



**TOWN OF AYDEN
GOVERNING BOARD MEETING
MINUTES**

April 9, 2018– 7:00 pm
Ayden Community Building – 548 Second Street

I. CALL TO ORDER

A. Call to Order

Mayor Tripp called the meeting to order at 7:00 p.m.

B. Roll Call

Present:

Mayor Tripp

Commissioners Davenport, Mewborn, Ross, Langley and Davis

Also Present:

Steven Harrell - Town Manager

Sarah Radcliff– Town Clerk

Scott Dixon- Town Attorney

C. Welcome Visitors

Mayor Tripp welcomed everyone to the meeting.

D. Invocation

Mayor Tripp gave the invocation.

E. Pledge of Allegiance

Mayor Tripp led the Pledge of Allegiance.

F. Approval of the Agenda

Motion to approve the agenda.

Motion: Mayor Pro-tem Mewborn

Second: Commissioner Ross

Discussion: None

Approved: 5-0

Motion passed unanimously.

II. PRESENTATIONS

A. ElectriCities

Roy Jones, Chief Executive Officer of ElectriCities, presented to the Board.

NCEMPA Overview and Wholesale Rates Update

*Ayden Board of Commissioners
April 9, 2018*

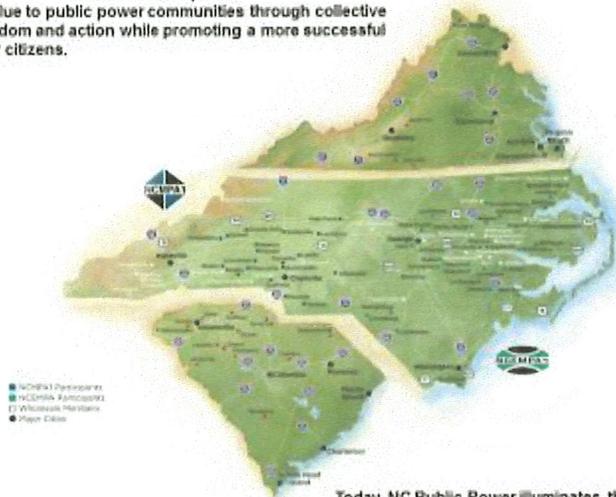
Roy Jones, CEO



- *ElectriCities Participant Map*

ElectriCities Purpose

Delivering value to public power communities through collective strength, wisdom and action while promoting a more successful future for our citizens.



Today, NC Public Power illuminates the homes and workplaces of more than 1.2 million people – that's a population larger than Raleigh and Charlotte combined.

Governance Structure

NCMPA1 Board of Commissioners

Primary Responsibilities

- Adopts NCMPA1 budget
- Accepts/rejects wholesale rates
- Concurrence with debt issuance
- Elects Directors to the EC Board of Directors

NCEMPA Board of Commissioners

Primary Responsibilities

- Adopts NCEMPA budget
- Accepts/rejects wholesale rates
- Concurrence with debt issuance
- Elects Directors to the EC Board of Directors



Electricities Board of Directors

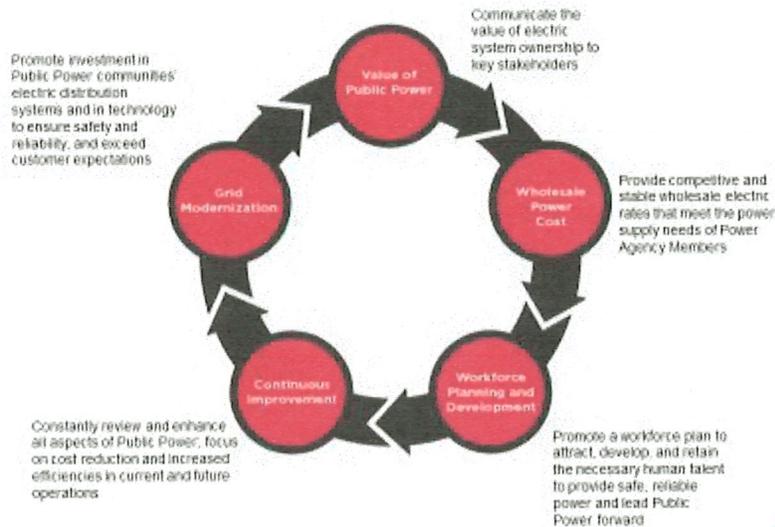
Primary Responsibilities

- Reviews and approves EC budget
- Sets wholesale rates subject to acceptance/rejection by the BOC
- Approves power agency debt issuances subject to BOC concurrence
- Sets policy and strategic direction
- Holds management accountable for day-to-day operations of the Power Agencies

3



Our Strategic Priorities



4



North Carolina Eastern Municipal Power Agency (NCEMPA)

- North Carolina Eastern Municipal Power Agency (NCEMPA)
- Serves 32 cities in eastern NC
- Sold generation assets (ownership in 4 power plants) to Duke Energy Progress in 2015
 - This opportunity allowed NCEMPA to sell power generation assets, decrease debt and purchase wholesale power from Duke Energy Progress
 - Continue to provide a reliable power supply
 - Lower rates and become more cost competitive
 - Provide long-term economic benefits
 - Increase stability and reduce risk
 - Adapt and respond to changing market conditions



5

- NCEMPA Asset Sale Savings

- Projected Ayden savings was 14.2% for the first year
- Actual Ayden first year savings was **16.9% (\$1.6 million)**
- Total Ayden savings for July 2015 – December 2017 was **18.2% (\$4.4 million)**



