

**AGENDA
REGULAR MEETING
CITY COUNCIL, CITY OF ASHEBORO
THURSDAY, NOVEMBER 5, 2015, 7:00 PM**

1. Call to order.
2. Silent prayer and pledge of allegiance.
3. The Honorable Darrell Frye, Chairman of the Randolph County Board of Commissioners, will present a resolution adopted by the Randolph County Board of Commissioners in support of the naming of a section of NC Highway 49 in honor of Mayor Pro Tempore Talmadge Baker.
4. Tammy O'Kelley, Director of the Heart of North Carolina Visitors Bureau, will present the annual report on Asheboro tourism activities.
5. Chief of Police Jody Williams and City Manager John Ogburn will recognize retired Police Captain Todd Swaney for his service to the City of Asheboro.
6. Consent agenda:
 - (a) Approval of the meeting minutes for the City Council's regular meeting on October 8, 2015.
 - (b) Approval of the meeting minutes for the City Council's special meeting on October 22, 2015.
 - (c) Acknowledgment of the receipt from the Asheboro ABC Board of the meeting minutes for the local alcoholic beverage control board's meeting on September 14, 2015.
 - (d) Approval of an ordinance titled "ORDINANCE TO AMEND THE GENERAL FUND FY 2015-2016."
 - (e) Approval of the temporary closure from 7:00 p.m. to 8:30 p.m. on Friday, December 4, 2015, of the streets indicated on the enclosed parade permit application and map for the Asheboro /Randolph Chamber of Commerce Christmas Parade.
 - (f) Approval of the temporary closure from 6:00 p.m. to 9:00 p.m. on Friday, December 11, 2015, of the streets indicated on the enclosed parade permit application and map for the annual "Christmas on Sunset" event sponsored by the Asheboro/Randolph Chamber of Commerce Downtown Development Committee.

- (g) Approval of a technical corrections ordinance to amend out-of-date provisions in Sections 37.01, 37.02, 51.04, and 113.06 of the Code of Asheboro.
 - (h) Approval of a resolution awarding to a retiring officer of the Asheboro Police Department his service weapon.
7. Trevor Nuttall, Community Development Director, will present the following items from the community development division:
- (a) Discussion of the parking issues on Amelia Court that were first brought to the City Council's attention during the regular meeting on October 8, 2015, and that were scheduled for further discussion during the regular November 2015 meeting.
 - (b) Zoning Case RZ-15-08: A legislative zoning hearing on the application filed by the City of Asheboro to apply city zoning (I2 – General Industrial) to the parcel of land recently annexed by the city and located south of 879 McDowell Road.
 - (c) Zoning Case RZ-15-09: A legislative zoning hearing on the application filed by Michael Foley and Margie M. Trogdon to rezone property located at 1801, 1827, and 1831 South Fayetteville Street from Medium-Density Residential (R10) and Conditional Use Commercial (CU-B2) to General Commercial (B2).
 - (d) In furtherance of a community development block grant funding application, consideration of a resolution authorizing Mayor Smith to sign a combined Notice of Finding of No Significant Impact and Notice of Intent to Request Release of Funds for the Technimark Rail Project.
 - (e) Consideration of a request to extend the time allowed between the preliminary and final plat subdivision reviews for Waterford Villas.
 - (f) Status report on the 2015 Urgent Repair Program, including an extension of the application period until Friday, November 20, 2015.
8. Public comment period.
9. Fire Chief Roy Wright will present a request for authorization to purchase a used aerial platform fire truck from the Franconia Volunteer Fire Department in Virginia in compliance with the sole source provisions authorized under North Carolina's purchasing laws.

10. Michael Rhoney, PE, Water Resources Director, will present a resolution authorizing Asheboro's entry into a 20-year water purchase agreement with the City of Randleman.
11. Michael Leonard, PE, City Engineer, will present the following items pertaining to the Asheboro Regional Airport:
 - (a) Consideration of authorizing the city to enter into a Ramp Rehabilitation Design/Bid Phase Services Agreement, totaling \$109,000.00, with W. K. Dickson & Co. Inc. and to use Federal Non-Primary Entitlement Funds at a ratio of 90% federal and 10% local match. The work will be in accordance with the Contract for Professional Services dated July 14, 2011.
 - (b) Presentation of the proposed fixed base operator lease agreement with Cardinal Air, LLC. The only action requested for this agenda item is to authorize, by resolution, city staff to facilitate the publication of the required legal notice that the governing board will take final action on the proposed lease agreement during the City Council's regular meeting in December 2015.
12. David Hutchins, Public Works Director, will present an update on the city's recycling program.
13. Debbie Reaves, Finance Director, will present an update on The Asheboro Housing Authority (AHA) Rapid Rehousing grant program which provides assistance to homeless families and individuals. Portions of this grant allow AHA to assist the participating families and individuals with utility deposits as well as utility payments.
14. Upcoming events:
 - (a) The annual Veterans Day parade will be held on Wednesday, November 11, 2015, at 4:00 p.m.
 - (b) City offices will be closed in observance of the Thanksgiving holiday on Thursday, November 26, 2015, and Friday, November 27, 2015.
15. Discussion of items not on the agenda.
16. Adjournment.

**REGULAR MEETING
ASHEBORO CITY COUNCIL
CITY COUNCIL CHAMBER, MUNICIPAL BUILDING
THURSDAY, OCTOBER 8, 2015
7:00 p.m.**

This being the time and place for a regular meeting of the Asheboro City Council, a meeting was held with the following elected officials and city staff members present:

David H. Smith) – Mayor Presiding

Talmadge S. Baker)
Clark R. Bell)
Edward J. Burks)
Linda H. Carter) – Council Members Present
Walker B. Moffitt)
Katie L. Snuggs)
Charles W. Swiers)

John N. Ogburn, III, City Manager
Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
Michael L. Leonard, P.E., City Engineer
Justin T. Luck, Zoning Administrator
Trevor L. Nuttall, Community Development Division Director
Deborah P. Reaves, Finance Director
Michael D. Rhoney, P.E., Water Resources Director
James O. Smith, Assistant Chief of Police
Jeffrey C. Sugg, City Attorney

1. Call to order.

A quorum thus being present, Mayor Smith called the meeting to order for the transaction of business, and business was transacted as follows.

2. Silent prayer and pledge of allegiance.

After a moment of silence was observed in order to allow for private prayer or meditation, Mayor Smith asked everyone to stand and say the pledge of allegiance.

3. Consent agenda.

Upon motion by Mr. Burks, and seconded by Ms. Snuggs, Council voted unanimously to approve/adopt the following consent agenda items.

- (a) The minutes of the city council's regular meeting on September 17, 2015.**
- (b) Acknowledgement of the receipt from the Asheboro ABC Board of the minutes of the local board's meeting on August 3, 2015.**

The minutes of the meeting held by the Asheboro ABC Board on August 3, 2015 have been received by the city clerk, distributed to the mayor and members of the city council for review, and are on file and available for inspection in the city clerk's office.

- (c) A written request from the recreation services superintendent to establish the dates, along with the rules, as stated in the request for the 2015-2016 duck and dark geese (Canada & white-fronted geese) hunting season at Lake Reese.**

A copy of the above-referenced written request from the recreation services superintendent was included in the council's materials. Additionally, a copy of the request is on file in the city clerk's office. The said request was approved without modification.

- (d) The temporary closure on Saturday, October 31, 2015, from 6:30 p.m. until 8:30 p.m. of the streets indicated on the parade permit application and map for the "Trick or Treat in the Park" event sponsored by the City of Asheboro Cultural and Recreation Services Departments.**

The parade permit application for the requested street closure, including a street closure map, was included in the council's materials. Copies of these items are on file in the city clerk's office. The said temporary street closure was approved as requested in the application.

- (e) **The temporary closure for a horse parade on Sunday, November 1, 2015, from 3:00 p.m. until 4:00 p.m. of the streets indicated on the enclosed parade permit application and map.**

The parade permit application for the requested street closure, including a street closure map, was included in the council's materials. Copies of these items are on file in the city clerk's office. The said temporary street closure was approved as requested in the application.

- (f) **The temporary closure for the Veterans Day Parade on Wednesday, November 11, 2015, from 4:00 p.m. until 5:30 p.m. of the streets indicated on the enclosed parade permit application and map.**

The parade permit application for the requested street closure, including a street closure map, was included in the council's materials. Copies of these items are on file in the city clerk's office. The said temporary street closure was approved as requested in the application.

4. Community Development Division Items:

- (a) **Updates to the text and maps of the Asheboro 2020 Land Development Plan, including a request for council approval of the final draft of the updates.**

Mr. Nuttall introduced Mr. Justin Luck, Zoning Administrator, who gave a summary of the updating process for the 2020 Land Development Plan. During his presentation, Mr. Luck utilized a visual presentation and highlighted that the Community Development Division staff began the process of updating the maps in January 2015. Once public input was received through community workshops, city staff began revising the land use maps and presented, to the mayor and council members, a first draft during the council's regular July meeting. After careful review, the Community Development Division staff and the planning board recommended approval of the final draft from staff of the final updates to the text and maps of the 2020 Land Development Plan. The following text from APPENDIX B – 2015 Maps Update describes the essentials of the updates to the land development plan:

APPENDIX B - 2015 Maps Update

B.1 Background

On July 13, 2000, the Asheboro City Council adopted the 2020 Land Development Plan. Pursuant to Section 7.3 (now section 6.2) *Monitoring and Revising the Plan*, The Land Development Plan was revised on October 8th, 2009. Adopted as part the 2009 revision, Policy 2.2.3 states: *The City will periodically update maps in the Land Development Plan to ensure they accurately represent current conditions in our city and are consistent with the goals and policies.* In accordance with Policy 2.2.3, The Planning and Zoning Department began the process of updating the map portion of the 2020 Land Development Plan in January of 2015.

B.2 Process

Upon announcing the update process and first public workshop to be held at the Asheboro Public Library to appointed and elected boards, Asheboro Planning & Zoning staff mailed personal invitations to target stakeholders, including developers, real estate agents and governmental agencies, invited non-profit agencies serving the community (particularly those addressing housing needs throughout the community) and ran advertisements in the *Courier-Tribune*. No drafts or proposals were presented by staff at the workshop, however, comments and suggestions were received from the public after examination of the existing maps. To solicit more focused input, staff identified two areas that warranted special focus due to new development and rezoning activity since the original adoption of the plan. Staff partnered with neighborhood churches to conduct two community workshops, both of which were well attended and successful in gathering data. Residents were particularly thankful for hosting workshops within neighborhoods, as opposed to city facilities. Notice of these meetings was accomplished through mailing informational post cards to all properties and property owners within the two target areas and with help from the Asheboro Police Department-sponsored community watch groups. Combining the information acquired with internal analysis, staff generated a first draft of all maps to be updated, with a particular focus on the Proposed Land Use map. These drafts were presented to the public through two more community workshops, held at a neighborhood church and an elementary school. Drafts were also presented to appointed and elected boards for comment. Taking account of all input, final drafts

were prepared for adoption by the City Council through a public hearing on October, 8th 2015.

B.3 Public Input Received

Citizens identified several issues as important to the future of Asheboro land development in the coming years. The following issues, listed by meeting, emerged as most paramount.

Public Workshop 1: Asheboro Public Library

- Presnell St. and Greensboro St. should be reevaluated to reflect existing office uses and to accommodate future expansion

Community Workshop 1: Kingdom Life Community Church

- Concern exists over encroachment of commercial/office uses and the impact of rising property values/property taxes. Some residents feel as if they are being "squeezed out" of established residential areas
- Lack of city infrastructure, especially sewer, are limiting development opportunities, along Booker T. Washington Avenue and Kidd Drive in particular
- General support exists for more sidewalks in the neighborhood, as well as expanded public bus or shuttle transportation
- Worry about public safety and alleged criminal activities occurring in the area, including Eastside Park

Community Workshop 2: Asheboro United Church of Christ

- Historic integrity of the Fisher Estate neighborhood is a community asset. Possible ways to preserve historic integrity should be researched and encouraged
- The area could support additional limited retail for basic needs and residents generally dislike having to go to Dixie Drive, North Fayetteville Street or Highway 49 South to purchase household item, especially groceries. A properly scaled grocery store was mentioned by several people, noting that a grocery store used to be part of the community along Salisbury, McCrary and Hoover Streets. While a written comment received stated "no businesses in residential areas", there was generally support for limited commercial activity on Sunset Avenue within the City's Activity Center
- Support exists for appropriately sited and well maintained higher-density housing options in the area (i.e. townhomes) to complement the single-family homes in the area. Yet there also was concern over the long-term maintenance of apartments and duplexes, and beliefs were expressed that upkeep declines as these properties age
- Residents expressed general support for more sidewalks in the area, especially around Frazier Park and Loflin Elementary School and along designated walking/running routes, as well as several road intersection and traffic improvements. Sidewalks were also desired along West Wainman Avenue to better connect these uses to residents

Community Workshops 3 & 4: North Ridge Church and Teachey Elementary School

- Attendees of Community Workshop 1 supported staff's proposed changes and reiterated the concern of encroaching non-residential development in the Workshop 1 target area
- Community appearance was raised as a concern and should be consistently enforced

B.4 Map Alterations Summary

- All maps have been altered to reflect the current corporate and extra-territorial planning jurisdiction limits.
- Final US64 Bypass alignment has been added to several maps.
- Existing Water and Sewer maps have been updated to reflect the current system.
- Floodplain and Watershed map has been updated to reflect changes in FEMA 100 Year Floodplain boundaries.
- Growth Strategy map now reflects properties annexed since 2000 as "Primary Growth" areas.
- Vicinity map has been updated to include new labels for important features, such as schools and parks.

- A new map, "Rezoning Since 2000", has been added to show land development since plan adoption.
- Zoning map has been updated to reflect current designations.
- Proposed Land Use map has undergone many category changes, reflecting growth since plan adoption and public input. Significant changes include:
 - Greensboro Street area to reflect Office and Institutional
 - Dublin Road and NC Hwy 42 intersection area to reflect Office and Institutional
 - South US 220 Business and McDowell Rd areas to reflect Employment Center and Village Activity Center
 - Zoo Parkway/Cross Roads Retirement Home area to reflect Village Activity Center
 - North US 220 Business area to reflect Park and Commercial
 - Other areas to reflect current zoning and/or present land use

Subsequent to some discussion, Mr. Moffitt moved to approve/adopt, as presented, the final draft of the updates to the text and maps of the 2020 Land Development Plan. Mr. Bell seconded the motion. Council Members Baker, Bell, Burks, Carter, Moffitt, Snuggs, and Swiers voted in favor of the motion.

A copy of the visual presentation along with a copy of the updated Asheboro 2020 Land Development Plan (text and maps) are on file in the city clerk's office.

(b) On-street parking issues on Ameila Court.

Mr. Nuttall highlighted, for the council, certain on-street parking issues that have been occurring on Amelia Court. These parking issues culminated in the preparation of a staff report on the issue along with notification to property owners that the report would be presented to the city council during the regular October meeting. In response, a petition was received from certain property owners regarding the parking situation.

Copies of the petition and the other correspondence compiled by city staff in connection with this issue are on file and available for review in the city clerk's office. During this segment of the agenda, the following individuals addressed the Council: Mr. Charles Prevatt and Mr. Tim Greene.

In order to provide an additional opportunity for other property owners to express their views and for further research to occur, Mr. Baker moved to continue this matter to the Council's regular November meeting. Mr. Swiers seconded the motion, and Council Members Baker, Bell, Burks, Carter, Moffitt, Snuggs, and Swiers voted in favor of the motion.

5. Public comment period.

Mayor Smith opened the floor for public comments and none were offered.

Mayor Smith closed the public comment period.

6. Water Resources Division's analysis of a request for the approval of a change order in connection with the City of Asheboro Wastewater Treatment Plant Digester Cover Replacement Project.

Mr. Rhoney presented Change Order Number 4 for the Wastewater Treatment Plant Digester Gas-Holder Cover and Mixing System Project. This change order will increase the contract price as a result of a required re-mobilization of a crane to remove the existing digester cover. This change was required when the weight of the existing cover proved to be greater than the weight indicated in the original contract documents. The contract price will be increased by \$22,950.00 for a new contract price of \$864,249.16.

Upon motion by Ms. Carter and seconded by Mr. Baker, Council voted unanimously to approve Change Order Number 4 for the Wastewater Treatment Plant Digester Gas-Holder Cover and Mixing System Project.

A copy of the change order is on file in the City Clerk's office along with a copy of the visual presentation utilized by Mr. Rhoney during his presentation.

7. City staff's analysis of a proposal from Summey Engineering Associates, PLLC to conduct a storm water study in Dixie Land Acres.

Mr. Leonard presented a proposal from Summey Engineering Associates, PLLC to conduct a storm water study in the Dixie Land Acres area where problems with flooding and channel erosion in certain locations have occurred. Summey Engineering Associates, PLLC, which was asked to

submit a proposal after this project was exempted from the Mini-Brooks Act procedural requirements for hiring design professionals, is proposing a study to analyze the various areas and prepare construction drawings for the implementation of drainage features as needed in order to minimize the impacts of storm water in identified areas.

The proposed study, with a proposed professional services fee of \$43,500, will be performed in the following three (3) phases:

- Phase 1 – Stormwater Study & Design Analysis
- Phase 2 – Preliminary Sketch Design & Administration
- Phase 3 – Final Construction Plans, Permitting, and Documents

Subsequent to some discussion and comments, Mr. Bell moved to approve the proposal from Summey Engineering Associates, PLLC to conduct a storm water study in the Dixie Land Acres area. Mr. Burks seconded by the motion, and Council Members Baker, Bell, Burks, Carter, Moffitt, Snuggs, and Swiers voted in favor of the motion.

A copy of the storm water study proposal and a copy of the visual presentation utilized by Mr. Leonard is on file in the city clerk's office.

8. Mayor Smith and Mr. Ogburn announced the following upcoming events:

- The annual conference of the North Carolina League of Municipalities will be held in Winston-Salem from October 10, 2015 through October 13, 2015.
- A special joint meeting of the Randolph County Board of Commissioners, Asheboro Airport Authority, and Asheboro City Council will be held in order to discuss goals and plans for the Asheboro Regional Airport. This special meeting will begin at 7:00 p.m. in the Asheboro Public Works Facility conference room on October 22, 2015.
- The City of Asheboro Cultural and Recreation Services Departments "Trick or Treat in the Park" event will be held on Saturday, October 31, 2015 from 6:30 p.m. until 8:30 p.m.
- Disabilities Awareness Parade will be held on October 16, 2015 at 10:30 a.m.

There being no further business, the meeting was adjourned at 8:00 p.m.

Holly H. Doerr, CMC, NCCMC, City Clerk

David H. Smith, Mayor

NOTICE OF A SPECIAL MEETING OF THE ASHEBORO CITY COUNCIL

Thursday, October 22, 2015

7:00 p.m.

Please take notice that a special meeting of the City Council of the City of Asheboro, North Carolina will be held on Thursday, October 22, 2015. The meeting will begin at 7:00 p.m. and will be held in the main conference room at the City of Asheboro Public Works Facility located at 1312 North Fayetteville Street, Asheboro, North Carolina 27203.

This special meeting will be conducted as a joint meeting with the Randolph County Board of Commissioners and the Asheboro Airport Authority. The purpose of the meeting is to provide an opportunity for the members of the three public bodies to collectively discuss potential construction and renovation activities that would improve the facilities at the Asheboro Regional Airport, specifically including without limitation the construction of a new terminal building. Any and all interested parties are invited to attend and observe this joint meeting.

This special meeting notice is issued on October 15, 2015.

/s/David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

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**SPECIAL MEETING
ASHEBORO CITY COUNCIL
CITY OF ASHEBORO PUBLIC WORKS FACILITY CONFERENCE ROOM
1312 NORTH FAYETTEVILLE STREET
THURSDAY, OCTOBER 22, 2015
7:00 p.m.**

This being the time and place for a joint meeting of the Asheboro City Council, the Asheboro Airport Authority, and the Randolph County Board of Commissioners, a meeting was held with the following elected officials and staff members from the City of Asheboro present:

- David H. Smith) – Mayor Presiding
- Clark R. Bell)
- Edward J. Burks)
- Linda H. Carter) – Council Members Present
- Walker B. Moffitt)
- Katie L. Snuggs)
- Charles A. Swiers)
- Talmadge S. Baker) – Council Member Absent

John N. Ogburn, III, City Manager
Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
Michael L. Leonard, P.E., City Engineer
Deborah P. Reaves, Finance Director

In addition to the above-referenced city officials and staff members, the following members of the Randolph County Board of Commissioners were present: Chairman Darrell Frye, Phil Kemp, and Arnold Lanier. Commissioner Stan Haywood was absent. The following county staff members were also present: Hal Johnson, County Manager; Amanda Varner, Clerk to the Board; Dana Crisco, Deputy Clerk to the Board; Will Massie, Finance Officer; Ben Morgan, County Attorney; and Aimee Scotton, Associate County Attorney.

The following Asheboro Airport Authority members were present: Bobby J. Crumley, Chairman Stephen R. Knight, and Curtis Williams. Asheboro Airport Authority Members Murray S. Marsh and Dr. James M. Rich were absent. Ms. Karen McCraw of Cardinal Air, LLC, which is the airport's FBO, was also in attendance.

Mayor Smith called the special joint meeting to order on behalf of the Asheboro City Council, while Chairman Frye called the meeting to order for the county. Chairman Knight called the meeting to order for the Asheboro Airport Authority.

Mayor Smith called on City Engineer Michael Leonard, P.E. and Airport Authority Member Crumley to jointly present the prepared materials to the public bodies. Mr. Leonard introduced the following committee members that have been actively planning for the renovation/construction project at the Asheboro Regional Airport: City Engineer Michael Leonard, P.E., Stephen R. Knight, Bobby J. Crumley, Murray S. Marsh, Karen McCraw, and Paxton Arthurs. Additionally, Mr. Jimmy Luther, P.E. of W.K. Dickson and Company, Inc. has been involved in the planning by providing design and engineering services.

Mr. Crumley utilized a visual presentation and noted that the Asheboro Regional Airport is already an economic center/asset and an economic development asset for the city. The Airport Authority plans to partner with the Tourism Development Authority and the North Carolina Aviation Museum along with the city and county governments in order to develop the airport as a tourism asset.

During his presentation, Mr. Crumley noted that positive actions have already been taken for basic infrastructure at the airport. There is a 5,501-foot runway, a full length taxiway beside the runway, and funding has been designated for rebuilding the apron. Tree removal and land acquisition has been completed in order to work with the FAA and the North Carolina Department of Transportation's Division of Aviation in order to improve the approach to the airport.

The next major step is to construct a modern terminal building. Mr. Crumley and Mr. Stan Anthony, who is an architect and managing principal of the architectural firm Boomerang Design-MBAJ Architecture, utilized a visual presentation to summarize design options, including a conceptual site plan, for a new terminal building.

The proposed structure is to be approximately 22,739 square feet and will resemble an airplane wing. As proposed, the structure will consist of largely natural stone, glass, and ground face masonry with future plans for a mural of the history of aviation to be included on the airside view of the outside wall. The design options propose that the new terminal building should include, among other things, a café (seating for approximately 70 people), private rooms for pilot rest, meeting rooms, and additional parking for buses.

Along with the design plans, Mr. Anthony presented a preliminary cost estimate for the project. The total estimated cost for the project is approximately \$7,580,471.00. Along with this cost estimate, Mr. Crumley reviewed the availability of certain funding sources. The Asheboro Airport Authority has committed to raise approximately \$500,000.00. Funding in the amount of \$560,000.00 has already been designated for the terminal project by the North Carolina Department of Transportation's Division of Aviation. On behalf of the Asheboro Airport Authority, Mr. Crumley requested that, both the City of Asheboro and the County of Randolph, consider providing local funding to complete the balance of \$4,938,087 needed for the project. The project is estimated to be completed by the end of Fiscal Year 2017-2018.

No formal action was taken by the Asheboro City Council or any other board during this meeting. Further evaluations and deliberations will have to occur before formal action is taken by any governing board.

There being no further business, the meeting of the Asheboro City Council was adjourned at 8:06 p.m.

Holly H. Doerr, CMC, NCCMC, City Clerk

David H. Smith, Mayor

Minutes of the meeting of the Asheboro Alcoholic Beverage Control Board held on September 14, 2015

The Asheboro ABC Board met on September 14, 2015, at 5:30 PM, in the Board office, 700 South Fayetteville Street, Asheboro, NC.

Present were Chair Brooke Schmidly, Board Member Steve Knight and General Manager Rodney Johnson (GM). Board Member Bob Morrison attended via telephone conference call. A quorum being present, the Chair called the meeting to order for the transaction of business and business transacted as follows:

The Chair inquired as to any known conflict of interest, appearance of a conflict of interest, or objections concerning agenda items before the Board; after the Chair and both Board members voiced having no conflict, and there being no objection, the agenda was adopted.

The Board reviewed and there being no objection, approved the Minutes from the August 3, 2015, Board meetings.

Steve Knight and the GM reviewed Board finances and reported all finances remain consistent. The 2014-2015 Annual Audit as required by 18B-702 (c) and completed by Lewis & Lewis CPAs, PLLC, was presented to the Board. After review, Steve Knight moved the audit be received and accepted. The Board approved the motion. A copy of the audit is attached hereto and incorporated herein by reference as the "Audited Financial Statements June 30, 2015 and 2014."

Asheboro City Council Resolution Number 22 RES 7-15 reappointing Robert Morrison to a three-year term on the Board was reviewed with the Board. ABC law requires all Board members complete an approved ethics training class within 12 months of an appointment or reappointment to the Board.

