council Member Coffey, 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 3, p 269-A)

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.

NEW BUSINESS

Designating the Henderson Police Department Training Center Open Shelter Area as the Lt. Irvin Wheeler Robinson, Jr. Recreation Shelter. (Reference: CAF 14-90; Resolution 14-52)

City Manager Griffin asked Police Chief Barrow to come forward. Chief Barrow said the public truly loves Lt. Robinson and he is glad the Lieutenant will continue to be a part of the police force. Chief Barrow went on to say how devastated Lieutenant was when the cooking shelter was destroyed last year as he often cooked there for Fraternity of Police functions and helped with many training events. The Training Center is named for Lt. Robinson's uncle and Chief Barrow feels it is only fitting that the Open Shelter area be named for Lt. Irvin Wheeler Robinson, Jr. The Chief added the cost of the signage has been donated by a Crime Stoppers Friend.

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

Council Member Daeke moved the approval of Resolution 14-52, *Designating the Henderson Police Department Training Center Open Shelter Area as the Lt. Irvin Wheeler Robinson, Jr. Recreation Shelter*. 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 51)

Authorizing a Lease Agreement Between the Holy Innocents Episcopal Church and City of Henderson for the Use of Breckenridge Park Located at the Corner of Breckenridge Street and Walnut Street for Recreational Purposes. (Reference: CAF 14-86; Resolution 14-67)

City Manager Griffin said this is a housekeeping item. There has been a long standing relationship with the Church and it has just been discovered that the last lease between the City and the Church expired in 2006. The City would like to continue this relationship and as with prior leases, the City Attorney has crafted a new lease for a ten (10) year period in the amount of \$1.00 per year.

Council Member Inscoe commented he appreciated the willingness of the Church to work with the City with the Park. Mr. Griffin said the Recreation Department is currently working with others within the community on *adopting a park guidelines*.

Council Member Rainey asked if Holy Innocents has the right to come to the City if problems occur. City Attorney Zollicoffer responded yes.

There was further discussion. Mayor O'Geary asked for Council's pleasure.

Council Member Peace-Jenkins moved the approval of Resolution 14-67, *Authorizing a Lease Agreement Between the Holy Innocents Episcopal Church and City of Henderson for the Use of Breckenridge Park Located at the Corner of Breckenridge Street and Walnut Street for Recreational Purposes*. Motion seconded by Council Member Coffey, 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 81)

Amending Section 7-79.0, Section 7-79.1, Section 7-79.2 and Section 7-83 of the City Code Relative to Changing Certain Parking Regulations Because of Changing Conditions. (Reference: CAF 14-75; Ordinance 14-36)

City Manager Griffin said this is a follow up from the last meeting and asked Assistant City Manager Frazier to present this item. Mr. Frazier said reviewing the City Code for outdated regulations has started. He said these amendments are only some of the changes needed and as staff identifies additional areas, the necessary changes will be brought before Council.

Council Member Inscoe asked if the signage will be removed/changed quickly. Mr. Frazier said yes.

City Attorney Zollicoffer added that if possible all references to specific owner names rather than locations will be removed from the code during this process

Mayor O'Geary now asked for the pleasure of Council.

Council Member Peace-Jenkins moved the approval of Ordinance 14-36, *Amending Section 7-79.0, Section 7-79.1, Section 7-79.2 and Section 7-83 of the City Code Relative to Changing Certain Parking Regulations Because of Changing Conditions*. Motion seconded by Council

Member Inscoe, and APPROVED by the following vote: YES: Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey and Inscoe. NO: None. ABSTAIN: None. ABSENT: None. (See Ordinance Book 9, p 157)

Providing for the Disposition of Jointly Held Property by the City and County Otherwise Identified as 306 Main Street, Tax Parcel #0061-05019. (CAF 14-88; Resolution 14-50)

City Manager Griffin asked Code Compliance Director Williams to address Council. Mr. Williams said this property was acquired through foreclosure. It is hoped the sale of this property will bring it back on the tax role. Mr. Williams said it is recommended Council approve this sale.

Council Member Daeke asked if there were any restrictions on the buyer regarding the usage of the property. Mr. Williams said no but he felt it would probably become rental property. Mr. Daeke asked if the structure would go through inspections before rented. There was a brief discussion which Council Member Inscoe summarized by saying after 12 months, a structure has to go through inspections and meet the NC Building Code requirements.

Council Member Coffey asked about reimbursement to the City for grass cutting. Both City Attorney Zollicoffer and City Manager Griffin said there have been numerous unsuccessful discussions with the County about sharing the cost of maintenance of joint property. Ms. Coffey asked that this discussion be brought before the County once again.

Council Member Simmons asked if a lien could be placed on the property. City Attorney Zollicoffer said not on this particular property.

City Attorney Zollicoffer added it is not a good policy for the City to bear the brunt of the burden for maintenance. City Manager Griffin fully agreed and said they would approach the County once again to discuss this issue.

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

Council Member Coffey moved the approval of Resolution 14-50, *Providing for the Disposition of Jointly Held Property by the City and County Otherwise Identified as 306 Main Street, Tax Parcel #0061-05019*. Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Peace-Jenkins, Simmons, Daye, Kearney, Coffey, Inscoe and Rainey. NO: Daeke. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 47)

CONSENT AGENDA

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

Revising the City Code to Appropriately Reflect City Council Committees. (*Reference: CAF 14-37; Ordinance 14-37*) Changes to Council Committee structure occurred via Resolutions 10-05 and 11-17; however, an ordinance revising the City Code was never presented for approval. The 2010 resolution folded all the committees into a Committee of the Whole except for the Human Resources Committee, Public Safety Committee, Land Planning and Development Committee and a Boards and Commissions Committee. In 2011, the Inter-Governmental Committee was folded into the Committee of the Whole and a City Council Liaison was established. This ordinance updates the City Code. (*See Ordinance Book 9, p159*)

Accepting the 2014 BJA Grant in the Amount of \$16,935; and FY15 Budget Amendment #3, Establishing the 2014 BJA Grant Project Budget. (*CAF 4-61-A; Resolution 14-39-A, Ordinance 14-39*) Submission of an application to the US Department of Justice for a 2014 BJA Grant was approved via Resolution 14-39. This grant was awarded in the full amount with \$10,161 allocated to the City and \$6,774 allocated to the County. (*See Resolution Book 4, p 25-A; Ordinance Book 9, p163*)

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 Inscoe moved the approval of the Consent Agenda as presented. Motion seconded by Council Member Simmons, 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 one citizen wished to address Council.

Mr. Blakely Bates, 229 Lowrey Street. Mr. Bates expressed thanks for being able to serve as a volunteer (VIP) with the Police Department. He said he has received many thanks from citizens and hoped the program has improved the quality of life for many. He added the program gave him a new respect for the job of the police and would like to see citizens supporting the police. He then asked if Council would join him in a moment of silence for another volunteer, Ms. _____

Council Member Peace-Jenkins said she and Mr. Bates joined the VIP program at the same time and also found the program very rewarding. She said his work has not gone unnoticed.

REPORTS

a) Mayor/Mayor Pro-Tem

b) City Manager

- i. City Manager Griffin shared that Pam Hester has submitted her resignation. He said she has accepted a position with a non-profit agency where he has no doubt she will do a very good job. Her resignation leaves the Planning Department once again without a staff member. Mr. Griffin said he and Interim Planning Director Corey Williams will be discussing possible reorganization of that department and thoughts will be brought to the next Work Session.
- ii. Mr. Griffin said he will be contacting the County Manager regarding the County's stand on the Recreation and Parks Department as applications have been coming in since April for the Director position. He would like to move forward with this saying it is unfair to delay the process for both the applicants and the staff who deserve stability as quickly as possible.

c) City Attorney (No Report)

d) City Clerk

- i. City Clerk McCrackin reminded Council of the *Daily Dispatch's* 100th birthday celebration on August 12th.

OTHER

Council Member Peace-Jenkins said she was approached by Mr. Wayne Pruitt regarding his water bill. He told her his wife is ill and although the department has worked with him, he needs a plan. City Manager Griffin said he would look into this with Billing and Collections Supervisor Bennett.

City Manager Griffin said again that an agreement should be made between the City and County regarding the maintenance of jointly owned property and will talk with County Manager Ayscue about this in the near future.

With no further discussion, Mayor O'Geary asked if Council was prepared to go into Closed Session and stated there would be no 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 two Attorney-Client Privilege Matters. Motion seconded by Council Member Coffey, and unanimously approved.

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

Before adjourning, City Manager Griffin shared a conversation he had with Ms. Alice Sallins from the Arts Council this afternoon. Ms. Sallins would like to sponsor Halloween and the Christmas Parade. Mr. Griffin said he explained these are not City events and will speak with the Downtown Development President, Phil Hart. Mr. Griffin appreciated her offer and was pleased that citizens are taking an interest in sponsoring these events.

Mayor O'Geary asked if Council was prepared to adjourn.

ADJOURNMENT

Council Member Inscoe moved for adjournment. Motion seconded by Council Member Coffey, and unanimously approved. The meeting adjourned at 7:47 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk

City Council Action Form

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Short Reg. Meeting

15 August 2014

TO: The Honorable Mayor James D O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: **CAF: 14-91**

Consideration of Approval of 1) Resolution 14-53, Requesting the Closeout of the 2012 Talent Enhancement Capacity Building (TECB) Community Development Block Grant, Project Number 12-C-2455 and 2) Ordinance 14-40, FY 15 Budget Amendment #5 Amending Fund 55: to Closeout the Above Mentioned Project Budget

Ladies and Gentlemen:

Council Goals Addressed By This Item:

- **CV II: Performance Excellence:** We value excellence in how we govern and deliver services and believe that we should always strive for continuous improvement in our work and service delivery processes.

Recommendation:

Approval of:

- Resolution 14-53, to Closeout the 2012 Talent Enhancement Capacity Building (TECB) Community Development Block Grant, Project Number 12-C-2455
- Ordinance 14-40, FY 15 Budget Amendment #5 Amending Fund 55: to Closeout the Above Mentioned Project Budget

On 11 April 2013, the City of Henderson was awarded a \$50,000 Community Development Block Grant (CDBG) for Talent Enhancement Capacity Building. The Talent Enhancement Capacity Building Grant provided local unit government training in building capacity in areas to develop appropriate and competitive CDBG grants, administer CDBG grants, grant writing, economic impact analyses, community survey research and design and feasibility study preparation. As a requirement from the North Carolina Department of Commerce Community Assistance, a Public Hearing must be held allowing citizens to give feedback on grant administration as a part of the closeout procedure of the grant.

Enclosures

1. Resolution 14-53
2. Ordinance 14-40

CAF 14-91: 25 August 2014 Council Meeting

Page 1 of 3

RESOLUTION 14-53

REQUESTING THE CLOSEOUT OF THE 2012 TALENT ENHANCEMENT CAPACITY BUILDING (TECB) COMMUNITY DEVELOPMENT BLOCK GRANT 12-C-2455

WHEREAS, the Henderson City Council (Council) conducted its Annual Planning Retreat in January 2014 and during said Retreat identified twelve Core Values and Principles and eight Key Strategic Objectives (KSO) and Goals; *and*

WHEREAS, this Resolution addresses **CV II: Performance Excellence**: We value excellence in how we govern and deliver services and believe that we should always strive for continuous improvement in our work and service delivery processes; *and*

WHEREAS, City of Henderson was awarded a Community Development Block Grant in 2013 in the amount of \$50,000, *and*

WHEREAS Planning and Community Development Staff participated in the Talent Enhancement and Capacity Building Program, Office of Innovation and Economic Development at East Carolina University; *and*

WHEREAS, the City of Henderson is a 2013-2014 Community Partner with the Office of Innovation and Economic Development at East Carolina University for future resources and relationship; *and*

WHEREAS, this program provided local unit government training in building capacity in areas to develop appropriate and competitive CDBG grants, administer CDBG grants, grant writing, economic impact analyses, community survey research and design and feasibility study preparation; *and*

WHEREAS, Planning and Community Development Staff submitted routine reports to North Carolina Department of Commerce Community Assistance, *and* allowed opportunity for citizens participation in the grant through public hearings

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL that it does hereby request the State Department of Commerce, Division of Community Assistance, close grant 12-C-2455.

BE IT FURTHER RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY authorize the Mayor to sign all documents to affect said closing of grant 12-C-2455.

The foregoing Resolution 14- 53, upon motion of Council Member _____ and second by Council Member _____, and having been submitted to a roll call vote received the following votes and was _____ on this 25th day of August 2014: YES: ** . NO: **. ABSTAIN: ABSENT: **.

