

TOWN OF TRYON
BOARD OF COMMISSIONERS
TOWN HALL – MCCOWN ROOM

MARCH 21, 2023 7:00 PM

Present: Mayor J. Alan Peoples Mayor Pro Tem Chrelle Booker

Commissioners: Crys Armbrust, Bill Crowell, Bill Ingham

Staff Present: Jim Fatland, Town Manager Susan Bell, Town Clerk
 Tim Daniels, Planning Director Randall Hodge, Police Chief
 Greg McCool, Public Works Director Josh Walton, Fire Chief
 Travis Aldred, Harmon Field Supervisor William Morgan, Town Attorney

CALL TO ORDER

Mayor Peoples called the meeting to order and asked for a moment of silence. Mayor Pro Tem Booker led the Pledge of Allegiance.

AGENDA ADOPTION

Mayor Peoples asked for additions, deletions or corrections. Being none, he entertained a motion to adopt the agenda. Commissioner Armbrust so moved. The motion carried unanimously.

CONSENT AGENDA ADOPTION

Mayor Peoples asked for additions, deletions or corrections. Town Clerk Bell asked to strike the minutes. They are not ready. Mayor Peoples entertained a motion to adopt the consent agenda, which includes the Financial Report for February 2023. Commissioner Armbrust so moved. The motion carried unanimously.

SPECIAL PRESENTATION: GREEN BLADES GARDEN CLUB

Mayor Peoples presented a Resolution of Appreciation to the Green Blades Garden Club for their work keeping up the gardens.

APPROVE/DENY: TEXT AMENDMENT TO AMEND NONCONFORMING SIGNS

Planning Director Daniels reported this is a text amendment that was presented to you last month. Public inquiries have been made about allowing for replacing a non-conforming sign with a duplicate. Last month the Planning Board voted not to recommend what was presented to them. It was brought to you last month and you wanted it sent back to them for some changes and some modifications. Modifications were made and it is in front of you.

He read the ordinance as being presented. Section 1. 4.9.10 Nonconforming signs-A nonconforming sign may be replaced with a new sign of the same height, square footage of total sign surface area, and in substantially the same location so long as the new sign does not increase the existing non-conforming condition(s) or create any new non-conforming conditions. Nonconforming signs shall not be: (a)

expanded, (b) reestablished after discontinuance for ninety (90) days, or (c) reestablished after damage or destruction if estimated expense of reconstruction exceeds fifty percent (50%) of the appraised replacement cost. Additionally, all non-conforming signs must come into compliance with the standards of this ordinance upon a change in the name or business which is being advertised.

The Planning Board voted 4-1 to not recommend this. The following text amendment as presented would only suggest allowing the name or change of bottom of section 1. He brings to you for a vote.

Commissioner Ingham asked for the short version of what we are doing. Your board says they should not be able to put the sign back. Daniels responded correct. They do not want to replace nonconforming signs-they would like to stick with the ordinance, phasing out nonconforming signs around town, which leaving it as stands and not as presented would not allow for Stott's to put up replacement signs at all.

Claudia Adamson is asking if this is declined or not. Daniels responded the Planning Board voted not to recommend this. Then it comes to this Board with the Planning Boards recommendation. Then this Board has the ultimate final vote. Ms. Adamson asked then when they vote yes does that mean it is declined or not declined. Daniels responded as presented, then nonconforming signs can be replaced.

Mayor Peoples re-opened the public hearing. Joyce Kimpton asked if they are recommending not to allow it, yet the Town has the opportunity to go ahead and say it's ok to replace a nonconforming sign. What's the point in having an ordinance, if you are not going to stick to it. Mayor Peoples responded the sign that was there was very large and was not appropriate. Several of them contacted FORD. They changed the sign out to what they thought was acceptable. The Planning Board doesn't think they should put it back up there. He has no problem with them putting back up there. Commissioner Armbrust responded neither does he. Ms. Kimpton asked you are going to allow a nonconforming sign to be replaced. Mayor Peoples responded it's the same size, same height. This Board has the final say so. A lot of people don't like it, but that's ok. Ms. Adamson asked why you would go against them. Commissioner Ingham responded, because he disagrees with them. He is your neighbor and he disagrees with the Planning Board on this. The Stott's have been here probably longer than anyone in this room. Been a good business, a great business for the town. Commissioner Crowell asked if Stott's moves out tomorrow and leaves the property vacant, does the sign have to come down. Armbrust responded yes. Ingham responded if it's not the Ford dealership, then it's a whole new ballgame. Crowell just wants to be sure they are telling them that if someone crashes and knocks it over, then they can put it back up. Armbrust responded this is a long-standing issue, because the present sign replaced the one that was 80' tall and FORD showed good faith. Mayor Peoples responded that sign is outside of Atlanta off I-85. That's how big it was.