The Board reviewed applications for available 3rd and 4th Quarter 2015 Alcohol and Drug Education Grant Funds. Two applications were received, one from Alcohol and Drug Services and one from Randolph Fellowship Homes. After discussion, Brooke Schmidly moved and the Board approved awarding Alcohol and Drug Services \$6,079 and awarding all remaining 3rd and 4th Quarter 2015 funds to fund Randolph Fellowship Home's grant request.

The Board heard reports from the General Manager concerning the following issues:

1. Asheboro ABC sales statistics comparing:
 - August 2015 sales with the previous month indicate:
 - An overall -4% change (all sales and tax collections)
 - August 2015 sales with sales from the same month last year indicate:
 - Retail Sales +0.2% (\$220,682.15)
 - Mixed Beverage Sales: -0.4% (\$27,140.35)

- Sales Tax Collections: +0.6% (\$15,455.21)
- Overall Collections: +0.2% (\$263,277.71)

- August 2015 bottle sales with bottle sales from the same month last year indicate:
 - Retail Bottle Sales: +1.1% (21,045 bottles)
 - Mixed Beverage Bottle Sales: -6.8% (1,257 bottles)
 - Overall Bottle Sales: +0.6% (22,302 bottles)

Charts reflecting sales histories were handed out to Board members for review and discussion.

The next regular Asheboro ABC Board meeting will be held Monday, October 5, 2015, at 5:30 p.m.

There being no further business, the meeting was adjourned.

Prepared by Rodney Johnson, GM, and Approved by the Board _____

GM

John A. Schmidt
Stephen R. Knight
Robert Morrison

**ASHEBORO BOARD
OF ALCOHOLIC BEVERAGE CONTROL
ASHEBORO, NORTH CAROLINA**

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2015 and 2014

Board of Directors

Chairman
Brooke Schmidly

Board Member
Stephen Knight

Board Member
Robert Morrison

Finance Officer
Rodney Johnson

Prepared By
**LEWIS & LEWIS CPAs PLLC
LUMBERTON, NORTH CAROLINA
ROCKINGHAM, NORTH CAROLINA**

Asheboro Board of Alcoholic Beverage Control

(A component unit of The City of Asheboro)

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Henry G. Lewis, CPA
Durham E. Lewis, CPA



Henry "Hank" Lewis, Jr., CPA

Lewis & Lewis CPAs, PLLC

Member AICPA • Member NCACPA

Independent Auditor's Report

Board of Directors
Asheboro Board of Alcoholic Beverage Control
Asheboro, NC

Report on the Financial Statements

We have audited the accompanying financial statements of the Asheboro Board of Alcoholic Beverage Control, a component unit of the City of Asheboro, which comprise the Statement of Net Position as of June 30, 2015 and 2014, and the related Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows for the years then ended and the related notes to the financial statements.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Asheboro Board of Alcoholic Beverage Control as of June 30, 2015 and 2014, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

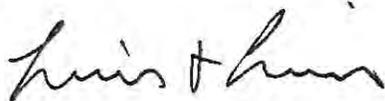
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Proportionate Share of Net Pension Liability (Asset) For the Years Ended June 30, 2015 and 2014 and the Schedule of Board Contributions to Retirement Plan For the Years Ended June 30, 2015 and 2014 as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The Schedule of Store Expenses, Administrative Expenses, and Schedule of Revenues and Expenditures – Budget and Actual are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenses by Store, Administrative Expenses, Warehouse Expenses and Schedule of Revenues and Expenditures – Budget and Actual are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Lewis & Lewis CPAs PLLC
August 25, 2015

Management's Discussion and Analysis

This section of the Asheboro Board of Alcoholic Beverage Control (*the Board*) financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2015. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- Working capital was approximately \$493,763
- A total of \$301,500 voluntary distributions were made by the board to the City of Asheboro during the year.

Overview of the Financial Statements

The audited financial statements of the ABC Board consist of 3 components. They are as follows:

- *Management's Discussion and Analysis*
- *Basic Financial Statements*
- *Additional Information Required by the ABC Commission*

The *Basic Financial Statements* are prepared using the full accrual basis of accounting. They consist of three statements. The first statement is the **Statement of Net Position**. Assets and liabilities are classified between current and long-term. This statement provides a summary of the Board's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement.

The next statement is the **Statement of Revenues, Expenses, and Changes in Net Position**. This statement is used in evaluating whether the Board has recovered all of its costs through sales. Its information is used in determining credit worthiness.

The final required statement is the **Statement of Cash Flows**. This statement reports cash inflows and outflows in the following categories: operating, investing, and financing activities. Based on this data, the user can determine the sources of cash, the uses of cash, and the change in cash.

The notes to the financial statements provide more detailed information and should be read in conjunction with the statements.

The ABC Commission requires some schedules in addition to the information required by generally accepted accounting principles. They include a **Schedule of Store Expenses**, a **Schedule of Administrative Expenses**, a **Schedule of Warehouse Expenses** and a **Schedule of Revenues and Expenditures – Budget and Actual**.

Financial Analysis of the ABC Board

Net position is an indicator of the fiscal health of the Board. Assets exceeded liabilities by \$598,054 in 2015. The largest components of net assets were cash and inventory. Together they totaled 95% of the total net assets. Following is a summary of the Statement of Net Assets:

Condensed Statements of Net Position

	2015	2014	2013	\$ Change	% Change
Current assets	\$ 673,742	\$ 562,567	\$ 493,042	\$ 111,175	20%
Non-current assets	104,964	88,911	97,426	16,053	18%
Total assets	\$ 778,706	\$ 651,478	\$ 590,468	\$ 127,228	20%
Deferred outflows of resources	\$ 7,197				
Current liabilities	\$ 156,946	\$ 80,811	\$ 81,587	\$ 76,135	94%
Non-current liabilities	-	-	-	-	0%
Total liabilities	\$ 156,946	\$ 80,811	\$ 81,587	\$ 76,135	94%
Deferred inflows of resources	\$ 30,903	\$ -	\$ -	\$ -	0%
Net invested in capital assets	\$ 104,854	\$ 88,801	\$ 97,316	\$ 16,053	18%
Restricted net position	94,634	113,529	85,202	(18,895)	-17%
Reserved for capital improvement	40,147				
Unrestricted net position	358,419	368,337	326,363	(9,918)	-3%
Total net position	\$ 598,054	\$ 570,667	\$ 508,881	\$ (12,760)	-2%

Net position increased by 4.8% from the prior year. Income from operations increased by 12.5% from the prior year. Following is a summary of the changes in net position:

**Table 2
Condensed Statements of Revenues, Expenses, and Changes in Net Position**

	2015	2014	2013	\$ Change	% Change
Operating revenues	\$ 3,199,253	\$ 2,999,287	\$ 2,896,748	\$ 199,966	7%
Less: Taxes on gross sales	738,764	694,801	670,736	43,963	6%
Net sales	\$ 2,460,489	\$ 2,304,486	\$ 2,226,012	\$ 156,003	7%
Cost of sales	1,657,518	1,554,670	1,504,972	102,848	7%
Gross profit	\$ 802,971	\$ 749,816	\$ 721,040	\$ 53,155	7%
Less: Operating expenses	435,721	423,404	406,732	12,317	3%
Income from operations	\$ 367,250	\$ 326,412	\$ 314,308	\$ 12,104	4%
Non-operating revenues and expenses	524	340	270	184	54%
Change in net assets before distributions	\$ 367,774	\$ 326,752	\$ 314,578	\$ 41,022	13%
Distributions	334,740	264,966	257,736	69,774	26%
Change in net position	\$ 33,034	\$ 61,786	\$ 56,842	\$ (28,752)	-47%
Net position, beginning	570,667	508,881	452,039	61,786	12%
Restatement	(5,647)	-	-	-	0%
Net position, ending	\$ 598,054	\$ 570,667	\$ 508,881	\$ 27,387	5%

Following is a breakdown of sales by source:

	2015	2014	2013	\$ Change	% Change
Retail Liquor Sales	\$ 2,840,801	\$ 2,637,730	\$ 2,555,788	\$ 81,942	3%
Mixed Beverage Sales	345,429	351,318	330,188	21,130	6%
Retail Wine Sales	13,023	10,239	10,772	(533)	-5%
Total Sales	\$ 3,199,253	\$ 2,999,287	\$ 2,896,748	\$ 102,539	3%

Capital Asset and Debt Administration

Capital Assets

Investment in capital assets as of June 30, 2015 totals \$104,855 (net of accumulated depreciation).

Major capital asset transactions during the year include the following:

Purchase of upgrades to the security system of \$3,467

Purchase of new point of sale hardware and software of \$31,690

Retirement of fully depreciated assets in the amount of \$32,618

Table 3
Summary of Changes in Capital Assets (net of depreciation)

	2015	2014	2013	\$ Change	% Change
Leasehold Improvement	\$ 212	\$ 274	\$ 336	\$ (62)	
Equipment	104,643	88,527	96,980	16,116	18.20%
Total	\$ 104,855	\$ 88,801	\$ 97,316	\$ 16,054	18.20%

Economic Factors

An improving economy has resulted in a large increase in sales, income from operations, and net assets. The Board anticipates continued growth which should match or exceed the current year's financial position.

Requests for Information

This report is intended to provide a summary of the financial condition of the ABC Board. Questions or requests for additional information should be addressed to:

Rodney Johnson, Finance Officer
Asheboro Board of Alcoholic Beverage Control
700 S Fayetteville Street
Asheboro, NC 27203

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Statements of Net Position
as of June 30, 2015
and June 30, 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 333,260	\$ 314,062
Investments	40,147	\$ -
Inventories	277,303	235,807
Prepaid Expenses	10,353	12,698
Net Pension Asset	12,679	-
Total Current Assets	\$ 673,742	\$ 562,567
NON-CURRENT ASSETS		
Property Plant and Equipment (net of accumulated depreciation)	\$ 104,854	\$ 88,801
Utility Deposits	110	110
Total Non-Current Assets	\$ 104,964	\$ 88,911
TOTAL ASSETS	\$ 778,706	\$ 651,478
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows of Pension Plan Resources	\$ 7,197	\$ -
Total Deferred Outflows of Resources	\$ 7,197	\$ -
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$ 124,897	\$ 58,398
Payroll Taxes Payable	748	1,122
Accrued Liabilities	22,213	18,377
Distributions Payable	9,088	2,913
Total Current Liabilities	\$ 156,946	\$ 80,811
Total Liabilities	\$ 156,946	\$ 80,811
DEFERRED INFLOWS OF PENSION RESOURCES		
Deferred Inflows of Pension Resources	\$ 30,903	\$ -
Total Deferred Inflows of Resources	\$ 30,903	\$ -
NET POSITION		
Net Investment in Capital Assets	\$ 104,854	\$ 88,801
Restricted for Working Capital	94,634	113,529
Reserve for Capital Improvement	40,147	-
Unrestricted	358,419	368,337
Total Net Position	\$ 598,054	\$ 570,667

The accompanying notes are an integral part of the financial statements.

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2015
and June 30, 2014

	2015	2014
OPERATING REVENUE		
Liquor Sales - Regular	\$ 2,840,801	\$ 2,637,730
Mixed Beverage Sales	345,429	351,318
Wine Sales	13,023	10,239
Total Gross Sales	\$ 3,199,253	\$ 2,999,287
DEDUCT TAXES ON GROSS SALES		
State Excise Tax	\$ 691,334	\$ 648,108
Mixed Beverage Tax - NCDHHR	32,536	3,240
Mixed Beverage Tax - NCDOR	3,253	32,405
Rehabilitation Tax (Bottle)	10,740	10,310
Sales & Use Tax	901	738
Total Taxes	\$ 738,764	\$ 694,801
NET SALES	\$ 2,460,489	\$ 2,304,486
DEDUCT COST OF SALES		
Cost of Liquor Sold	\$ 1,648,175	\$ 1,547,639
Cost of Wine Sold	9,343	7,031
Total Cost of Sales	\$ 1,657,518	\$ 1,554,670
GROSS PROFIT ON SALES	\$ 802,971	\$ 749,816
DEDUCT OPERATING EXPENSES		
Store Expenses	\$ 357,045	\$ 339,977
Warehouse & Delivery Expenses	37,298	37,354
Administrative Expenses	22,275	23,970
Depreciation Expense	19,103	22,103
Total Operating Expenses	\$ 435,721	\$ 423,404
INCOME FROM OPERATIONS	\$ 367,250	\$ 326,412
Non-operating Revenues (Expenses)		
Interest Income	\$ 524	\$ 340
CHANGE IN NET POSITION BEFORE DISTRIBUTION	\$ 367,774	\$ 326,752
DEDUCT DISTRIBUTIONS		
Law Enforcement	\$ 13,850	\$ 11,994
Alcohol Education & Rehab	19,390	16,972
Change in Net Position Before Profit Distributions	\$ 334,534	\$ 297,786
Profit Distributions - City of Asheboro	\$ 301,500	\$ 236,000
CHANGE IN NET POSITION	\$ 33,034	\$ 61,786
NET POSITION - JULY 01	570,667	508,881
RESTATEMENT	(5,647)	-
NET POSITION - JUNE 30	\$ 598,054	\$ 570,667

The accompanying notes are an integral part of the financial statements.

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Statements of Cash Flows
For the Years Ended June 30, 2015
and June 30, 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 3,199,253	\$ 2,999,287
Cash payments to suppliers for goods & services	(1,636,286)	(1,561,410)
Cash payments to employees for services	(231,705)	(221,064)
Operating Expenses	(176,235)	(175,054)
Taxes paid	(732,483)	(697,076)
Net Cash Provided By Operating Activities	\$ 422,544	\$ 344,683
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	\$ (35,157)	\$ (13,589)
Net Cash (Used) by Capital and Related Financing Activities	\$ (35,157)	\$ (13,589)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Law Enforcement & Alcohol education distributions	\$ (27,065)	\$ (35,575)
Profit Distributions to Asheboro	(301,500)	(236,000)
Net Cash (Used) by Non-Capital Financing Activities	\$ (328,565)	\$ (271,575)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earned on Investments	\$ 524	\$ 340
NET (DECREASE) IN CASH	\$ 59,346	\$ 59,859
CASH - Beginning of Year	314,061	254,202
CASH - End of Year	\$ 373,407	\$ 314,061
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities		
Net Income from Operations	\$ 367,250	\$ 314,308
Adjustments to reconcile income from operations to net cash provided by operating activities		
Depreciation	19,104	22,819
Changes in Assets and Liabilities		
(Increase) Decrease in Inventory	(41,497)	(16,078)
(Increase) Decrease in Prepaid Expenses	(828)	(718)
Increase (Decrease) in Liquor Taxes Payable	5,341	(1,732)
Increase (Decrease) in Accounts Payable	68,397	(1,731)
Increase (Decrease) in Payroll Taxes Payable	(374)	(304)
Increase (Decrease) in Accrued Liabilities	3,836	(416)
Increase (Decrease) in Liquor Sales Taxes Payable	1,315	840
Net Cash Provided by Operating Activities	\$ 422,544	\$ 316,988

The accompanying notes are an integral part of the financial statements.

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Notes to the Financial Statements
June 30, 2015

Note 1. Summary of Significant Accounting Policies

A. Principles used in determining the scope of the entity for financial reporting:

The Asheboro Board of Alcoholic Beverage Control (ABC Board), a component unit of the City of Asheboro, is a corporate body with powers outlined by General Statutes [Chapter 18B-701]. The governing body of the City of Asheboro appoints the members of the ABC Board.

The ABC Board is required by State Statute to distribute its surpluses to the general fund of Asheboro, which represents a benefit to the City. Therefore, the ABC Board is reported as a discretely presented component unit in the City's financial statements.

B. Organizational History

The ABC Board was organized after a city wide election held July 29, 2008. The Asheboro City Council appointed three individuals to serve on the ABC Board with terms of three years, two years and one year. The Asheboro ABC Store opened for business November 18, 2008.

C. Basis of Presentation

All activities of The ABC Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or the change in net assets is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

D. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. All sales are made for cash (or credit card) and recorded at the time of sale; revenues are recorded when earned, expenses are recognized when incurred. As permitted, the ABC Board has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989, in its proprietary operation, unless those pronouncements conflict with or contradict GASB pronouncements.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of net assets date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts and certain claims and judgment liabilities, among other accounts. Actual results may differ from those estimates.

F. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan and member contributions are recognized in the period in which the contributions are due. The ABC Board's employer contributions are recognized when due and the ABC Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

G. Assets, Liabilities, and Net Position

(1) Deposits

All deposits of the ABC Board are made in board-designated official depositories and are collateralized as required by State law [G.S. 159-31]. The ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the ABC Board may establish Time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the ABC Board's agent in the ABC Board's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the ABC Board, these deposits are considered to be held by the ABC Board agent in the ABC Board's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their

pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the ABC Board or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the ABC Board under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

At June 30, 2015, the ABC Board's deposits had a carrying amount of \$368,639 and a bank balance of \$393,121. The bank balance was covered by federal depository insurance on the first \$250,000 with the remainder covered by the pooling method.

(2) Investments

State law [G.S. 159-30(c)] authorizes the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC registered (2a-7) money market mutual fund.

(3) Cash and Cash Equivalents

For purposes of the statement of cash flows, the ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

(4) Accounts Receivable

All retail transactions are point of sale and the ABC board does not sell any items on credit. Claims receivable is the amount of breakage incurred by the store but still unreimbursed by the distiller.

(5) Inventories

Inventories are valued at the lower of cost (FIFO) or market.

(6) Property Plant and Equipment

Property and equipment are stated at cost and are being depreciated over their useful lives on a straight-line basis as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Capital assets being depreciated				
Leasehold improvements	\$ 620	\$ -	\$ -	\$ 620
Equipment	202,497	35,157	32,618	205,036
Total capital assets being depreciated	<u>\$ 203,117</u>	<u>\$ 35,157</u>	<u>\$ 32,618</u>	<u>\$ 205,656</u>
Less accumulated depreciation for:				
Leasehold improvements	\$ 346	\$ 62	\$ -	\$ 408
Equipment	113,969	19,041	32,618	100,394
Total accumulated depreciation	<u>\$ 114,315</u>	<u>\$ 3,749</u>	<u>\$ 32,618</u>	<u>\$ 100,802</u>
Capital Assets, net	<u>\$ 88,802</u>	<u>\$ 31,408</u>	<u>\$ -</u>	<u>\$ 104,854</u>

When an asset is disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any gain or loss on disposition is reflected in the earnings for the period.

(7) Net Position

Net position consists of the following:

- a. Restricted for law enforcement – this applies only when the ABC Board employs its own ABC officer.
- b. Restricted for capital improvements – State Law [G.S. 18B-805 (d)] requires approval of the appointing authority to establish this account. The ABC Board has received approval from the Asheboro City Council to establish an account to accumulate funds for future capital projects. At June 30, 2015, this account had a balance of \$40,147.
- c. Restricted for working capital – North Carolina Alcoholic Beverage Control Commission Rule [.0902] defines working capital as the total of cash, investments, and inventory less all unsecured liabilities. An ABC Board shall set its working capital requirements at not less than two weeks' average gross sales of the last fiscal year nor greater than three months' average gross sales of the last fiscal year. Average gross sales means gross receipts from the sale of alcoholic beverages less distributions required by State Law [G.S. 18B-805 (b) (2), (3) and (4)].

- d. Net Invested in capital assets – this component of net position consists of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in net capital assets. Rather, that portion of the debt is included in the same assets component as the unspent proceeds.
- e. Unrestricted net position – this component of net position consists of net position which does not meet the definition of restricted or net investment in capital assets debt.

Note 2. Stewardship, Compliance and Accountability

Compliance with N.C. General Statutes

- A. The Asheboro ABC Board was in compliance with the General Statutes of North Carolina at June 30, 2015.

Note 3. Detail Notes on All Funds

Pension Plan Obligations

A. Local Government Employees' Retirement System

Plan Description. Local Government Employees' Retirement System. The ABC Board contributes to the statewide Local Government Employees' Retirement System (LGERS), a cost sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Government Employees' Retirement System is included in the Comprehensive Annual Report (CAFR) for the state of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing the office of the State Controller, 1410 Mail Service Center, Raleigh, NC 27699-1410, or by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service,

at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate benefit for life or a return of the member's contributions.

The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The ABC Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The ABC Board's contractually required contribution rate for the year ended June 30, 2015, was 7.41% of compensation for law enforcement officers and 7.07% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the ABC Board were \$13,172 for the year ended June 30, 2015.

Refunds of Contributions – Board employees, who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the ABC Board reported an asset of \$12,679 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The ABC Board's proportion of the net pension asset was based on a projection of the ABC Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2014, the ABC Board's proportion was 0.00215%, which was an increase of 0.00045% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, The ABC Board recognized pension expense of \$15,772. At June 30, 2015, the ABC Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,385
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	29,518
Changes in proportion and differences between contributions and proportionate share of contributions	7,197	
ABC Board's contributions subsequent to the measurement date		
Total	<u>\$ 7,197</u>	<u>\$ 30,903</u>

\$7,197 reported as deferred outflows of resources related to pensions resulting from ABC Board contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
	2016	\$ (5,923)
	2017	(5,923)
	2018	(5,923)
	2019	(5,937)
	2020	
Thereafter		
Total		<u>\$ (15,723)</u>

Actuarial Assumptions. The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	4.25 to 8.55 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	36.0%	2.5%
Global Equity	40.5%	6.1%
Real Estate	8.0%	5.7%
Alternatives	6.5%	10.5%
Credit	4.5%	6.8%
Inflation Protection	4.5%	3.7%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

A new asset allocation policy was finalized during the fiscal year ended June 30, 2014 to be effective July 1, 2014. The new asset allocation policy utilizes different asset classes, changes in the structure of certain asset classes, and adopts new benchmarks. Using the asset class categories in the preceding table, the new long-term expected arithmetic real rates of return are: Fixed Income 2.2%, Global Equity 5.8%, Real Estate 5.2%, Alternatives 9.8%, Credit 6.8% and Inflation Protection 3.4%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the ABC Board's proportionate share of the net pension asset to changes in the discount rate. The following presents the ABC Board's proportionate share of the net pension asset calculated using the discount rate of 7.25%, as well as what the ABC Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
ABC Board's proportionate share of the net pension liability(asset)	\$ 40,040	\$ (12,680)	\$ (59,593)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the state of North Carolina.

Note 4. Leases

The ABC Board has an operating lease for its single facility at 700 South Fayetteville Street Asheboro, NC. The lease is a 10 year lease expiring November 30, 2023.

Lease Payment Schedule:

FYE June 30, 2016	\$64,800
FYE June 30, 2017	\$64,800
FYE June 30, 2018	\$64,800
FYE June 30, 2019	\$64,800
FYE June 30, 2020	\$64,800
Thereafter	\$226,800

The Lessor is responsible for building insurance and property taxes. The table above is a summary of the lease obligations of the ABC Board according to the lease that was in place on June 30, 2015.

Note 6. Related Party Transactions

There were no related party transactions for the fiscal year ended June 30, 2015.

Note 7. Vacation and Sick Leave Compensation

ABC Board policy is to give full time employees paid vacation days ranging from six days per year to twenty one days per year depending on length of employment. The amount of accrued vacation at year end was \$16,348.

Employees are not limited in the amount of sick leave that can be accumulated. Sick leave does not vest but unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Board has no obligation for accumulation of sick leave until it is actually taken, no accrual for sick leave has been made.

Note 8. Debt

The ABC Board has no debt as of June 30, 2015.

Note 9. Distributions of Income

As of June 30, 2015, the ABC Board had not exceeded the maximum working capital requirement and was not required to make a profit distribution to the City of Asheboro. The ABC Board did however elect to make voluntary profit distributions to the City during the year totaling \$301,500.

State law [G.S. 18B-805] requires that the minimum distribution set aside in (c)(1) and any profit remaining after deducting amounts required for law enforcement and alcohol education and retaining proper working capital, be paid quarterly to the appointing authority.

Note 10. Law Enforcement and Alcohol Education Expenses

The ABC Board is required by law to expend at least 5% of its profits for law enforcement and 7% of its profits for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse. Profits are defined by law for these calculations as income before law enforcement and education expenses, less 3 ½% markup provided in G.S. 18B-804 (b) (5) and the bottle charge provided for in G.S. 18B-804 (b) (6b). The following schedule summarizes the ABC Board's expenditures for these items during 2015:

Income before required distributions	\$	367,774
Less 3 1/2% tax & bottle charge		90,775
Profit subject to expense percentages	\$	<u>276,999</u>
Law Enforcement Expenditures	\$	13,850
Actual % of Profit		5%
Provision for Alcoholic Education & Rehabilitation	\$	19,390
Actual % of Profit		7%

Note 11. Disbursement of Taxes Included in Selling Price

A state excise tax, at the rate of 30% on the retail (net sales) price is charged monthly on liquor sales (excluding wine sales).

Transactions for this account for the years are summarized as follows:

	<u>2015</u>	<u>2014</u>
Taxes payable – beginning of year	\$ 50,338	\$ 51,588
Taxes collected during the year	691,333	625,569
Taxes remitted to the Department of Revenue	<u>687,678</u>	<u>626,819</u>
Taxes payable – end of year	<u>\$ 53,993</u>	<u>\$ 50,338</u>

The excise tax is computed in accordance with G.S. 18B-805 (i).

The accrued North Carolina excise tax at June 30, 2015, was remitted to the North Carolina Department of Revenue on July 15, 2015.

