



**TOWN OF AYDEN
GOVERNING BOARD MEETING
MINUTES**

December 12, 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 p.m.

B. Roll Call

Present:

Mayor Tripp

Commissioners Davenport, Harris, Mewborn, Ross and Skinner

Absent:

None

Also Present:

Steven Harrell - Town Manager

Sarah Radcliff– Town Clerk

Scott Dixon- Associate Attorney

C. Welcome Visitors

Mayor Tripp welcomed everyone to the meeting.

D. Invocation

Commissioner Davenport gave the invocation.

E. Pledge of Allegiance

Mayor Tripp led the Pledge of Allegiance.

F. Approval of the Agenda

Mayor Tripp stated he would like to move Public Comments to number II and have Presentations as number III on the agenda.

Motion to approve the agenda as revised.

Motion: Commissioner Harris
Second: Mayor Pro-tem Skinner
Discussion: None
Approved: 5-0
Motion passed unanimously.

II. PUBLIC COMMENTS

David Forbes, 315 A Roberta Drive, addressed the board. Mr. Forbes stated he had lived in his neighborhood for three years and the only problem he has is with the speed of the traffic. He said there was not a speed bump in there and he felt that would help slow down the traffic.

Mary Dail, 313 Garris Street, addressed the board. Mrs. Dail thanked the Board and the Town for what they are doing for her and her family.

III. PRESENTATION

A. Ayden Fire Department Proposal

Fire Chief Sam Jones addressed the board. In 1999, the Town of Ayden substantially reconstructed the headquarters station to include demolition of a portion of the building at a cost of \$67,075 and secured a loan of \$709,440 for its reconstruction. The annual payment for the loan was \$47,296 with the Fire Department making an \$18,919 annual rent payment with a term of 30 years; i.e., the rent is through 2029. The reconstruction loan was satisfied by the town in 2014.

The Fire Department recently completed and opened its new substation on US 102 at a cost of \$180,500. Since the town has satisfied the reconstruction loan in 2014, Chief Jones proposes that the town receive 50% ownership in the US 102 substation via a \$7,520 annual contribution, starting with the FY17 – 18 budget, generated by the Fire Department reducing its lease payment by a like amount for the balance of the lease; i.e., thru 2029. The \$7,520 will be reserved by the Fire Department in a capital improvement pool to build revenue for future years' rolling stock replacement. Effective with the FY17-18 budget, i.e., July 1, 2017, the town acquires half ownership in the substation property for its \$7,520 contribution plus the advantage of a CIP against future rolling stock purchases, and the Fire Department further agrees to voluntarily annex the substation property.

Manager Harrell stated no formal action with regard to a budget amendment is necessary now, if the Board approves this plan, as the needed \$7,520 reduction in the Fire Department lease does not take effect until July 1, 2017. Additionally, amendments to the current lease and to the deed for half ownership in the substation property, as well as, the annexation of the property, would all be effective July 1, 2017. Thus, the Board can account for the \$7,520 when it prepares its FY17 – 18 budget and the legal documents and annexation action can be brought back to the Board at a future meeting for adoption with the effective date of July 1, 2017.

Motion to approve the proposal as presented and authorize Town Manager and Town Attorney to take necessary steps for adoption by the board effective July 1, 2017.

Motion: Commissioner Harris
Second: Commissioner Mewborn
Discussion: None.
Approved: 5-0
Motion passed unanimously.

B. FY15-16 Town Audit Presentation

Manager Harrell stated Jay Sharpe, Rives & Associates, LLP, would present to the board. Mr. Sharpe presented the following to the board.



Town of AYDEN Audit Presentation

Presented by Jay E. Sharpe, CPA, CFE
December 12, 2016



Status

- ▶ Majority of fieldwork has been completed. Some wrap up procedures are remaining
- ▶ Financial statements have been prepared (currently in draft form). Some schedules are remaining.
- ▶ Awaiting submission and approval by LGC before issuance.



Role and Objectives

- ▶ Plan (including obtaining an understanding of internal controls over key areas).
- ▶ Perform risk assessment
- ▶ Perform audit procedures to obtain sufficient evidence to render an opinion
- ▶ Opinion concentrates on whether the financials are free from material misstatement.