6

- Wholesale Rate Update

- NCEMPA and its Members receive power from Duke Energy Progress (“DEP”) under a “Full-Requirements” power supply agreement
- The wholesale rates paid by NCEMPA are based on its share of DEP’s total system cost
- Key areas of change since January 2017 projections:
 - Higher DEP production system rates
 - Impact of the coal ash settlement
 - Lower coal ash costs with shift in timing
 - Ability to develop additional NCEMPA generation
 - Increase in DEP transmission system losses
 - Decrease to DEP’s corporate federal income tax rate

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- Rate Path Options

	Fiscal Year	Overall Avg. Rate Increase / (Decrease) Effect. April 1:		
		Jan. 2017 Projections	Current Projections	
			Option 1	Option 2
Rate Planning Projection Period	2018	--	2.5%	--
	2019	--	1.0%	3.0%
	2020	3.0%	1.0%	3.0%
	2021	3.0%	1.0%	--
	2022	--	--	--
Simplified Extrapolation Period	2023	--	--	--
	2024	--	--	--
	2025	(8.5%)	(6.5%)	(6.5%)
	2026-30	2%	1-2%	1-2%

8



- 2018 Rate Adjustment Implementation

No overall average NCEMPA rate change in 2018 for Members, but demand and energy rates were updated to align with DEP's rates

Full Requirements Monthly Rate	Current FR-2 Rate	New FR-3 Rate
Demand Charge (\$/kW):		
• All kW (CP Demand)	18.74	21.88
Change from FR-2 Rate		17%
Energy Charge (¢/kWh):		
• All kWh	3.029	2.494
Change from FR-2 Rate		(18%)

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- 2018 Overall Rate Change Impacts

Member	Overall FR Charges (FY17) (¢/kWh)	Overall FR Charges (FY18) (¢/kWh)	Change in Overall FR Charges (FY17-18) (%)	Change in Overall FR Charges (FY18) (\$000)	Member	Overall FR Charges (FY17) (¢/kWh)	Overall FR Charges (FY18) (¢/kWh)	Change in Overall FR Charges (FY17-18) (%)	Change in Overall FR Charges (FY18) (\$000)
Apex	7.252	7.350	1.3%	\$327	Laurinburg	7.687	7.768	1.1%	\$116
Ayden	7.626	7.718	1.2%	\$96	Louisburg	7.944	8.055	1.4%	\$58
Belhaven	8.170	8.236	0.8%	\$12	Lumberton	7.506	7.561	0.7%	\$164
Benson	8.034	8.124	1.1%	\$32	New Bern	7.593	7.669	1.0%	\$353
Clayton	7.849	7.972	1.6%	\$138	Pikeville	8.442	8.592	1.8%	\$13
Edenton	8.020	8.095	0.9%	\$76	Red Springs	7.796	7.867	0.9%	\$24
Elizabeth City	7.590	7.625	0.5%	\$112	Robersonville	7.323	7.289	-0.5%	(\$9)
Farmville	8.095	8.220	1.5%	\$65	Rocky Mount	7.206	7.198	-0.1%	(\$58)
Fremont	8.204	8.327	1.5%	\$17	Scotland Neck	8.084	8.147	0.8%	\$18
Greenville	6.986	6.991	0.1%	\$90	Selma	7.638	7.702	0.8%	\$43
Hamilton	8.893	9.045	1.7%	\$5	Smithfield	6.935	6.910	-0.4%	(\$43)
Hartford	8.216	8.315	1.2%	\$24	Southport	7.624	7.691	0.9%	\$41
Hobgood	8.754	8.888	1.5%	\$4	Tarboro	6.514	6.381	-2.0%	(\$326)
Hookerton	8.624	8.810	2.2%	\$12	Wake Forest	7.127	7.169	0.6%	\$68
Kinston	6.895	6.848	-0.7%	(\$219)	Washington	7.387	7.430	0.6%	\$123
La Grange	8.513	8.693	2.1%	\$48	Wilson	6.412	6.309	-1.6%	(\$1,374)
Total NCEMPA	7.104	7.104	---	\$50					

10



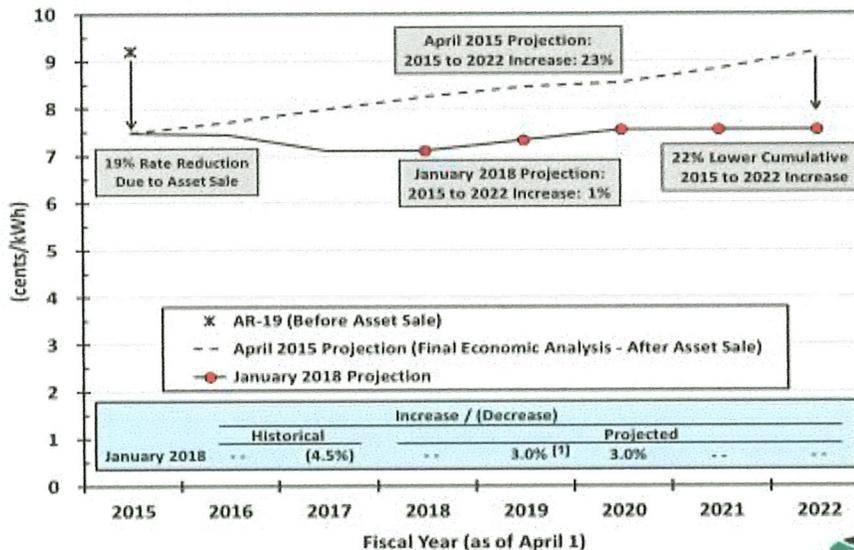
- 2018-2022 Overall Rate Change Impacts

Annual Change in Overall FR Charges (%)						Annual Change in Overall FR Charges (%)					
Member	FY18	FY19	FY20	FY21	FY22	Member	FY18	FY19	FY20	FY21	FY22
Apex	1.3%	3.2%	2.6%	-0.1%	-0.2%	Laurelburg	1.1%	3.0%	2.6%	0.0%	-0.1%
Ayden	1.2%	3.1%	2.6%	0.0%	-0.1%	Louisburg	1.4%	3.0%	2.4%	0.0%	-0.1%
Belhaven	0.8%	2.8%	2.4%	0.1%	0.0%	Lumberton	0.7%	3.0%	2.7%	0.1%	0.0%
Benson	1.1%	2.9%	2.4%	0.0%	-0.1%	New Bern	1.0%	3.0%	2.6%	0.0%	-0.1%
Clayton	1.6%	3.0%	2.3%	-0.1%	-0.2%	Pikeville	1.8%	2.9%	2.2%	0.0%	-0.1%
Edenton	0.9%	2.9%	2.4%	0.0%	-0.1%	Red Springs	0.9%	3.0%	2.6%	0.1%	0.0%
Elizabeth City	0.5%	2.9%	2.7%	0.0%	0.0%	Robersonville	-0.5%	2.9%	3.1%	0.1%	0.1%
Farmville	1.5%	3.0%	2.3%	0.0%	-0.1%	Rocky Mount	-0.1%	3.0%	3.0%	0.1%	0.1%
Fremont	1.5%	2.9%	2.3%	0.0%	-0.1%	Scotland Neck	0.8%	2.8%	2.5%	0.1%	0.0%
Greenville	0.1%	3.1%	3.0%	0.0%	0.0%	Selma	0.8%	3.0%	2.6%	0.0%	0.0%
Hamilton	1.7%	2.8%	2.0%	0.0%	-0.1%	Smithfield	-0.4%	3.1%	3.2%	0.1%	0.1%
Hertford	1.2%	2.9%	2.3%	0.0%	-0.1%	Southport	0.9%	3.0%	2.6%	0.0%	-0.1%
Hobgood	1.5%	2.8%	2.1%	0.0%	-0.1%	Tarboro	-2.0%	2.9%	3.8%	0.2%	0.3%
Hookerton	2.2%	3.0%	2.0%	0.0%	-0.2%	Wake Forest	0.6%	3.1%	2.8%	0.0%	-0.1%
Kinston	-0.7%	3.2%	3.3%	0.1%	0.1%	Washington	0.6%	3.1%	2.8%	0.0%	0.0%
La Grange	2.1%	3.0%	2.0%	0.0%	-0.2%	Wilson	-1.6%	3.0%	3.7%	0.2%	0.2%
						Total NCEMPA	---	3.0%	3.0%	---	---

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Total Full-Requirements Charges Since Sale of Assets



12

[1] Includes an overall 0.7% rate level reduction associated with the additional 18 MW of new NCEMPA-owned peaking generation assumed to be online 1/1/18.



Staff Comments

Purpose of this presentation is to give an overview of the Electricities organization and to discuss the Town of Ayden's 1.2% increase in its Full Requirement's Rate from the Power Agency effective April 1, 2018. This increase totals an additional \$96,000 in our purchased power costs.

Action Requested

No action necessary tonight.

Laura Todd, Director, addressed the Board. Mrs. Todd stated the Chamber had set their goals for the upcoming year. See below for a breakdown.

Economic Development

- Pitt Community Classes in Ayden
- Trade Show/Job Fair
- Welcome Packets to New Residents & Business Owners

Marketing/Public Relations

- Relocation Guide
- Upgrade Chamber Website
- Community Calendar on website
- Punch Card Marketing Program

Special Events/Fundraising

- Christmas Town in Ayden
- Golf Tournament
- BBQ Festival
- Gingerbread Man Fundraiser

Membership/Organizations

- Membership Drive
- Ribbon Cuttings
- Annual Banquet
- Procedure & Policy Manual

Schools/Education

- School Ambassador & Leadership Program
- Business Proctor Volunteer Program

Governmental Affairs

- Quarterly Coffee with Commissioners Meeting
- Upgrade Links on County and Town websites

III. PUBLIC COMMENTS

Alice Cannon-Parker, 4353 East Avenue, addressed the Board. Mrs. Cannon-Parker stated she had some questions regarding the Random Acts of Kindness program. She said she has looked at the criteria and felt it was for citizens that really go out of their way and she was looking for some clarity. She felt businesses have their award and there are citizens in the community that go out of their way that she would like to nominate but felt they didn't stand a chance against a business that was nominated.

Commissioner Davis asked if there was any criteria set up for the award. Mayor Pro-tem Mewborn answered yes. Mayor Pro-tem Mewborn stated the program was open to everyone and anyone could be nominated. He said they could not win if they weren't nominated. He encouraged everyone to nominate those they felt were worthy of the award. Manager Harrell said the board recognized anyone and everyone who is nominated. Mrs. Cannon-Parker suggested asking the citizens and nominees to be a part of deciding who would get the yearly award. Mayor Tripp thanked Mrs. Cannon-Parker for her comments. He said he felt the intent was good.

IV. PUBLIC HEARING

- A. Public Hearing regarding GUC Expansion of Natural Gas in Ayden

Item Explanation

At the Town Board's request, Tony Cannon, General Manager of the Greenville Utilities Commission, was present last month to discuss the extension of additional natural gas lines within the Town of Ayden. The following talking points were sent by Tony Cannon:

Ayden Talking Points

- 1999 GUC approached by PCEDC and Town of Ayden to provide service to Worthington Industrial Park (WIP).
- 2000 Interlocal Agreement between PCEDC, Town of Ayden and GUC executed.
- 2001 main extended adjacent and parallel to NC Hwy 11 to serve WIP.
- Additional main extensions have been constructed as a result of customer requests.
 - Main extensions are completed utilizing the criteria implemented by the Board of Commissioners based upon economic feasibility.
 - 2009 GUC served 237 customers in Ayden with natural gas.
 - 2018 GUC serves 453 customers in Ayden with natural gas.
- At the request of Kenneth Ross, Gas Department staff gave a presentation to the Police Council on January 23, 2018.
 - Information provided included Gas Department overview, current natural gas availability in Ayden, how requests for gas service can be made and natural gas safety.
 - 15-20 Ayden residents were in attendance, many from the East Avenue and Kennedy Estates areas.
- As a result of interest expressed during the January Police Council meeting, Gas Department staff has initiated the process of sending natural gas interest survey letters to over 500 property owners in the East Avenue area and southern quadrant area, which includes Kennedy Estates.

Staff Comments

Town Manager and Finance Director met with Tony Cannon and his staff on Tuesday, March 6th to discuss to discuss what is required moving forward for the continued and expanded provision of natural gas delivery service in Ayden.

GUC agrees that a franchise agreement with Ayden is needed. Currently there is no franchise agreement for the provision of natural gas delivery service in Ayden. A first draft of a franchise agreement for GUC's provision of natural gas delivery service in Ayden was provided to the Town Board last month, that lays out some of the basics of a franchise agreement. This is for illustrative purposes only tonight. Staff is working with the Town Attorney and GUC to develop a final franchise agreement to bring back to the Town Board for adoption at its May meeting. This is needed regardless of GUC expanding its service or not.

Enclosed also is a 2018 map we received from GUC at the Tuesday meeting with regard to current GUC natural gas customers in Ayden and those residents/businesses that currently have propane gas service. Basically, what we learned was that of the 453 Ayden natural gas customers in 2018, most were propane gas customers and that of the 500 additional potential GUC Ayden customers, all are currently propane customers. Additionally, GUC indicated it is only inclined to run new gas lines to areas of town where there are existing propane customers. The propane customers that already have, and might, convert to natural gas virtually all just convert their heat to propane, not water heaters or kitchen appliances because of the heavy expense to do so. The current 453 natural gas customers occurred over a period of 18 years to get to the current total – the conversion of the other potential 500 will most likely follow a similar time pattern. The gist of this is to say that the impact to our electric system revenues is minimal – all electric customers are unlikely to foot the expense to convert to natural gas. GUC also reported to us that it has found that the construction of new homes by developers is virtually all electric due to the lesser expense to do so in building new homes.

Recall that GUC last month was still in the midst of conducting its survey of potential customers in Ayden, as well as, working with us on developing a franchise agreement, as reported above. The survey results are still being compiled and considered by GUC and work on the franchise agreement will also require a separate inter-local agreement for the payment in-lieu of piped gas sales tax receipt to the Town by GUC. Thus, these are not ready for the Town Board's meeting tonight – as noted in your minutes of that meeting, if these were not ready for April 9th, they are to be brought back to the Town Board at its May meeting, which we will do.

Note: the payment in-lieu of piped gas sale tax has been offered, as Mr. Cannon noted at your meeting last month, by the GUC, since state legislation did not take into account gas sales by GUC in other municipalities. The amount of current sales tax, if we received it, would be approximately \$2,300 annually based on the gas revenues generated by current Ayden customers – this is the amount discussed at last month's meeting. Contact with the UNC School of Government indicates that this payment in-lieu of sale tax cannot be a part of the franchise agreement itself, because it would, in essence, be a franchise fee, which is prohibited by state statute with regard to natural gas franchise agreements. However, GUC has now suggested we get at this payment in-lieu of sales tax via an inter-local agreement between Ayden and GUC. GUC's attorney is working on drafting this inter-local agreement for us to review.

Tonight's action is to conduct a public hearing, as requested by the Town Board at its February meeting, on this matter of GUC expansion of its natural gas lines in the Town of Ayden in order to allow residents an opportunity to comment on the matter.

Action Requested

None tonight.

Mayor Tripp opened the public hearing. With no one wishing to speak, Mayor Tripp closed the public hearing.

Commissioner Davenport stated the problem is that everyone wasn't told that this was an option when it first came out. Mayor Tripp asked if the public was notified. Manager Harrell said it was published in the newspaper and on the website. Mayor Tripp said GUC sent out surveys to propane users.

Mayor Pro-tem Mewborn said in our packet it says the impact to our electric system revenues is minimal. He asked if that was true. Manager Harrell said it is. Mayor Pro-tem said a lack of communication is what has gotten us to the place we are in today. He said a certain demographic of the town was left out. He said if we are wrong about something, we need to correct it, talk about it, and not let it happen again. He stated he was disappointed that no one was there to speak in the public hearing because several had complained about the situation. Mayor Tripp said the Housing Authority was targeted. He stated GUC is a business and if people don't sign up or complete the survey it would be very difficult for them to do anything.

V. CONSENT AGENDA

- A. Minutes from the February 24, 2018 Board Retreat
- B. Minutes from the March 12, 2018 Board Meeting

Motion to approve the consent agenda.

Motion: Mayor Pro-tem Mewborn

Second: Commissioner Ross

Discussion: None

Approved: 5-0

Motion passed unanimously.

VI. ACTION ITEMS

A. Vote to move May 14, 2018 meeting to May 7, 2018

Item Explanation

Commissioner Ross has requested that the Town Board consider moving its previously scheduled May meeting from the 14th to the 7th. She indicates she will be out of town on vacation that evening.

Staff Comments

The Town Board was sent Commissioner Ross' request via email from the manager's office on Monday, March 26th. To move a scheduled meeting requires action by the Town Board to do so.

Action Requested

By motion, move Town Board meeting from May 14th to May 7th.

Motion to move the May 14th Meeting to May 7th.

Motion: Mayor Pro-tem Mewborn

Second: Commissioner Davis

Discussion: None

Approved: 5-0

Motion passed unanimously.

B. Appointment to the Arts & Recreation Board

Item Explanation

Anne Creech's term on the Ayden Arts & Recreation Board expired in March 2018.

Staff Comments

The vacancy was advertised on the Town's website, in the Times Leader and the Daily Reflector. Three applications were received by the 3/30 deadline and are attached.

Action Requested

To consider appointing Scott Cole, Barbara C. Wade, or Amanda Brooks to a three-year term that will expire in March 2021.

Motion to appoint Amanda Brooks to a three-year term that will expire in March 2021.

Motion: Commissioner Davis

Second: Commissioner Langley

Discussion: None

Approved: 5-0

Motion passed unanimously.

C. Bee City USA Designation

Item Explanation

The Bee City USA program endorses a set of commitments, defined in a resolution, for creating sustainable habitats for pollinators, which are vital to feeding the planet. Bee City USA fosters ongoing dialogue in urban areas to raise awareness of the role pollinators play in our communities and what each of us can do to provide them with healthy habitat.

The Bee City USA program endorses a set of commitments, defined in a resolution, for creating [sustainable habitats for pollinators](#), which are vital to feeding the planet. Incorporated cities, towns, counties and communities across America are invited to make these commitments and become certified as a Bee City USA affiliate. Affiliates are active participants in a national movement committed to pollinator conservation supported by conference calls and webinars to promote sharing and collaboration among affiliates. Becoming an affiliate institutionalizes the local government and community's commitment to pollinator conservation and provides support for widespread collaboration to establish and maintain healthy pollinator habitat on public and private land.

Being a Bee City USA affiliate also provides accountability for achieving pollinator conservation results each year, to be shared with one another and the public through annual reporting. Bee City USA disseminates information regarding funding opportunities, pollinator research and habitat enhancement through email, e-newsletters, the website and the Facebook page. Bee City USA shares resources for program promotion – press release templates, brochure templates, T-shirt designs, bee decals, pollinator garden signs, etc.

One in every three bites of food we eat is courtesy of insect pollination. Equally important, 90% of all wild plants and trees rely on pollinators for the survival of their species. Not surprisingly, in 2007 when honey bee colonies started disappearing, beekeepers and non-beekeepers alike became very concerned. While less is known about native bees and other pollinators, it is known that entire species are disappearing at alarming rates as they battle most of the same enemies as honey bees--loss of habitat essential for food and shelter, diseases and parasites, and inappropriate pesticide use.

Current Bee City USA affiliate municipalities in North Carolina are: Asheville, Bethania, Carrboro, Davidson, Durham, Hayesville, Hendersonville, Hillsborough, Matthews, Mouny Holly, Raleigh, Tabor City, Whiteville and Wilmington.

Staff Comments

Mayor Pro Tem Mewborn asked that this be brought to the Town Board for discussion and consideration. Enclosed the Town Board will find a sample resolution as provide by Bee City USA. If the Town Board wishes, staff can pursue the steps necessary to adopt the resolution and submit an application in June of this year.

1. Complete the Application form & Resolution template

Review Bee City USA's Resolution template and Application form with community stakeholders. If there is support to move forward, complete drafts of the application form and resolution.

2. Assign facilitation to a local government body or non-profit organization

Assign facilitation of the Bee City USA program to a (new or existing) committee. This committee may be based in local government or with a non-profit organization. It may be a newly formed subcommittee of an existing committee. Whatever its structure, it should be devoted to your community's pollinator conservation agenda.

3. Designate a local government department as a sponsor

Designate a local government department as the Bee City USA program and committee sponsor and an employee from that department as the "liaison" with Bee City USA.

4. Draft your Bee City USA Resolution and review with Bee City USA Headquarters

When both the resolution and application forms have been drafted, share your initial drafts with Bee City USA headquarters for feedback and final approval, and mail your application fee to Bee City USA. (Fees are on sliding scale based on population, and listed in application.)

5. Submit Application & Resolution to local government for approval

Present your Bee City USA application and resolution to local government for formal approval and adoption.

6. Finalize your Bee City USA designation by sending your adopted resolution to Bee City USA headquarters and "signing" the initial application form

Email a scanned copy of the adopted resolution to beecityusa@gmail.com. Within one week or less, Bee City USA will notify the contacts indicated on the application of their designation and listing on the Bee City USA website, as well as instructions for publicizing the news and ongoing use of logo and responsibilities.

Action Requested

Board direction to proceed with steps above with goal to adopt resolution at Board's July meeting.

D. Addition of Economic Developer

Item Explanation

At the Town Board's February 24th Planning Retreat staff was requested to bring back the position of Economic Developer for consideration to be added to the Town's Pay Classifications. This position was presented at last month's Town Board meeting and tabled to your April 9th meeting.

Estimated costs for a new economic development costs center for the coming FY18/19 is \$123,084, of which salary is estimated at up to \$68,000. Divided over 12 months would be \$10,257.00 monthly. If the position is added in this fiscal year, estimating 1 month of costs, it would cost the Town an additional \$10,257.00 in FY17/18. Economic Developer would be a Pay Grade 24 with a salary range of \$53,131 to \$78,634.

Last month with the retirement of the Purchasing Officer, the Board approved the reclassification of position to a Warehouse Attendant, saving the Town an estimated \$5,787 in payroll for the remainder of FY17-18. Netting this savings with the addition of the Economic Developer position would make the net cost for the new position \$4,470 thru the end of this fiscal year.

The intent for next year, if the Economic Developer position is approved, is to divide the costs over the General, Electric and Water and Sewer Funds as we currently do with management staff's salaries, a 25/50/25 split, therefore the net \$4,470 of additional payroll needed in this fiscal year will require the following budget amendment to cover the position:

General Fund -	\$ 1,117.75
Electric Fund	\$ 2,234.50
Water and Sewer	<u>\$ 1,117.75</u>
Total	\$ 4,470.00

A Fund balance appropriation in each fund will be required to offset these additional costs.

Staff Comments

While the costs to add an Economic Developer in the current fiscal budget is minimal, please note, by committing to the position tonight, Town Board is committing to fund the position for next year, at the estimated costs of \$123,084 annually.

Given it is taking Fund Balance to bring this position on board this fiscal year, and the fact this will cover, at best, just the final month of the year, the Town Board might want to consider the addition of this position as part of the FY18-19 budget preparation.

Action Requested

At Town Board's direction.

Motion to approve the position for the current fiscal year and begin the recruitment process.

Motion: Commissioner Langley

Second: Commissioner Davis

Discussion: None

Approved: 5-0

Motion passed unanimously.

E. Adoption of AHA Banned List Policy

Item Explanation

HUD Notice PIH 2015-19 (see enclosed) which explicitly states that an arrest is not the sole evidence of criminal activity that can be used by a Public Housing Authority for adverse admission, termination or eviction decision. Additionally, the ten-year mandatory wait for a person placed on the banned list is now seven years, unless there is a drug charge with a conviction, which does carry with it the 10 year ban.

Staff Comments

Attached is a recommended AHA Ban Policy in compliance with HUD Notice PIH 2015-19. The policy incorporates the seven year mandatory wait (unless a drug charge with conviction noted above); and AHA may run a recent police report, if requested by the banned individual at no additional cost to the AHA, with subsequent charge to banned individual to be paid by this individual at the time of the request for the police report.

Action Requested

Adopt attached AHA Banned List Policy.



4316 LIBERTY STREET

Ayden Housing Authority

Post Office Box 482
AYDEN, NORTH CAROLINA 28513-0482

PHONE: (252) 746-2021

FAX: (252) 746-9223

BANNED LIST POLICY

For purposes of this policy, the term "persons" shall mean any individual, whether a resident or non-resident and whether a minor or having reached the age of majority. For purposes of this policy, the term "Housing Authority" shall mean Ayden Housing Authority.

Persons shall be added to the Banned List if they engage in criminal or unlawful activity, or, while on Housing Authority property, engage in conduct which violates any policy, rule, or regulation of the Housing Authority, including, but not limited to, any conduct involving physical violence to other persons, destruction or misuse of Housing Authority property, or which may, in the discretion of the Housing Authority, be deemed to negatively affect the health, safety, or welfare of residents, management, or employees of the Housing Authority.

By way of illustration, the following non-inclusive list of activities will cause a person to be banned from Housing Authority property.

1. Sale or use of illegal drugs on Housing Authority property;
2. Assault or abuse of residents;
3. Breaking & entering on Housing Authority property;
4. Stealing from Housing Authority residents;
5. Threats to residents or Housing Authority employees;
6. Serious or repeated damage to Housing Authority property or equipment;
7. Living on Housing Authority property illegally (not on lease).

Persons added to the Banned List shall not be permitted on Housing Authority property for a period of seven (7) years. Housing Authority residents should review their Lease terms for potentially serious consequences relating to persons on the Banned List.

Persons may be added to the Banned List after:

Being personally informed of the Housing Authority's decision to ban them by the Executive Director or other designated person. This will be done in the presence of another person/persons and a follow-up letter will be sent regular mail to the last known address stating the reason for being banned and confirming the decision. If a person cannot be informed in person, a letter will be mailed return receipt to verify banned person receives letter.

Each new resident is given a copy of the banned list at move-in. This list is updated each time a person is added or removed from the list. Each time the list is revised a copy is hand delivered to each resident.



EQUAL HOUSING OPPORTUNITY

The Executive Director may remove a name if the banned person can provide a Police Record history which indicates that no additional criminal, illegal or prohibited activities have occurred during the seven (7) year banned period and after the housing authority obtains their own Police Record history through the National Crime Information Center (NCIC). The housing authority may provide a police report for the persons requesting removal, with a specified amount being paid prior to request being fulfilled (rate to be determined according to Lindsey Tenant PI price).

If this report through NCIC indicates that fingerprints must be submitted to obtain a conclusive record history, the banned person will be responsible for paying any cost associated with this submission.

Banned person due to drug charges and or convictions will remain on the banned list for ten (10) years. In addition, persons banned for the sale or use of illegal drugs on IH/A property will be required to present evidence that they have received professional guidance to combat the problem and have completed any programs required as a result of this professional assistance.

Motion to approve the Banned List Policy.

Motion: Mayor Pro-tem Mewborn

Second: Commissioner Langley

Discussion: None

Approved: 5-0

Motion passed unanimously.

F. Policy on Ayden Police Department Driving Home Police Cars

Item Explanation

To recap last three months' agendas:

Currently, in our APD, the Chief, Captain, Lieutenant, the two Police Investigators and one lone Police Officer, who lives in the town's corporate limits, take home their assigned police vehicles.

Recall Winterville allows only officers within a 10 mile radius to drive their assigned vehicles home and Farmville allows officers that reside within a 15 mile radius to drive their cars home; officers that reside 15 to 20 miles can drive home compensating the town for mileage(calculated at ½ the IRS mileage rate); officers residing outside 20 miles are not eligible to drive vehicle home.

The Town Board asked staff to draft police vehicle take home guidelines for its consideration.

Staff Comments

Enclosed you will find drafted police vehicle take home guidelines that are recommended as ones to be adopted by the Town Board, if it chooses to do so. Chief Stanley used Greenville Police Department's guidelines as a model. Section VI. Care and Maintenance was modified to indicate that, not only are repairs and maintenance to be done by the Town Garage during regular employee's working hours, washing/cleaning of the vehicles shall also be done during regular work hours. This is to comply with federal Fair Labor Standard Act (FLSA) regulations. Any repairs, maintenance and washing/cleaning outside regular work hours would make such work compensable hours under the FLSA.

As reported previously, the estimated annual costs for police car take home is approximately \$8,500. Rob Taylor has checked on the question raised by Commissioner Langley as to whether or not this allowance

to take home police vehicles is a taxable benefit for the police officers. The attached IRS publication indicates public safety vehicles are exempt from IRS benefits taxation.

However, we did learn that the personal use of a pickup truck for commuting purposes, even if for being on call(see bottom of attached IRS publication), would be a taxable benefit and subject to payroll taxes. It is not a qualified non-personal vehicle. Persons driving a pickup truck would need to have the tax value of the benefit added to their W2 at year-end. An employee commuting 5 days a week 52 weeks a year would see an \$844.61 gross up to wages using the commuting method of \$1.50 per commute. This would cost the Town \$129.33 annually per employee in FICA taxes – a total cost to our Town of \$775.98 for six that drive home. We did not address this past year. We will include in next year's W2s.

Action Requested

Adoption by the Board of the enclosed guidelines, if the Town Board chooses.

Commissioner Langley asked how many vehicles would be driven home. Chief Stanley stated 18. Commissioner Langley asked about the P&L insurance. He asked if all 18 vehicles would be outside the city limits. Manager Harrell stated 3 lived inside the city limits. Mayor Pro-tem Mewborn asked if an officer lived in Winterville, if they could make an arrest there. Chief Stanley said they couldn't make a physical arrest but they can detain until Winterville PD gets there. Commissioner Ross stated she thought this would be a good incentive for our officers and a way to show appreciation and consideration for them. Commissioner Davis agreed. Commissioner Davenport said we had tried this before and it didn't work because they were driving the cars all over the place. She said she didn't understand why this was needed.

Motion to adopt the guidelines that allows the police officers to drive home their police cars.

Motion: Commissioner Ross

Second: Commissioner Davis

Discussion: Mayor Tripp questioned who was liable if the officer was driving home or to work. Manager Harrell said if they were in a police car the Town would be liable. Commissioner Langley said he would like for the policy to be looked at more closely. He said he felt we were setting them up for failure.

For: Commissioners Ross and Davis

Against: Commissioners Langley, Davenport and Mayor Pro-tem Mewborn

Motion failed.

G. Disbanding of the Ayden PD K-9 Program

Item Explanation

Request to discontinue the Ayden Police Department's K-9 program.

Staff Comments

During the past year, the officer assigned to the K-9 unit has lost interest in continuing in the program and the dog has been utilized sporadically. This dog was not purchased with Town funds.

Action Requested

The Chief of Police is requesting that we discontinue the program and look for a department to take the K-9.

Commissioner Langley asked if we ever had any use for the K-9. Chief Stanley said we did. Commissioner asked if the officer did his job. Chief Stanley said he did, he just lost interest. Mayor Tripp asked if the dog was productive. Chief Stanley said he was. He said they could call the county in the future if they needed K-9 assistance. He said they planned to donate the dog to another agency.

Motion to table the item until the board can get more information.

Motion: Commissioner Langley

Second: Mayor Pro-tem Mewborn

Discussion: Mayor Pro-tem asked if we needed a dog could we rent one out. Chief Stanley said there would not be a cost to us. Commissioner Langley asked if the officer that is handling the dog was hired to do that. Chief Stanley said he was already an officer and all the money used to train the officer was donated.

Approved: 5-0

Motion passed unanimously.

H. Non-residential Maintenance Code

Manager Harrell presented to the Board.

Item Explanation

At the Board's August 14, 2017 meeting, staff was directed to bring back information on enhancements to the Non-residential Maintenance Code for further discussion.

At the Town Board's October 9, 2017 meeting, staff presented information on proposed updates to the Non-residential Maintenance Code and was directed to take the updates to the Planning Board for discussion and recommendations.

At the November 20, 2017 Planning Board meeting, staff presented the proposed updates to the Planning Board. The Planning Board was in agreements that the codes needed to be updated but gave no recommendations on the proposed changes.

At the Town Board's January 8th meeting, it directed staff to hold stakeholder's meetings to glean what the property owners felt about the proposed codes. Letters of invite(see enclosed) were sent out to some 260 property owners. Notices were distributed to the downtown businesses.

Staff has also polled several jurisdictions to see what others are doing to improve the look of their downtown and commercial districts. The majority of them used similar language in their codes and all had the same vision for an inviting and thriving commercial area. Sample language has been included in the Town Board's packets for review and discussion at the meetings mentioned above.

Staff Comments

Stakeholders' meetings were held on February 22nd at the old Town Hall and again on February 26th at the Community Building. Approximately 30 persons attending on the 22nd and 12 on the 26th. At separate tables of approximately 6 persons, attendees each submitted up to three concerns/comments for placement before the entire group. Then attendees, using sticky dots, each noted their top three concerns/comments. These results will be presented in a power point at the meeting. The entire results are also contained in your packet with the top ones noted in yellow – these results were also sent out to the Town Board via email 2 weeks ago.

One possible next step would be for the Town Board to direct a smaller group, a committee, if you will, representative of those from the stakeholders' meetings, to take the top concern/comments and develop a recommendation on the code to the Town Board.

Action Requested

Town Board's directions.

RESULTS OF NON-RESIDENTIAL
BUILDING CODE
STAKEHOLDERS' MEETINGS

Old Town Hall Stakeholders' Meeting
February 22, 2018

- ▶ Wants Town to help property owners instead of punishing them
- ▶ Would like to limit to outer appearance of building
- ▶ Building looks occupied
- ▶ Enforcement
- ▶ Feels the businesses need help (guidance from Town)
- ▶ Concerned with when codes get into place, how long do you get to comply and, if not compliance, what are repercussions?
- ▶ Who's going to be part of the composed committee to work on generated ideas?

▶ Community Building Stakeholder's Meeting

▶ February 26, 2018

- ▶ Enforcement
- ▶ Front and windows kept clean
- ▶ No cardboard or plywood in windows
- ▶ Sidewalk in front of bldgs. maintained such that water runs to streets rather into bldg.

Commissioner Langley suggested the Small Town Main Street Committee work on this project. Manager Harrell said that was a good idea and he would get the information out to the stakeholders. He stated his intent to bring back an ordinance for the board's approval.

I. Release of Customers to Bell Arthur Water Corporation

Manager Harrell presented to the Board.

Item Explanation

There are three (3) Town of Ayden water customers located on the west side of US11 near the proximity of its intersection with Hanrahan Road, which is at the extreme southern end of our water service area. These three customers were being served by a two-inch service line run under US11 from our distribution line on the east side of US11. We have no other water customers on this west side of US11 in this area, and in fact these customers about a Bell Arthur Water Corporation distribution line – Bell Arthur's water service territory is on this west side of US11 (see enclosed map of NRWASA service territories). Bell Arthur Water Corporation is a member of NRWASA, as Ayden is.

Staff Comments

The two inch water service line under US11 serving these three customers has broken somewhere under US11 and in order to continue serving these three customers, we would have to run another line under US11, which would require boring under the highway – the boring cost itself is estimated at \$13,000 – NCDOT will not allow US11 to be cut. In the meantime, Bell Arthur has allowed us to tap its water line to serve these customers.

The three customers generate approximately \$700 annually to Ayden in water sales. At that rate, it would take better than 18 years just to recoup just the boring cost. There are no other customers that could benefit from this new service line, as is noted above, this side of US11 is Bell Arthur service territory. Additionally, any future failures of the newly bored line in future years would require another bore, as is just noted, NCDOT will not allow US11 to be cut.

The courses of action here are to either bore the highway in order to service these three customers or transfer the customers to Bell Arthur. Given the costs to continue to serve these customers against the

amount of time to recoup this investment, staff recommends transferring these three customers to Bell Arthur as its customers.

Action Requested

By motion, approve transfer of these three customers to the Bell Arthur Water Corporation.

Motion to approve transfer of these three customers to the Bell Arthur Water Corporation.

Motion: Commissioner Davenport

Second: Mayor Pro-tem Mewborn

Discussion: Mayor Tripp asked if they were the only ones that we could potentially pick up in the future. Manager Harrell said that was correct.

Approved: 5-0

Motion passed unanimously.

VII. INFORMATION

A. Staff Departmental Reports

Manager Harrell stated Andrea Norris had approached him with an idea for a brick-paving fundraiser for the Historical Society. He said the pavers would be on the sidewalk in front of the Dixon building so he wanted to board to be aware and in agreement with the request. Commissioner Langley asked if we are making a commitment today. Manager Harrell said we would be committing to having the sidewalk replaced with the brick pavers. Commissioner Langley asked who would be responsible for digging up the sidewalk and the other work involved. Manager Harrell said they intended to raise the money to do the work.

VIII. BOARD MEMBER COMMENTS

Commissioner Davis thanked everyone for coming. Commissioner Ross thanked everyone and said she was disappointed that the officers would not be allowed to drive their cars home. Commissioner Davenport suggested rearranging the tables for the next meeting so everyone could see the board and so they could see the audience. Commissioner Langley thanked everyone for coming out. Mayor Tripp congratulated Mayor Pro-tem Mewborn for being recognized for citizen of the year. Mayor Pro-tem Mewborn thanked everyone for coming and thanked Roy Jones. He said people should come to these forums so they can learn. He encouraged everyone to nominate someone for the Random Acts of Kindness awards. Mayor Tripp thanked staff for their hard work and the citizens for being patient. He stated he wanted Third Street to be presentable and the potholes filled before the BBQ Festival. He recommended the board use some marketing money to help advertise for the BBQ Festival. He said the board should help the festival in running some TV ads because it is one of the things that marks the Town of Ayden and brings people to Ayden.

IX. CLOSED SESSION

Attorney Scott Dixon stated we would enter into closed session pursuant to N.C.G.S. 143-318-11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged

Motion to enter into closed session at 8:51pm.

Motion: Commissioner Ross

Second: Mayor Pro-tem Mewborn

Discussion: None

Approved: 5-0

Motion passed unanimously.

Motion to enter into open session at 9:05pm.

Motion: Commissioner Davis

Second: Commissioner Langley

Discussion: None

Approved: 5-0

Motion passed unanimously.

X. ADJOURNMENT

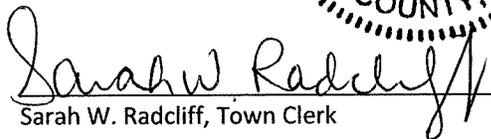
Having completed the business before them, Mayor Tripp announced that without objection the Governing Board would stand adjourned at 9:05p.m.

CERTIFICATION

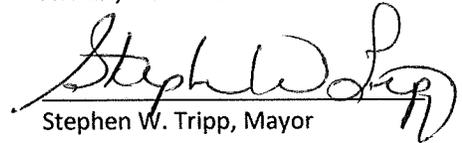
Minutes from the April 9, 2018 meeting were adopted and certified this 7th day of May 2018 in Ayden, North Carolina.



ATTEST:


Sarah W. Radcliff, Town Clerk

AYDEN, NORTH CAROLINA


Stephen W. Tripp, Mayor