A bottle charge of one cent on each bottle containing 50 milliliters or less and five cents on each bottle containing more than 50 milliliters is collected and distributed monthly to the county commissioners for alcohol education and rehabilitation. For the year ended June 30, 2015, payments to the county were based on the following bottle sales:

For the year ended June 30, 2015			
Regular Bottles	181,920	@.05	\$ 9,096
Mixed Beverage Bottles	16,899	@.05	845
Miniature Bottles	79,912	@.01	<u>799</u>
Total Payment for the year ended June 30, 2015			<u>\$ 10,740</u>

A "mixed beverage tax" at the rate of \$20.00 per 4 liters is charged on the sale of liquor to be resold as mixed beverages. One-half of the mixed beverage tax is submitted monthly to the North Carolina Department of Revenue. Five percent of the mixed beverage tax is submitted monthly to the NC Department of Human Resources.

The mixed beverage taxes for the years ended June 30, 2015 and 2014 was:

	<u>2015</u>	<u>2014</u>
NC Department of Revenue (50%)	\$ 32,531	\$ 31,159
NC Department of Human Resources (5%)	3,253	3,116
Profit Retained (45%)	<u>29,278</u>	<u>28,043</u>
Total	<u>\$ 65,062</u>	<u>\$ 62,318</u>

At June 30, taxes payable were:

	<u>2015</u>	<u>2014</u>
NC Department of Revenue - Excise Tax	\$ 53,993	\$ 50,338
NC Department of Revenue - Mixed Beverage Tax	2,671	2,493
NC Department of Human Resources - Mixed Beverage Tax	267	249
Randolph County - Bottle Tax	<u>852</u>	<u>812</u>
Total	<u>\$ 57,783</u>	<u>\$ 53,892</u>

Note 12. Surcharge Collected

The total amount of surcharge collected for the fiscal year was \$18,076. (The rate is increased May 01, 2015 from .80 per case to \$1.40 cents per case sold.)

Note 13. Liquor Sales Tax

The total amount of sales tax collected by the ABC Board and remitted to the Department of Revenue for the fiscal year was \$198,370. The current sales tax rate is 7%.

Note 14. Retail Outlets

The Asheboro Board of Alcoholic Beverage Control operated with one retail outlet:

Asheboro, North Carolina	
Gross Sales	\$3,199,253
Changes in Net Position	\$ 33,034

Note 15. Working Capital

The ABC Board is required by the Alcoholic Beverage Control Commission rule [.0902] to set its working capital requirements at not less than two weeks average gross sales of the last fiscal year. (Gross sales are gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4)).

The ABC Board's position on this requirement is as follows:

Minimum Amount	\$	94,634
Maximum Amount	\$	615,122
Actual Amount	\$	493,763

The ABC Board has met the minimum amount of working capital.

Note 16. Breakage Expense

Breakage expense absorbed by the ABC Board for the year was \$-0-.

Note 17. Subsequent Events

Subsequent events have been evaluated through August 31, 2015, which is the date the financial statements were available to be issued.

Note 18. Risk Management

The ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The ABC Board has property, general liability, liquor legal liability insurance and worker's compensation coverage and employee health coverage.

There have been no significant reductions in insurance coverage from coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 18B-700(i), each board member is bonded in the amount of \$50,000 secured by a corporate surety.

In accordance with G.S. 18B-803(b) and (c), the store manager(s) is bonded for \$50,000. All other employees who have access to funds are bonded under a blanket bond for \$50,000.

SUPPLEMENTARY INFORMATION

Asheboro Board of Alcoholic Beverage Control
 Proportionate Share of Net Pension Liability (Asset)
 Required Supplementary Information
 For the Years Ended June 30 2015 and 2014*

Local Government Employees' Retirement System

	2015	2014
Board's proportion of the net pension liability (asset)(%)	0.03%	0.03%
Board's proportion of the net pension liability (asset)(\$)	\$ (12,680)	\$ 20,492
Board's covered - employee payroll	\$ 186,305	\$ 170,640
Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-6.81%	12.01%
Plan fiduciary net position as a percentage of the total pension liability**	7.11%	7.14%

* The amount presented for each fiscal year were determined as of the prior year ending June 30.

**This will be the same percentage for all participant employers in the LGERS plan.

See Auditor's Report

Asheboro Board of Alcoholic Beverage Control
 Board's Contribution
 Required Supplementary Information
 For the Years Ended June 30 2015 and 2014

Local Government Employees' Retirement System

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$13,172	\$12,064
Contributions in relation to the contractually required contribution	\$13,172	\$12,064
Contribution deficiency (excess)	\$	\$ -
Board's covered - employee payroll	\$186,305	\$170,640
Contributions as a percentage of covered-employee payroll	7.07%	7.07%

See Auditor's Report

Asheboro Board of Alcoholic Beverage Control
Schedule of Store Expenses
For the Years Ended June 30, 2015
and June 30, 2014

	<u>2015</u>	<u>2014</u>
Salaries & Wages	\$ 235,541	\$ 220,836
Payroll Tax	18,000	18,345
Group Insurance	1,442	6,089
Retirement	15,772	12,064
Cash Short / Over	-	83
Utilities	4,898	4,507
Repairs & Maint - Bldg	1,128	236
Repairs & Maint - Equip	1,148	550
Janitorial Service	63	149
Store Supplies	4,908	5,260
Insurance - General	12,830	11,661
Bank Card Fees	28,428	26,659
Rent	32,400	32,847
Drug Testing Expense	220	220
Training	267	471
Total Store Expenses	<u>\$ 357,045</u>	<u>\$ 339,977</u>

Asheboro Board of Alcoholic Beverage Control
Schedule of Administrative Expenses
For the Years Ended June 30, 2015
and June 30, 2014

	<u>2015</u>	<u>2014</u>
Telephone	\$ 3,752	\$ 5,054
Board Members Fees	3,600	3,400
Office Supplies	2,059	2,438
Dues & Subscriptions	450	430
Travel	127	188
Internet Services	1,225	1,220
Postage	490	244
Maintenance Agreements	4,829	4,434
Bank Service Charges	214	155
Misc Expense	96	253
Professional Fees	4,264	4,179
Alarm Service	1,169	1,975
Total Administrative Expenses	<u>\$ 22,275</u>	<u>\$ 23,970</u>

Asheboro Board of Alcoholic Beverage Control
Schedule of Warehouse Expenses
For the Years Ended June 30, 2015
and June 30, 2014

	<u>2015</u>	<u>2014</u>
Utilities	\$ 4,898	\$ 4,507
Rent	32,400	32,847
Total Warehouse Expenses	<u>\$ 37,298</u>	<u>\$ 37,354</u>

**Asheboro Board of Alcoholic Beverage Control
Schedule of Revenue and Expenditures – budget and Actual
Year Ended June 30, 2015**

	2015 Original Budget	2015 Revised Budget	2015 Actual	Variance Positive (Negative)
Revenues				
Operating Revenues:				
Sales	\$ 3,179,000	\$ 3,350,000	\$ 3,199,253	\$ (150,747)
Non-operating Revenues:				
Interest	300	300	524	224
Total Revenues	<u>\$ 3,179,300</u>	<u>\$ 3,350,300</u>	<u>\$ 3,199,777</u>	<u>\$ (150,523)</u>
Expenditures:				
Taxes based on revenue:	\$ 898,525	\$ 938,200	\$ 738,764	\$ 199,436
Cost of Goods Sold	1,558,951	1,667,000	1,657,518	9,482
Operating Expenses:				
Salaries and Benefits	250,500	260,000	247,833	12,167
Payroll Taxes	20,150	20,150	18,000	2,150
Rent	64,800	64,800	64,800	-
Utilities	16,725	16,725	15,942	783
Repairs & Maintenance	6,500	6,500	7,105	(605)
Office Store Supplies	11,500	11,500	7,616	3,884
Insurance - general & bonds	14,050	14,050	12,830	1,220
Travel	3,100	3,100	127	2,973
Professional fees	9,250	9,250	4,751	4,499
Dues and subscriptions	1,250	1,250	450	800
Bank fees and charges	30,000	30,000	28,642	1,358
Contingencies	7,000	7,000	7,000	7,000
Capital Outlay	25,000	37,000	35,157	1,843
Total Expenditures	<u>\$ 2,917,300</u>	<u>\$ 3,086,525</u>	<u>\$ 2,839,535</u>	<u>\$ 246,990</u>
Distributions				
Law enforcement	\$ 15,000	\$ 15,000	\$ 13,850	\$ 1,150
Alcohol education & rehab	21,000	21,000	19,390	1,610
City of Asheboro	186,000	187,775	301,500	(113,725)
Reserved for Capital Improvement	40,000	40,000	40,000	-
Total	<u>\$ 262,000</u>	<u>\$ 263,775</u>	<u>\$ 374,740</u>	<u>\$ (110,965)</u>
Total Expenditures & Distributions	<u>\$ 3,179,300</u>	<u>\$ 3,350,300</u>	<u>\$ 3,214,275</u>	<u>\$ 136,025</u>
Revenues over Expenditures and other Financing (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,498)</u>	<u>\$ (14,498)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling items:				
Pension			8,522	
Reserve for Capital Improvement			40,000	
Depreciation			19,103	
Capital Outlay			35,157	
Change in net position			<u>\$ 33,034</u>	

**City of Asheboro
Finance Office**

To: John N. Ogburn, III, City Manager
From: Debbie Reaves, Finance Director
Date: October 28, 2015
Re: Ordinance to amend General Fund 2015-2016

Attached is an ordinance to amend the General Fund for consideration at the November 5, 2015 council meeting.

As typical during any operating year, there are adjustments to various budgeted line items associated with changes in / reprioritizing needs. Budget amendments allow for movement of funds between departments necessary to be in compliance with the adopted 2015-2016 Budget Ordinance and generally accepted accounting principles. Although it is early in the budget year, I am requesting an amendment to the General Fund budget to account for the following changes in expenditure line items in comparison to what was planned at the time the Budget was passed June 2015.

- Summey Engineering contract for McCrary Ballpark grand stand
(work authorized in prior fiscal year but completed & billed in current year)
- Summey Engineering contract for Dixie Land Acres drainage study (Phase 1)
Approved at September Council Meeting
- Engineering Assistant Position allocated for Public Works Department- new

Per our discussion, I am requesting to pay for these expenditures by not filling a vacant Program Manager position in the Cultural & Recreation Services area of operation and not filling the vacancy that will remain in Fire Inspection Department after the retirement of Mike Jones, Chief Fire Inspector. I am requesting that budget allocations in the various line items be moved around as noted on the attached budget amendment to cover the above new needs as well as address a budgetary shortfall in the supplies and materials line item in the Recreation Services budget.

ORDINANCE TO AMEND
THE GENERAL FUND
FY 2015-2016

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for changes in expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following Expense line item be increased / (decreased):

<u>Account #</u>	<u>Expense Description</u>	<u>increase / (decrease)</u>
10-615-0200	Salaries & Wages	(21,000)
10-615-0702	FICA/ Medicare	(1,606)
10-615-0704	Medical Insurance	(7,154)
10-615-0705	Retirement	(1,485)
10-620-0200	Salaries & Wages	(16,550)
10-620-0702	FICA /Medicare	(1,224)
10-620-0705	Retirement	(1,131)
10-620-0400	Professional Services	13,600
10-620-3400	Supplies & Materials	37,000
10-575-0400	Professional Services	13,500
10-545-0200	Salaries & Wages	(33,156)
10-550-0200	Salaries & Wages	12,592
10-550-0702	FICA/ Medicare	964
10-550-0704	Medical Insurance	4,750
10-550-0705	Retirement	900
	Increase / (Decrease)	0

Adopted this 5th day of November, 2015

David H. Smith, Mayor

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk

CITY OF
ASHEBORO
NORTH CAROLINA

Item 6 (e)

APPLICATION FOR PARADE PERMIT

In accordance with the Asheboro City Code, Section 97.04, application is hereby made for a parade permit. This permit must be received fourteen (14) days prior to the day of the parade.

Contact Name: Linda Brown Christmas Parade

Address: 137 S. Fayetteville Street, Asheboro 27203

Phone: 336-626-2626 E-mail: lbrown@asheboro.com

Organization: Asheboro / Randolph Chamber of Commerce

Address: 137 S. Fayetteville Street, Asheboro 27203

Phone: (336) 626-2626

Date of Parade: 12/04/15 Start Time: 7:00 pm End Time: 8:30 pm

Number of Persons: ? Number of Vehicles: 100+

Streets Involved: South Fayetteville, Sunset Avenue, Church Street

Special officials and/or guests: Walker Avenue, Kivett Street
TV Personalities + Elected Officials

Insurance Company & Policy Number: Cincinnati Insurance ECP/EBA 028163

Any additional information: _____

The undersigned agrees to hold the City of Asheboro and its officers, employees and agents free and harmless from and against any and all claims, losses, damages and settlements arising out of or relating to this parade. The undersigned agrees to investigate and provide defense for and defend any such claims at his/her (?) sole expense and agrees to bear all other costs and expenses related thereto, even if the claims are groundless or false.

Signature of Authorized Representative: Linda Brown

Internal Use Only

Police Department Recommendation: _____

City of Asheboro Approval By: _____ Date: August 3, 2015



137 South Fayetteville Street
Asheboro, NC 27203
(336)626-2626
www.chamber.asheboro.com



July 29, 2015

John Ogburn
City of Asheboro
146 North Church Street
P.O. Box 1106
Asheboro, NC 27204-1106

Dear John:

It's time again to start planning for the Asheboro Christmas Parade and Christmas On Sunset. This year the parade will take place on Friday, December 4 and Christmas on Sunset will take place on Friday, December 11. The parade will begin at 7:00 p.m. and last approximately eighty minutes and Christmas on Sunset will be held 6-9 p.m.

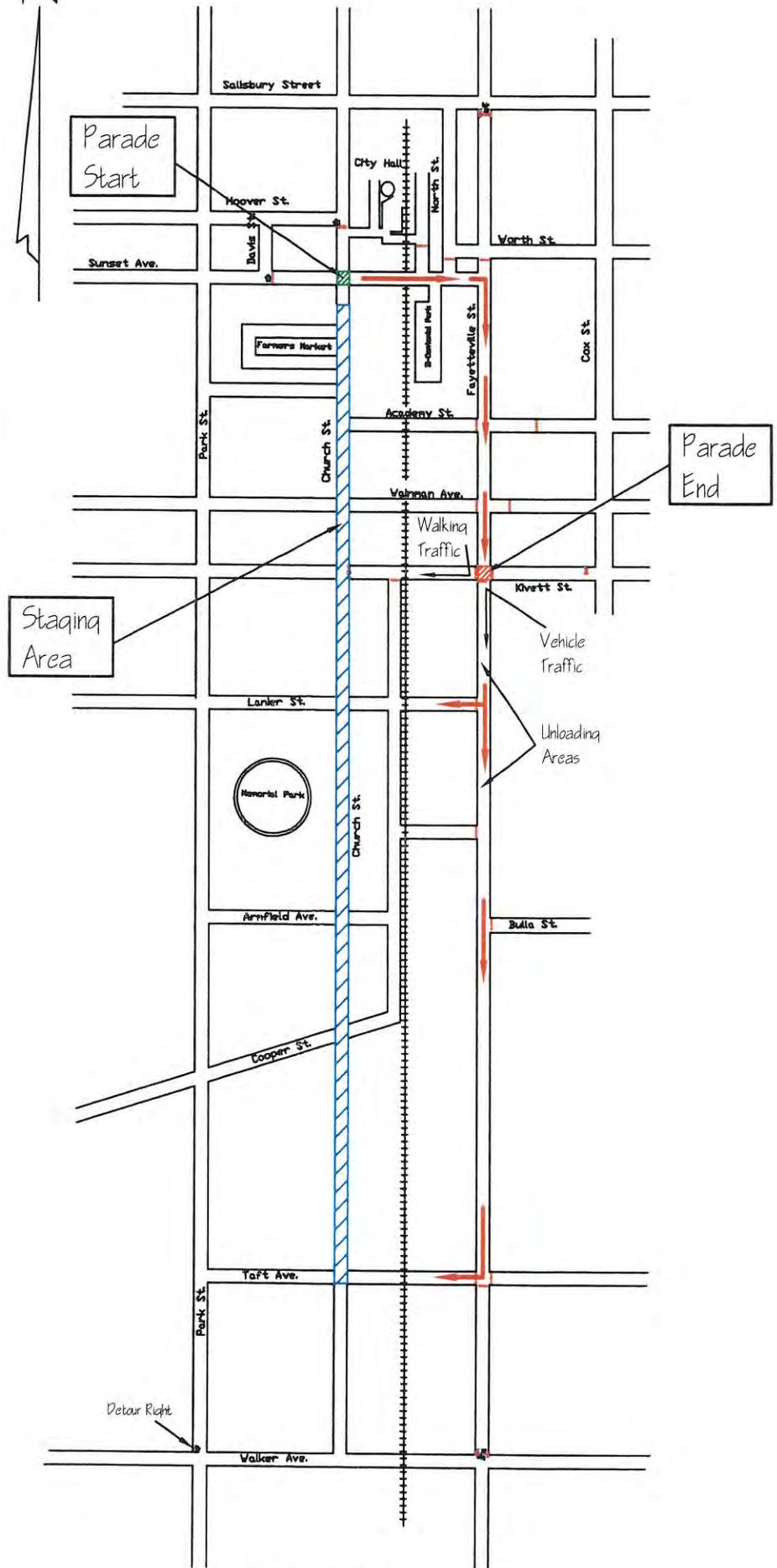
For the parade, we request that the City of Asheboro block off South Church Street, Walker Avenue, Kivett Street, South Fayetteville Street and Sunset Avenue. **We will need the streets blocked off by 6:00 p.m. that evening. (If possible, we would like to request that Church Street be closed off by 5:30 p.m. for the parade entrants to line up.)** It is very hazardous for vehicles to be traveling on Church Street unless they are in the parade because of congestion and many young kids trying to find their organization's float or line up numbers. We have also had issues with people trying to drive onto Church Street from Kivett Street and Academy Street so if we could have Asheboro Police Department representation at these intersections starting at 6:00 p.m., that would help with crowd control and improve safety.

For Christmas On Sunset, we request that the City of Asheboro block off Church Street, Sunset Avenue, Fayetteville Street (From Worth Street to Academy Street) and Worth Street (From Cox to Fayetteville Street).

Attached is the appropriate paperwork. Thank you for your support and assistance. If you have any questions, please contact me at your convenience.

Sincerely,

Linda Brown
President



CHRISTMAS PARADE ROUTE

CITY OF
ASHEBORO
NORTH CAROLINA

Item 6 (f)

APPLICATION FOR PARADE PERMIT

In accordance with the Asheboro City Code, Section 97.04, application is hereby made for a parade permit. This permit must be received fourteen (14) days prior to the day of the parade.

Contact Name: Linda Brown Christmas on Sunset
Address: 137 S. Fayetteville Street, Asheboro 27203
Phone: (336) 626-2626 E-mail: lbrown@asheboro.com

Organization: Asheboro/Randolph Chamber of Commerce
Address: 137 S. Fayetteville Street, Asheboro 27203
Phone: (336) 626-2626

Date of Parade: 12/11/15 Start Time: 6:00pm End Time: 9:00pm
Number of Persons: 2,000 + Number of Vehicles: N/A

Streets Involved: Church Street, Sunset Avenue, Fayetteville Street,
North Street
Special officials and/or guests: Santa + Friends!

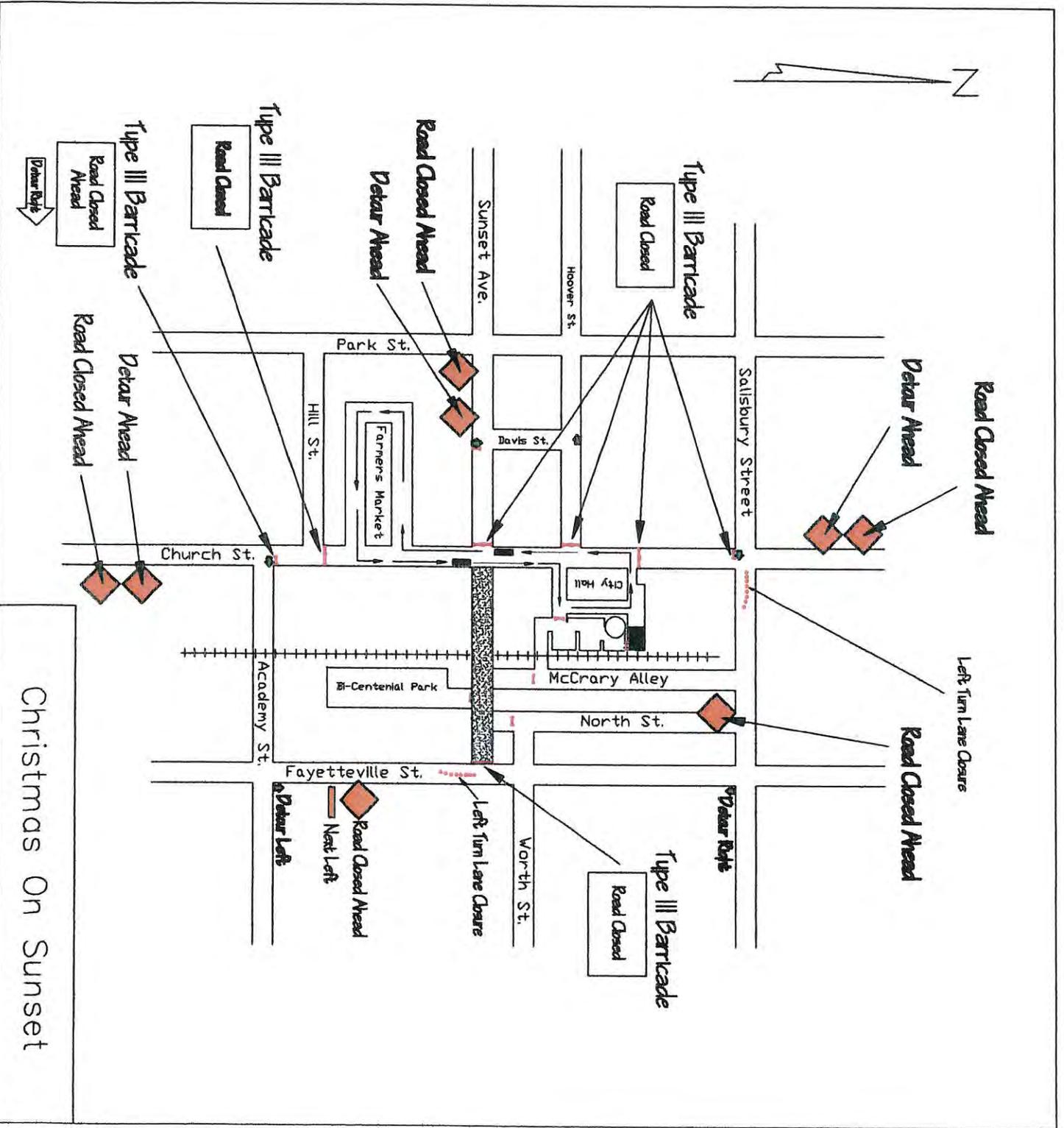
Insurance Company & Policy Number: Cincinnati Insurance ECP/EBA 0281631
Any additional information: _____

The undersigned agrees to hold the City of Asheboro and its officers, employees and agents free and harmless from and against any and all claims, losses, damages and settlements arising out of or relating to this parade. The undersigned agrees to investigate and provide defense for and defend any such claims at his/ner (?) sole expense and agrees to bear all other costs and expenses related thereto, even if the claims are groundless or false.

Signature of Authorized Representative: Linda Brown

Internal Use Only

Police Department Recommendation: _____
City of Asheboro Approval By: John [Signature] Date: Aug 3, 2015



Christmas On Sunset

ORDINANCE NUMBER _____

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

**Ordinance to Modernize Outdated Provisions in Chapters
37, 51, and 113 of the Code of Asheboro**

WHEREAS, Chapter 37 (City Policy) of the Code of Asheboro has two sections (Sections 37.01 and 37.02) pertaining to city policies focused on accessibility and opportunities for individuals with disabilities; and

WHEREAS, these sections use the term “handicapped” to refer to citizens with disabilities, and, while the quoted term was generally accepted at the time of the original adoption of these policies, the City Council wishes to remove this term from Chapter 37 because the term “handicapped” does not accurately reflect the continually evolving nature of the city’s policies that are intended to fully embrace change and adaptation in order to find better solutions for the citizens who confront disabilities; and

WHEREAS, unlike at the time of the adoption of Section 37.02 of the Code of Asheboro, the city now has an employee policies and procedures manual that fully addresses the city’s commitment and procedures to fully comply with all applicable federal and state laws, rules, and regulations pertaining to the employment of individuals with disabilities, and the City Council has concluded that good management practices dictate that, to the extent possible, all employment related policies should be located in one policy document; and

WHEREAS, Chapter 51 (Garbage) of the Code of Asheboro contains a section (Section 51.04) that reflects the enforcement practices used by the city to address public health concerns on vacant lots before the development of the current joint enforcement practices that emphasize the code enforcement role of the community development division; and

WHEREAS, the City Council has concluded that Section 51.04 of the Code of Asheboro should be updated to reflect the city’s current framework for code enforcement activities; and

WHEREAS, Chapter 113 (Dealers in Sexually Explicit Material) of the Code of Asheboro contains a section (Section 113.06) that requires compliance with the now repealed privilege license tax chapter of the Code of Asheboro; and

WHEREAS, the City Council has concluded that the said reference to a repealed tax should be deleted from Chapter 113;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro, North Carolina as follows:

Section 1. Section 37.01 of the Code of Asheboro is hereby rewritten to provide as follows:

§ 37.01 ACCESSIBILITY OF CITY PROGRAMS, SERVICES AND FACILITIES FOR ~~HANDICAPPED~~ CITIZENS WITH DISABILITIES.

