

Zebulon Board of Commissioners
Minutes
November 5, 2012

Present: Robert S. Matheny-Mayor, Curtis Strickland, Beverly Clark, Don Bumgarner, Dale Beck, Roy Collins, Rick Hardin-Town Manager, Lisa Markland-Town Clerk, Greg Johnson-Parks & Recreation, Emily Lucas-Finance, Mark Hetrick-Planning, Dennis Brannan-Police, Chris Ray-Public Works, Eric Vernon-Attorney

Absent:

Mayor Matheny called the meeting to order at 7:00pm.

Mayor Matheny recognized Boy Scout Troop 508 that was present at the meeting.

APPROVAL OF AGENDA

Mayor Matheny stated that the first item of business was to approve the agenda.

Commissioner Clark made a motion, second by Commissioner Collins to approve the agenda as presented. There was no discussion and the motion passed unanimously.

PUBLIC COMMENT PERIOD

There was no one wishing to make public comment.

CONSENT

A. Minutes

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve the minutes of October 1, 2012. There was no discussion and the motion passed unanimously.

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve the minutes of the October 8, 2012 public hearing. There was no discussion and the motion passed unanimously.

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve the minutes of the October 17, 2012 work session. There was no discussion and the motion passed unanimously.

B. Finance

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve the tax report for August 2012. There was no discussion and the motion passed unanimously.

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve ordinance 2013-19. There was no discussion and the motion passed unanimously.

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve ordinance 2013-20. There was no discussion and the motion passed unanimously.

C. Planning

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve resolution 2013-10. There was no discussion and the motion passed unanimously.

PRESENTATION

A. Audit—Joyce and Company

Emily Lucas introduced Shelton Ennis with Joyce and Company who prepared the audit for the Town of Zebulon.

Shelton Ennis stated that the Town had received an unqualified clean opinion meaning that the financial statements were presented fairly in all material respects including the general fund, governmental fund as well as proprietary funds and the financial statements that go with those funds for the year ending June 30, 2012.

The Town of Zebulon had received the certificate of achievement of excellence in financial reporting (CAFR) for the last 19 years and it had been submitted for the 2012 fiscal year.

The audit highlights handout given to the Board were reviewed.

The schedule of findings were discussed with there being only one finding which was a lack of segregation of duties in the finance department. Shelton Ennis stated that towns the size of Zebulon that had limited staff to receive that finding. He stated that the staff did a great job of segregating duties between staff members and the cost benefit of hiring additional staff was not cost effective. He continued by saying that it could be alleviated by having a board member review bank statements monthly for the main operating account and cancelled checks.

Mayor Matheny asked about what it meant by unqualified statement of noncompliance to financial statements. Mr. Ennis explained that the statement dealt with grant related matters and that there was no evidence of noncompliance with the requirements set forth for grants that the Town received.

OLD BUSINESS

A. Planning

Ordinance 2013-21—Amendment to 152.129 the Permitted Uses Table

Mark Hetrick presented that staff was recommending an amendment to the permitted uses table to add foundry's and a general manufacturing category. A foundry would be allowed as a general use in the heavy industrial (IH) district and with a special use in the light industrial (IL) district.

The Planning Board was recommending a change to what staff was recommending and that was to allow foundry with a special use in both IL and IH.

Mayor Matheny stated that under in IL and IH someone should be able to store raw materials and finished products on the side and rear yards. He thought it should say "outside storage of raw

materials or finished products is allowed and can be located within the side and rear setbacks.” Nothing would be allowed in the front yard. Mayor Matheny asked that it be added.

Commissioner Beck asked if there was a problem with heavy industrial not having a special use permit. Mark Hetrick stated that when the Planning Board looked at the map of the Town they saw that some of the heavy industrial zoning that was down Vance Street and there was a little bit of concern there.

Commissioner Bumgarner made a motion, second by Commissioner Beck to adopt Ordinance 2013-21 as presented by staff with foundry being a special use in IL and a general use in IL and with the addition of the Mayor’s request for side and rear storage. Commissioner Strickland asked that the motion be repeated so Mayor Matheny repeated the motion. There was no discussion and the motion passed unanimously.

SU 2013-02—Special Use Permit for a daycare center at 408 W. Judd Street

Bo Dobrzenski presented that there was a request for a special use permit to locate at 408 W. Judd Street by Nikira Carter to locate a daycare center. The property was previously operated as a day care center and was zoned TR so a special use permit was required. There was 2.3 acres and was adjacent to industrial and R-13 properties.

