

Minutes
Work Session
Aberdeen Board of Commissioners

January 29, 2009
Thursday, 5:30 p.m.

Aberdeen Municipal Building
Aberdeen, North Carolina

The Aberdeen Board of Commissioners met on Thursday, January 29, 2009 at 5:30 p.m. for their regular Work Session. Members present were Mayor Elizabeth B. Mofield and Commissioners Pat Ann McMurray, Robbie Farrell, Jim Thomas, Donna Shannon and Walter Wright. Others in attendance were Town Manager Bill Zell, Town Clerk Regina Rosy, Finance Officer Beth Wentland, Planning Director Kathy Liles, Scott Brewer of Dixon Hughes, and Dennie Martin with Martin and McGill.

Mayor Mofield called the Work Session to order.

1. Audit Presentation from Scott Brewer of Dixon Hughes

Scott Brewer of Dixon Hughes stated that Dixon Hughes's opinion of the Town's financial status is a fair condition for the fund balance. He stated the assets of the Town of Aberdeen exceeded its liabilities at the close of Fiscal Year 2007-2008 by \$14,869,313. He stated the net assets for the Water/Sewer Fund were \$8,491,000. Next, Mr. Brewer discussed the notes to financial statements. He stated more than one person should be making journal entries – there should be approval of journal entries before being entered. Commissioner Wright asked who would be doing the approval of journal entries. Manager Zell stated he would be approving the journal entries.

Commissioner Wright questioned the law enforcement officers' separation allowance on page 32; he thought it should be set up as a reserved account. Commissioner Wright questioned why it was not set up that way. Mr. Brewer asked everyone to turn to page 36 where he pointed out the net pension obligations is disclosed and is included as part of the long-term debt.

Next, Mr. Brewer passed out a letter from management that noted certain matters involving the internal control structure. Mr. Brewer stated there should be another person to approve the bank reconciliation for an internal control, rather than just one employee handling alone. He also stated that a third person should be trained to assist the other two employees in the water department on busy days in order to keep effective controls in place at all times.

2. Water and Sewer anticipated cost presentation by Dennie Martin of Martin and McGill

Dennie Martin stated he would try to hit the highlights of his report so that there would be enough time to answer questions. Capital improvements would include the financing of one well per year for a total of 3 wells within the next three years. He stated the Town has experienced trouble with radium in wells in the past. He stated Aberdeen also has to keep up with growth and demand for water in Aberdeen. He stated water is a very complex issue for Moore County and hopefully Moore County will

be buying water from Aberdeen for many years to come. Commissioner Wright questioned System 3 and 4 connect – Manager Zell stated it would connect the water system and would save us the money for the booster and would allow for more efficiency in the whole system.

Next, Mr. Martin informed the Board how much revenues would have to increase in order to fund the capital improvements plan. Mr. Martin stated there is \$2.8 million in the fund balance for the water/sewer fund. Commissioner Wright questioned if that was a good amount for the fund balance – Mr. Martin stated that amount of money would only last through one catastrophe and a town our size needs that much in a fund balance. Mayor Mofield stated she is concerned about the age of our infrastructure (water and sewer lines). Manager Zell stated the Town works on replacing lines each year – whenever a problem occurs, we replace the lines and do a little bit extra each time.

Commissioner Wright told the Board what the increases would be for water/sewer over the next few years with or without debt. He stated there isn't a huge difference either with debt or without. Although, he stated the increases are astronomical. Manager Zell stated these increases are driven by the Moore County Wastewater Treatment Plant.

Mayor Mofield asked Manager Zell for more information about the infiltration problem. Manager Zell stated the County meters the wastewater going into the interceptor which includes water that infiltrates lines going through the wetlands. Manager Zell stated this is an issue for all municipalities in Moore County, not just Aberdeen. Manager Zell stated Dennis Brobst, with Moore County, accepts no responsibility for this problem. Mayor Mofield asked how much higher the percentage of wastewater was than what is metered by the Town of Aberdeen. Manager Zell stated it is different each month, and it makes no difference whether it is dry or wet weather.

3. Town Zoning Code Text Amendment ZA#08-09: Multifamily Ordinance and Land Development Plan Updates

Planning Director Kathy Liles stated T.C. Morphis has some issues with the current verbiage. The Long Term maintenance language requires management of aesthetics such as exterior paint. These issues may be beyond those that can be regulated in a zoning ordinance. Other long term maintenance requirements are already in place in the General Code of Ordinances. Attorney Morphis will research the extent to which this language may be applied in the Zoning Code. Planning Director Liles stated her professional opinion is that the Land Development Plan would need to be revisited in 1-2 years. The proposed zoning ordinance text amendment requires that multifamily be depicted on the Future Land Use Map before it may be approved. This does not provide for Planned Unit Developments in rural areas adjacent to Town that may contain any type of multifamily component. After discussion, Planning Director Liles stated Attorney T.C. Morphis is neutral on this issue – she stated she is the one who has a problem with application. The Board discussed removing the mandate from the zoning ordinance that multifamily must be depicted. The Board wanted to ensure that they still had the ability to disapprove a project if it is inconsistent with the Land Development Plan.

Commissioner Farrell stated he wants to be made aware of the changes Attorney T.C. Morhpis makes to the language before the Board takes action on it. He stated he doesn't want the Town to have gone into a moratorium and then be back in the same situation all over again. Planning Director Liles stated she would have material for the Board before the next Board Meeting. Agenda Item as New Business.