Ms. Adamson asked what would make the Planning Board vote 4-1 against it. Mayor Peoples responded it is fairly easy to say, this is just one that they do not agree on. This Board is looking at a business sense, looking at something that has sit there since 2003 and it hasn't caused a problem and there are some people on that board that will be offended, but he doesn't get offended, he gets a vote and you can vote him out next election. He tries to make common sense of what needs to be done. Ms. Adamson asked if it was the same sign. Mayor Peoples responded it is the exact sign, is what they were told. This will be a new sign, because the one there now has been damaged. Basically, they could put duct tape on it, until we tell them it looks too bad and needs to be replaced.

Mayor Peoples asked for clarification. If we vote that one down, they can keep the sign or if we vote that one up, they get to keep the sign. Attorney Morgan responded you approve this ordinance, they can replace it.

Mayor Peoples entertained a motion to accept the text amendment as presented. Commissioner Armbrust so moved. The motion carried unanimously. Mayor Peoples closed the public hearing.

APPROVE/DENY: TEXT AMENDMENT TO AMEND THE SIGN ORDINANCE TO ADD GAS STATION SIGNAGE

Mayor Peoples stated as soon as Tim presents this, then we will open the public hearing. Daniels reported this is a text amendment for gas station signage. Public inquiries have been made about signage for fuel island canopies. The previous town manager requested the planning department investigate and make additions to the sign ordinance if feasible. This is a text amendment proposing the addition of a gas station signage section to give clarification for what can be displayed on fuel island structures. As the previous text amendment was presented last month to the Planning Board, we allowed for illumination either internal or external and the Planning Board voted to recommend it for you guys. Then you requested more clarifications after public input. We did some modifications, took out the external and specified on these signs how much a logo can take up on one side. He will read it as presented now.

- 1) Signage displayed on or affixed to structures covering fuel islands shall only be on the vertical face of the canopy part of the structure. Colors and stripes may take up 100% of the surface on all sides and a brand name or logo shall cover no more than 33% of one of the surfaces. Fuel island signage shall not extend above or below the surface area.

Looking on the table, under sign type, gas station signs are allowed the Transitional and General Business Districts, but do not have the illumination in the chart.

Mayor Peoples clarified you can put the sign up, no internal external lighting, the sign can be 30% of the face of one side. Daniels responded one side one logo. Commissioner Armbrust asked if this contradicted the branding practice of Marathon national. Daniels responded on the branding book this would allow them to put the colors in the logo. Commissioner Ingham asked if there were more lights now than in the beginning or is anything else changing. Is it brighter? Daniels replied as it is presented it is just the wrap around branding. Last month, illumination was included. The branding book had illumination in it. Based on public input, he took it out. The fascia that is going around it will not have illumination internally.

Armbrust asked what the lighting protocol is for Marathon national. Daniels reported it is typically backlit, internally illuminated. Commissioner Crowell responded it means the band would be illuminated from the back. It would not be that much.

Mr. Khan owner of gas station reported he is changing the brand from Sunoco to Marathon. It has a night sign but it is underneath.

Armbrust asked if the downlighting had always been around. Daniels replied we are not talking about the lighting. Armbrust responded so you wouldn't have to cut that off. Mr. Khan responded no. Daniels responded the branding was only on one side. Armbrust responded the downlighting can stay. It just

highlights the pumps. Mr. Khan responded he can cut the lights off. Reason for being on is because of the city cops and fire. Armbrust replied rather than turning off the downlights, is it possible turn off after a certain hour, the four huge lights that light the parking lot. There was a notorious drug issue there before. Mr. Khan reported those are street lights. Armbrust wants to see the downlighting stay on. Crowell suggested night sky lighting. Armbrust was downtown at 2:00 this morning and the lights need to be turned off. Peoples commented when he and Harriett lived in Lynn, they had Duke come out and they painted over half of the light.

