



**TOWN OF AYDEN  
GOVERNING BOARD MEETING  
MINUTES**

**January 11, 2016 – 7:00 pm**  
Ayden Town Hall – Second Floor Boardroom

**I. CALL TO ORDER**

- A. Call to Order  
Mayor Tripp called the meeting to order at 7:00 pm
  
- B. Roll Call  
Present:  
Mayor Tripp  
Commissioners Davenport, Harris, Mewborn, Ross and Skinner

Absent:  
Phillip R. Dixon – Town Attorney

Also Present:  
Brandon Holland – Town Manager  
Sherri Scharf – Town Clerk  
J. Scott Dixon – Associate Town Attorney

C. Approval of the Agenda

Mayor Tripp called on a motion to approve the agenda.

Motion: Commissioner Skinner

Second: Commissioner Harris

Discussion: None

Approved: 5-0

The motion to approve the agenda passed.

**II. PRESENTATIONS/PUBLIC COMMENTS**

- A. **Wendy Hazelton** addressed the Board and Ayden Citizens about her desire to serve as Pitt County Judge for District 3-A.
- B. With Mr. Wade facilitating, **Ayden Middle School students** made a presentation on their STEM projects: rain catchment, aquaponics and a mini-greenhouse. Stating that they used the “Go Fund Me” website for fundraising, some Board members offered personal donations to help them achieve their goals. By consensus, the Board agreed that the Town would donate \$100 to ensure funds would be available to complete the three STEM projects.

- C. **Principals from Ayden Elementary School, Ayden Middle School, and Ayden-Grifton High School** gave presentations regarding grant proposals related to technology needs for their prospective schools and after each one, Mayor Tripp presented each school with a \$3,000 check on behalf of the Ayden Governing Board.
- D. **Public Comments: Darlene Pollard**, 4202-A Deer Meadow Court, invited the Board and audience members to a Martin Luther King Jr celebration at Mt. Olive Missionary Baptist Church in Ayden on January 18<sup>th</sup> at 2:00 p.m.

### III. **CONSENT AGENDA**

- A. Open Session Minutes of December 14, 2015
- B. Resolution to NCDOT for Ayden's Annual Parades

Mayor Tripp called for a motion to approve the consent agenda.

Motion: Commissioner Skinner

Second: Commissioner Ross

Discussion: None

Approved: 5-0

The motion to approve the consent agenda passed.

### IV. **PUBLIC HEARINGS**

None

### V. **ACTION ITEMS**

- A. **Appointment to the Library Board**  
Town Manager Brandon Holland stated that with Rachelle Mondovich having stepped down from the Library Board, there was currently a vacancy to fill. The Town duly advertised this vacancy and received only one application from Ms. Margot Neverett.

Mayor Tripp called on the Board for a motion.

Motion: Commissioner Mewborn

Second: Commissioner Harris

Discussion: None

Approved: 5-0

The motion to appoint Ms. Margot Neverett to serve on the Ayden Library Board passed.

- B. **Appointment to the Planning Board**

Manager Holland stated that due to the expiration of Victoria Killmon's term as an alternate, the Planning Board had a vacancy to fill. The Town duly advertised this vacancy, and Ms. Killmon reapplied hoping to serve another term. Her application was the only one received.

Mayor Tripp called for a motion on the subject.

Motion: Commissioner Harris

Second: Commissioner Mewborn

Discussion: None

Approved: 5:0

The motion to reappoint Ms. Victoria Killmon to a second term on the Planning Board passed.

## VI. DISCUSSION ITEMS

### A. CDBG-Catalyst Budget Update

Mike Barnette, CDBG Project Manager from McDavid Associates, addressed the Board by stating that at its December 8, 2014 meeting, as a part of the process of awarding CDBG grants funds, staff estimated the Town would need an additional \$60,000 in local funds to construct two houses, complete improvements to the Arts & Recreation Building, and pave parking lots associated with the Building. The Board instructed staff to delay the Arts & Rec Center parking improvements until the end of the CDBG Program to more accurately determine the local funds needed to complete all work. Since then, it has been determined that through cost savings and elimination of contingencies, the amount of local funds needed to complete all paving work is \$46,000.

Mr. Barnette provided a graphic illustrating the two park lot locations: one in the front of the Arts & Rec Center and the other at the corner of Lee Street and Fifth Street. Mr. Barnette stated that at this time he is seeking direction from the Board to either: (1) provide an additional \$46,000 of local funds and pave both lots or (2) provide no additional local funds and just pave the lot in front of the Arts & Rec Center.

Mayor Tripp called for a motion on the subject.

Motion: Commissioner Davenport

Second: Commissioner Skinner

Discussion: None

Approved: 5:0

The motion to select Option #2, pave the front lot of the Arts & Rec Building parking lot and commit no additional Town funds was approved as presented.

### B. Special Order to Set Rules on Public Hearings

Manager Holland stated that Town Attorney Phil Dixon created the special order for public hearings to be similar to the policy on public hearings used by the Greenville City Council, adding that it applied to public hearings, not public comments, and that it merely formalizes the procedure. Associate Town Attorney Scott Dixon stated that it is a guideline for expediting meetings and that it is not intended to prevent discussions during Board meetings.

Manager Holland stated that at this time it would be appropriate to approve by consensus or otherwise make a motion on the document before the Board.

Mayor Tripp called for a motion on the subject.

Motion: Commissioner Harris

Second: Commissioner Davenport

Discussion: None

Approved: 5:0

The motion to adopt the special order on public hearing rules was approved as presented.

C. Revisit Residential Electric Rate User Fees

Town Manager Holland stated that the Governing Board had previously met several times to discuss the Utility Financial Solutions Electric Rate study, including a conference call with UFS President Mr. Mark Beauchamp.

Mayor Tripp invited ElectriCities' Chief Operating Officer, Roy Jones, to the September 29, 2015 meeting which included a public hearing. Mr. Jones gave a detailed presentation on how other NCEMPA towns/cities chose their rate reductions. Among other things, he discussed the need for the Town of Ayden to have enough working capital to cover operating expenses. While he agreed that Ayden could reduce its electric rate by as much as 10%, he also stated that Duke Energy Progress was projecting a rate increase of 2.7% in April 2017 and 3.5% rate increase in April 2017.

Manager Holland stated that during the September 29, 2015 meeting, the Governing Board voted 3:2 to reduce Ayden's electric rate by 10%. To meet the revenue projections for each customer class as outlined in the rate study model for the 10% electric rate reduction, slight increases in the monthly user fees were implemented. As a result, the residential monthly customer user charge increased \$1.50 for a total annual increase of \$18.00 per residential customer.

Commissioner Harris stated that he thought that increasing the customer user charge was only a suggestion, and that he didn't remember approving a motion to increase fixed costs, just to reduce the overall electric rate by 10%. He added that he wants to eliminate the additional \$1.50 customer user increase for residential customers.

Mayor Tripp said that he took the electric usage in his home and did an analysis, without the customer user fee factor, to determine whether or not Ayden citizens received a 10% rate decrease in November, and he discovered it to be true. He then reminded Board members that there are two components that were considered in the rate study: cost of purchasing power and operational costs or "cost of doing business," and that in accordance with the Duke Energy/NCEMPA agreement Ayden signed in May 2015, the 10% rate reduction was applied to the power purchase side of the equation. Therefore, the savings that the Town of Ayden received from its power purchases were then passed on to our customers.

Mayor Tripp then asked Manager Holland if all the customer rate tiers had increased user fees, to which Manager Holland replied, "yes." Mayor Tripp then stated that if we adjust the residential user fee by decreasing it, industrial customers will have to pay more. He proposed two courses of action to the Board: (1) roll back the increase on user fees effective today, with no retroactive credits; or (2) roll back the increase on user fees effective October 1<sup>st</sup>, which will give residential customers a total credit of \$6.00, but will cause industrial customers to owe \$2,000. He is for "writing off" the past four months of additional fees as "bad business."

Mayor Tripp then asked the Board for a motion and votes.

Motion: Commissioner Harris

Second: Commissioner Skinner

Discussion: None

Approved: 5:0

The motion to roll back the Ayden Electric User Fee Charges to the July 1, 2015 rates passed.

**VII. INFORMATION**

Staff Departmental Reports

**VIII. BOARD MEMBER COMMENTS**

All Board members thanked the citizens for coming to the meeting and also commented on how pleased they were to see the Ayden Middle School students come before the Board and represent their STEM projects. Mayor Tripp thanked the Board for investing in the students/schools every year, adding that Ayden is the only municipality that has this tradition, and he thinks it is a great investment.

**IX. CLOSED SESSION**

Mayor Tripp asked Associate Town Attorney Scott Dixon to cite the reason for entering Closed Session, to which Mr. Dixon responded: "pursuant to NCGS 143-318.11 (a) (5) – to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or the amount of compensation and other material terms of an employment contract or proposed employment contract; and NCGS 143-318.11 (a) (6) – to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee."

Mayor Tripp asked the Board for a motion and votes.

Motion: Commissioner Harris

Second: Commissioner Mewborn

Discussion: None

Approved: 5:0

The motion to enter closed session at 8:10 p.m. passed.

**X. RETURN TO OPEN SESSION**

Mayor Tripp asked the Board for a motion and votes.

Motion: Commissioner Harris  
Second: Commissioner Davenport  
Discussion: None  
Approved: 5:0

The motion to return to open session at 9:10 p.m. passed.

Mayor Tripp called on the Board for a motion and votes related to the closed session.

Motion: Commissioner Davenport  
Second: Commissioner Harris  
Discussion: None  
Approved: 3:2 with Commissioners Mewborn and Ross opposed  
The motion to terminate Town Manager Brandon Holland's employment contract passed.

#### **XI. REENTER CLOSED SESSION**

Associate Town Attorney Scott Dixon cited the following reason for reentering closed session: NCGS 143-318.11 (a) (5) – to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or the amount of compensation and other material terms of an employment contract or proposed employment contract.

Mayor Tripp asked the Board for a motion and votes.

Motion: Commissioner Harris  
Second: Commissioner Skinner  
Discussion: None  
Approved: 5:0  
The motion to reenter closed session at 9:12 p.m. passed.

#### **XII. RETURN TO OPEN SESSION**

Mayor Tripp asked the Board for a motion and votes.

Motion: Commissioner Harris  
Second: Commissioner Skinner  
Discussion: None  
Approved: 5:0  
The motion to return to open session at 9:17 p.m. passed.

Mayor Tripp called on the Board for a motion and votes related to the closed session.

Motion: Commissioner Davenport  
Second: Commissioner Harris  
Discussion: None  
Approved: 3:2 with Commissioners Mewborn and Ross opposed  
The motion to hire Mr. Leonard Barefoot as Ayden's Interim Town Manager was approved.

Commissioner Mewborn stated that he wants it "on record" that he feels Town Manager Brandon Holland Manager had enough talent and ability to do his job and allow the Town of Ayden to move forward. He thinks that Mr. Holland's shortcomings could have been corrected in time. He feels that the Board make a premature decision to terminate his employment contract and should have waited until after the Town's audit in order to have enough information to make a "fair and just decision."

**XIII. ADJOURNMENT**

Having completed the business before them, a motion was made to adjourn.

Motion: Commissioner Skinner

Second: Commissioner Harris

Discussion: None

Approved: 5:0

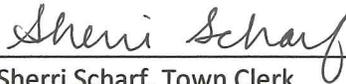
The motion to adjourn at 9:20 p.m. passed.

**CERTIFICATION**

Minutes from January 11, 2016 meeting were adopted and certified this 1st day of February 2016 in Ayden, North Carolina.



ATTEST:

  
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Sherri Scharf, Town Clerk

AYDEN, NORTH CAROLINA

  
Stephen W. Tripp, Mayor