



AGENDA

Henderson City Council Short Regular Meeting
Monday 22 June 2015, 6:00 p.m.
R. G. (Chick) Young, Jr. Council Chambers, Municipal Building
134 Rose Avenue
Henderson, North Carolina

Mayor and City Council Members

Mayor James D. O'Geary, Presiding

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

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

City Officials

Edward A. Wyatt, Interim City Manager
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) 8 June 2015 Regular Meeting [*See Notebook Tab 1*]
- b) 15 June 2015 Special Called Meeting

VII. PUBLIC COMMENT PERIOD ON AGENDA ITEMS

Citizens may only speak on non-Agenda items only at this time. Citizens wishing to address the Council must sign-in on a form provided by the City Clerk prior to the beginning of the meeting. The sign-in form is located on the podium. When recognized by the Mayor, come forward to the podium, state your name, address and if you are a city resident. Please review the Citizen Comment Guidelines that are provided below.³

VIII. NEW BUSINESS

- a) Consideration of Approval of Ordinance 15-28, Adoption of the FY15-16 Budget and FY2015-16 Annual Fee Schedule. (*CAF 15-62-B*) [*See Notebook Tab 2*]
 - Ordinance 15-28
- b) Consideration of Approval of 1) Resolution 15-48, Ratifying and Approving the Mayor's Signature on the North Carolina Community Development Block Grant (CDBG) Contract in the Amount of \$1,532,400 for Water Infrastructure; and 2) Resolution 15-49, Resolving to Provide Adequate Funding for Continued Operation of Said Improvements and Authorized Signatures for Documentation Required. (*CAF 15-79*) [*See Notebook Tab 3*]
 - Resolution 15-48
 - Resolution 15-49

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.

- c) Consideration of Approval of Resolution 15-45, Authorizing an Application to the Carolina Panthers Charities for a Challenger Flag Football League Grant in the Amount of \$5,000 to Establish and Implement a Challenger League. (CAF 15-76) [See Notebook Tab 4]
 - Resolution 15-45
- d) Consideration of Approval of Resolution 15-50, Revising 2015 City Council Meeting Schedule. (CAF 15-50) [See Notebook Tab 5]
 - Resolution 15-50
- e) Consideration of Approval of Ordinance 15-32, Amending the FY14-15 Budget as Part of the Year Ending Budget Reconciliation Process, Budget Amendment #31. (CAF 15-72) [See Notebook Tab 6]
 - Ordinance 15-32
- f) Consideration of Approval of Tax Releases & Refunds for May 2015. (CAF 15-73) [See Notebook Tab 7]

IX. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

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- 4) Topics requiring further investigation will be referred to the appropriate city official, Council Committee or agency and may, if in order, be scheduled for a future meeting agenda;
- 5) Individual personnel issues are confidential by law and will not be discussed. Complaints relative to specific individuals are to be directed to the City Manager;
- 6) Comments involving matters related to an on-going police investigative matter and/or the court system will not be permitted; and
- 7) Citizens should not expect specific Council action, deliberation and/or comment on subject matter brought up during the public comment section unless and until it has been scheduled as a business item on a future meeting agenda.

X. REPORTS

- a)** Mayor/Mayor Pro-Tem
- b)** City Manager
- c)** City Attorney
- d)** City Clerk
 - i.** Meeting and Events Calendar [*See Notebook Tab 8*]

XI. CLOSED SESSION

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

XII. REGULAR WORK SESSION

- a)** Consideration of Approval of Ordinance 15-02, Amending Sec. 15-42.1 and Sec. 15-42.2 of the City Code Providing for Adjustment to Sewer Charges. (*CAF 15-04*) [*See Notebook Tab 9*]
 - Ordinance 15-02
- b)** Consideration of Approval of 1) Resolution 15-09, Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc., in the Amount of \$218,712; and 2) Resolution 15-53, Amendment #1 to the Agreement for Engineering Services with McGill Associates for Said Project; and 3) Ordinance 15-33, FY15 Budget Amendment #33, Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project. (*CAF 15-11*) [*See Notebook Tab 10*]
 - Resolution 15-09
 - Resolution 15-53
 - Ordinance 15-33
- c)** Consideration of Approval of 1) Resolution 15-12, Authorizing the Execution of Change Order #1 for the Sandy Creek Pump Station Project to Turner Murphy Company, Inc., in the Amount of \$91,129; and 2) Ordinance 15-30, FY15 Budget Amendment #32, Amending the CIP Sewer Fund for Above Mentioned Change Order. (*CAF 15-70*) [*See Notebook Tab 11*]
 - Resolution 15-12
 - Ordinance 15-30

XIII. ADJOURNMENT

City Council Minutes - DRAFT

Regular Meeting

8 June 2015

PRESENT

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoc, D. Michael Rainey, Brenda Peace-Jenkins, Garry D. Daeke, Fearldine A. Simmons, and George M. Daye.

ABSENT

None.

STAFF PRESENT

Interim City Manager Edward A. Wyatt, City Attorney D. Rix Edwards, City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Engineering Director Clark Thomas, Finance Director Kathy Brafford, Public Services Director Mike Ross, Recreation and Parks Director Kendrick Vann, Development Services Director Corey Williams, Police Chief Marcus Barrow and Fire Chief Danny Wilkerson.

CALL TO ORDER

The 8 June 2015 Regular Meeting of the Henderson City Council was called to order by Mayor James D. O'Geary at 6:00 p.m. in the R. G. "Chick" Young, Jr. Council Chambers, Municipal Building, 134 Rose Avenue, Henderson, NC.

ROLL CALL

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

INVOCATION AND PLEDGE OF ALLEGIANCE

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

OPENING COMMENTS

Mayor O'Geary greeted everyone present saying it is always good to see citizens come out to this meeting

ADJUSTMENTS TO/APPROVAL OF AGENDA

Mayor O'Geary asked if there were any adjustments to the Agenda. Council Member Inscoc asked that the disposition of the property located at 324 Charles Street be added to the agenda.

Council Member Rainey moved to accept the Agenda as adjusted. Motion seconded by Council Member Kearney, and unanimously approved.

APPROVAL OF MINUTES

Mayor O'Geary asked for any corrections to and/or approval of the minutes. Council Member Coffey moved to approve the 11 May Regular Meeting, 18 May Special Called Meeting, 19 May Special Called Work Session and 21 May Budget Work Session #1 Minutes as presented. Motion seconded by Council Member Daye, and unanimously approved.

PUBLIC HEARING – Continued

Rezoning Certain Property at 456 Spring Valley Road from R20, Low Density Residential, to RA, Residential/Agricultural Use. (Reference: CAF 15-31-A; Ordinance 15-12)

Development Service Director Williams reminded Council that this request was submitted on January 12, 2015, by Spring Valley Farm, LLC (Petitioner). The requester seeks rezoning so it may apply for a special use permit to allow establishment of a solar farm. There was a Planning Board meeting on February 2, 2015 with one individual speaking against the rezoning due to the potential impact of a solar farm, both visually and with property values. However, the Planning Board approved the request and it was brought to Council on February 23, 2015. After deliberations, Council remanded this rezoning back to the Planning Board and continued the Public Hearing until the Planning Board presents its findings. The design standards are now before Council for consideration.

Mr. Williams distributed a chart showing *all* the uses that are included in this rezoning and stressed the rezoning is not for one use only but would include multi-purposes.

Mayor O'Geary asked if there were any questions before opening the Public Hearing. With no discussion, Mayor O'Geary opened the Public Hearing by asking if anyone was present who wished to speak in favor of this rezoning.

Louis Iannone, Strata Solar, Raleigh, NC (100 Neal Court, Apex) Mr. Iannone said he is happy with the well-written ordinance, felt his company would meet the requirements as stated, that a balance between families/neighbors and the Solar Farm could be attained and asked Council to consider the well-being of the Spain family (the requester).

Edward (Butch) Spain, 456 Spring Valley Road Mr. Spain said this project has been two years in the making which has been two years without raising crops on this property. He was unhappy about two zoning jurisdictions (City and County). He distributed several documents; and said he has even taken time to speak with neighbors living near other solar farms for input which he reported as all positive. He said the City cannot continue to live in the past and asked for Council to approve his request.

David J. Neill, Attorney, Smith, Moore, Leatherwood, LLP, 2 Hannover Square, Raleigh Attorney Neill asked Council to check the Comprehensive Plan and to approve the rezoning as proposed. He said this is an opportunity for the Spain family.

John Davis, 9 Butterwick, Durham As a solar farm developer , Mr. Davis said he would do all he can to make sure the solar farm is buffered properly and felt this is a good use of the property.,

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

Brian Alsop, 192 Lake Road Mr. Alsop expressed concern regarding what he felt was an inconsistency in the acreage to be rezoned and thought Council should have considered the Text Amendment first.

Jim Walters, 106 Spring Valley Road Mr. Walters expressed concern regarding the legal description and asked for clarification as to whether it was 40 acres or 60 acres. Mr. Walters said rezoning will allow more uses than he would like to see in the area and sees no need for the rezoning.

Mayor O’Geary asked Development Service Director Williams for clarification. Mr. Williams said there are three tracts of land involved, and this petition is for approximately 40.60 acres, a portion of which is within the City’s extraterritorial jurisdiction.

Bill Edwards, 550 Spring Valley Lake Road Mr. Edwards referenced the Master Plan which designates this area as Rural Density.. After 45 years in economic development Mr. Edwards feels he had a good knowledge of what would be best overall in this area and felt solar farms should be kept in industrial areas. He also expressed concern regarding the perception of individuals entering the County as there are already 5 other solar farms in the County.

No other citizen came forward so Mayor O’Geary then closed the Public Hearing and asked for Council’s pleasure.

Council Member Inscoe moved to TABLE Ordinance 15-12, *Rezoning Certain Property at 456 Spring Valley Road from R-20, Low Density Residential, to RA, Residential/Agricultural Use.* Council Member Kearney seconded the motion and Council APPROVED the TABLE by the following vote: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: None. (*See Ordinance Book 9, p 217*)

Council Member Inscoe asked for the **Public Hearings–New** sequence to be adjusted as follows.

PUBLIC HEARING – New

Text Amendment Removing Solar Farms Use 20.7 in Residential Agricultural (RA) Zoning Districts. (*Reference: CAF 15-67; Ordinance 15-27*)

Development Service Director Williams explained on April 6 the Planning Board instructed staff to research and draft a text amendment to restrict Solar Farms to Residential Agricultural Districts. A motion was made on May 4, 2015, during a Planning Board public hearing, to

recommend the text amendment to restrict Solar Farms in Residential Agricultural districts. Mr. Williams said due diligence was performed prior to this recommendation.

Council Member Rainey asked if solar farms would be allowed by special use. Mr. Williams responded yes.

Council Member Kearney asked if there were any duplications of names on the petitions or if anyone had verified residency. Mr. Williams said the petitions had been spot checked and some of the signatures were outside the city.

Council Member Inscoe asked about this going before the Board of Adjustment when a conditional use permit can be issued. Mr. Williams responded it was cautionary on his part.

Council Member Daeke said he was pleased to see names on the petitions from a cross-section of the City.

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 rezoning.

Bill Edwards, 550 Spring Valley Lake Road Mr. Edwards said the petitions he submitted began mainly with the names of property owners and once the petition started circulation people called from other areas asking to add their names to the petition. Mr. Edwards cautioned Council and asked that solar farms be restricted to I-2.

Brian Alsop, 192 Lake Road Mr. Alsop called this a charade and said solar farms do not think they are an industry. He recommends Council limit solar farms to I-2.

Bonnie Baskett, 527 Spring Valley Road Ms. Baskett addressed Council as a resident, church member and daughter of Mary Lawson, who is physically unable to attend. She said it will be sad for the Methodist Church that has been on Spring Valley Road for over a quarter century to be boxed in on three sides by the solar farm. She asked that Council restrict solar farms in any residential areas.

Brenda Renshaw, 529 Spring Valley Road Ms. Renshaw lives in the ETJ and does not wish to see solar farms in residential areas.

Charmaine Beltz, 105 Lake Road Ms. Beltz moved to this area because of the "green." Space in the area of discussion. She is not against solar farms but does not see them belonging in residential areas.

Phil Walters, 1290 Spring Valley Road Mr. Walters referenced the limited RA zoning within the City and feels solar farms should be in industrial areas only.

Jim Walters, 106 Spring Valley Road Mr. Walters said he hated to see families divided but expressed concern regarding the peace and tranquility of the neighborhood, referenced the rolling hills that cannot hide the solar panels; and mentioned several state agencies who have expressed concerns about this project. He foresees difficulty with selling homes in the area. He

also distributed documentation for Council's consideration. He closed by thanking Council for listening.

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

Louis Iannone, Strata Solar, Raleigh, NC (100 Neal Court, Apex Mr. Iannone felt this would be a prudent project to benefit the community and asked Council to consider each case individually. He provided a statistic that it only takes 20 seconds to drive by the property.

David J. Neill, Attorney, Smith, Moore, Leatherwood, LLP, 2 Hannover Square, Raleigh Attorney Neill felt the focus is on killing this one project and said solar farms do not produce any of the typical noise, odors, etc. found in industrial areas. He felt rejecting this request is a bad planning idea.

Edward (Butch) Spain, 456 Spring Valley Road Mr. Spain opposes this action, specifically mentioning lack of uniformity between the City and County and his deep roots in the community. He is the largest landowner in the area and perhaps the ETJ. He respectfully requested Council not approve this action.

John Davis, 9 Butterwick, Durham Mr. Davis felt the question boils down to appearance. He said there are 150 solar farms in the state and does not believe the state is against solar farms. He said the farm will be a "sea of blue" which does not rust. He sees this as a way for farmers to diversify and "farm" the sun.

Al Rivers, 100 Waters Edge Loop Mr. Rivers said allowing the solar farm would bring dollars to the County, requires no sewer or water and would bring no crime to the area. He asked Council not to approve this ordinance.

Frank Hester, 1656 St. Andrews Church Road Mr. Hester said solar farms are green, safe and productive. He said agricultural land is the only land large enough for solar farms.

There were no further comments so Mayor O'Geary closed the Public Hearing and asked for Council's pleasure.

Council Member Daeke thanked everyone for their presentations and said it was good to see our form of democracy at work. He said homeowners should have the right to use their property as they see fit yet protecting values and neighborhoods is also important. Council Member Coffey expressed concern regarding two different sets of restrictions between the City and County and said citizens should be able to do what they wish if it does not infringe on others.

There was discussion with all the Council members saying this was a most difficult issue with both sides presenting valid points.

Council Member Rainey asked that the Development Service Department revisit the ETJ lines at a future time. Interim City Manager Wyatt said there has been some effort along that line and asked Mr. Williams to expand on his comments.

Mr. Williams said he has not had the staff or technology to address this issue until recently. Planner Robert Harris is beginning to look at the maps and Mr. Williams fully expects to be able to report back to Council in July or August the findings/suggestions.

Council Member Kearney asked Mr. Williams to clarify the confusion about the actual acreage involved for future reference.

Council Member Rainey moved the approval of Ordinance 15-27, *Text Amendment Removing Solar Farms Use 20.7 in Residential Agricultural (RA) Zoning Districts*. Motion seconded by Council Member Kearney, and APPROVED by the following vote: YES: NO: None. ABSTAIN: None. ABSENT: None. (See Ordinance Book 9, p)

Amending the Zoning Ordinance to Include Design Standards on Solar Farms and Add Section 675”B Solar Farms and Section 1002 to the City Zoning Code. (Reference: CAF 15-44; Ordinance 15-19)

Development Service Director Williams said after three public hearings (March 9, April 6 and May 4) a planning board work session (April 28) and a special work session (May 19) the ordinance is now ready for a Public Hearing and approval by Council. Design standards have been established including a site plan, setbacks, screening and fencing, signage, noise levels, power transmission lines, inspections and inspection fees along with a decommissioning plan

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

David J. Neill, Attorney, Smith, Moore, Leatherwood, LLP, 2 Hannover Square, Raleigh Mr. Neill, speaking as a citizen, felt this ordinance should be approved as it sets strong standards.

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

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

Council Member Daeke moved the approval of Ordinance 15-19, *Amending the Zoning Ordinance to Include Design Standards on Solar Farms and add Section 675B Solar Farms and Section 1002 to the City Zoning Code*. Motion seconded by Council Member Kearney, and APPROVED by the following vote: YES: Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney and Coffey. NO: None. ABSTAIN: None. ABSENT: None. (See Ordinance Book 9, p 231)

Amending the Zoning Ordinance Section 310A Table of Permitted Uses to Allow Schools with Special Use Permit in the I2 District. (Reference: CAF 15-60; Ordinance 15-05)

Development Director Williams said a text amendment has been requested to allow upper schools (high schools, magnet schools, etc.) in the I2 zoning district with a special use permit. Similar uses are already permitted in the district, and it is recommended Council approve this

amendment Mr. Williams said the petitioner, Attorney Jonathan Care was at the meeting but had to leave for another engagement and he apologized for not being able to stay.

Council Member Kearney was uncomfortable moving forward with this without the petitioner present. However, Mr. Williams explained this could be a time sensitive matter so Mr. Kearney was agreeable to move forward.

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.

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 Inscoe moved the approval of Ordinance 15-05, *Amending the Zoning Ordinance Section 310A Table of Permitted Uses to Allow Schools with Special Use Permit in the I2 District*. Motion seconded by Council Member Rainey, and APPROVED by the following vote: YES: Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey, and Inscoe. NO: None. ABSTAIN: None. ABSENT: None. (*See Ordinance Book 9, p 247*)

Mayor O'Geary thanked everyone for coming and presenting their concerns/comments. He said Council would be taking a 10 minute break before continuing.

Upon return Council returned to the following, tabled issue:

Rezoning Certain Property at 456 Spring Valley Road from R20, Low Density Residential, to RA, Residential/Agricultural Use.

Attorney Neill came forward and announced Mr. Edward Spain would like to *WITHDRAW* his rezoning application and the family will discuss their next step(s).

PUBLIC COMMENT PERIOD ON AGENDA ITEMS

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

NEW BUSINESS

Approving, in Concurrence with NCDOT, the Bid Award to the Lowest Responsible Bidder for the Chavasse Widening Project and the Funding of \$87,000 for the Excess Expenses over the Estimated Cost of \$700,000 (WBS Element: 38404) (Reference: CAF 15-69; Resolution 15-41)

Interim City Manager Wyatt explained since its inception of this project, costs have increased and it is now estimated an additional \$87,000 will need to be provided by the City. However,

this amount may be deferred until the end of the project. He stated this seems to be a worthy project and would suggest Council approve moving forward.

Council Member Kearney commented he would like add any residual funds going to the Fund Balance to the funding coming from water distribution and the Powell Bill (approximately \$32,000).

Council Member Inscoe asked Assistant City Manager Frazier if there was a contingency line included in the bid. Mr. Frazier said no but he felt it is possible that the \$87,000 may not be completely used. The State's funding will be spent before using the City's additional funds. Mr. Inscoe commented that this is a good return on the investment being made for this widening project. He also asked if a start date has been established. Mr. Frazier said he will call the State in the morning and that it usually takes 2-4 weeks to mobilize a project.

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

Council Member Daeke moved the approval of Resolution 15-41, *Approving, in Concurrence with NCDOT, the Bid Award to the Lowest Responsible Bidder for the Chavasse Widening Project and the Funding of \$87,000 for the Excess Expenses over the Estimated Cost of \$700,000 (WBS Element: 38404)*. Motion seconded by Council Member Peace-Jenkins and APPROVED by the following vote: YES: Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey, Inscoe and Rainey. NO: None. ABSTAIN: None. ABSENT: None. (*See Resolution Book 4, p 2231*)

Amending the General, Water, Sewer & Regional Water Funds to Reflect the Reimbursement to the City by Builders Mutual Insurance Company for Repairs to a Damaged Water Main. (*Reference: CAF 15-68; Ordinance 15-29, Budget Amendment #29*)

Interim City Manager Wyatt said in February a 30" regional water main was bored into by a contractor performing underground utility work along the I-85 corridor which created a major expense to the City for repair. An invoice was submitted to the contractor and payment was received in the amount of \$60,092.84 which will be budgeted to the appropriate funds if accepted.

Council Member Inscoe asked the City Manager to notify the Regional Water members of this reimbursement. Mr. Wyatt said he would do this.

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

Council Member Coffey moved the approval of Resolution 15-29, *Amending the General, Water, Sewer & Regional Water Funds to Reflect the Reimbursement to the City by Builders Mutual Insurance Company for Repairs to a Damaged Water Main*. Motion seconded by Council Member Kearney, and APPROVED by the following vote: YES: Daeke, Simmons, Daye, Kearney, Coffey, Inscoe, Rainey and Peace-Jenkins. NO: None. ABSTAIN: None. ABSENT: None. (*See Resolution Book 4, p 251*)

Closing Out the 2013 BJA Bulletproof Vests Grant, the 2014 BJA Grant, and the 2014 Governor's Crime Commission Viper/MDT Upgrade Project Grant. (CAF 15-71, Ordinance 15-31)

Interim City Manager Wyatt said this is a routine action to close out the three grants awarded and received by the Police Department

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

Council Member Peace-Jenkins moved the approval of Ordinance 15-31, *Closing Out the 2013 BJA Bulletproof Vests Grant, the 2014 BJA Grant, and the 2014 Governor's Crime Commission Viper/MDT Upgrade Project Grant*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Simmons, Daye, Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins and Daeke. NO: None. ABSTAIN: None. ABSENT: None. (See Ordinance Book 9, p 255)

Accepting an Offer of \$10,000 for the Property Known as the Old City Garage Pursuant to NCGS §160A-269. (CAF 15-49-A, Resolution 15-30-A)

Interim City Manager Wyatt explained accepting this offer is contingent upon the preparation of a plat by a North Carolina licensed surveyor by the buyer for the portion of the parcel he is purchasing, along with installation of a chain link fence approved by the City and payment associated with the advertising associated with the upset bid procedure.

Council Member Kearney asked if the proceeds of this sale would be allocated to blight abatement. After a brief discussion it was the consensus of Council that 50% of the \$10,000 would go to blight abatement and 50% would go toward the additional Chavasse Avenue widening project (see Resolution 15-41).

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

Council Member Rainey moved the approval of Resolution 15-30-A, *Accepting an Offer of \$10,000 for the Property Known as the Old City Garage Pursuant to NCGS §160A-269*. Motion seconded by Council Member Coffey, and APPROVED by the following vote: YES: Daye, Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke and Simmons. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 201-A)

Authorizing an Application for US Department of Justice's 2015-2016 BJA Justice Assistance Grant. (Reference: CAF 15-66; Resolution 15-39)

Interim City Manager Wyatt said this grant, which does not require a match, must be divided with Vance County's Sheriff's department. The full amount allocated by the Department of Justice is \$15,994.00. The grant will be divided in the same manner as in years past with the City being allocated 60% and the County 40%. The Police Chief plans to use the funds for two new in-car mobile camera audio/video recorders.

Council Member Daeke asked for the life expectancy of the in-car cameras. Police Chief Barrow said he is in the process of changing out the cameras to a system called WatchGuard, which is a more established, better system than currently being used. There were no questions so Mayor O'Geary asked for the pleasure of Council.

Council Member Coffey moved the approval of Resolution 15-39, *Authorizing an Application for US Department of Justice's 2015-2016 BJA Justice Assistance Grant*. Motion seconded by Council Member Daye, and APPROVED by the following vote: YES: Kearney, Coffey, Inscoe, Rainey, Peace-Jenkins, Daeke, Simmons and Daye. NO: None. ABSTAIN: None. ABSENT: None. (See Resolution Book 4, p 219)

Authorizing the Execution of a Quitclaim Deed for Property Outside City Limits Recorded in Error as Jointly Owned City/County Property. (Reference: CAF 15-78; Resolution 15-46)

Interim City Manager Wyatt explained this is a housekeeping matter as the property, located in Townsville, NC, was accidentally recorded as City/County property. The City Attorney has reviewed this quitclaim deed and has found it to be in order and approved the execution of the deed.

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

Council Member Inscoe moved the approval of Resolution 15-46, *Authorizing the Execution of a Quitclaim Deed for Property Outside City Limits Recorded in Error as Jointly Owned City/County Property*. Motion seconded by Council Member Rainey, 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 233)

Issuing Sewer Credit for Outside Watering of Lawns, Plants and Vegetation for the June 1, 2015 through October 31, 2015 Billing Statements. (Reference: CAF 15-74; Resolution 15-42)

Interim City Manager Wyatt said this is a routine matter with Council offering this credit in an effort to reduce the cost to the customer for watering of lawns, plants and vegetation. If adopted, Council retains the right to discontinue the credit if it is not in the City's best interest due to drought and/or implementation of water conservation measures.

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

Council Member Rainey moved the approval of Resolution 15-42, *Issuing Sewer Credit for Outside Watering of Lawns, Plants and Vegetation for the June 1, 2015 through October 31, 2015 Billing Statements*. 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 225)

324 Charles Street (No CAF or Resolution)

City Attorney Edwards said he was contacted by the County Attorney asking that the City convey its portion of 324 Charles Street to the City. Mr. Edwards has reviewed the deed and found it to be in order and approves its execution.

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

Council Member Inscoe moved the approval of conveying the City's portion of 324 Charles Street to the County with the understanding upon sale of the property the City will receive its portion of the proceeds. Motion seconded by Council Member Daye, and APPROVED by the following vote: YES: Rainey, Peace-Jenkins, Daeke, Simmons, Daye, Kearney, Coffey and Inscoe. NO: None. ABSTAIN: None. ABSENT: None.

PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

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

REPORTS

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

b) Interim City Manager – Mr. Wyatt reported progress is being made on the Fox Pond Trail with the help of citizens and staff alike. The trail has been cleared from the new fishing pier to north of the pond. Also, the sewer easements have been cleared so Vulcan Materials Company can hauling screening and rock to the appropriate location. He specifically thanked Mr. George Watkins and Mr. Robert Southerland, along with the Public Services Director Mike Ross, the Police Chief, Marcus Barrow, the Recreation and Parks Director Kendrick Vann and the Assistant City Manager, Frank Frazier.

Council Member Simmons asked if any pesticides have been used for mosquitos. Mr. Wyatt said pesticides have been used to kill grass and weeds but not near the public areas.

Mr. Wyatt reminded Council of the budget public hearing on June 15 and said the Fee Schedule will be sent to them for review prior to the meeting.

A meeting has been set next week for the County/City staff to discuss jointly owned property and the cost of upkeep for the City.

c) City Attorney (No Report)

d) City Clerk – (No Report)

OTHER

Engineering Director Clark Thomas distributed a memo which stated the City was not awarded the Brownfield Grant. He felt an industrial catalyst would have helped promote the City. The firm of Locklear, Locklear and Jacobs who submitted the application on behalf of the City is working with the grantee to determine what more can be done for consideration during the next round of grants.

Mayor O'Geary asked if Council was prepared to go into Closed Session. Interim City Manager Wyatt said an attorney/client matter will also be discussed during Closed Session.

CLOSED SESSION

Council Member Rainey moved for Council to convene in closed session pursuant to G.S. §143-318.11(a)(6) for a Personnel Matter and G.S. §143-318.11(a)(3) for an attorney/client matter. Motion seconded by Council Member Peace-Jenkins, and unanimously approved.

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

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

ADJOURNMENT

Council Member Rainey moved for adjournment. Motion seconded by Council Member Peace-Jenkins, and unanimously approved. The meeting adjourned at 9:20 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk



City Council Minutes - DRAFT

Special Called Meeting

15 June 2015

PRESENT

Mayor James D. O'Geary, Presiding; and Council Members Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoc, D. Michael Rainey, Brenda Peace-Jenkins, Garry D. Daeke, Fearldine A. Simmons and George M. Daye.

ABSENT

None.

STAFF PRESENT

Interim City Manager Edward A. Wyatt, Assistant City Manager, Frank Frazier, City Clerk Esther J. McCrackin, Finance Director Katherine Brafford, Assistant Finance Director Michelle Daniels, Development Service Director Corey Williams, Recreation and Parks Director Kendrick Vann, Youth Services Director Donna Stearns, Engineering Director Clark Thomas, Public Services Director Mike Ross, Fiscal Compliance Officer Edna Vaught, Police Chief Marcus Barrow, Fire Chief Danny Wilkerson, Assistant Fire Chief Steve Cordell and Human Resources Director Cathy Brown.

CALL TO ORDER

The 15 June 2015 Henderson City Council Special Called Meeting was called to order by Mayor James D. O'Geary at 6:01 p.m. in the R. G. "Chick" Young, Jr. Council Chambers, Municipal Building, 134 Rose Avenue, Henderson, NC.

ROLL CALL

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

PUBLIC HEARING

Conduct Budget Public Hearing and Consideration of Citizen Input and the FY2015-16 Recommended Annual Fee Schedule. (Reference: CAF 15-62-A)

Interim City Manager Wyatt said it is his understanding that some Downtown Development Commission (DDC) representatives will be present this evening to discuss its needs. The DDC would like to have additional funds for façade improvements. Mr. Wyatt clarified the grant funds will go to the property owners and he mentioned details should go before the Land Planning Committee. Mr. Wyatt then distributed a portion of the FY14-15 Adopted Budget Message and the minutes from the June 11, 2014 meeting pertaining to the DDC discussion.