The city will endeavor to make its programs, services, and facilities accessible to all citizens, specifically including citizens with disabilities ~~those who are handicapped~~. The city will actively seek to eliminate physical, policy and procedural barriers that prevent ~~handicapped~~ citizens with disabilities from availing themselves of city programs.

(A) *All divisions/departments.*

- (1) Each division/department head shall assure that any program or service rendered by his or her division/department is fully accessible to ~~handicapped~~ citizens with disabilities.
- (2) Each division/department head shall assure that programs and services rendered to ~~handicapped~~ citizens with disabilities are integrated with and equally effective as those rendered to ~~non-handicapped~~ citizens without disabilities. Separate services shall be provided only when essential to assure equal effectiveness.
- (3) When entering into third party contractual agreements for rendering services to citizens, each division/department head shall ensure that such contracts shall include a binding clause of nondiscrimination against ~~the handicapped~~ individuals with disabilities.
- (4) When issuing information concerning division/departmental programs and services, each division/department head shall assure that:
 - (a) Notification is rendered in a manner designed to reach ~~handicapped~~ persons, specifically including without limitation those who are visually or auditorially impaired;
 - (b) Such notices shall include the hours of operation and the location of accessible facilities to assure that ~~handicapped~~ persons with disabilities may avail themselves of the programs;
 - (c) Such notices shall incorporate a statement of nondiscrimination which reads: "City of Asheboro renders impartial treatment to all employees and citizens without regard to race, sex, national origin, color, creed, or ~~handicapped condition~~ disability."

(5) In situations where facilities do not permit ready access of ~~handicapped~~ citizens with disabilities to programs and services, the division/department head will make such programs and services available at alternate accessible sites or through other means.

(6) Division/department ~~Department~~ heads are required to provide upon request auxiliary aids essential to enable ~~the handicapped~~ individuals with disabilities to avail themselves of city programs and services (e.g. reader services for the visually impaired, interpreter services for the hearing impaired).

(B) *Buildings.*

(1) The city will design and, where feasible, implement alterations in existing buildings which permit easy access for ~~the handicapped~~ individuals with disabilities.

(2) The city will assure that all new construction to house city programs and services meets established standards of accessibility.

(3) The city will install appropriate signs and markers to designate ramps, entrances, and other facilities that are accessible to individuals with disabilities, and the city will reserve parking for individuals with disabilities ~~reserved parking for the handicapped, ramps, and entrances and other facilities which are accessible to the handicapped.~~

(C) *Grievance procedures.*

(4) The city establishes a grievance process for citizens who feel they have been denied access to city programs, services, and facilities. Citizens seeking redress of alleged discrimination should present their concerns to the division/department head, or designated representative, of the division/department in which the concern arose. If the matter cannot be resolved at the division/department head level, citizens may appeal to the City Manager, who may appoint a hearing officer to review the complaint. Notwithstanding any other provision in this section, this grievance procedure does not apply to city employees or applicants for employment with the city. ~~(This grievance procedure does not apply to employees or applicants for employment in the city.)~~

Section 2. Section 37.02 of the Code of Asheboro is hereby repealed and rewritten to provide as follows:

§ 37.02 ~~EMPLOYMENT OF HANDICAPPED CITIZENS;
ACCOMMODATION; OPPORTUNITIES; GRIEVANCES.~~

(A) ~~All departments.~~

- (1) ~~Each department head shall ensure that reasonable accommodations are made in order to allow qualified handicapped citizens full consideration in the screening, selection, and appointment process at the departmental level.~~
 - (2) ~~Each department head shall assure that reasonable accommodation is made in all terms of employment of handicapped persons, unless the department head can demonstrate that the required accommodation would impose an undue hardship upon the city.~~
- (B) ~~*Personnel department.*~~
- (1) ~~The city will publish notices of employment opportunities with the city in a manner which is equally available to handicapped persons. Employment information must include a statement concerning nondiscrimination against handicapped people.~~
 - (2) ~~The city will engage in efforts to recruit which accommodate the handicapped in the process of applying, screening, and being interviewed for employment.~~
- (C) ~~*Section 504 grievance procedures.*~~
- (1) ~~Any individual or representative applying for services from the city who feels he or she has been discriminated against on the basis of handicap should notify in writing the head of the department in which he or she requested services within 30 days of the occurrence of the alleged discrimination.~~
 - (2) ~~The department head must reply within five working days and contact the grievant about the date, time, and place for a conference. The conference must be held within three weeks of the time the grievance is made. Reasonable accommodations, such as interpreter services needed for the conference, will be provided by the city at no cost to the grievant. Upon receipt of the grievance, the department head shall immediately notify the city Section 504 coordinator of the grievance. The section 504 coordinator will provide consultation as needed.~~
 - (3) ~~The department head must render a decision on the merits of the grievance in writing within five working days and notify the grievant by mail. A copy of the decision must be directed to the section 504 coordinator.~~
 - (4) ~~If the effect of discrimination is found to exist, the department head must develop a written plan within five days to provide reasonable accommodations, if feasible, and thereby remove the barrier to service.~~

- (5) ~~If the grievant is not satisfied with the decision rendered by the department head, he or she may appeal within five days to City Manager for reconsideration.~~
- (6) ~~Applicants for employment with the city who feel they have been discriminated against on the basis of handicap should contact the city personnel department for an appointment with the director. Employees of the city are directed to the grievance procedure specified in § 37.022 of this code.~~

§ 37.02 RESERVED

Section 3. Section 51.04 of the Code of Asheboro is hereby rewritten to provide as follows:

§ 51.04 REMOVAL OF REFUSE FROM VACANT LOTS; NOTICE TO OWNERS.

- (A) Owners and persons in charge of vacant lots in the city shall maintain such lots free and clear of debris, trash, decaying matter, refuse, stagnant water and the like, in which vermin, mosquitoes, flies and other insects or rats or mice live or breed; ~~and any violation of this section is declared to be prejudicial to the public health.~~
- (B) Any violation of this section is declared to be prejudicial to the public health and unlawful.
- ~~(B)~~ (C) If the owner or person in charge of any vacant lot within the city shall fail to maintain such lot free of debris, trash, decaying matter, refuse, stagnant water and the like, in which vermin, mosquitoes or other insects or rats or mice live or breed, within three days after being given written notice to do so, signed by the Chief of Police or Assistant Chief of Police city's code enforcement officer or his/her designee, the city shall proceed to ~~do so~~ bring the non-compliant lot into conformance with this section; provided, however, no such action shall be taken by city forces until a second notice and an opportunity for the person(s) in default to be heard has been provided in a manner consistent with the applicable due process considerations. The expense of such an action by city forces shall be paid by the person in default, and the expense of such action shall be paid by the person in default. The Police Department is hereby designated as the agency of the city to enforce this section.
- (D) The environmental services department and the code enforcement officer within the community development division shall have joint responsibility for enforcing this section. The police department shall render

assistance on an as-needed basis to the municipal departments charged with the primary enforcement responsibilities for this section.

Section 4. Section 113.06 of the Code of Asheboro is hereby repealed and rewritten to provide as follows:

~~§ 113.06 ANNUAL PRIVILEGE LICENSE TAX.~~

~~The licensee under this chapter shall be required to pay the prescribed annual privilege license tax or taxes in accordance with Chapter 110 of the Code of Asheboro.~~

§ 113.06 RESERVED.

Section 5. No action or proceeding of any nature (whether civil or criminal, judicial or administrative, or otherwise) pending at the effective date of this Ordinance shall be abated or otherwise affected by the adoption of this Ordinance.

Section 6. All previously adopted ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

Section 7. This Ordinance shall be in full force and effect upon and after the 5th day of November, 2015.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting of the governing board that was held on the 5th day of November, 2015.

David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

RESOLUTION NUMBER _____

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

**AWARD OF THE SERVICE SIDE ARM TO A RETIRING OFFICER OF
THE ASHEBORO POLICE DEPARTMENT**

WHEREAS, after rendering honorable and valuable service to the City of Asheboro and its citizens throughout his career with the Asheboro Police Department, which initially began as a full-time officer on July 1, 1990, Master Police Officer Arthur L. Milligan, Jr. will begin his retirement from employment with the City of Asheboro effective January 1, 2016; and

WHEREAS, pursuant to and in accordance with Section 20-187.2 of the North Carolina General Statutes, the Asheboro City Council wishes to recognize and honor Officer Milligan for his dedicated service to the city by awarding to him, at a minimal monetary cost, the service side arm that he carried at the time of his retirement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro, North Carolina that, effective January 1, 2016, in consideration of the combination of his dedicated service to the City of Asheboro and the payment to the City of Asheboro of one dollar (\$1.00), Arthur L. Milligan, Jr., upon a determination by the Chief of Police that Mr. Milligan is not ineligible to own, possess, or receive a firearm under the provisions of federal or North Carolina law, is to be awarded ownership of his city-issued service side arm (a Glock 23 Generation 4 with serial no. SFS975 and three magazines).

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting that was held on the 5th day of November, 2015.

David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina



**Report concerning on-street parking issues on Amelia Court continued from
the October 8, 2015 City Council meeting**

CITY OF
ASHEBORO
COMMUNITY DEVELOPMENT DIVISION

TO: City Council
FROM: Trevor L. Nuttall, Community Development Director
DATE: 10-30-15
RE: On-street parking issues on Amelia Court



Amelia Court is a residential cul-de-sac located in the Parkside subdivision. This year, staff became aware of on-street parking occurring in areas that hindered both the delivery of public services and the ability of at least one property owner to enter and exit a driveway. Public services hindered include the maintenance and clearing of a storm drain located at the terminus of the street and snow removal during this past winter's inclement weather. Staff also has concerns with the timely provision of emergency services, including medical and fire, due to the manner in which vehicles park that could limit the ability of vehicles to efficiently turn and maneuver in the cul-de-sac.

In an effort to improve the situation, in April staff notified property owners and residents on Amelia Court of the city's intent to apply pavement markings to identify areas on the street not suitable for on-street parking. After receiving no calls or communication in response to this notification, the markings were applied in May 2015. Since that time they have been ignored and partially defaced requiring city personnel to spend additional resources to re-apply them.

In September, staff informed property owners and residents that City Council would receive a report on the above referenced issues at its October meeting. A petition and a statement were received from property owners regarding this matter and are included with this memo. Also included are pictures, aerial photographs, and the correspondence sent by staff. **Due to only one property owner being present at the October meeting, Council continued discussion of this issue to its November meeting. Petition signees have been notified of the continuance to November 5, 2015.**

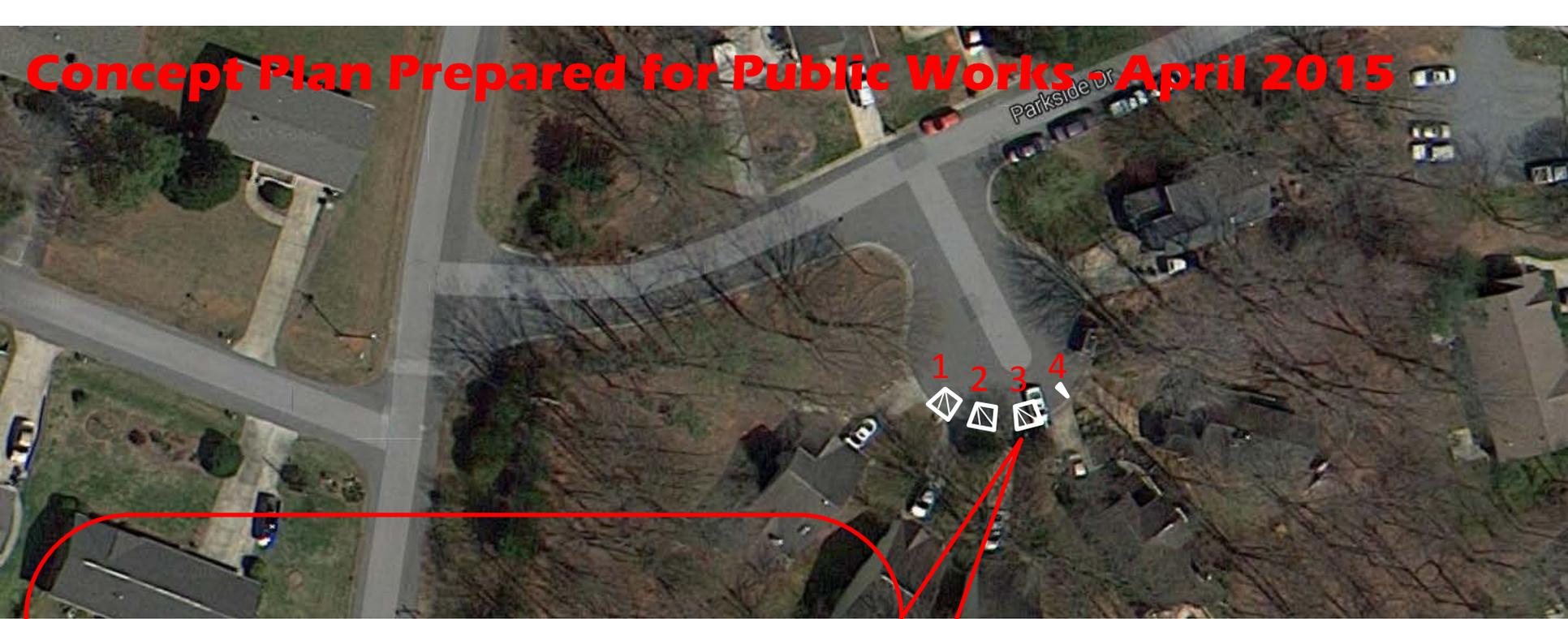
C: John Ogburn, City Manager
David Hutchins, Public Works Director

AERIAL PHOTOGRAPHS

Aerial Photograph - 2015 Google Imagery



Concept Plan Prepared for Public Works - April 2015



PICTURES

Photograph - May 2015



Photograph - May 2015



Photograph - August 2015



Photograph - August 2015



Photograph - August 2015



**STAFF
CORRESPONDANCE**

City of Asheboro

146 North Church Street
P O Box 1106
Asheboro, N. C. 27204-1106



Tel: 336-626-1201

Fax: 336-626-1218

October 12, 2015

Harding, Donald B Jr
Harding, Rhonda D
103 Roxboro Ct
New Bern, NC 28562

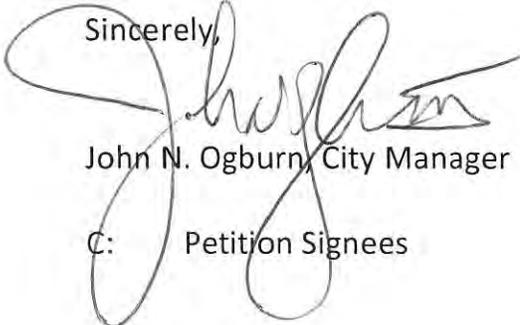
Dear Property Owner:

At its regular meeting on October 8, 2015 the Asheboro City Council received a staff report and took public comments regarding on-street parking on Amelia Court. All written correspondence received, including your letter and petition, related to this matter were included in the report provided by staff.

In order to ensure all parties have an opportunity to appear and speak before the City Council, no action was taken at the October 8 meeting and the matter was continued to the Council's regular meeting which will be held November 5, 2015 at 7 p.m. at Asheboro City Hall

I encourage you and others who have an interest in this matter to appear or have a representative appear at the November 5 meeting.

Sincerely,


John N. Ogburn, City Manager

C: Petition Signees



September 25, 2015

Current Resident(s)
1834 Amelia Ct.
Asheboro, NC 27203

Dear Resident:

This letter is to inform you that on Thursday, October 8, 2015 the Asheboro City Council is scheduled to receive a report on on-street parking issues which city staff have identified as hindering the efficient delivery of city services, including potentially emergency services. The meeting will begin at 7:00 p.m. in the Council Chambers at Asheboro City Hall located at 146 N. Church Street.

In April 2015, letters were sent to all owners and residents on Amelia Court informing them that due to the manner in which on-street parking was occurring, pavement markings would be applied to identify areas not suitable for on-street parking. These markings were applied in May 2015 and unfortunately, they have been ignored at times and partially defaced requiring city personnel to spend additional resources to re-apply them.

It is possible that the City Council will direct staff to prepare an ordinance regulating on-street parking on Amelia Court that would be enforced by the Asheboro Police Department. As a resident or property owner on Amelia Court, it is important that you have an opportunity to offer comments on this matter. You may do so by providing written comments to the City Manager's Office using the PO Box at the bottom of this letter or by attending the meeting and speaking during the allotted time.

Sincerely,

A handwritten signature in black ink, appearing to read "Trevor L. Nuttall".

Trevor L. Nuttall, Community Development Director

C: John Ogburn, City Manager
David Hutchins, Public Works

CITY OF
ASHEBORO
COMMUNITY DEVELOPMENT DIVISION

April 15, 2015

Resident
1836 Amelia Ct
Asheboro, NC 27203

Dear Resident:

This letter is to inform you that that recently City of Asheboro personnel have observed vehicles parked on Amelia Court in a manner that could hinder the efficient delivery of emergency services. In order to best ensure that emergency services can be provided in a timely manner, Public Works Department staff soon will be taking steps to identify areas on the street, through the use of pavement markings, that are not suitable for on-street parking.

All property owners and residents on Amelia Court are receiving this letter. Please help us to ensure public safety by observing the pavement marking and refraining from parking in identified areas after the markings are located.

Thank you in advance for your assistance. You may contact me at 626-1201 ext. 223 if you have any questions.

Sincerely,



Trevor L. Nuttall, Community Development Director

C: John Ogburn, City Manager
David Hutchins, Public Works Director

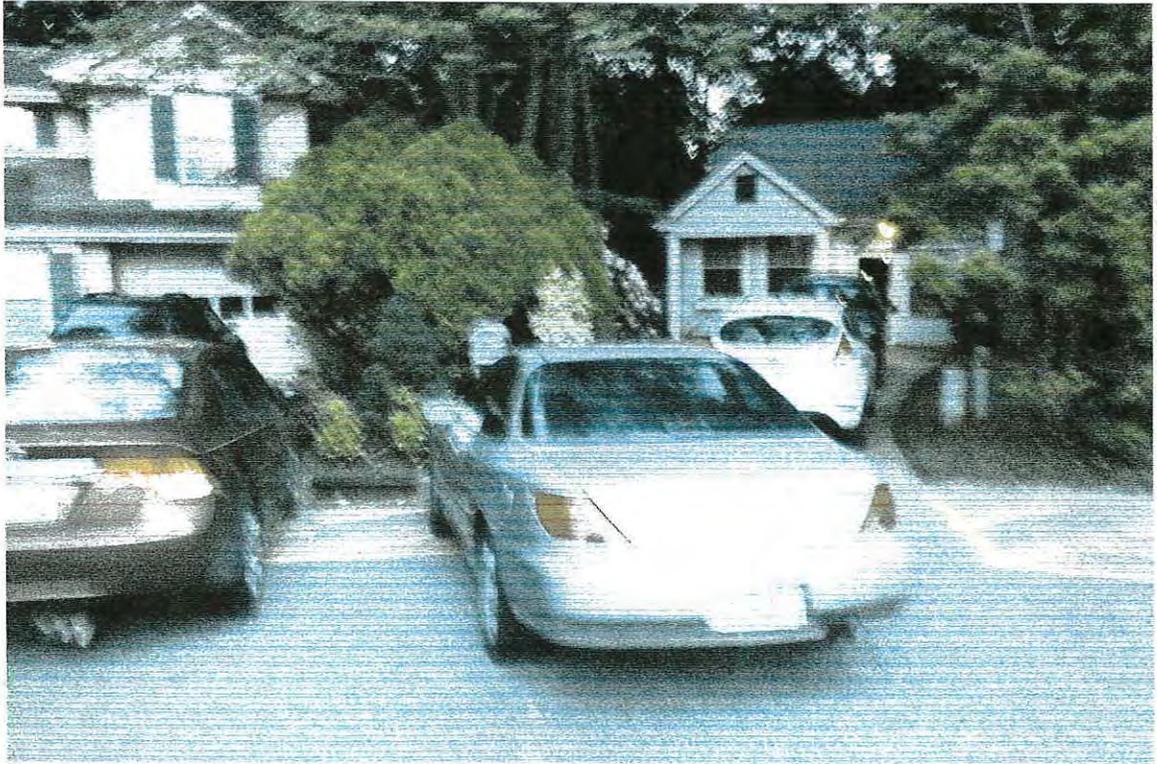
**CORRESPONDENCE
RECEIVED**

Received from Property Owner of 1834 Amelia Ct

To whom it may concern,

This letter is in regards to the parking situation on Amelia Ct. We have our house on the market currently but still feel that this issue needs to be addressed from our end. We have been blocked numerous times by people who lived and visited with our neighbors. We spoke with each family that has occupied this home and asked to please not block the driveway, to which offered no resolution to the problem. The police have been called twice, due to visitors to the same home, completely blocking our driveway to the point where there is absolutely no entrance or exit. At that point our only option was to contact the city about posting no parking in areas that prohibit safe entry/exit to driveways in the cul-de-sac. To which also offered no resolution to the problem. All residents of Amelia Ct. have a right of way to their property, which is why this should be an enforceable law that will detour people from blocking others. There is an overflow parking lot on Parkside Dr. for visitors of all of the Parkside development to use. As well as spots that are not marked at the entrance of the cul-de-sac. Thank you for all time, and we hope that this issue will be resolved soon.

Charles T. Prevatt Charles T. Prevatt 10-3-15
Felicia P. Prevatt Felicia P. Prevatt 10-3-15



Trevor Nuttall

From: John Ogburn
Sent: Monday, March 30, 2015 9:21 AM
To: Trevor Nuttall
Subject: FW: parking issues

fyi

John

John Ogburn ICMA-CM
City Manager
City of Asheboro
PO Box 1106
Asheboro, NC 27204-1106
jogburn@ci.asheboro.nc.us
(336) 626-1200 ext.213

From: Charles Prevatt [mailto:prevatt@ymail.com]
Sent: Friday, March 27, 2015 1:38 PM
To: John Ogburn
Subject: parking issues

I had spoke to you in the past about a parking issue in my neighborhood. I am going to give you a copy of the email that I just sent to the mayor as you are the city manager in this town and have some pull on things that go on plus I feel you need to be informed on things that happen inside the city. I did not write the email to the mayor to get you or any one else in your office in trouble I just really want some help on this issue. I feel like I have not received a good solution to the problem. I just want to be heard and if their is not a law or ordinance for this then I would like to get one passed so that we can make stuff like this better not only for me but for others dealing with the same exact thing. I have been told so many different things I just want to know the facts and if nothing is out their to keep this from happening then lets figure something out so that this city can be a great place to live for everyone. Thank you for your time.

Here is a copy of the email.