Results

- ▶ Scope and timing of audit on track to complete and submit to the LGC by 12/31
- ▶ Unmodified opinion
- ▶ Several management letter points and findings will be forthcoming
- ▶ Several adjusting journal entries

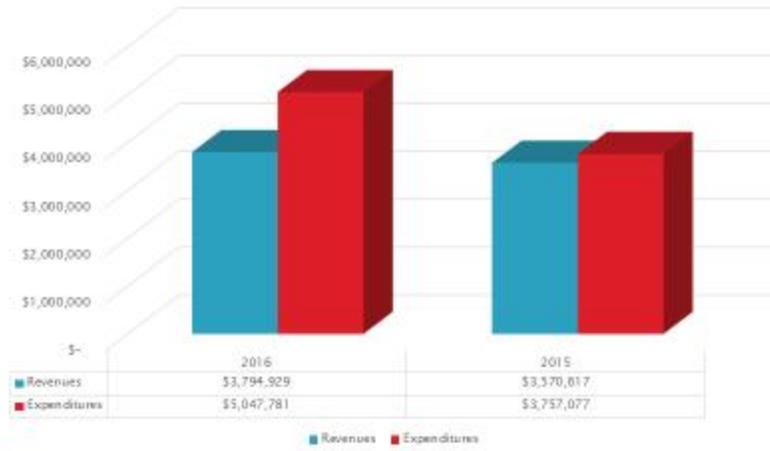


Required Communications

- ▶ No accounting policy changes.
- ▶ Estimates appear reasonable except as noted in management letter points.
- ▶ No disagreements with management.
- ▶ No significant difficulties encountered



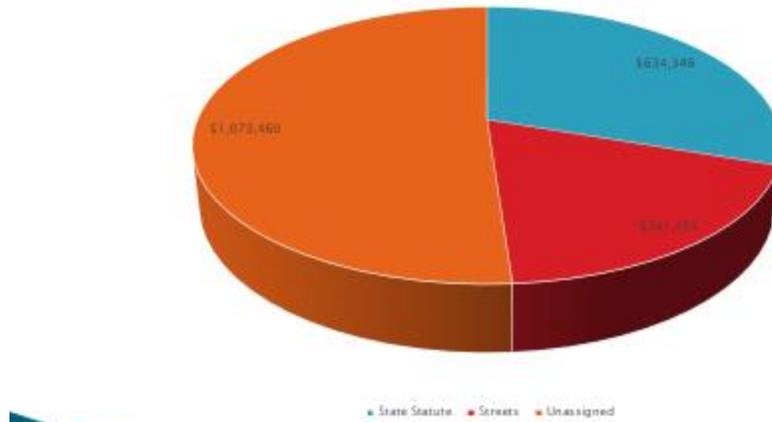
General Fund Summary



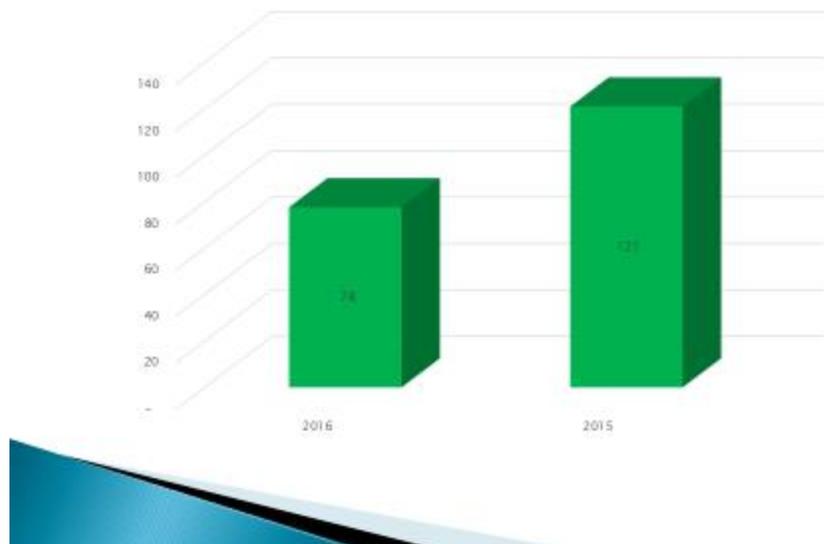
Fund Balance – General Fund



Breakdown of Fund Balance



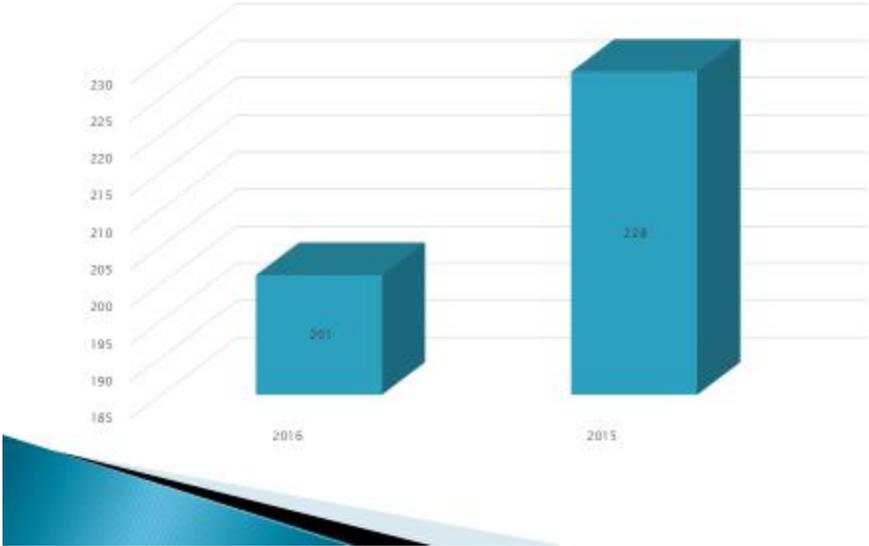
Adequacy of Resources – General Fund



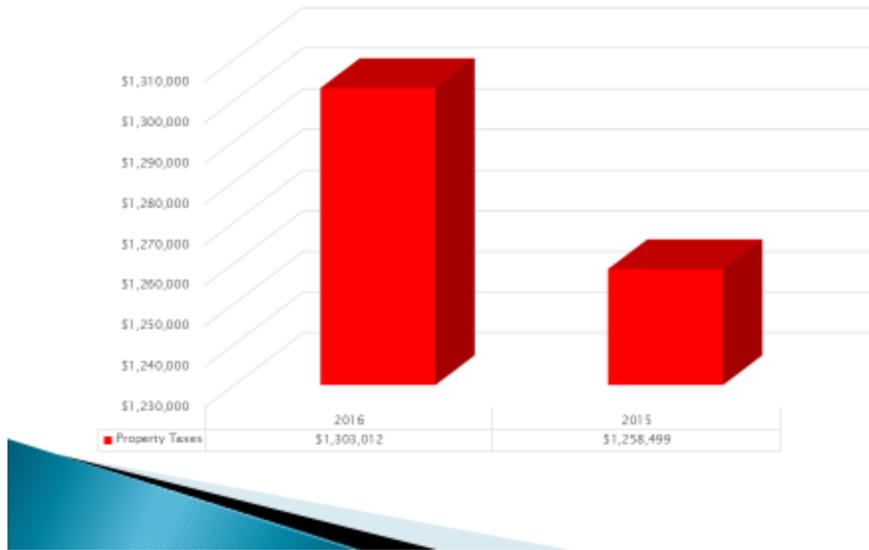
Adequacy of Resources – Electric Fund



Adequacy of Resources – Water & Sewer Fund



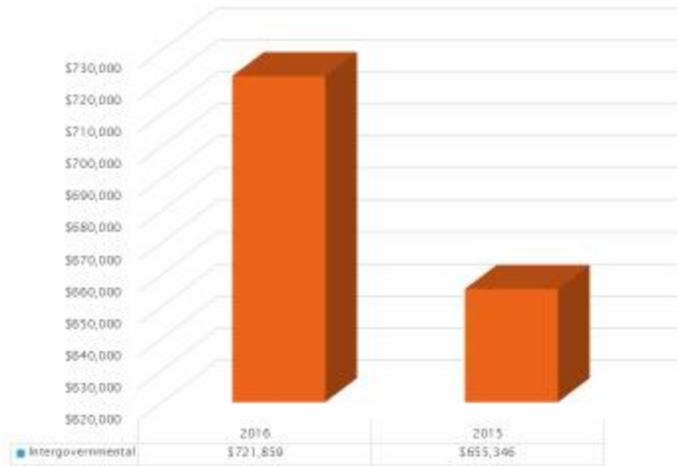
Property Taxes



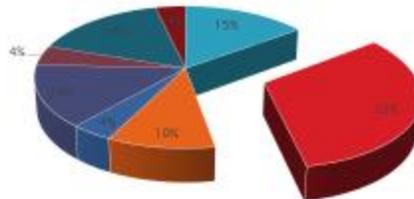
Other Taxes and Licenses



Intergovernmental

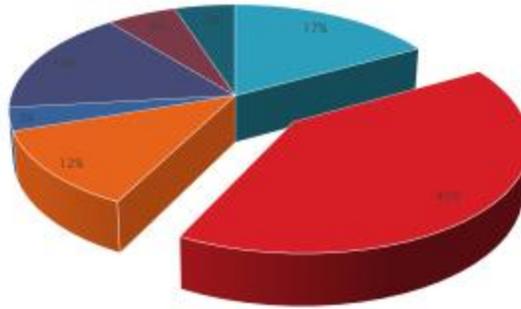


Expenditure Breakdown – 2016



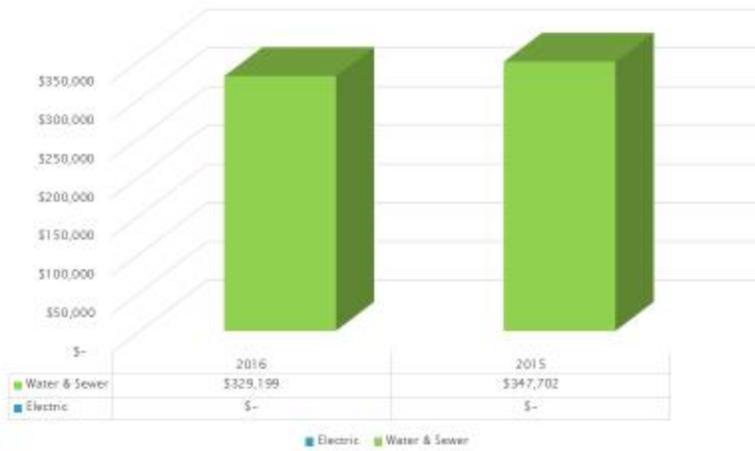
- General Government
- Public Safety
- Cultural and Rec.
- Debt Service
- Transportation
- Environ. Protect.
- Capital Outlay
- Econ. & Physical

Expenditure Breakdown – 2015



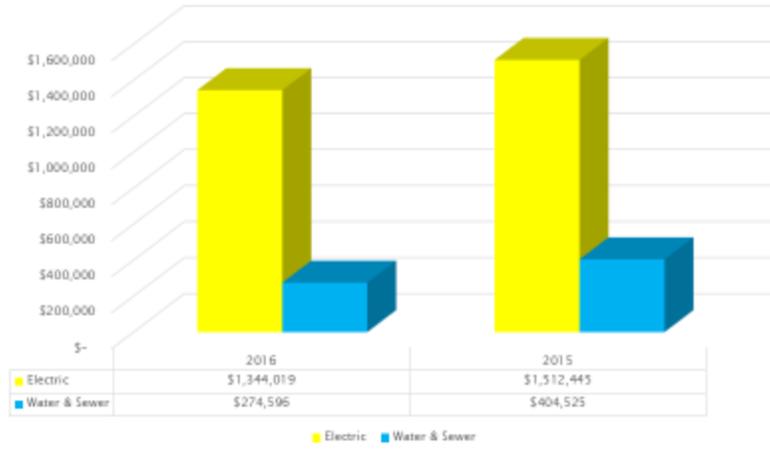
■ General Government
 ■ Public Safety
 ■ Cultural and Rec.
 ■ Debt Service
 ■ Transportation
 ■ Environ. Protect.
 ■ Econ. & Physical

Enterprise Funds – Debt Service

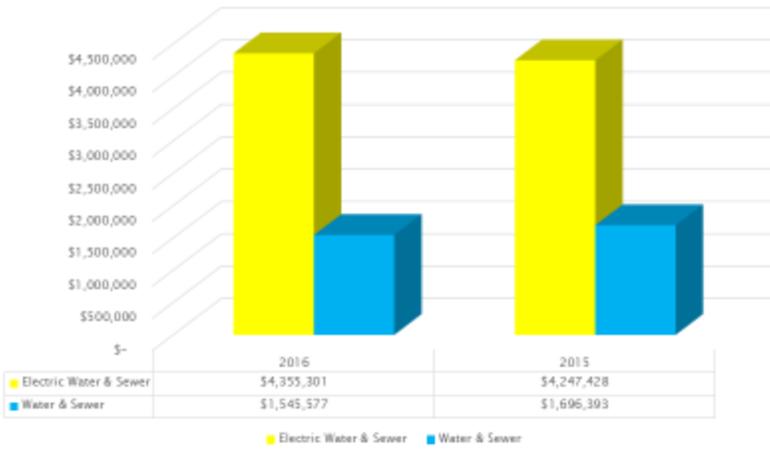


■ Electric
 ■ Water & Sewer

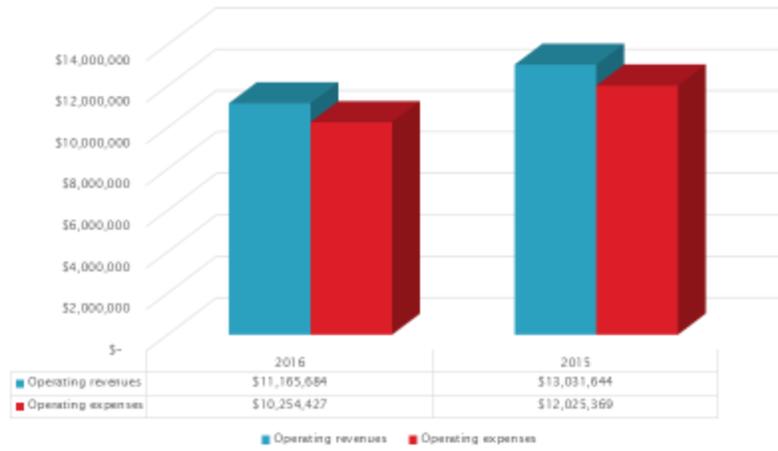
Operating Cash Flows



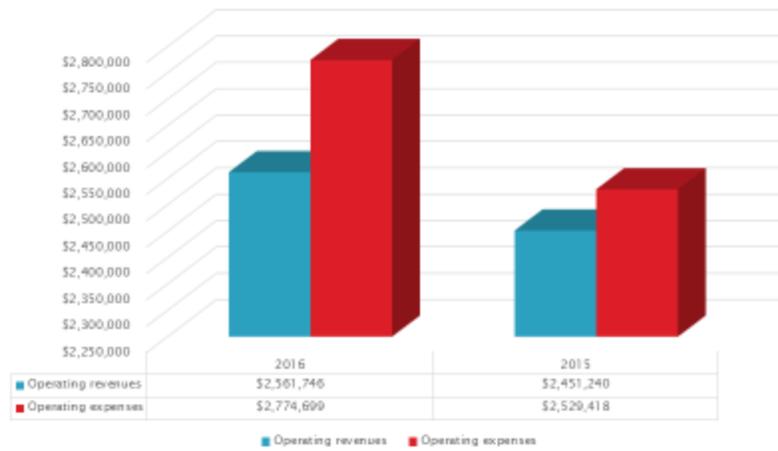
Net Position – Unrestricted



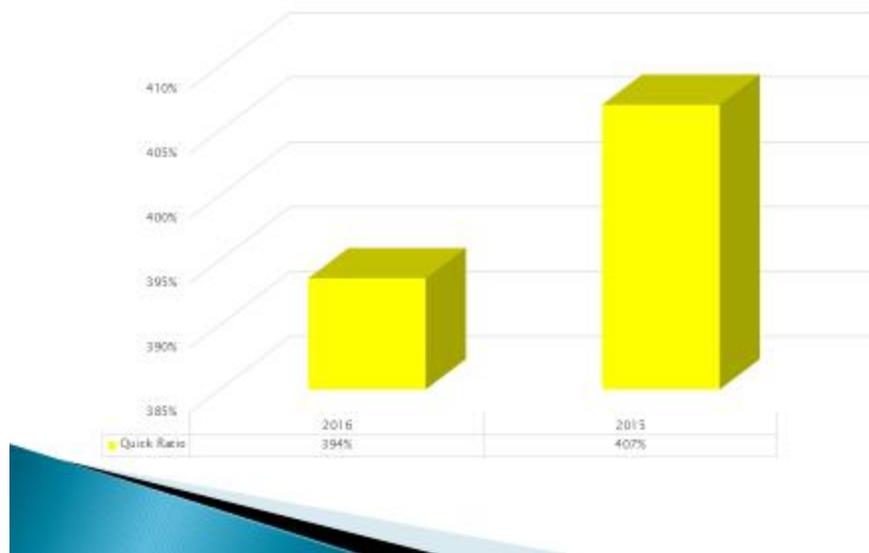
Electric Fund



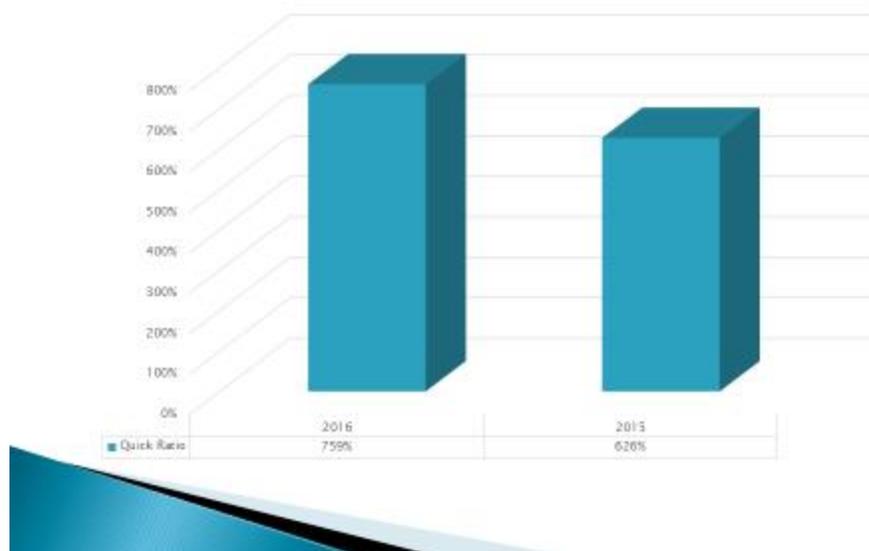
Water & Sewer Fund



Quick Ratio – Electric Fund



Quick Ratio – Water & Sewer Fund



Questions ????

Jay E. Sharpe, CPA, CFE
919-832-6848
jsharp@rivescpa.com



Commissioner Harris asked if they looked at the findings from the previous year and offer opinions as to whether they have been resolved.

Mr. Sharpe stated they were required to look at those findings and see if they have been resolved. He said if they have not, there would be a repeat finding. He said there would also be a page to note whether previous findings have been corrected.

Mayor Tripp asked about the \$815,000 in capital outlay. He said it was for a street sweeper and fire equipment where we got a loan for \$436,000. He asked if the town had any documentation in board minutes regarding that.

Manager Harrell stated he had not had the opportunity to check the board minutes yet but he would look into it.

Mayor Tripp said one of the things they were talking about was expenditures that were not in the budget and not documented. He said he didn't remember approving that. He said in previous audits the public safety expenditures would be segregated by salaries for operation.

Mr. Sharpe said those schedules were submitted to Alicia Sunday night.

Mayor Tripp asked if there would be a comparison with last year's numbers.

Mr. Sharpe said government financial statements do not show comparatives.

Mayor Tripp said we had seen it in past audits and felt it was important to see the comparison.

Manager Harrell said we could provide that to the board.

IV. CONSENT AGENDA

A. 2017 Board Meeting Calendar

Motion to approve consent agenda.

Motion: Commissioner Harris

Second: Mayor Pro-tem Skinner.

Discussion: None

Approved: 5-0

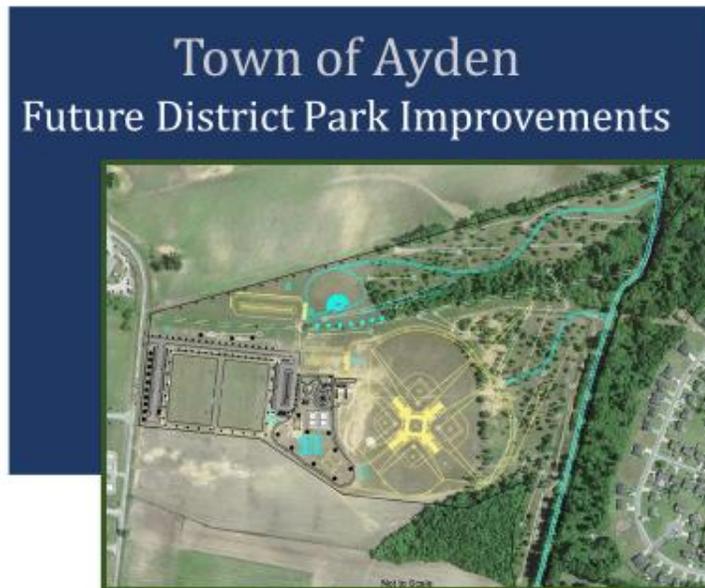
Motion passed unanimously.

VI. ACTION ITEMS

A. District Park Follow-up

Manager Harrell said Amber Idol with MHA Works would present to the board. He stated they were asked at the last board meeting to come back with a modified plan to include basketball courts and access to the park from the rear and a proposed multi-use trail.

Ms. Idol presented the following presentation to the board.



Ayden District Park Phase 1



2



3

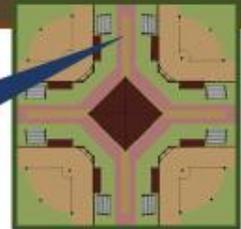


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Proposed Phase 2A:

- Two 225' baseball fields
- Two 325' baseball fields
- A 50'X50' Concession Stand with Restrooms and Press Box Above
- Four 14' X 70' Batting Cages
- Two Parking Lots
- Relocation of Two Adjacent Frisbee Golf Goals
- Brick Paver Walkway – Engraved Pavers by Donation

Rendered images by MHAworks. Included for illustrative purposes only.



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Proposed Phase 2A:

Inspirations



Photos by Dibble & Pledger of their previous project at Godwin-Coppage Park in Williamston, NC

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Proposed Phase 2B:

- Two basketball courts approximately 80' X 50'
- Includes goals, lighting, and fencing if necessary
- Court surface similar to tennis court

Hugh MacRae Park in Wilmington, NC



River Birch Tennis Center in Greenville, NC

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Proposed Phase 2B:

Inspirations

- Amphitheater with Approximately 300 seats and open areas for viewing
- Rear Driveway
- Large Covered Stage
- Backstage Storage Area



Photos by MHAworks of their previous project at the Winterville Park, NC.



McIver Amphitheater at Meredith College, NC



Town Commons in Greenville, NC

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Proposed Phase 2B:

Inspirations



Photos by MHAworks of their previous project at ECU's Panda Express at Mendenhall Student Center

- Restrooms Near Amphitheater
- Restrooms/Concessions Near Existing Fields



Photos by MHAworks of their previous project at ECU's Dowdy Ficklen Stadium in Greenville, NC

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Proposed Phase 2B:

Inspirations

- A 16'X20' Shelter
- A 20'X25' Shelter
- A 24'X32' Shelter
- 32'X 52' Maintenance Building



Photo by Dibble & Pledger of their previous project at Warren County, NC Recreation Complex

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Proposed Phase 2B:

Existing & Inspiration Photos

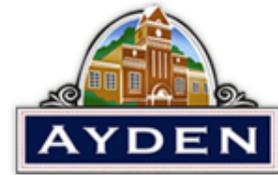


- Additional Greenways will connect the Amphitheater and Baseball fields to the existing park
- The Bike/Walk Greenway trail will connect the park to the Town
- This new Greenway will meet the existing sidewalk at North Juanita Avenue and head into Town towards Veteran's Park
- Future expansions could include a trail towards Winterville

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Proposed Phases 2A & 2B

Cost Estimates



Phase 2A Estimated Total Cost	\$3,595,382
Phase 2B Estimated Total Cost	\$2,305,275
Phase 2A & 2B Estimated Total Project Cost	\$5,900,657

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409 Evans Street, Suite C
Greenville, NC
252.328.0119



Dibble & Pledger
222 Main Street
Washington, NC
252.946.3320



3280 Charles Boulevard
Greenville, NC
252.558.0888



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Manager Harrell stated he had asked them to add the multi-use trail after visiting the property and seeing a lot of green space behind the Housing Authority Property and a 20-foot wide right-of-way.

Ms. Idol stated the proposed changes total \$815,288.

The board concurred with the Arts & Recreation Commission and accepted the report by MHA Works for the estimated cost of District Park future phases 2A and 2B.

B. Free Little Library at Veterans Park

Librarian Rachelle Mondovich and Arts and Rec. director, Tommy Duncan, addressed the board. Ms. Mondovich stated the Free Little Library looked like a birdhouse that would be placed at the park with free books inside. She said people are free to keep the book, return the book, or leave another book. The idea is to encourage reading and promote literacy. She stated the Veterans Motorcycle Club was going to build and donate the library. The only cost would be a \$40 fee to use the name "Free Little Library", and someone has already stated they would donate the money for that.

Commissioner Mewborn asked if instructions for use would be posted near the library.

Ms. Mondovich said there would be signage on it explaining how it worked.

Commissioner Harris stated if we are paying for copyright we need to clarify if it is Little Free Library or Free Little Library.

Ms. Mondovich said she would be sure to do that.

Commissioner Mewborn thanked Ms. Mondovich for her dedication to the library and noted there was a big difference in the library since she came aboard.

The board concurred with the Arts & Recreation Commission and the Library Board and approve the Little Free Library being added to the Veteran's Park and then at a later date, District Park and JJ Brown Park.

C. Appointment to the Ayden Library Board

Kay Moore and Joyce Dixon's terms on the Ayden Library Board expired on September 30, 2016. The vacancy was advertised in the Daily Reflector and the Times Leader for two weeks, as well as on the Town's website, with a deadline of November 28, 2016. Both Ms. Moore and Ms. Dixon applied for reappointment. No other applications were received.

Commissioner Mewborn said the packet says "to consider reappointing Kay Moore or appointing Joyce Dixon" to the Library Board. He asked if that was correct.

Ms. Mondovich stated it should say "to consider reappointing Kay Moore and Joyce Dixon". She said both positions were up for reappointment.

Motion to reappoint Kay Moore and Joyce Dixon to the Ayden Library Board to three-year terms that expire on September 30, 2019.

Motion: Mayor Pro-tem Skinner

Second: Commissioner Harris

Discussion: None

Approved: 5-0

Motion passed unanimously.

D. Appointment to the Ayden Planning Board and the Ayden Arts and Recreation Commission

Tony Peterson's term on the Ayden Planning Board expired on November 30, 2016 and he is not seeking reappointment. The vacancy was advertised in the Daily Reflector and the Times Leader for two weeks, as well as on the Town's website, with a deadline of November 28, 2016. The Clerk received two applications of interest before the deadline from Ken Burgdorff and Shannon C. Speaker.

Taylor Keith resigned from the Arts & Recreation Commission effective October 21, 2016. His alternate member term expires September 30, 2018. The vacancy was advertised in the Daily Reflector and the Times Leader for two weeks, as well as on the Town's website, with a deadline of November 28, 2016. The Clerk received two applications of interest before the deadline from Shannon C. Speaker and Patricia L. Doe.

Mayor Pro-tem Skinner said he would like to appoint Ken Burgdorff to the Planning Board and Shannon Speaker to the Arts and Recreation Commission.

Commissioner Mewborn asked if there was a reason he would rather have Mr. Burgdorff on the Planning Board.

Mayor Pro-tem Skinner stated Mr. Burgdorff had only applied for the Planning Board and Ms. Speaker had applied for both.

Commissioner Harris seconded Mayor Pro-tem, stating Mr. Burgdorff had actually worked in Code Enforcement, which would make him a bigger asset to the Planning Board.

