



**TOWN OF AYDEN  
GOVERNING BOARD MEETING  
MINUTES**

**March 27, 2014 7:00 p.m. (Special Called Meeting)**  
Ayden Town Hall – Second Floor District Courtroom

**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 and Ross

Absent:

Commissioner Skinner

Also Present:

Leonard Barefoot – Interim Town Manager

Robert Sutton – Director of Public Works & Utilities

Chris Tucker – Finance Director

Mike Barnette – Project Engineer, McDavid & Associates

Mike Taylor, Power Services

**II. PUBLIC HEARING: CDBG Infrastructure Project**

Interim Town Manager Barefoot explained that, having duly advertised a Notice of Public Hearing on March 15<sup>th</sup>, the Governing Board called a special meeting to solicit input from the public on a proposed application for a CDBG Grant.

At 7:05 p.m., Mayor Tripp declared the Public Hearing to be open. With there being no public comments, the hearing was closed. Mayor Tripp introduced Mike Barnette and thanked him for “moving so quickly” on the CDBG infrastructure application.

**III. ACTION ITEMS**

Mike Barnette, McDavid Associates, was present for Rich Moore (McDavid Associates), who is the administrator for the CDBG infrastructure project. Mr. Barnette asked the Governing Board to consider approving two items as follows:

A. A resolution to approve the CDBG application for financial assistance for a water-sewer infrastructure project that would rehabilitate/replace more than 7,000 linear feet of

existing sewer between Snow Hill and Montague Streets (within the Town's corporate limits), and

- B. A corresponding resolution that updates the Town's 2007 Capital Improvement Plan to incorporate the scope of this new water-sewer infrastructure project

Mayor Tripp asked if the Board had any questions for Mr. Barnette. There were none. He then called on the Board for a motion and subsequent vote on the two proposed resolutions.

Motion: Commissioner Davenport

Second: Commissioner Mewborn

Discussion: None

Approved: 4-0

The motion to adopt **Resolution No. 13-14-13** to approve the CDBG application for financial assistance to rehabilitate/replace more than 7,000 linear feet of existing sewer between Snow Hill and Montague Streets was approved as presented.

Motion: Commissioner Mewborn

Second: Commissioner Davenport

Discussion: None

Approved: 4-0

The motion to adopt **Resolution No. 13-14-14** to update the Town's 2007 Capital Improvement Plan to incorporate the scope of the above-referenced water-sewer infrastructure project was approved as presented.

#### IV. DISCUSSION ITEMS

Robert Sutton, Director of Public Works and Utilities, gave a presentation on the Ayden Substations Capital Improvements Project. Also present at the meeting was Mr. Mike Taylor, for Power Services, who was available to answer questions of a technical nature. Mr. Sutton stated that both the electric substation on NC 11 and the Weyerhaeuser Road substation needed significant upgrades. Highlights of the presentation were as follows:

##### A. NC 11 Substation

- Estimated construction date of 1978 makes this facility 36 years old
- 20 to 30 years is the average "life expectancy" without upgrades
- Two parallel delivery trains
- Two 10 MVA 110kV transformers at this site
- Estimated cost of proposed facility upgrades (including engineering and contingency) = \$1.3 million

##### B. Weyerhaeuser Rd. Substation (consumes about 30% of the Town's electric supply)

- Estimated construction date of 1988 makes this facility 26 years old
- 20 to 30 years is the average "life expectancy" without upgrades
- One delivery train
- One 12 MVA 115kV transformer at this site
- Estimated cost of proposed facility upgrades (including engineering and contingency) = \$0.95 million

C. Project Scope

1. NC 11 Substation

- Purchase one new transformer
- Refurbish and relocate one 12 MVA transformer from Weyerhaeuser substation to NC 11 substation
- Replace additional appurtenances downstream of transformers
- Replace grounding grid at substation
- Replace high-line poles at substation

2. Weyerhaeuser Substation

- Refurbish and relocate two transformers from NC 11 substation to Weyerhaeuser substation
- Construct two parallel delivery trains at Weyerhaeuser substation to mirror NC 11 substation
- Replace additional appurtenances downstream of transformers

Finance Director Chris Tucker provided a handout and loan amortization schedule detailing how the Governing Board may opt to spread payments out over a 5, 10 or 15 year timeline. Paying off the loan in 5 years would require an annual payment of \$487,964; for 10 years the annual payment would be \$269,630; and for 15 years an annual payment of \$201,120.

Mr. Barefoot explained that the next step would be for authorization to proceed with the project and financing which he will put on the agenda for the April Board meeting.

V. CLOSED SESSION

Mayor Tripp called upon Town Attorney Phil Dixon who recommended that the Board enter into Closed Session pursuant to NCGS 143-318.11 (a) (4) – to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives, that may be offered by the public body in negotiation.

Mayor Tripp called for a motion and subsequent vote to enter closed session.

Motion: Commissioner Davenport

Second: Commissioner Harris

Discussion: None

Approved: 4-0

The motion to enter closed session at 7:35 pm was approved.

VI. RETURN TO OPEN SESSION

Mayor Tripp called for a motion and subsequent vote to return to open session.

Motion: Commissioner Mewborn

Second: Commissioner Davenport

Discussion: None

Approved: 4-0

The motion to return to open session at 8:00 pm was approved.

Interim Town Manager Barefoot announced that our next meeting would be on April 8, 2014 at 6:00 p.m., at which time he will present questions for applicants for the Town Manager position, and these questions will be used as a part of the process of doing background checks on the applicants. There was further general discussion concerning the Contentnea Metropolitan Sewerage District and the change in the base rate formula for allocating costs based on flow. There was further general discussion concerning the North Carolina Eastern Municipal Power Agency's predicted sale of assets to Duke Energy Progress, and concerning the possibility that there will be a reduction in the rates customers of Ayden are charged for electricity. Mayor Tripp suggested that it will be 2015 before there will be a reduction in electric rates, but that water and sewer rates are likely to be increasing over the next several years.

VII. ADJOURNMENT

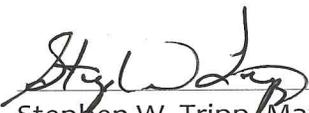
Mayor Tripp announced that without objection the meeting would stand adjourned at 8:25 pm.

CERTIFICATION

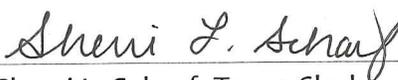
Minutes from the March 27<sup>th</sup>, 2014 special called meeting were adopted and certified this 14<sup>th</sup> day of April 2014 in Ayden, North Carolina.



AYDEN, NORTH CAROLINA

  
Stephen W. Tripp, Mayor

ATTEST:

  
Sherri L. Scharf, Town Clerk