I am writing you because I have had trouble in my neighborhood with parking. I have been blocked out of my own driveway at times and have to dodge vehicles that one day if I am off just a little I could end up hitting them. I shouldn't have to go through this ordeal and wonder can I squeeze past that car or truck? Last email I sent to you about this issue the city manager addressed it. He told me that I needed to talk to a lady that I don't even know that lives down the street from me and that maybe the homeowners association that is not active could take care of it that she had the information. Homeowners association out here has been inactive for years. A parking problem is a

street issue(this is a city street 1834 amelia ct is my address) This is not a state county maintained road so it is a city issue. None of us homeowners own this street so there is nothing that I or any of them can do about it. This cul de sac should have never been approved to have been built in the first place with these driveways the way they are. I didn't realize that people would be so disrespectful to others until I moved into this neighborhood especially with parking. It has become a bigger problem in the last year or so being as a house is being rented and they park however they want but as people come and go it will continue to be a issue in the future because the problem is not all people are not going to be respectful of where they park anything unless a law or something is in place to protect people from stuff like this. No one out here is going to be interested in getting a homeowners association started up that has been inactive for so long. There would never be enough signatures or support for that so basically that was like saying nothing will be done about your problem when he sent me to that. Plus even if one got started then they would not be able to enforce this. Speaking to people who do things like this is like speaking to a brick wall. They don't take the homeowners around them in consideration nor care what they have to say. Then I was going to just give up on it after I looked into that . I should not have to live wondering if I can get pass something that is in the street. There are 6 houses in this tiny cul de sac. There is not room for people to be parking in the street. I am not a quitter though and do care about the issue and others around me so have since changed my mind. I think the issue needs to be resolved and if there is not a law for this then one should be made and enforced. I tried to call the city office today to talk to you was told you were in a meeting then I asked about the city manager and she said he was gone but would be back and that the city manager would call me. She made it sound like he would be back shortly and like I would get to talk to someone about the issue. I ended up calling back because he never called and I wanted to see if he would be calling today as I have things that I need to do and have errands to run. I can't just sit and wait on a phone call all day and when I called back it sounded like he will be too busy to call me. In the past when I was trying to get information on this issue told me she would send me out some information on getting a no parking sign out here but I never received it. Then I questioned her today and she says its only for businesses that can get the sign. I am not writing the email to get anyone in trouble. I am writing this email to let you know that this is a real problem that real working people have to face in this city and you are the mayor of this town and obviously you care about things that happen to people who live here or you would not have ran for office. I come to you with this point that I would like to make. If I live in this city and the road is not maintained by the county or state then the road is maintained by the city then this is a city issue and maybe their is no rule or ordinance for residential areas in this city to help them get no parking enforced I don't know the law on that but I am sure that you do. It's like this if their is no law on this then maybe one should be made and enforced in this city. Not just here in my neighborhood but in any neighborhood that has to deal with stuff like this. I am sure that there are other people out there who have to go through the same thing and if the ordinance or law was written and done correctly then it may could even be a source for either the city or police department to make some money off of it. I don't know what the current law is on the matter of parking issues in residential city streets. In my opinion this needs to be addressed so that people can freely get in and out of their driveways

without having to dodge people that should keep their stuff in their driveways or having to wonder what if I hit that car. If we all behaved the way that some do when parking in areas of this cul de sac then it would be chaos. I refuse to add to the problem to prove a point. My cars will remain in my driveway and I will move them as needed. I have more respect than to park in a road that does not have a lot of room to move around as it is. I am very disappointed at the lack of information that I received in this matter and if there is nothing to protect city residents from stuff like this occurring then maybe there should be something done so that there can be something to protect the citizens that live here. I will not live here forever eventually we will save up our money and get into a better neighborhood with lots of land so this kind of thing can't happen but I would like to see something done for the future people who will live in this cul de sac as well as the other roads/neighborhoods in this city that the same thing happens in. Something should be available to protect people that live here. All calling the police is going to do is to make the person move the vehicle and then it will happen again and again. I refuse to call the police on it every time. What a waste of taxpayers dollars to have to get a police officer out here to tell someone something that is common sense to not block others or make it hard for others to get out of their own property without a headache of am I going to hit that car the entire time they are trying to get out of there driveway. Not to mention the mailman can't get to the mailbox if a vehicle is parked there or if a vehicle is parked there the storm drain can't get cleaned off when the street sweepers come through. I called the police once on it but it has happened so many times I have lost count. I don't see wasting the police officers time on this. They need to be out taking care of drugs and bigger issues. This issue needs something done. I propose that you at least consider what I am saying and try to do something about it and not just let it continue to be a issue for me but for others that live in the city of asheboro. If there is nothing in place to protect people from this kind of thing then lets come up with something that can and get a law or ordinance passed to make the city of asheboro a great place to live for everyone. Felicia Prevatt

Received from Property Owner of 1836 Amelia Ct

This petition is to have the city of Asheboro remove "no parking signs" and markings that have recently been placed on the street, directly in front of residents homes. This community finds these markings to be tacky and undesirable particularly from a resale perspective. We, the homeowners and residents of Park Place request these signs/markings to be immediately removed by the city of Asheboro.

1. Jaye Kenner - 1833 Amelia Ct. Ashe -
2. Christina Beckwith 1842 Amelia Ct, Asheboro NC 27203
3. Helen + Perena Settle 414 Parkside Dr. Asheboro NC 27203
4. Teela Schenck 408 Parkside 27203
5. Thomas Eschard 408 " 27203
6. Mark + Karen Hall 404 Parkside Dr. 27203

REPEAL THE USE OF PAVEMENT MARKINGS AT AMELIA COURT

2 Oct 2015

Asheboro City Council,

This letter is to address the Community Development Division's report on on-street parking issues and to implore Asheboro City Council to repeal the pavement markings that have been selectively placed in front of our property. Due to current medical conditions, we are temporarily staying with our son in New Bern, North Carolina, and unavailable to attend the October 8, 2015 meeting. As a result, we are submitting this letter to inform Asheboro City Council that we are unequivocally opposed to pavement markings of any kind being placed in front of the homes at Amelia Court.

We have lived at Amelia Ct. for more than 25 years. During that time, there has never been an occasion where emergency vehicles or city services couldn't attain access to any home within our cul-de-sac. To our knowledge, there is no documented record of complaints by city services, emergency services, or any other entity that would legitimately support any claim of hindered access or justify placing these unsightly markings in front of our homes. As such, for the Community Development Division to suggest the "Potential" of "hindered services" is simply unfounded, unsupported and speculative at best.

We are aware of an unfortunate disagreement amongst certain residents that began when one resident parked in another resident's parking space. This issue has since been resolved by old-fashioned communication. We are surprised at how easy it was for one neighbor to escalate this seemingly trivial issue, to a point where the city was convinced to put these markings in place. We submit to the council that a complaint of one resident should not dictate the fate of all homeowners, many of whom, have been living peacefully at Amelia Ct. for many years.

If the city of Asheboro does find that the claim of "hindered access" is indeed valid and the markings are necessary for public services and safety, then our suggestion is to consider placing these markings in front of every home in Asheboro to prevent any potential hindrance of access. A good starting point would be to put these markings in the entire Parkside Community rather than specifically targeting the residents of Amelia Court. After all, with regard to the potential for access hindrance, there is no difference from Amelia Ct. and any other residential area or cul-de-sac in Asheboro. Our guess is that this course of action would not go over well with the citizens of Parkside or Asheboro due to very obvious implications of decreased re-sale value and cosmetic curb appeal. To think that this solution would be acceptable to any homeowner is incomprehensible. Please ask yourselves this question; "Would I want these markings in front of my home?"

We are firm believers that it is our responsibility as residents to propose solutions rather than just problems. With that said, we propose the following courses of action as possible solutions to this issue:

1. Create and enforce city ordinance that will allow police to ticket any resident that impedes on the delivery of city services. This does not require special markings on the pavement. Rather, it would require enforcing a law that simply states; "if the mailman can't deliver the mail or the sanitation department can't pick up the trash...you can be fined".

OR

2. Simply refuse city services if access is hindered. If the mailman can't deliver the mail or the sanitation department can't pick up the trash, then the resident will not receive those services. We are convinced that this course of action would not take long to be effective.

In conclusion, we find it down right unjust, unethical and immoral that our city taxes are being applied to decrease the value of the home that we have spent a lifetime paying off and raising our family in. We strongly urge Asheboro City Council to consider repealing the use of pavement markings in front of residential homes at Amelia Court.

Donald and Rhonda Harding
1836 Amelia Ct.
Asheboro, NC
336-963-1012



**RZ-15-08: Rezone from Randolph County Zoning (LI Light Industrial) to
City of Asheboro Zoning (I2 General Industrial)**

(City of Asheboro: South of 879 McDowell Road (REMC property))

Planning Board Recommendation and Staff Report

Planning Board Recommendation & Comments to City Council

NOTE: Have applicant Certify to Council mailings to all adjoining property owners.

Case # RZ-15
-08

Date 10/5/2015 Planning
Board

Applicant City of Asheboro

Legal Description

The property of Randolph Electric Membership Corporation, located immediately south of 879 McDowell Road, totaling approximately 17.53 acres and more specifically identified by a portion of Randolph County Parcel Identification Number 7659184659 (formerly designated as Tract 2 on plat recorded in PB. 60, PG. 40).

Requested Action Rezone from Randolph County Light Industrial (LI) to City of Asheboro zoning (I2 General Industrial)

Existing Zone Randolph County- Light Industrial (LI)

Land Development Plan See rezoning staff report

Planning Board Recommendation

Approve

Reason for Recommendation

The Planning Board concurred with staff reasoning.

Planning Board Comments

Rezoning Staff Report

RZ Case # **RZ-15-08**

Date 10/5/2015 PB
11/5/2015 City Council

General Information

Applicant City of Asheboro
Address 146 North Church Street
City Asheboro NC 27203
Phone 336-626-1201
Location South of 879 McDowell Road

Requested Action Rezone from Randolph County (LI- Light Industrial) zoning to I2 (General Industrial)

Existing Zone Randolph Co. Zoning **Existing Land Use** Public Use Facility
Size 17.53 acres (+/-) **Pin #** 7659184659

Applicant's Reasons as stated on application

This rezoning was filed in anticipation of the property being annexed into the City of Asheboro. The proposed zoning reflects the most appropriate district supported by the Land Development Plan. NC General Statutes require that the City designate zoning property within 60 days of annexation.

Surrounding Land Use

North Commercial **East** I-73/I-74 (US 220 Bypass)
South Undeveloped **West** Undeveloped

Zoning History November, 2000: RZ-01-12: The property was rezoned from R40 to B2
January, 2013: Property released from City ETJ (see #4 below)

Legal Description

The property of Randolph Electric Membership Corporation, located immediately south of 879 McDowell Road, totaling approximately 17.53 acres and more specifically identified by a portion of Randolph County Parcel Identification Number 7659184659 (formerly designated as Tract 2 on plat recorded in PB. 60, PG. 40).

Analysis

1. A portion of the subject property has frontage on McDowell Road, a state-maintained minor thoroughfare. The property also has frontage on I-73/I-74 (US 220 Bypass), an interstate highway.
2. City water is being installed to provide service to a new structure on the property. The property also has access to city sewer via a private pump station, which pumps to a city maintained pump station on the east side of I-73/I-74.
3. The area includes a mix of commercial, residential, and institutional/governmental uses.
4. The property was previously within the City of Asheboro's extraterritorial zoning jurisdiction and zoned B2 (General Commercial). The City relinquished this property from its ETJ on January 1, 2013. Once the property was placed within Randolph County's Zoning jurisdiction, the County applied LI (Light Industrial) zoning.
5. The property was recently annexed into the City, effective on September 17, 2015. State statutes require that the City apply zoning to the property within sixty (60) days of its annexation.
6. The property is located in the I-73/I-74 Overlay zone (formerly called US 220 Bypass Overlay zone), which has supplemental landscaping requirements along the frontage of I-73/I-74. Recent amendments to the zoning ordinance allow staff review of developments for compliance with Overlay Zone requirements.

Rezoning Staff Report

RZ Case # RZ-15-08

Page 2

Consistency with the 2020 LDP Growth Strategy designations

In reviewing this request, careful consideration is given to each Goal and Policy as outlined in the Land Development Plan. Some Goals and Policies will either support or will not support the request, while others will be neutral or will not apply. Only those Goals and Policies that support or do not support the request will be shown.

Proposed Land Use Map Designation Industrial
Small Area Plan Southwest
Growth Strategy Map Designation Economic Development

LDP Goals/Policies Which Support Request

Checklist Item 1: Rezoning is compliant with the Proposed Land Use Map.

Checklist Item 3: The property on which the rezoning district is proposed fits the description of the Zoning Ordinance. (*Article 200, Section 210, Schedule of Statements of Intent*)

Checklist Item 4: The proposed rezoning is compatible with surrounding land uses.

Checklist Item 5: The request is compliant with the Growth Strategy Map.

Checklist Item 7: The proposed rezoning is compatible with the applicable Small Area Plan.

Goal 2.2: Development that is located in appropriate locations

Checklist Items 12, 13, and 14: 12.) Property is located outside of watershed 13.) The property is located outside of Special Hazard Flood Area. 14.) Rezoning is not located on steep slopes of greater than 20%.

Rezoning Staff Report

RZ Case # RZ-15-08

Page 3

LDP Goals/Policies Which Do Not Support Request

Checklist Item 15: Rezoning is not located on poor soils. Note: This is due to a small amount of its western boundary being located in a wetlands area as identified by U.S. Fish and Wildlife Service.

The LDP also indicates a small western portion of the property (in the same general location) has poor soils.

Recommendation **Approve**

Reason for Recommendation

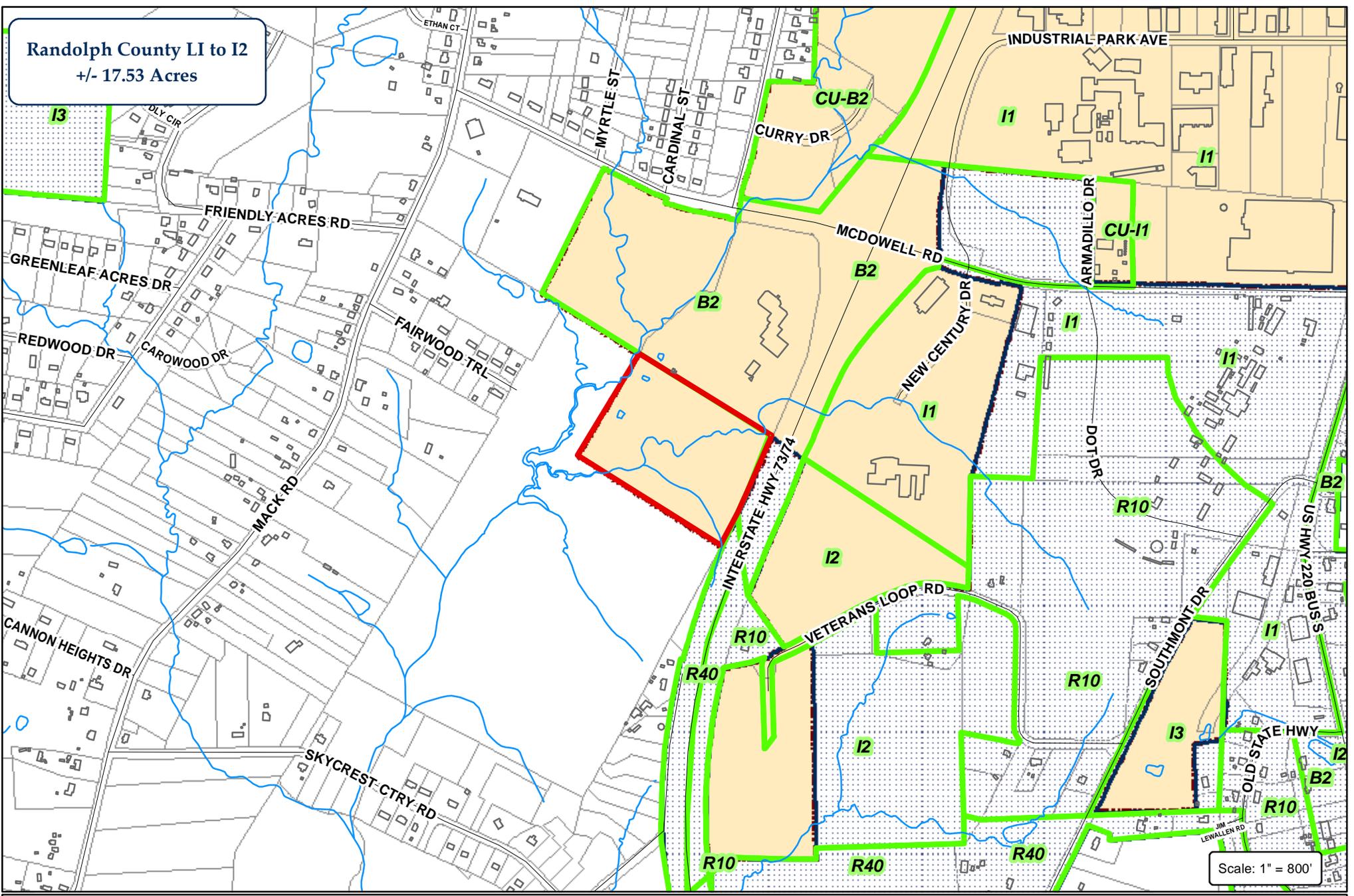
The proposed I2 zoning district reflects the Land Development Plan's designation of the property for industrial use, making the proposed I2 General Industrial district the most appropriate designation of the property.

The I2 district allows both industrial and commercial activities, which are generally compatible with surrounding properties and the growth strategy map's designation of the property for economic development. The Southwest small area plan also supports industrial uses and economic development activities at appropriate locations on the Interstate corridor consistent with the I2 designation.

Evaluation of Consistency with Adopted Comprehensive Plans/Reasonableness and Public Interest

Considering the above factors detailed in the recommendation above, staff believes the General Industrial (I2) designation is in the public interest by allowing a reasonable use of the property and ensuring consistency with the LDP.

Randolph County LI to I2
 +/- 17.53 Acres

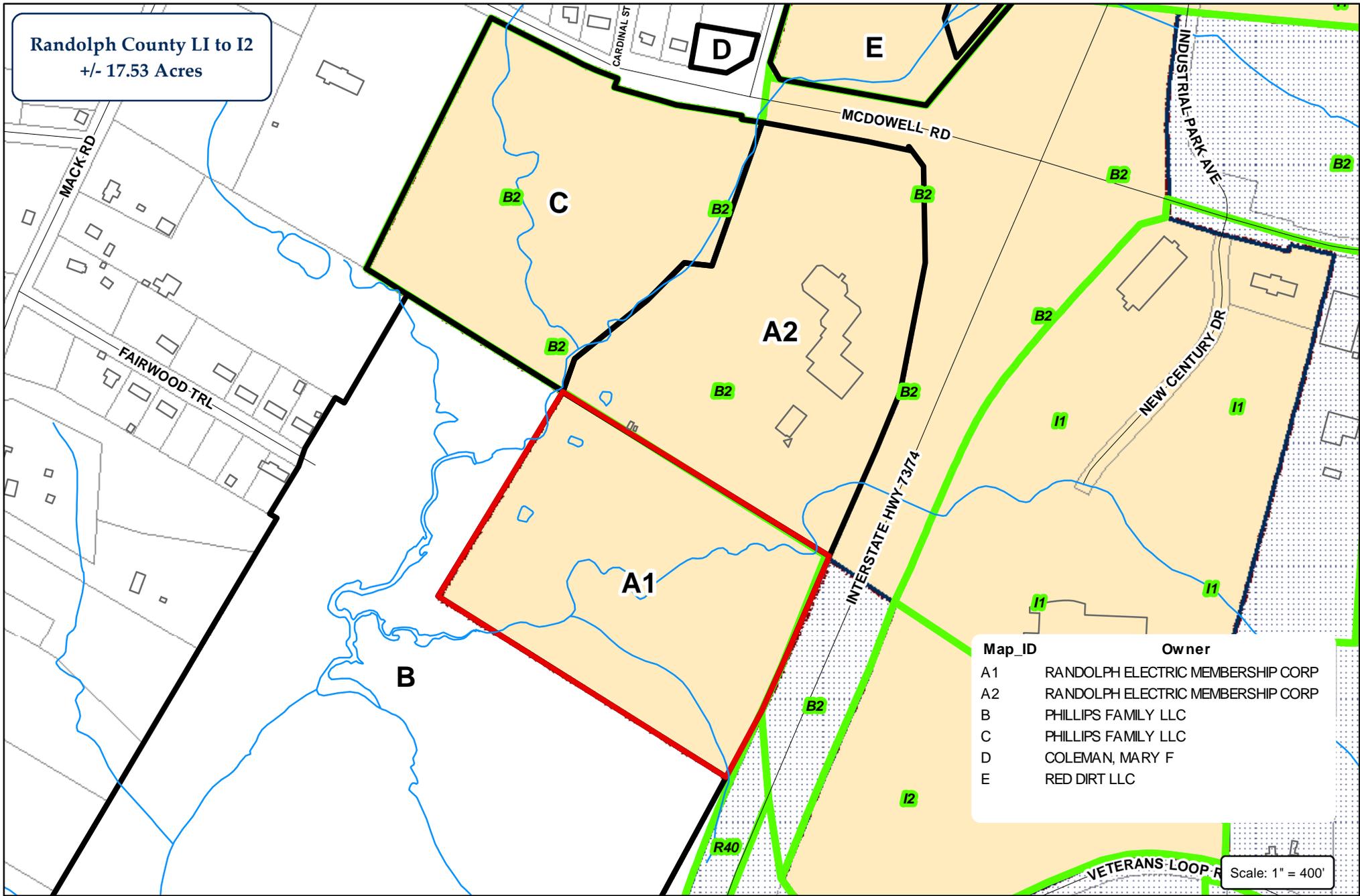


City of Asheboro
 Planning & Zoning Department
 Rezoning Case: RZ-15-08
 Parcels: 7659197181 (pt.)

- Subject Property
- Zoning
- City Limits
- ETJ

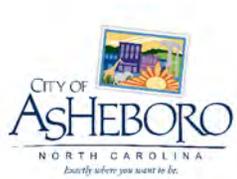


Randolph County LI to I2
 +/- 17.53 Acres



Map_ID	Owner
A1	RANDOLPH ELECTRIC MEMBERSHIP CORP
A2	RANDOLPH ELECTRIC MEMBERSHIP CORP
B	PHILLIPS FAMILY LLC
C	PHILLIPS FAMILY LLC
D	COLEMAN, MARY F
E	RED DIRT LLC

Scale: 1" = 400'

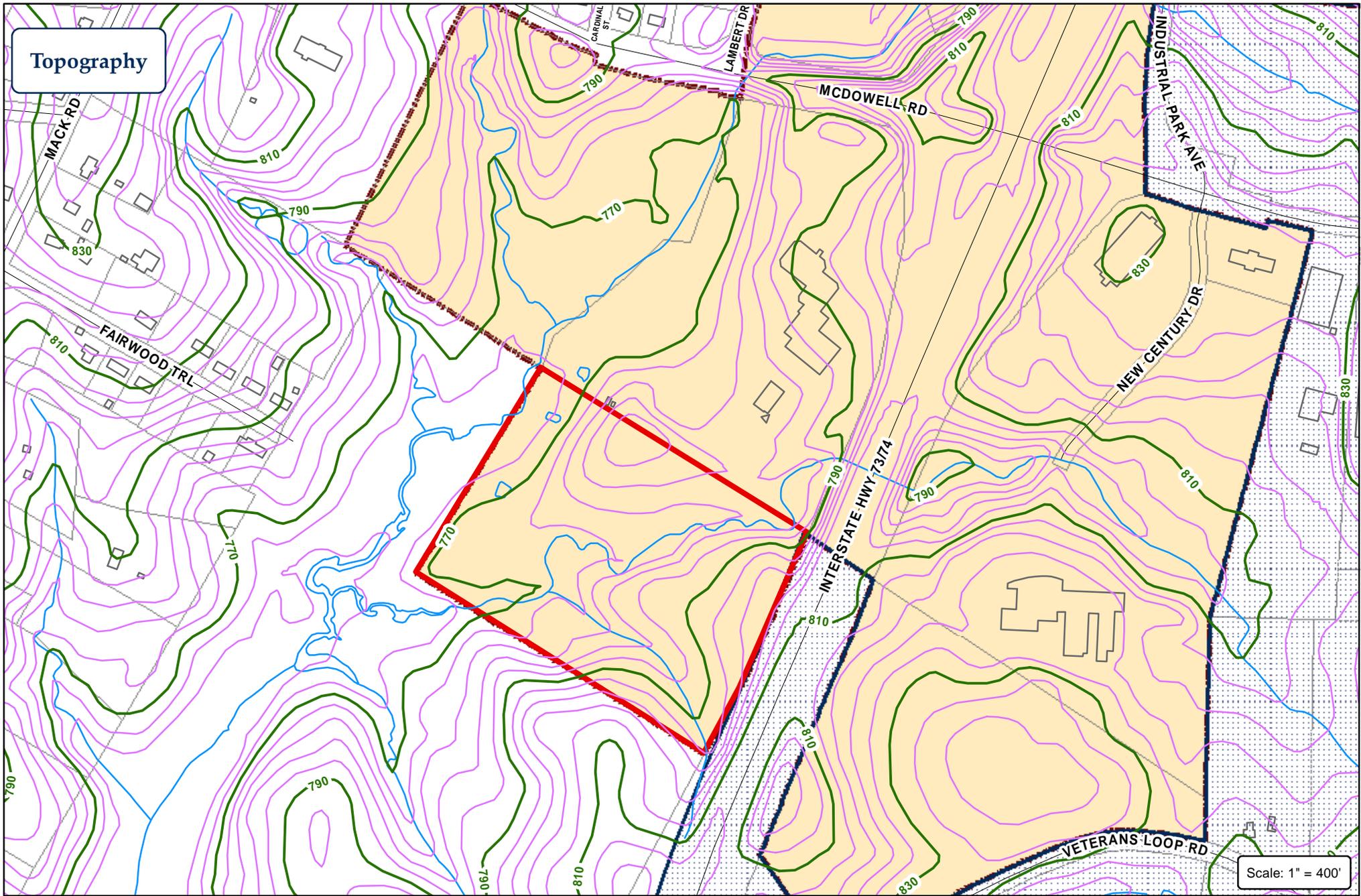


City of Asheboro
 Planning & Zoning Department
 Rezoning Case: RZ-15-08
 Parcels: 7659197181 (pt.)

- Subject Property
- Zoning
- City Limits
- ETJ



Topography



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-15-08
Parcels: 7659197181 (pt.)

-  Subject Property
-  City Limits
-  ETJ



Aerial



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-15-08
Parcels: 7659197181 (pt.)





RZ-15-09: Rezone from Medium-Density Residential (R10) and Conditional Use General Commercial (CU-B2) to B2 (General Commercial)

(Margie Trogdon and Michael Foley: 1801, 1827, and 1831 South Fayetteville Street)

Planning Board Recommendation and Staff Report

Planning Board Recommendation & Comments to City Council

NOTE: Have applicant Certify to Council mailings to all adjoining property owners.

Case # RZ-15
-09

Date 10/5/2015 Planning
Board

Applicant Michael Foley and Margie Trogdon

Legal Description

The property of Michael Foley located at 1801 S. Fayetteville St., totaling approximately 2.19 acres (+/-) & more specifically identified by a portion of Randolph Co. Parcel ID Number (PIN) 7750737415 & the property of Margie M. Trogdon and James P. Trogdon, located at 1827 and 1831 S. Fayetteville St. totaling approximately 1.86 acres & more specifically identified by a portion of Randolph Co. PIN 7750733691.

Requested Action Rezone from R10 (Medium-Density Residential) and CU-B2 (Conditional Use General Commercial) to B2 (General Commercial)

Existing Zone R10/CUB2

Land Development Plan See rezoning staff report

Planning Board Recommendation

Approve

Reason for Recommendation

The Planning Board concurred with staff reasoning.