James D. O'Geary, Mayor

ATTEST:

Esther McCrackin, City Clerk

Approved as to Legal Form

John H. Zollicoffer, Jr., City Attorney
Reference: Minute Book 42, p

City Council Action Form

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Regular Meeting

12 August 2014

TO: The Honorable Mayor James D O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: **CAF: 14-62-D**

Consideration of Approval of Ordinance 14-34-B, FY15 BA #4, Amending the Annual Fee Schedule Providing for Technical Corrections

Ladies and Gentlemen:

Recommendation:

- Approval of Ordinance 14-34-B, FY15 BA #4, Amending the Annual Fee Schedule Providing for Technical Corrections

Executive Summary

Council approved an amendment to the Annual Fee Schedule to reflect the correct prices for the additional roll out carts, additional weekly trash pick-ups as well as establishing a fee for loose leaf pick up after the established deadline via Ordinance 14-15 on 10 March 2014.

During the FY 14-15 Budget preparation, the revised fees were not reflected in the fee schedule that was approved via Ordinance 14-34 as part of the approved FY 14-15 Budget. Therefore, the following corrections need to be made to reflect the correct fees as follows:

Sanitation Charge – Monthly

1 Pickup per week per dwelling (includes one 96 gallon roll-out)	\$29.00
Additional 96 gallon roll-out container	\$ 3.87 <u>\$ 4.22</u>
2 Pickups per week per business	\$ 52.00 <u>\$ 56.73</u>
3 Pickups per week per business	\$ 78.00 <u>\$ 85.10</u>
4 Pickups per week per business	\$104.00 <u>\$113.46</u>
5 Pickups per week per business	\$130.00 <u>\$141.83</u>
<u>*Loose Leaf Pick Up after deadline date Minimum</u>	<u>\$ 75.00</u>

Enclosures:

1. Ordinance 14-34-B
2. Ordinance 14-15

ORDINANCE 14-34-B

FY 2014-2014 15 BUDGET AMENDMENT # 4, AMENDING THE ANNUAL FEE SCHEDULE PROVIDING FOR TECHNICAL CORRECTIONS

WHEREAS, the City Council of the City of Henderson (Council), on 11 June 2014, adopted its FY 14-15 Operating Budget; *and*

WHEREAS, during the FY 14-15 Budget preparation, the revised fees were not updated to include the corrections to the fee schedule relative to the Sanitation Charges, which were approved on 10 March 14 via Ordinance 14-15; *and*

WHEREAS, it is the intent of Council and Staff to correctly state all fees in a consistent manner and therefore appropriate to amend the Annual Fee Schedule accordingly.

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Henderson that it does hereby approve the amended Fee Schedule for FY 14-15 to correctly reflect the Annual Fee Schedule as provided below:

Sanitation Charge – Monthly

1 Pickup per week per dwelling (includes one 96 gallon roll-out)	\$ 29.00
Additional 96 gallon roll-out container	\$ 4.22
2 Pickups per week per business	\$ 56.73
3 Pickups per week per business	\$ 85.10
4 Pickups per week per business	\$113.46
5 Pickups per week per business	\$141.83
*Loose Leaf Pick Up after deadline date Minimum	\$ 75.00

BE IT FURTHER ORDAINED that the foregoing Ordinance shall be in full force and effective on 1 July 2014.

The foregoing Ordinance 14-34-B, upon motion of Council Member _____ and second by Council Member _____, and having been submitted to a roll call vote and received the following votes and was _____ on this the **^h day of _____ 2014:
YES:. NO. ABSTAIN:. ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Reference: Minute Book * p. ***; CAF 14-62-D

STATE OF NORTH CAROLINA
CITY OF HENDERSON

I, Esther J. McCrackin, the duly appointed, qualified City Clerk of the City of Henderson, do hereby certify the attached is a true and exact copy of Ordinance 14-34-B adopted by the Henderson, City Council in Regular Session on ** _____ 2014 (*Minute Book 4* p ****). This Ordinance is recorded in *Ordinance Book **, p. **.

Witness my hand and corporate seal of the City, this ____th day of _____ 2014.

Esther J. McCrackin
City Clerk
City of Henderson, North Carolina

Reviewed by: _____ Date: _____
Katherine C. Brafford, Finance Director

Reviewed by: _____ Date: _____
A. Ray Griffin, Jr., City Manager

ORDINANCE 14-15

AMENDING THE ANNUAL FEE SCHEDULE FOR ADDITIONAL ROLL-OUT CARTS AS WELL AS ADDITIONAL WEEKLY TRASH PICK-UPS AND ESTABLISHING A FEE FOR LOOSE LEAF PICK UP AFTER THE ESTABLISHED DEADLINE

WHEREAS, the City Council of the City of Henderson (Council), on 27 June 2013, adopted its FY 13-14 Operating Budget; *and*

WHEREAS, after reviewing the sanitation rates indicated in the Schedule of Fees it was discovered the additional cart fee and the extra weekly trash pick-up fees have not been adjusted in accordance with the CPI increase received by Waste Industries per their contract; *and*

WHEREAS, there are approximately 200 additional carts for which Waste Industries charges the City; *and*

WHEREAS, the Staff is also recommending a fee for loose leaf pickup after the established deadline for those services; *and*

WHEREAS, the addition of this fee will establish fairness in providing this service for customers who choose not to bag or place the leaves in containers after the deadline.

NOW THEREFORE BE IT ORDAINED by the City Council of The City of Henderson, that it does hereby approve the amended Fee Schedule for FY 13-14 to reflect the correct additional cart and additional weekly trash pick-up fees prescribed by the contract with Waste Industries as well as an addition of a fee of \$75.00* for loose leaf pickup outside of the regularly scheduled pickup dates. The revised rates for FY 13-14 are as follows:

Sanitation Charge – Monthly

1 Pickup per week per dwelling (includes one 96 gallon roll-out).....	\$ 29.00
Additional 96 gallon roll-out container	\$ 4.22
2 Pickups per week per business.....	\$ 56.73
3 Pickups per week per business.....	\$ 85.10
4 Pickups per week per business.....	\$ 113.46
5 Pickups per week per business.....	\$ 141.83
*Loose Leaf Pick Up after deadline date Minimum.....	\$ 75.00

BE IT FURTHER ORDAINED by the City Council of the City of Henderson that all fees inconsistent with the above are hereby repealed.

AND BE IT FURTHER ORDAINED that the foregoing Ordinance shall be in full force and effect from and after 1 April 2014.

The foregoing Ordinance 14-15, upon motion of Council Member Inscoe and second by Council Member Kearney, and having been submitted to a roll call vote and received the following votes and was **APPROVED** on this the 10th day of March 2014: YES: Daeke, Simmons, Daye, Kearney, Coffey, Inscoe and Peace-Jenkins. NO: None. ABSTAIN: None. ABSENT: None.

D. Michael Rainey, Mayor Pro-Tem

ATTEST:

Esther J. McCrackin, City Clerk
Reference: Minute Book 43 p. 160; CAF 14-28

**STATE OF NORTH CAROLINA
CITY OF HENDERSON**

I, Esther J. McCrackin, the duly appointed, qualified City Clerk of the City of Henderson, do hereby certify the attached is a true and exact copy of Ordinance 14-15 adopted by the Henderson, City Council in Regular Session on 10 March 2014 (*Minute Book 43 p 160*). This Ordinance is recorded in *Ordinance Book 9, p. 93*.

Witness my hand and corporate seal of the City, this 11th day of March 2014.

Esther J. McCrackin
City Clerk
City of Henderson, North Carolina

Reviewed by: _____ Date: _____
Katherine C. Brafford, Finance Director

Reviewed by: _____ Date: _____
A. Ray Griffin, Jr., City Manager

City Council Action Form

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252-430-5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Reg. Meeting

12 August 2014

TO: The Honorable Mayor James D. O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: CAF 14-93

Consideration of Approval of Tax Releases and Refunds from Vance County for the Month of July 2014.

Ladies and Gentlemen:

Recommendation:

- Approval of tax releases and refunds from Vance County for the month of July 2014.

Executive Summary

The Vance County Tax office submitted the following tax releases and refunds to the Finance Department for the month of July 2014. These releases and refunds are found to be in order and are being recommended for approval.

July 2014 Tax Releases			
Name	Reason	Tax Year	Amount
Real & Personal Property			
Releases			
Moorefield, Janis I	Taxes Lost to Foreclosure	2007	\$ 112.83
Moorefield, Janis I	Taxes Lost to Foreclosure	2008	\$ 69.44
Moorefield, Janis I	Taxes Lost to Foreclosure	2009	\$ 71.90
Moorefield, Janis I	Taxes Lost to Foreclosure	2010	\$ 71.90
Moorefield, Janis I	Taxes Lost to Foreclosure	2011	\$ 71.91
Garrison, Terry E	Correct Ownership	2012	\$ (69.11)
Housing & Urban Development	Correct Ownership	2012	\$ 69.11
Moorefield, Janis I	Taxes Lost to Foreclosure	2012	\$ 71.91
Smith, W C, Jr.	Correct Ownership	2012	\$ 35.71
Thorpe, John J	Correct Ownership	2012	\$ (25.94)

July 2014 Tax Release & Refunds Continued

July 2014 Tax Releases			
Name	Reason	Tax Year	Amount
Garrison, Terry E	Correct Ownership	2012	\$ (69.11)
Housing & Urban Development	Correct Ownership	2012	\$ 69.11
Moorefield, Janis I	Taxes Lost to Foreclosure	2012	\$ 71.91
Smith, W C, Jr.	Correct Ownership	2012	\$ 35.71
Thorpe, John J	Correct Ownership	2012	\$ (25.94)
Garrison, Terry E	Correct Ownership	2013	\$ (73.25)
Housing & Urban Development	Correct Ownership	2013	\$ 73.25
Moorefield, Janis I	Taxes Lost to Foreclosure	2013	\$ 76.22
Moorefield, Janis I	City Demolition Lien	2013	\$ 4,744.44
Smith, W C, Jr.	Correct Ownership	2013	\$ 37.85
Thorpe, John J	Correct Ownership	2013	\$ (27.50)
Pulley, Frances D Heir	Taxpayer deceased (elderly exemption eliminated)/heirs to be billed full amount	2014	\$ (168.66)
Total R&P Property Releases			\$ 5,142.01
Real & Personal Property			
Refunds			
None	None		\$ -
Total R& P Property Refunds			\$ -
Total R&P Prop. Rel. & Ref.			\$ 5,142.01
Vehicle Releases			
Knox, Jmia Chivan	Correct Situs	2013	\$ 136.30
Williams, Angela Marie	Pro-Rate	2013	\$ 3.18
Total Vehicle Releases			\$ 139.48
Vehicle Refunds			
Bell, Ruth Perry	Pro-Rate	2013	\$ 2.17
Butts, Del Eugene	Pro-Rate	2013	\$ 0.73
Chabwera, Rasheed Durell Waleed	Pro-Rate	2013	\$ 0.85
Terry, Annie Alexander	Pro-Rate	2013	\$ 3.83
Total Vehicle Refunds			\$ 7.58
Tot. Veh. Rel. & Ref.			\$ 147.06
Total All Releases & Refunds			\$ 5,289.07

City Council Memo

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Short Reg. Meeting

22 August 2014

TO: The Honorable Mayor James D. O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: CM 14-30: Declaration of Surplus Property.

Ladies and Gentlemen:

Pursuant to Resolution 9-10, property identified in the attached memo dated 21 August 2014 from Fiscal Compliance Officer Edna Vaught is declared surplus and will be either auctioned on GovDeals, or sold for scrap. No action is required of Council; however, it is felt appropriate to advise Council of said declaration and to offer an opportunity for questions and/or objections to the proposed sale.

Memo

To: Ray Griffin, Henderson City Manager
From: Edna Vaught, Administrative Support Officer
CC: Frank Frazier, Henderson Assistant City Manager
Kathy Brafford, Finance Director
Date: 8/21/2014
Re: Equipment to be Declared Surplus

Mr. Griffin,

Within this memo is a listing of equipment that is no longer in use in the various departments. In accordance with the policy as approved by the City Council, I am asking that the listed items be reviewed and sign off on as surplus. Listed items will then be advertised on the GovDeals website in order to liquidate said items. All proceeds are to be collected and appropriately placed as revenue by the Finance Director.

Thank you for your time and assistance.