Mayor O'Geary asked Council if they would like to hear from the DDC now or during the public hearing. It was the consensus to hear from the DDC now, so Mayor O'Geary asked Mr. Phil Hart to come forward.

As Chairperson of the DDC, Mr. Hart came forward and began by saying last year Council decided to do away with the Main Street Program and it was the DDC's understanding that they would receive funding for façade improvements. The DDC has worked diligently to create a grant program which he distributed to Council. He said the program was never promoted as funding was never received. However, three people did request an application and one returned a completed application.

Council Member Inscoe said his understanding was the City would try to provide additional funding which was not a guarantee. Mr. Hart said it was the DDC's understanding that funding would be provided based on unused funds from the vacant position(s) in the Planning Department.

Council Member Kearney asked for the amount of funding requested by businesses. Mr. Hart said \$2,600 for an awning and \$700 to replace windows damaged during the Christmas Parade.

Mr. Kearney said his recollection of the 2014 meeting was, after much discussion, \$10,000 was appropriated in the budget and the City would look for up to \$20,000 for additional funding. Mr. Kearney feels the City should honor its commitment and fund the applications the DDC has received. Council Member Daeke said his recollection is the same as Mr. Kearney's and said the commitment/intention was up to \$20,000 for improving façade.

Council Member Inscoe asked what portion of the grant the owner has to provide. Mr. Hart responded 25%.

Council Member Coffey asked why the owner only contributes 25%. Mr. Hart said there is a loan program in place; however, the 25% provides incentive for the owners to improve their façade(s) which is the goal of the program.

Council Member Inscoe how many loans have been given out this year. Mr. Hart said none. Council Member Coffey asked why. Mr. Hart said merchants are looking for grant funding rather than loans.

Council Member Daeke felt the grants should only be provided to active businesses. Mr. Hart said the DDC does not specify it has to go to an active business. Mr. Daeke said if the grant goes to an active business, he does not have a problem with the 75/25 split. Mr. Hart added it would be nice to have buildings improved before becoming code enforcement issues.

Council Member Kearney asked if staff has reviewed the requirements of the grant. Development Service Director Williams said he felt it would be a good idea to have a special workshop for the DDC to present the process. Mr. Kearney asked if the funds cannot be used, can the \$10,000 be carried forward into the next year.

Interim City Manager Wyatt said at this point in the year, he would suggest setting aside a specific amount from the Planning Development budget and asked whether Council would like to set aside \$10,000 of \$20,000. Development Service Director William proposed \$10,000 which has been set aside in the FY14-15 budget which he thought remains in his budget.

Council Member Peace-Jenkins agreed that Council should honor its commitment to the DDC.

There was then a brief discussion about how to appropriate the additional \$10,000 and Finance Director Brafford suggested amending the FY15-16 budget which will be approved at the June 22nd meeting.

Council Member Daeke asked Council if it was willing to appropriate more funding if needed. Mr. Inscoe said he would be *willing to consider* additional funding.

Council Member Kearney then asked why this needed to go before the Land Planning Committee. His concern was once the commitment is made, he did not want it to be bogged down in bureaucracy. Mr. Inscoe said it involves property and Mr. Daeke thought it was appropriate to go before the Land Planning Committee.

Council Member Coffey said she would like to review the grant information before she agreed to additional funding.

Council Member Kearney then summarized the discussion by saying if \$10,000 available this year can be made available in FY15-16, then the Land Planning Committee and staff should review the grant process for a good, viable mechanism which uses tax payer funds appropriately, then the DDC can proceed with its program. Mr. Kearney said he hoped this process could be completed in no more than 30 days.

Mayor O'Geary asked if this is agreeable, and Mr. Wyatt said the budget would be adjusted for approval next week. Then the Land Planning Committee will meet and the DDC can begin to receive applications.

Council Member Coffey said she would like to see businesses more involved and less dependent on the City. She suggested some type of dialogue with the merchants. Phil asked if this would be a downtown tax, merchants association or what.

Council Member Daeke suggested a meeting to see how committed the merchants would be, to discuss what merchants would like to see done, fund raising ideas, etc. Mayor O'Geary asked if this sounded like a good idea. With reservations, Mr. Hart said yes as it is time consuming to contact everyone. Mr. Daeke suggested the Development Service department or the City Clerk might be able to assist with this. This sounded like a great idea to everyone.

Council Member Coffey asked how many businesses were vacant. There was some discussion with 22 or more being mentioned. Mr. Hart said some buildings are not able to sustain a business due to poor conditions.

Mayor O'Geary asked Mr. Hart if he had a specific number. He said no. Since there is no longer a Main Street Manager, those statistics have not been kept current. The Mayor then asked Mr. Williams if he had the specific number. Mr. Williams said no but he could work on obtaining the data.

This led to a discussion about the need for a Main Street Manager.

Mr. Hart said for the City to qualify in the Main Street program, there is a prerequisite of a part-time employee (20 hours a week) with a commitment that the position will become full-time in 3 years. Unfortunately, the program will only accept 6-8 cities this year and the applications must be submitted by July 1.

There was then a brief discussion about what the County contributes to the DDC and whether they might be willing to make a commitment toward a portion of the salary for a part-time position. This year the County is contributing \$1,500 to the DDC.

There were no further questions so Mayor O'Geary opened the Public Hearing by asking if anyone was present who wished to speak in favor of this budget.

Curtiss White, 236 Dabney Drive Mr. White applauded Council for not increasing property taxes. As a realtor, he said marketing Vance County is difficult and felt a downtown director is needed. Mr. White made several suggestions on how to improve downtown including asking the County to step up and contribute more, and/or a meeting between the City, County and Downtown merchants. He would like to see the Grant application proceed and concluded by saying there are beautiful buildings downtown that just need some TLC.

No other citizen came forward, so Mayor O'Geary then asked if anyone was present who wished to speak in opposition to the budget. No one came forward.

Mayor O'Geary then closed the Public Hearing and asked Mr. Wyatt if he had any further comments.

Mr. Wyatt said the budget will be on the agenda for the June 22nd meeting.

Council Member Coffey asked who is going to speak to the County about the Downtown Development funding. Council Member Inscoe said a meeting is already set with the County for other issues this Wednesday and he would be happy to raise this issue if Council was agreeable and they were. Mr. Wyatt said he would alert Interim County Manager Murphy that this would be added to the meeting agenda.

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

ADJOURNMENT

Council Member Coffey moved for adjournment. Motion seconded by Council Member Kearney and unanimously approved. The meeting adjourned at 6:47 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk



22 June 2014

TO: The Honorable James D. “Pete” O’Geary and Members of the City Council

FR: Ed Wyatt, Interim City Manager

**RE: CAF: 15-62-B
Consideration of Approval of Ordinance 15-28, Adoption of the FY15-16
Budget, and FY 2015-16 Annual Fee Schedule**

Council Goals and Objectives Addressed

1. *KSO 4: Improve Housing Stock:* \$72,000 is provided to continue demolition of dilapidated, abandoned structures
2. *KSO 5: Reliable Infrastructure:* \$627,200 is provided for continued contributions to the water and sewer plants’ capital reserve plans, as appropriate, in the Water, Sewer and Regional Water funds.
3. *KSO 6: Retain Qualified Municipal Workforce:* \$183,200 is provided for a modification of Phase 2 of the 5-Year financing plan to proceed with the implementation of the Classification and Pay Study. The modification allows all eligible employees a 4% pay increase.

Ladies and Gentlemen:

Recommendation:

- Approval of Ordinance 15-28, Adoption of the FY15-16 Budget, and FY 2015-16 Annual Fee Schedule

Executive Summary:

Consensus Achieved

The FY15-16 Recommended Budget and Consensus¹ was presented to the public via a Budget Public Hearing held on 15 June 15 2015. A complete accounting of the public comments and discussion from the Council may be found in the Council Minutes from this meeting. After receiving public comment and discussion about same by Council

¹ A consensus for the FY15-16 Budget was developed by City Council during its first Budget Work Session held on May 21, 2015.



FY 15-16 BUDGET ADOPTED BUDGET UPDATE

Members, it was the consensus to move forward with finalizing the budget based on the developments from the Public Budget Hearing.

The major area of concern during the Public Budget Hearing was the lack of funding for downtown development. This concern reflects the significant majority of comments made by those attending the hearing.

The City Council revisited a discussion held last year after the Main Street Manager position was unfunded. Council agreed on an approach which seeks to address these concerns. Specifically, the following was discussed:

- Increasing the budget/contribution for the Henderson-Vance Downtown Development Commission to fund the Façade and Signage Grant Program they have developed.
 - Council would like to review this program, discuss the possibility of businesses contributing more than the 25% currently required to apply for the grant, and involve the Land Planning Committee.

All Council Members expressed support for Downtown and the City's role in it, and all expressed aspirations for improving the partnership between the public and private sectors and to try and find some level of funding for an opportunity to re-establish its presence in the Main Street Program through the Department of Commerce.

Subsequent to the discussion about the Downtown Development Commission, Council achieved a unanimous consensus to increase fund balance by \$10,000 (current year savings from reorganizing the Development Services Department allows for this contribution) and proceed with adoption of the budget.

There were no comments from the public in opposition of the budget as presented and discussed during the hearing.

A complete summary of the changes made to the Recommended Budget are below:

Fund	Recommended Budget	Adopted Budget
General Fund	\$15,397,900	\$15,428,100
Powell Bill Fund	\$440,000	\$450,000
Regional Water Fund	\$4,499,500	\$4,499,500
Water Fund	\$6,851,700	\$6,851,700
Sewer Fund	\$5,032,300	\$5,032,300
Capital Reserve Funds	\$8,421,500	\$8,421,500
Total Budget	\$40,642,900	\$40,683,100
Inter-fund Transfers and Cost Allocations	(\$2,700,500)	(\$2,700,500)
Total Adjusted Budget	\$37,942,400	\$37,982,600



FY 15-16 BUDGET ADOPTED BUDGET UPDATE

- Regional Water Fund
 - The recommended 5% rate increase was maintained at 5%.
 - There were no changes made to this fund.

- Water Fund
 - The recommended 4% rate increase was maintained at 4%.
 - There were no changes made to this fund.

- Sewer Fund
 - The recommended 9% rate increase was maintained at 9%.
 - There were no changes made to this fund.

- General Fund
 - There were no recommended increases in the property tax and sanitation fee rates, and Council's consensus on the Budget did not change this recommendation. The changes made to the Fund are as follows:
 - Provide a \$52,000 increase for demolition.
 - Provide a \$10,000 increase for the Henderson-Vance Downtown Development Commission's Façade and Signage Grant Program.
 - Increase fund balance appropriations by \$20,000
 - Shift \$10,000 in street resurfacing funds to demolition.
 - Increase Powell Bill revenue by \$10,000 (based on current year allocation and anticipated increase as a result of new legislation).
 - Reduce the health insurance budgets for each department based on the final rates. These rates were provided subsequent to the Recommended Budget being presented. The majority of these savings (\$22,000) contributed to the \$52,000 needed for demolition. The remaining balance of this savings (\$1,500) was added to the Governing Body's budget for a \$1,700 discrepancy in the FICA/Medicare matrix calculation.
 - Adjust the revenue budget for County reimbursements for the Youth Services, Aycock Aquatics Center and Recreation programs. A correction to the revenue calculation resulted in an increase in County reimbursements in the amount of \$9,100. \$200 was added to the Governing Body's budget to correct the remaining discrepancy in the FICA/Medicare matrix calculation and Sales Tax revenue was decreased by \$8,900 to bring that projection to a more conservative estimate.



FY 15-16 BUDGET ADOPTED BUDGET UPDATE

- All Other Funds
 - There were no changes made to the following funds' recommended budgets:
 - 70: Capital Reserve Utilities Fund; 72: Capital Reserve General Fund; and 73: Capital Reserve Economic Development Fund.

Annual Fee Schedule

There was no discussion surrounding the Recommended Annual Fee Schedule.

References:

1. CAF 15-62 Recommended Budget Message
2. CAF 15-62-A Budget Work Session Update
3. CAF 15-62-B Adopted Budget Update
4. Council Minutes 28 & 29 January 2015 (*Strategic Planning Sessions*)
5. Council Minutes 18 May 2015 (*Presentation of FY15-16 Recommended Budget*)
6. Council Minutes 21 May 2015 (*Budget Work Session #1*)
7. Council Minutes 15 June 2015 (*Public Budget Hearing*)
8. Council Minutes 22 June 2015 (*Adoption of Budget*)
9. Ordinance 15-28 (*FY15-16 Approved Budget and Fee Schedule*)

Attachments:

1. Ordinance 15-28



ORDINANCE 15-28

**APPROVAL OF
THE FY 15-16 ANNUAL OPERATING BUDGET,
ESTABLISHING THE 2015 AD VALOREM PROPERTY TAX RATE AND
APPROVING THE ANNUAL FEE SCHEDULE**

WHEREAS, pursuant to North Carolina General Statutes 159-13, the State of North Carolina requires its local governments to operate on a 1 July – 30 June fiscal year basis; *and*

WHEREAS, said State law further requires local governments adopt a balanced budget not later than 1 July; *and*

WHEREAS, the Interim City Manager presented the FY 15-16 Recommended Budget to the City Council on Monday, 18 May 2015 and subsequent to the Budget Presentation, City Council met for one budget work session to discuss the budget and to make changes as it deemed appropriate and necessary for the public health, safety and welfare; *and*

WHEREAS, the City Council heard comments from the public during its duly advertised Budget Hearing on Monday, 15 June 2015; *and*

WHEREAS, the City Council, after receiving public comments throughout the budget review process and Budget Hearing, and deliberating the various budgetary issues, has achieved consensus on the FY 15-16 Budget.

NOW, THEREFORE BE IT ORDAINED by the Henderson City Council that it does hereby approve:

- The FY 15-16 Budget; *and*
- Establishes the 2015 Ad Valorem property tax rate; *and*
- Increases the Regional Water rate; *and*
- Increases the Water rate to its regular and governmental customers; *and*
- Increases the Sewer rate; *and*
- Approves the Annual Fee Schedule;

as set forth in the following sections:



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

PART 1: ADOPTION OF FY 15-16 BUDGET

Section 1: Governmental Funds

General Fund

Revenues

GENERAL FUND REVENUES	<u>COUNCIL APPROVED</u>
AD VALOREM TAXES	
Current Year	\$ 5,300,000
Prior Years	\$ 168,000
Penalties and Interest	\$ 56,800
TOTAL	<u>\$ 5,524,800</u>
OTHER TAXES AND LICENSES	
Motor Vehicle Tax	\$ 440,000
Vehicle Rental Tax	\$ 15,000
TOTAL	<u>\$ 455,000</u>
UNRESTRICTED INTERGOVERNMENTAL	
Vance County ABC - 5%	\$ 1,500
Franchise Tax	\$ 860,000
Local Option Sales Tax	\$ 2,661,100
ABC Net Revenues	\$ 1,000
Beer and Wine Tax	\$ 60,000
TOTAL	<u>\$ 3,583,600</u>
RESTRICTED INTERGOVERNMENTAL	
State Street Aid Grant	\$ 450,000
DOT Mowing/Snow Contract	\$ 4,000
Solid Waste Disposal Tax	\$ 9,000
TOTAL	<u>\$ 463,000</u>
PERMITS AND FEES	
Motor Vehicle Licenses	\$ 100,000
Fire Inspection Fees	\$ 15,000
TOTAL	<u>\$ 115,000</u>



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Revenues (cont.)

SALES AND SERVICES

Recreation	\$ 45,000
Refuse Collections	\$ 1,833,000
Leaf Bags	\$ 1,000
Debt Setoff - Refuse Collections	\$ 1,000
Garage Sales	\$ 673,400
Bad Debt Recovery	\$ 1,000
Cemetery Revenues	\$ 10,000
Aquatics Center	\$ 70,000
Rental - Fox Pond Park	\$ 1,000
Demolition and Lot Cleaning	\$ 1,500
County Contracts	\$ 813,600
Zoning and Reclassification	\$ 18,600
TOTAL	\$ 3,469,100

INVESTMENT EARNINGS

Investment Income	\$ 4,000
TOTAL	\$ 4,000

MISCELLANEOUS

Parking Violations	\$ 500
Court Fees and Charges	\$ 5,000
Miscellaneous	\$ 500
Lease Proceeds	\$ 339,300
Vance Co. Housing Authority	\$ 1,500
TOTAL	\$ 346,800

COST ALLOCATIONS

Water	\$ 361,300
Sewer	\$ 252,800
Regional Water	\$ 219,200
TOTAL	\$ 833,300

APPROPRIATIONS

Asset Forfeiture	\$ 288,500
Fund Balance	\$ 345,000
TOTAL	\$ 633,500

REVENUES TOTAL \$ 15,428,100



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Expenditures

GENERAL FUND EXPENDITURES	COUNCIL APPROVED
GENERAL GOVERNMENT	
Governing Body	\$ 177,200
City Attorney	\$ 62,300
Administration	\$ 310,100
Human Resources	\$ 198,400
Finance	\$ 477,100
Information Services	\$ 52,900
TOTAL	\$ 1,278,000
PLANNING AND COMMUNITY DEVELOPMENT	
Development Services	\$ 333,800
Henderson-Vance Downtown Dev. Com.	\$ 20,000
TOTAL	\$ 353,800
PUBLIC SAFETY	
Police	\$ 4,014,500
Police - Asset Forfeiture	\$ 288,500
Fire	\$ 2,154,700
TOTAL	\$ 6,457,700
PUBLIC SERVICES	
Public Buildings and Grounds	\$ 73,900
Bennett Perry House	\$ 600
Administration	\$ 144,000
Garage	\$ 873,100
Cemetery	\$ 86,500
Street	\$ 1,115,400
Sanitation	\$ 1,160,000
TOTAL	\$ 3,453,500
PARKS AND RECREATION	
Recreation	\$ 905,800
Youth Services	\$ 161,200
Aycock Aquatics Center	\$ 350,100
TOTAL	\$ 1,417,100
OTHER	
Vance County Shared Programs	\$ 1,027,200
Non-Departmental	\$ 631,600
Contribution - Local Agencies	\$ 30,800
Debt Service	\$ 778,400
TOTAL	\$ 2,468,000
EXPENDITURES TOTAL	\$ 15,428,100

CAF 15-62-B: 22 June 2015 Council Meeting



Powell Bill Fund

Revenues and Expenditures

POWELL BILL FUND REVENUES	<u>COUNCIL APPROVED</u>
ALLOCATION	
State Aid	\$ 450,000
TOTAL	<u>\$ 450,000</u>
REVENUES TOTAL	\$ 450,000
POWELL BILL FUND EXPENDITURES	<u>COUNCIL APPROVED</u>
TRANSFERS TO OTHER FUNDS	
General Fund	\$ 450,000
TOTAL	<u>\$ 450,000</u>
EXPENDITURES TOTAL	\$ 450,000

Section 2: Enterprise Funds

Water Fund

Revenues

WATER FUND REVENUES	<u>COUNCIL APPROVED</u>
OPERATING REVENUES	
Returned Check Fee	\$ 2,500
Water Sales	\$ 5,684,500
Water Reservation Fees	\$ 52,800
Account Set-Up Fees	\$ 12,000
Water Taps	\$ 30,000
Late Fees	\$ 71,000
Sprinklers and Hydrants	\$ 104,000
Service Fees	\$ 20,000
Hydrant/Meter Loan Deposit	\$ 1,000
Miscellaneous	\$ 5,000
Bad Debt Recovery	\$ 5,000
Debt Setoff	\$ 5,000
TOTAL	<u>\$ 5,992,800</u>



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Revenues (cont.)

NON-OPERATING REVENUES	
Sale of Materials	\$ 2,000
Investment Income	\$ 3,000
Sprint PCS Agreement	\$ 25,000
T-Mobile Agreement	\$ 28,000
Insurance Proceeds	\$ 900
TOTAL	\$ 58,900
TRANSFERS FROM OTHER FUNDS	
General Fund	\$ 97,100
Sewer Fund	\$ 401,500
Regional Water Fund	\$ 16,000
TOTAL	\$ 514,600
COST ALLOCATIONS	
Sewer Fund	\$ 205,400
Regional Water Fund	\$ 80,000
TOTAL	\$ 285,400
REVENUES TOTAL	\$ 6,851,700

Expenditures

	<u>COUNCIL APPROVED</u>
WATER FUND EXPENDITURES	
DEPARTMENTAL	
Public Services Administration	\$ 94,100
Engineering	\$ 293,900
Customer Service	\$ 525,000
Water Distribution	\$ 4,170,000
TOTAL	\$ 5,083,000
OTHER	
Non-Departmental	\$ 556,900
Debt Service	\$ 1,211,800
TOTAL	\$ 1,768,700
EXPENDITURES TOTAL	\$ 6,851,700



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Sewer Fund

Revenues and Expenditures

SEWER FUND REVENUES	COUNCIL APPROVED
OPERATING REVENUES	
Surcharges	\$ 17,000
Sewer Sales	\$ 4,601,300
Fog Compliance Inspection Fees	\$ 8,100
Account Set-Up Fees	\$ 25,000
Sewer Taps	\$ 2,500
Late Fees	\$ 170,000
Code Violations	\$ 6,000
Service Fees	\$ 51,000
Miscellaneous	\$ 2,000
Vance County Debt Service	\$ 132,400
Bad Debt Recovery	\$ 8,000
Debt Setoff	\$ 7,000
TOTAL	\$ 5,030,300
NON-OPERATING REVENUES	
Sale of Materials	\$ 1,000
Investment Income	\$ 1,000
TOTAL	\$ 2,000
REVENUES TOTAL	\$ 5,032,300
SEWER FUND EXPENDITURES	
DEPARTMENTAL	
Water Reclamation Facility	\$ 2,070,000
Sewer Collection	\$ 486,600
Sewer I & I	\$ 206,700
TOTAL	\$ 2,763,300
OTHER	
Non-Departmental	\$ 1,054,000
Debt Service	\$ 1,215,000
TOTAL	\$ 2,269,000
EXPENDITURES TOTAL	\$ 5,032,300



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Regional Water Fund

Revenues and Expenditures

REGIONAL WATER FUND REVENUES	<u>COUNCIL APPROVED</u>
OPERATING REVENUES	
Water Sales	\$ 4,490,000
Miscellaneous	\$ 7,000
TOTAL	<u>\$ 4,497,000</u>
NON-OPERATING REVENUES	
Investment Income	\$ 2,500
TOTAL	<u>\$ 2,500</u>
REVENUES TOTAL	\$ 4,499,500
REGIONAL WATER FUND EXPENDITURES	<u>COUNCIL APPROVED</u>
DEPARTMENTAL	
Regional Water	\$ 2,712,500
TOTAL	<u>\$ 2,712,500</u>
OTHER	
Non-Departmental	\$ 1,017,700
Debt Service	\$ 769,300
TOTAL	<u>\$ 1,787,000</u>
EXPENDITURES TOTAL	\$ 4,499,500



Section 3: Capital Reserve Funds

Utilities

Revenues and Expenditures

UTILITIES RESERVE REVENUES	<u>COUNCIL APPROVED</u>
TRANSFERS FROM OTHER FUNDS	
Water Fund	\$ 7,100
Sewer Fund	\$ 8,000
TOTAL	<u>\$ 15,100</u>
APPROPRIATIONS	
Fund Balance	\$ 309,400
TOTAL	<u>\$ 309,400</u>
REVENUES TOTAL	\$ 324,500
UTILITIES RESERVE EXPENDITURES	<u>COUNCIL APPROVED</u>
RESERVE	
Water	\$ 163,200
Sewer	\$ 161,300
TOTAL	<u>\$ 324,500</u>
EXPENDITURES TOTAL	\$ 324,500

Economic Development

Revenues

ECONOMIC DEVELOPMENT RESERVE REVENUES	<u>COUNCIL APPROVED</u>
APPROPRIATION	
Fund Balance	\$ 15,800
TOTAL	<u>\$ 15,800</u>
REVENUES TOTAL	\$ 15,800



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Expenditures

ECONOMIC DEVELOPMENT RESERVE EXPENDITURES	<u>COUNCIL APPROVED</u>
RESERVE	
Economic Development	\$ 15,800
TOTAL	<u>\$ 15,800</u>
EXPENDITURES TOTAL	\$ 15,800

Regional

Revenues and Expenditures

REGIONAL WATER RESERVE REVENUES	<u>COUNCIL APPROVED</u>
TRANSFERS FROM OTHER FUNDS	
Regional Water Fund	\$ 612,100
TOTAL	<u>\$ 612,100</u>
APPROPRIATIONS	
Fund Balance	\$ 3,596,800
TOTAL	<u>\$ 3,596,800</u>
REVENUES TOTAL	\$ 4,208,900
REGIONAL WATER RESERVE EXPENDITURES	<u>COUNCIL APPROVED</u>
REGIONAL RESERVE	
Licenses, Permits and Fees	\$ 100
Reserve	\$ 212,100
TOTAL	<u>\$ 212,200</u>
CORPS OF ENGINEERS	
Licenses, Permits and Fees	\$ 100
Reserve	\$ 62,000
	<u>\$ 62,100</u>
20 MGD	
Licenses, Permits and Fees	\$ 1,200
Reserve	\$ 3,933,400
TOTAL	<u>\$ 3,934,600</u>
EXPENDITURES TOTAL	\$ 4,208,900



Rate Stabilization

Revenues and Expenditures

RATE STABILIZATION RESERVE REVENUES	<u>COUNCIL APPROVED</u>
APPROPRIATIONS	
Fund Balance	\$ 3,872,300
TOTAL	<u>\$ 3,872,300</u>
REVENUES TOTAL	\$ 3,872,300
RATE STABILIZATION RESERVE EXPENDITURES	<u>COUNCIL APPROVED</u>
HWRF UPGRADE PROJECT	
Rate Stabilization	\$ 773,800
TOTAL	<u>\$ 773,800</u>
20 MGD WATER PLANT EXPANSION	
Rate Stabilization	\$ 3,098,500
TOTAL	<u>\$ 3,098,500</u>
EXPENDITURES TOTAL	\$ 3,872,300

PART 2: ESTABLISHING THE 2015 PROPERTY TAX RATE

Section 4: Ad Valorem Property Tax Rate Established

There is hereby levied an Ad Valorem property tax rate of \$0.62 on each one hundred dollars (\$100) valuation of taxable property, both real and personal, as listed for taxes as of 1 January 2015 for the purpose of raising the revenue set forth in the 10: General Fund budget estimates in order to finance its authorized appropriations necessary for the proper running of the government and delivery of its services to citizens and customers. The 2015 Ad Valorem property tax revenue is based on an estimated overall valuation of \$905,000,000 at a collection rate of 95.88%.



PART 3: AUTHORIZING INCREASES IN FEES AND RATES

Section 5: Regional Water Rate Increased

The Regional Water Rate shall be increased by 5% on all customers for all bills rendered on or after 1 July 2015 as reflected in the following Table, and said rates shall be included in the Annual Fee Schedule.

Regional Potable Water Rate	
Rate Tier	Per 1 Million Gallons
Fixed Rate	\$ 2,108.00
Used Rate	\$ 1,348.00

Section 6: Water Rate Increased

The City Water Rate shall be increased by 4% on all customers for all bills rendered on or after 1 July 2015 as reflected in the following Table, and said rates shall be included in the Annual Fee Schedule.

Water Rates FY 15-16				
Customers averaging less than 100,000 cubic feet (cu. ft.) per month				
Location	Minimum Charge 0-499 cu. ft.	Plus	500-4,000 cu. ft. per 100 cu. ft.	More than 4,000 cu. ft. per 100 cu. ft.
Inside City	\$10.84	Plus	\$2.45	\$1.85
Outside City	\$27.10	Plus	\$6.14	\$4.63
Customers averaging more than 100,000 cubic feet (cu. ft.) per month				
Location	Minimum Charge	Plus	0-100,000 cu. ft. per 100 cu. ft.	More than 100,000 cu. ft. per 100 cu. ft.
Inside City	N/A	Plus	\$1.39	\$1.11
Outside City	N/A	Plus	\$3.43	\$2.77
Bulk Water Rate				
Location	Minimum Charge 0-500 gallons	Plus		More than 500 gallons per 1 gallon
Inside City	\$8.57	Plus		.007
Outside City	\$14.84	Plus		.010



Section 7: Rate Increases for Governmental Water and Sewer Sales Contracts

- **7-1: Kittrell Water Association:** Pursuant to the Water Sales Agreement, the rate shall be increased by 4%, effective 1 July 2015; *and*
- **7-2: Franklin County:** Pursuant to the Water Sales Agreement, the rate shall be increased by 5%, effective 1 July 2015; *and*
- **7-3: Vance County Phases 1A, 2A and 2B:** Pursuant to the Water Sales Agreement, the rate shall be increased by 4%, effective 1 July 2015.

Section 8: Sewer Rate Increased

The Sewer Rate shall be increased by 9% on all customers for all bills rendered on or after 1 July 2015 as reflected in the following Table, and said rates shall be included in the Annual Fee Schedule.