Planning Board Comments

Rezoning Staff Report

RZ Case # **RZ-15-09**

Date 10/5/2015 PB

11/5/2015 City Council

General Information

Applicant Margie Trogdon and Michael Foley

Address 329 Newbern Ave. Asheboro, NC 27205 (Trogdon) and PO Box 7348 Greensboro, NC 27417 (Foley)

City SEE ABOVE

Phone 336-302-2630 (Trogdon); 336-314-5026 (Foley)

Location 1801, 1827, and 1831 South Fayetteville Street

Requested Action Rezone property from CU-B2 (Conditional Use General Commercial) and R10 (Medium-Density Residential) to B2 (General Commercial)

Existing Zone CUB2/R10

Existing Land Use Single-family residence/Indoor Commercial Recreation

Size 4.05 acres (total in both tracts)

Pin # 7750734715 & 7750733691

Applicant's Reasons as stated on application

No errors- B2 zoning will allow more flexibility with marketing the property. B2 is a more appropriate zoning for this area and meets the intent of the Land Development Plan. This will reclassify this property as commercial which is consistent with the intent of the Land Development Plan. We believe that this will help market and occupy the property.

Surrounding Land Use

North Commercial/Single- and Multi-family residential **East** Single-family residential/Industrial (manufacturing)

South Commercial

West Industrial/Commercial

Zoning History RZ-86-29 (1986): 1801 South Fayetteville Street was rezoned from RA6 (High Density Residential) to CUB2 (Conditional Use General Commercial) and a conditional use permit was issued for skating rink.

Legal Description

The property of Michael Foley located at 1801 S. Fayetteville St., totaling approximately 2.19 acres (+/-) & more specifically identified by a portion of Randolph Co. Parcel ID Number (PIN) 7750737415 & the property of Margie M. Trogdon and James P. Trogdon, located at 1827 and 1831 S. Fayetteville St. totaling approximately 1.86 acres & more specifically identified by a portion of Randolph Co. PIN 7750733691.

Analysis

1. The property is located outside of the city limits. City water and sewer are available to the existing structures. New development proposed to connect to city services will require the entire tax parcel(s) to be annexed.
2. South Fayetteville Street is a state-maintained major thoroughfare. Foster Street is a state-maintained road.
3. The existing B2 zoning on both parcels currently extends approximately 220' to 250' from the public right-of-way into the property.
4. The portion of the property located at 1827 South Fayetteville Street that is zoned B2 was previously used for a small child day care center and for single-family residential purposes. A separate structure on the property (1831 South Fayetteville Street) has been removed.
5. South Fayetteville Street consists of primarily commercial uses, with some industrial uses on the west side of the corridor. Residential uses (primarily single-family with some two- and multi-family dwellings) are to the east of the subject property.
6. The intent of the B2 district is "to serve the convenience goods, shoppers goods retail and service needs of the motoring public, both local and transient. This district should always be located with access directly to minor thoroughfares or higher classification streets, but never local residential streets."

Rezoning Staff Report

RZ Case # RZ-15-09

Page 2

Consistency with the 2020 LDP Growth Strategy designations

In reviewing this request, careful consideration is given to each Goal and Policy as outlined in the Land Development Plan. Some Goals and Policies will either support or will not support the request, while others will be neutral or will not apply. Only those Goals and Policies that support or do not support the request will be shown.

Proposed Land Use Map Designation Commercial
Small Area Plan Central
Growth Strategy Map Designation Adjacent Developed

LDP Goals/Policies Which Support Request

Checklist Item 1: Rezoning is compliant with the Proposed Land Use Map.

Checklist Item 3: The property on which the rezoning district is proposed fits the description of the Zoning Ordinance. (*Article 200, Section 210, Schedule of Statements of Intent*)

Checklist Item 7: The proposed rezoning is compatible with the applicable Small Area Plan.

Checklist Items 12, 13, 14, and 15: 12.) Property is located outside of watershed 13.) The property is located outside of Special Hazard Flood Area. 14.) Rezoning is not located on steep slopes of greater than 20%. 15.) Rezoning is not located on poor soils

Rezoning Staff Report

RZ Case # RZ-15-09

Page 3

LDP Goals/Policies Which Do Not Support Request

Recommendation Approve

Reason for Recommendation

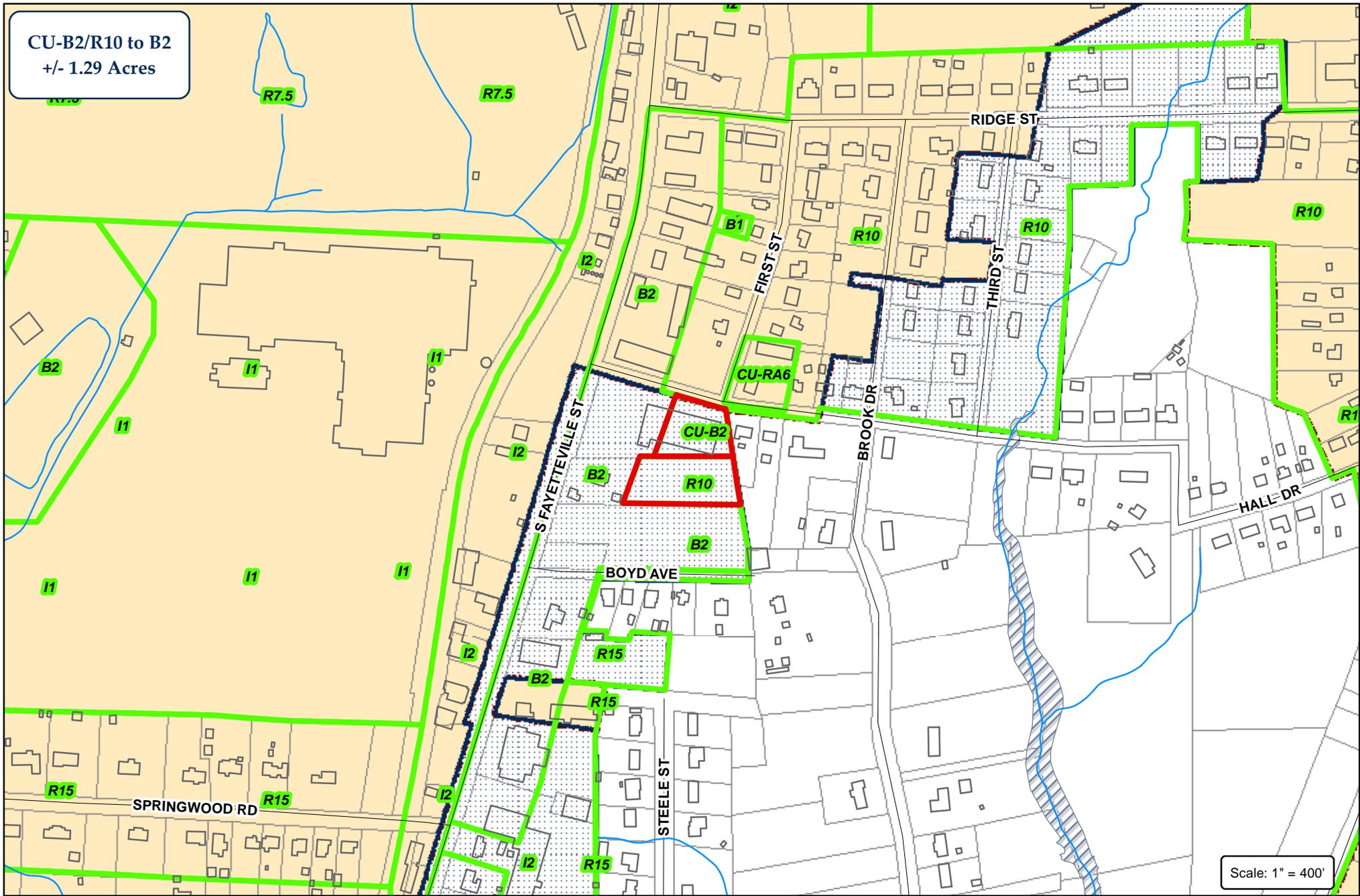
Several factors support the B2 (General Commercial) rezoning request. The Land Development Plan proposed land use map designates the property for commercial use. Much of the property is currently zoned B2 or CU-B2 (Conditional Use General Commercial) and has a history of non-residential use.

The property is located along South Fayetteville Street, which the Central Small Area Plan acknowledges is suited for commercial development. Furthermore, designating the property with one zoning district (B2) will allow greater flexibility to develop the property while buffer/screening requirements will ensure any potential negative impacts to adjoining residential properties are mitigated.

Evaluation of Consistency with Adopted Comprehensive Plans/Reasonableness and Public Interest

Considering the above factors detailed in the recommendation above, staff believes the General Commercial (B2) designation is in the public interest by allowing a reasonable use of the property and ensuring consistency with the LDP.

CU-B2/R10 to B2
+/- 1.29 Acres

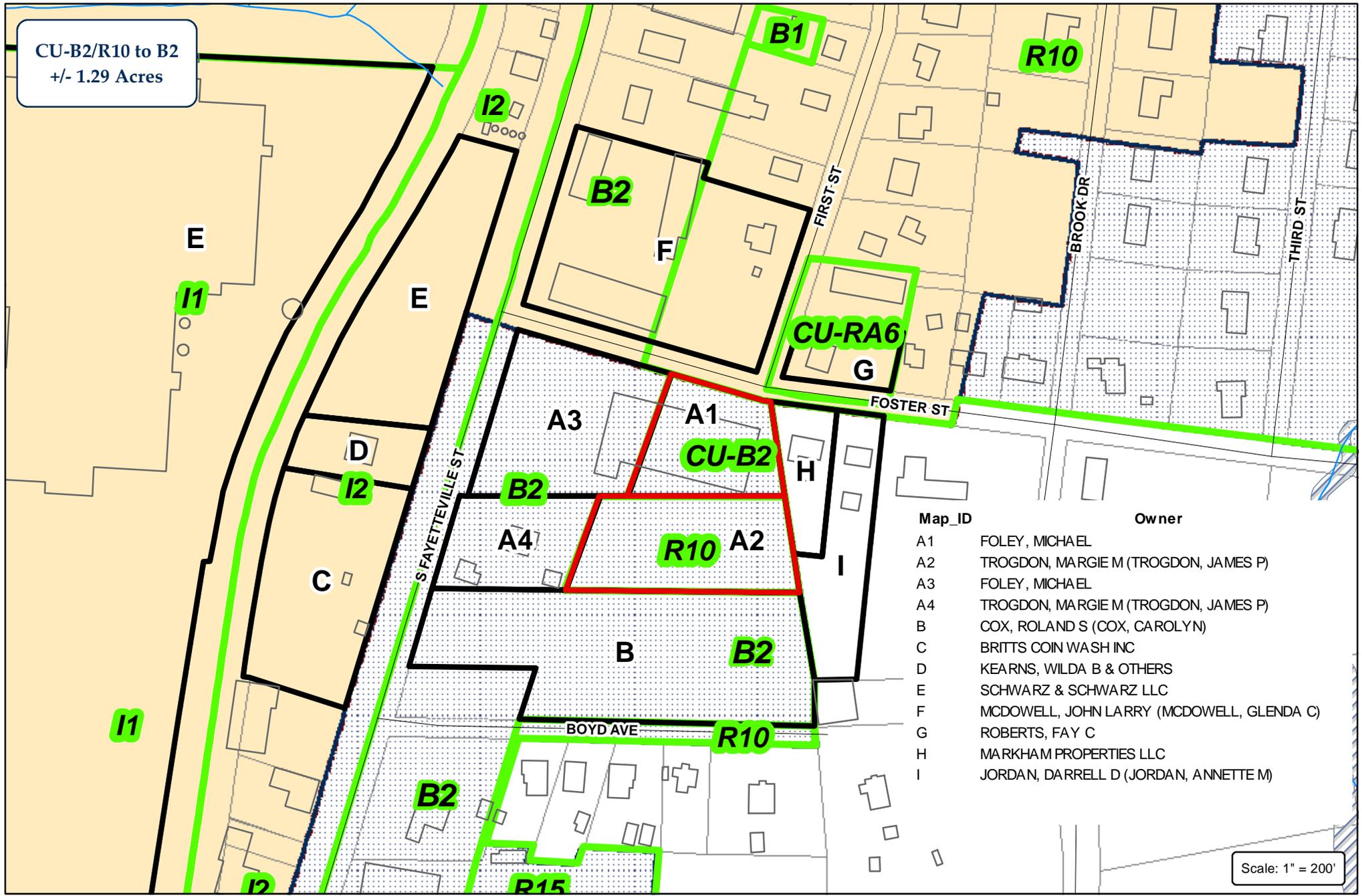


City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-15-09
Parcels: 7750734715 (pt.) & 7750733691 (pt.)

- Subject Property
- Zoning
- City Limits
- ETJ



CU-B2/R10 to B2
+/- 1.29 Acres



Map_ID	Owner
A1	FOLEY, MICHAEL
A2	TROGDON, MARGIE M (TROGDON, JAMES P)
A3	FOLEY, MICHAEL
A4	TROGDON, MARGIE M (TROGDON, JAMES P)
B	COX, ROLAND S (COX, CAROLYN)
C	BRITTS COIN WASH INC
D	KEARNS, WILDA B & OTHERS
E	SCHWARZ & SCHWARZ LLC
F	MCDOWELL, JOHN LARRY (MCDOWELL, GLENDA C)
G	ROBERTS, FAY C
H	MARKHAM PROPERTIES LLC
I	JORDAN, DARRELL D (JORDAN, ANNETTE M)

Scale: 1" = 200'



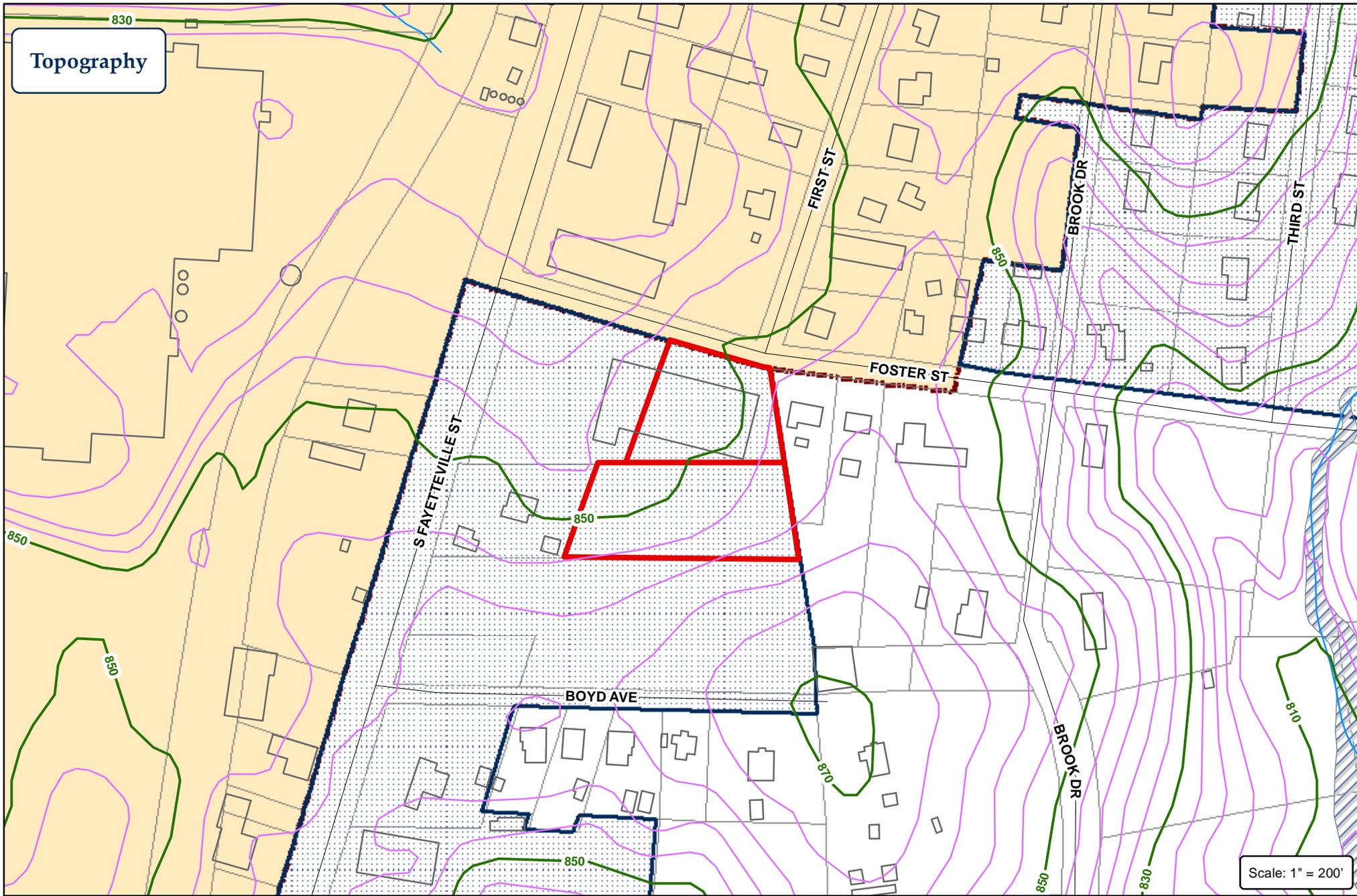
City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-15-09

Parcels: 7750734715 (pt.) & 7750733691 (pt.)

- Subject Property
- Zoning
- City Limits
- ETJ



Topography



Scale: 1" = 200'



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-15-09
Parcels: 7750734715 (pt.) & 7750733691 (pt.)

-  Subject Property
-  City Limits
-  ETJ



Aerial



City of Asheboro
 Planning & Zoning Department
 Rezoning Case: RZ-15-09
 Parcels: 7750734715 (pt.) & 7750733691 (pt.)

 Subject Property
 Zoning





Consideration of a resolution authorizing Mayor David H. Smith to sign the combined notice of finding of no significant impact and notice of intent to request release of community development block grant funds for the Technimark Rail Project

**A RESOLUTION AUTHORIZING THE COMBINED NOTICE OF FINDING OF NO
SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
FOR TECHNIMARK RAIL PROJECT**

Whereas, the City of Asheboro intends to enter into a Community Development Block Grant Agreement with the U.S. Department of Housing and Urban Development, providing for financial assistance to the City under Title I of the Housing and Community Development Act of 1974, as amended; and

Whereas, pursuant to the rules and regulations as promulgated by the U.S. Department of Housing and Urban Development, an environmental review has been processed for the hereinafter listed project to be financed with Community Development Block Grant funds; and

Whereas, a combined Notice of Finding of No Significant Impact and Intent to Request Release of Funds for said grant is scheduled to be posted on November 6, 2015 to commence the required eighteen (18) day public comment period; and

Whereas, any and all comments received as a result of such notice will be duly considered before proceeding with a Request for Release of Funds and Certification, and

Whereas, a Request for Release of Funds and Certification must be sent to the U.S. Department of Housing and Urban Development at the conclusion of the comment period.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1. That the Mayor of the City of Asheboro is hereby authorized and directed to execute a Request for Release of Funds and Certification for the following identified Community Development Block Grant project on or about November 30, 2015 and to submit to the U.S. Department of Housing and Urban Development:

Community Development Block Grant Project
Economic Development Program: Technimark Rail Project

No funds will be committed prior to completion of a review for other related laws of 24 CFR 58.5, including Section 106, if required for site-specific projects that are currently unidentified.

Section 2. That the Mayor of the City of Asheboro is hereby authorized to consent to assume the status of a responsible federal official under the National Environmental Protection Act, insofar as the provisions of the said Act apply to the U.S. Department of Housing and Urban Development responsibilities for review, decision making, and action assumed and carried out by the City of Asheboro as to environmental issues.

Section 3. That the Mayor of the City of Asheboro is hereby authorized to consent personally, in his official capacity and on behalf of the City of Asheboro, to accept the jurisdiction of the federal courts if an action is brought to enforce responsibilities in relation to environmental review, decision-making and action.

This resolution was duly adopted by the Asheboro City Council in open session during a regular meeting held on the 5th day of November, 2015.

David H. Smith, Mayor

ATTEST:

Holly H. Doerr, City Clerk

**COMBINED NOTICE
NOTICE OF FINDING OF NO SIGNIFICANT IMPACT
AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS**

November 6, 2015
City of Asheboro
146 N. Church St.
PO Box 1106
Asheboro, NC 27204
(336) 626-1201

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

REQUEST FOR RELEASE OF FUNDS

On or about November 30, 2015 the City of Asheboro will submit a request to the NC Department of Commerce (Commerce) Office of Community Investment for the release of Community Development Block Grant (CDBG) funds under Title I of the Housing and Community Development Act of 1974, as amended, for the following project:

Technimark Rail Project, involving construction of two rail spur tracks totaling 1,384 linear feet and related appurtenances to provide vital rail access to Technimark's new 156,500 square foot injection molding facility on W. Central Avenue, in Asheboro, Randolph County.

PURPOSE OF NOTICE

This notice is intended to meet two separate procedural requirements of 24 CFR Part 58: (1) to provide notice to the public that the City of Asheboro has determined that the request for release of funds for the above named project will not have a significant impact on the environment, and (2) to provide notice to the public that the City of Asheboro is requesting the release of funds for the above named project.

FINDING OF NO SIGNIFICANT IMPACT

The City of Asheboro has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at Asheboro City Hall, Planning and Zoning Office, located at 146 N. Church Street in Asheboro, North Carolina and may be examined or copied upon request weekdays 8:30 A.M. to 5:00 P.M. No further environmental review of such project is proposed to be conducted prior to the request for release of Federal Funds.

PUBLIC COMMENTS

Any individual, group, or agency disagreeing with this determination or wishing to comment on the project may submit written comments to the City of Asheboro, Planning and Zoning Department, PO Box 1106 Asheboro, NC 27204. All comments received by November 30, 2015 will be considered by the City of Asheboro prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

RELEASE OF FUNDS

The City of Asheboro certifies to Commerce that Mayor David H. Smith, in his capacity as Mayor, consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. Commerce's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities, and allows the City of Asheboro to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

Commerce will accept objections to its release of funds and the City of Asheboro's certification for a period of 15 days following November 30, 2015 or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by Mayor David H. Smith; (b) the City of Asheboro has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR Part 58; (c) the City of Asheboro has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by Commerce; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and shall be addressed to the Community Investment and Assistance at 100 East Six Forks Road, 4313 Mail Service Center, Raleigh, NC 27699-4313. Potential objectors should contact Community Investment and Assistance at 919-571-4900 to verify the actual last day of the objection period.

This information is available in Spanish or any other language upon request. Please contact Trevor L. Nuttall at (336) 626-1201 ext. 223 or at Asheboro City Hall, 146 N. Church Street, Asheboro, North Carolina for accommodations for this request.

Esta información está disponible en español o en cualquier otro idioma bajo petición. Por favor, póngase en contacto con Trevor L. Nuttall al (336) 626-1201 ext. 223 o en Asheboro City Hall, 146 N. Church Street, Asheboro, North Carolina de alojamiento para esta solicitud.

Mayor David H. Smith
City of Asheboro

North Carolina Department of Commerce

Request for Release of Funds and Certification

Environmental

1. Recipient's Name: City of Asheboro	2. Grant Agreement Number
	3. Project Number
4. Recipient's Address (Include Street, City, State, Zip Code) PO Box 1106 Asheboro, NC 27204	5. Date of Request/Certification November 30, 2015

6. REQUEST FOR RELEASE OF FUNDS. Release of approved grant funds for the following project is requested:

PROJECT: Technimark Rail Project - The project involves construction of two rail spur tracks totaling 1,384 linear feet and related appurtenances to provide vital rail access to Technimark's new 156,500 square foot injection molding facility.

7. CERTIFICATION: With reference to the above project, the undersigned officer of the recipient hereby certifies:

That the recipient has fully carried out its responsibilities for environmental review, decision-making, notice, publication, and action pertaining to the project names above; that the recipient has complied with the National Environmental Policy Act of 1969; that the recipient has complied with the environmental procedures, permit requirements and the statutory obligations under such laws cited in 24 CFR Part 58.5; that the recipient has taken into account the environmental criteria, standards, permit requirements and other obligations applicable to the project under the other related laws and authorities cited in 24 CFR Part 58; and that the recipient has complied with all applicable regulations of the North Carolina Department of Commerce; that the level of environmental clearance carried out by recipient in connection with this said project () did (X) did not require the preparation and the dissemination of an environmental impact statement;

That the dates upon which all statutory and regulatory time periods for review, comment, or other response or action in regard to this clearance began and ended as indicated below; and that with the expiration of each of the time periods indicated below, the recipient is in compliance with the requirement of 24 CFR Part 58;

ITEM	Commence MO/DAY/YR	EXPIRE MO/DAY/YR
Notice of Finding of No Significant Environmental Impact Publication		
Same: Comment Period		
Notice of Finding of No Significant Environmental Impact and Notice of Intent to Request Release of Funds: Simultaneous Publication	11/06/15	11/30/15
Same: Comment Period		
Notice of Intent to File EIS: Publication		
Draft EIS: Comment Period		
Same: 90-Day Period (CEQ)		
Final EIS: 30-Day Period (CEQ)		
7-Day Notice of Intent to Request Release of Funds: Publication		
Request for Release of Funds: 15 Day DCA/CFC Comment Period	12/03/15	12/18/15
Other (Specify)		

That the undersigned officer is authorized to, and does consent to assume the status of responsible federal official under the National Environmental Policy Act of 1969 and each provision of law specified in 24 CFR 58 insofar as the provisions of these laws apply to DCA/CFC's responsibility for environmental review, decision-making and action assumed and carried out by the recipient; that by so consenting, assumes the responsibilities, where applicable, for the conduct of environmental review, decision-making and action as to environmental issues, preparation and circulation of draft, final and supplemental environmental impact statements, and assumption of lead agency for cooperating agency responsibilities for preparation of such statements on behalf of Federal and state agencies including HUD, when these agencies consent to such assumption;

That the undersigned officer is authorized to consent to, and does accept on behalf of the recipient and personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in his/her official capacity as certifying officer to the recipient.