The Planning Board recommended approval.

Commissioner Beck made a motion, second by Commissioner Clark to approve SU 2013-02 with the conditions that were presented. There was no discussion and the motion passed unanimously.

RZ 2013-02—Rezoning request by Dwain Driver to rezone .7 acres located at 201 E. Sycamore Street from R-10 to HB

Bo Dobrzenski stated that Dwain Driver was requesting to rezone .7 acres, which was the rear yard portion of the property located at 201 E. Sycamore St. It was currently zoned R-10 and they were requesting it be rezoned to heavy business (HB). Their intent was to recombine it with their adjoining property so that they could do more with their business.

Bo reviewed the surrounding zonings as residential, TR and business. He also looked at the land use plan and those designations. The Board was informed that they should consider all the possible uses for heavy business zoning when making their decision.

Staff and the Planning Board were recommending approval of the rezoning request.

Commissioner Beck made a motion, second by Commissioner Bumgarner to approve RZ 2013-02 to rezone .7 acres located at 201 E. Sycamore Street and facing Proctor Street from R-10 to HB.

NEW BUSINESS

A. General

Board Appointment—Board of Adjustment

Lisa Markland stated that there was one position open on the Board of Adjustment which was an ETJ position. Lisa stated that Gerald Lanier said that he could not come back into that position and David Hughes had stated that he wanted to serve on the Board of Adjustment if a position ever came open. David Hughes had served on the Planning Board for over 15 years and submitted an application for the Board of Adjustment.

Mayor Matheny stated that as an ETJ member the Board would be recommending to Wake County that he be appointed to serve in that position.

Commissioner Clark made a motion, second by Commissioner Collins to recommend appointment of David Hughes to the Board of Adjustment as an ETJ member to the Wake County Commissioners. There was no discussion and the motion passed unanimously.

Resolution 2013-11—Support of Hold Harmless Funding

Rick Hardin stated that the Town had been receiving in excess of \$400,000 a year for the last 10 years in hold harmless funding and 2013 would be the last year to receive those funds. He stated that \$400,000 was roughly equivalent to a five cent tax increase. Zebulon would be one the hardest hit by losing that funding and the resolution asks the NCLM to support keeping that funding through the legislature.

Mayor Matheny stated that last year there was a big push to save the hold harmless funding and the bill passed the House but was stripped out in the Senate. It would be very important to get that passed so support was needed.

Commissioner Beck made a motion, second by Commissioner Clark to approve resolution 2013-11. There was no discussion and the motion passed unanimously.

B. Finance

Update on Investment Planning

Emily Lucas stated that the objectives of safety, liquidity, and yield were always kept in mind when investing the Town funds. Staff was recommending putting some of the Town's funds into the North Carolina Capital Management Term Portfolio. She stated that the cash portfolio had been utilized for several years. The current rate on the term portfolio was .22% which was low but the outlook was that the interest rate would not rise for two years or so. The cash portfolio and the bank accounts were around seven basis points or 0.07% or lower. The term portfolio was a 90 day portfolio with continuing options for renewal.

The other investment options were reviewed and most if not all required a broker/dealer arrangement and the cost was not advantageous. What would be made would be used to pay the broker/dealer fees or custodial arrangement.

Emily stated that she wanted to make the Board aware of it prior to investing just in case there were any questions or concerns.

Mayor Matheny asked if early withdrawal was allowed with a penalty. Emily stated that would be allowable and it would be so many basis points off the rate they were guaranteeing.

BOARD COMMENTS

Commissioner Beck encouraged everyone to get out and vote tomorrow.

MANAGERS REPORT

Rick Hardin stated that there would be a Veteran’s Day celebration at the Community Center on Friday November 9th, Town Offices would be closed on Monday November 12th in observance of Veteran’s Day, a joint public hearing on November 13th, a work session on November 14th, and Town Offices would be closed on November 22-23 for Thanksgiving. Finally, the Arbor Day celebration would be November 28th at 3:00pm.

Rick informed the Board that there were two vacancies within the Town. One was with Public Works and the other was in the Police Department and those positions would not be filled at this time due to the budget. They would be reviewed in the spring to see where things were.

Commissioner Bumgarner made a motion, second by Commissioner Clark to adjourn. There was no discussion and the motion passed unanimously.

Date

Robert S. Matheny—Mayor

SEAL

Lisa M. Markland, CMC—Town Clerk