Sewer Rates FY 15-16				
Location	Minimum Charge	Plus	0-10,000 cubic feet (cu. ft.) per 100 cu. ft.	Over 10,000 cu. ft. per 100 cu. ft.
Inside City	\$14.98	Plus	\$5.33	\$3.82
Outside City	\$37.43	Plus	\$13.34	\$9.59

PART 4: SPECIAL AUTHORIZATIONS

Section 9: Special Authorizations

The City Manager shall be authorized to re-allocate departmental appropriations among the various objects of expenditures within any budget department as he deems appropriate and necessary. Additionally, he shall be authorized to re-allocate departmental appropriations among other departments within the same fund via an intra-fund transfer as he deems appropriate and necessary. Notation of such appropriations shall be made to the City Council on the next financial report. All intra-fund transfers must also be approved in advance by the Finance Director.

Section 10: Restrictions

- The inter-fund transfer of funds shall be made only with the prior consent of City Council via a formal Budget Ordinance Amendment.
- Contingency funds shall only be appropriated with the prior consent of City Council via a formal Budget Ordinance Amendment.
- Funds may only be appropriated from the Capital Reserve funds 70: Utilities Capital Reserve Fund; 72: General Capital Reserve Fund; 73: Economic Development Capital Reserve Fund; 78: Regional Water Capital Reserve Fund;



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and 79: Rate Stabilization Capital Reserve Fund; with the prior consent of the City Council via a formal Budget Ordinance Amendment.

Section 11: Capital Project and Grant Project Funds

- The City Manager may recommend to the City Council the establishment of any new capital project and or grant project, or recommend amendments to existing capital project and/or grant project via a formal Budget Ordinance Amendment.
- Capital projects and grant projects are considered to be open for the life of the project, or grant, and shall be reported to City Council in the same manner in which regular financial reports are provided.
- Once a capital/grant project is authorized by City Council, the City Manager may treat said project as though it were any other operating fund provided if such actions are consistent with project/grant restrictions and guidelines.

Section 12: Utilization of Budget and Budget Ordinance

This Ordinance, 15-28, adopts the FY15-16 Budget and said Budget shall be the basis of the financial plan for the City of Henderson for the period beginning 1 July 2015 and ending 30 June 2016. The City Manager shall administer guidance and direction to the Department Directors and/or other duly authorized staff to implement their appropriate portion of the Budget. Copies of the Budget Ordinance and its appropriate detail shall be provided to all Department Directors. The Finance Director shall establish records consistent with the Budget and its authorizing Ordinance and in compliance with the North Carolina General Statutes and rules and regulations as may exist or be promulgated in the future by the North Carolina Local Government Commission.

PART 5: FEE SCHEDULE AFFIRMED, AMENDED AND ADOPTED

Section 13: Fee Schedule Affirmed, Amended and Adopted

The Annual Fee Schedule incorporates the rates and fees associated with the various charges for services and penalties for violations of City Codes. The Annual Fee Schedule is more fully articulated in *Attachment A* to this Ordinance and is hereby reaffirmed and adopted as part of this Ordinance.

PART 6: APPROVAL OF CAPITAL IMPROVEMENTS PLANS



Section 14: Utilities Multi-Year Capital Improvements Plan

The Utilities Multi-Year Capital Improvements Plan (CIP) for the period 2012 – 2021, initially approved on 13 June 2011 via Resolution 11-59 was reaffirmed and readopted as the City of Henderson’s multi-year capital improvements plan for its Regional Water, Water and Sewer systems on 9 February 2015 for the period of 2015 - 2025. Said CIP is on permanent file in the Office of the City Clerk and is incorporated herein as part of this Ordinance by reference.

Section 15: General Fund Multi-Year Capital Improvements Plan

The General Fund Multi-Year Capital Improvements Plan (CIP) for the period 2014-2018 is hereby reaffirmed and readopted as the City of Henderson’s multi-year general improvements plan. Said Plan is on permanent file in the Office of the City Clerk and is incorporated herein as part of this Ordinance by reference.

**PART 7: ADOPTION OF BUDGET AND RELATED AUTHORIZING
INSTRUMENTS**

Section 16: Effective Dates

All sections of this Ordinance shall become effective on 1 July 2015.

Section 17: Adoption

The foregoing Ordinance 15-28, 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 APPROVED on this the 22nd day of June 2015: YES: NO: ABSTAIN: ABSENT:

James D. O’Geary, Mayor

ATTEST:

Esther McCrackin, City Clerk

Reference: Minute Book XX, p. XXX



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STATE OF NORTH CAROLINA - CITY OF HENDERSON

I, Esther 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 15-28 adopted by the Henderson City Council in Regular Session on 22 June 2015. This Ordinance is recorded in *Ordinance Book X*, p XXX.

Witness my hand and corporate seal of the City, this XX^{XX} day of June 2015.

Esther McCrackin
City Clerk
City of Henderson, North Carolina

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

Reviewed by: _____ Date: _____
Ed Wyatt, Interim City Manager



**Annual Fee Schedule
FY 15-16**

Code Compliance

Chapter 21 (Minimum Housing Code)

Sec. 21-20. - Certificate of minimum housing compliance.

Minimum Housing Inspection	1st Inspection Fee	Subsequent Re-inspection Fee
	FREE	\$50.00
*Minimum Housing Civil Penalty	Initial Violation Fee	After 3rd day of noncompliance
	\$500.00	\$10.00 per day until max of \$4,500

Chapter 21A (Abandoned Structure)

Sec. 21A-8. - Cost of removal or demolition to be lien on premises

Administrative Costs	Cost	Comments
Preliminary work in ascertaining owner of property	\$150.00 (or greater amount actually paid by the city)	Completed by a contracted attorney
Inspection of the property to ascertain condition	\$50.00	Completed by Code Compliance staff
Notice of complaint and/or of hearing issued by the city (cost per each notice)	\$40.00	Prepared by Code Compliance staff
Conduct hearing (cost per each hearing)	\$20.00	Held by Code Compliance staff
Findings of fact and/or order issued by the city (cost per each order)	\$40.00	Prepared by Code Compliance staff
Order issued by city council	\$100.00	Prepare notice and order for city council and appearance of Code Compliance staff at city council meeting
Implementation Costs	Cost	
Removal of nuisance (ordered demolition)	Actual charge paid to third parties for the respective action authorized (plus a five (5) percent administrative fee in addition to actual charge)	
Reimbursement Costs	Cost	
Certified letters (per each individual letter)	\$5.00 (or greater amount city actually paid)	
Newspaper notices (per notice)	\$175.00 (or greater amount city actually paid)	
Recording fees (per document)	\$45.00 (or greater amount city actually paid)	
Allowances for Delinquent Accounts	Cost	
Percentage increase in total , amount due	10% percent	
*Abandoned Civil Penalty	Initial Violation Fee	After 3rd day of noncompliance



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	\$500.00	\$10.00 per day until max of \$4,500
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Chapter 21D (Non-Residential Code)

*Non-Residential Civil Penalty	Initial Violation Fee	After 3rd day of noncompliance
	\$500.00	\$10.00 day until max of \$4,500

Chapter 23 (Weeded Lot)

Sec. 23-8. - Costs of abatement; when due; lien.

The cost incurred by the city in removing or otherwise remedying a public nuisance shall be charged to the owner(s) of the lot or parcel of land. The costs incurred by the city shall be as set out below and are designed to include an administrative cost reflecting the typical time spent on processing these complaints through various stages in the proceedings, and an implementation cost reflecting the time spent in clearing the lot or otherwise removing the nuisance; a reimbursement for costs of notice and publication, and an allocation for delinquent accounts under this chapter.

These costs are set out by the stage of the proceeding which is reached or the service rendered and are as follows. The costs under each of the categories, to wit, administrative costs, implementation costs, etc., are to be added together.

	Cost	Comment
Administrative Costs		
Notice and order issued by department director, but not appealed, nuisance removed by owner	\$0	
Notice and order issued by department director, no appeal taken, nuisance removed by city	\$100	intended to cover costs of determining ownership, investigating site, preparation of notice and order, scheduling work
Order issued by city council, nuisance removed by owner	\$80	intended to cover staff preparation and meeting time before council
Order issued by city council, nuisance removed by city	\$120	intended to cover staff preparation and meeting time before council and cost of scheduling work, preparing notice of lien
Implementation Costs		
Per hour, or any part thereof, in removing or abating any nuisance	\$40	
Reimbursement Costs		
Registered letters (per letter)	\$3	
Newspaper notices (per notice)	\$175	reflects both newspaper costs and administrative costs in preparing and publishing the notice
Allowance for Delinquent Accounts		
Percentage increase total amount due	25%	



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*(Weeded Lot) Civil Penalty	FEE
	After 7 days of Non-Compliance, \$50.00 per day maximum of \$ 500.00

**All Civil Penalty Fees go to School System*

Cemetery²

Grave Plot.....\$750.00

Customer Service - Water and Sewer

Late Fee (One Time Waiver within a rolling 12 month period with Good Standing History) \$12.00
 Service Fee.....\$13.00
 Security Deposits (see below)

Schedule for Water and Sewer Security Deposits Approved Ordinance 13-10 March 11, 2013			
Residential In-City	Current	R-Tier 1 Deposit	R-Tier 2 Deposit
Water, Sewer & Sanitation		\$150.00	2.5 times average monthly bill
Water & Sewer Only (for those living in apartment complexes providing commercial green boxes)		\$150.00	2.5 times average monthly bill
Water or Sewer & Sanitation		\$150.00	2.5 times average monthly bill
Residential Out-of-City			
Water & Sewer		\$200.00	2.5 times average monthly bill
Water Only		\$150.00	2.5 times average monthly bill
Sewer Only		\$200.00	2.5 times average monthly bill
<p>R-Tier 1 Deposit is the deposit required by any new residential customer establishing an account and not able to provide a satisfactory letter of good payment history from his/her most recent water/sewer utility provider. Additionally, any existing residential customer as of the effective date of this Ordinance (1 April 2013) whose service is subject to disconnection because of non-payment will be required to increase his/her security deposit to the R-Tier 1 Deposit rate in order to re-establish service.</p>			
<p>R-Tier 2 Deposit is the deposit required of any existing residential customer whose service has been subject to disconnection for non-payment twice within a rolling 18-month period. Such customers will have to increase their security deposit on-file to 2.5 times their average monthly bill in order to have service restored. Additionally, if any person seeking to establish service with the City is found to have an arrears balance from prior service with the City, he/she shall be required to establish a security deposit equal to 2.5 times an average residential monthly bill, even if he/she can provide a letter of good payment history from his/her most recent water/sewer utility provider.</p>			
Commercial/Non-Profit & Industrial In-City			
	<i>Based on Total Consumption</i>	Current	CNI-Tier Deposit
	Water, Sewer & Sanitation (for downtown businesses not able to use commercial green box services)		2.5 times average monthly bill, or \$150, whichever is larger
	Water & Sewer Only		2.5 times average monthly bill, or \$150, whichever is larger
Commercial/Non-Profit & Industrial Out-of-City			
	<i>Based on Total Consumption</i>		
	Water & Sewer		2.5 times average monthly bill, or \$150, whichever is larger
	Water Only		2.5 times average monthly bill, or \$150, whichever is larger
<p>CNI-Tier Deposit is the deposit required by any new commercial, non-profit or industrial customer applying for service with the City and cannot provide a satisfactory letter of good payment from his/her most recent water/sewer utility provider. Existing</p>			

² City stopped opening/closing graves in 2011



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customers whose service is subject to disconnection due to non-payment will be required to increase his/her security deposits to 2.5 times their average monthly bill in order to re-establish service.”

Engineering

Soil Erosion & Sedimentation Control Permit	
Plan Review Fee (.50 - .999 Acres)	\$75.00
Plan Review Fee (1- 3 acres)	\$100.00
Plan Review Fee (more than 3 Acres plus \$20.00 per Acre)	\$125.00
Soil Erosion & Sedimentation Control Permit	
Permit Inspection Fee (.50 - .999 Acres)	\$125.00
Permit Inspection Fee (1 – 3 Acres)	\$225.00
Permit Inspection Fee (more than 3 Acres plus \$25.00 per Acre)	\$325.00
Stormwater Permit Review Fee	\$400.00
Maps	\$1.00 to \$20.00
Petition to Close Street	\$900.00

Finance

Returned Check Fees	\$25.00
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Fire

Fire Reports	\$1.00
Fire Code Violation Citations	
Approved Fire Evacuation Plan Required and Posted	\$50.00
Street Address not Posted	\$50.00
Street Address not Visible	\$50.00
Key Boxes	\$50.00
Breach in Fire Wall/Fire Stops	\$50.00
Fire/Exit Door Inoperative	\$200.00
Fire Alarm Needs Testing	\$50.00
Sprinkler or Fire Alarm Inoperable	\$200.00
Sprinkler/Standpipe not Complying with Code	\$50.00
Sprinkler Heads Blocked/Covered (immediate)	\$500.00
Standpipe System not Complying with Code	\$50.00
Portable Fire Extinguisher	\$50.00
Fire Alarm and Detection Systems	\$50.00
Overcrowding (immediate)	\$500.00
Maximum Occupancy Load Certificate not Posted	\$50.00
Storage in or on Fire Escape (immediate)	\$500.00
Blocked Stairwells or Stairways	\$500.00
Blocked Means or Egress	\$500.00
No Required Exit Directional Signs	\$50.00
Exit Illuminated and Markings	\$50.00
Locked Exit Door (immediate)	\$500.00
Exit or Egress Door Needs Repair	\$50.00
Fire Exit or Aisle Blocked	\$500.00



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Spray Booth Not Complying to Code.....	\$50.00
All Other Code Violations.....	\$50.00

Fire (Cont.)

State Mandated Fire Inspections

Initial Inspection

Up to 50,000 sf.....	\$55.00
50,001 to 500,000 sf.....	\$105.00
Greater than 500,000 sf.....	\$120.00

Re-Inspections

1 st Re-inspection.....	\$0.00
2 nd Re-inspection.....	\$55.00
3 rd Re-inspection.....	\$110.00
4 th Re-inspection.....	\$225.00

Governing Body

Public Records Request - Copies.....	varies
Municipal Election Filing Fee.....	1% of the annual salary of the office being sought.

Planning

Rezoning Application

Zoning Map Amendment to Residential District.....	\$350.00 plus \$50 per acre or part thereof
Zoning Map Amendment – Other.....	\$350.00 plus \$100.00 per acre or part thereof

Sign Permit

0-50 sq. ft.....	\$25.00
51 – 100 sq. ft.....	\$50.00
101 – 200 sq. ft.....	\$75.00
201 sq. ft. and larger.....	\$100.00

Subdivision Plat Approval

Major.....	\$250.00 plus \$10.00 per lot
Minor.....	\$150.00
Minor Residential.....	\$100.00
Exempt.....	\$50.00

Special Use Permit

.....	\$450.000
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Text Amendment

Change affecting only one subsection of Ordinance.....	\$100.00
Other.....	\$150.00

Variances

.....	\$450.00
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Zoning Permit

Residential.....	\$100.00
Commercial.....	\$100.00
Name Change/Change of Ownership.....	\$100.00
Home Occupation Permit.....	\$100.00



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Certificate of Zoning Compliance.....	\$50.00
Zoning Ordinance.....	\$25.00
Subdivision Regulations.....	\$25.00
Exempt Plat.....	\$100.00
Solar Farm Inspection.....	\$1,000.00

Police

Handicapped/Fire Lane Parking.....	\$75.00
Fire Hydrant, Loading Zone, Blocking Driveway, No Parking Zone, Parking on Wrong Side of Street, Parking on Sidewalk, Blocking Sidewalk/Crosswalk, Double Parking.....	\$20.00
Overtime Parking, Parking too Close to Corner, Other.....	\$8.00
Peddler Permit Fee (30-days or less).....	\$10.00
Peddler Permit Fee (31-days or more).....	\$25.00
Display Badge.....	\$ 2.00

Regional Water

Bacteria Analysis (Contractors).....	\$50.00
Bacteria Analysis (Partners).....	\$35.00
Potable Water (Used Rate).....	\$2,108.00
Potable Water (Fixed Rate).....	\$1,348.00

Sanitation

Sanitation Charge – Monthly	
1 Pickup per week per dwelling (includes one 96 gallon roll-out).....	\$29.00
Additional 96 gallon roll-out container.....	\$5.00
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
Roll-out Container Replacement Fee.....	\$75.00
Large Trash Collection Fee.....	\$75.00 per hr (min. \$75.00)
Appliance Collection Fee.....	\$15.00 per item
Commercial Recycle Monthly (ABC License only)	
Weekly pickup.....	\$30.00
Construction Materials.....	\$350.00 per hr (min. \$350.00)
Landfill Fee (Business Customers only).....	\$5.50
*Loose Leaf Pick Up after deadline date- Minimum.....	\$75.00

Sewer Collection

Sewer Rates ³	
10,000 cubic ft or less (inside city)....	\$14.98 minimum plus \$5.33 per 100 cu. ft., plus
For the next utilization tier	

³ CF = Cubic Feet of water consumed or sewer metered through a sewer measuring device.



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Table with 2 columns: Description and Amount. Includes items like 'Over 10,000 cubic ft (inside city)', 'Sewer Taps', 'Sewer Collection (cont.)', and 'Rentals'.

Sewer Collection I&I

Table with 2 columns: Description and Amount. Includes 'Rentals' and 'TV Camera Truck'.

Street

Table with 2 columns: Description and Amount. Includes 'Street Cuts', 'Sidewalk Cuts', and 'Encroachment Fee'.

Water Distribution

Water Rates

Table with 2 columns: Description and Amount. Lists water usage tiers for inside and outside city.

Irrigation (Residential and Non-Residential)

Table with 2 columns: Description and Amount. Lists irrigation fee for inside city.



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Over 500 cubic ft. (inside city).....\$2.45 per 100 cubic ft.
First 500 cubic ft. (minimum fee – outside city).....\$27.10, plus
Over 500 cubic ft. (outside city).....\$6.14 per 100 cubic ft.

Large Quantity Water Rates

First 100,000 cubic ft. (inside city).....\$1.39 per 100 cubic ft., plus
Over 100,000 cubic ft. (inside city).....\$1.11 per 100 cubic ft.

First 100,000 cubic ft. (outside city).....\$3.43 per 100 cubic ft., plus

Water Distribution (cont.)

Over 100,000 cubic ft. (outside city).....\$2.77 per 100 cubic ft.

Water Taps

3/4" Water Tap.....\$1,235.00
1" Water Tap.....\$1,340.00
1" Water Tap w/ two 3/4" Branch Meters.....\$1,590.00
Above 1" Taps.....Actual cost of labor, equipment & materials plus 10%

Bulk Water

Inside Rate.....\$8.57 service connection (includes first 500 gallons)
.007/gallons for any amount over 500
Outside Rate.....\$14.84 service connection (includes first 500 gallons)
.010/gallon for any amount over 500
Capacity Usage Fee.....\$0.54/gallon (gallons are determined by
type of establishment)

Set Meter Fee

3/4" Taps already in place.....\$300.00
1" Taps already in place.....\$400.00
Fire Protection Sprinkler Fee.....based on sq. footage
Fire Hydrant Meter Deposit.....(see below)
3".....\$1,500.00
5/8".....\$300.00
Minimum Rental Charge
Per Day.....\$20.00
Per Week.....\$100.00
Per Month.....\$300.00
Per 6 Months.....\$1,300
Per Year.....\$2,000

Fire Hydrant – Category A

Inside Rate - charge for floor space w/only a private fire line & fire hydrants(s) –
no inside sprinkler
Per 10,000 sq. feet - Minimum (A1).....\$3.05
300,000 – 1,000,000 sq. feet (A1 + A2).....\$1.67
1,000,000 sq. feet and above (A1 + A2 + A3).....\$0.73



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Outside Rate - charge for floor space w/only a private fire line & fire hydrants(s) - no inside sprinkler

Per 10,000 sq. feet - Minimum (B1)	\$6.22
300,000 – 1,000,000 sq. feet (B1 +B2)	\$3.37
1,000,000 sq. feet and above (B1 + B2 + B3)	\$2.36

Fire Hydrant – Category B

Inside Rate - charge for floor space protected w/ fire line, fire hydrant(s) and inside sprinkler

Per 10,000 sq. feet - Minimum (A1)	\$5.57
300,000 – 1,000,000 sq. feet (A1 + A2)	\$2.32
1,000,000 sq. feet and above (A1 + A2 + A3)	\$1.21

Water Distribution (cont.)

Outside Rate - charge for floor space protected w/ fire line, fire hydrant(s) and inside sprinkler

Per 10,000 sq. feet - Minimum (B1)	\$11.39
300,000 – 1,000,000 sq. feet (B1 + B2)	\$4.63
1,000,000 sq. feet and above (B1 + B2 + B3)	\$2.32

Fire Hydrant – Category C

Inside Rate - charge for floor space w/ fire hydrant(s) and inside sprinkler

Per 10,000 sq. feet - Minimum (A1)	\$8.62
300,000 – 1,000,000 sq. feet (A1 + A2)	\$3.99
1,000,000 sq. feet and above (A1 + A2 + A3)	\$1.88

Outside Rate - charge for floor space w/ fire hydrant(s) and inside sprinkler

Per 10,000 sq. feet - Minimum (B1)	\$17.61
300,000 – 1,000,000 sq. feet (B1 + B2)	\$8.02
1,000,000 sq. feet and above (B1 + B2 + B3)	\$4.67

Fire Hydrant – Subdivision outside of City limits (to be charged per lot when service is made)

	\$1.83
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Water Distribution/Sewer Collection

Utility Service Fee	\$13.00
Account Set-up Fee	\$20.00
Late Payment Penalty	\$12.00
Meter Tampering Fee	\$200.00
Rental Fees (Add Personnel/Supervision/Materials fees below to rental fee)	
Pickup Trucks (3/4 and 1 Ton)	\$25.00 per hour
Backhoe	\$60.00 per hour
Dump Truck	\$40.00 per hour
Tamp. Concrete Saw	\$20.00 per hour
Air Compressor	\$20.00 per hour
Personnel	Employee wage plus 10%
Supervision Charge	\$100.00 per hour
Materials	Material Cost plus 10%



FY 15-16 BUDGET
ADOPTED BUDGET UPDATE

Water Reclamation

Sewer Surcharges

Biochemical Oxygen Demand.....	\$0.1941 lb.
Chemical Oxygen Demand.....	\$0.0968 lb.
Total Suspended Solids.....	\$0.0989 lb.
Total Kjeldahl Nitrogen.....	\$1.4845 lb.
Total Phosphorus.....	\$2.8697 lb.
Sampling Fee.....	\$9.06 to \$62.63
Priority Pollutant Scan – Sampling Fees.....	\$1,661.04
Mercury Clean Sampling Fee.....	\$377.52
Compliance Inspection – Pretreatment.....	\$754.98
Toxicity: Mini Chronic/Full Range.....	\$490.73 - \$1,094.79
Permit Fee for Discharge (based on gallons per day).....	\$305.95 - \$758.49

Water Reclamation (cont.)

Permit Fee for Discharge of Groundwater Remediation Project.....	\$605.52
FOG Compliance Inspection and Monitoring.....	\$7.64 per mo.
FOG Permit Fee.....	\$153.00

Recreation

Registration Fees – Youth

Youth Athletics Registration Fee (County Resident)	
Football, Volleyball, Soccer & Basketball.....	\$30.00
Youth Athletics Registration Fee (Non-Resident)	
Football, Volleyball, Soccer & Basketball.....	\$60.00
Babe Ruth Baseball & Softball.....	\$30.00
All Star.....	\$20.00

Youth Sponsorship Fees

T-Ball League Baseball.....	\$550.00
Rookie League Baseball.....	\$750.00
Cal Ripken League Minor Baseball.....	\$350.00
Cal Ripken League Major Baseball.....	\$375.00
Babe Ruth League Baseball.....	\$400.00
Babe Ruth League 8-Under Softball.....	\$750.00
Babe Ruth League 10-Under Softball.....	\$350.00
Babe Ruth League 12-Under Softball.....	\$350.00
Babe Ruth League 16-Under Softball.....	\$350.00
Youth Basketball, Soccer & Volleyball.....	\$250.00

Recreation Insurance.....	\$10.00
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Registration Fees - Adult

Team Registration Fee (Non-County Resident – add \$10.00 per person to fees below)



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Industrial League Basketball, Softball.....	\$420.00
Open League Basketball.....	\$420.00
Women’s Open Softball.....	\$300.00
Men’s Open Softball.....	\$420.00

Rentals (See *Rentals – For- Profit* or *Rentals – Non-Profit* also)

Batting Cage per hour (County).....	\$10.00
Batting Cage per hour (Non-County).....	\$15.00
Aycock Ballfield per field per hour (County).....	\$10.00
Aycock Ballfield per field – lighted per hour (County).....	\$20.00
All other Ballfields per field per hour (County).....	\$10.00
All other Ballfields per field – lighted per hour (County).....	\$15.00
Aycock Ballfield per field per hour (Non-County).....	\$20.00
Aycock Ballfield per field – lighted per hour (Non-County).....	\$40.00
All other Ballfields per field per hour (Non-County).....	\$20.00

Recreation (cont.)

All other Ballfields per field – lighted per hour (Non-County).....	\$30.00
Ballfield Weekend (Friday, Saturday & Sunday) (County).....	\$200.00
Ballfield Weekend (Friday, Saturday & Sunday) (Non-County).....	\$350.00

Rentals – Non-Profit

Aycock Ballfield per field per hour (County).....	\$10.00
Aycock Ballfield per field – lighted per hour (County).....	\$20.00
Aycock Ballfield one day / all four fields (County).....	\$200.00
All other Ballfields per field per hour (County).....	\$10.00
All other Ballfields per field – lighted per hour (County).....	\$15.00
Ballfield Weekend (Friday, Saturday & Sunday) (County).....	\$500.00
Lights per field per hour (County).....	\$20.00
Old Aycock Gym per hour (County).....	\$30.00
Aycock Ballfield per field per hour (Non-County).....	\$20.00
Aycock Ballfield per field – lighted per hour (Non-County).....	\$40.00
Aycock Ballfield one day / all four fields (Non-County).....	\$350.00
All other Ballfields per field per hour (Non-County).....	\$20.00
All other Ballfields per field – lighted per hour (Non-County).....	\$30.00
Ballfield Weekend (Friday, Saturday & Sunday) (Non-County).....	\$750.00
Lights per field per hour (Non-County).....	\$30.00
Old Aycock Gym per hour (Non-County).....	\$45.00

Rentals – For Profit

Aycock Ballfield – per field per hour (County).....	\$20.00
All other Ballfields per hour (County).....	\$15.00
Aycock Ballfield – per field – lighted per hour (County).....	\$30.00
All other Ballfields – lighted per hour (County).....	\$20.00
Aycock one day / all four fields (County).....	\$300.00
Old Aycock Gym per hour - 2 hour minimum (County).....	\$50.00



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Aycock one day / all four fields (Non-County).....	\$500.00
Aycock Weekend / all four fields (Friday, Saturday & Sunday) (County).....	\$650.00
Aycock Ballfield per field per hour (Non-County).....	\$30.00
All other Ballfields per hour (Non-County).....	\$25.00
Aycock Ballfield – per field – lighted per hour (Non-County).....	\$40.00
All other Ballfields – lighted per hour (Non-County).....	\$30.00
Aycock Weekend / all four fields (Friday, Saturday & Sunday) (Non- County)	\$800.00
Old Aycock Gym per hour – 2 hour minimum (Non-County).....	\$75.00
Lights per field per hour	\$25.00
 Additional Services	
Drag/Mark fields between each game per field (County).....	\$20.00
Drag/Mark fields after 2 games per field (County).....	\$15.00
Drag/Mark fields halfway through each day per field (County).....	\$10.00
Supply ice water in coolers w/cups per dugout per game (County).....	\$10.00
Drag/Mark fields between each game per field (Non-County).....	\$30.00
Drag/Mark fields after 2 games per field (Non-County).....	\$25.00
Recreation (cont.)	
Drag/Mark fields halfway through each day per field (Non-County).....	\$20.00
 Henderson Rec Players Tickets.....	
	\$10.00
 Special Events (Athletic)	
District Tournament Daily Pass for Students.....	\$3.00
District Tournament Daily Pass for Adults.....	\$5.00
District Tournament Pass for entire Tournament.....	\$10.00
State Tournament Daily Pass for Students.....	\$5.00
State Tournament Daily Pass for Adults.....	\$7.00
State Tournament Pass for Entire Tournament.....	\$20.00
Athletic Event Daily Pass.....	\$3.00
Athletic Event Tournament Pass.....	\$6.00
 Special Events (Non-Athletic).....	
	not to exceed \$8.00
 Aycock Center	
Rental	
Aquatics –	
Pool Non-Profit - County (per hour).....	\$70.00
Pool Non-Profit – Non-County (per hour)	\$75.00
Pool For-Profit – County (per hour).....	\$125.00
Pool For Profit – Non-County (per hour).....	\$175.00
Swim Teams & Clubs – Private County (per lane, per day).....	\$12.00
Swim Teams & Clubs – Private Non-County (per lane, per day).....	\$12.00
Swim Teams & Clubs – County (per lane, per hour).....	\$8.00



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Swim Teams & Clubs – Non-County (per lane, per hour).....	\$12.00
Swim Lessons	
Preschool Ages 3-5 - 6 30 minute sessions.....	\$30.00
Ages 6-12 - 6 60 minutes sessions.....	\$48.00
Parent Tot Ages 6 months - 3 years.....	\$30.00
Adults/Beginners 16+ - 6 30 minute sessions.....	\$30.00
Water Aerobics (per class - 5 per week)	
Non-Member.....	\$2.00
Member.....	\$1.00
Gymnasium	
Aycock Recreation Complex Non-Profit per hour – County.....	\$70.00
Aycock Recreation Complex Non-Profit per hour – Non-County.....	\$85.00
Aycock Recreation Complex - Non-Profit Private Team - County (per practice/game).....	\$30.00
Aycock Recreation Complex - Non-Profit Private Team – Non-County (per practice/game).....	N/A
Aycock Recreation Complex For- Profit per hour – County.....	\$100.00
Aycock Recreation Complex For-Profit per hour – Non-County.....	\$150.00
Multi-purpose Room Non-Profit per hour – County.....	\$70.00
Recreation (cont.)	
Multi-purpose Room Non-Profit per hour – Non-County.....	\$75.00
Multi-purpose Room For-Profit per hour – County.....	\$125.00
Multi-purpose Room For-Profit per hour – Non-County.....	\$175.00
Aycock Lobby – County.....	\$25.00
Aycock Lobby – Non-County.....	\$30.00
Fees	
Aycock Recreation Center	
Resident – Daily	
Adult Single Admission.....	\$5.00
Teen 18 and under.....	\$2.00
Senior 55 and over.....	\$2.00
Resident – Monthly	
Adult Single Admission.....	\$30.00
18 and under.....	\$25.00
Senior 55 and over.....	\$25.00
Non-Resident – Daily	
Adult Single Admission.....	\$10.00
18 and under.....	\$5.00
Senior 55 and over.....	\$5.00
Non-Resident – Monthly	
Adult Single Admission.....	\$50.00
18 and Under.....	\$45.00
Senior 55 and Over.....	\$45.00



**FY 15-16 BUDGET
ADOPTED BUDGET UPDATE**

Resident Family Pass – Monthly	
Family Pass.....	\$35.00
Seniors 55 and Over.....	\$25.00
Non-Resident Family Pass – Monthly	
Family.....	\$65.00
Seniors 55 and Over.....	\$50.00
City/County/State Employee – Monthly	
Family Pass.....	\$17.00
Adult.....	\$15.00
Senior 55 and Over.....	\$12.00

Classes/Programs	
Preschool per class.....	\$3.00
Walking Program per month (Adult/Senior).....	\$15.00
Swim Group.....	\$2.00

Camps	
Summer Day Camp – per week (8-11 year olds).....	\$50.00
Swim Camp.....	\$10.00

Recreation (cont.)