Signature of Certifying Officer

Title

Agency and Address

Warning Section 1001 of Title 18 of the United States Code and Criminal Procedure shall apply to this certification. Title 18 provides among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned not more than five years or both.



**Request for extension of time between Preliminary and Final Plat reviews for
Waterford Villas subdivision**

Waterford RE, LLC
Kevin Jessup, Manager
802 Northern Shores Lane
Greensboro, NC 27455

October 2, 2015

City of Asheboro
Attn: John L. Evans
Assistant Director
Community Development Division
146 N. Church Street
Asheboro, NC 27203

Dear Mr. Evans:

On January 4, 2007, the City of Asheboro approved a preliminary plat for Waterford Villas (SUB-06-03).

We would respectfully request a twelve month extension of time to submit a final plat. As you may know, this project stalled due to the overall soft building market in North Asheboro and certain issues surrounding the financing of this project.

We have recently broken ground in "Phase I" on new units and would expect to continue the project as originally intended as market conditions seem to be improving and the financing issue has been solved.

Feel free to contact me at 336-202-0684 with any questions.

Sincerely,

Waterford RE, LLC
By: Kevin Jessup, its Manager

RESOLUTION NUMBER _____

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

**RESOLUTION AUTHORIZING AN EXCEPTION TO THE
COMPETITIVE BIDDING PROCEDURES FOR THE PURCHASE OF A
PREVIOUSLY OWNED AERIAL PLATFORM FIRE TRUCK**

WHEREAS, in an effort to reconcile operational needs with fiscal constraints, the Asheboro Fire Department’s management team has developed a plan to purchase a previously owned 1998 or newer aerial platform fire truck that can be refurbished to meet the city’s operational needs in a safe and effective manner while simultaneously allowing the department to purchase additional new equipment; and

WHEREAS, the Asheboro Fire Department has located a used fire truck that is in good condition and satisfies the requirements of the above-described plan; and

WHEREAS, the said used fire truck is a 1999 Pierce Dash 100-foot aerial platform truck that is currently owned by the Franconia Volunteer Fire Department in Alexandria, Virginia; and

WHEREAS, the Franconia Volunteer Fire Department has offered to sell this fire suppression apparatus to the City of Asheboro for a purchase price of \$80,000; and

WHEREAS, the Asheboro Fire Chief has recommended purchasing this fire suppression apparatus, subject to testing requirements and other contractual provisions used by the City of Asheboro when purchasing vehicles; and

WHEREAS, the City Manager concurs with this recommendation; and

WHEREAS, price competition for a truly comparable used, out-of-production 1999 model year fire truck that meets the Asheboro fire department’s standards for safety and operational readiness is not available; and

WHEREAS, Section 143-129(e)(6) of the North Carolina General Statutes provides for an exception (the sole source exception), with the approval of the governing board, to the prescribed competitive bidding procedures if performance and price competition for a product are unavailable or if a needed product is available from only one source of supply; and

WHEREAS, based on the recommendations from city staff and the availability of the above-referenced state law exception for sole source purchases, the City Council has concluded that the purchase of the above-described fire truck is in the best interest of the city;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro, North Carolina that, subject to the city’s standard purchase contract provisions and any equipment

testing requirements deemed advisable by the fire department's command staff, the purchase of the 1999 Pierce Dash 100-foot aerial platform truck from the Franconia Volunteer Fire Department, in accordance with the sole source provisions outlined in Section 143-129(e)(6) of the North Carolina General Statutes, is hereby approved.

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting of the governing board that was held on the 5th day of November, 2015.

David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

STATE OF NORTH CAROLINA

WATER PURCHASE AGREEMENT

COUNTY OF RANDOLPH

This Agreement (hereafter referred to as the "AGREEMENT") is made and entered into by and between the CITY OF ASHEBORO, NORTH CAROLINA, a North Carolina municipal corporation located wholly in Randolph County, (this party shall be hereafter referred to as "ASHEBORO"), and the CITY OF RANDLEMAN, NORTH CAROLINA, a North Carolina municipal corporation located wholly in Randolph County, (this party shall be hereafter referred to as "RANDLEMAN").

RECITALS

WHEREAS, this AGREEMENT replaces the prior municipal water agreement, which was dated August 10, 1995, between ASHEBORO and RANDLEMAN; and

WHEREAS, ASHEBORO owns and operates a public water supply and distribution system that, in accordance with generally accepted standards for a water utility, is deemed to have adequate capacity to meet the needs of the current and projected water users served directly by ASHEBORO in addition to delivering the quantity of water to be supplied to RANDLEMAN under the terms and conditions of this AGREEMENT; and

WHEREAS, the Asheboro City Council has, by Resolution, approved the terms and conditions of this AGREEMENT along with authorizing the execution and delivery of this legal instrument to RANDLEMAN; and

WHEREAS, the Randleman Board of Aldermen has, by Resolution, approved the terms and conditions of this AGREEMENT along with authorizing the execution and delivery of this legal instrument to ASHEBORO.

WITNESSETH:

NOW, THEREFORE, in consideration of the fee structure set forth below and the other mutual promises contained herein, ASHEBORO and RANDLEMAN agree as follows:

Section 1. Delivery of Water

1.01 During the term of this AGREEMENT, and subject to the limitations specified herein, ASHEBORO agrees to furnish to RANDLEMAN at the points of delivery, which are identified in the attached EXHIBIT 1, potable treated water in such quantity as may be required by RANDLEMAN.

- 1.02 The water delivered by ASHEBORO in accordance with Section 1.01 of this AGREEMENT shall meet, at the points of delivery, the applicable purity and clean water standards, as such standards may be set from time to time, by federal and/or state regulatory acts and bodies. Notwithstanding any other provision in this AGREEMENT, the parties mutually agree that ASHEBORO shall not be held responsible for the quality of water found beyond the above-referenced points of delivery.
- 1.03 ASHEBORO and RANDLEMAN mutually agree that Section 1.01 of this AGREEMENT shall not be interpreted or construed in a manner that requires ASHEBORO to provide any quantity of water that exceeds the operational capabilities, for any reason and at any specific point in time, of ASHEBORO'S water supply and distribution system.
- 1.04 The water supplied by ASHEBORO to RANDLEMAN is to be supplied at the pressure available at the points of delivery.
- 1.05 ASHEBORO will, at all times, use its best efforts to maintain and operate its public water supply and distribution system in accordance with all applicable regulatory standards and industry best practices. However, the parties agree that service interruptions are possible in spite of such best efforts. By way of illustration and not limitation, failures of water supply or pressure can occur due to breaks in water supply lines, equipment or power failure, criminal acts impacting the public water supply and distribution infrastructure, extended drought, catastrophic weather events such as hurricanes or tornados, earthquakes, flood, fire, the extended use of water to fight fire(s), or other catastrophic events. In the case of the occurrence of any of the events identified in the preceding list of emergency events or similar emergency occurrences that disrupt the operations of ASHEBORO'S public water supply and distribution system, ASHEBORO shall be excused from providing water to RANDLEMAN, and RANDLEMAN shall be excused from purchasing the minimum daily quantity of water specified in this AGREEMENT. The said period of time during which the parties are mutually excused from the obligations to supply and purchase water shall be strictly limited to the number of days, or parts thereof, necessary to restore service. In the event ASHEBORO is unable to furnish the amount of water requested by RANDLEMAN due to any of the matters set forth herein, ASHEBORO will not be held responsible for damages arising therefrom.
- 1.06 If ASHEBORO activates any or all of the emergency water management procedures/measures authorized by the Code of Asheboro, RANDLEMAN shall contemporaneously activate its own emergency water management procedures/measures that are, at a minimum, as restrictive and effective in water conservation as the measures implemented by ASHEBORO. If RANDLEMAN fails for any reason to implement such water management measures, ASHEBORO shall be excused from providing water to RANDLEMAN and will be authorized under the terms of this AGREEMENT to suspend water service to RANDLEMAN for the duration of the time period during which ASHEBORO'S emergency water management measures are activated and RANDLEMAN fails to implement its own emergency water management measures as required by this AGREEMENT. During such a water supply suspension period as described in the immediately preceding sentence, RANDLEMAN shall be excused from purchasing the

minimum daily quantity of water otherwise required by this AGREEMENT. As soon as the emergency water management measures are fully terminated by ASHEBORO, the water supply and payment obligations imposed on ASHEBORO and RANDLEMAN by this AGREEMENT in non-emergency situations shall once again be in full force and effect.

- 1.07 RANDLEMAN agrees to be invoiced/billed and to pay at the rate established by this AGREEMENT for a minimum of 125,000 gallons of water per day with no set maximum usage.
- 1.08 ASHEBORO will not reserve or guarantee for RANDLEMAN any capacity in the W. L. Brown Water Treatment Plant.

Section 2. Term of Agreement

- 2.01 Subject to the limitations stated herein, the term of this AGREEMENT shall be a term of 10 years. The term of the AGREEMENT shall commence at 12:01 a.m. on January 1, 2016, and the AGREEMENT shall expire by its own terms at midnight on December 31, 2025.
- 2.02 If either of the parties to this AGREEMENT breach any provisions or covenants of the said contract, the non-breaching party shall give notice of such breach to the party alleged to have committed the breach of contract. If such breach remains uncured for a period of 30 days, the AGREEMENT may be terminated at the option of the non-breaching party. The notice specified by this Section shall be given in the manner provided for notices in Section 5.04.

Section 3. Charges for the Purchase of Water

- 3.01 ASHEBORO will invoice/bill RANDLEMAN on a monthly basis for water supplied under this AGREEMENT, and RANDLEMAN will pay the invoiced/billed amount(s) in full with good funds within 30 calendar days of the receipt of such invoices/bills.
- 3.02 The amount of the monthly invoices/bills from ASHEBORO for the quantity of water supplied at the points of delivery shall be calculated by using a water billing rate that is calculated as 68% of the rate charged by ASHEBORO to its Inside Consumers per 100 cubic feet, or portion thereof, of water. As used herein, the term "Inside Consumers" refers to users of ASHEBORO'S public water supply and distribution system that are located within the city limits of ASHEBORO.
- 3.03 During the term of this AGREEMENT, water bills for Inside Consumers may increase or decrease. With each increase or decrease for Inside Consumers, the amount of the charge for water supplied under the terms and conditions of this AGREEMENT shall be adjusted to reflect the changes implemented for Inside Consumers. Throughout the term of this AGREEMENT, regardless of the amount of any increase or decrease in charges for Inside Consumers, RANDLEMAN'S monthly bill for water supplied pursuant to this

AGREEMENT will be calculated by using a rate equal to sixty-eight percent (68%) of the rate charged to Inside Consumers.

- 3.04 There will be no adjustments of invoices/billings for water usage, excess or otherwise, attributable in whole or in part to leaks or similar issues with the infrastructure maintained by RANDLEMAN.
- 3.05 Consumption by the fire service(s) of water beyond the points of delivery shall not serve as a basis for adjustments of the invoices/billings for water usage by RANDLEMAN.
- 3.06 RANDLEMAN shall keep all sums it collects from sales to water users located on the RANDLEMAN side of the points of delivery. RANDLEMAN shall also keep all sums it collects from service connections to RANDLEMAN'S lines on the RANDLEMAN side of the points of delivery.
- 3.07 Subject to the exceptions specified within this AGREEMENT, and regardless of the amount of water actually metered at the points of delivery, RANDLEMAN shall pay as a minimum monthly charge a sum that is no less than the amount that would have been billed if 125,000 gallons of water had passed through the meters at the points of delivery.

Section 4. Water Distribution and Service to Third Parties

- 4.01 The furnishing of water services to others by ASHEBORO and RANDLEMAN shall be in accordance with each party's ordinances, rules, and regulations within their respective jurisdictions. If a situation should arise where the areas of control for the contracting parties' respective water and sewer utilities overlap, the most restrictive provision(s) of the applicable ordinances, rules, or regulations shall control.
- 4.02 RANDLEMAN shall not provide water to any user on the ASHEBORO side of the points of delivery. Water service on the ASHEBORO side of the points of delivery will be provided by ASHEBORO.
- 4.03 RANDLEMAN shall be responsible for all maintenance of the water main on the RANDLEMAN side of the points of delivery. ASHEBORO shall be responsible for all maintenance of the water main on the ASHEBORO side of the points of delivery. Additionally, ASHEBORO shall be responsible for all maintenance of the water meters and vaults at the points of delivery.
- 4.04 ASHEBORO shall be solely responsible for maintenance of all infrastructure serving users who are considered customers of the ASHEBORO Water and Sewer Fund. RANDLEMAN shall be solely responsible for maintenance of all infrastructure serving users who are considered customers of the RANDLEMAN Water and Sewer Fund.
- 4.05 For the purpose of interpreting Section 4.05 of the AGREEMENT, the term "line of division" is the EXHIBIT "A" LINE shown on the two sheets of a map dated January 19, 1995, and revised August 6, 1998, which are attached to the ASHEBORO –

RANDLEMAN JOINT ANNEXATION AGREEMENT as EXHIBIT "A." Notwithstanding any other provision in this AGREEMENT, in the event only one contracting party's water lines extend to an area along the line of division, or in the event a water user's property extends along each side of the line of division, ASHEBORO and RANDLEMAN may informally agree to permit a single party to provide water services to such area or such user(s).

Section 5. Miscellaneous Provisions

- 5.01 Each party agrees to perform such acts as may be reasonably necessary to carry out the provisions of this AGREEMENT.
- 5.02 Both ASHEBORO and RANDLEMAN acknowledge and stipulate that this AGREEMENT is the product of mutual negotiation and bargaining. As such, the doctrine of construction against the drafter shall have no application to this AGREEMENT.
- 5.03 This AGREEMENT supersedes all prior agreements between the parties pertaining to the subject matter addressed herein. This AGREEMENT, and any exhibits attached hereto, embodies the entire contract between the parties in connection with this transaction, and there are no oral or parol agreements, representations, or inducements existing between the parties relating to this transaction which are not expressly set forth herein and covered hereby. The provisions of this AGREEMENT may not be amended, deleted, or modified, in whole or in part, without the express written consent of all parties to this AGREEMENT. Any such written agreement to amend, delete, or modify the terms and conditions found herein shall be executed with the same formality used to execute this AGREEMENT.
- 5.04 Except as specifically provided elsewhere in this AGREEMENT, all notices, requests, demands, and communications hereunder must be given in writing and shall be deemed validly given on the date when deposited in the United States mail as certified or registered mail, return receipt requested, and addressed as follows:

ASHEBORO: Asheboro City Manager
Post Office Box 1106
Asheboro, North Carolina 27204-1106

With copy to: Jeffrey C. Sugg, Asheboro City Attorney
Post Office Box 1106
Asheboro, North Carolina 27204-1106

RANDLEMAN: Randleman City Manager
204 South Main Street
Randleman, North Carolina 27317

With copy to: Robert E. Wilhoit, Randleman City Attorney
350 North Cox Street, Suite 10
Asheboro, North Carolina 27203

- 5.05 This AGREEMENT shall be subject to and governed by the laws of the State of North Carolina.
- 5.06 Whenever appropriate in this AGREEMENT, personal pronouns shall be deemed to include other genders and the singular to include the plural, if applicable.
- 5.07 No written waiver by any party at any time of any breach of any provision of this AGREEMENT shall be deemed to be a waiver of a breach of any other provision herein or a consent to any subsequent breach of the same or any other provision. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any occasion shall not be deemed to be a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion.
- 5.08 The various rights, powers, and remedies herein contained and reserved to either party shall not be considered as exclusive of any other right, power, or remedy, but the same shall be construed as cumulative and shall be in addition to every other right, power, or remedy now or hereafter existing at law, in equity, or by statute. No delay or omission of a party to exercise any right, power, or remedy arising from any omission, neglect, or default of the other party shall impair any such right, power, or remedy nor shall any such delay or omission be construed as a waiver of any such default or be construed as acquiescence therein.
- 5.09 The captions and section numbers appearing in this AGREEMENT are inserted only as a matter of convenience and do not define, limit, construe, or describe the scope of such paragraphs or sections of this AGREEMENT or in any way affect this AGREEMENT.
- 5.10 Time shall be of the essence of this AGREEMENT and each and every term and condition thereof.
- 5.11 This AGREEMENT may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this AGREEMENT to produce or account for more than one such fully-executed counterpart.
- 5.12 If any term or condition of this AGREEMENT is found to be unenforceable by a court of competent jurisdiction, the remaining terms and conditions shall remain binding upon the parties as though said unenforceable provision was not contained herein. However, if the invalid, illegal, or unenforceable provision materially affects this AGREEMENT, then the AGREEMENT may be terminated by either party on 10-day (business day) prior written notice to the other party hereto.

IN WITNESS WHEREOF, the parties hereto acting under the authority of their respective governing bodies, have caused this AGREEMENT to be duly executed as indicated below.

CITY OF ASHEBORO

CITY SEAL

By: _____
David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

STATE OF NORTH CAROLINA
COUNTY OF RANDOLPH

I, the undersigned Notary Public of the county and state aforesaid, do hereby certify that Holly H. Doerr personally appeared before me this day and acknowledged that she is the Clerk for the City of Asheboro, a North Carolina municipal corporation, and that, by authority duly given and as the act of the municipal corporation, the foregoing instrument was signed in its name by its Mayor, sealed with its municipal corporate seal, and attested by Ms. Doerr in her capacity as City Clerk.

WITNESS my hand and notarial stamp or seal, this the _____ day of _____, 2015.

NOTARIAL STAMP OR SEAL

Signature of Notary Public

My commission expires:

Printed or Typed Name of Notary Public

CITY OF RANDLEMAN

CITY SEAL

By: _____
Clarence R. Jernigan, Mayor
City of Randleman, North Carolina

ATTEST:

Melody R. Hancock, CMC, NCCMC, City Clerk
City of Randleman, North Carolina

STATE OF NORTH CAROLINA
COUNTY OF RANDOLPH

I, the undersigned Notary Public of the county and state aforesaid, do hereby certify that Melody R. Hancock personally appeared before me this day and acknowledged that she is the Clerk for the City of Randleman, a North Carolina municipal corporation, and that, by authority duly given and as the act of the municipal corporation, the foregoing instrument was signed in its name by its Mayor, sealed with its municipal corporate seal, and attested by Ms. Hancock in her capacity as City Clerk.

WITNESS my hand and notarial stamp or seal, this the _____ day of _____, 2015.

NOTARIAL STAMP OR SEAL

Signature of Notary Public

My commission expires:

Printed or Typed Name of Notary Public

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Finance Officer

**ASHEBORO REGIONAL AIRPORT
Work Authorization #5**

**Ramp Rehabilitation
Design/Bid Phase Services
September 4, 2015**

**Contract for Professional Services
Dated July 14, 2011**

Project Description

This work authorization includes the design/bid phase services for the Ramp Rehabilitation at the Asheboro Regional Airport. The design effort will include alternate pavement rehabilitation methods that will be summarized and presented to the owner. This may result in bids being taken for more than one repair method (multiple schedules of work).

All proposed costs are grant eligible and are reimbursable to the OWNER under Non-Primary Entitlement Funds at a ratio of 90% Federal and 10% Local Match. Work will be in accordance with Contract for Professional Services dated July 14, 2011 between the OWNER and the CONSULTANT.

Scope of Services

The CONSULTANT will provide the general Basic and Special Services listed below and in accordance with Section I & Section II of the General Provisions of the Contract for Professional Services, dated July 14, 2011.

**Basic Services
Design/Bid**

1. Design / Contract Documents: The CONSULTANT will provide the following Services.
 - a. Prepare design plans/specifications and contract bid documents for rehabilitation of the existing ramp and taxiway pavements and address necessary repair to adjacent drainage infrastructure.



- b. Prepare and submit along with form 7460 to FAA a Safety and Phasing Plan. Review proposed phasing options with the owner in order to minimize impact to the airports operations during construction.
2. Bidding Assistance: The CONSULTANT will provide the following Services.
 - a. Includes preparation of a bid advertisement, pre-bid conference, bid opening (1) each, bid tabulation and analysis, submittal of bids for NCDOA review and concurrence for recommendation of award.
3. Permitting Assistance: The CONSULTANT will provide the following Services.
 - a. Erosion control design and submittal of a permit application to the Land Quality Section of NCDENR and to the North Carolina Division of Aviation Environmental Engineer.
4. Grant Administration: The CONSULTANT will provide the following Services.
 - a. Assist OWNER with grant document preparation and submittal, complete grant reporting forms & subsequent requests for reimbursement.

Special Services

1. Project Formulation: The CONSULTANT will provide the following Services:
 - a. Preparation and coordination of work authorization agreement between the owner and the consultant to include NCDOA review and concurrence.
 - b. Preparation and submittal of initial grant documents and application forms, coordination of submittal with NCDOA and owner to establish grant set-up.
 - c. Preparation of sub-consultant contracts/coordination for survey and geotechnical services.
2. Field Surveys: Field surveys shall consist of topographic and location survey of existing conditions within the project area, including the existing apron edges, tie-down locations, identification/mapping of severe pavement cracks, and drainage features.



3. Geotechnical Investigations: Geotechnical investigations shall consist of coring of the existing ramp area to determine surface and base material types and thicknesses. Soil sampling of the subgrade for pavement design purposes.

4. Environmental Documentation (CATEX): The CONSULTANT will provide the following Services.
 - a. Prepare and submit required Documentation (CATEX) to NCDOA (NEPA and FAA SOP 500 compliant) for review and concurrence. The proposed work area and access/staging area(s) will be part of the CATEX coverage.

Note: Scope of Work does not include professional services for any construction phase services (they will be addressed in a separate work authorization). Should any delineation or mitigation be required for wetlands or archeological significant areas impacted by the proposed improvements they will be addressed in a separate agreement. The OWNER will be responsible for payment of all applicable review fees, permit fees and advertisements.

Deliverables

1. The CONSULTANT will provide electronic copies to the OWNER, in pdf and/or AutoCAD format of drawings and renderings produced under this Work Authorization.

2. Copies of grant applications, agreements and reimbursements.

3. Environmental Documentation-CATEX (NEPA and FAA SOP 500 compliant)



Fee Schedule

The OWNER will pay, and the CONSULTANT agrees to accept as full compensation for services under this Work Authorization a fee of One Hundred Nine Thousand Dollars (\$109,000) as indicated.

Basic Services

1. Design/Contract Documents	Lump Sum	\$58,200
2. Bidding Assistance	Lump Sum	\$ 9,900
3. Permitting Assistance	Lump Sum	\$ 7,300
4. Grant Administration	Lump Sum	\$ 2,800

Special Services

1. Project Formulation	Lump Sum	\$11,775
2. Field Surveys	Cost	\$ 6,325
3. Geotechnical Investigations	Cost	\$ 5,600
4. Environmental Documentation (CATEX)	Lump Sum	\$ 7,100

Any Additional Services requested shall be approved by the Owner in writing and will be completed in accordance with the Rate Schedule in effect at the time of services.

OWNER:

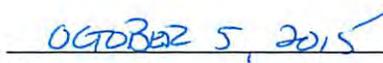
John N. Ogburn, III
City Manager

Date

CONSULTANT:



Brian L. Tripp, PE Vice President
W.K. Dickson & Co., Inc.



Date

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Deborah P. Reaves, Finance Officer

City of Asheboro
Ramp Rehabilitation (Design/Bid)
WA #5



**LEASE AGREEMENT FOR FIXED BASE OPERATOR
OF THE
ASHEBORO REGIONAL AIRPORT**

THIS LEASE AND OPERATING AGREEMENT (the "Agreement") is made and entered into this ____ day of December, 2015, by and between the City of Asheboro, a North Carolina municipal corporation located in Randolph County, North Carolina, (the "Lessor") and Cardinal Air, LLC, a North Carolina limited liability company with its principal office located at 80 Aviation Drive, Siler City, North Carolina 27344 (the "Lessee").

WITNESSETH:

WHEREAS, Lessor owns the Asheboro Regional Airport (the "Airport") that is located in Randolph County, North Carolina; and

WHEREAS, fixed base operation services are essential to the proper accommodation of general and commercial aviation at the Airport; and

WHEREAS, Lessor desires to make such services available at the Airport and Lessee is qualified, ready, willing, able, and currently providing such services;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, the parties hereby agree as follows:

**ARTICLE I
TERM**

The intent of the Lessor and Lessee is for this Agreement to have an initial 3-year term that will commence at 12:01 a.m. on January 1, 2016, and will expire at midnight on December 31, 2018, unless earlier terminated under the provisions of this Agreement. Subject to the terms and conditions found herein, this Agreement will automatically renew for one additional 3-year renewal term upon the same terms and conditions unless either the Lessor or Lessee notifies the other party in writing of the intent not to renew this Agreement at least 60 calendar days prior to the expiration of the initial lease term. If such an automatic renewal is allowed to commence, the renewal term for this Agreement will commence at 12:01 a.m. on January 1, 2019, and will expire at midnight on December 31, 2021.