Respectfully,



Edna Vaught

Police Department

Four Drawer File Cabinet- Take to scrap (not in good shape)

No Asset Number

Motorola ML850 – Serial Number 343CF0057

No Asset Number

HP Deskjet Model 450

No Asset Number

Desktop Computer and Monitor- Model EVO-Serial Number 6X27KN8ZR0B7

Asset Number B1707

Compaq Model EVO

Asset Number – 1724

Compaq Model EVO

Asset Number-1725

Desktop Computer-EVO

Asset Number-UNK

CTX CCD Monitor-Model 5700

Serial Number – 05341001982

No Asset Number

CTX CCD Monitor-Model 5700

Serial Number – 05341001937

No Asset Number

MP3 Player-RCA ORC720

No Asset Number

Fingerprint Card Cabinet

No Asset Number

HP Laser Jet 4050N Printer

Model # C4253A

No Asset Number

Inventory ID – 1498

Xerox Fax Center

Serial Number –VFG258123

No Asset Number

Gamber Johnson Vehicle Equipment Rack

Asset Number – B1672

Gamber Johnson Vehicle Equipment Rack

Asset Number –B1673

Gamber Johnson Vehicle Equipment Rack

Asset Number-B1674

Gamber Johnson Vehicle Equipment Rack

Asset Number – B1675

Tread Mill

Asset Number-B1720

Fire Department

Old Wooden Desk that needs too many repairs needs to go to dump

Asset Number-C0706

Kerr Lake Regional Water

KMN04 Hopper Feeders

No Asset Number

Misc. Scrap

Old Alum Tanks

Finance

Computer Tower-E85-02178

Asset Number-0845

Casio Calculator-DR-210 HD

Serial Number – Q2204452

No Asset Number

Microsoft Multi Media Keyboard-ID 59195-OEM-8548377-204-11

Serial Number – 5919502854837

No Asset Number

Hewlett Packard Professional Series-200C

Model #04530A

Asset Number – A-0910

Northern Telecom

Serial Number – NT2N24AD2141 M8009

No Asset Number

Customer Service

LaserJet P1606DN

Serial Number – VNB3B10274

No Asset Number

Shredder-Staples Professional Series

No Asset Number

Public Services


Misc. Scrap 1

In accordance with the policy as approved by the City Council, I do hereby declare the above property surplus and available to be liquidated.

Ray Griffin, Henderson City Manager

Meetings and Events Calendar

All Regular City Council Meetings Held 2nd & 4th Monday at 6:00 P.M.

Date	Time	Event	Location
Sept 1 st	<i>City Hall Closed</i>	<i>Happy Labor Day</i> 	<i>CITY HALL CLOSED</i>
Sept 2 nd	3:30 PM	Henderson Zoning Board of Adjustments	City Council Chambers
Sept 8 th	3:30 PM	Henderson Planning Board	City Council Chambers
Sept 8 th	5:00 PM	Library Advisory Board Meeting	Perry Memorial Library
Sept 8 th	6:00 PM	City Council Regular Meeting	City Council Chambers
Sept 11 th	12:00 PM	Henderson-Vance Parks & Recreation Commission	Aycock Recreation Center
Sept 18 th	7:00 PM	Human Relations Commission	City Council Chambers
Sept 22 nd	6:00 PM	City Council Meeting Work Session to Follow	City Council Chambers
Sept 26 th	10:00 AM	Henderson-Vance E-911 Advisory Board Meeting	E-911 Operations Center
Oct 6 th	3:30 PM	Henderson Planning Board	City Council Chambers
Oct 7 th	3:30 PM	Henderson Zoning Board of Adjustments	City Council Chambers
Oct 9 th	12:00 PM	Henderson-Vance Parks & Recreation Commission	Aycock Recreation Center
Oct 13 th	9:30 AM	KLRWS Advisory Board Meeting	City Hall Large Conference Room
Oct 13 th	<i>CANCELLED</i>	<i>City Council Regular Meeting CANCELLED</i>	<i>CANCELLED DUE TO NCLM CONFERENCE</i>
Oct 14 th	3:00 PM	Henderson Appearance Commission	City Council Chambers
Oct 16 th	7:00 PM	Human Relations Commission	City Council Chambers
Oct 27 th	6:00 PM	City Council Meeting Work Session to Follow	City Council Chambers
Nov 3 rd	3:30 PM	Henderson Planning Board	City Council Chambers
Nov 4 th	3:30 PM	Henderson Zoning Board of Adjustments	City Council Chambers
Nov 10 th	5:00 PM	Library Advisory Board Meeting	Perry Memorial Library
Nov 10	6:00 PM	City Council Regular Meeting	City Council Chambers

Last Updated 12 August 2014



AGENDA

Henderson City Council Work Session
Monday, 25 August 2014 Immediately Following Regular Session
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. Inscoc
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. ADJUSTMENTS TO AND/OR APPROVAL OF THE AGENDA

IV. REGULAR WORK SESSION

- a) Consideration of Conceptual Logical Growth Corridor and Developing Plans for Water Main Extensions inside said Corridor. (CAF 14-82-A) [See Notebook Tab 8]*
- b) Consideration of 1) Possible Addition of Handicap Parking Spaces in the Downtown Area; 2) Conversion of Stop Lights at Chestnut Street and Young Street to Stop Signs; 3) Modifying Oak Street from One Way to Two Way Traffic Pattern. (CM 14-27) [See Notebook Tab 9]*
- c) Consideration of Installation of Water Spray Park in Henderson. (CM 14-28) [See Notebook Tab 10]*
- d) Consideration of Reorganization of Planning and Code Compliance Departments. (CM 14-29) [See Notebook Tab 11]*

V. ADJOURNMENT

City Council Action Form

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Work Session

15 August 2014

TO: The Honorable Mayor James D. O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: CAF: 14-82-A:
Consideration of Conceptual Logical Growth Corridor and Developing Plans for Water Main Extensions inside This Corridor.

Ladies and Gentlemen:

Council Retreat Goals Addressed By This Item:

- *KSO 5:* Provide reliable, dependable and environmentally compliant infrastructure systems.

Recommendation:

- Consideration of Conceptual Logical Growth Corridor and Developing Plans for Water Main Extensions inside This Corridor.

Executive Summary

On 25 February 2013 Council approved Resolution 13-24 authorizing the execution of an application for DWSRF Funds for a water main extension along Hwy 158 Business from Ruin Creek Road to Poplar Creek Road as well as Beckford Drive, from North Park Drive to just below Franklin Place on Beckford Drive. Council also approved a contract with McGill Associates for the design of the above mentioned extensions via Resolution 13-16 during that same meeting.

The City of Henderson has also historically served a good amount of this area by extending water and sewer service for economic development such as Triangle North, Vance, Huntstone, Vance Granville Community College and several major subdivisions. The City of Henderson has identified capital improvements in this area to provide redundant, reliable utility service. The Highway 158 business corridor was identified by the City as a redundant loop to serve Vance Granville Community College and the Industrial Park in a study performed by Hazen and Sawyer in 2011. Funding is actively being pursued in the upcoming funding cycle for the Highway 158 Business water main extension. This water main could also provide water service

CAF 14-82-A: 25 August 2014 Work Session

Page 1 of 33

to three existing residential subdivisions adjoining Hwy 158. Also being considered is a 12-inch water line along Poplar Creek Road between Hwy 158 By-pass and Dabney Road to provide redundancy to the Kerr Lake Regional Water System (KLRWS) transmission mains serving the City of Oxford and customers along the corridor. There is a short section of existing 8-inch water main along Poplar Creek that serves the Western Vance School as well as several other residential customers.

The City of Henderson (City) and Vance County (County) have executed two water sales agreements that provide water to residents outside the City's ETJ. City staff has identified an area as shown on the attached map which could serve as a Logical Growth Corridor due to existing City water and sewer extensions already in this area. The County has also identified segments within this area for potential water extensions and has started a dialogue with the City to serve some of these areas.

The Phase 1-A service area operated by Vance County is nearing completion and Phases 2-A and 2-B are currently under construction. Vance County Water District (VCWD) has a funding surplus of \$500,000 from the Phase 1 contract due to not extending water lines into areas that did not achieve an 80% sign up rate. VCWD has requested to extend water services into various areas that are not currently served by the City and to possibly utilize current funding available. The areas identified as potential service areas are Parrott Road and three subdivisions; Weybossett, Carolina Pines and Hunters Ridge off Hwy 158 business. The Hwy 158 Business water main extension from Ruin Creek Road to Poplar Creek Road is projected to cost \$660,000 using an 8-inch ductile iron pipe. Currently Parrott road can be served by a water extension off the existing KLRWS water transmission main on Hwy 158 By-pass. Phase 2A Gun Club Road is under construction and nearing completion so, the majority of this area would be served by the VCWD.

The Agreements with the County define the City's area of interest and rights with respect to potential water customers; Article 5 paragraph 4 defines "Logical Growth Corridors shall be determined as areas which have been identified by the City as future growth areas in any of their existing or long range planning documents as of the date that the District presents its plans." Article 11.b states that the District will not extend water mains to any area to be served by the City for which an engineer has drafted plans and specification and which are proposed to be installed (for the City) within one year." Article 11.c states the District shall not engage or threaten to engage in competition with the City within 1,000 feet of a KLRWS water transmission main or any other areas served by the City.

Based on the items mentioned above it is recommended the City perform the following:

1. Establish the Logical Growth Corridor as identified by the map as an initial draft to be used to coordinate and negotiate with the county.
2. Establish a priority listing of mains to be constructed due to service improvements, redundancy, fire protection, customer participation etc.
3. Work with Vance County Water District in proposing how existing funding sources may be used in areas which are of the highest priority. The City and County currently have existing agreements in place which allows for the difference between the inside and outside rate to be reimbursed to the County so the City will own and operate the

infrastructure (i.e. Hwy 39 project). The City also has an agreement with Warren County in which USDA funds were utilized and the City is reimbursing Warren County over time until such time the debt is paid for the water main extension that resides in Vance County. The City is receiving revenue from water customers that had signed up during the early sign up period.

4. The City will continue to look for various funding alternatives and review impacts to the rate structure for extending water mains in the proposed service area.

Cost Considerations to install redundant loops and subdivisions;

1. The City installs the water system infrastructure via a capital improvement plan.
 - a. Install DIP through-out or Install DIP on Loops and PVC in Subdivisions

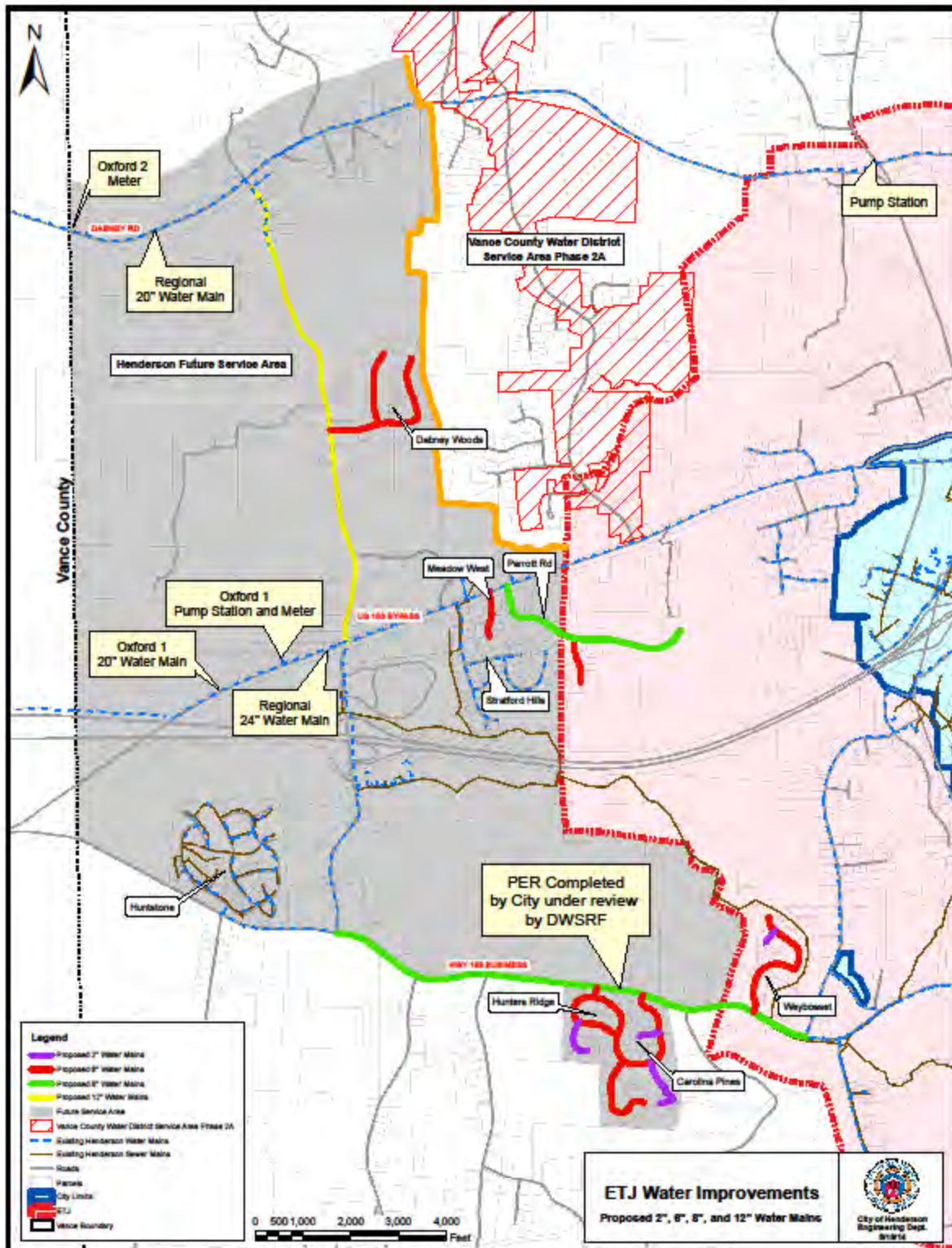
Description	Price all Pipe - DIP	Price- Loops DIP, Subdivision PVC
Hwy 158 Bus Loop (DIP)	\$ 655,400	\$ 655,400
Poplar Cr Loop (DIP)	\$ 845,700	\$ 845,700
Subdivisions (PVC)		
Weybosset	\$ 244,500	\$ 221,000
Hunters Ridge	\$ 287,100	\$ 275,900
Carolina Pines	\$ 244,600	\$ 229,900
Dabney Woods	\$ 316,100	\$ 263,800
Parrott/Ridge/Eileen	\$ 384,200	\$ 296,900
Total Project Cost	\$ 2,977,600	\$ 2,788,600
Water Rate Increase	8.15 %	7.66 %