Aquatics Club	
Winter/Spring.....	\$160.00
Summer.....	\$225.00

City Council Action Form

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



Agenda Item: _____

Council Meeting: 22 June 15 Short Reg. Meeting

11 June 2015

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

FR: Ed Wyatt, Interim City Manager

RE: CAF: 15-79

Consideration of Approval of 1) Resolution 15-48 Ratifying and Approving the Mayor's Signature on the North Carolina Community Development Block Grant (CDBG) Contract in the Amount of \$1,532,400 for Water Infrastructure; and 2) Resolution 15-49 Resolving to Provide Adequate Funding for Continued Operation of Said Improvements and Authorized Signatures for Documentation Required

Ladies and Gentlemen:

KSO's Addressed by this Item:

- **KSO 5:** To Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems

Recommendation:

- Approval of:

1) Resolution 15-48, Ratifying and Approving the Mayor's Signature on the North Carolina Community Development Block Grant (CDBG) Contract in the Amount of \$1,532,400 for Water Infrastructure.

2) Resolution 15-49 Resolving to Provide Adequate Funding for Continued Operation of Said Improvements and Authorized Signatures for Documentation Required

Executive Summary

The City Council approved Resolution 14-02-A on 11 August 2014 authorizing the resubmission of an application for the NC Department of Environment and Natural Resources (NCDENR) Division of Water Infrastructure for a CDBG Infrastructure Project.

The grant is comprised of approximately 6100 linear feet of 12" and 8" gravity sewer mains which will eliminate the need for the existing Newton Dairy Road Pump Station and will also be installed along Birch and Bobbitt Streets, which will serve approximately 29 homes in Northeast Henderson.

In order to continue to proceed with the project, it is necessary to execute a contract with NCDENR outlining the requirements of the project. Due to the 15 June 2015 deadline for execution of the contract,

CAF 15-79: 22 June 2015 Council Meeting

Page 1 of 38

it was necessary for the Mayor to sign the contract with subsequent ratification by the Council to maintain the grant funding.

Exhibit "A" of the contract outlines upcoming deadlines relative to this grant.

We have also been notified by the NCDENR that a Resolution by City Council of the City of Henderson is needed setting forth the intent of use of funds for the Grant as well as indicating the Authorized Officials who may sign said documentation needed to carry forth this process.

Attachment:

1. Resolution 15-48
2. Resolution 15-49

RESOLUTION 15-48

RATIFYING AND APPROVING THE MAYOR'S SIGNATURE ON THE NORTH CAROLINA COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CONTRACT IN THE AMOUNT OF \$1,532,400 FOR WATER INFRASTRUCTURE

WHEREAS, the City Council (Council) conducted its Annual Planning Retreat in 2015, and during the retreat identified eight Key Strategic Objectives (KSO) and Goals and twelve Core Values; *and*

WHEREAS, this Resolution addresses **KSO 5**: to Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems; *and*

WHEREAS, the City Council approved Resolution 14-02-A on 11 August 2014, authorizing the resubmission of a grant application for a CDBG Infrastructure grant; *and*

WHEREAS, the City received notice on 15 January 2015 that it had been awarded the grant; *and*

WHEREAS, to facilitate finalization of the grant acceptance, the Mayor executed the amendment on 11 June 2015.

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY RATIFY AND APPROVE the Mayor's signature to the amendment to the Grant, which is attached (*see Attachment "A"*) to this Resolution.

The foregoing Resolution, introduced by Council Member ** and seconded by Council Member ** on this the _____ day of _____ 2015, and having been submitted to a roll call vote, was *** by the following votes: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

(Reference: Minute Book 44, p. **.)

STATE OF NORTH CAROLINA
COMMUNITY DEVELOPMENT BLOCK GRANT
GRANT CONTRACT
(WATER INFRASTRUCTURE)

CBDG-I PROJECT NUMBER: 14-I-2658

GRANTOR: NC DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
("DENR" or "CDBG-I"), an agency of the State of North Carolina ("State")

CONTRACT ADMINISTRATOR: **Stephanie N. Morris**
1633 Mail Service Center
Raleigh, North Carolina 27699-1633
Phone: 919.707.9196; Fax: 919.715.6229
Email: stephanie.morris@ncdenr.gov

GRANT RECIPIENT: City of Henderson a North Carolina Local Government Unit [*county*],
or a North Carolina Municipal Corporation [*town or city*] ("Grant
Recipient")

CONTRACT ADMINISTRATOR: The Honorable James D. O'Geary, Mayor
City of Henderson
P.O. Box 1434
Henderson, North Carolina 27536-1434
Phone: (252)431-6000; Fax: (252)492-7935
Email: ffrazier@ci.henderson.nc.us

FEDERAL I.D. NUMBER: 56-6001241

FISCAL YEAR END DATE: June 30

CONTRACT EFFECTIVE DATE: Date of Last Signature (the "Effective Date")

CONSTRUCTION CONTRACT DATE: April 17, 2017

CONTRACT EXPIRATION DATE: June 19, 2018 (the "Expiration Date")

REIMBURSEMENT DATE: July 3, 2018

GRANT AMOUNT: up to \$1,532,400 (the "Grant")

AWARD DATE: December 11, 2014 (the "Award Date")

THIS GRANT CONTRACT (the “Grant Contract”), is made and entered into as of the Effective Date by and between the DENR and the Grant Recipient, both sometimes hereinafter referred to individually as a “Party” or collectively as the “Parties”.

WITNESSETH:

WHEREAS, Grant Recipient has submitted to the DENR an application requesting a grant of monies (hereinafter the “Grant Application”) to engage in Newton Dairy Road/Birch and Bobbit Street Sewer Extension Project as more particularly described on Exhibit A (the “Project”).

WHEREAS, the Grant Recipient is a qualified applicant for Community Development Block Grant (CDBG) assistance under Title I of the Housing and Community Development Act of 1974, (P.L. 93-383), as amended.

WHEREAS, the Project shall be carried out for the purposes and in accordance to the schedule set out in the Notice of Intent to Fund letter, and pursuant to the budget set forth on Exhibit B based on the Grant Recipient’s application.

WHEREAS, the State Water Infrastructure Authority determined the Grant Recipient’s application at its meeting on December 11, 2014 is eligible for funding from the CDBG-I program.

WHEREAS, the Parties desire to enter into this Grant Contract and intend to be bound by its terms.

NOW, THEREFORE, for and in consideration of the Grant, the mutual promises each to the other made, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

1. **Grant Documents.** The documents described below are hereinafter collectively referred to as the “Grant Documents.” In the case of conflict between any of these documents, each shall have priority over all others in the order listed below. Upon execution and delivery of this Grant Contract, it and the other Grant Documents and items required hereunder will constitute a valid and binding agreement between the Parties, enforceable in accordance with the terms thereof. The Grant Contract constitutes the entire agreement between the Parties, superseding all prior oral and written statements or agreements.

The Grant Documents consist of:

- a. This Grant Contract
- b. Exhibit A – Project description, Conditions, and Schedule
- c. Exhibit B – Project Budget, Distribution of Funds, and Refunds
- d. Exhibit C – Reporting and Audit Requirements
- g. Exhibit D – DENR Quarterly Progress Report Form
- h. Exhibit E – DENR Request for Reimbursement Form
- i. Exhibit F – Definitions
- k. Exhibit G – General Terms and Conditions.

Upon execution and delivery of the Grant Contract, and once the Department of Environment and Natural Resources has encumbered the grant, and the Grant Recipient has received its counterpart original of the Grant Contract, fully executed and with all dates inserted where

indicated on the cover sheet of the Grant Contract, then the Grant Contract will constitute a valid and binding agreement between the Parties, enforceable with the terms thereof.

2. **Purpose.** The purpose of the Grant is for the “Newton Dairy Road/Birch and Bobbit Street Sewer Extension Project” project as described in Exhibit A.

3. **CDBG-I’s Duties.** Subject to the appropriation, allocation, and availability to CDBG-I of funds for the Project, CDBG-I hereby agrees to pay the Grant funds to the Grant Recipient in accordance with the payment procedures set forth herein.

4. **Grant Recipient’s Duties.** The Grant Recipient shall carry out the Project pursuant to the terms of this Contract and all applicable federal and State laws, executive orders, rules, and regulations that are generally applicable for public assistance programs and those specific to the CDBG program. In addition, the Grant Recipient shall ensure all contracts and subcontracts contain appropriate provisions to also meet applicable CDBG program requirements, including , but not limited to, the following:

- a. Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq).
- b. The CDBG program requirements, laws, rules, regulations and requirements, as may be amended, including those set forth in 24 C.F.R., Part 570.
- c. Environmental Review Procedures for the CDBG Program and the CDBG regulations contained in 24 CFR Part 58.
- d. Conflict of Interest provisions, including but not limited to those found at N.C. Gen. Stat. § 14-234, 24 C.F.R. § 85.36, 24 C.F.R. § 570.489 (g) and (h), and 24 C.F.R. § 570.611. Certain limited exceptions to the conflict of interest rules listed in 24 C.F.R. § 570.489 may be granted in writing by HUD and/or DENR upon written request and the provision of information specified in 24 C.F.R. § 570.489(h)(ii)(4).

5. **Contract Period.** The DENR’s commitment to disburse Grant funds under this Grant Contract shall cease on the Reimbursement Date. It is the responsibility of the Grant Recipient to ensure that the Project is completed by the Expiration Date and that all costs to be reimbursed have been submitted to the DENR by the Reimbursement Date. After the Expiration Date, any Grant monies remaining under this Grant Contract will no longer will be available to the Grant Recipient except to pay proper invoices for budgeted costs incurred by the Expiration Date. **The burden is on the Grant Recipient to request an extension of the Grant Contract if the Grant Recipient anticipates that the Project will not be completed by the Expiration Date.** The request for an extension must be made in a writing addressed to the DENR, explaining why an extension is needed and proposing a new expiration date for the Grant Contract. DENR must receive this request in its Division of Water Infrastructure office at least 60 days before the Expiration Date. DENR, within its discretion, may or may not approve the extension, based on Project performance and other contributing factors. **The DENR is not responsible for notifying the Grant Recipient of an approaching Expiration Date.**

No funds may be obligated or expended in any project activity except the administration activity until the Grant Recipient provides DENR with documentation of registration in the Central Contractor Registration (CCR) system. The CCR system may be accessed online at www.sam.gov.

6. **Grant Withdrawal for Failure to Enter into a Construction Contract.** This Grant Award shall be withdrawn if award conditions required for release of funds are not completed within one year of the Award Date, unless DENR finds that the Grant Recipient has good cause for failure. If DENR finds good cause for Grant Recipient's failure, the DENR must set a date by which Grant Recipient must take action or forfeit the grant.

This Grant award shall be withdrawn if the Grant Recipient fails to enter into a construction contract for the Project within two years after the Award Date, unless the DENR finds that Grant Recipient has good cause for the failure. If the DENR finds good cause for Grant Recipient's failure, the DENR must set a date by which Grant Recipient must take action or forfeit the grant.

7. **Reporting Requirements.** Reporting requirements are set forth on Exhibit C. Reports shall be made on the form set forth on Exhibit D.

8. **Site Access.** The Grant Recipient shall permit representatives of the DENR to visit the Property and any other premises of the Grant Recipient to examine construction activities of the Grant Recipient pursuant to the Grant, including materials, books and records in any way related to the Grant or the Project.

9. **Project Site.** The Grant Recipient shall have an interest in and/or appropriate agreements covering the site of the Project and all other real property of Grant Recipient essential to the Project, including necessary easements and rights of way, to assure undisturbed use and possession for the purpose of construction and operation for the estimated life of the Project.

10. **Conflict of Interest.** Recipient agrees to comply with all applicable conflict of interest provisions including, but not limited to, N.C. Gen. Stat. § 14-234, 24 C.F.R. § 85.36, 24 C.F.R. § 570.489 (g) and (h), and 24 C.F.R. § 570.611.

11. **Notice; Contract Administrators.** All notices, requests or other communications permitted or required to be made under this Grant Contract or the other Grant Documents shall be given to the respective Contract Administrator. Notice shall be in writing, signed by the party giving such notice. Notice shall be deemed given three (3) business days following the date when deposited in the mail, postage prepaid, registered or certified mail, return receipt requested.

12. **Signature Warranty.** Each individual signing below warrants that he or she is duly authorized to sign this Contract for the respective party, and to bind said party to the terms and conditions of this Grant Contract.

13. **Citizen Participation.** A recipient of CDBG funds must have a Citizen Participation Plan. A written Citizen Participation Plan must certify that access to information and participation in all stages of the project is provided. Local governments must certify that citizens, especially residents of a proposed project area, had an adequate opportunity to participate in the planning and development of the CDBG applications beyond the public hearing requirements. Compliance with the plan must be documented, including the information made public and the means used to make it public.

14. **Fair Housing.** Recipients of CDBG funds are required to comply with fair housing and non-discrimination laws and regulations. A Recipient must describe the actions it will take in the areas of enforcement, education, and removal of barriers and impediments to affirmatively further fair housing. Compliance with the plan must be documented, including the information made public and the means used to make it public.

15. **Equal Employment and Procurement Opportunity.** A Recipient must describe the actions it will take while the grant is open in the areas of enforcement, education and removal of barriers and impediments that affirmatively further equal access in employment and procurement. Compliance with the plan must be documented, including the information made public and the means used to make it public.

16. **Local Economic Benefit** (Section 3 Regulation). For each year that a CDBG is active, the Recipient must describe a strategy whereby opportunities in employment and procurement arising out of a CDBG assisted project are identified and made available to low-income residents within the CDBG assisted area to the greatest extent feasible. This strategy must include (1) identification of training and technical assistance resources to prepare low-income residents for employment and procurement opportunities, (2) attempts to reach the numerical targets for new hires set forth in the Section 3 regulation, which applies to Recipients receiving \$200,000 or more in non-administrative line items expended for construction contracts and (3) education of low-income residents within the CDBG assisted area about the components and opportunities of the program. Compliance with the plan must be documented, including the information made public and the means used to make it public.

17. **Section 504 of the Rehabilitation Act of 1973.** Recipients must comply with the provision of Section 504 of the Rehabilitation Act of 1973, as amended, and HUD implementing regulations at 24 C.F.R., Parts 8 and 9. Recipient must complete the Section 504 Survey and adopt a Grievance Procedure as well as complete a Transition Plan, if applicable. The Grant contract requires recipients to complete the Section 504 Survey and Transition Plan (if applicable), covering policies, practices, and physical accessibility and notify affected persons that it does not discriminate on the basis of the handicap. Compliance with the plan must be documented, including the information made public and the means used to make it public.

18. **Americans with Disabilities Act (ADA).** State and local governments are required to comply with the provisions of Title I of the Americans with Disabilities Act (ADA) which protects qualified individuals with disabilities from discrimination in all state and local government programs and activities including employment.

Governments with 25 or more employees were subject to the law after July 26, 1992, and governments with 15 or more employees after July 26, 1994. If a government is not covered by Title I of the Act, Section 504 of the Rehabilitation Act of 1973 applies. All governments receiving federal financial assistance will continue to be covered by Section 504. The Division will continue to monitor for only Section 504 compliance until otherwise required by HUD.

19. **Language Access Plan (LAP).** Recipients of Federal financial assistance have an obligation to reduce language barriers that can preclude meaningful access by Limited English Proficient (LEP) persons to important government programs, services, and activities. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and its implementing regulations require that Recipients take responsible steps to ensure meaningful access by LEP persons. Compliance with the plan must be documented, including the information made public and the means used to make it public.

20. **Procurement Standards.** Where applicable, Recipient shall follow the procurement standards established in the "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments" (24 C.F.R., Part 85) and HUD implementing regulations contained in 24 C.F.R. § 570.489(g), which

explicitly prohibit cost plus a percentage of cost and percentage of construction cost methods of contracting. In addition, all purchase orders and contracts shall include any clauses required by Federal Statutes, executive orders, and implementing regulations including Section 3 clause, per 24 C.F.R. 570.489 (g) and 24 C.F.R. 135.38.

21. **Relocation Anti-Displacement and Relocation Assistance Plan.** A recipient must have a plan to minimize residential displacement and to provide relocation assistance to displaced residents in a timely manner. Compliance with the plan must be documented, including the information made public and the means used to make it public.

22. **Labor Standards.** Recipient shall follow all applicable laws, rules and regulations concerning the payment of wages, contract work hours, safety, health standards, and equal opportunity for CDBG-I programs, including but not limited to the rules set forth in 24 C.F.R. § 570.603 and the following (as may be applicable to CDBG-I projects):

a. Davis-Bacon Act (40 U.S.C.A. 276a). Among other provisions, this act requires that prevailing local wage levels be paid to laborers and mechanics employed on certain construction work assisted with CDBG funds.

b. Contract Work Hours and Safety Standards Act (40 U.S.C.A. 327 through 333). Under this act, among other provisions, laborers and mechanics employed by contractors and subcontractors on construction work assisted with CDBG funds must receive overtime compensation at a rate not less than one and one-half the basic rate of pay for all hours worked in excess of forty hours in any workweek. Violators shall be liable for the unpaid wages and in addition for liquidated damages computed in respect to each laborer or mechanic employed in violation of the act.

c. Fair Labor Standards Act (29 U.S.C. 201 et seq.), requiring among other things that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week.

d. Federal anti-kickback laws (18 U.S.C. 874 and 40 U.S.C. 276), which, among other things, outlaws and prescribes criminal penalties for "kickbacks" of wages in federally financed or assisted construction activities. Weekly statements of compliance and weekly payrolls must be provided by all contractors and subcontractors. In addition, a Semiannual Labor report must be submitted on March 30th, and September 29th while the grant is open.

23. **Architectural Barriers.** Per 24 C.F.R. §§ 570.487 and 570.614 and other applicable law, all applicable buildings or facilities designed, constructed or altered with CDBG Grant funds shall be made accessible and useable to the physically handicapped as may be required by applicable laws, rules, regulations or requirements. Additionally, Recipient must comply with the following (as may be applicable to CDBG projects):

a. Architectural Barriers Act of 1968 (P.L. 90-480). This act requires Recipient to ensure that certain buildings constructed or altered with CDBG funds are readily accessible to the physically handicapped.

b. Minimum Guidelines and Requirements for Accessible Design 36 C.F.R. Part 1190.

c. Americans with Disabilities Act ["ADA"] and the ADA Accessibility Guidelines for Buildings and Facilities or the Uniform Federal Accessibility Standards.

d. North Carolina Building Code, Volume I, Chapter II-X. These provisions describe minimum standards Recipient must meet in constructing or altering building and facilities, to make them accessible to and useable by the physically handicapped.

24. **Excessive Force Provision.** Recipient must submit to DENR an adopted "Excessive Force Provision". Per Section 519 of Public Law 101-144, (1990 HUD Appropriations Act), the recipient of CDBG funds acknowledges its responsibility to enforce the policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any and all individuals engaged in non-violent civil rights demonstrations, and will enforce a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within the local government.

25. **Environmental Review.** Recipients of CDBG funds are required to comply with the requirements of the National Environmental Policy Act of 1969 (NEPA) found at 24 CFR Part 58 and complete an Environmental Review Record (ERR).

26. **Floodplain.** Recipients must provide the Division with a certification signed by the CEO stating that the project area is not in a floodplain along with a floodplain map of the project area; or with a certification stating the process that will be followed, if the project occurs in the following floodplain zones:

If the project occurs in a Coastal High Hazard Area (V Zone) or a floodway, federal assistance may not be used at this location if the project is a critical action pursuant to 24 CFR 55.1(c) and 55 Subpart B except as provided therein. For projects allowed under 24 CFR 55.1(c) and 55 Subpart B, the eight-step process shall be followed pursuant to 24 CFR 55.20.

If the project occurs in a 100-year floodplain (A Zone), the 8-Step Process is required as provided for in 40 CFR 55.20 or as reduced to the **5-Step Process** pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).

If the project occurs in a 500-year floodplain (B Zone or shaded X Zone), the 8-Step Process is required for critical actions as provided for in 40 CFR 55.20 or as reduced to the **5-Step Process** pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).

27. **Complaints and Grievance procedures for Compliance Plans.** Recipients must address complaints to the North Carolina Department of Commerce and DENR, only, if the Compliance Plan covers multiple grants awarded by both departments. Recipients must address complaints to DENR, only, if the Compliance Plans cover a grant or multiple grants awarded by DENR.

28. Deobligations of Unused Funds. When project costs are less than the grant award amount, excess award funds shall be deobligated back to DENR. Administration funds shall be deobligated in proportion to the amount of program funds being deobligated to DENR.

IN WITNESS WHEREOF, the Grant Recipient and the Fund have executed this Grant Contract in two originals as of the Effective Date. One original shall be retained by each Party. If there is any controversy among the documents, the document on file in the Fund's office shall control.

GRANT-RECIPIENT:

By: James D. O'Grady
Name: JAMES D. O'GRADY
Title: MAYOR
Date: 6/11/15

[SEAL]

ATTEST:

By: Esther J. McCrackin
Name: ESTHER J. MCCRACKIN
Title: CITY CLERK

APPROVED AS TO FORM:

[Signature] 6/11/15
Town/City/County Attorney

Department of Environment and Natural Resources:

By: _____
Name: Tom Reeder
Title: Assistant Secretary of the Environment
Date: _____

EXHIBIT A

Project No. 14-I-2658

Project Description: The City of Henderson is located in Vance County. The proposed sewer system improvements project has two purposes, one to eliminate an aged sewer pump station and the other to provide sewer service to an unserved area which has a great need for such service. The Chicken Farm pump station serves homes on the eastern side of Henderson between downtown and US 1. This pump station has had repeated failures and issues over the years resulting in sanitary sewer backups and overflows. The project will install 3,800 linear feet of 12-inch gravity sewer to a downstream existing sewer outfall and eliminate the Chicken Farm pump station. One area unserved by the Henderson sewer system is along Birch and Bobbitt Street east of the railroad tracks and northeast of downtown. The proposed project will install approximately 2,300 linear feet of 8-inch gravity sewer for the unserved area, and will make improvements to the Harris Street pump station (including an emergency generator). The number of new connections served will be 29 and the low-to-moderate income percentage of the project area is 74.62 percent.

Changes to this project description must be requested in writing, and formalized in an amendment to this grant agreement, prior to any action taken by the grantee.

Conditions: The following schedule must be followed, or funds will be forfeited. Times indicated for each activity are considered to be maximum times allowable.

<u>Milestone</u>	<u>Date</u>
Attendance at EA/PER Workshop	February 5, 2015
Contract with DWI Executed	June 15, 2015
Engineering Report Submitted	October 15, 2015
Environmental Document Submitted	March 15, 2016
Request for Release of Funds Approved	March 30, 2016
Engineering Report Approved	March 15, 2017
Bid and Design Package Submitted	September 18, 2016
Bid and Design Package Approved	January 17, 2017
Advertise Project, Receive Bids, Submit Bid Information	March 15, 2017
Execute Construction Contract(s)	April 17, 2017
<u>Compliance Plans</u>	
Adopted Equal Opportunity and Procurement Plan	November 13, 2015
Adopted Section 3 Plan (Local Economic Benefit for Low and Very Low-Income Persons)	November 13, 2015
Adopted Language Access Plan	November 13, 2015
Section 504 Self-Evaluation and Adopted Grievance Procedure.	November 13, 2015
Adopted Residential Anti-Displacement and Relocation Assistance Plan	November 13, 2015

Adopted Citizen Participation plan	November 13, 2015
Excessive Force Provision	November 13, 2015
Adopted Fair Housing Plan	November 13, 2015
Analysis of Impediments to Fair Housing Choice (Requires that grantees with populations with at least a population of 10,000 persons conduct an AI every 5 years)	November 13, 2015
Floodplain Certification	November 13, 2015

Funding Approval Conditions. For reference, grant administration activities include activities required for the **preparation of the environmental document**, as well as the **engineering report**.

1. **Completion of the Environmental Review Process.** No funds may be obligated or expended in any project activity except for the grant administration activities in the above mentioned project until the recipient has complied with the Environmental Review procedures for the CDBG-Infrastructure program.
2. **Grant administration contracts/inter-local agreements.** No funds may be obligated or expended in any project activity except the grant administration activities until the recipient has submitted either a copy of the contract/inter-local agreement awarded for the administration of this grant or a statement signed by the chief elected official stating that the contract will be administered internally.
3. **Performance based grant agreement condition.** No funds may be obligated or expended in any project activity except for the grant administration activities until the recipient has returned the executed performance based grant agreement to the CDBG-Infrastructure program in DENR.
4. **Mandatory Connection Policy and Income Verification.** As a condition of funding, please submit to the CDBG-Infrastructure office an approved "Mandatory Connection Policy and Income Verification". House connections are considered a direct benefit. Therefore, documentation must be submitted to support the survey data showing that a particular house has low-to-moderate income people living in it. Mandatory sewer connection ordinances may not always require immediate connection to a new service line, based upon the condition of the existing septic system or well.

Schedule: [from Notice of Intent to Fund]

1. **Construction Contract Date:** April 17, 2017 (roughly one year after the Contract Award Date). Enter into a construction contract by this date for the work identified as construction in Exhibit A. Failure to enter into a construction contract by this date will result in withdrawal of the Grant, unless the DENR has found the Grant Recipient had good cause for such failure and the Board of Trustees has set a date by which the Grant Recipient must take action.
2. **Contract Expiration Date:** June 19, 2018. Complete the Project Scope of Work and submit the Grant Contract Final Report (items in Exhibit F, item 2 and as otherwise specified in Exhibit A) by this date. The DENR will not reimburse the Grant Recipient for Project costs incurred after this date.
3. **Final Reimbursement Date: Expiration Date + 2 weeks.** The Fund must receive the Final Request for Payment for the Project by this date. The Fund will not accept or process for payment any request for payment received after this date. The Fund will not reimburse the Grant Recipient for costs incurred after the Contract Expiration Date.