The gas station is located in the Transitional Business District and if you were going to put a gas station there today, it would not be allowed. We don't want Tryon to look like we are getting too modern. The current signs today don't comply under 4.95, 4.96, 4.99 and 4.76, therefore the future signs won't comply. She hasn't looked at the actual branding book, but she can tell you that Marathon takes pride across the U.S. are located in the historic districts and are often allowed sympathetic signs to be developed. We are setting up a sign that we are going to be looking at for twenty years. Have we asked if Marathon would be willing to change the signs. Could we ask if they would work with the Planner to be able to come up with something that would work. We could use the argument about the drug dealing and the shady part of town for an excuse. The downlighting, because there is not a covering the light goes out the top. She bought this house, knowing there was a gas station there.

Ingham responded those lights have been there since it was open. Ms. Adamson responded the business is not open at night. Ingham reported there is history at that location. Mr. Khan reported he can turn the lights off, when the cashier closes, but he can't do anything about the street lights. Ms. Adamson can put a camera at her house and if we start seeing transactions. They are ways to watch for transactions being done. Mr. Khan has a lot of traffic afterhours that use the pumps. Mayor Peoples asked if it was feasible for the two involved to work this out. Both sides agreed. Ms. Adamson sees a sign that is ready to be installed. Attorney Morgan responded you can go ahead and approve this amendment and let them discuss their issues. Armbrust asked for a point of clarification, when the sign was approved, it was conforming. His second point is there are dozens of recorded incidents of drug transactions over the past thirty years. Ms. Adamson asked about the last twenty years. Armbrust responded last year. There are arrests and prosecutions from that site.

Mayor Peoples applauded Claudia for her research. Not often do we have people come before us well prepared. Ingham asked if Conn could turn the lights off. Attorney Morgan responded we are approving or denying the amendment. They can talk later about how to resolve the issues.

Daniels responded the sign manufacturer asked if they put up the sign with internal illumination and never turn on the lights. He told them if the lights go on, then it is a violation. Armbrust asked if it is part of the national protocol for Marathon canopies to have internal illumination, then you should be allowed internal illumination, whether he uses it or not.

Mayor Peoples asked Daniels to go over it one more time so that everyone is clear. Daniels responded 30% of one side can be a logo, brand name and there will be as it stands, cannot be lit up. Armbrust replied he has the right to come back for a variance to be able to use the lights.

Mayor Peoples closed the public hearing and entertained a motion to adopt the amendment as presented. Commissioner Armbrust so moved. The motion carried unanimously.

APPROVAL OF MURAL FOR TRYON THEATER

Planning Director Daniels reported Scott & Gayle Lane who owns the movie theater would like to put a mural on the southside of the building. Judy Dempsey is from Lake Lure. They want to do this film strip on the topside of the building. Ms. Dempsey will put Morris on it with the mountains in the background. Armbrust reported this has been in the makings since the new owners took over. Crowell asked what is the life expectancy of the mural. Ms. Dempsey replied whatever the life expectancy of outdoor paint is. She puts poly over it, so it will have sun protection. She will maintain the mural if included in the contract.

Mayor Peoples entertained a motion to approve the mural presented. Commissioner Crowell so moved. The motion carried unanimously.

AUDIT PRESENTATION FOR FINANCIAL STATEMENTS FOR YEAR ENDED JUNE 30, 2022

Manager Fatland reported David Phillips with the auditing company is here to give a presentation on the June 30, 2022 audit report. Mr. Phillips presented white copies while we are waiting on the Local Government Commission. Once we receive approval, they will submit the report and print the official copies. He walked through the power point. He reminded them of the importance of internal controls. It's a lot more challenging when you are small, but unfortunately, the LGC doesn't scale things based on government size. One size kind of fit's all in the state of North Carolina. You all try to do as good of a job as you can with your size and complexity with checks and balances. For instance, say we were looking for something and find that your bank statements aren't being done on a timely basis. It's not important he only talks with Jim and Susan. He needs to make you aware also. You can't fix what you don't know is broken. Controls are very important. Auditor's responsibility is to issue an opinion. Professional standards are within in one-two percent. They have issued an unmodified, which is a clean opinion. If they modified the report, it would say everything looks good, except for this. Unmodified means they are not aware of anything being materially misstated. They had to implement new accounting standards on leases, so this was noted.