- The Water Rate Increase is calculated based one-time increase for the new debt incurred by the proposed Logical growth Corridor, but does not account for debt that will retire in the future.
- The Water Rate Increase included water revenues generated by an 80% participation by residents adjacent to the proposed water lines in the Logical Growth Corridor.

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Enclosures:

1. Map
2. Vance County Water Agreements
3. Resolution 13-24
4. Water Rate Analysis



02/25/2011 R1

STATE OF NORTH CAROLINA

COUNTY OF VANCE

WATER SALES AGREEMENT

THIS WATER SALES AGREEMENT, made and entered into this the 14th day of March, 2011 by and between the City of Henderson (a municipal corporation organized under the laws of the State of North Carolina and situated in Vance County, North Carolina), hereinafter referred to as "Henderson" or "City"; and Vance County hereinafter referred to as "Vance County" or "County"; and the Vance County Water District, hereinafter referred to as "District".

WITNESSETH:

WHEREAS, the City of Henderson presently provides potable water (as a member of the Regional Water System and as a North Carolina municipality) to the City of Henderson and to the surrounding area with transmission mains extending outside of the City of Henderson for some distances (including one extending the length of the Fleming Town Road in Vance County and another transmission line extending across from the Fleming Town Road to NC Highway 39 at Harris Crossroads and then southerly along NC Highway 39 to the City of Henderson, and other major transmission mains extending through the length of Vance County along US Highway 1 and US Highway 1 Bypass and throughout Vance County on Highway US 158) and also provides water to the Kittrell Water Association (which owns a transmission line extending along US Highway 1 Business from its intersection with US Highway 1 Bypass southward to the Town of Kittrell and which owns and maintains other water lines serving the area surrounding the Town of Kittrell); and

WHEREAS, the City of Henderson further has an agreement with Warren County, North Carolina (as a partner in the Regional Water System) relative to the City's water transmission main running northeasterly from the Regional Water System mains in Vance County to the Warren County line at Drewry and further relative to Warren County's water lines servicing that portion of Vance County north of Drewry which is separated from the rest of Vance County by a portion of the John H. Kerr Reservoir; and

WHEREAS, there is a further transmission line which extends from NC Highway 39 (North) in a westerly direction to the Granville County line to serve the City of Oxford; and

WHEREAS, the City (and the other entities) presently sell water to customers from said major transmission mains and from distribution lines connected to the same; and

WHEREAS, Vance County Water District is obtaining grants from the USDA to construct one or more systems of distribution lines serving portions of Vance County, North Carolina outside of the areas served by the City of Henderson (and the other entities herein set forth); and

WHEREAS, the District, through the County desires to purchase water for said system from the City of Henderson; and

WHEREAS, the City and the County agree to assist the District in any feasible way and more especially as set forth in this Agreement.

WHEREAS, the City of Henderson is willing to sell water to Vance County which will assign its rights to the same to the District for use in said Vance County Phase 1A water system on the terms and conditions hereinafter set forth; and

WHEREAS, Vance County is willing to purchase water for Phase 1A from the City of Henderson and to assign its rights to the same to the District under said terms and conditions for purposes of resell to its customers.

NOW, THEREFORE, for and in consideration of the mutual promises and Agreements herein contained and the reliance by each party on the performance of the other, the City of Henderson, Vance County and the Vance County Water District agree as follows:

- (1) In the event that the applications for grants and/or loans for the Vance County Water District are approved and the requisite citizens to be served by Vance County's Phase 1A water systems sign up for service so as to make the District's Phase 1A water system feasible, then the District will proceed at its own expense with having the necessary engineering performed, surveying relative to any rights of way required (if any are needed), acquiring any needed rights of way, and shall proceed with preparations for advertising for bids for the construction of water transmission lines (at least six inches in diameter except as where mutually agreed) and distribution lines extending from the present terminus of the respective adjacent City lines and mains to the respective areas to be served by the District.
- (2) The final plans, specifications and design of the project (and any major changes subsequently made thereto) shall be submitted to the City Manager (or his authorized designee) of the City of Henderson before final approval by the District. The City of Henderson shall have the right prior to final approval to reasonably modify any portions of the Vance County Phase 1A water system to the extent desirable so that the same does not interfere with present operation and distribution of the water system of the City of Henderson, provided that the same shall not unreasonably delay construction of that portion of the District's water system being proposed nor does it cause distribution in the proposed area to be limited except as allowed herein. Nothing herein shall diminish the U. S. Department of Agriculture's approval rights.
- (3) After all the Phase 1A project funds have been committed to the satisfaction of the District, the District shall then proceed with the authorization of the final design of the Phase 1A system being proposed and shall proceed with authorization of the final design of the system and acquisition of any land and easements needed and with the advertising for bids and awarding of the construction contracts (if sufficient funds are then available) relative to that portion of the Vance County Water District Phase 1A water system then proposed to be constructed.

- (4) The ownership to all land and rights of way acquired and any and all facilities located thereon and all water lines being constructed as a part of the project shall thereafter be vested in the Vance County Water District. The use and operation of the lines and facilities are vested in the District, subject to the specific contractual rights of the City of Henderson as set forth in this Agreement. It is agreed that said newly constructed lines (and all attachments and appurtenances thereto) shall be the sole property of the District which can only sell or assign its title to said lines in the future, subject to the contractual rights of the City of Henderson herein, only to a responsible successor (reasonably acceptable to the City of Henderson and to any agency funding the project) which successor shall assume all of the obligations of the District hereunder and be bound by all of the terms of this Agreement. It is agreed that this paragraph does not create nor cause to be created any liens superior to any current or future lender to the County or to the District; nor shall any subordination be required.
- (5) As a part of the consideration of this Agreement, the District agrees that no water lines will be installed that contain less than a six-inch diameter except at places where the City agrees that water quality would be adversely affected. Moreover, all lines installed by the County must be at least eight inches in diameter wherever the City designates within the City's Extra-Territorial Planning Area and also on logical Growth Corridors elsewhere within 3 miles (as the crow flies) of the then existing City Limits of the City of Henderson.

The City hereby acknowledges receipt of the proposed lay-outs of the respective lines proposed by the District relative to its Phase 1A water system as specifically shown on Plat of Hobbs & Upchurch Associates, PA (engineering/planning/surveying) entitled "Proposed Vance County Water District-Phase 1A", (involving one tap, to be metered, to the City water lines: to wit, on Warrenton Road. The City tentatively approves (subject to review by the City's engineers) the location of said proposed tap as shown on said plat. Said Plat is attached to this Agreement, marked as "Exhibit A" and incorporated herein by reference.

Furthermore, the District and Vance County will install at their expense standard fire hydrants at least every 2,000 lineal feet of the District's water lines and also "stub-outs" (for a fire hydrant) at least every 1,000 lineal feet of the District's water lines (except where District, County or City fire hydrants are located) laid within the Extra-Territorial Planning Area of the City of Henderson and also where the City designates along logical Growth Corridors designated by the City elsewhere within 3 miles (as the crow flies) of the then existing City Limits of the City of Henderson.

For purposes of this Paragraph (5), Logical Growth Corridors shall be determined as areas which have been identified by the City as future growth areas in any of their existing or long range planning documents as of the date that the District presents its plans to the City for the respective proposed water line.

- (6) The District shall have the right at its own expense to place a booster pump station and/or a pressure reducing station and/or overhead tanks anywhere along any portion of the proposed new transmission lines, which facilities are to be maintained by the District. Provided, however, that no booster pump station and/or pressure reducing station or overhead tank shall be placed on said lines or in the proposed Phase 1A water system of until the plans and specifications have been presented to the City of Henderson for approval by its engineers and a determination that the same will not adversely affect the City of Henderson's water system and the Regional Water System.

In the event District constructs any overhead tanks or booster pumping stations or pressure reducing valves, District will carefully calibrate the same so that they conform with the City's existing systems of monitoring water levels and other overhead tanks so that consistent water levels will be maintained at the respective levels needed to provide required pressure to service all water systems whose ultimate source is the Regional Water System and to provide adequate fire protection throughout all such systems.

- (7) Upon completion of the construction of said proposed Phase 1A water system project, District agrees to tap onto the existing water system of the City of Henderson at points reasonably designated and approved by the City of Henderson, said taps to be made under the supervision of (and in a manner acceptable to) the City of Henderson and its engineers. All costs for the tap and connection shall be borne and promptly paid for by the District.
- (8) As a part of the construction costs of any Vance County or District water system, a meter (with a back flow check valve and any other device deemed necessary by the City of Henderson to protect the City's or Regional water systems) acceptable to the City of Henderson shall be placed at the junction of any new transmission line owned by the District or Vance County with the existing water system of the City of Henderson or of the Regional Water System, and all water passing through said meter or meters shall be conclusively deemed purchased by Vance County who shall pay the City of Henderson for the same based on an initial rate of \$2.90 per 1,000 gallons for up to 150,000 gallons per day until 4 years of the date hereof. The initial rate to be charged by the City of Henderson to Vance County for water for Phase 1A of the County System shall extend for 4 years from date of this Agreement or after the County purchases for Phase 1A water in excess of 150,000 gallons a day from the City, whichever occurs first. Provided however, all rates charged to Vance County after March 31, 2015 shall be subject to automatic periodic increases in said rate in the same proportion (or percentage) as increases in water rates for users outside the City Limits of the City of Henderson based on the schedule of rates periodically adopted by the City Council of the City of Henderson. (For example, if the outside water rate increases by 5%, the initial \$2.90 rate shall increase to \$3.045 per 1,000 gallons at that time).

It is understood and agreed that the actual initial rates herein set forth shall only apply to the then first 150,000 gallons a day of water sold by the City to the County for Phase 1A of the District Water System within 4 years of the date of this Agreement (provided, however, the County shall be entitled to said initial rate for the first 150,000 gallons of

water per day for Phase 1A [even after such time as the County should purchase in excess of 150,000 gallons of water per day for Phase 1A] during said initial four year term). All rates for excess water (over 150,000 gallons of water per day for Phase 1A during said initial four year term) shall be subject to negotiation between the City and County; provided however, that if said two parties are unable to agree upon any rate within 30 days after notice (of the need to establish a rate), then the reasonable rate therefore shall be conclusively set at the rate that the City of Henderson then charges for water to the Town of Kittrell, until a different rate is agreed upon by the City and County.

The City of Henderson shall bill Vance County on the 15th day of each calendar month (or the next consecutive business day if a holiday or weekend) and said bills shall be promptly paid to the City of Henderson by Vance County in accordance with the City of Henderson's Code of Ordinances in effect at said respective times (and as may be modified by the City of Henderson from time to time). It is expressly understood and agreed that the establishment of an initial rate to be paid by Vance County herein shall not prevent the City Council of the City of Henderson, in its sole discretion, from changing its rates charged to outside users at any time and the parties hereto agree to be bound by said modified percentage increases as of the effective date of said modification or changes; Vance County further understands that the City of Henderson is under no obligation to the parties herein except as herein expressly set forth.

It is agreed that Vance County will assign all of its rights and obligations under this Agreement to the Vance County Water District provided Vance County shall remain liable for all obligations of the County hereunder. No other wholesale water resale by the County or water assignment by the County or by the District is permitted without the written consent of the City Council of Henderson.

- (9) The meters hereinabove referred to shall measure the water being purchased in cubic feet, or such other unit of measure as shall be reasonably designated by the City of Henderson. It is agreed that the City of Henderson shall have the right to calibrate any such meter at any time that it feels the same is not accurate; and District or Vance County shall likewise have the right to require the City of Henderson to calibrate any such meter at reasonable intervals, the expenses of calibration to be paid in accordance with the then existing ordinances of the City of Henderson. In the event any significant calibration error is discovered, then the City shall bill the County (during the period said meter can be shown to be in error) for water amounts based upon the historical amounts passing through the respective meter.

At any and all connections of the County or District water lines with City water lines, the City can require not only meters (for measuring water consumption) but also check valves (with approved bypasses to be used with City approval in emergencies) to prevent the back flow of water (thus minimizing possible meter errors and also water contamination).

- (10) Subject to the provision hereof, the District shall have the sole and exclusive right to tap the proposed new District Phase 1A water system transmission lines and distribution lines

to be constructed by the District under the terms of this Agreement at any place or places that it may desire and shall have the sole right to re-sell the water being metered to Vance County to such retail entities and at such rates as it may establish, and the District shall read all of its customer' meters, bill for its water sales and receive all proceeds from such sales (after any reimbursements to the County for any water bill owing to the City), subject to the provisions of this Agreement (provided that the same does not unreasonably interfere with the City of Henderson's ability to provide water to its then existing customers and/or to fulfill the reasonably anticipated water needs of its other known or anticipated customers).

Provided, further that no water shall be resold or used (relative to each user) by Vance County or the District (or its assignee) unless a septic tank or sewerage disposal system is in place for treating the same relative to said respective ultimate customer and approved by the Vance County Health Department or the North Carolina State Board of Health or other governmental agency to which such authority for approval has been officially delegated.

- (11) Vance County has requested that the City of Henderson reserve 150,000 gallons per day for Phase IA from the City of Henderson's water supply for the exclusive use of the District's proposed Phase IA water system and for the District's re-sale to its customers. In consideration of the reservation of said 150,000 gallons per day for Phase IA, Vance County agrees to pay the City of Henderson \$9,125.00 as a water reservation fee for 150,000 gallons of water solely for use by the District Phase IA on or before July 31st of each and every year that this contract is in force and effect (although the City of Henderson will waive the \$9,125.00 water reservation fee due on July 31st, 2011 and also the one due on July 31st, 2012 only). Provided, however, that this reservation of 150,000 gallons of water per day shall only apply to Phase IA of the District's Water System; any subsequent reservation for any subsequent Phase will be subject to negotiation.

It is expressly agreed as a condition of this agreement (and as an integral part of the consideration of the same) that Vance County and the District will not, without the prior consent of the City of Henderson:

- (a) extend its average daily consumption to more than 150,000 gallons a day for Phase IA, or
- (b) extend its water mains or lines to any area then capable of being served or hereafter proposed (for which an engineer has drafted plans and specifications and which lines are proposed to be installed within one year) to be served with water by the City of Henderson, or
- (c) engage, or threaten to engage, in competition with the City of Henderson relative to the sale of water by the City of Henderson or the Regional Water System. (Competition with the Regional Water System or with the City's water transmission main running south to the Tar River means serving any area within 1,000 feet of said respective transmission main or any other area then served by the City from the same, without the consent of the City.)

So long as Vance County (and its assigns) are not in default of this Agreement, the City of Henderson agrees not to extend its water distribution lines to any area which is then presently served with water or is hereafter proposed (for which an engineer has drafted plans and specifications and which lines are proposed to be installed within one year) to be served by the District (unless said area is in the process of being annexed into the City).

- (12) All maintenance of the District's water systems will be assumed and performed by the District who will be responsible for providing all the requisite labor and equipment and expenses needed for such purpose. There shall be no discount on the amount of water being metered and purchased by the County from the City of Henderson under this Agreement by reason of any leakage or improper maintenance or by reason of any other cause. The District and Vance County shall be solely responsible for the maintenance of the mains, water lines, pipes, booster pump stations, elevated tanks, meters, and facilities in the proposed District water systems, and any additions or extensions of the same. Provided, however, if any meter is shown to be defective or malfunctioning, the City shall have the right (but not any obligation) to replace or repair the same if it is otherwise not repaired or replaced (within a period of time reasonable under the circumstances and after notice) and in such event, the costs of such repair or replacement shall be reimbursed to the City by the other parties hereto.
- (13) Vance County and the District each agree for itself and its assigns and customers that in no event will water to be purchased from the City of Henderson be commingled with any water from any wells or other sources after the proposed new District water system transmission lines have been tapped, and Vance County and the District will not permit the same to be done by others and will take all actions necessary to prevent or remedy any such commingling. No water consumer will be allowed to make a cross connection between the District water transmission or distribution lines (or any other water lines of Vance County or the District) and a private or public well, spring or other source. Where a customer has another source of water in addition to that being supplied by the water service system of Vance County or the District (or its respective assignee, if any), there shall be no physical connection between the two water supplies.
- (14) There shall be no cross connection between the water lines of Vance County or the District (or its respective assignee, if any) and air lines used for washing automobiles or any other purpose. Where water passes through a recirculating system, such as cooling towers, there shall be no physical connection between the District water systems and the pressure lines from the recirculating system.

Vance County and the District both further agree (and binds its respective successors, assignees, and customers) to comply with all applicable provisions of the City of Henderson's Code of Ordinances periodically in effect relative to preserving the quality of water or otherwise relative to potable water (as said Ordinances may be modified from time to time by the City Council of the City of Henderson).

- (15) As a specific part of the consideration of this Agreement, the District and the County each agree that it will neither construct any water lines or mains nor sell water to any customers in any areas served by then existing water transmission lines or distribution water lines of the City of Henderson, the Town of Kittrell, the Kittrell Water Association or Warren County without the written consent of said respective entity and of the City of Henderson City Council. Moreover, no District or County lines shall be constructed or water sold to customers outside of Vance County without the official approval of the City Council. Further, no District or County lines shall be constructed or water sold to customers within the then Extra Territorial Jurisdiction Area of the City without the specific consent of the City Engineer and City Manager.
- (16) Subject to the terms and provisions of this Agreement, the City of Henderson agrees to provide potable (drinkable) water to Vance County at the location of said proposed meters at the junction of the District's transmission lines with the then existing lines of the City of Henderson; said water is not warranted for use for any other particular purpose. The City of Henderson shall not be liable or accountable for any failure to treat and/or deliver potable (drinkable per State standards) water, or otherwise perform this Agreement, in the event such failure is due to acts of God, strikes, power failure, line breaks, system repairs, catastrophe, tampering, or other causes beyond the control of the City of Henderson. Henderson shall attempt to give Vance County and the District reasonable notice, if at all possible, of any interruptions which might be reasonably be anticipated, said notice to be given to the County Manager or such other person as Vance County or the District may designate in writing. The parties hereto acknowledge the primary responsibilities of the City of Henderson is to provide water to customers and taxpayers residing within its City limits.

Otherwise and to the extent feasible, any water shortages will be shared proportionately among all customers of the City of Henderson (subject to the rights of the City of Henderson to funnel water first to emergency services); provided that nothing herein shall prevent the City of Henderson from encouraging conservation or curtailing or restricting the use of water for certain purposes or by certain classes of water users pursuant to the City's Water Shortage Ordinance and Regulations (and any amendments thereto).

- (17) It is specifically agreed that the City of Henderson shall have the right to discontinue service at any time to Vance County in the event Vance County (or its assignee) does not pay any funds owing to the City of Henderson relative to the purchase of water or related services set forth herein, or in the event Vance County otherwise defaults under the terms of this Agreement (including the payment for all water passing through said proposed meters) and further fails to remedy said non-payment or default or breach within fifteen (15) days after written notice of the same, delivered or mailed to Vance County (or its assignee) at its last known address. In the event service is so discontinued, then the City of Henderson (or its assignee) shall have the exclusive right and option to sell water (using mains, lines, tanks and facilities of the District or its assignee) if the City so desires, to any customer or customers previously purchasing water from Vance County or the District (or its respective assignee, if any) upon the conditions prescribed in the City

of Henderson Code of Ordinances for services to users outside of the corporate limits of the City of Henderson; upon such discontinuance of service to Vance County, Vance County and the District (and its respective assignee, if any) each hereby irrevocably grants to the City of Henderson the privilege of using all lines, mains, tanks and facilities of the District's water systems for such purpose, if desired by the City of Henderson. The rights and privileges of the City of Henderson to sell said water and use the lines, mains, tanks and facilities of the District as set forth above in this paragraph shall create no additional obligations upon the City of Henderson and said rights and privileges shall only apply during the period of time that said non-payment has not been fully remedied (or default or breach not fully cured) and further while a responsible entity (reasonably acceptable to the City of Henderson, and any granting agency) has not completely assumed and is performing all of the contractual obligations of Vance County and the District under this Agreement.

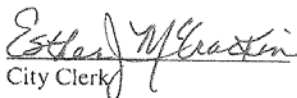
- (18) In the event the project becomes economically unfeasible (because of insufficient grant and/or loan funds, rising constructions costs, or the inability of District to pay for the total project costs through no fault of Vance County or the District, or the failure of a sufficient number of customers to sign up for the District's water service), so that there is no award of any construction contract within five years of the date hereof, then this agreement shall terminate and the parties hereto shall be under no further obligation to each other; provided, however, that Vance County shall thereupon immediately reimburse the City of Henderson for any reasonable expenses that may have been incurred by the City of Henderson pursuant to this Agreement prior to said termination.
- (19) In any event (regardless of whether there has been an award for any construction contact) Vance County agrees to save and hold harmless the City of Henderson from any and all reasonable costs, expenses, or liability which the City of Henderson may incur relative to the proposed construction and operation of said proposed District Phase 1A water system.
- (20) This Agreement shall exist and continue for a period of forty (40) years from the date hereof and thereafter may be renewed or extended for such term, or terms, as may be mutually agreeable by the parties; provided, however, the City of Henderson shall have the right to terminate this Agreement :
 - (a) If for any reason the City of Henderson cannot obtain water from the US Army Corp. of Engineers out of the John H. Kerr Reservoir in a reasonable capacity and rate to meet the needs of the City of Henderson and its customers, or
 - (b) Any sale of water by Vance County or the District that is outside of and/or violates any interbasin rules or regulations that currently exist or may exist in the future (it being understood and agreed that Vance County shall be solely responsible for obtaining any waiver or allotment that is required relative to any interbasin transfers) of water purchased, sold, or used hereunder by the County or the District.

- (21) The parties to this Agreement shall not discriminate in the hiring or firing of employees, and further bind their respective assigns and successors in interest or title to so not discriminate.
- (22) This Agreement may be amended only with the written consent of all the City of Henderson and Vance County and the Vance County Water District (or their respective assignees).
- (23) This Agreement shall be construed under the laws of the State of North Carolina.
- (24) This Agreement shall be only effective after approval by the State Office of the USDA Rural Development, as funding agency for the Vance County Water District's phase 1A project.

IN TESTIMONY WHEREOF, THE CITY OF HENDERSON, AND THE COUNTY OF VANCE AND THE VANCE COUNTY WATER DISTRICT have each caused this Agreement to be executed, all pursuant to authorities given by their respective governing bodies, this the day and year first above written.

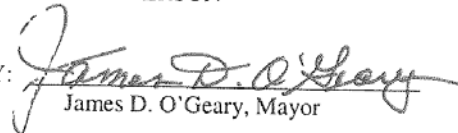
CITY OF HENDERSON

ATTEST:

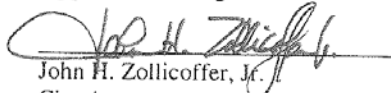

City Clerk

(MUNICIPAL SEAL)

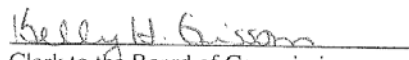
BY:


James D. O'Geary, Mayor

Approved as to legal form:


John H. Zollicoffer, Jr.
City Attorney
City of Henderson

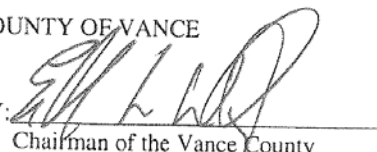
ATTEST:


Clerk to the Board of Commissioners

(COUNTY SEAL)

COUNTY OF VANCE

BY:


Chairman of the Vance County
Board of Commissioners

ATTEST:

Betty W. Gisson
Clerk

(WATER DISTRICT SEAL)

VANCE COUNTY WATER DISTRICT

BY: [Signature]
Chairman of the Board

This Agreement is approved by the United States Department of Agriculture with the understanding that portions of the said proposed water system (including the stub-outs and any oversized lines) are not covered by the USDA loan and grant funds and will be paid for by others.

This the 22 day of August, 2011.

UNITED STATES DEPARTMENT OF AGRICULTURE

BY: William A. Hobbs

WILLIAM A. HOBBS
DIRECTOR, COMMUNITY PROGRAMS/PROGRAM SUPPORT

RESOLUTION 12-65

A RESOLUTION APPROVING A WATER SALES AGREEMENT WITH VANCE COUNTY FOR PHASES 2-A AND 2-B

WHEREAS, the Henderson City Council (Council) conducted its Annual Planning Retreat in January 2012, and during said Retreat identified eight Key Strategic Objectives (KSO) and Goals and 12 Core Values; *and*

WHEREAS, this Resolution addresses two of the Key Strategic Objectives as follows: KSO 5: To Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems and KSO 8: Provide Financial Resourcing, Action Plan 8-3: Evaluate and Amend City/County Joint Programs and Contracts Funding Allocations; *and*

WHEREAS, this Resolution further addresses two of the Core Values and Principles that Guide the City's Work as follows: CV 7: Teamwork and Collaborative Efforts, *and* CV 9: Good Working Relationship with Vance County; *and*

WHEREAS, the City and County have been in negotiations over the past one and one-half years regarding the sale of water for the proposed county-wide water system Phases 2-A and 2-B; *and*

WHEREAS, the County of Vance has requested to purchase up to 175,000 gallons per day of potable water from the City for County Water District Phases 2-A & 2-B; *and*

WHEREAS, the City Council believes it is in the best interest of the City and Vance County for a viable county-wide water system to be built; *and*

WHEREAS, the negotiating teams for both the City and County have achieved a consensus and presented contracts for consideration of the Henderson City Council and the Vance County Board of Commissioners.

NOW THEREFORE BE IT RESOLVED by the Henderson City Council that it does hereby conditionally approve 1) A Water Sales Agreement with Vance County for Phases 2-A and 2-B, said agreement being more fully articulated in *Attachment No. 1* to this Resolution; *and* 2) These conditional approvals are contingent upon the following:

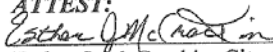
1. The Vance County Board of Commissioners shall approve and execute the Water Sales Agreement (*Attachment No. 1*); *and*

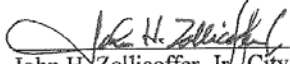
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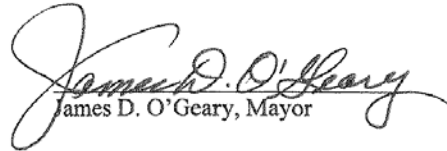
2. Vance County shall provide to the City in a manner acceptable to the City Manager and City Engineer data for Exhibit A, Water Sales Agreement, which is a Phase 2-A Map and a Phase 2-B Map and a Table of All Water Lines to be included in Phase 2-A and 2-B, by location (beginning and ending points), size and connection points to the City's water distribution system, *and*
3. The contract will become effective only after the United States Department of Agriculture approves and executes the water sales agreement.

The foregoing Resolution 12—65 upon motion of Council Member Kearney and second by Council Member Coffey, and having been submitted to a roll call vote received the following votes and was APPROVED on this the 23rd day of July 2012: YES: Rainey, Peace-Jenkins, Daeke, Brown, Daye, Kearney, Coffey and Inscoe. NO: None. ABSTAIN: None. ABSENT: None.

ATTEST:


 Esther J. McCrackin, City Clerk
 Approved to Legal Form:


 John H. Zollicoffer, Jr., City Attorney


 James D. O'Geary, Mayor

Reference: Minute Book 42, p. 525.

STATE OF NORTH CAROLINA

COUNTY OF VANCE

WATER SALES AGREEMENT
FOR PHASES 2A AND 2B

THIS WATER SALES AGREEMENT, made and entered into this the 23rd day of July, 2012 by and between the City of Henderson (a municipal corporation organized under the laws of the State of North Carolina and situated in Vance County, North Carolina), hereinafter referred to as "Henderson" or "City"; and Vance County hereinafter referred to as "Vance County" or "County"; and the Vance County Water District, hereinafter referred to as "District".

WITNESSETH:

WHEREAS, the City of Henderson presently provides potable water (as a member of the Regional Water System and as a North Carolina municipality) to the City of Henderson and to the surrounding area with transmission mains extending outside of the City of Henderson for some distances (including one extending the length of the Fleming Town Road in Vance County and another transmission line extending across from the Fleming Town Road to NC Highway 39 at Harris Crossroads and then southerly along NC Highway 39 to the City of Henderson, and other major transmission mains extending through the length of Vance County along US Highway 1 and US Highway 1 Bypass and throughout Vance County on Highway US 158) and also provides water to the Kittrell Water Association (which owns a transmission line extending along US Highway 1 Business from its intersection with US Highway 1 Bypass southward to the Town of Kittrell and which owns and maintains other water lines serving the area surrounding the Town of Kittrell); and

WHEREAS, the City of Henderson further has an agreement with Warren County, North Carolina (as a partner in the Regional Water System) relative to the City's water transmission main running northeasterly from the Regional Water System mains in Vance County to the Warren County line at Drewry and further relative to Warren County's water lines servicing that portion of Vance County north of Drewry which is separated from the rest of Vance County by a portion of the John H. Kerr Reservoir; and

WHEREAS, there is a further transmission line which extends from NC Highway 39 (North) in a westerly direction to the Granville County line to serve the City of Oxford; and

WHEREAS, the City (and the other entities) presently sell water to customers from said major transmission mains and from distribution lines connected to the same; and

WHEREAS, Vance County Water District is obtaining grants from the USDA to construct one or more systems of distribution lines serving portions of Vance County, North Carolina outside of the areas served by the City of Henderson (and the other entities herein set forth); and

WHEREAS, the District, through the County desires to purchase water for said system from the City of Henderson for Phases 2A and 2B of the proposed District Water Systems; and

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WHEREAS, the City and the County agree to assist the District in any feasible way and more especially as set forth in this Agreement.

WHEREAS, the City of Henderson is willing to sell water to Vance County which will assign its rights to the same to the District for use in said Vance County Phase 2A and Phase 2B water systems on the terms and conditions hereinafter set forth; and

WHEREAS, Vance County is willing to purchase water for Phase 2A and Phase 2B from the City of Henderson and to assign its rights to the same to the District under said terms and conditions for purposes of resell to its customers.

NOW, THEREFORE, for and in consideration of the mutual promises and Agreements herein contained and the reliance by each party on the performance of the other, the City of Henderson, Vance County and the Vance County Water District agree as follows:

- (1) In the event that the applications for grants and/or loans for the Vance County Water District are approved and the requisite citizens to be served by Vance County's Phase 2A and Phase 2B water systems sign up for service so as to make the District's Phase 2A and Phase 2B water systems feasible, then the District will proceed at its own expense with having the necessary engineering performed, surveying relative to any rights of way required (if any are needed), acquiring any needed rights of way, and shall proceed with preparations for advertising for bids for the construction of water transmission lines (at least six inches in diameter except as where mutually agreed) and distribution lines extending from the present terminus of the respective adjacent City lines and mains to the respective areas to be served by the District.
- (2) The final plans, specifications and design of the project (and any major changes subsequently made thereto) shall be submitted to the City Manager (or his authorized designee) of the City of Henderson before final approval by the District. The City of Henderson shall have the right prior to final approval to reasonably modify any portions of the Vance County Phase 2A and Phase 2B water systems to the extent desirable so that the same does not interfere with present operation and distribution of the water system of the City of Henderson, provided that the same shall not unreasonably delay construction of that portion of the District's water system being proposed nor does it cause distribution in the proposed area to be limited except as allowed herein. Nothing herein shall diminish the U. S. Department of Agriculture's approval rights.
- (3) After all the Phase 2A and Phase 2B project funds have been committed to the satisfaction of the District, the District shall then proceed with the authorization of the final design of the Phase 2A and Phase 2B systems being proposed and shall proceed with authorization of the final design of the system and acquisition of any land and easements needed and with the advertising for bids and awarding of the construction contracts (if sufficient funds are then available) relative to that portion of the Vance County Water District Phase 2A and Phase 2B water systems then proposed to be constructed.

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- (4) The ownership to all land and rights of way acquired and any and all facilities located thereon and all water lines being constructed as a part of the project shall thereafter be vested in the Vance County Water District. The use and operation of the lines and facilities are vested in the District, subject to the specific contractual rights of the City of Henderson as set forth in this Agreement. It is agreed that said newly constructed lines (and all attachments and appurtenances thereto) shall be the sole property of the District which can only sell or assign its title to said lines in the future, subject to the contractual rights of the City of Henderson herein, only to a responsible successor (reasonably acceptable to the City of Henderson and to any granting agency funding the project) which grantee shall assume all of the obligations of the District hereunder and be bound by all of the terms of this Agreement. It is agreed that this paragraph does not create nor cause to be created any liens superior to any current or future lender to the County or to the District; nor shall any subordination be required.
- (5) As a part of the consideration of this Agreement, the District agrees that no water lines will be installed that contain less than a six-inch diameter except at places where the City agrees that water quality would be adversely affected. Moreover, all lines installed by the County must be at least eight inches in diameter wherever the City designates within the City's Extra-Territorial Planning Area and also on logical Growth Corridors elsewhere within 3 miles (as the crow flies) of the then existing City Limits of the City of Henderson.

The City is to receive the proposed lay-outs of the respective lines proposed by the District relative to its Phase 2A and Phase 2B water systems. The City must approve, before the plans are finalized, the location of proposed taps, distribution lines and sizes, and any matters which will effect hydraulics in the City or Regional Water Systems.

Furthermore, the District and Vance County will install at their expense standard fire hydrants at least every 2,000 lineal feet of the District's water lines and also "stub-outs" (for a fire hydrant) at least every 1,000 lineal feet of the District's water lines (except where District, County or City fire hydrants are located) laid within the Extra-Territorial Planning Area of the City of Henderson and also where the City designates along logical Growth Corridors designated by the City elsewhere within 3 miles (as the crow flies) of the then existing City Limits of the City of Henderson.

For purposes of this Paragraph (5), Logical Growth Corridors shall be determined as areas which have been identified by the City as future growth areas in any of their existing or long range planning documents as of the date that the District presents its plans to the City for the respective proposed water line.

- (6) The District shall have the right at its own expense to place a booster pump station and/or a pressure reducing station and/or overhead tanks anywhere along any portion of the proposed new transmission lines, which facilities are to be maintained by the District. Provided, however, that no booster pump station and/or pressure reducing station or overhead tank shall be placed on said lines or in the proposed Phase 2A and Phase 2B water systems of until the plans and specifications have been presented to the City of

Henderson for approval by its engineers and a determination that the same will not adversely affect the City of Henderson's water system and the Regional Water System.

In the event District constructs any overhead tanks or booster pumping stations or pressure reducing valves, District will carefully calibrate the same so that they conform with the City's existing systems of monitoring water levels and other overhead tanks so that consistent water levels will be maintained at the respective levels needed to provide required pressure to service all water systems whose ultimate source is the Regional Water System and to provide adequate fire protection throughout all such systems.

- (7) Upon completion of the construction of said proposed Phase 2A and Phase 2B water systems project, District agrees to tap onto the existing water system of the City of Henderson at points reasonably designated and approved by the City of Henderson, said taps to be made under the supervision of (and in a manner acceptable to) the City of Henderson and its engineers. All costs for the tap and connection shall be borne and promptly paid for by the District.
- (8) As a part of the construction costs of any Vance County or District water system, a meter (with a back flow check valve and any other device deemed necessary by the City of Henderson to protect the City's or Regional water systems) acceptable to the City of Henderson shall be placed at the junction of any new transmission line owned by the District or Vance County with the existing water system of the City of Henderson or of the Regional Water System, and all water passing through said meter or meters shall be conclusively deemed purchased by Vance County who shall pay the City of Henderson for the same based on an initial rate of \$2.90 per 1,000 gallons for up to 175,000 gallons per day for Phase 2A and 2B. This rate shall be binding on the parties through March 31, 2015; provided however, that commencing on March 31, 2015, all rates then being charged for said 175,000 gallons per day to Vance County shall be thereafter subject to automatic periodic increases in said rate in the same proportion (or percentage) as increases in water rates for users outside of the City Limits of the City of Henderson based on the schedule of rates periodically adopted by the City Council of the City of Henderson in its sole discretion. (For example, if the outside water rate increases by 5%, the initial \$2.90 rate shall increase to \$3.045 per 1,000 gallons at that time).

These rates shall be in addition to the allocation reservation fee and the General Tap Fee set forth in Paragraph (11) hereof.

It is understood and agreed that the rates herein set forth shall only apply to the then first 175,000 gallons a day of water sold by the City to the County for Phase 2A and Phase 2B of the District Water Systems. All rates for excess water (over 175,000 gallons of water per day for Phase 2A and Phase 2B) shall be subject to negotiation between the City and County; provided however, that if said two parties are unable to agree upon any rate within 30 days after notice (of the need to establish a rate), then the reasonable rate therefore shall be conclusively set at the rate that the City of Henderson then charges for water to the Town of Kittrell, until a different rate is agreed upon by the City and County.

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The City of Henderson shall bill Vance County on the 15th day of each calendar month (or the next consecutive business day if a holiday or weekend) and said bills shall be promptly paid to the City of Henderson by Vance County in accordance with the City of Henderson's Code of Ordinances in effect at said respective times (and as may be modified by the City of Henderson from time to time). It is expressly understood and agreed that the establishment of an initial rate to be paid by Vance County herein shall not prevent the City Council of the City of Henderson, in its sole discretion, from changing its rates charged to outside users at any time and the parties hereto agree to be bound by said modified percentage increases as of the effective date of said modification or changes; Vance County further understands that the City of Henderson is under no obligation to the parties herein except as herein expressly set forth.

It is agreed that Vance County will assign all of its rights and obligations under this Agreement to the Vance County Water District provided Vance County shall remain liable for all obligations of the County hereunder. No other wholesale water resale by the County or water assignment by the County or by the District is permitted without the written consent of the City Council of Henderson.

- (9) The meters hereinabove referred to shall measure the water being purchased in cubic feet, or such other unit of measure as shall be reasonably designated by the City of Henderson. It is agreed that the City of Henderson shall have the right to calibrate any such meter at any time that it feels the same is not accurate; and District or Vance County shall likewise have the right to require the City of Henderson to calibrate any such meter at reasonable intervals, the expenses of calibration to be paid in accordance with the then existing ordinances of the City of Henderson. In the event any significant calibration error is discovered, then the City shall bill or credit the County (during the period said meter can be shown to be in error) for water amounts based upon the most recent historical twelve month amounts passing through the respective meter (or such lesser period of time that said meter has been in service and use).

At any and all connections of the County or District water lines with City water lines, the City can require not only meters (for measuring water consumption) but also check valves (with approved bypasses to be used with City approval in emergencies) to prevent the back flow of water (thus minimizing possible meter errors and also water contamination).

- (10) Subject to the provision hereof, the District shall have the sole and exclusive right to tap the proposed new District Phase 2A and Phase 2B water systems' transmission lines and distribution lines to be constructed by the District under the terms of this Agreement at any place or places that it may desire and shall have the sole right to re-sell the water being metered to Vance County to such retail entities and at such rates as it may establish, and the District shall read all of its customers' meters, bill for its water sales and receive all proceeds from such sales (after any reimbursements to the County for any water bill owing to the City), subject to the provisions of this Agreement (provided that the same does not unreasonably interfere with the City of Henderson's ability to provide

water to its then existing customers and/or to fulfill the reasonably anticipated water needs of its other known or anticipated customers).

Provided, further that no water shall be resold or used (relative to each user) by Vance County or the District (or its assignee) unless a septic tank or sewerage disposal system is in place for treating the same relative to said respective ultimate customer and approved by the Vance County Health Department or the North Carolina State Board of Health or other governmental agency to which such authority for approval has been officially delegated.

- (11) Vance County has requested that the City of Henderson reserve a total of 175,000 gallons per day for Phase 2A and Phase 2B from the City of Henderson's water supply for the exclusive use of the District's proposed Phase 2A and Phase 2B water systems and for the District's re-sale to its customers served by said 2 Phases. In consideration of the reservation of said 175,000 gallons per day for Phase 2A and Phase 2B, Vance County agrees to pay the City of Henderson a water allocation reservation fee of \$1,750,000. This water reservation fee may be paid to Henderson in one lump sum or financed by Henderson over a period not to exceed forty (40) years (but no later than March 31, 2052) without interest, at the County's option. If financed over the full term (rather than any prepayment) equal annual periodic payments of \$43,750.00 would be due and payable to Henderson on the 31st day of July of each calendar year commencing July 31, 2013; provided, however that the last annual payment shall be due to the City on March 31, 2052. The County may pre-pay the water allocation fee in whole or in part at any time without penalty.

This reservation of 175,000 gallons of water per day shall only apply to Phase 2A and Phase 2B of the District's Water Systems. Any subsequent reservation for any subsequent Phase will be subject to negotiation.

Moreover, in addition to the above allocation reservation fee, the County will pay to the City a General Tap Fee of \$140,000.00 (in consideration of the City maintaining the initial water rate of \$2.90 per 1000 gallons of water per day for said 175,000 gallons through March 31, 2015), said General Tap Fee to be for the ability of the County to tap the existing City transmission mains (to be done pursuant to the provisions of Paragraph 7) and is to all be due and payable in full by the County to the City upon the execution of this Agreement by the City and County. Provided however that upon receipt of a letter from the USDA that the funding for Phases 2A and 2B has been denied, the City will promptly refund the \$140,000.00 to the County.

- (12) It is expressly agreed as a condition of this agreement (and as an integral part of the consideration of the same) that Vance County and the District will not, without the prior consent of the City of Henderson:
- (a) extend its average daily consumption to a total of more than 175,000 gallons a day for Phase 2A and Phase 2B, or

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- (b) extend its water mains or lines to any area then capable of being served or hereafter proposed (for which an engineer has drafted plans and specifications and which lines are proposed to be installed within one year) to be served with water by the City of Henderson, or
- (c) engage, or threaten to engage, in competition with the City of Henderson relative to the sale of water by the City of Henderson or the Regional Water System. (Competition with the Regional Water System or with the City's water transmission main running south to the Tar River means serving any area within 1,000 feet of said respective transmission main or any other area then served by the City from the same, without the consent of the City.)

So long as Vance County (and its assigns) are not in default of this Agreement, the City of Henderson agrees not to extend its water distribution lines to any area which is then presently served with water or is hereafter proposed (for which an engineer has drafted plans and specifications and which lines are proposed to be installed within one year) to be served by the District (unless said area is in the process of being annexed into the City).

- (13) All maintenance of the District's water systems will be assumed and performed by the District who will be responsible for providing all the requisite labor and equipment and expenses needed for such purpose. There shall be no discount on the amount of water being metered and purchased by the County from the City of Henderson under this Agreement by reason of any leakage or improper maintenance or by reason of any other cause. The District and Vance County shall be solely responsible for the maintenance of the mains, water lines, pipes, booster pump stations, elevated tanks, meters, and facilities in the proposed District water systems, and any additions or extensions of the same. Provided, however, if any meter is shown to be defective or malfunctioning, the City shall have the right (but not any obligation) to replace or repair the same if it is otherwise not repaired or replaced (within a period of time reasonable under the circumstances and after notice) and in such event, the costs of such repair or replacement shall be reimbursed to the City by the other parties hereto.
- (14) Vance County and the District each agree for itself and its assigns and customers that in no event will water to be purchased from the City of Henderson be commingled with any water from any wells or other sources after the proposed new District water system transmission lines have been tapped, and Vance County and the District will not permit the same to be done by others and will take all actions necessary to prevent or remedy any such commingling. No water consumer will be allowed to make a cross connection between the District water transmission or distribution lines (or any other water lines of Vance County or the District) and a private or public well, spring or other source. Where a customer has another source of water in addition to that being supplied by the water service system of Vance County or the District (or its respective assignee, if any), there shall be no physical connection between the two water supplies.

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- (15) There shall be no cross connection between the water lines of Vance County or the District (or its respective assignee, if any) and air lines used for washing automobiles or any other purpose. Where water passes through a recirculating system, such as cooling towers, there shall be no physical connection between the District water systems and the pressure lines from the recirculating system.

Vance County and the District both further agree (and binds its respective successors, assignees, and customers) to comply with all applicable provisions of the City of Henderson's Code of Ordinances periodically in effect relative to preserving the quality of water or otherwise relative to potable water (as said Ordinances may be modified from time to time by the City Council of the City of Henderson).

- (16) As a specific part of the consideration of this Agreement, the District and the County each agree that it will neither construct any water lines or mains nor sell water to any customers in any areas served by then existing water transmission lines or distribution water lines of the City of Henderson, the Town of Kittrell, the Kittrell Water Association or Warren County without the written consent of said respective entity and of the City of Henderson City Council. Moreover, no District or County lines shall be constructed or water sold to customers outside of Vance County without the official approval of the City Council. Further, no District or County lines shall be constructed or water sold to customers within the then Extra Territorial Jurisdiction Area of the City without the specific consent of the City Engineer and City Manager.
- (17) Subject to the terms and provisions of this Agreement, the City of Henderson agrees to provide potable (drinkable) water to Vance County at the location of said proposed meters at the junction of the District's transmission lines with the then existing lines of the City of Henderson; said water is not warranted for use for any other particular purpose. The City of Henderson shall not be liable or accountable for any failure to treat and/or deliver potable (drinkable per State standards) water, or otherwise perform this Agreement, in the event such failure is due to acts of God, strikes, power failure, line breaks, system repairs, catastrophe, tampering, or other causes beyond the control of the City of Henderson. Henderson shall attempt to give Vance County and the District reasonable notice, if at all possible, of any interruptions which might be reasonably be anticipated, said notice to be given to the County Manager or such other person as Vance County or the District may designate in writing. The parties hereto acknowledge the primary responsibilities of the City of Henderson is to provide water to customers and taxpayers residing within its City limits.

Otherwise and to the extent feasible, any water shortages will be shared proportionately among all customers of the City of Henderson (subject to the rights of the City of Henderson to funnel water first to emergency services); provided that nothing herein shall prevent the City of Henderson from encouraging conservation or curtailing or restricting the use of water for certain purposes or by certain classes of water users pursuant to the City's Water Shortage Ordinance and Regulations (and any amendments thereto).

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- (18) It is specifically agreed that the City of Henderson shall have the right to discontinue service at any time to Vance County in the event Vance County (or its assignee) does not pay any funds owing to the City of Henderson relative to the purchase of water or related services set forth herein, or in the event Vance County otherwise defaults under the terms of this Agreement (including the payment for all water passing through said proposed meters) and further fails to remedy said non-payment or default or breach within fifteen (15) days after written notice of the same, delivered or mailed to Vance County (or its assignee) at its last known address. In the event service is so discontinued, then the City of Henderson (or its assignee) shall have the exclusive right and option to sell water (using mains, lines, tanks and facilities of the District or its assignee) if the City so desires, to any customer or customers previously purchasing water from Vance County or the District (or its respective assignee, if any) upon the conditions prescribed in the City of Henderson Code of Ordinances for services to users outside of the corporate limits of the City of Henderson; upon such discontinuance of service to Vance County, Vance County and the District (and its respective assignee, if any) each hereby irrevocably grants to the City of Henderson the privilege of using all lines, mains, tanks and facilities of the District's water systems for such purpose, if desired by the City of Henderson. The rights and privileges of the City of Henderson to sell said water and use the lines, mains, tanks and facilities of the District as set forth above in this paragraph shall create no additional obligations upon the City of Henderson and said rights and privileges shall only apply during the period of time that said non-payment has not been fully remedied (or default or breach not fully cured) and further while a responsible entity (reasonably acceptable to the City of Henderson, and any granting agency) has not completely assumed and is performing all of the contractual obligations of Vance County and the District under this Agreement.
- (19) In the event the Phase 2A and Phase 2B project becomes economically unfeasible (because of insufficient grant and/or loan funds, rising constructions costs, or the inability of District to pay for the total project costs through no fault of Vance County or the District, or the failure of a sufficient number of customers to sign up for the District's water service), so that there is no award of any construction contract for Phase 2A and Phase 2B within five years of the date hereof, then this agreement shall terminate and the parties hereto shall be under no further obligation to each other; provided, however, that Vance County shall thereupon immediately reimburse the City of Henderson for any reasonable expenses that may have been incurred by the City of Henderson pursuant to this Agreement prior to said termination.
- (20) In any event (regardless of whether there has been an award for any construction contract) Vance County agrees to save and hold harmless the City of Henderson from any and all reasonable costs, expenses, or liability which the City of Henderson may incur relative to the proposed construction and operation of said proposed District Phase 2A and Phase 2B water systems.
- (21) This Agreement shall exist and continue for a period of forty (40) years from the date hereof and thereafter may be renewed or extended for such term, or terms, as may be

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mutually agreeable by the parties; provided, however, the City of Henderson shall have the right to terminate this Agreement :

- (a) If for any reason the City of Henderson cannot obtain water from the US Army Corp. of Engineers out of the John H. Kerr Reservoir in a reasonable capacity and rate to meet the needs of the City of Henderson and its customers, or
 - (b) Any sale of water by Vance County or the District that is outside of and/or violates any interbasin rules or regulations that currently exist or may exist in the future (it being understood and agreed that Vance County shall be solely responsible for obtaining any waiver or allotment that is required relative to any interbasin transfers) of water purchased, sold, or used hereunder by the County or the District.
- (22) The parties to this Agreement shall not discriminate in the hiring or firing of employees, and further bind their respective assigns and successors in interest or title to so not discriminate.
- (23) This Agreement may be amended only with the written consent of all the City of Henderson and Vance County and the Vance County Water District (or their respective assignees).
- (24) This Agreement shall be construed under the laws of the State of North Carolina.
- (25) This Agreement shall be only effective after approval by the Area Director of the United States Department of Agriculture, as granting agency for the Vance County Water District's phase 2A and 2B project.

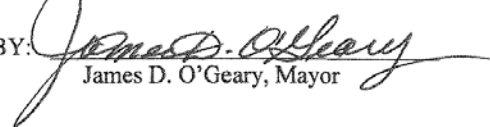
IN TESTIMONY WHEREOF, THE CITY OF HENDERSON, AND THE COUNTY OF VANCE AND THE VANCE COUNTY WATER DISTRICT have each caused this Agreement to be executed, all pursuant to authorities given by their respective governing bodies, this the day and year first above written.

ATTEST:


City Clerk

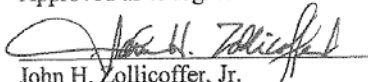
CITY OF HENDERSON

BY:


James D. O'Geary, Mayor

(MUNICIPAL SEAL)

Approved as to legal form:


John H. Zollicoffer, Jr.
City Attorney

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City of Henderson

ATTEST:

Betty H. Gissom
Clerk to the Board of Commissioners

(COUNTY SEAL)

COUNTY OF VANCE

BY:

Tom F. Amos
Chairman of the Vance County
Board of Commissioners

ATTEST:

Betty H. Gissom
Clerk

(WATER DISTRICT SEAL)

VANCE COUNTY WATER DISTRICT

BY:

Tom F. Amos
Chairman of the Board

Resolution Book 3
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This Agreement is approved by the United States Department of Agriculture with the understanding that portions of the said proposed water system (including the stub-outs and any oversized lines) are not covered by the USDA Grant and will be paid for by others.

This the 2nd day of August, 2012.

UNITED STATES DEPARTMENT OF AGRICULTURE

BY: Bruce T. Pleasant

Bruce T. Pleasant
Acting Director, Community Programs/Program Support

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RESOLUTION 13-24

APPROVAL OF GRANT/LOAN APPLICATION TO THE DRINKING WATER STATE REVOLVING FUND FOR VARIOUS WATER SYSTEM IMPROVEMENTS LOCATED ON BECKFORD DRIVE AND US 158 BUSINESS

WHEREAS, the Henderson City Council (Council) identified eight Key Strategic Objectives (KSO) at its 2013 Strategic Planning Retreat; *and*

WHEREAS, two of the Key Strategic Objectives are addressed by this request as follows: **KSO 5: To Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems; and KSO 8: To Provide Sufficient Funds for Municipal Operations and Capital Outlay Necessary to Meet the Needs of Citizens, Customers and Mandates of Regulatory Authorities; and**

WHEREAS, the Federal Safe Drinking Water Act Amendments of 1996 and the NC Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of drinking water system improvements, *and*

WHEREAS, the City of Henderson intends to request State loan or grant assistance for the project, *and*

WHEREAS, the amount of the loan/grant funding applications are \$795,000; *and*

WHEREAS, these water main extensions will provide loop systems to our existing distribution system as well as provide better fire protection and reliability of service as well as other improvements; *and*

NOW THEREFORE BE IT RESOLVED, BY THE HENDERSON CITY COUNCIL:

1. That the City of Henderson (Applicant) will arrange financing for all remaining costs of the project, if approved for a State loan or grant award.
2. That the Applicant will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.
3. That the City Council (governing body) of the Applicant agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the City of Henderson to make scheduled repayment of the loan, to withhold from the City of Henderson any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.
4. That the Applicant will provide for efficient operation and maintenance of the project on completion of construction thereof.

5. That Mayor James D. O'Geary, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the Applicant with the State of North Carolina for a loan or grant to aid in the construction of the project described above.
6. That the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.
7. That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

The foregoing Resolution 13-24 introduced by Council Member Rainey and seconded by Council Member Kearney, on this the 25th day of February 2013, and having been submitted to a roll call vote, was APPROVED by the following votes: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke and Daye. NO: None. ABSTAIN: None. ABSENT: Brown.

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

John H. Zollicoffer, Jr., City Attorney
(Reference: Minute Book 42, p. 744)

STATE OF NORTH CAROLINA: CITY OF HENDERSON

I, Esther J. McCrackin, the duly appointed, qualified City Clerk of the City of Henderson, do hereby certify the foregoing is a true and exact copy of *Resolution 13-24*, adopted by the Henderson, City Council in Regular Session on 25 February 2013 (*See Minute Book 42, p. 744*). This Resolution is recorded in *Resolution Book 3*, p. 149.

Witness my hand and corporate seal of the City, this 26th day of February 2013.

Esther J. McCrackin, City Clerk
City of Henderson, North Carolina

Henderson Council Work Session Aug 25, 2014
Review Rates of Henderson Vs. Vance County Water District

Water Rate Analysis

Henderson		Inside	Outside	Post Construction	5 kgal/month	
					Inside	Outside
Tap and Meter (Reduced Rate) *!	\$	500.00	\$ 500.00	\$ 1,235.00		
Min Monthly Charge, Includes 3,732 gal	\$	10.42	\$ 26.06	\$ 26.06	\$ 10.42	\$ 26.06
Water Rate /1kgal (1,267 gal)	\$	3.16	\$ 7.88	\$ 7.88	\$ 4.00	\$ 9.93
Capacity Charge *	\$	-	\$ 180.00	\$ 180.00		
Account Deposit	\$	150.00	\$ 150.00	\$ 150.00		
New Acct Fee	\$	20.00	\$ 20.00	\$ 20.00		
Initial Hook-up Fees	\$	670.00	\$ 850.00	\$ 1,585.00		
Monthly Bill (based 5kgal)					\$ 14.42	\$ 35.99

Vance County		Pre-const **	During Const	Post Const	5 kgal/month	
Tap & Meter*	\$	125.00	\$ 800.00	\$ 1,350.00		
Min Monthly Charge, Does NOT include any Water	\$	30.00	\$ 30.00	\$ 30.00	\$	30.00
Rate per 1kgal	\$	7.19	\$ 7.19	7.19	\$	35.95
Capacity Charge*	\$	-	\$ -	\$ 500.00		
Account Deposit*	\$	150.00	\$ 150.00	\$ 150.00		
Initial Hook-up Fees	\$	275.00	\$ 950.00	\$ 2,000.00		
Monthly Bill (based 5kgal)					\$ 65.95	

Months for Henderson Customer
to Recoup Savings from VCWD
tap & monthly fees use
Henderson Outside Rates

3 1 0

* These are one Time Fees for a New Account

** VCWD Meter cost waived if signup before or during construction

*! COH Meter cost reduced if signup before or during construction

City Council Action Form

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Work Session

19 August 2014

TO: The Honorable Mayor James D. O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: **CM 14-27:**

Consideration of:

- 1) Possible Addition of Handicap Parking Spaces in the Downtown Area;**
- 2) Conversion of Stop Lights at Chestnut Street and Young Street to Stop Signs**
- 3) Modifying Oak Street from One Way to Two Way Traffic Pattern.**

Ladies and Gentlemen:

City staff received a request from a citizen who currently resides in an apartment in the downtown area of Garnett for a handicap parking space either on Garnett Street or in the William Street Parking Lot. Currently the citizens use the parking lot on William Street just off of Montgomery Street; however, currently there are no handicap parking spaces in this lot. Due to other apartment units in the downtown area and availability to customers which patronize stores downtown, it is felt that this may need to be discussed for the downtown as a whole, rather than considering one request at a time. Either way, the appropriate Ordinance can be drafted if so desired.

Another item that the staff is reviewing is the replacement of the traffic signal equipment at Young Street and Chestnut Street. As you are probably aware, there was a traffic accident at this location approximately a month ago in which several vehicles were involved that broke one pole and therefore bringing down several of the existing signals. City crews were dispatched after the accident and stop signs were placed on Young Street with Chestnut being the through street. An estimate of approximately \$22,500 was received to replace the signalization equipment. Removal of the signals would cost much less. It appears that there is insufficient liability coverage on the motorist(s) responsible for the accident.

City staff is proposing to possibly eliminate the traffic signals at this intersection due to differences in traffic volumes or turning movements which may no longer warrant traffic signals at this intersection. Several other traffic signals were removed along Chestnut Street around 2004-2005 after it was determined by a traffic engineering study that the signals were no longer warranted. Therefore, it is recommended that a study be performed and a recommendation brought back to Council for further consideration.

The Fire Department has requested that Oak Street be modified from its existing One Way Pattern (From Pine Street to Deer Court Crossing) to two way traffic. This has been discussed with the Vance County School Superintendent and a favorable response was received relative to the flow of traffic with the schools. Additional information is being reviewed and a recommendation will be brought back to Council for consideration at a future time.

CM 14-27: 25 August 2014 Work Session

Page 1 of 1

City Council Memo

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Work Session

21 August 2014

TO: The Honorable Mayor James D. O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: **CM: 14-28**

Subject: Installation of Water Spray Park

Ladies and Gentlemen:

Councilman Daeke spoke with me the other day about the efficacy of the City installing water spray parks on one or more vacant lots owned by the City and County as a means to better bring recreation services to inner city youth who are unable to travel to Aycock Recreation Center. He asked that this item be placed on the Work Session Agenda for discussion among the City Council members.

City Council Memo

Office of City Manager
P. O. Box 1434
Henderson, NC 27536
252.430.5701



Agenda Item: _____

Council Meeting: 25 Aug 14 Work Session

22 August 2014

TO: The Honorable Mayor James D. O'Geary and Members of City Council

FR: A. Ray Griffin, Jr., City Manager

RE: CM: 14-29

Subject: Reorganization of Code Compliance and Planning & Community Development Departments.

Council Goals Addressed by this Item:

KSO 6: Develop and Maintain a Qualified Municipal Workforce: *To provide a supportive and competitive workforce climate that facilitates and maintains a strong workforce capability and capacity and adequate staffing levels.*

Ladies and Gentlemen:

In 2004, the City Council approved a reorganization which had the effect of dividing the Planning Department into two separate departments—Code Compliance Department and Planning and Community Development Department. One of the main thrusts of this action was to create a special focus of dealing with the abandoned structures' problem.

Both departments have suffered from reductions-in-force and frozen positions due to the City's continuing budgetary distress. At this time, the Planning & Community Development Department has zero employees due to the recent resignations of the Planning Director in April, the Zoning Administrator in June and the Main Street Manager position being RIF'ed as part of the FY15 Budget adoption process. The Codes Compliance Department initially had three employees when it was created. It now has two, with one position being frozen during the FY10 Budget process.

Since Code Compliance came from Planning, Mr. Williams and Ms. Dunston had an extremely good working relationship and were able to 'back each other up' when they had staff out for vacation, etc. Thanks to this relationship, Mr. Williams is doing an excellent job at holding things together with this difficult period of staff transitions.

Mr. Williams and I have discussed the best approaches to move forward with both departments. Since the City is seeking employees to fill both of the vacant positions in Planning, and his own department is short employees, we believe remerging the departments into one is the best course of action.

We propose combining the departments into the Development Services Department. This new department would have two divisions—Code Compliance Division and Planning & Community Development Division. Mr. Williams would head this department and his primary focus would still be code compliance. The City will continue to seek a seasoned planner and a zoning administrator.

I have reviewed this proposed reorganization with Human Resources Director Brown. She is currently reviewing the positions as outlined above vis-à-vis the new pay/class study. I will be able to offer you more information on this on Monday evening during Work Session.

Since the Council specifically divided the Planning Department when Code Compliance was created, I think it important for Council to feel comfortable with the recombining of the departments.

Mr. Williams, Ms. Brown and I look forward to discussing this proposal with Council during the Monday night Work Session.