EXHIBIT B

CDBG-I Project No. 14-I-2658

PROJECT BUDGET, DISTRIBUTION OF FUNDS, AND REFUNDS

1. Project Budget

a. To obtain payment, the Grant Recipient must submit itemized documentation substantiating direct costs incurred in the implementing the project.

b. Matching funds are contributed by:

Funder	Type of funding & Status of Funding	Matching Funds	Percent
CDBG-I	Grant	\$1,532,400	100%
Local – specify	Bonds, reserves, in-kind etc.	\$0	0%
Other public funding source(s) – specify	SRF loan, state grants, Golden Leaf, ARC, etc.	\$0	0%
Total		\$1,532,400	100%

2. Disbursement of Grant Funds.

a. No funds may be obligated or expended in any project activity except for the administration activity in the project until the recipient has complied with the Environmental Review Procedures for the CDBG Program and the CDBG environmental regulations contained in 24 CFR Part 58.

b. No funds may be obligated or expended in any project activity except the administration activity until the recipient has submitted either a copy of the contract awarded for administration of this grant or a statement signed by the authorized representative stating that the contract will be administered internally.

c. Requests for Payment. Disbursement of Grant funds for the Project shall be made by no less than monthly reimbursement of Grant Recipient's expenditures on the Project as set forth in Exhibits A and B. To obtain reimbursement, the Grant Recipient shall submit to the DENR's Contract Administrator the following documentation:

(i) A completed and signed Payment Request form, as provided by the DENR and as shown in Exhibit E, accompanied by appropriate itemized documentation supporting all expenses claimed and that clearly identifies each expenditure for which reimbursement is claimed. The supporting documentation must be organized in a manner that clearly relates the expenses shown in the supporting documentation to the line items shown on Exhibit E.

(ii) Any application for reimbursement that does not clearly identify each expenditure and relate each expenditure to the line items shown on Exhibit E will not be processed, and will be returned to the Grant Recipient for correction and re-submittal. **Grant Recipient shall identify any sales tax for which reimbursement has been or will be obtained from the State Department of Revenue, and such monies shall not be reimbursed.**

a. Certification by Engineer. At the option of the DENR, reimbursements may be made only on the certificate and seal of an appropriately qualified registered Professional Engineer, that the improvements for which the reimbursement is requested have been completed in accordance with approved plans and specifications, to which certificate shall be attached an estimate by the construction contractor setting forth items to be paid out of the proceeds of each such reimbursement. The DENR, at its option, may further require a certificate from such appropriately qualified registered Professional Engineer that the portion of the Project completed as of the date of the request for reimbursement has been completed according to schedule and otherwise as approved by the DENR and according to applicable engineering standards and requirements. However, the DENR may, at its discretion, make reimbursements without requiring such certificates or construction contractor's estimate, in which event the Grant Recipient shall furnish the DENR a list of and the amounts of items to be paid out of the reimbursement, or such other evidence as the DENR may require.

b. Reimbursement Based on Progress. The Grant Recipient agrees to proceed with diligence to accomplish the Project according to the schedule set out in Exhibit A and shall show appropriate progress prior to each reimbursement. Reimbursement may be withheld or delayed if Grant Recipient fails to make progress on the Project satisfactory to the DENR. Amounts withheld shall be reimbursed with subsequent reimbursements in the event that Grant Recipient is able to demonstrate an ability to resume satisfactory progress toward completion of the Project.

c. Proof of Payment. The Grant Recipient agrees to pay, as the work progresses, all bills for labor and materials going into the accomplishment of the Project, and agrees to submit to the DENR all such receipts, affidavits, canceled checks, or other evidences of payment as may be requested from time to time and, when and if requested by the DENR, furnish adequate proof of payment of all indebtedness incurred in the development of the Project.

d. Alternate Disbursement of Grant Funds. DENR may, upon request by the Grant Recipient, disburse grant funds prior to actual project payments by the Grant Recipient if costs are documented by unpaid third-party invoices. In order for DENR to disburse grant funds to the Grant Recipient based upon unpaid third-party invoices, the Grant Recipient shall indicate its review and approval of the unpaid third-party invoice in writing, and certify to the DENR that the unpaid third-party invoice will be paid within three (3) working days of receipt of the disbursed grant funds. The Grant Recipient will confirm to DENR that the required payment has been made within three banking days of receipt of funds.

- e. Payment of Construction Contingency Funds. Construction contingency funds will not be disbursed until the Grant Recipient has demonstrated that it has expended at least 90% of all other matching funds including matching grant and/or loan funds.
- f. DENR Retaining Portion of Funds Until Project Completion. The DENR will withhold payment from the Grant Recipient in the amount of 5% of the Grant until the Grant Recipient has satisfactorily submitted its Final Report.
- g. No Excess Costs. The DENR agrees to pay or reimburse the Grant Recipient only for costs actually incurred by the Grant Recipient that do not exceed the funds budgeted for the Project shown on Exhibit B.
- h. Costs of Project Administration. The DENR agrees to reimburse the Grant Recipient for administrative costs consisting only of costs of labor for administrative work conducted exclusively on this Project. The Grant Recipient's requests for such reimbursement shall be made under the Project Administration line item of Exhibit B and shall conform with the following:
 - (i) Costs allowable under the Project Administration line item shall be only costs of labor needed to comply with the general conditions of the Grant Contract (e.g., progress reports, the environmental review, the engineering report, compliance activities, payment requests, preparing the project final report, revisions to the Grant Contract). Allowable Project Administration labor costs may include any of the following: (a) pay to the Grant Recipient's payroll employees, plus the Grant Recipient's cost of paying benefits on such pay (usually employees' pay times an audited or auditable benefits multiplier); (b) pay to contract employees of the Grant Recipient (e.g., temporary office support), payable at the Grant Recipient's actual cost, without application of a benefits multiplier; and/or (c) cost of professional services labor contracted by the Grant Recipient (e.g., engineering firm or consultant), payable at the Grant Recipient's actual cost for that labor.
 - (ii) Costs of any other work described in the Project Scope of Work in Exhibit A are not allowable under the Project Administration line item.
 - (iii) No more than 60% of the Project Administration line item shall be reimbursed prior to the start of construction. Five percent of the Project Administration line item shall be withheld until construction is complete and all reports are submitted to DENR.
- i. Period for Incurring Reimbursable Expenditures. The DENR will reimburse the Grant Recipient only for allowable Project expenditures that are incurred by the Grant Recipient or the Grant Recipient's consultants, contractors, or vendors during the period between the Award Date and the Expiration Date of the Grant Contract. The DENR will not reimburse the Grant Recipient for Project expenditures that are not incurred during this period.

3. **Refunds, Reversion of Unexpended Funds, and Reduction of the Grant based on Construction Cost less than Budgeted Construction Cost.**

- a. Refunds. The Grant Recipient shall repay to the DENR any compensation it has received that exceeds the payment to which it is entitled herein, including any interest

earned on funds reimbursed pursuant to the Grant Contract. The Grant Recipient shall repay to the DENR administration funds in proportion to the program funds being repaid.

b. Reversion of Unexpended Funds. Any unexpended Grant monies shall revert to the CDBG-I upon termination of the Grant Contract. The Grant Recipient shall repay to the DENR administration funds in proportion to the program funds being repaid.

c. Reduction of the Grant based on construction cost less than budgeted construction cost. The DENR may reduce the Grant amount if the Grant Recipient expects actual construction costs to be less than budgeted construction costs, as follows:

- (i) The Grant Recipient shall provide to the DENR a construction contract pricing document(s), consisting minimally of a statement of the scope of the construction work included in the pricing, a schedule of construction payment items, agreed-upon constructor or vendor pricing for each item, and a total anticipated construction cost based on the pricing.
- (ii) The Grant Recipient shall deliver the construction contract pricing document to the DENR's Contract Administrator within 30 days of executing a construction contract for the Project.
- (iii) The DENR may, at its discretion after comparing the total anticipated construction cost with the Grant Contract project budget, choose to reduce the Grant. If the DENR chooses to reduce the Grant, the DENR's Contract Administrator will prepare an amendment to the Grant Contract for this purpose, and the DENR will approve requests for reimbursement of the Grant Recipient's construction costs only after the amendment has been signed by both the Grant Recipient and the DENR. Grant administration funds shall be reduced in proportion to the project funds being reduced.

d. Reimbursement to DENR for Improper Expenditures. The Grant Recipient will reimburse DENR for any amount of Grant assistance improperly expended, either deliberately or non-deliberately, by any person or entity. Additionally, a contract for administrative services should include a clause holding the administrator organization responsible for reimbursement to the Recipient for any improperly expended grant funds that had to be returned to DENR.

EXHIBIT B
PROJECT BUDGET
(see next page)

5/6/15

PROJECT BUDGET						
A. CDBG: Grant Amount Approved: Henderson						1,532,400.00
Use of Funds	Total Cost	A. CDBG	B. Appalachian Regional Commission	C. Other Federal Funds	D. State/Local Funds	E. Private Funds
F. Other:						
C. Public Facilities and Improvements						
(9) Street Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(10) Flood and Drainage Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(11) Pedestrian Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(12) Other Public Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(13) Public Sewer Improvements	\$ 1,369,900.00	\$ 1,369,900.00	\$ -	\$ -	\$ -	\$ -
(14) Public Water Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(15) Housing Rehab - water connections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) Housing Rehab - sewer connections	\$ 72,500.00	\$ 72,500.00	\$ -	\$ -	\$ -	\$ -
Planning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration (10%)	\$ 90,000.00	\$ 90,000.00	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,532,400.00	\$ 1,532,400.00				

EXHIBIT C

REPORTING, RECORD KEEPING, AND AUDIT REQUIREMENTS

1. Project Progress Reports. Grant Recipient shall submit a written detailed narrative progress report describing the work accomplished on the Project and progress toward meeting the Project objectives to the CDBG-I's Contract Administrator, quarterly beginning with the next quarter after the Effective Date in the format set forth on Exhibit D. Quarters shall be defined as January-March, April-June, July-September, and October-December. **Reports shall be received by the DENR's Contract Administrator within 45 days after the end of the quarter.**

2. Grant Contract Final Report. Grant Recipient shall submit to the CDBG-I's Contract Administrator a grant contract final report in accordance with the schedule shown on Exhibit A. **If the final report is not acceptable to DENR, it shall be returned to the Grant Recipient for correction. Final payment will not be made until the final report is acceptable to DENR.** The grant contract final report shall parallel the scope and conditions of the Grant Contract as defined in Exhibit A. The required format for this report is set forth on Exhibit D, and the report shall include:
 - a. A narrative statement evaluating and summarizing the completed Project including a concise statement of the Scope of Work in Exhibit A, a detailed description of the objectives the Grant Recipient hoped to accomplish with the Project, and comparison of the objectives with accomplishments.
 - b. A summary of changes made to the Project Scope of Work (Exhibit A) and Project Budget (Exhibit B) and reasons for the changes.
 - c. Any other documents, reports or other evidence, including photographs necessary to verify that the Project has been concluded in compliance with this Grant Contract.
 - d. Copy of Engineer's Certification of Completion.

3. Recordkeeping Requirements. Grant Recipient will maintain any and all records and comply with all responsibilities as required under CDBG recordkeeping (for example, 24 C.F.R. 570.490 ("Recordkeeping Requirements"), 24 C.F.R. § 570.506 ("Records to be maintained") and 24 C.F.R. § 85.42 ("Retention and Access Requirements for Records") as may be modified by HUD as well as records to document compliance with CDBG requirements. Recipient agrees to comply with any additional record-keeping requirements now or hereinafter set forth by DENR, HUD or any other federal or state entity.

4. Project Audits. Grant Recipient agrees that the Fund and the State have the right to audit the books and records of the Grant Recipient pertaining to this Grant Contract both during performance and for five (5) years after the completion or termination of this Grant Contract or until all audit exceptions, if any, have been resolved, whichever is longer. The Grant Recipient shall retain complete accounting records, including original invoices, payrolls, contracts, or other documents clearly showing the nature of all costs incurred under this Grant Contract, for that same period of time. The Grant Recipient agrees to make available at all reasonable times to the Fund all bid documents, and accurate books and records of all expenditures for costs applicable to this Grant Contract which will facilitate the audit of the Grant Recipient's records.

Grant recipients expending at least \$750,000 in one fiscal year are required to have an audit conducted in accordance with OMB Circular A-133, except when Recipient elects to have a program-specific audit conducted.

5. Access to Records. The Grant Recipient shall provide any duly authorized representative of DENR, the State of North Carolina, the federal Department of Housing and Urban Development (HUD), and the Comptroller General, the Inspector General and other authorized parties at all reasonable times access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the grant for a period of five years following the completion of all closeout procedures. All original files shall be maintained at the Local Government offices for access purposes.

6. Release of Personal Financial and Identifying Information. To ensure and document compliance with CDBG income requirements as well as other matters, Grant Recipient shall obtain and retain personal, income-related, financial, tax and/or related information from companies, individuals and families that are benefitting from Grant or Program funds. Additionally, Grant Recipient is obligated to provide access to any and all information relating to the Program to DENR, HUD or other appropriate federal or state monitoring entity, upon DENR's request. This obligation includes, but is not limited to, the personal, financial and identifying information of individuals assisted by the Program. As such, Grant Recipient shall obtain any releases or waivers from all individuals or entities necessary to ensure that this information can be properly and legally provided to appropriate federal and state entities, including DENR and HUD, without issue or objection by the individual or entity.

EXHIBIT D

DENR FORM FOR QUARTERLY PROGRESS REPORT
(see next page)

Electronic version of the Quarterly Progress Report is found at
<http://portal.ncdenr.org/web/wi/cdbg>.

CDBG-I QUARTERLY PROGRESS REPORT (Activities and Benefits)

Grant No: _____ Grant No: _____ Amount Awarded: _____
 Period Covered (Month/Year): _____ Date Prepared: _____
 Calendar Quarter: _____

A. Activity	LF - #Properties Connected, Treatment Plan Rehab Proposed (Describe)	LF or # Completed This Quarter (Describe)	LF or # Completed To Date (Describe)
TOTAL			

Note: Please report benefit for the project, if any. Otherwise explain the reason of no benefit during project.

B. Activity	# Persons Proposed	# Households Proposed	# Persons AMI	# Households AMI	# Persons MI	# Households MI	# Households LI	# Persons VLI	# Households VLI	Race
TOTAL										

CDBG-I QUARTERLY PROGRESS REPORT (Grant Finances)

Grantee: _____ Grant No: _____ Amount Awarded: _____
 Period Covered (Month/Year): _____ Calendar Quarter: _____ Date Prepared: _____

C. Activity	Activity Code	CDBG Budget	Expended This Quarter	Expended To Date	Amt. Req. This Quarter	Amt. Req. To Date	Local Funds Obligated	Local Funds Expended To Date
TOTAL		\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

D. Activity - Administration (Please provide a brief description of budget expended in activities within administration)	Activity Code	CDBG Budget	Expended This Quarter	Expended To Date	Amt. Req. This Quarter	Amt. Req. To Date	Local Funds Obligated	Local Funds Expended To Date
TOTAL		\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Notes: _____

Authorized Representative: _____
 Title: _____

Instructions	
Table A.	
Activity: Choose from the dropdown menu the activity to be covered for the report	
LF, #Properties Connected, Treatment Plan Rehab Proposed (Describe): Describe with details the activities that have taken place during the quarter	
LF or # Completed This Quarter (Describe): Provide (numbers) details of activities completed for the quarter	
LF or # Completed To Date (Describe): Provide (numbers) details of activities completed from day one of grant awarded until the last day of this quarter	

Table B.	
Activity: Choose from the dropdown menu the activity to be covered for the report	
# Persons Proposed: Proposed number of persons benefiting from this project	
# Households Proposed: Proposed number of households benefiting from this project	
# Persons AMI: Number of persons Above Moderate Income	
# Households AMI: Number of households Above Moderate Income	
# Persons MI: Number of persons Moderate Income	
# Households MI: Number of households Moderate Income	
# Persons LI: Number of persons Low Income	
# Households LI: Number of households Low Income	
# Persons VLI: Number of persons Very Low Income	
# Households VLI: Number of households Very Low Income	
Race: numbers are reported, as applicable, for each activity as they are reported in the Annual Performance Report (APR) and the Closeout Accomplishments	
W: White	MR: Other Multi-Racial
NH: Native Hawaii/Other Pacific Islander	AW: Asian & White
AS: Asian	H: Hispanic
AN: American Indian/Alaskan Native & Black/African	BW: Black/African American & White
HB: Hispanic & Black	HW: Hispanic & White
HO: Hispanic & Other Race	AI: American Indian/Alaskan Native
AA: Black/African American	

Table C.	
Activity: Choose from the dropdown menu the activity to be covered for the report	
Activity Code: Choose from the dropdown menu the activity code to be covered for the report	
CDBG Budget: Total dollar amount awarded	
Expended This Quarter: Dollar amount expended for the quarter	
Expended To Date: Dollar amount expended from day one of grant awarded until last day of this quarter	
Amt. Req. This Quarter: Dollar amount requested for this quarter	
Amt. Req. To Date: Dollar amount requested from day one of grant awarded until last day of this quarter	
Local Funds Obligated: Total dollar amount of local funds obligated for this project	
Local Funds Expended To Date: Dollar amount of local funds expended from day one of grant awarded until last day of this quarter	

Table D	
Activity: Administration (Please provide a brief description of budget expended in activities within the administration line)	
Activity Code: Choose from the dropdown menu the activity code to be covered for the report	
CDBG Budget: Total dollar amount awarded	
Expended This Quarter: Dollar amount expended for the quarter	
Expended To Date: Dollar amount expended from day one of grant awarded until last day of this quarter	
Amt. Req. This Quarter: Dollar amount requested for this quarter	
Amt. Req. To Date: Dollar amount requested from day one of grant awarded until last day of this quarter	
Local Funds Obligated: Total dollar amount of local funds obligated for this project	
Local Funds Expended To Date: Dollar amount of local funds expended from day one of grant awarded until last day of this quarter	

EXHIBIT E

DENR REQUEST FOR REIMBURSEMENT FORM
(see next page)

Electronic version of the Reimbursement Request Form is found at
<http://portal.ncdenr.org/wcb/wi/cdbg>.

REIMBURSEMENT REQUEST FORM

Division of Water Infrastructure Project No. _____
 Period Covered by this Report - From _____ To _____

Recipient Organization

Name: _____ Payment No. _____
 Address: _____ Page No. _____ of _____
 City, State & Zip: _____

Please Label Each Column *Example Column Labels*
Use separate column for each contract.
Use additional sheets if needed.
Use a "Misc." column if needed.

	Contract admin	Engineer	Contract #1	Contract #2
ADMINISTRATION				
General admin				
Environmental Review				
Engineering Report				
SERVICE DELIVERY				
Planning and design				
Construction Admin				
Construction inspection				
CONSTRUCTION				
Construction				
Equipment				
Miscellaneous				
Deductions (income)				
TOTAL CUMULATIVE TO DATE				
Previous received				
Amount requested				
Percent complete				

The funds requested above have already been paid to the respective vendors, consultants & contractors by the award recipient.

OR
 The funds requested above have not been paid to the respective vendors, consultants & contractors. Funds received from the State will be disbursed to these entities within three (3) banking days.

 Recipient Signature of Authorized Representative Date

 Type or Print Name and Title

EXHIBIT F

DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have as their meanings in this Grant Contract the definitions set forth below.

- (1) "Agency" (as used in the context of the definitions below) shall mean and include every public office, public officer, or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political sub-agency of government.
- (2) "Audit" means an examination of records or financial accounts to verify their accuracy.
- (3) "Construction contract" means a legally binding agreement between the Grant Recipient and another party for implementing construction work described in the project scope of work given in Exhibit A.
- (4) "Enter into a construction contract" means signature of a construction contract by both the Grant Recipient and another party for the construction work described in the project scope of work given in Exhibit A.
- (5) "Fund" means the Community Development Block Grant- Infrastructure fund.
- (6) "Grant" means state funds disbursed by the Department of Environment and Natural Resources through the Department of Commerce and the federal Department of Housing and Urban Development to a Grant Recipient to conduct activities described in this Grant Contract.
- (7) "Grant Contract" means a legal instrument that is used to reflect a relationship between the grantor and Grant Recipient and is used interchangeably herein with the term "Contract".
- (8) "Grant Recipient" shall mean one of the entities identified as a party to this Contract.
- (9) "Grantor" as used in this Grant Contract, means the Fund in its capacity as provider of grant funds for the Grant Recipient's use in conducting the project.

EXHIBIT G

GENERAL TERMS AND CONDITIONS

A. Affirmative Covenants

1. **Compliance with Laws.** Grant Recipient agrees to perform and maintain the Project in compliance with all federal, state and local laws and regulations, including, without limitation, environmental, zoning and other land use laws and regulations. The Grant Recipient agrees to take reasonable steps to advise Project participants that they shall comply in the same manner.
2. **Insurance.** The Grant Recipient agrees to keep structures or improvements of any sort constituting the Project fully insured at all times during construction and to keep fully insured all building materials at any time located on the Project. Grant Recipient will ensure that all contractors furnish adequate payment and performance bonds.
3. **No Liens.** The Grant Recipient shall take such action, including, without limitation, obtaining lien waivers, as shall be reasonably necessary to avoid liens against the Property in any way related to the Project.
4. **Retention, Operation, Maintenance and Use.**
 - (a) Grant Recipient agrees to complete the Project as approved by the DENR. The descriptions, purpose, schedules, scope of work and budgets set out in Exhibits A and B, and accompanying or related plans, specifications, estimates, procedures and maps submitted to the DENR by the Grant Recipient are the foundation of this Grant Contract.
 - (b) Property acquired, developed or improved with grant assistance from the Fund shall be retained and used for the purposes identified in Exhibit A and Grant Recipient hereby agrees to file or record such restrictions as may be required to assure such continued use and such restrictions shall be in form and substance satisfactory to the DENR.

B. Representations and Warranties

In order to induce the DENR to enter into this Grant Contract and to make the Grant as herein provided, the Grant Recipient after reasonable inquiry makes the following representations, warranties and covenants, which shall remain in effect after the execution and delivery of this Grant Contract and any other documents required hereunder, any inspection or examinations at any time made by or on behalf of the DENR, and the completion of the Project by the Grant Recipient:

1. **No Actions.** There are no actions, suits, or proceedings pending, or to the knowledge of the Grant Recipient, threatened, against or affecting the Grant Recipient before any court, arbitrator, or governmental or administrative body or agency which might affect the Grant Recipient's ability to observe and perform its obligations under this Grant Contract.
2. **Validity of Grant Documents.** Upon execution and delivery of items required hereunder, this Grant Contract and the other grant documents and items required hereunder will be valid and binding agreements, enforceable in accordance with the terms thereof.

3. False or Misleading Information. Recipient is advised that providing false, fictitious or misleading information with respect to CDBG funds may result in criminal, civil, or administrative prosecution under 18 U.S.C. § 1001, 18 U.S.C. § 1343, 31 U.S.C. § 3729, 31 U.S.C. § 3801, or another applicable statute. Recipient shall promptly refer to DENR and HUD's Office of the Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving CDBG funds.

C. Termination by Mutual Consent

The Parties may terminate this Contract by mutual written consent with 60 days prior written notice to the Contract Administrators, or as otherwise provided by law.

D. Termination for Cause; Events of Default

1. Events of Default. The happening of any of the following, after the expiration of any applicable cure period without the cure thereof, shall constitute an event of default ("Event(s) of Default") by the Grant Recipient of its obligations to the DENR, and shall entitle the DENR to exercise all rights and remedies under this Grant Contract and as otherwise available at law or equity:

(a) Property Unsuitable. A determination by the DENR, prior to the disbursement of the Grant funds that the Property is unsuitable for the purposes of the Grant Contract.

(b) Unsuitable Use. The Property is used in a manner materially inconsistent with the purposes of this Grant Contract or the Project.

(c) Default in Performance. The default by the Grant Recipient in the observance or performance of any of the terms, conditions or covenants of this Grant Contract; provided, however, that no such default shall occur until the Grant Recipient has been given written notice of the default and 30 days to cure have elapsed.

(d) Misrepresentation. If any representation or warranty made by the Grant Recipient in connection with the Grant or any information, certificate, statement or report heretofore or hereafter made shall be untrue or misleading in any material respect at the time made.

(e) Abandonment of the Project. If Grant Recipient abandons or otherwise ceases to continue to make reasonable progress towards completion of the Project.

E. Fund's Rights and Remedies

If an Event of Default shall occur, the DENR shall have the following rights and remedies, all of which are exercisable at the DENR's sole discretion, and are cumulative, concurrent and independent rights:

1. Project Termination. If an Event of Default occurs, the DENR may, at its discretion suspend and/or terminate all obligations of the DENR hereunder. If, in the judgment of the DENR, such failure was due to no fault of the Grant Recipient, amounts required to resolve at minimum costs any irrevocable obligations properly incurred by Grant Recipient shall, in the

discretion of the DENR, be eligible for assistance under this Grant Contract consistent with state and federal law.

2. Additional Remedies. If an Event of Default occurs, the DENR shall have the power and authority, consistent with its statutory authority: (a) to prevent any impairment of the Project by any acts which may be unlawful or in violation of this Grant Contract or any other item or document required hereunder; (b) to compel specific performance of any of Grant Recipient's obligations under this Grant Contract; (c) to obtain return of all Grant Funds, including equipment if applicable; and (d) to seek damages from any appropriate person or entity. The DENR shall be under no obligation to complete the Project.

3. Nonwaiver. No delay, forbearance, waiver, or omission of the DENR to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute acquiescence therein. Every right, power and remedy given to the DENR may be exercised from time to time and as often as may be deemed expedient by the DENR.

F. Miscellaneous

1. Modification. This Grant Contract may be rescinded, modified or amended only by written agreement executed by all parties hereto.

2. Benefit. This Grant Contract is made and entered into for the sole protection and benefit of the DENR, the State and the Grant Recipient, and their respective successors and assigns, subject always to the provisions of paragraph F.8 of this Exhibit H. Except for the State, there shall be no third party beneficiaries to this Grant Contract.

3. Further Assurance. In connection with and after the disbursement of Grant funds under this Grant Contract, upon the reasonable request of the DENR, the Grant Recipient shall execute, acknowledge and deliver or cause to be delivered all such further documents and assurances, and comply with any other requests as may be reasonably required by the DENR or otherwise appropriate to carry out and effectuate the Grant as contemplated by this Grant Contract.

4. Compliance by Others. The Grant Recipient shall be responsible for compliance with the terms of this Grant Contract, and shall require the same compliance of its sub-grant recipients, including but not limited to, a political subdivision, public agency, or qualified non-profit organization to which funds or obligations are transferred, delegated or assigned pursuant to this Grant Contract. Delegation by the Grant Recipient to a sub-grant recipient of any duty or obligation hereunder does not relieve the Grant Recipient of any duty or obligation created hereunder. Failure by such sub-grant recipient to comply with the terms of this Grant Contract shall be deemed failure by the Grant Recipient to comply with the terms of this Grant Contract. Any such delegation of duties or obligations shall be in writing, signed by the Grant Recipient and sub-grant recipient, and shall contain an affirmative covenant by the sub-grant recipient that it shall abide by the rules set forth in Title 09, Subchapter 03M of the North Carolina Administrative Code.

5. Independent Status of the Parties. The Parties are independent entities and neither this Grant Contract nor any provision of it or any of the Grant Documents shall be deemed to create a

partnership or joint venture between the Parties. Further, neither the Grant Contract nor any of the Grant Documents shall in any way be interpreted or construed as making the Grant Recipient, its agents or employees, agents or representatives of the DENR. The Grant Recipient is and shall be an independent contractor in the performance of this Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. In no event shall the DENR be liable for debts or claims accruing or arising against the Grant Recipient. The Grant Recipient represents that it has, or shall secure at its own expense, all personnel required in the performance of this Contract. Such employees shall not be employees of, nor have any individual contractual relationship with, the DENR.

6. Indemnity. The Grant Recipient agrees, to the fullest extent permitted by law, to release, defend, protect, indemnify and hold harmless the State, the DENR, its employees and agents against claims, losses, liabilities, damages, and costs, including reasonable attorney fees, which result from or arise out of: (a) damages or injuries to persons or property caused by the negligent acts or omissions of Grant Recipient, its employees, or agents in use or management of the Project or Property; (b) use or presence of any hazardous substance, waste or other regulated material in, under or on the Property; and (c) for any claims, whether brought in contract, tort, or otherwise, arising out of this Grant Contract. The obligations under this paragraph are independent of all other rights or obligations set forth herein. This indemnity shall survive the disbursement of the Grant funds, as well as any termination of this Grant Contract.

7. Binding Effect, Contract Assignable. The terms hereof shall be binding upon and inure to the benefit of the successors, assigns, and personal representatives of the parties hereto; provided, however, that the Grant Recipient may not assign this Grant Contract or any of its rights, interests, duties or obligations hereunder or any Grant proceeds or other moneys to be advanced hereunder in whole or in part without the prior written consent of the Fund, which may be withheld for any reason and that any such assignment (whether voluntary or by operation of law) without said consent shall be void.

8. Savings Clause. Invalidation of any one or more of the provisions of this Grant Contract, or portion thereof, shall in no way affect any of the other provisions hereof and portions thereof which shall remain in full force and effect.

9. Additional Remedies. Except as otherwise specifically set forth herein, the rights and remedies provided hereunder shall be in addition to, and not in lieu of, all other rights and remedies available in connection with this Grant Contract.

10. Survival. Where any representations, warranties, covenants, indemnities or other provisions contained in this Grant Contract by its context or otherwise, evidences the intent of the parties that such provisions should survive the termination of this Grant Contract or any Closing, the provisions shall survive any termination or Closing.