Total fund balance increased \$66,000. There are various types of fund balances. Assigned fund balance is about \$39,000 and some restricted fund balances, such as the state's stabilization fund balance, Powell Bill fund balance and Culture & Recreation fund balance. The unassigned fund balance is \$1.35 million, which is 72% of the 2022 actual expenditures. You have a fund balance policy which is 25% and you are well ahead of that minimum standard. The Government Finance Officers Association recommends a minimum of two months. Your revenues were \$1.98 million, with the largest portion being the ad valorem taxes, then you have the state collected sales taxes and then your restricted intergovernmental revenues (Powell Bill) and some other miscellaneous revenues. This is decrease from last year, but remember last year you received the FEMA grant and CARES ACT grant. If you looked at your reoccurring revenue you were up. You came in about \$25,000 or 1% over budget.

General Fund expenditures were \$1.87 million. You had a decrease from 2021. Under budget by \$80,000, about 4%.

Fire Department Fund had a decrease in fund balance of \$72,000. The revenues were about \$607,000. Expenditures were about \$679,000. Normal operating costs.

Harmon Field Fund had an increase in fund balance of \$121,000. Revenues were \$376,000 with expenditures of \$255,000.

ARPA was the real change. They didn't show that in the General Fund. The state of North Carolina recommended a new fund. This was transferred to water and sewer. Next year you are supposed to get it again.

Water & Sewer Fund had an increase in fund balance of \$434,000. Part of this is the transfer in from ARPA. The rest was good operating performance.

Sanitation Fund had an increase in fund balance of \$104,000, but remember you had to help support it and transferred in about \$147,000. Jim has looked at this already and found that some of the cost could be transferred to street operations instead of all being charged to sanitation. Hopefully with a rate increase this will help and you won't have to subsidize it anymore.

Capital Assets were \$9.3 million at June 30, 2022 compared to \$9.6 million at June 30, 2021. You didn't have as many additions this year. When they capitalize something, they start depreciating it.

Debt not a lot of activity. Just paid down the debt. Decrease of \$0.3 million from last year. Total debt service payments for FY23 are expected to be \$323,000.

The new lease standard-Concession Stand Lease-they had to setup a receivable and a deferred inflow of revenue over time. You have postage meters and a copier, but those were not significant. Next year GASB wants to treat long term IT agreements the same way, along with long-term accounting software or IT agreements. They want it recorded as a right to use asset on the balance sheet. Odds are most of these are short term arrangements and will not be recorded in most instances.

Last year they had five recommendations and six findings. This year they have three recommendations and three findings. They made a lot of improvements. Last year we didn't finish the audit until May 2022, so there was not much time to work on them, but Zach and them did knock out a couple of them. The three management comments are document approval. The manager needs to sign and date invoice, along with the one who made the purchase. A fraud risk program needs to be in place, so that someone knows the procedures of reporting suspected fraud. The Sanitation cash flows are a concern. You don't want to have to keep subsidizing the fund.

The three audit findings are: 1) The auditors have to book adjustments, because if a revenue or an expenditure comes in late, they have to accrue it, even if it comes in two months later. 2) You went over budget on a couple of line items. The state doesn't care about the line item itself. They are concerned about the total. They want to make sure that you are under on all funds. 3) A couple of places where you amended the budget, you showed a surplus and you can't show that.

Mayor Peoples replied he doesn't like getting dinged when it is not all our fault. Mr. Phillips agreed. On the final slide they issued an unmodified opinion. The Town is in good financial condition as of June 30, 2022. You have a contract accountant and that has helped a lot. The state doesn't take in consideration the size of a town.