Motion: Mayor Pro-tem Skinner

Second: Commissioner Harris

Discussion: Commissioner Mewborn said he felt Ms. Speaker should be placed on the Planning Board because of her youth and her vision for the Town. He stated he felt she was highly qualified to serve on the Planning Board and the Town needs her youthful energy and vision to move forward. Commissioner Mewborn stated, "We are talking about our youth going to college, a generation that can start working in our community, with the vision, energy, and qualities for what we need. We need to practice what we preach and put them where they are qualified."

Commissioner Harris stated he felt the forty years of code enforcement experience offered a great advantage to Planning.

Approved: 4-1

Motion passed.

VII. INFORMATION

Manager Harrell stated Rich Moore, McDavid Associates, had contacted him to let him know he had submitted paperwork for the USDA grant for the next phase of the sewer rehab. He said we had been approved for a \$904,000 loan and a \$784,000 grant. He said it was almost unprecedented to get 40% of the project in the form of a grant. Manager Harrell said they needed

to meet briefly on Monday, December 19th, to hear from Rich Moore and formally accept the offer of the loan and grant from the USDA.

The board concurred to meet on Monday, December 19th at 6pm.

A. Staff Departmental Reports

Commissioner Ross asked why the Administration budget was already at 79.17% with several months to go in the budget year. She said she had the same question regarding the Recreation budget.

Manager Harrell asked Finance Director, Alicia Simpson, to come forward.

Ms. Simpson stated the Town had received \$279,000 for the new playground equipment at Veterans Park. Manager Harrell stated they would be bringing a budget amendment to the January meeting to show that. Ms. Simpson said the expenses under Administration were due to not budgeting enough for the salaries of the Town Manager and Town Clerk. She stated there would also be a budget amendment to correct that.

Mayor Pro-tem said we needed to go ahead and look at expenses in January and start cutting spending off.

Manager Harrell said we are looking into it. He said he had sent out an email to the board about a planning retreat on either January 27th or February 3rd. He said part of that retreat will be to address items in the budget in the coming year. He said he would also like to develop a strategic plan for the Town with objectives and goals that the board would like to see. Manager Harrell said he would like to have the budget ready to present in a public hearing in May.

VIII. BOARD MEMBER COMMENTS

The Board thanked everyone for coming and staff for their hard work. They wished everyone a Merry Christmas.

IX. CLOSED SESSION

- A. Pursuant to N.C.G.S. 143-38.11 (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 (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease.

Manager Harrell stated they also needed to go into closed session to discuss a conversation he had with an attorney regarding a building.

Pursuant to N.C.G.S. 143-38.11 (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 go into closed session.

Motion: Commissioner Mewborn

Second: Commissioner Ross

Discussion: None

Approved: 5-0

The motion to enter closed session at 8:14 p.m. passed.

X. RETURN TO OPEN SESSION

Mayor Tripp asked the Board for a motion to return to open session at 8:30p.m.

Motion: Mayor Pro-tem Skinner

Second: Commissioner Mewborn

Discussion: None

Approved: 5-0

Motion passed unanimously.

Motion to appoint J. Scott Dixon as the Town Attorney and approve the agreement between the Town of Ayden and J. Scott Dixon.

Motion: Commissioner Harris

Second: Commissioner Davenport

Discussion: None

Approved: 5-0

Motion passed unanimously.

Commissioner Mewborn asked Manager Harrell to explain about the two gas stations.

Manager Harrell stated as long as the buildings are boarded and maintained properly, we are not in a position to force anything else.

Planning Director Stephen Smith said we had been to court a few times because the owner did not respond to our corrective action orders. He said the code states the buildings must be weather-tight and safe.

Commissioner Mewborn asked if they were boarded up and weather-tight now.

Mr. Smith said they are not. He said they had not been for some time and that is why they are still working with the court system.

Manager Harrell said they could consider the material that has to be used to board up the building and apply some of that language to the code.

Commissioner Mewborn said he thought we should advertise what types of businesses we want in Ayden.

Manager Harrell said they had discussed that in Main Street Committee.

Commissioner Mewborn said he had gotten a request regarding a Fish and Chips restaurant that he thought would be similar to the Pizza Hut. He said he had gotten a call for a letter of recommendation from him so she could get the loan for her restaurant.

Stephen Smith stated he had provided a letter to her on December 8th on behalf of the town.

Commissioner Ross said we had talked about refinancing the town's loans. She stated Alicia was aware but she didn't know if anything had been done. She said Winterville had done it and was able to save a lot of money.

Mayor Pro-tem Skinner said we probably need to go ahead and look at it because it was brought up about a year ago.

XI. ADJOURNMENT

Having completed the business before them, Mayor Tripp announced that without objection the Governing Board would stand adjourned at 8:38p.m.

AYDEN, NORTH CAROLINA

Stephen W. Tripp, Mayor

ATTEST:

Sarah W. Radcliff, Town Clerk