11. Incorporation of Exhibits. All exhibits attached to this Contract are fully incorporated as if set forth herein.

12. Entire Contract. This Grant Contract constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. All recitals, exhibits, schedules and other attachments hereto are incorporated herein by reference.

13. Headings. The headings of the various sections of this Grant Contract have been inserted for convenience only and shall not modify, define, limit or expand the express provisions of this Grant Contract.

14. Time of the Essence. Time is of the essence in the performance of this Grant Contract.

RESOLUTION 15-49

RESOLVING TO PROVIDE ADEQUATE FUNDING FOR CONTINUED OPERATION OF SAID IMPROVEMENTS AND AUTHORIZED SIGNATURES FOR DOCUMENTATION REQUIRED

WHEREAS, the City Council (Council) conducted its Annual Planning Retreat in 2015, and during the retreat identified eight Key Strategic Objectives (KSO) and Goals and twelve Core Values; *and*

WHEREAS, this Resolution addresses **KSO 5**: to Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems; *and*

WHEREAS, Title 1 of the Federal Housing and Community Development Act of 1974, as amended, has established the U.S. Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program, and has authorized the making of grants to aid eligible units of government in funding the cost of construction, replacement, or rehabilitation of water and wastewater infrastructure, and that the North Carolina Department of Environment & Natural Resources (NCDENR) Division of Water Infrastructure (DWI) was delegated the authority by the state legislature to administer the water and wastewater infrastructure portion of the state grant monies received from the U.S. HUD CDBG program by Session Law 2013-360, Section 15.15 (a) as amended by Section 5.3 of Session Law 2013-363; *and*

WHEREAS, the City of Henderson has need for and intends to rehabilitate a wastewater collection system comprised of approximately 6100 linear feet of 12” and 8” gravity sewer mains which will eliminate the need for the existing Newton Dairy Road Pump Station and will also be installed along Birch and Bobbitt Streets, which will serve approximately 29 homes in Northeast Henderson: *and*

WHEREAS, the City of Henderson intends to request state grant assistance for said project.

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

That the City of Henderson, 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.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That the Mayor, the Manager, the Assistant Manager and/or the Finance Director of the City of Henderson are the **Authorized Officials**, and successors so titled, are hereby

authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the construction of the project described above.

That the above stated **Authorized Official(s)** and successors so titled, are 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 and all other documents such as requisition for funds forms, etc.

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, State grants and loans pertaining thereto.

The foregoing Resolution 15-49, introduced by Council Member ** and seconded by Council Member ** on this the ____ day of _____2015, and having been submitted to a roll call vote, was *** by the following votes: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

*(Reference: Minute Book 44, p. **.)*

SIGNATORY FORM AND CERTIFICATION

1. Indicate name and address of the recipient.
2. One authorized signature shall be required on all Reimbursement Request for Funds forms. The Division of Water Infrastructure will check the signature on each requisition form to see that it does match the authorized signature on the Signatory Form and Certification. Only the signatures of persons shown on the Signatory Forms and Certification will be accepted.
3. To allow for flexibility in making requisition requests, it is recommended that four authorized signatures appear on the Signatory Form and Certification. Local governments may choose one of two options in completing the Certification. If the local government chooses to use the first option, the chief elected official or the chief finance officer must sign the form as the certifying official. In signing as the certifying official, the chief elected official or chief finance officer certifies that: 1) the signatures are authentic and 2) that the persons designated as signatories are authorized to sign requisitions for payment. If the chief elected official or the chief finance officer is the certifying official, that person may not also be an authorized signature. If the community wishes to have both the chief elected official and the chief finance officer sign requisitions for payment, the community should select the second option for certification. In this case, the governing board must pass a resolution authorizing sufficient persons to act as signatories. In addition, an individual who is not designated as a signatory must certify the authenticity of the authorized signatures. Anyone who knows all of the persons authorized to sign requisitions may sign as the certifying official. Another local government staff person or member of the governing body is recommended.
4. If the recipient wishes to change the persons authorized to sign the requisition for funds form a new Signatory Form and Certification must be submitted to the Division of Water Infrastructure.
5. No erasures or corrections may appear on the Signatory Form and Certification.
6. Copy of invoices as a supporting document must be submitted for all work done and purchases made to corroborate the amount requested.

SIGNATORY FORM AND CERTIFICATION

Grant No.

Recipient Name: City of Henderson
 Address: 134 Rose Avenue
P.O. Box 1434
Henderson, NC 27536

Signatures of individuals authorized to sign Requisition for Funds forms.

_____	<u>James D. O'Geary, Mayor</u>
(Signature)	(Typed Name) (Typed Title)
_____	<u>Edward A. Wyatt, Interim City Manager</u>
(Signature)	(Typed Name) (Typed Title)
_____	<u>Frank Frazier, Assistant City Manager</u>
(Signature)	(Typed Name) (Typed Title)
_____	<u>Katherine C. Brafford, Finance Director</u>
(Signature)	(Typed Name) (Typed Title)

CERTIFICATION

() I certify that the signatures above are of the individuals authorized to sign Requisition for Funds form for the above recipient.

Certifying Official: _____
 Title: _____

() The governing board has passed a resolution authorizing the persons above to sign Requisition for Funds form for the above recipient. A copy of the resolution is attached. I certify that the signatures above are those of the individuals authorized by resolution of the governing board of the recipient to sign Requisition for Funds forms.

Certifying Official: _____
 Title: _____

City Council Action Form

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



Council Meeting: 22 June, 15 Council Meeting

15 June 2015

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

FR: Ed Wyatt, Interim City Manager

RE: CAF: 15-76

Consideration of Approval of Resolution 15-45, Authorizing an Application to the Carolina Panthers Charities for a Challenger Flag Football League Grant in the Amount of \$5,000 to Establish and Implement a Challenger League

Ladies and Gentlemen:

Council Goals Addressed By This Item:

- **KSO 7: To Expand Leisure and Cultural Services, Programs and Facilities:** *To expand leisure and culture services, programs and facilities to meet the needs of a diverse community.*
- **KSO 8: Provide Financial Resourcing:** *To provide Sufficient Funds for Municipal Operations and Capital Outlay Necessary to Meet the Needs of Citizens, Customers and Mandates of Regulatory Authorities.*

Recommendation:

- Approval of Resolution 15-45, Authorizing an Application to the Carolina Panthers Charities for a Challenger Flag Football League Grant in the Amount of \$5,000 to Establish and Implement a Challenger League

Executive Summary:

The Carolina Panthers Charities (CPC) offers grants in the amount of \$2,000 to \$5,000 to 501(c)(3), governmental nonprofit agencies and/or nonprofit organizations to support the creation and development of flag football programs for children and young adults with disabilities.

The Henderson-Vance Recreation and Parks Department is asking for approval to apply for \$5,000.00 which will allow us the opportunity to properly purchase the startup equipment and supplies necessary for the program, as well as appropriately train and provide adequate staffing.

CAF 15-76: 22 June 2015 Council Meeting

Page 1 of 11

The Henderson-Vance Recreation and Parks Department has researched surrounding areas and their programs, and found a great response to providing a challenger flag football league and programs. The official deadline for this grant was June 5, 2015 but an extension was given by the Carolina Panther Charities (CPC) representative on June 2, 2015 to allow submission after the review and approval, if so given, by Council on 22 June 2015.

Due to Mr. Vann's past relationship with CPC, and after his discussion with the representative from that organization, they have tentatively awarded the \$5,000 to the City of Henderson upon Council's approval.

There is no grant match required by the City.

Attachments:

1. Resolution 15-45
2. COH Internal Process for Grant Application
3. Application from website

RESOLUTION 15-45

AUTHORIZING AN APPLICATION TO THE CAROLINA PANTHERS CHALLENGER FLAG FOOTBALL LEAGUE GRANT IN THE AMOUNT OF \$5,000 FOR ESTABLISHING AND IMPLEMENTING A CHALLENGER LEAGUE

WHEREAS, the Henderson City Council conducted its Annual Planning Retreat in January 2015, and during said Retreat identified eight Key Strategic Objectives (KSO) and Goals;
and

WHEREAS, this Resolution addresses two of the Key Strategic Objectives as follows: **KSO 7:** To Expand Leisure and Cultural Services, Programs, and Facilities; *and* **KSO 8:** Provide Financial Resourcing; *and*

WHEREAS, the Recreation Department Staff became aware of the grant funding available from 2015 Carolina Panthers Football Charities, Challenger Flag Football League Grant Program; *and*

WHEREAS, if awarded, the grant funds will be utilized to develop and implement a new athletic program for persons with disabilities; *and*

WHEREAS, the estimated cost for this program is approximately \$5,000 which will be used for equipment, uniforms, travel and meals.

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY authorize the Recreation and Parks Department to apply for the 2015 Carolina Panthers Challenger Flag Football League Grant, being more fully articulated in *Attachment A* to this Resolution.

The foregoing Resolution 15-45, 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 the *** day of ***** 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

*Reference: Minute Book 43, pp. ***

**2015 CAROLINA PANTHERS FOOTBALL CHARITIES
CHALLENGER FLAG FOOTBALL LEAGUE GRANT PROGRAM**

I. CONTACT INFORMATION:

Applicants Name: City of Henderson, Recreation and Parks

Primary Contact: Kendrick L. Vann, Director

Address: 134 Rose Avenue

City, State, Postal Code: Henderson, NC 27536 **Phone:** 252.431.6094

Email Address: Kvann@ci.henderson.nc.us

II. PROPOSAL SUMMARY & FUNDING REQUEST

The Henderson-Vance Recreation and Parks Department desires to develop a transitional but specialty flag football league that will allow participants the opportunity to gain skills necessary to successfully participate in non-specialty flag football programs. The Department would like to request \$5,000.00 which will allow us the opportunity to appropriately train and provide adequate staffing, along with purchasing the necessary startup equipment and supplies for such a program. The Department has researched surrounding areas and found the response to such a program that has challenger flag football leagues have been positively received.

III. PROPOSAL NARRATIVE

The mission of the Department is to provide safe facilities, and quality service programs that are affordable, open and friendly, that will enrich the overall quality of life for all local residents. This league will enhance the participant's awareness in code of conduct, safety, the basics, players/game schedules, timing/overtime, and scoring, running, receiving, passing, dead balls, rushing the quarterback, sportsmanship /roughing, penalties and attire. This program will also offer a Tier 1 county an opportunity to enhance services for persons with special needs as well as community involvement with this population.

Henderson-Vance Recreation and Parks Department will distribute marketing materials such as program guides, fliers and public service announcements that will express the purpose of the program. This league will practice at Aycock Recreation Center Complex which has an athletic field accessible and well-maintained year round for accessibility and active play, which will permit a person in a wheelchair to partake in this league. Our plans are to start with three (8 to 10 player) teams and rotate play in a round robin style tournament each week. Opening Ceremonies will be held one week prior to the beginning of practice which begins on Saturday, September 12, 2015. Each team will be allowed to practice once a week with for one hour and a half starting September 16, 2015 through November 11, 2015. Official games will be one hour games beginning at 10:00 a.m. and ending at 11:00 a.m. beginning on September 26, 2015 and ending on November 14, 2015. The Department will ensure that a departmental employee (First-Aid and CPR certified) will be present at all games and practices, and the local EMT services will receive a game and practice schedule.

IV. EVALUATION

The league supervisor will develop a survey of the wants and needs of the participants and their parents. At the Opening Ceremony, the department's assigned employee will complete a skill evaluation for each participant to ensure that each team is equally matched. Other than the traditional measurable outcomes such as 10 out of 14 games will be played and weekly practices will be scheduled. A program evaluation will be conducted at the end of the program.

The league will be successful if: 1) each team retains their athletes; 2) each participant gains skills through practice and game settings; 3) participants learn the fundamental rules of flag football; and 4) participants are able to learn offensive and defensive plays of their team.

Challenger League Budget

Equipment	Cost	Quantity	Total Cost
Game Footballs	\$29.99	8	\$239.92
Practice Footballs	\$14.99	8	\$119.92
Practice Belts (individual)	\$2.79	29	\$80.91
Game Belts- Sonic Boom Flag Belts -52" (Set of 12)	\$80.99	2	\$161.98
Official's Penalty Flag	\$8.22	8	\$65.76
Ball Carrying Bag-Net BC1	\$8.99	10	\$89.90
Pro-Down Weighted Anchorless Pylon	\$39.99	2	\$79.98
Mouth guards	\$2.09	25	\$52.25
Stackable Sideline Markers	\$315.79	1	\$315.99
Panthers reversible Jerseys - Referee	\$12.00 \$20.00 x 4 per day/6 days	31	\$372.00 \$480.00
Printing			\$100.00
Insurance	\$10.00	40	\$400.00
Travel			
Goldsboro, NC	0.565		\$93.45
Durham, NC	0.565		\$44.52
Raliegh, NC	0.565		\$49.31
Charlotte, NC	0.565		\$207.72
Charlotte, NC	0.565		\$207.72
Columbia, SC	0.565		\$301.47
Meals			
Goldsboro, NC	\$6.00	25	\$150.00
Durham, NC	\$6.00	25	\$150.00
Raliegh, NC	\$6.00	25	\$150.00
Charlotte, NC	\$6.00	25	\$150.00
Charlotte, NC	\$6.00	25	\$150.00
Columbia, SC	\$6.00	25	\$150.00
Opening Ceremony	\$6.00	40	\$160.00
Closing Ceremony/Awards	\$8.00	40	\$280.00
Trophies/Plaques	\$7.00	30	\$196.00
TOTAL			<u>\$4,998.80</u>

**CITY OF HENDERSON
INTERNAL PROCESS TO DECIDE WHETHER GRANT
APPLICATION IS APPROPRIATE**

Department: Recreation and Parks Staff Contact: Kendrick Vann

Funding Source: Carolina Panthers Charities

Grant/Project Name: Challenger Flag Football League Program Grant

Date application due: _____

This is a NEW or RECURRING Grant

Brief Project Summary:

The Henderson-Vance Recreation and Parks Department is asking for approval to apply for \$5,000.00 which will allow us the opportunity to properly purchase the startup equipment and supplies necessary for the program, as well as appropriately train and provide adequate staffing. Henderson-Vance Recreation and Parks Department has researched surrounding areas and their programs, and found a great response to providing a challenger flag football leagues and programs.

Has the department received funding from this source in the past? If so, list project name(s), amount(s), and date(s).

No

Maximum Amount Available from Funding Source: \$5,000.00

Anticipated Award Notification Date: N/A, Not communicated on application

Anticipated Grant Term: Start Date: September 1, 2015
Finish Date: January 15, 2016

Amount to be requested: \$5,000.00

Total Project Costs: \$5,000.00

Does this grant have a match requirement: YES or X NO

Does the amount of the match requirement or other grant requirements necessitate City Council approval prior to award? YES or NO

Eligible types of match:

- Cash
- In-kind services
- Land

- Equipment
- Other _____

If the match is cash, where will the match come from? (Provide Account Number)

N/A

Is this project a cash award or reimbursement?
 If this is a reimbursement grant, will funds be available?

Is this project included in:

- Departmental Budget
- Capital Improvements Plan

Grant funds will be used for the following: (check all that apply)

- Equipment _____
- Supplies _____
- Program Expenses
- Printing
- Personnel – current staff. No of staff 2 No of hours 64
- Personnel – to hire additional staff. No. of positions _____
- Capital (land, building, vehicles, etc.)
- Contracted Services: _____
- Other: _____

How will the program be funded after the grant expires?

We will continue to apply for this grant annually, however based on the participation the department will make data based decision whether to offer.

If the department receives only a portion of the amount requested, how will the project be funded?

Full- Time staff will be responsible for supervising and implementing the program as well as reducing the number of registrations accepted.

Some additional questions to consider:

Are any other departments within the City of Henderson eligible for this funding? **No**

Are any other departments within the City of Henderson willing to collaborate on this project? **No**

Will this project duplicate or compete with another service or program provided by the City of Henderson or other local agency? **No**



CAROLINA PANTHERS CHARITIES GRANT APPLICATION

I. CONTACT INFORMATION

Applicant's Name	Primary Contact's Name
Address	Phone
City, State, Postal Code	Fax
	E-Mail Address

II. PROPOSAL SUMMARY & FUNDING REQUEST:

Please summarize the following in a short paragraph:

1. The purpose of the league and what outcomes you hope to achieve.
2. A description of the grant request and the amount requested from CPC.
3. Why you are requesting this grant and exactly how CPC grant funds will be spent if a grant is awarded.
4. Ways you hope to use the Challenger League concept to positively impact the development of youth.

III. PROPOSAL NARRATIVE:

Describe the work of the organization/league, addressing each of the following:

1. A brief description of the current league's mission and history.
2. Detailed description of the proposed Challenger League structure and programming.
3. Detailed description of the coaching curriculum that will be utilized by all Challenger League coaches. Description should include coach-player communication strategies, how football drills will be taught to the youth participants and structure of league play format.
4. Challenger League implementation strategies and expected outcomes.
5. Practice and Game date, time and location (venue, city and state)
6. Number of anticipated youth participants.
7. Signed letter or contract confirming that accredited medical personnel (e.g., local EMT, ambulance corps) will be on-site during the league.
8. Evidence that the league is free of charge (inclusion of league brochure, registration form, etc.).

IV. EVALUATION:

Please address each of the following:

- Explain how you will evaluate your league to measure its success and expected outcomes.
- Describe your criteria for a successful league and the result you expect to achieve by the end of the funding period.



CAROLINA PANTHERS CHARITIES GRANT APPLICATION

V. ATTACHMENTS:

A. Financial Information

1. **Detailed and itemized operating expense budget plan** for the Challenger League; indicate the specific uses of the requested grant.
 - Acceptable costs include: insurance; uniforms, referees, trophies, food, transportation, facility rental, equipment and end-of-season awards banquet. Applicants must provide an explanation of high expenditures to determine that all costs are necessary.
2. Verification of a current **insurance** policy.
3. Proof of 501(c)(3) or governmental non-profit agency status

VI. GRANT FULFILLMENT:

1. One page recap with program measures
2. Schedule
3. Digital/High Resolution pictures (300 max dpi) on a CD or DVD
 - a. Optional: send Dropbox link with photos
4. Specific financial/budget recap

ADDITIONAL NOTES:

- Include all travel costs for the end-of-year Challenger League Flag Football Tournament hosted by the Carolina Panthers in your grant application.
- The application process is competitive – submission of application does not guarantee grant.
- Applicants should seek ways to trim the budget (e.g., using volunteers instead of paid staff members, securing sponsors for various league costs, etc.).
- Successful applicants must order Panthers reversible NFL Flag jerseys for participants
 - NFL Flag contact: Brittney Brothers; britt@nfflag.com
 - Cost: Please include in budget (if needed)
 - \$12 One jersey
 - \$25 One jersey, flag belt, USA Football Player/Parent membership, Player accident & health insurance and USA Football Coaches Membership

Thank you for your interest in the Carolina Panthers Challenger Flag Football League grant program!

#

City Council Action Form

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



Council Meeting: 23 Mar 15 Short Meeting

19 March 2015

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

FR: Ed Wyatt, Interim City Manager

RE: CAF: 15-50

Consideration of Approval of Resolution 15-31, Supporting the Kerr Lake Regional Water System Proposed Interbasin Transfer Petition

Ladies and Gentlemen:

Council Retreat Goals Addressed By This Item:

- *KSO 5:* To Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems

Recommendation:

- Approval of Resolution 15-31, Supporting the Kerr Lake Regional Water System Proposed Interbasin Transfer Petition

Executive Summary:

The City of Henderson, managing partner of the Kerr Lake Regional Water System, has been working with its partners, the City of Oxford and Warren County, in securing an interbasin transfer to provide reliable treated water to its customers for existing allocation of 20 MGD from the US Army Corps of Engineers.

The NC Department of Environment & Natural Resources (NCDENR) has scheduled a public hearing on the Kerr Lake Regional Water System's (KLRWS) Interbasin Transfer Certificate request. The hearing begins at 6:30 p.m. on Tuesday, March 31, 2015 at City Hall. This Resolution of Support would be presented to NCDENR at the hearing.

Attachments:

1. Resolution 14-60

RESOLUTION 15-31
SUPPORTING THE KERR LAKE REGIONAL WATER SYSTEM
PROPOSED INTERBASIN TRANSFER PETITION

WHEREAS, the Henderson City Council identified eight Key Strategic Objectives (KSO) at its 2015 Strategic Planning Retreat; *and*

WHEREAS, one of the Key Strategic Objectives is addressed by this request as follows: *KSO 5: To Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems;*
and

WHEREAS, the City of Henderson is located within portions of the Roanoke and Tar River basins;
and

WHEREAS, the Kerr Lake Regional Water System has already obtained an allocation of storage in Kerr lake from the US Army Corps of Engineers equivalent to an average annual water demand of 20 mgd; *and*

WHEREAS, the customers of the Kerr Lake Regional Water System have projected reasonable increases in water demand based on moderate growth projections and continued efforts to replace unreliable and often contaminated groundwater supplies with reliable treated water;
and

WHEREAS, the total of all the Kerr Lake Regional Water System Partners and wholesale customers is projected to require an average annual water demand of almost 14 mgd and 17.4 mgd on an average basis in a maximum calendar month by 2045, which is less than the allocation provided by the US Army Corps of Engineers; *and*

WHEREAS, the projected interbasin transfer in 2045 is 14.2 mgd on an average basis in a maximum calendar month and exceeds the current grandfather IBT of 10 mgd; *and*

WHEREAS, the proposed interbasin transfer can occur using existing pipeline infrastructure already in place; *and*

WHEREAS, the alternatives to the transfer all have substantially higher cost, significant potential environmental impacts from pipeline and other infrastructure construction, with no identified benefit to the environment; *and*

WHEREAS, the effects of the proposed transfer in the Roanoke River basin on key indicators of lake levels, dam outflow and hydropower generation have been analyzed and shown to have no detrimental impacts; *and*

WHEREAS, wastewater facilities treating wastewater from use of this additional water have previously had impacts analyzed and have already received their permits; *and*

WHEREAS, the local governments have required program elements to minimize potential impacts of growth:

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY SUPPORT the requested interbasin transfer request of the Kerr Lake Regional Water System as an efficient means to meet the projected water demands of the region it serves.

The foregoing Resolution 15-31, introduced by Council Member ***** and seconded by Council Member ***** on this the **th day of *****2015 and having been submitted to a roll call vote, was approved by the following votes: YES: NO: ABSTAIN: ABSENT:

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

*Reference: Minute Book 43, pp. ***.*

City Council Action Form

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



Council Meeting: 22 June 15 Short Reg. Meeting

16 June 2015

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

FR: Edward A. Wyatt, Interim City Manager

RE: **CAF: 15-72**

Consideration of Approval of Ordinance 15-32, Amending The FY 14-15 Budget as Part of The Year Ending Budget Reconciliation Process, Budget Amendment #31

Ladies and Gentlemen:

Recommendation:

- Approval of Ordinance 15-32, Amending The FY 14-15 Budget as Part of The Year Ending Budget Reconciliation Process, Budget Amendment #31.

Executive Summary

Each June staff presents to Council year ending budget reconciliation ordinances in order to prepare for the annual audit.

The budget ordinance before you is to reconcile two of the major operating funds, General and Sewer, as well as to close out a CIP Project in the CIP General Fund.

Attachments:

1. Ordinance 15-32

ORDINANCE 15-32

AMENDING THE FY 14-15 BUDGET AS PART OF THE YEAR ENDING BUDGET RECONCILIATION PROCESS BUDGET AMENDMENT # 31

WHEREAS, the City Council of the City of Henderson (Council) adopted its FY14-15 Operating Budget on 11 June 2014; *and*

WHEREAS, it is necessary to amend the various revenue and expense accounts of the annual operating budget as part of the year ending budget reconciliation process; *and*

WHEREAS, it is necessary to amend the various revenue and expense accounts of the capital improvements budgets from time-to-time and to effect close out of those projects when the work is completed; *and*

NOW THEREFORE BE IT ORDAINED by the City Council of The City of Henderson, that the following Ordinance, as articulated in Sections 1 – 3, be approved and said Ordinance shall be effective immediately upon approval of the City Council:

Section 1: 10—General Fund

FUND: 10: General Fund			Ordinance 15-32			
			FY 14-15 Budget Amendment #31			
			Section 1			
REVENUES			Approved 1-Jul-14	Current Budget	Amendment	Revised
Department	Line Item	Code				
	City Hold Harmless Tax	10-100-400531	\$ 375,000	\$ 375,000	\$ 90,000	\$ 465,000
	Insurance Proceeds	10-100-456000	\$ 5,000	\$ 15,300	\$ 10,000	\$ 25,300
			\$ -	\$ -	\$ -	\$ -
		Total	\$ 380,000	\$ 390,300	\$ 100,000	\$ 490,300
						\$ 490,300
EXPENDITURES			Approved 1-Jul-14	Current Budget	Amendment	Revised
Department	Line Item	Code				
410: Governing Body	FICA/Medicare	10-410-500500	\$ 4,900	\$ 4,900	\$ 2,800	\$ 7,700
414: Admin-City Attorney	Professional Services	10-414-500400	\$ 36,000	\$ 58,090	\$ 23,000	\$ 81,090
423: Code Compliance	Salaries & Wages - PT	10-423-500300	\$ -	\$ -	\$ 12,200	\$ 12,200
423: Code Compliance	FICA/Medicare	10-423-500500	\$ 5,800	\$ 5,800	\$ 900	\$ 6,700
440: Finance	FICA/Medicare	10-440-500500	\$ 17,000	\$ 17,000	\$ 1,700	\$ 18,700
495: Planning & CD	Salaries & Wages	10-495-500200	\$ 90,300	\$ 90,300	\$ (13,600)	\$ 76,700
496: HVDDC	Salaries & Wages	10-496-500200	\$ -	\$ -	\$ 300	\$ 300
496: HVDDC	FICA/Medicare	10-496-500500	\$ -	\$ -	\$ 100	\$ 100
496: HVDDC	Retirement	10-496-500700	\$ -	\$ -	\$ 100	\$ 100
510: Police	LEO Sep Allowance	10-510-500720	\$ 94,800	\$ 94,800	\$ 16,400	\$ 111,200
510: Police	Wrecked Vehicle Repair	10-510-501701	\$ -	\$ -	\$ 7,700	\$ 7,700
510: Police	Auto Insurance	10-510-505408	\$ 22,600	\$ 24,300	\$ 1,300	\$ 25,600
510: Police	Insurance Deductible	10-510-505409	\$ -	\$ -	\$ 1,200	\$ 1,200
570: Street	Insurance Deductible	10-570-505409	\$ -	\$ 3,600	\$ 2,500	\$ 6,100
580: Sanitation	Insurance Deductible	10-580-505409	\$ -	\$ -	\$ 2,000	\$ 2,000
623: Aycock Aquatics Ctr	Salaries & Wages	10-623-500200	\$ 58,100	\$ 58,100	\$ 5,700	\$ 63,800
623: Aycock Aquatics Ctr	Utilities: Water/Sewer	10-623-501303	\$ 27,600	\$ 27,600	\$ 3,600	\$ 31,200
650: Vance Cty Shared	Tax Office	10-650-509007	\$ 176,000	\$ 176,000	\$ 5,000	\$ 181,000
650: Vance Cty Shared	NCDMV Tax & Tag Fees	10-650-509025	\$ -	\$ -	\$ 25,000	\$ 25,000
660: Non-Departmental	Unemployment Comp	10-660-500900	\$ 9,200	\$ 9,200	\$ 2,100	\$ 11,300
			\$ -	\$ -	\$ -	\$ -
		Total	\$ 542,300	\$ 569,690	\$ 100,000	\$ 669,690
						\$ 669,690
		Variance			\$ -	
Reference:			Notes:			
CAF #15-72; Ord 15-321 BA #31; 22 June 2015			To re-align budgets among departments in preparation for year-end closeout			

Section 2: 31—Sewer Fund

FUND: 31 Sewer Fund			Ordinance 15-32			
			FY 14-15 Budget Amendment #31			
			Section 2			
SEWER FUND REVENUES			Approved	Current		
<i>Department</i>	<i>Line Item</i>	<i>Code</i>	1-Jul-14	Budget	Amendment	Revised
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
		Total	\$ -	\$ -	\$ -	\$ -
SEWER FUND EXPENDITURES			Approved	Current		
<i>Department</i>	<i>Line Item</i>	<i>Code</i>	1-Jul-14	Budget	Amendment	Revised
829: Sewer Collection I&I	Salaries & Wages	31-829-500200	\$ 65,900	\$ 65,900	\$ 2,000	\$ 67,900
829: Sewer Collection I&I	FICA/Medicare	31-829-500500	\$ 5,900	\$ 384,882	\$ 500	\$ 385,382
660: Non-Departmental	Reserve	31-660-900999	\$ 15,000	\$ 15,000	\$ (2,500)	\$ 12,500
			\$ -	\$ -	\$ -	\$ -
		Total	\$ 86,800	\$ 465,782	\$ -	\$ 465,782
		Variance			\$ -	\$ -
Reference:			Notes:			
CAF #15-72; Ord 15-32; BA #31; 22 June 2015			To re-align budgets among departments in preparation for year-end closeout.			