Mr. Phillips feels the Town has made a lot of progress. Town Manager Fatland responded he and Susan met with David for about two hours on the audit. A little later on the agenda, you are going to see a reflection of part of that discussion. He took \$52,000 out of sanitation and moved it to streets. The

savings in sanitation he had to put somewhere, so he put it in vehicle maintenance. You have to show a balanced budget. It will show revenues greater than expenditures, so that will be good. You can't budget surplus. Mr. Phillips responded they want you to plug it, somewhere. Mayor Peoples thanked Mr. Phillips. He knows he doesn't make the rules. Fatland when he came here in January. He sent an email to Sharon Edmundson from the State. Mr. Phillips received another email from them today. There is more he has to do.

AUDIT CONTRACT FOR FINANCIAL STATEMENTS FOR YEAR ENDED JUNE 30, 2023

Manager Fatland reported getting an auditor these days is getting tougher and tougher. This firm has notified the town they can no longer do the audit for this year. The audit extension was not caused by staff here. They had a staffing issue there. He received a proposal from a firm that he would like approved to do the audit. It is RH CPA's out of Greensboro, North Carolina. He had contacted several other firms and they were having staffing issues also. Rather than wait a few months trying to find other firms, being we are in March a few months away from closing the books, he would like to approve the contract with them. The contract is \$34,000. They have one a new GASB rule, dealing with leases. The only long term-lease the town has is the lease at Harmon Field. It will be costly for them to audit this one item. He asked me if there was a way to get this lease down to a twelve-month lease. He has talked with the concession stand last week. They have long term plans. Mayor Peoples responded the lease is supposed to be for three years. Fatland responded anything over twelve months is considered long-term. Also, if you have an option to renew, it is considered long-term.

Mayor Peoples entertained a motion to approve the contract with RH CPA's for a price of \$25,740 for the first year. Commissioner Armbrust so moved. The motion carried unanimously.

INTERLOCAL AGREEMENT WITH POLK COUNTY FOR FIRE SAFETY SERVICES

Manager Fatland reported the County has approached the Fire Chief that they can perform inspections of businesses for \$50 each. He contacted Marche Pittman and was told they do 150 inspections a year. They budgeted a new line item in the fire budget for \$7,500 for fire inspections. The fire chief has been doing it, but feels having the Fire Marshall coming in and performing that function would help his department.

Mayor Peoples entertained a motion to approve the Interlocal Agreement with Polk County. Commissioner Ingham so moved. The motion carried unanimously.

SOUTH MOUNTAIN REGIONAL HAZARD MITIGATION PLAN

Manager Fatland reported each town has to approve this. Say there is a natural disaster, then we are ready to go. This allows us to get FEMA funding in the event anything ever happens.

Mayor Peoples entertained a motion to approve the South Mountain Regional Hazard Mitigation Plan. Commissioner Armbrust so moved. The motion carried unanimously.

NO LEFT TURN SIGN ON OAK AND TRADE STREETS

Manager Fatland reported DOT wanted to know who put up the no left turn sign. The Town had an ordinance from 1981. Commissioner Crowell responded something needs to be done. Commissioner Armbrust reported there used to be two of them. Fatland needs a vote to take it down or leave it alone.

Commissioner Ingham voted to take it down. Commissioner Armbrust voted to take it down. Mayor Pro Tem Booker and Commissioner Crowell voted to leave it. Mayor Peoples broke the tie, by voting to take it down.

FY23 BUDGET AMENDMENT NO. 4

Manager Fatland reported he has been going over the budget and noticed that several of the line items were going over. Dave Phillips had reported that several things weren't budgeted for, like Cultural and Recreation. The FY23 budget didn't have a budget for it. The Sanitation Fund has been fixed with this budget amendment. There was no budget for the health care reimbursement program. He has also noticed that the department heads were not actively involved in the budget process in prior years. They are very active now and have turned in all of their budgets. He will be recommending a budget work session with the Mayor, Council and the department heads on May 26th at the Depot, so that everyone can sit around the table and discuss. You will be able to ask financial questions, non-financial questions of the department heads, why do we do this and why don't we do this. It will be a very healthy discussion this year, because the way he looks at it. It's not just the Board's budget, but the entire town. The employees carry out the plans, once adopted. Are there any questions about the budget amendment.

Mayor Peoples entertained a motion to adopt Budget Amendment No. 4. Commissioner Ingham so moved. The motion carried unanimously.

RFQ ENGINEERING SERVICES

Manager Fatland reported he had mentioned this to you in February, when the town went out last year with an RFQ for engineering services, it was sent out about Thanksgiving and due in December and only one turned in a proposal. He sent RFQ's to six firms. He recommends three additional firms for on call engineering services. McGill, Summit Engineering Group of North Carolina, Inc. and SDG Engineering. WithersRavenel is a great engineering firm. They are doing Braewick Sewer, which is a big project. He has a project relocating a water line. Staff needs someone that they can go to with smaller projects.

Mayor Peoples entertained a motion to approve McGill, Summit Engineering Group of NC and SDG Engineering. Commissioner Armbrust so moved.

MINIMUM HOUSING

Planning Director Daniels reported the Cleveland Road properties that were burned last month, the owners are coordinating with each other to do clean up at the same time. If it is not cleaned up next month, the town will clean them up and place a lien on the properties. 161 Peake Street the owner sent the paperwork with the findings of facts and code violations and has under two months to clean that up. They will pursue test burning that property as well. Shepherd Street-he still needs to confirm the state of the foreclosure and make contact with the owner or heirs of that property. Mayor Pro Tem Booker will get him a phone number. Howard Street is boarded up. He is calling for an inspection.

TDDA UPDATE

TDDA Executive Director reported that her report is included in the packet and asked if anyone had any questions.

TOWN MANAGER'S REPORT

Manager Fatland is going to follow up with House Rep. Jake Johnson and Senator Tim Moffit on the Hidden Hill and Oak Street projects. They have told him they can help provide funding for the sewer backup issues.

COUNCIL/MAYOR REPORT

Commissioner Ingham welcomed everyone. He thanked the staff and Jim. Told everyone to stay healthy. Commissioner Armbrust thanked everyone for being here. He gave an update on the Nina Simone project. Venus Williams has partnered with Adam hoping to raise \$5 million for the project. Commissioner Crowell thanked the staff. The Town looks good. He would like the street lights repaired. The Conserving Carolina meeting on Friday was a great meeting. Mayor Pro Tem Booker thanked everybody for coming. She congratulated Crys on the Nina Simone project. She thanked Jim for coming here. Stay Safe and take care of yourselves and each other. Mayor Peoples said as always, Tryon is a little piece of heaven.

CITIZEN COMMENTS & RESPONSES

Greg Miner with the Polk County Appearance Commission met with Jerry Soderquist and Mayor Peoples concerning grant for the cemetery. The deadline is May 31st. He volunteered to appeal to the town for the grant. Upscaling the wall to the cemetery and planting small trees were what they wanted to do. Mayor Peoples responded they had met with the Cemetery committee to ask for the matching portion. Manager Fatland reported it needed to be added to the agenda. Commissioner Armbrust made a motion to add to the agenda. The motion carried unanimously. Commissioner Armbrust made a motion to approve \$1200 for the Cemetery grant. The motion carried unanimously.

Karandall Gary reported a port-a-potty missing from Ziglar Field. Manager Fatland ordered benches for Bryan Park to replace the ones that went missing there.

Steve King asked if anyone knew what was going on at Adams Millis property. Mayor Peoples reported it was in foreclosure and sold to the highest bidder. Mr. King reported the property is getting in worse shape. Commissioner Armbrust asked if we could find out the date of sale. He also reported that Pine Crest Inn had been sold.

Joyce Kimpton reported there are a lot of important people buried at the cemetery. Mayor Peoples reported some clean up of the markers has been done. They are looking at repairing and standing the markers upright.

Ms. Kimpton reported the parking at Sidestreet is an issue, especially the parking at Burrell's and crossing over the railroad tracks. Anne Day replied it is usually on Sunday.

Ms. Day reported the fence on New Market Road has broken rails and is leaning again. She suggested installing a wrought iron fencing with the town logo on it. The fence is not stable.

Ms. Kimpton asked for the road markings to be done. Manager Fatland responded the paint has been ordered and the contractor hired.

ADJOURN

Mayor Peoples entertained a motion to adjourn. Commissioner Armbrust so moved. The motion carried unanimously.

J. Alan Peoples, Mayor

Attest:

Susan B. Bell, Town Clerk