**ARTICLE II
LEASED PREMISES**

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor the following described improvements that are identified and shown on Schedule "C" (Amended October 2013), which is attached hereto as EXHIBIT 1 and incorporated herein by reference, (the "Premises") together with the right of ingress and egress for both vehicles and aircraft:

1. "T" Hangars: Two 8-unit "T" hangars shown on Schedule "C."
2. Maintenance Building: Shown on Schedule "C."

3. FBO Administration Building (Terminal Building): The entire FBO Administration Building shown on Schedule "C," which includes the FBO office, manager's office, training room on the south side of the building, lounge, conference room, restrooms, and snack area. The lounge, conference room, restrooms, and snack area must be open to the public during normal operating hours.

4. Avgas and Jet Fuel Facilities.

5. North Apron: Shown on Schedule "C."

6. South Apron: Shown on Schedule "C."

ARTICLE III RIGHTS AND OBLIGATIONS OF LESSEE

A. Required Services. Lessee is hereby granted the non-exclusive privilege to engage in, and Lessee agrees to engage in, the business of providing fixed base operation services as hereinafter identified, at the Airport every day during the hours of 8 A.M. until sunset or 8 P.M., whichever occurs first, with only fuel sales required on Sunday and national holidays. Services required of the Lessee shall be as follows:

1. Lessee is to operate and provide management of all the Premises and the public and other non-commercial facilities on the Airport premises for the public and the Lessor in return for the use of the leased facilities. The leased facilities are described in Article II. The public facilities include the runway, taxiways, runway and taxiway lighting, REIL, NDB, PAPI, AWOS, auto parking area, access road, windsock, and area lighting. In the terminal building, the public facilities include the lobby, restrooms, vending/snack area, and conference room. Other non-commercial facilities shall include existing and future hangars or facilities not intended for commercial use and not leased to another tenant, and not part of the leased or public property. Operation by the Lessee includes maintaining clean facilities and providing operational maintenance.

2. Lessee is to provide a UNICOM radio station (The City reserves the right to license the UNICOM in its own name with access to be provided to the UNICOM for one or more lessees).

3. The Lessee will monitor the NDB and AWOS on monitors provided by the Lessor.

4. The Lessee will file and rescind NOTAMS as required.

5. The Lessee will provide repair and maintenance services for based and transient aircraft. Lessee agrees to maintain and provide, directly or by sublease, aircraft engine, airframe, and avionics maintenance and repair services within Federal Aviation Administration (the "FAA") rules and regulations, and the Lessee further agrees to observe and be responsible for all environmental regulations relative to all of its operations. The Lessor reserves the right to approve or disapprove with or without cause all sublease agreements prior to execution of the agreements.

6. The Lessee is to provide sales of avionic, airframe, and engine parts and instruments and accessories.

7. The Lessee is to provide aircraft rental and flight instruction.

8. The Lessee will provide ramp service, including sale and into plane delivery of aviation gas and jet fuel, lubricants, and other related aviation products.

9. The Lessee will provide apron servicing of and assistance to aircraft, including itinerant parking, storage, and tie down service, for both based and itinerant aircraft upon or within facilities leased to Lessee or aircraft parking areas designated by Lessor.

10. The Lessee will observe and enforce the "Rules and Regulations" of the Asheboro Regional Airport.

Lessee acknowledges that, with the exception of activities in the maintenance building, no right or privilege has been granted which would operate to prevent any person, firm, or corporation operating aircraft at the Airport from personally performing service on the individual's or entity's own aircraft or with the individual or entity's own regular employees, including maintenance and repair services.

B. Authorized and Prohibited Services. In addition to the services required to be provided by Lessee pursuant to Paragraph A above, Lessee is authorized but not required to provide the following services and to engage in the following activities:

1. Ramp service at the Main Terminal or other Airport locations; loading and unloading of non-air carrier passengers, baggage, mail, and freight; and providing of ramp equipment, aircraft cleaning, and other services for other persons or firms.

2. Special flight services, including, without limitation, aerial sight-seeing, aerial advertising, and aerial photography.

3. The sale of new and used aircraft.

4. Aircraft charter operations; said operations may be conducted by Lessee or a subcontractor of Lessee.

5. The Lessee may use the snack area in the terminal building for drink and snack machines and microwave, toaster, coffee pot, or similar device(s). A restaurant is not permitted. No business use is permitted in the lobby.

6. The Lessee is authorized to use the conference room in the terminal building for business purposes, provided that the public is given priority use.

C. Operating Standards. In providing any of the required and/or authorized services or activities specified in this Agreement, Lessee shall operate for the use and benefit of the public and shall meet or exceed the following standards:

1. Lessee shall furnish service on a fair, reasonable, and non-discriminatory basis to all users of the Airport. Lessee shall furnish good, prompt, and efficient service that is adequate to meet all reasonable and customary demands for its services at the Airport. Lessee shall charge fair, reasonable, and non-discriminatory prices for each unit of sale or service; provided, however, that Lessee may be allowed to give reasonable discounts, rebates, or similar types of

price reductions to volume purchasers so long as such discounts are not provided on the basis of a prohibited Constitutional or statutory factor or in violation of federal, state, or local public policy.

2. Lessee shall select and appoint a manager of its operations at the Airport. The manager shall be qualified, experienced, and vested with full power and authority to act in the name of Lessee with respect to the method, manner, and conduct of the operation of the fixed base services to be provided under this Agreement. The manager shall be available at the Airport during regular business hours and, during the manager's absence, a duly authorized subordinate shall be in charge and available at the Airport to provide usual and customary services then normally available.

3. Lessee shall provide, at its sole expense, a sufficient number of employees to provide effectively and efficiently the services required or authorized under the terms and conditions of this Agreement.

4. Lessee shall control the conduct, demeanor, and appearance of its employees, who shall be trained by Lessee and who shall possess such technical qualifications and hold such certificates of qualification as may be required in order to carry out assigned duties. It shall be the responsibility of Lessee to maintain supervision over its employees and to assure a high standard of service to customers of Lessee.

5. Lessee shall meet in a timely manner all expenses and payments in connection with its lease of the Premises (except as noted in Article IV) and the rights and privileges herein granted, including sales taxes, permit fees, and license fees.

6. Lessee shall comply with all federal, state, and local laws, rules, and regulations which may apply to the conduct of the business contemplated, including by way of illustration and without limitation rules and regulations promulgated by Lessor, and Lessee shall keep in effect and post in a prominent place all necessary and/or required licenses or permits.

7. Lessee shall be responsible for the maintenance and repair of the Premises (except as noted in Article IV) and shall keep and maintain the Premises in good condition, order, and repair, and Lessee shall surrender the same upon the expiration of this Agreement in the condition in which they are required to be kept, reasonable wear and tear and damage by the elements not caused by Lessee's negligence excepted.

8. It is expressly understood and agreed that, in providing required and authorized services pursuant to this Agreement, Lessee shall have the right to choose, in its sole discretion, its vendors and suppliers.

D. Signs. During the term of this Agreement, Lessee shall have the right, at its expense, to place in or on the Premises a sign or signs identifying Lessee and its products and services. Said sign or signs shall be of a size, shape, and design, and at a location or locations approved by Lessor. Any and all such signs must conform to any overall directional graphics or sign program or ordinance established by Lessor. Lessor's approval shall not be withheld unreasonably. Notwithstanding any other provision of this Agreement, said sign(s) shall remain the property of Lessee. Lessee shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of this Agreement.

E. Non-Exclusive Right. It is not the intent of this Agreement to grant to Lessee the exclusive right to provide any or all of the services described in this article at any time during the term of this Agreement. Lessor reserves the right, at its sole discretion, to grant others certain rights and privileges at the Airport which are identical in part or in whole to those granted to Lessee. However, Lessor does covenant and agree that:

1. It shall enforce all minimum operating standards or requirements for all aeronautical endeavors and activities conducted at the Airport;
2. Any other operator of aeronautical endeavors or activities will not be permitted to operate on the Airport under rates, terms, or conditions which are more favorable than those set forth in this Agreement; and
3. Lessor will not permit the conduct of any aeronautical endeavor or activity at the Airport except under an approved lease or operating agreement.

ARTICLE IV APPURTENANT PRIVILEGES

A. Use of Airport Facilities. Subject to the right of the Lessor, consistent with Article V of this Agreement, to close or limit access to one or more areas on the airport grounds in order to accommodate maintenance, renovation, and/or construction activities, Lessee shall be entitled, in common with others so authorized, to the use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including the use of landing areas, runways, taxiways, navigational aids, terminal facilities and aircraft parking areas designated by Lessor, auto parking, and roadways.

B. Maintenance and Operation of Airport Facilities. The duties and responsibilities of the Lessor for maintenance and expenditures concerning assets of the Asheboro Regional Airport are outlined as follows:

1. The Lessor will provide structural maintenance on buildings, the runway, taxiway, ramp areas, and the Premises. In addition, the Lessor will provide grass mowing services for the airport grounds and will provide, on paved areas only, snow removal services; provided, however, snow removal on city-maintained streets, wherever they may be located, shall receive the highest priority.
2. The Lessor will provide maintenance and calibration of the NDB, rotating beacon, REILS, and PAPI.
3. The Lessor will provide electricity for operation of the runway and taxiway lighting, REIL, windsock, rotating beacon, NDB, and outside area lighting.
4. The Lessor will provide potable water and sanitary sewer services for the terminal and east maintenance hangar.
5. The Lessor will provide and pay operational costs for outside public phone service.

6. Specific duties and responsibilities of the Lessor and the Lessee for the maintenance, operation, and expenditures concerning assets of the Asheboro Regional Airport are itemized as follows:

<u>ASSET</u>	<u>LESSEE</u>	<u>LESSOR</u>
Airfield	Manages; Post NOTAMS	Pays Maintenance & Mowing
Runway/Lighting	Manages; Replaces Lamps	Pays Lamps, Maintenance, & Electricity; Removes Snow
Windsock	Manages; Replaces Lamps/Sock	Pays Maintenance, Lamps, & Electricity
NDB/AWOS Monitors	Manages/Monitors	Pays Maintenance & NDB/AWOS Electricity
Light Beacon	Manages	Pays Maintenance & Electricity
Apron-North	Manages; Receives Full Rent; Provides Tie Down Ropes (Rental Rate to be Approved by Asheboro Airport Authority)	Pays Maintenance; Removes Snow
Fuel Facilities	Rent Free Use; Monitors Fuel On Daily Basis; Provides Operational Maintenance (Filters, Quality Control, and Clean-up); Pays 5% Of Gross Receipts from Flowage Fee to Lessor when Sales Exceed 150,000 Gallons in a Calendar Year	Provides Facility Maintenance; Receives 5% of Gross Receipts from Flowage Fee When Sales Exceed 150,000 Gallons in a Calendar Year
Terminal/Furn.	Rent Free Use of Office, Training Room, & Manager's Office; Pays Operational Maintenance Costs	Pays Structural Maintenance Costs; Pays Electric Bill
Parking Lot	Manages; FBO Rental Car Use	Provides Maintenance; Removes Snow
Water System	Uses Free of Charge	Operates the Municipal Water Supply & Distribution System
Sewer System	Uses Free of Charge	Operates the Municipal Sanitary Sewer System

<u>ASSET</u>	<u>LESSEE</u>	<u>LESSOR</u>
T Hangars (16)	Manages; Receives Full Rent; Provides Tie Down Ropes (Rental Rate to be Approved by Asheboro Airport Authority)	Pays Structural Maintenance
Maint. Hangar - East	Uses for Business Rent Free	Pays Structural Maintenance; Pays Heat & Electricity
Maint. Hangar - West	Uses for Business Rent Free	Pays Structural Maintenance; Pays Heat & Electricity
Air Compressor	Pays All Maintenance	No Obligation to Replace
Roads	Manages; Common Use	Pays Maintenance; Removes Snow
Area Lighting	Manages; Calls for Maintenance	Pays for Service
Public Phone	Manages; Calls for Maintenance	Pays for Service
UNICOM	Furnishes & Operates	Reserves Access by Others
Apron South	Manages; Receives Full Rent; Provides Tie Down Ropes (Rental Rate to be Approved by Asheboro Airport Authority)	Reserves Right to Lease to Others; Pays Maintenance; Removes Snow
Other Non-Commercial Hangars or Facilities Existing and Those Developed in the Future	Manages, Subject to City Lease Agreement(s)	Subject to City Lease Agreement(s)
Fuel Truck	Provides Gas for Truck; Provides Operational Maintenance of Fueling Equipment (Filters, Quality Control, & Clean-up)	Provides Truck; Provides Maintenance Service for Truck & Repair of Equipment
Trash Containers	Free Use of Containers; Monitors & Limits Unauthorized Use	Provides Containers; Empties Containers & Pays for Trash Disposal

C. Aerial Approaches. Lessor reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the sole opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft.

D. Non-Competition. Lessor shall not engage directly or indirectly in any of the activities described in Paragraphs A and B of Article III of this Agreement.

ARTICLE V LEASEHOLD IMPROVEMENTS

Lessee is not required to construct any facilities or improvements under this Agreement. Lessor has the right to close runway, taxiway, and apron areas for repair or new construction for limited times. Lessee agrees to allow new construction to be performed in a cost efficient manner, and Lessor agrees to negotiate in good faith a reasonable payment to Lessee for loss of use of the facilities due to such construction.

At its option, the Lessor may assume ownership of any leasehold improvements constructed by Lessee upon Lessee's abandonment of the facilities at the termination of this Agreement.

ARTICLE VI PAYMENTS

A. Fees. In consideration of the rights and privileges granted by this Agreement, Lessee agrees to pay to Lessor during the term of this Agreement the following:

After the threshold amount of 150,000 gallons of aviation fuel is sold by Lessee in a calendar year, the Lessee shall pay an amount equal to five percent (5%) of gross fuel sales dollars as a fuel flowage fee on all aviation fuel dispensed by Lessee on the premises. Payments shall be made on or before the 10th day of each month for fuel dispensed during the prior month.

B. Delinquency Charge. A delinquency charge of one percent (1%) per month shall be added to payments required by Paragraph A above that are rendered more than ten (10) days delinquent.

C. Place of Payment. All payments due Lessor from Lessee shall be delivered to the City of Asheboro Finance Department, 146 N. Church Street, P.O. Box 1106, Asheboro, NC 27204-1106.

D. Renegotiation of Rent. The Lessee is given the authority to change hangar rents at its discretion but with the approval of the Asheboro Airport Authority. Such approval shall not be unreasonably withheld.

E. Records. Lessee shall maintain and provide accurate records of retail fuel sales, hangar and tie-down rentals, and itemized adjusted gross receipts derived under this Agreement for a period of three years from the date the record is made. Such records shall be maintained according to generally accepted accounting principles. Lessor or its duly authorized representatives shall have the right at all reasonable times during business hours to inspect the

books, records, and receipts of Lessee, and to verify Lessee's fuel sales, hangar and tie-down rentals, and adjusted gross receipts.

F. Annual Statement. Within 90 days after the end of each calendar year, Lessee shall furnish to Lessor a statement of fuel sales along with hangar and tie-down rentals generated during the preceding calendar year. The statement referenced in the preceding sentence shall be prepared by an independent CPA and certified by an officer of Lessee as to the correctness of the statement. Lessor reserves the right to audit said statement and Lessee's books and records, including examination of the general ledger and all other supporting material, at any reasonable time during business hours for the purpose of verifying the reported fuel sales, hangar and tie-down rentals, and total business year operation.

If the audit establishes that Lessee has understated or overstated fuel sales and/or the hangar and tie-down rentals collected by five percent (5%) or more, the entire expense of said audit shall be borne by Lessee. Any additional payment due from Lessee shall forthwith be paid to Lessor, with interest thereon at one percent (1%) per month from the date such amount originally became payable to Lessor. Any overpayment by Lessee shall be credited against further payments due to Lessor. Either party may refer the results of the audit for resolution in accordance with Paragraph G below.

G. Disputes. In the event that any dispute may arise as to fuel sales and/or hangar and tie-down rentals collected, the amount claimed due by Lessor shall be submitted to a certified public accountant, agreeable to both parties, who shall determine the rights of the parties hereunder in conformity with generally accepted accounting principles. The fees due said accountant for such services shall be paid by the unsuccessful party, or in the event the determination is partially in favor of each party, the fee shall be borne equally by the parties.

ARTICLE VII UTILITIES

Lessee shall have the right to use the utility service facilities as located on the Premises at the commencement of this Agreement. The Lessee shall pay the cost for any improvements or extensions of the utility service facilities desired by the Lessee.

ARTICLE VIII INSURANCE

A. Required Insurance. Lessee shall obtain and maintain continuously in effect at all times during the term of this Agreement, at Lessee's sole expense, the following insurance:

1. Comprehensive general liability insurance, including products, completed operations, and contractual liability, in the minimum amount of \$1,000,000 to protect Lessor against any and all liability by reason of Lessee's conduct incident to the use of the Premises, liability resulting from any accident occurring on or about the roads, driveways, or other public places, including runways and taxiways, used by Lessee at the Airport, or liability caused by or arising out of any wrongful act or omission of Lessee;

2. Hangar keeper's insurance in the minimum amount of \$100,000/\$250,000;

3. Auto liability insurance in the minimum amount of \$1,000,000, if vehicles are registered in Lessee's name.

4. Workers' compensation coverage that, at a minimum, complies with North Carolina statutory requirements is also required of the Lessee.

The insurance specified in A.1 through A.3, above, shall name Lessor and the Asheboro Airport Authority as additional insureds.

B. Notice. Lessor agrees to notify Lessee in writing as soon as practicable of any claim, demand, or action arising out of an occurrence covered hereunder of which Lessor has knowledge, and to cooperate with Lessee in the investigation and defense thereof.

ARTICLE IX INDEMNIFICATION

To the extent not covered by insurance carried in favor of Lessor, Lessee shall indemnify and hold harmless Lessor from and against any and all claims, demands, suits, judgments, cost, and expenses asserted by any person or persons, including agents or employees of Lessor or Lessee, by reason of death or injury to persons or loss or damage to property resulting from Lessee's operations or anything done or omitted by Lessee under this Agreement except to the extent that such claims, demands, suits, judgments, costs, and expenses may be attributed to the acts or omissions of Lessor or its agents or employees.

To the extent not covered by insurance carried in favor of Lessee, Lessor shall indemnify and hold harmless Lessee from and against any and all claims, demands, suits, judgments, cost, and expenses asserted by any person or persons, including agents or employees of Lessee or Lessor, by reason of death or injury to persons or loss or damage to property resulting from Lessor's operations or anything done or omitted by Lessor under this Agreement except to the extent that such claims, demands, suits, judgments, costs, and expenses may be attributed to the acts or omissions of Lessee or its agents or employees.

The City of Asheboro agrees to indemnify the Lessee and its principals against all environmental liabilities existing prior to the effective date of this Agreement and to indemnify the Lessee and its principals against future environmental liabilities not caused by the Lessee or one of its principals, agents, or employees.

ARTICLE X LESSEE AS INDEPENDENT CONTRACTOR

In conducting its business hereunder, Lessee acts as an independent contractor and not as an agent of Lessor. The selection, retention, assignment, direction, and payment of Lessee's employees shall be the sole responsibility of Lessee, and Lessor shall not attempt to exercise any control over the daily performance of duties by Lessee's employees.

**ARTICLE XI
ASSIGNMENT**

This Agreement, or any part thereof, may not be assigned, transferred, or subleased by Lessee, by process or operation of law, or in any other manner whatsoever, without the prior written consent of Lessor, which consent shall not be withheld unreasonably.

**ARTICLE XII
NON-DISCRIMINATION**

Notwithstanding any other or inconsistent provision of this Agreement, during the performance of this Agreement, Lessee, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration for this Agreement, does hereby covenant and agree, as a covenant running with the land, that;

A. No person on the grounds of race, color, religion, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Premises.

B. In the construction of any improvement(s) on, over, or under the Premises, and the furnishing of services therein or thereon, no person on the grounds of race, color, religion, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

C. Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

D. In the event of breach of any of the above non-discrimination covenants, Lessor shall have the right to terminate this Agreement and to reenter and repossess the Premises and hold the same as if said Agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 have been followed and completed, including expiration of appeal rights.

**ARTICLE XIII
REQUIREMENTS OF THE UNITED STATES**

This Agreement shall be subject and subordinate to the provisions of any existing or future agreement between Lessor and the United States, or any agency thereof, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development or operation of the Airport; provided, however, that Lessor shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provisions protecting and preserving the rights of Lessee in and to the Premises and to compensation for the taking thereof, interference therewith and damage thereto, caused by such agreement or by actions of Lessor or the United States pursuant thereto.

**ARTICLE XIV
DEFAULT AND TERMINATION**

A. Termination by Lessee. This Agreement shall be subject to termination by Lessee in the event of any one or more of the following events:

1. The abandonment of the Airport as an airport or airfield for any type, class, or category of aircraft.
2. The default by Lessor in the performance of any of the terms, covenants, or conditions of this Agreement, and the failure of Lessor to remedy or undertake to remedy to Lessee's satisfaction such default for a period of 30 days after receipt of notice from Lessee to remedy the same.
3. Damage to or destruction of all or a material part of the Premises or Airport facilities necessary to the operation of Lessee's business.
4. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part or parts thereof, in such a manner as to restrict substantially Lessee from conducting business operations for a period in excess of 90 days.

B. Termination by Lessor. This Agreement shall be subject to termination by Lessor in the event of any one or more of the following events:

1. The default by Lessee in the performance of any of the terms, covenants, or conditions of this Agreement, and the failure of Lessee to remedy or undertake to remedy to Lessor's satisfaction such default for a period of 30 days after receipt of notice from Lessor to remedy the same.
2. Lessee files a voluntary petition in bankruptcy, including a reorganization plan, makes a general or other assignment for the benefit of creditors, is adjudicated as bankrupt, or if a receiver is appointed for the property or affairs of Lessee and such receivership is not vacated within 30 days after the appointment of such receiver.
3. In addition to all other remedies at law, the Lessor is expressly granted all rights and procedures authorized by Chapter 42 of the North Carolina General Statutes to obtain possession of the premises upon default.

C. Exercise. Exercise of the rights of termination set forth in Paragraphs A and B above shall be by notice to the other party within 30 days following knowledge of the event giving rise to the termination.

D. Removal of Property. Upon termination of this Agreement for any reason, Lessee, at its sole expense, shall remove from the Premises all signs, trade fixtures, furnishings, personal property, equipment, and materials which Lessee was permitted to install or maintain under the rights granted herein. If Lessee shall fail to do so within 30 days, then Lessor may cause such removal or restoration at Lessee's expense, and Lessee agrees to pay Lessor such expense promptly upon receipt of a proper invoice therefore.

E. Causes of Breach; Waiver.

1. Neither party shall be held to be in breach of this Agreement because of any failure to perform any of its obligations hereunder if said failure is due to any cause for which it is not responsible and over which it has no control; provided, however, that the foregoing provision shall not apply to failures by Lessee to pay fees, rents, or other charges to Lessor.

2. The waiver of any breach, violation, or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any such subsequent breach, violation, or default in or with respect to the same or any other covenant or condition hereof.

**ARTICLE XV
MISCELLANEOUS PROVISIONS**

A. Entire Agreement. This Agreement constitutes the entire understanding between the parties, and as of its effective date, supersedes all prior or independent agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

B. Severability. If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.

C. Notice. Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be sent by certified mail, return receipt requested, with postage fees prepaid. Notice shall be deemed to have been received on the date of receipt as shown on the return receipt. Any such notice shall be addressed as follows:

1. If the Lessor is recipient of the notice, the notice shall be addressed as follows:

John N. Ogburn, III, City Manager
City of Asheboro
146 N. Church Street
PO Box 1106
Asheboro, NC 27204-1106

2. If Lessee is the recipient of the notice, the notice shall be addressed as follows:

Cardinal Air, LLC
2222 Pilots View Road
Asheboro, NC 27205

D. Headings. The headings used in this Agreement are intended for convenience of reference only and do not define or limit the scope or meaning of any provision of this Agreement.

E. Governing Law. This Agreement is to be construed in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

LESSOR: City of Asheboro

By:

David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

STATE OF NORTH CAROLINA
COUNTY OF RANDOLPH

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Holly H. Doerr, who is personally known to me, came before me this day and acknowledged that she is the City Clerk for the City of Asheboro and that, by authority duly given and as the act of the municipal corporation, the foregoing instrument was voluntarily executed on behalf of the municipal corporation by its Mayor, sealed with the municipal corporation's seal, and attested by Ms. Doerr as the City Clerk for the purposes stated therein.

WITNESS my hand and notarial seal or stamp, this the ____ day of December, 2015.

(Signature of Notary Public)

My commission expires:

(Printed or Typed Name of Notary Public)

LESSEE: Cardinal Air, LLC

By: _____
Karen McCraw, Member-Manager

STATE OF NORTH CAROLINA
COUNTY OF _____

I, the undersigned Notary Public of the County and State aforesaid, certify that Karen McCraw, either being personally known to me or whose identity was proven by satisfactory evidence, appeared before me this day and acknowledged that she is Manager of Cardinal Air, LLC and that, as the Manager and being duly authorized to do so, she voluntarily executed the foregoing instrument on behalf of the said limited liability company for the purposes stated therein.

WITNESS my hand and notarial seal or stamp, this the _____ day of December, 2015.

(Signature of Notary Public)

My commission expires:

(Printed or Typed Name of Notary Public)