Section 3: 41—CIP General

FUNDS: 41: CIP General Fund			Ordinance 15-72			
			FY 14-15 Budget Amendment #31			
			Section 3			
41: CIP-GENERAL FUND REVENUES			Approved	Current		
<i>Department</i>	<i>Line Item</i>	<i>Code</i>	22-Jul-13	Budget	Amendment	Revised
630: Police Trng Ctr						
	Trans Fr: 10 General Fund	41-630-461010	\$ 29,700	\$ 34,760	\$ (34,760)	\$ -
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
		Total	\$ 29,700	\$ 34,760	\$ (34,760)	\$ -
41: CIP GENERAL FUND EXPENDITURES			Approved	Current		
<i>Department</i>	<i>Line Item</i>	<i>Code</i>	22-Jul-13	Budget	Amendment	Revised
630: Police Trng Ctr						
	Cap Outlay - Bldg Imp	41-630-507404	\$ 29,700.00	\$ 34,760	\$ (34,760)	\$ -
			\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -
		Total	\$ 29,700.00	\$ 34,760	\$ (34,760)	\$ -
		Variance			\$ -	\$ -
Reference:			Notes:			
CAF: 15-72; Ord 15-32; BA #31, 22 June 2015			To close out the Police Training Center Shelter Project. A fire damaged the shelter and contents of the Police Training Center in March of 2013. An insurance claim was filed and the City received \$29,678.24 in insurance proceeds from the claim in late June of 2013, which would have closed into fund balance at year end. Fund balance (\$29,700) was appropriated in FY 2014 and a project budget was created. An additional \$5,060 was appropriated from State Asset Forfeiture Funds to supplement the insurance proceeds. The work has been completed and this project is ready to be closed out.			

Section 4: Budget Closeout Authority

The Interim City Manager and Finance Director are authorized to effect any additional budget amendments necessary for year-ending closeout between 22 June and 30 June provided; however, such amendments are reported to and ratified by the City Council at its July 2015 meeting.

The foregoing Ordinance 15-32, 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 22rd day of June 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther McCrackin, City Clerk

*Reference: Minute Book **, p.**; CAF 15-72*

City Council Action Form

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



Council Meeting: 22 June 15 Regular Meeting

10 June 2015

TO: The Honorable Mayor James D. O'Geary and Members of City Council
FR: Ed Wyatt, Interim City Manager
RE: **CAF 15-73**
Consideration of Approval of Tax Releases and Refunds from Vance County for the Month of May 2015.

Ladies and Gentlemen:

Recommendation:

- Approval of tax releases and refunds from Vance County for the month of May 2015.

Executive Summary

The Vance County Tax office submitted the following tax releases and refunds to the Finance Department for the month of May 2015. These releases and refunds are found to be in order and are being recommended for approval.

Column1	Column2	Column3	Column4
May 2015 Tax Releases			
Name	Reason	Tax Year	Amount
Real & Personal Property Releases			
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2004	35.97
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2005	37.65
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2006	37.65
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2007	37.65
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2008	28.70
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2009	29.72
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2010	29.72
Woodleif, James R Heirs	Taxes Lost to Foreclosure	2010	74.53
Henderson, Brooksie	Taxes Lost to Foreclosure	2011	134.35
Waddell, Gail B	Taxes Lost to Foreclosure	2011	53.37
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2011	29.74
Woodleif, James R Heirs	Taxes Lost to Foreclosure	2011	4,973.89

May 2015 Tax Releases			
Name	Reason	Tax Year	Amount
Henderson, Brooksie	Taxes Lost to Foreclosure	2012	280.60
Waddell, Gail B	Taxes Lost to Foreclosure	2012	94.03
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2012	29.74
Woodleif, James R Heirs	Taxes Lost to Foreclosure	2012	252.53
Henderson, Brooksie	Taxes Lost to Foreclosure	2013	297.38
Waddell, Gail B	Taxes Lost to Foreclosure	2013	99.65
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2013	31.51
Woodleif, James R Heirs	Taxes Lost to Foreclosure	2013	55.68
Henderson, Brooksie	Taxes Lost to Foreclosure	2014	297.38
Pearce, Salbert A	Correct Ownership	2014	272.50
Trustees of Room at The Cross PHC	Correct Ownership	2014	(272.50)
Waddell, Gail B	Taxes Lost to Foreclosure	2014	99.65
Wiggins Lisa B & Others	Taxes Lost to Foreclosure	2014	31.51
Woodleif, James R Heirs	Taxes Lost to Foreclosure	2014	55.68
4 Point O Student Center	Personal Property Billed in Error	2014	335.62
Total R&P Property Releases			\$ 7,463.90
Real & Personal Property			
Refunds			
NONE			-
Total R & P Property Refunds			\$ -
Total R&P Prop. Rel. & Ref.			\$ 7,463.90
Vehicle Releases			
Morton, Howard	Discharged Bankruptcy	2013	80.18
Total Vehicle Releases			\$ 80.18
Vehicle Refunds			
NONE			-
Total Vehicle Refunds			-
Tot. Veh. Rel. & Ref.			\$ 80.18
Total All Releases & Refunds			\$ 7,544.08

Meetings and Events Calendar

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

Date	Time	Event	Location
Jul 3rd	City Hall Closed	Independence Day Celebration	City Hall Closed
Jul 6 th	3:30 PM	Henderson Planning Board Meeting	City Council Chambers
Jul 7 th	3:30 PM	Henderson Zoning Advisory Board Meeting	City Council Chambers
Jul 9 th	12:00 PM	Henderson-Vance Parks & Recreation Commission Meeting	Aycock Recreation Center
Jul 13 th	5:00 PM	Perry Memorial Library Advisory Board Meeting	Perry Memorial Library
Jul 13 th	6:00 PM	City Council Regular Meeting	City Council Chambers
Jul 14 th	3:00 PM	Henderson Appearance Committee	City Council Chambers
Jul 20 th	2:30 PM	Human Relations Commission	City Council Chambers
Jul 27 th	6:00 PM	City Council Short Regular Meeting Work Session to Immediately Follow	City Council Chambers
Jul 31 st	10:00 AM	Henderson-Vance 911 Advisory Board Meeting	E-911 Operations Center
Aug 3 rd	3:30 PM	Henderson Planning Board Meeting	City Council Chambers
Aug 4 th	3:30 PM	Henderson Zoning Advisory Board Meeting	City Council Chambers
Aug 10 th	9:30 AM	KLRWS Advisory Board Meeting	City Hall Large Conference Room
Aug 10 th	6:00 PM	City Council Regular Meeting	City Council Chambers
Aug 13 th	12:00 PM	Henderson-Vance Parks & Recreation Commission Meeting	Aycock Recreation Center
Aug 17 th	2:30 PM	Human Relations Commission	City Council Chambers
Aug 24 th	6:00 PM	City Council Short Regular Meeting Work Session to Immediately Follow	City Council Chambers
Sept 1 st	3:30 PM	Henderson Zoning Advisory Board Meeting	City Council Chambers
Sept 7th	City Hall Closed	Labor Day Celebration	City Hall Closed
Sept 10 th	12:00 PM	Henderson-Vance Parks & Recreation Commission Meeting	Aycock Recreation Center
Sept 14 th	5:00 PM	Perry Memorial Library Advisory Board Meeting	Perry Memorial Library
Sept 14 th	6:00 PM	City Council Regular Meeting	City Council Chambers
Sept 21 st	2:30 PM	Human Relations Commission	City Council Chambers
Sept 25 th	10:00 AM	Henderson-Vance 911 Advisory Board Meeting	E-911 Operations Center
Sept 28 th	6:00 PM	City Council Short Regular Meeting Work Session to Immediately Follow	City Council Chambers

Last Updated 9 June 2015

City Council Action Form

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



Council Meeting: 22 June 15 Work Session

5 June 2015

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

FR: Edward A. Wyatt, City Manager

RE: **CAF: 15-04**

Consideration of Approval of Ordinance 15-02, Amending Sec. 15-42.1 and Sec. 15-42.2 of the City Code Providing for Adjustment to Sewer Charges

Ladies and Gentlemen:

Council Retreat Goals Addressed by this Item:

KSO 1: Implement Performance Excellence

Recommendation:

- Approval of Ordinance 15-02, Amending Sec. 15-42.1 and 15-42.2 of the City Code Providing for Adjustments to Sewer Charges

Executive Summary:

It has been brought to our attention that the policies which the Utility Billing/Collections office have been following for several years to provide adjustments to utility bills related to sewer charges have never been incorporated into the City Code. These policies relate to sewer credits issued for: 1) outside watering of grass, plants and vegetation, and 2) unintentional leaks in customer water lines wherein portions of the water leakage does not enter the City's sanitary sewer service.

The proposed Ordinance will incorporate these policies into the City Code.

Attachments:

1. Ordinance 15-02

ORDINANCE 15-02

AMENDING SEC. 15-42.1 AND 15-42.2 OF THE CITY CODE PROVIDING FOR ADJUSTMENTS TO SEWER CHARGES

The Council of the City of Henderson, North Carolina (City) doth ordain:

Section 1. That the following two sections be added to the City Code:

Sec. 15-42.1 Sewer Credit for Outside Watering of Grass, Plants and Other Vegetation.

1. A customer, whose monthly water and sewer consumption is equal to or greater than 1.5 times the average water and sewer consumption of the preceding six months, may request an adjustment to his sewer charges. A customer must have had an account for the property for at least six months to be eligible for an adjustment.

2. The time frame for these credits is from the June billing statement through the October billing statement. The City Council has the discretion to discontinue these “sewer credits for outside watering” at any time.

3. The Finance Director or his designee is authorized to adjust the billing for qualifying accounts as follows:

a. The customer’s average monthly water and sewer consumption for the preceding six months shall be established and 1.5 times that average shall be used to determine whether or not the customer is eligible for a sewer credit.

b. If 1.5 times the monthly average usage is less than the usage for the month in question, the customer is eligible for a sewer credit.

c. The Finance Director or his designee is authorized to reduce the customer’s monthly sewer charge by a maximum of seventy-five (75) percent of the difference between the six (6) months average sewer charge and the monthly sewer charge in question.

d. Adjustment requests are to be submitted to the Water Collections Office located in City Hall. The requester must be an owner of the account. All requests must be made within two months of the billing for which a credit is sought. Prior to review of a request, the requester must affirm that, for the period in question, he has been irrigating grass, plants or other vegetation.

e. This policy shall not apply to individuals that use water to fill swimming pools or for pressure washing.

Sec. 15-42.2 Other Adjustments to Sewer Charges.

1. In addition and supplemental to the provisions of Section 15-42, City sewer charges may be adjusted for water loss due to a leak in a customer's water line wherein portions of the water leakage does not enter the City's sanitary sewer system. The purpose of this policy is to grant some reasonable relief to customers who, through no fault of their own, experience such abnormal, unexpected and unintentional failures in their plumbing systems and where the City incurs no expense for these failures.
2. A customer, whose monthly water and sewer consumption is equal to or greater than 1.5 times the average water and sewer consumption for the preceding twelve months due to a leak, and whose system is connected to the City sewer system, may request an adjustment to his sewer charges. The customer must have had an account for the property for at least six months to be eligible for an adjustment. For accounts active for at least six months but less than twelve months, the average will be based on the available billings.
3. The customer must demonstrate that the increased consumption is directly attributable to a leak in or breakage of his water lines on his side of the water meter. Such may be evidenced by either: 1) copy of a leak repair receipt from a licensed plumber or contractor, noting the location of the leak; or 2) copy of a parts receipt for materials used by the customer to repair the leak with a statement from the customer affirming the repair and the location of the leak. The leak must be repaired before the adjustment is made.
4. The City Finance Director or designee reviews and must approve any adjustment. Adjustments may not be provided for more than three consecutive billings; and only one request for an adjustment may be made within any twelve-month period. No adjustment may be made if caused by the negligent or willful action of the requester or his agents and/or employees. All requests for adjustments must be made by the owner of the account in question.
5. Adjustments may be made for qualifying accounts for up to of seventy-five percent of the difference of the sewer charge average and the billing in question.

Section 2. The foregoing Ordinance shall be in full force and effect from and after the date of its passage.

The foregoing Ordinance 15-02, upon motion of Council member _____ and seconded by Council Member _____, and having been submitted to a roll call vote and received the following votes and was **APPROVED/DISAPPROVED** on this the ____ day of _____, 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

*Reference: Minute Book **, p. **.*

**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 Ordinance is a true and exact copy of *Ordinance 15-02, An Ordinance Providing for Adjustment to Sewer Charges*, adopted by the Henderson, City Council in Regular Session on ** ** 20** (*See Minute Book *, p. **.*). This Ordinance is recorded in *Ordinance Book # * pp. **.*

Witness my hand and corporate seal of the City, this ** day of *** 20**.

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

City Council Action Form

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



Council Meeting: 22 Jun 15 Work Session

10 June 2015

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

FR: Edward Wyatt, Interim City Manager

RE: CAF: 15-11

Consideration of Approval of: 1) Resolution 15-09 Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc. in the Amount of \$218,712; 2) Resolution 15-53 Amendment #1 to the Agreement for Engineering Services with McGill Associates for Said Project; and 3) Ordinance 15-33 FY15 Budget Amendment #33 Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project

Ladies and Gentlemen:

Council Retreat Goals Addressed By This Item:

- KSO 5: Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems.

Recommendation:

Approval of:

- 1) Resolution of 15-09, Authorizing the Execution of Change Order #6 for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc. in the Amount of \$218,712
- 2) Resolution 15-53 Amendment #1 to the Agreement for Engineering Services with McGill Associates for Said Project.
- 3) Ordinance 15-33, FY15 Budget Amendment #33, Amending the CIP Sewer Fund for Change Order #6 to the Water Reclamation Facility Renovation Project.

Executive Summary:

On 10 Dec 2010, the City Council approved acceptance of a State Revolving Loan, via Resolution 12-98, in the amount of \$16,615,000 for improvements to the Henderson Water Reclamation Facility providing funding for major improvements to the plant which will simplify treatment processes as well as reduce operational costs.

Change Order #1 in the amount of \$55,709 was approved by the City Council on 23 September 2013, via Resolution 13-09-A, leaving a contingency balance of \$601,431.

Change Order #2 was approved in the amount of \$24,204.76 on 27 January 2014 leaving a contingency balance of \$577,226.

Change Order #3 was approved in the amount of \$78,079.367 on 28 April 2014 via Resolution 14-17, leaving a contingency balance of \$499,146.

A correction to the contingency line item for a previous budget amendment was approved in the amount of \$50,500 on 12 May 2014 via Ordinance 14-30, Budget Amendment #34, leaving a contingency balance of \$448,646.

Change Order #4 was approved in the amount of \$10,558.49 on 14 June 2014 via Resolution 14-17-A, leaving a balance of \$438,087.

Change Order #5 was approved in the amount of \$22,825.16 on 27 Oct 14, via Resolution 14-79, leaving a balance of \$415,261.84.

The revised completion date with other change orders was January 6, 2015; however, this date has not been met. As a result, there have been costs associated with construction administration and inspections beyond the original amount. The estimated cost for these services from March 15 through close out (projected timeframe- Sept 2015) is approximately \$162,388. The contract does provide for liquidated damages if the contractor fails to meet the completion date and these costs would offset extended plant operating costs and the additional construction inspection and administration costs.

In order to pay for change order #6, there is the need to transfer additional funds from contingency. (Breakdown of cost is attached as Exhibit "B".)

If change order #6 is approved by Council, as well as the moving of funds from contingency to pay for the construction admin/inspection services, approximately \$34,161 will remain in contingency funds. There are some additional change order items that the staff is reviewing; however, the ones presented in this change order are considered the highest priority.

Once the process is proved to be treating waste properly, the older equipment such as the oxygen system will be removed so that final grading can take place toward the entrance of the plant. Other demolitions that were approved in the awarding of this contract will take place at that time toward completion of the project.

Flow into the oxidation ditch is expected during the week of June 22, 2015. Flow will be split between the new and old processes to allow time for the waste to acclimate in the new system and begin nitrifying. When the oxidation ditch is adequately treating the waste all flow will be diverted to the oxidation ditch and the new treatment process will be commissioned.

Attachments:

1. Resolution 15-09
2. Resolution 15-53
3. Ordinance 15-33

RESOLUTION 15-09

AUTHORIZING EXECUTION OF CHANGE ORDER #6 TO CONTRACT WITH THE DEVERE CONSTRUCTION COMPANY FOR IMPROVEMENTS TO THE HENDERSON WATER RECLAMATION FACILITY PROJECT

WHEREAS, the Henderson City Council (Council) conducted its Annual Planning Retreat in 2015, and during said Retreat identified eight Key Strategic Objectives (KSO) and Goals; *and*

WHEREAS, this Resolution addresses one of the Key Strategic Objectives as follows: **KSO 5: Provide Reliable, Dependable Infrastructure** - To provide reliable, dependable and environmentally compliant infrastructure systems; *and*

WHEREAS, the City Council accepted loan funding for this purpose from the NC Department of Environment and Natural Resources, Infrastructure Finance Section; *and*

WHEREAS, the City's Consulting Engineer and City staff recommend approval of Change Order #6, as outlined in the description provided by McGill Associates, to Devere Construction Company, Inc. being more fully articulated in **Attachment A** to this Resolution, subject to approval of the Infrastructure Finance Section.

WHEREAS, there is \$415,261.84 remaining in the contingency fund, which could be used for these costs pending City Council approval; *and*

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY APPROVE the execution of Change Order #6 of the contract for the Henderson Water Reclamation Facility Improvement Project to Devere Construction Company, Inc. (**See Attachment A**) in the amount of \$218,712, subject to approval by the State; *and*

BE IT FURTHER RESOLVED that the Mayor is authorized to sign all agreements and documents necessary to effect said Agreement.

The foregoing Resolution 15-09, 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 the *** day of **** 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

*Reference: Minute Book 44, pp. **.*

Henderson WRF				
Potential Change Order Number Six (6)				
Item	DeVere PCO#	Description	Price	Comments
1	40	Grit Equipment location changes	\$ 22,672.85	Additional piping and concrete to move grit classifier to allow oxygen system to stay during construction
2	39	Monitoring of Screw Press Discharge	\$ 13,667.56	Add pressure switch to discharge of sludge thickener to protect sludge transfer pump
3	37	Existing Duct Bank/ Force Main Conflict	\$ 14,852.23	Add 45 Degree bends to transition around unknown electric duct bank with influent force main
4	41	Spare Chemical Line to Caustic Manhole	\$ 3,349.56	Add 2- inch chemical feed line from caustic manhole to chemical building
5	52	Solids Handling Building Exhaust Fan Starter	\$ 4,335.19	Add starter to exhaust fan interlink with louvers in solids handling building
7	45	Add pH monitoring of Oxidation Ditches to SCADA	\$ 30,904.82	Add pH probe to clarifier splitter box and incorporate into SCADA
8	51	Full Depth Asphalt Replacement at Filter Building	\$ 53,122.98	Remove existing stone and asphalt in front of filter building and replace with new stone and binder
9	48	Plant Water Line Replacement	\$ 66,144.15	Replace water piping from ex. Maintenance building by filter building to new headworks
10	53	Add drainage behind Maintenance Building	\$ 9,662.97	Add 2 catch basins and piping between new maintenance building and ex. Admin. Building
		TOTAL	\$218,712.31	

** Note: Items 1-4 were items that had to be given Field orders to complete due to timing issues with completing other tasks*

RESOLUTION 15-53

APPROVING AMENDMENT #1 TO THE ENGINEERING SERVICES AGREEMENT WITH MCGILL ASSOCIATES FOR THE HENDERSON WATER RECLAMATION FACILITY PROJECT

WHEREAS, the Henderson City Council (Council) conducted its Annual Planning Retreat in 2015, and during said Retreat identified eight Key Strategic Objectives (KSO) and Goals; *and*

WHEREAS, this Resolution addresses one of the Key Strategic Objectives as follows: **KSO 5:** Provide Reliable, Dependable Infrastructure - To provide reliable, dependable and environmentally compliant infrastructure systems; *and*

WHEREAS, the City Council accepted loan funding for this purpose from the NC Department of Environment and Natural Resources, Infrastructure Finance Section; *and*

WHEREAS, the City Council approved an Engineering Services Agreement with McGill Associates for the Henderson Water Reclamation Facility Improvement Project in December, 2011; *and*

WHEREAS, City staff recommends approval of Amendment #1 of the said Agreement with McGill being more fully articulated in *Attachment A* to this Resolution; *and*

WHEREAS, the funds to pay for this work will come from contingency funds and is subject to state approval.

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY APPROVE Amendment #1 of the Engineering Services Agreement for the Henderson Water Reclamation Facility Improvement Project with McGill Associates; *and*

BE IT FURTHER RESOLVED that the Mayor is authorized to sign all agreements and documents necessary to effect said amendment.

The foregoing Resolution 15-53, 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 the *** day of **** 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

*Reference: Minute Book 44, pp. **.*

Henderson WRF Improvements

	March-15 unbilled		April-15 estimate		May-15 estimate		June-15 estimate		July-15 estimate		August-15 estimate		September-15 estimate		Project Closeout estimate	
	Amount	Total	Amount	Total	Amount	Total	Amount	Total	Amount	Total	Amount	Total	Amount	Total	Amount	Total
TS Childers	179	\$ 11,635.00	161	\$ 10,465.00	114	\$ 7,410.00	100	\$ 6,500.00	120	\$ 7,800.00	120	\$ 7,800.00	100	\$ 6,500.00	40	\$ 2,600.00
David Houston																
Jared Wright		80.00	1	80.00	7.3	584.00	40	3,200.00	15	1,200.00	15	1,200.00	15	1,200.00	40	3,200.00
Judy Emore	19	1,140.00	11	660.00	14	840.00	15	900.00	20	1,200.00	20	1,200.00	15	900.00	40	2,400.00
Doug Chapman	22.5	3,487.50	19.6	3,038.00	17	2,635.00	30	4,650.00	25	3,875.00	25	3,875.00	20	3,100.00	30	4,650.00
Daniel Griffiee			2	240.00	3.5	420.00	2	240.00	2	240.00	2	240.00	2	240.00	15	1,800.00
RJ Mozeley					1	105.00	2	210.00	2	210.00	2	210.00	2	210.00	10	1,050.00
Joni Whitford							1.5	202.50	2	270.00	2	270.00	2	270.00	15	2,025.00
Andy Lovingood							1.5	270.00	2	360.00	2	360.00	2	360.00	5	900.00
Mike Patten															60	5,400.00
Rebecca Brookshire															80	6,000.00
Nick Huffman			2.5	337.50	14.5	1,957.50	8	1,080.00	8	1,080.00	8	1,080.00	8	1,080.00	25	3,375.00
Phil Fisher			1	155.00	2	310.00									15	2,325.00
Wes Wightman	18.3	2,196.00	3	360.00												
Mileage	1973.4	1,973.40	1675	1,675.00	1842	1,842.00	1800	1,800.00	1800	1,800.00	1800	1,800.00	1600	1,600.00	1200	1,200.00
Postage/Shipping	36.51	36.51	30	30.00	13.4	13.40	50	50.00	50	50.00	50	50.00	50	50.00	150	150.00
			82.5	825.00												
		\$ 20,548.41		\$ 17,865.50		\$ 16,116.90		\$ 19,102.50		\$ 18,085.00		\$ 18,085.00		\$ 15,510.00		\$ 37,075.00
																Total
																\$ 162,388.31

AMENDMENT NO. 1
to the
AGREEMENT FOR ENGINEERING SERVICES – DATED DECEMBER, 2011
for the HENDERSON WATER RECLAMATION FACILITY IMPROVEMENTS

WHEREAS, the OWNER and ENGINEER both understand that the construction time for the project has exceeded both the original eighteen (18) month contract time, as outlined in Article 2.4.6 of the agreement, and the additional six (6) months of contingency contract time as outlined in Article 6.2.3 of the agreement, and

WHEREAS, construction on the project continues, and is expected to extend up to seven (7) months beyond the twenty four (24) months outlined in Article 6.2.3, and

WHEREAS, the Agreement for Engineering Services includes provisions for further payment to the ENGINEER as Additional Services under the circumstances outlined above.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and other good valuable consideration, the parties agree to amend the Agreement for Engineering Services on this the _____ day of June 2015 as follows:

SECTION 6 – PAYMENT TO THE ENGINEER

Article 6.1.1 shall be amended to include the following:

Additional Construction Phase Services -

Maximum not to exceed amount of:	\$162,388.00
----------------------------------	--------------

Article 6.2.4 shall be added as follows:

The OWNER and the ENGINEER agree to additional construction phase services for construction time beyond twenty-four (24) months, but not to exceed thirty-one (31) months. The ENGINEER will invoice the OWNER based on actual time spent and expenses incurred in accordance with the attached ENGINEER's standard rate and fee schedule Attachment "B". The parties agree that the budget established for such work shall be limited to \$162,388, up to a construction time of thirty-one (31) months. Further payment shall be made to the ENGINEER as Additional Services should the construction contract time exceed thirty-one (31) months.

In accordance with the Agreement for Engineering Services, the Owner agrees to pay the ENGINEER the amount noted above for the Additional Services rendered as outlined in the amended Project scope.

IN WITNESS THEREOF, the parties have hereunto set their hands on the day and year above first written.

McGILL ASSOCIATES, P.A.

Andy Lovingood, PE
Principal / Vice President

Date: _____

CITY OF HENDERSON

James D. O'Geary, Mayor

Attest

Esther J. McCrackin, City Clerk

THIS INSTRUMENT has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act as amended.

Date: _____
Katherine Brafford, Finance Director

APPROVED AS TO FORM:

Date: _____
D. Rix Edwards, City Attorney

ORDINANCE 15-33

**FY 2014—2015 BUDGET AMENDMENT # 33
AN AMENDMENT TO THE CIP SEWER FUND
FOR CHANGE ORDER #6 TO THE CONSTRUCTION CONTRACT AND
ADDITIONAL ENGINEERING COSTS ASSOCIATED WITH THE
WATER RECLAMATION FACILITY RENOVATION PROJECT**

WHEREAS, the City Council of the City of Henderson on 11 June 2014 adopted the FY14-15 Annual Operating Budget; *and*

WHEREAS, the Council has created and uses a Capital Improvements Fund for active capital projects related to the Sewer Fund, said fund referred to as 44: CIP Sewer Fund; *and*

WHEREAS, it is necessary to amend the various revenue and expense accounts of the annual operating and capital improvements budgets from time-to-time;

NOW THEREFORE BE IT ORDAINED by the City Council of The City of Henderson, that the following Ordinance be approved, and said Ordinance shall be effective immediately upon approval of the City Council:

The foregoing Ordinance 15-33, 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 22nd day of June 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O’Geary, Mayor

ATTEST:

Esther McCrackin, City Clerk

*Reference: Minute Book **, p.**; CAF 15-11*

STATE OF NORTH CAROLINA - CITY OF HENDERSON

I, Esther 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 15-33 adopted by the Henderson, City Council in Regular Session on _____ 2015. This Ordinance is recorded in *Ordinance Book **, p.****.

Witness my hand and corporate seal of the City, this ****.

Esther McCrackin
City Clerk
City of Henderson, North Carolina

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

Reviewed by: _____ Date: _____
Edward A. Wyatt, Interim City Manager

City Council Action Form

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



Council Meeting: 22 Jun 15 Work Session

9 June 2015

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

FR: Ed Wyatt, Interim City Manager

RE: **CAF: 15-70**

Consideration of Approval of 1) Resolution 15-12, Authorizing the Execution of Change Order #1 for the Sandy Creek Pump Station Project to Turner Murphy Company, Inc. in the Amount of \$91,129; and 2) Ordinance 15-30, FY 15 Budget Amendment #32, Amending the CIP Sewer Fund for Above Mentioned Change Order.

Ladies and Gentlemen:

Council Retreat Goals Addressed By This Item:

- **KSO 5:** Provide Reliable, Dependable and Environmentally Compliant Infrastructure Systems.

Recommendation:

Approval of:

1) Resolution 15-12, Authorizing the Execution of Change Order #1 for the Sandy Creek Pump Station Project to Turner Murphy Company, Inc. in the Amount of \$91,129; *and*

2) Ordinance 15-30, FY 15 Budget Amendment #32, Amending the CIP Sewer Fund for Above Mentioned Change Order.

Executive Summary:

The Sandy Creek Pump Station Improvements Project is funded through a low interest Clean Water State Revolving Loan Fund in the amount of \$1,800,000 of which \$900,000 is in the form of principal forgiveness and was accepted by the City via Resolution 12-A-18 on May 19, 2012.