4. Special annexation meeting to be set for March 2nd at 5:30 p.m.

Manager Zell stated the House is very much anti-annexation. Manager Zell stated the Senate side has a different mentality. Manager Zell stated he doesn't think we should stop everything we're doing just because something "could happen". Planning Director Liles stated Benchmark would have a feasibility study by tomorrow for additional areas for future consideration and she would get that information to the Board before the next meeting for their consideration. She stated she would like to add that under "other business" during the next meeting. The Town is still on schedule for these annexations to take place June 30, 2009. Agenda item as Other Business.

5. Contract for temporary Building Inspections with Moore County

Planning Director Liles stated Chief Building Inspector Tim Combs and Moore County have parted ways and Tim has gone to work for the City of Rockingham. She stated that left Moore County with only Level I Inspectors. She stated this has left the County in a bad spot and Moore County is willing pay the Town of Aberdeen \$50 an hour up to \$3000 total for the help of our Chief Building Inspector. Planning Director Liles stated the approval of this contract would be subject to a pre-audit to be performed by Finance Officer Beth Wentland. She stated the verbiage has been changed to read \$3000 total per fiscal year. A motion was made by Commissioner Thomas, seconded by Commissioner Wright, to approve the contract for temporary Building Inspections with Moore County as amended. Motion unanimously carried.

6. Project status update on Southeastern Tool & Die and Taylor Building

Planning Director Liles stated Southeastern Tool & Die has hired Neil Smith Engineering. Neil Smith Engineering will have drawings to the Town within the next 2 weeks, which at that time, permits can be issued and fees can be received.

Planning Director Liles stated the Taylor Building is mostly clear of debris. The Town is waiting to hear back from DENR regarding removal of materials from wetlands and the creek. Neal Smith Engineering is at a point where improvements can be proposed. There are some floodplain issues that have to be addressed. The biggest issue right now is – those at the Taylor Building want to know if they can stop cleanup once the roof is replaced. Planning Director Liles stated a decision would need to be made if full restoration would be required by the Board once the building had been floodproofed (required when restoration costs more than 50% of the value of the building). Commissioner Thomas asked if the Town could put a time limit on how long before the Taylor Building sells (within one year), in order for full restoration to not be required. Planning Director Liles stated we could wait on a decision for another month. Agenda Item for Work Session on April 2, 2009.

7. Other Business

Manager Zell stated he participated in a planning project at RTP called Reality Check. He stated 300 people were chosen to participate in this project, 30 groups of 10. He stated they would determine how 2 million people and 70,000 new jobs would be positioned within the state over the next few years. He will be coordinating with Department Heads regarding input into the mapping exercise. The results of Reality Check will be provided to Triangle J RPC and incorporated into planning efforts.

Manager Zell stated the asbestos has been removed in the Slate-Medlin Building. He stated now the Board should decide what to do next with the building. Mayor Mofield asked if anything else was salvageable. Manager Zell stated there is nothing left except maybe some firewood.

Manager Zell reminded everyone of the Chamber event on Thursday, Feb. 5th at the Carolina Hotel. Manager stated he would be at a Manager's Conference next Wednesday, Thursday and Friday.

Manager Zell gave everyone an update on the Richard Caton situation. Town Attorney T.C. Morphis plans to depose Richard Caton within the next couple of months and proceed from there.

Manager Zell stated Paul Bryan had contacted him; Mr. Bryan owns the building where the glass company is located. Mr. Bryan has put the building up for sale, and he wanted to know if the Town is interested in owning the building. The tax value is \$166,000.

Commissioner Wright asked what the status of Johnson Controls was. Manager Zell stated he is meeting with Johnson Controls on Tuesday next week. Manager Zell stated he will update Commissioner Wright after the meeting.

Commissioner Wright asked what the status is of Forest Hills West. Planning Director Liles stated it went back to the Planning Board and the Planning Board tabled the item to give Forest Hills residents time to speak to Mr. Rose to reach an agreement. She stated hopefully differences in opinions can be resolved and a compromise reached. The Engineer is preparing a site plan with 20000 square foot lots.

Mayor Mofield talked about the economic situation and the importance of the Town cutting back on spending. She also stated that perhaps employees should be reducing hours, etc. She wanted to go on the record for saying we need to do something now to prepare for what may come. The Board indicated that they wanted to ensure that staff benefits are preserved and lay-offs are avoided.

Tommy Huntley stated his item was tabled at the Board meeting and was supposed to be heard tonight. Mr. Huntley stated he is supposed to be putting up a fence, with mature plants on the outside of the fence, which is nearly impossible. He asked if he could just do the fence. The Board decided to allow Mr. Huntley 90 days to come into compliance which would give him time to transfer ownership of the property to Dave Thomas and would also allow time for Planning Director Liles to correct the language in the ordinance.

8. Adjournment

With no further items for discussion or review, a motion was made by Commissioner Wright, seconded by Commissioner Farrell, to adjourn the Work Session. Motion unanimously carried.

Regina M. Rosy, Town Clerk

Robert A. Farrell, Mayor Pro-tem

Minutes were completed in
draft form on January 30, 2009

Minutes were adopted
February 9, 2009