CAF 15-70: 22 June 2015 Work Session

The City Council, via Resolution 14-06, then approved a bid award to Turner Murphy Co. of Rock Hill South Carolina in the amount of \$1,397,594, which included \$30,525 for a piping upgrade to 16" as well as \$13,000 alternate bid item to be submitted in Change Order #1, along with other items as needed, but the original contract price was \$1,367,069. The summary of the items are as follows:

<u>Description</u>	<u>Amounts</u>	<u>Totals</u>
Base Bid Amount	\$1,354,069	
Alternate Bid Item	\$ 13,000	
Proposed Change Order 1	\$ 30,525	
Contract Award Amount		\$1,397,594
Approved Contingency (5%)		\$ 69,880
<u>Change Orders</u>	<u>Amounts</u>	<u>Remaining</u>
PCO 1: Upgrade 12" Discharge piping to 16" (included in Award)	\$ 30,525	N/A
		\$ 69,880
Expansion of Electrical Building (4/29/14)	\$ 4,388	\$ 65,492
Modify Monorail Beam (12/16/14)	\$ 2,282	\$ 63,210
Add Generator Platform (12/16/14)	\$ 21,205	\$ 42,005
Additional Line Stop Rental for Header included with 12" to 16"	\$ 3,484	\$ 38,521
Additional Bollards	\$ 1,104	\$ 37,417
SCADA Allowance Adjustment	\$ 16,668	\$ 20,749
Surge Valve Replacement	\$ 11,473	\$ 9,276

The following is a more detailed description of the items:

1. Replacement of existing 12" piping and valves with 16" inside the pump station will allow for more appropriate velocities within the system, creating lower headloss and subsequent power savings. This item was approved during initial project bid award.
2. Expansion of the electrical building was necessary to accommodate the number and size of electrical panels and components to be installed within the building.
3. Further modifications were necessary on the monorail hoist beam to allow full removal of the pumps through the exterior doors for ease of maintenance.
4. To provide better access to maintain the new emergency generator, access platforms are being added to each side of the unit.
5. To better protect the screen equipment and building during access by garbage trucks, extra safety bollards were added to the project.
6. The project was originally bid with an allowance for a supervisory control and data acquisition (SCADA) system to communicate between the Sandy Creek PS, the Red Bud PS, and the water reclamation facility. During the course of construction, the City began implementation of a new City radio system. Consequently, the communication between these elements was modified to be compatible with the new system, and some changes to the scope of work by the SCADA integrator and project electrician occurred.
7. The existing surge valve at the pump station discharge was not slated to be replaced as part of the project since it has been operational. Because of the age of the valve, the increased pressure from the pump discharge, and availability, it is recommended to replace the valve as part of the project.

This will leave a balance of \$9,276 in contingency. The pumps have been delivered and the contractor is awaiting a pump control panel prior to resuming construction.

Attachments:

1. Resolution 15-12
2. Ordinance 15-30
3. Resolution 12-A-18
4. Resolution 14-06

RESOLUTION 15-12

AUTHORIZING EXECUTION OF CHANGE ORDER #1 TO THE CONTRACT FOR THE SANDY CREEK PUMP STATION PROJECT IN THE AMOUNT OF \$91,129

WHEREAS, the Henderson City Council (Council) conducted its Annual Planning Retreat in February 2015, and during said Retreat identified eight Key Strategic Objectives (KSO) and Goals; *and*

WHEREAS, this Resolution addresses **KSO 5: Provide Reliable, Dependable Infrastructure -** To provide reliable, dependable and environmentally compliant infrastructure systems; *and*

WHEREAS, the City Council accepted loan funding for this project from the Clean Water State Revolving Loan Fund via Resolution 12-A-18 on May 19, 2012 in the amount of \$1,800,000; *and*

WHEREAS, the City Council, approved via Resolution 14-06, an award of a contract to Turner Murphy Co. in the amount of \$1,397,594 for said project; *and*

WHEREAS, the City's Consulting Engineer and City staff recommend approval of Change Order #1 being more fully articulated in **Attachment A** to this Resolution, subject to approval of the state.

NOW, THEREFORE BE IT RESOLVED BY THE HENDERSON CITY COUNCIL THAT IT DOES HEREBY APPROVE the execution of Change Order #1 of the Sandy Creek Pump Station Improvement Project to Murphy Turner Co. in the amount of \$91,129; *and*

BE IT FURTHER RESOLVED that the Mayor is authorized to sign all agreements and documents necessary to effect said Agreement.

The foregoing Resolution 15-12, upon motion of Council Member Rainey and second by Council Member Daye, and having been submitted to a roll call vote received the following votes and was ***** on this the ___th day of _____ 2015: YES: NO:. ABSTAIN:. ABSENT: .

James D. O'Geary, Mayor

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

D. Rix Edwards, City Attorney

Change Order
No. 1

Date of Issuance: _____ Effective Date: _____

Project: Sandy Creek Pump Station Improvements	Owner: City of Henderson	Owner's Contract No.: CS370410-07
Contract: Sandy Creek Pump Station Improvements		Date of Contract: February 28, 2014
Contractor: Turner Murphy Co., Inc.		Engineer's Project No.: 13.01100

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

Replace 12-inch interior station piping and valves with 16-inch piping and valves, expansion of electrical room, modify monorail beam for pump removal, add generator access platforms, add bollards for dumpster protection, adjustment of SCADA allowance for radio transmission, and replacement of existing surge valve.

Attachments (list documents supporting change):

1. Summary of listed changes, prices, and time
2. Engineer reviewed quotes and backup documentation for each item.

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price: \$ <u>1,367,069.00</u>	Original Contract Times: <input type="checkbox"/> Working days <input checked="" type="checkbox"/> Calendar days Substantial completion (days or date): <u>270</u> Ready for final payment (days or date): <u>300</u>
[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____: \$ <u>N/A</u>	[Increase] [Decrease] from previously approved Change Orders No. _____ to No. _____: Substantial completion (days): <u>N/A</u> Ready for final payment (days): <u>N/A</u>
Contract Price prior to this Change Order: \$ <u>1,367,069.00</u>	Contract Times prior to this Change Order: Substantial completion (days or date): <u>270</u> Ready for final payment (days or date): <u>300</u>
[Increase] [Decrease] of this Change Order: \$ <u>\$91,129.00</u>	[Increase] [Decrease] of this Change Order: Substantial completion (days or date): <u>14</u> Ready for final payment (days or date): <u>14</u>
Contract Price incorporating this Change Order: \$ <u>\$1,458,198.00</u>	Contract Times with all approved Change Orders: Substantial completion (days or date): <u>284</u> Ready for final payment (days or date): <u>314</u>

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____ Engineer (Authorized Signature)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Date: _____	Date: _____	Date: _____
Approved by Funding Agency (if applicable): _____		Date: _____

Change Order Instructions

A. GENERAL INFORMATION

This document was developed to provide a uniform format for handling contract changes that affect Contract Price or Contract Times. Changes that have been initiated by a Work Change Directive must be incorporated into a subsequent Change Order if they affect Price or Times.

Changes that affect Contract Price or Contract Times should be promptly covered by a Change Order. The practice of accumulating Change Orders to reduce the administrative burden may lead to unnecessary disputes.

If Milestones have been listed in the Agreement, any effect of a Change Order thereon should be addressed.

For supplemental instructions and minor changes not involving a change in the Contract Price or Contract Times, a Field Order should be used.

B. COMPLETING THE CHANGE ORDER FORM

Engineer normally initiates the form, including a description of the changes involved and attachments based upon documents and proposals submitted by Contractor, or requests from Owner, or both.

Once Engineer has completed and signed the form, all copies should be sent to Owner or Contractor for approval, depending on whether the Change Order is a true order to the Contractor or the formalization of a negotiated agreement for a previously performed change. After approval by one contracting party, all copies should be sent to the other party for approval. Engineer should make distribution of executed copies after approval by both parties.

If a change only applies to price or to times, cross out the part of the tabulation that does not apply.

ORDINANCE 15-30

FY 2014—2015 Budget Amendment # 32 AN AMENDMENT TO THE CIP SEWER FUND To Amend Project Budget per Revised Change Order #1 Sandy Creek Pump Station Project

WHEREAS, the City Council of the City of Henderson on 11 June 2014 adopted the FY14-15 Annual Operating Budget; *and*

WHEREAS, the Council has created and uses a Capital Improvements Fund for active capital projects related to the Sewer Fund, said fund referred to as 44: CIP Sewer Fund; *and*

WHEREAS, it is necessary to amend the various revenue and expense accounts of the annual operating and capital improvements budgets from time-to-time;

NOW THEREFORE BE IT ORDAINED by the City Council of The City of Henderson, that the following Ordinance be approved, and said Ordinance shall be effective immediately upon approval of the City Council:

FUNDS: 44: CIP Sewer Fund			Ordinance 15-30 FY 14-15 Budget Amendment #32 Budget Amendment #3 to this Capital Project			
44: CIP SEWER FUND REVENUES			Approved 27-Feb-12	Current Budget	Amendment	Revised
Department	Line Item	Code				
Sandy Creek Pump Station Project	Trans Fr: 7o CR Utilities	44-857-461070	\$ 16,200	\$ 52,200	\$ -	\$ 52,200
Sandy Creek Pump Station Project	State Revolving Loan	44-857-458221	\$ -	\$ 848,437	\$ -	\$ 848,437
Sandy Creek Pump Station Project	State Revolving Grant	44-857-458222	\$ -	\$ 848,437	\$ -	\$ 848,437
Total			\$ 16,200	\$ 1,749,074	\$ -	\$ 1,749,074
						\$ 1,749,074
44: CIP SEWER FUND EXPENDITURES			Approved 27-Feb-12	Current Budget	Amendment	Revised
Department	Line Item	Code				
Sandy Creek Pump Station Project	Legal/Admin	44-857-510200	500	2,500	-	2,500
Sandy Creek Pump Station Project	Preliminary Engineering	44-857-510296	15,700	15,700	-	15,700
Sandy Creek Pump Station Project	Construction	44-857-510400	-	1,397,594	60,604	1,458,198
Sandy Creek Pump Station Project	Contingency	44-857-509900	-	69,880	(60,604)	9,276
Sandy Creek Pump Station Project	Engineering Planning & Design	44-857-510301	-	127,400	-	127,400
Sandy Creek Pump Station Project	Construction Admin/Observation	44-857-510800	-	80,000	-	80,000
Sandy Creek Pump Station Project	Geotech/Materials Testing	44-857-510305	-	22,000	-	22,000
Sandy Creek Pump Station Project	2% SRF Closing Fee	44-857-567000	-	34,000	-	34,000
Total			\$ 16,200	\$ 1,749,074	\$ -	\$ 1,749,074
						\$ 1,749,074
Variance					\$ -	
Reference:			Notes:			
CAF 12-36; Resolution 12-18 on 27 February 2012			\$10,000 for Engineering Costs			
CAF 12-A-18; Ord 12-37, FY 11-12 BA #46; approved 29 May 2012			\$7,900 for Project Encroachment Expenses			
CAF 12-B-36; Ord 12-78; FY 12-13 BA #17; Resolution 12-92; 5 Nov 2012; initial presentation and consideration for approval at 29 Nov 2012 meeting			\$108,350 for Construction Costs			
CAF 14-60; Ord 14-32; BA #14-36; 12 May 2014 meeting			Amend project budget per revised approval of Project Bid Information from NCDENR on March 14, 2014.			
CAF 15-70; Ord 15-30; BA #32; Resolution 15-12; 22 June 2015 meeting			Amend project budget per revisions to Change Order No. 1.			

The foregoing Ordinance 15-30, 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 22nd day of June 2015: YES: . NO: . ABSTAIN: . ABSENT: .

James D. O’Geary, Mayor

ATTEST:

Esther McCrackin, City Clerk

*Reference: Minute Book **, p.**; CAF 15-70*

STATE OF NORTH CAROLINA - CITY OF HENDERSON

I, Esther 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 15-30 adopted by the Henderson, City Council in Regular Session on _____ 2015. This Ordinance is recorded in *Ordinance Book **, p.***.

Witness my hand and corporate seal of the City, this ****.

Esther McCrackin
City Clerk
City of Henderson, North Carolina

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

Reviewed by: _____ Date: _____
Edward A. Wyatt, Interim City Manager

RESOLUTION 12-A-18

A RESOLUTION OF THE HENDERSON CITY COUNCIL APPROVING THE ACCEPTANCE OF STATE REVOLVING FUND (SRF) GRANT/LOAN FUNDING FOR THE SANDY CREEK PUMP STATION PROJECT, AND EXECUTION OF A CONTRACT WITH MCGILL ASSOCIATES TO PERFORM THE PRELIMINARY ENGINEERING REPORT

WHEREAS, the Henderson City Council identified eight Key Strategic Objectives (KSO) at its 2012 Strategic Planning Retreat, *and*

WHEREAS, two of the Key Strategic Objectives are addressed by this Resolution as follows: KSO 5: To Provide Reliable, Dependable and Environmental 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 Clean Water Act Amendments of 1987 and the North Carolina 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 or replacement of wastewater collection systems, *and*

WHEREAS, the City of Henderson Council approved an application for aforementioned loan for the Sandy Creek Pump Station Improvement Project at the 27 February 12 Council Meeting, *and*

WHEREAS, the City of Henderson received notification on 3 April 2012 from NCDENR Infrastructure Finance Section that the Sandy Creek Pump Station Improvement project is eligible to receive a CWSRF loan in the amount of \$1,800,000 with \$900,000 being in the form of principal forgiveness.

WHEREAS, the City is required to submit a Preliminary Engineering Report in order to meet the next milestone; *and*

WHEREAS, this work is exempt from the Mini Brooks Act due to the amount of work being under \$30,000; *and*

WHEREAS, McGill Associates is familiar with this project, as they are completing the design for the Henderson Water Reclamation Facility improvements.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Henderson, North Carolina that it does hereby Approve the acceptance of the CWSRF loan in the amount of \$1,800,000 and authorizes the Mayor and/or City Manager to sign all documents necessary to execute the contract with McGill Associates, being more fully Articulated in *Attachment A* to this Resolution, to perform the Preliminary Engineering Report.

The foregoing Resolution 12-A-18, upon motion of Council Member Coffey and seconded by Council Member Peace-Jenkins, and having been submitted to a roll call vote received the following votes and was APPROVED on this the 29th day of May 2012: YES: Kearney, Coffey, Insoe, Rainey, Peace-Jenkins, Daeke, Davie and Daye. NO: None. ABSTAIN: None. ABSENT: None.

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, pp _____



May 18, 2012

Mr. A. Ray Griffin, Jr., Manager
City of Henderson
Post Office Box 1434
Henderson, North Carolina 27536

RE: Proposal for Engineering Services
Engineering Report and Environmental Document
Sandy Creek Pump Station Improvements
City of Henderson, North Carolina

Dear Mr. Griffin:

During the Capital Improvements Planning process, the need for an upgrade was identified at the City of Henderson's Sandy Creek Pump Station. Through meetings with staff and Council, it was determined that McGill Associates would prepare and submit a Clean Water SRF application to the Infrastructure Finance Section (IFS) of the NC DENR for this important project. The funding application for this project has recently been determined eligible to receive a SRF loan in the amount of \$1,800,000, including \$900,000 of principal forgiveness and \$900,000 of low interest loan. The next milestone to remain eligible for this funding is to submit the Engineering Report (ER) and Environmental Information Document (EID) to IFS by July 2, 2012.

Pursuant to your request, we are pleased to provide you with this Proposal for Engineering Services for the proposed project. This proposal includes the preparation of the ER and EID in accordance with IFS's *Guidance for the Preparation of ERs and EIDs*.

The Sandy Creek Basin collects wastewater from the southeast section of the City at the Sandy Creek Pump Station with a combination of gravity sewers and intermediate pump stations. The Sandy Creek Pump Station, which is the largest lift station in the system, is overloaded during wet weather and unreliable. The pump station includes equipment and components that have exceeded their useful life and are subject to failure. Previous pump testing by the City indicated that the existing pumps are flowing much lower than originally designed. Pump equipment issues have resulted in slower pumps resulting in lower flows and solids depositing in the force main. Consequently, raw sewage backs up in the Sandy Creek system, eventually resulting in overflows.

The proposed project includes improvements to two aged and inefficient pumps, motors and drives, electrical system, site, and related appurtenances. The proposed pumping, equipment, electrical, and facility improvements will address frequent maintenance and repair issues. The improvements will provide a more reliable pumping system to allow proper pumping of raw

E n g i n e e r i n g • P l a n n i n g • F i n a n c e
McGill Associates, P.A. • P.O. Box 1136, Hickory, NC 28603 • 1240 19th St. Lane NW, Hickory, NC 28601
Office: 828-328-2024 • Fax: 828-328-3870

wastewater at the original conditions. The project will increase the operational effectiveness and reliability of the station to ensure the pump station remains in operation.

We anticipate providing the following **Scope of Services** for the subject project:

PRELIMINARY PHASE SERVICES

- Meet with City staff to discuss current issues and needs associated with the existing facility.
- Identify and evaluate existing components at the facility.
- Identify major sewer interceptors and pumping stations tributary to the facility.
- Review previously prepared reports pertinent to the facility.
- Review operating reports and data furnished by the City to determine design parameters.
- Review the City's flow allocations.
- Perform population and wastewater projections if required by IFS.
- Prepare the alternatives analysis including the No Action alternative, optimum operation of existing facilities, the proposed alternative, and one additional viable alternative, all in accordance with IFS's guidance.
- Prepare opinions of probable construction costs, operations and maintenance costs, and present worth analysis for each alternative.
- Prepare the Financial Analysis for the selected alternative.
- Plan and prepare conceptual layout of proposed facility components.
- Prepare the ER and EID in accordance with IFS's guidance.
- Submit the draft report to City staff for review.
- Discuss draft report with City staff and incorporate any comments.
- Submit the ER and EID to IFS by the July 2, 2012 milestone.
- Attend project meeting with City staff to discuss the project.
- Respond in writing to comments received from IFS, and revise the ER and EID to address those comments.

Mr. A. Ray Griffin, Jr., Manager
May 18, 2012
Page 3

BASIS OF COMPENSATION

McGill Associates proposes to provide the proposed scope of services for the total lump sum fee of \$15,700.00. As this is the preliminary engineering phase, this fee does not include surveying, design plans and specs, permitting, geotechnical, bidding and award, construction observation, or construction administration services.

This proposal also assumes the following:

- Necessary background and project information will be provided by the City of Henderson in a timely manner. Such items include record drawings, Daily Monitoring Reports, Notices of Violations, DWQ inspection reports, boundary survey of the property, flow allocations, significant industrial user allocations, previous studies, and a history of any nuisance complaints.
- The City will designate a person to act as the Owner's representative with respect to the work to be performed under this proposal; and such person shall have complete authority to transmit instructions, receive information, interpret and define the City's policies and decisions pertinent to the scope of services.
- City staff will examine all studies, reports, sketches, estimates, and other documents presented and render decisions and comments pertaining thereto within a reasonable time so as not to delay the services.
- Payment for services shall be made monthly as work progresses.

ADDITIONAL SERVICES

Tasks outside the scope of services, including but not limited to the following items, will be considered additional services:

- Services resulting from significant changes in general scope of the project including changes in size, capacity, complexity, or schedule.
- Services normally furnished by the City and not otherwise provided for in this proposal.
- Preparing an Environmental Assessment beyond the scope of the EID, should one be required.
- Services in connection with securing and administering project funding.

We would be pleased to assist the City of Henderson with additional services in accordance with our enclosed Basic Fee Schedule.

Mr. A. Ray Griffin, Jr., Manager
May 18, 2012
Page 4

We appreciate the opportunity to provide this proposal and look forward to assisting the City of Henderson with this important effort. We are prepared to begin work immediately upon your authorization in order to submit the report within the prescribed timeline.

If this proposal is acceptable to you, please sign below and return one (1) copy to our office. If you have any questions concerning this proposal, please do not hesitate to contact us.

Sincerely,
MCGILL ASSOCIATES, P.A.



ANDY C. LOVINGOOD, PE
Principal

Enclosure: Basic Fee Schedule

ACCEPTANCE:

This proposal is accepted this the _____ day of _____, 2012.

CITY OF HENDERSON

(Signature)

(Date)

(Name)

(Title)



BASIC FEE SCHEDULE
April 1, 2010

<u>PROFESSIONAL FEES</u>	<u>Hourly Rate</u>
Senior Project Manager	\$155.00
Project Manager	\$135.00
Project Specialist	\$135.00
Financial Analyst	\$100.00
Senior Project Engineer	\$120.00
Project Engineer	\$105.00
Engineering Associate	\$ 85.00
Senior Engineering Technician	\$ 90.00
Engineering Technician	\$ 75.00
Senior Planner	\$100.00
Associate Planner	\$ 85.00
Property Specialist	\$ 65.00
Planner	\$ 70.00
Construction Services Manager	\$125.00
Senior Construction Administrator	\$100.00
Construction Administrator	\$ 80.00
Construction Document Coordinator	\$ 60.00
Administrative Assistant	\$ 60.00
Senior Construction Field Representative	\$ 75.00
Construction Field Representative	\$ 65.00
Surveying Services Manager	\$155.00
Survey Manager	\$105.00
Project Surveyor	\$ 90.00
Surveying Associate	\$ 75.00
Senior Survey Technician	\$ 65.00
Survey/GIS Technician	\$ 55.00
Survey Rodman	\$ 45.00
Electrical Services Manager	\$155.00
Firm Principal	\$180.00
Finance Officer	\$ 90.00
Senior CADD Operator	\$ 75.00
CADD Operator	\$ 65.00
Clerical	\$ 50.00

- I. **EXPENSES**
- A. Mileage - \$0.65/mile
 - B. Robotics/GPS Equipment - \$25/hr.
 - C. Telephone, reproduction, postage, lodging, and other incidentals shall be a direct charge per receipt.
- II. **ASSOCIATED SERVICES** - Associated services required by the project such as soil analysis, materials testing, etc., shall be at cost plus ten (10) percent.

RESOLUTION 14-06

APPROVING A BID AWARD TO TURNER MURPHY CO. INC. OF ROCK HILL SOUTH CAROLINA FOR IMPROVEMENTS TO THE SANDY CREEK PUMP STATION IN THE AMOUNT OF \$1,397,594

WHEREAS, the Henderson City 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 Resolution as follows: KSO 5: To Provide Reliable, Dependable and Environmental 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 Clean Water Act Amendments of 1987 and the North Carolina 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 or replacement of wastewater collection systems, *and*

WHEREAS, the City of Henderson Council approved an application for aforementioned loan for the Sandy Creek Pump Station Improvement Project at the 27 February 12 Council Meeting, *and*

WHEREAS, the City of Henderson received notification on 3 April 2012 from NCDENR Infrastructure Finance Section that the Sandy Creek Pump Station Improvement project is eligible to receive a CWSRF loan in the amount of \$1,800,000 with \$900,000 being in the form of principal forgiveness; *and*

WHEREAS, the project was properly advertised and 9 bids were received for the project on 19 December 2013; *and*

WHEREAS, McGill Associates has recommended a bid award in the amount of \$1,397,594 which includes the alternate item as well as further replacement interior piping which will help address high velocities; *and*

WHEREAS, the award is approved subject to final approval of the Infrastructure Finance Section.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Henderson, North Carolina that it does hereby Approve the bid award to Turner Murphy Company, Inc. of Rock Hill, South Carolina and authorizes the Mayor and/or City Manager to sign all documents necessary to execute said contract being more fully Articulated in **Attachment A** to this Resolution.

The foregoing Resolution 14-06, upon motion of Council Member Coffey and seconded by Council Member Daye, and having been submitted to a roll call vote received the following votes and was APPROVED on this the 27th day of January 2014: YES: Simmons, Daye, Kearney, Coffey, Inscoc, Peace-Jenkins and Daeke. NO: None. ABSTAIN: None. ABSENT: None.

D. Michael Rainey, Mayor Pro-Tem

ATTEST:

Esther J. McCrackin, City Clerk

Approved to Legal Form:

John H. Zollicoffer, Jr., City Attorney

Reference Minute Book 43, p 111

**MODIFIED AGREEMENT
BETWEEN OWNER AND CONTRACTOR**

Prepared by

ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

and

Issued and Published Jointly by



AMERICAN COUNCIL OF ENGINEERING COMPANIES

ASSOCIATED GENERAL CONTRACTORS OF AMERICA

AMERICAN SOCIETY OF CIVIL ENGINEERS

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A Practice Division of the
NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

Endorsed by



CONSTRUCTION SPECIFICATIONS INSTITUTE

EJCDC C-520 Modified Form of Agreement Between Owner and Contractor for Construction Contract (Stipulated Price)
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www.asce.org

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EJCDC C-520 ~~Modified~~ Form of Agreement Between Owner and Contractor for Construction Contract (Stipulated Price)
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**MODIFIED AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between City of Henderson ("Owner") and
Turner Murphy Co., Inc. ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

- 1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

Sandy Creek Pump Station Improvements including a new mechanical screen and conveyor systems, new pumps with variable frequency drives, flow meter, valves, piping, bypass pumping arrangement, hoist beam, new electrical room, new generator, electrical, controls, SCADA system, valves, site work, and related appurtenances.

including a new mechanical screen and conveyor system, new pumps with variable frequency drives, new flow meter vault, valves, piping, bypass pumping arrangement, new electrical room, new generator, SCADA system, electrical, controls, site work, and related appurtenances.

ARTICLE 2 – ENGINEER

- 2.01 The Project has been designed by McGill Associates, P.A. (Engineer), which is to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 3 – CONTRACT TIMES

3.01 *Time of the Essence*

- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

3.02 *Dates for Substantial Completion and Final Payment*

- A. The Work will be substantially completed within **270 calendar days**, and completed and ready for final payment in accordance with the General Conditions within **300 calendar days**.

3.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 3.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner \$700 for each calendar day that expires after the time specified in Paragraph 3.02 above for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owner, Contractor shall pay Owner \$700 for each calendar day that expires after the time specified in Paragraph 3.02 above for completion and readiness for final payment until the Work is completed and ready for final payment.

ARTICLE 4 – CONTRACT PRICE

- 4.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents an amount equal to the sum of the amounts determined pursuant to Paragraphs 4.01.A, and 4.01.B below:
- A. For lump sum work an amount equal to the percentage completed of specific items of work provided by the Contractor as a schedule of values for the Lump Sum work.
- B. For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the actual quantity of that item. The unit price for each item is as supplied in the Bid for the project.

ARTICLE 5 – PAYMENT PROCEDURES

5.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

5.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 25th day of each month during performance of the Work as provided in Paragraph 5.02.A.1 below. All such payments will be measured by the schedule of values established as provided in Paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work based on the number of units completed).

3.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 3.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner \$700 for each calendar day that expires after the time specified in Paragraph 3.02 above for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owner, Contractor shall pay Owner \$700 for each calendar day that expires after the time specified in Paragraph 3.02 above for completion and readiness for final payment until the Work is completed and ready for final payment.

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- 4.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents an amount equal to the sum of the amounts determined pursuant to Paragraphs 4.01.A, and 4.01.B below:
- A. For lump sum work an amount equal to the percentage completed of specific items of work provided by the Contractor as a schedule of values for the Lump Sum work.
- B. For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the actual quantity of that item. The unit price for each item is as supplied in the Bid for the project.

ARTICLE 5 – PAYMENT PROCEDURES

5.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

5.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 25th day of each month during performance of the Work as provided in Paragraph 5.02.A.1 below. All such payments will be measured by the schedule of values established as provided in Paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work based on the number of units completed).

procedures of construction to be employed by Contractor, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Contract Documents; and (3) Contractor's safety precautions and programs.

- F. Based on the information and observations referred to in Paragraph 6.01.E above, Contractor does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 7 – MISCELLANEOUS

7.01 *Terms*

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

7.02 *Assignment of Contract*

- A. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

7.03 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

7.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

7.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 7.05:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 8 – CONTRACT DOCUMENTS

8.01 Contents

- A. The Contract Documents consist of the following:
1. This Agreement (pages 7 through 7, inclusive).
 2. Performance bond (pages 1 through 1, inclusive).
 3. Payment bond (pages 1 through 1, inclusive).
 4. ~~Other bonds (pages through , inclusive).~~
 5. Notice of Award (pages 1 through 1, inclusive).
 6. Modified General Conditions (pages 1 through 82, inclusive).
 7. Supplementary Conditions (pages 1 through 1, inclusive).
 8. Specifications as identified in the table of contents of the bound Project Manual.
 9. Drawings consisting of 28 sheets with each sheet bearing the following general title: Sandy Creek Pump Station Improvements
 10. Addenda (numbers 1 through 2, inclusive).
 11. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid, Bid Bond, and Attachments.
 12. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:
 - a. Notice to Proceed (pages 1 through 1, inclusive).
 - b. Work Change Directives.
 - c. Change Orders.
- B. The documents listed in Paragraph 8.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 8.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 3.04 of the General Conditions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement. Counterparts have been delivered to Owner and Contractor. All portions of the Contract Documents have been signed or have been identified by Owner and Contractor or on their behalf.

This Agreement is dated _____, 2014.

OWNER:

City of Henderson

By: James D. O'Geary

Title: Mayor

Attest: _____

Title: _____

Address for giving notices:

City of Henderson

134 Rose Avenue

Henderson, North Carolina 27536

Pre-Audit Statement: This instrument has been preaudited in the manner required by the Local Budget and Fiscal Control Act as amended.

By: Katherine C. Brafford

Title: Finance Director

Date: _____

Approved as to Form:

By: John H. Zollicoffer, Jr.

Title: _____

Date: _____

CONTRACTOR

Turner Murphy Co., Inc.

By: Mike Murphy

Title: President

(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest: _____

Title: _____

Address for giving notices:

Turner Murphy Co., Inc.

PO Box 3490

Rock Hill, South Carolina 29732

License No.: 9072

Agent for service of process:
