

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, DECEMBER 8, 2014
7:00 PM

Mayor Terry called the meeting to order and called for a moment of silence.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance was led by Commissioner Farrell.

ATTENDANCE

Members present: Mayor Bill Terry, Mayor Pro Tem Pamela Baldwin, Commissioner Jay Farrell, Michael Fiocco, Bett Wilson Foley and Beth Turner.

Staff present: Manager Bryan Gruesbeck, Clerk Alice F. Lloyd, Attorney Paul S. Messick, Jr., Police Chief Percy Crutchfield, Planner Stuart Bass, Finance Officer Nancy Emslie and Engineer Fred Royal.

CONSENT AGENDA

Commissioner Fiocco stated he would like to remove FY 2015-2016 Budget Calendar to New Business #2 for discussion.

Commissioner Fiocco had asked that page 4 paragraph 9 be changed to read Plasma Arc Plant instead of Plasma Park Plant.

Motion made by Commissioner Fiocco seconded by Commissioner Farrell to approve the consent agenda with the changes listed above. The Consent Agenda contains the following items:

1. Approve minutes of the November 24, 2014 regular meeting.
2. Approve FY 2015-2016 Budget Calendar. **Move to New Business #2.**
Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

Mayor Terry asked the Board to consider moving FYI #1 to Old Business #5 since during the budget process we said it would be discussed at the December 2014 meeting to see if an adjustment needed to be made for water and sewer charges.

Motion made by Commissioner Fiocco Turner to approve the regular agenda as submitted moving FYI Item #1 to Old Business #5 for discussion.
Aye-5 Nay-0

CITIZENS MATTERS

John Alderman – 244 Red Gate Road – read the following letter into the record.

An open letter to Mr. Gruesbeck:

I own a small, highly qualified, local environmental consulting firm wishing to do business with Pittsboro. We specialize in completing natural resources investigations, such as stream and wetland delineations, endangered species surveys, plant and animal inventories, environmental assessments, biological assessments, environmental impact statements, and applications to state and federal agencies for permits, certifications, and authorizations. Our clients include some of the largest public agencies and private firms. We do no engineering, architectural, or land surveying (EALS) work. As you know, according to the federal Brooks Act (Public Law 92-582) and North Carolina's state Mini-Brooks Act (G.S. 143-64.31), EALS contracts require a qualifications-based selection process without competitive bidding on projects. Natural resources investigations performed by Alderman Environmental Services, Inc. are not addressed by investigations or for assistance in developing documentations needed to acquire state or federal environmental impact authorizations. I request that Pittsboro require competitive bids for this work. It is inappropriate to include this work in contracts to EALS firms that farm this work out, without competition, to their hand selected environmental firms. Local governments facilitating such associations not addressed by qualifications-based legislation have no legal grounds of support. In the future, Pittsboro needs to separate various project contracts into two categories: qualifications-based and competitive bid. By doing do, you will be supporting local small businesses, and you should receive quality products at reduced cost to taxpayers.

Diana Hales – newly elected Chatham County Commissioner. Addressed the Board as a citizen speaking for herself. Ms. Hales stated her desire to work with all the Towns in Chatham County. She said they would be looking at re-enacting the Environmental Review Board for Chatham County.

OLD BUSINESS

AUDIT PRESENTATION FOR FISCAL YEAR 2013-2014. (NANCY EMSLIE; JAY SHARPE)

Finance Officer Nancy Emslie introduced Jay Sharpe, CPA with Rives and Associates, LLP and stated he will be going over information included in the agenda packet.

Jay Sharpe went over the information included in the agenda packet. He went over the objective of the audit and the opinions of the audit.

Management Letter included:

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Pittsboro (the "Town") as of and for the year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing

our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in Board's internal control to be significant deficiencies:

Accounting Policies and Procedures Manual

We noted during our audit procedures that the Town currently does not have a written set of policies and procedures as it relates to the accounting function of the Town's financial operations. It is important to document the policies, procedures and controls over the Town's financial operations. The Town currently has a small finance department and loss of any key personnel could hinder the accounting of the Town's financial operations due to lack of support on how the department operates. A written set of policies and procedures also serves as a reminder to current personnel how the department operates. We recommend the Town study its financial operations and produce a manual concerning its financial operations.

Cancelling Invoices

We noted during our audit procedures that invoices were not being properly cancelled on a consistent basis. Proper internal controls require all paid invoices to be properly cancelled in order to avoid duplicate payments. We recommend that the procedures for cancelling invoices that have been paid be reinforced to staff in charge of this procedure.

During our audit, we also became aware of other matters than the previously reported significant deficiencies that we believe are opportunities to strengthen operating efficiency.

Capital Assets

We noted during our audit procedures that the Town is completely reliant on its auditors to track its capital assets and calculate their annual depreciation. The Town does not keep a list of its capital assets and therefore cannot identify impaired assets nor conduct a complete inventory of them. We recommend the Town implement its internal accounting software to track its capital assets.

Personnel Files

We noted during our audit procedures that the Town is not effectively tracking pay rates for the Town's staff. All staff's pay rate changes should be documented in their personnel files in order to ensure that staff is being paid at the correct rates. We recommend the Town enact a system to which all approved rate changes are properly documented and included in individual personnel files.

Other Postemployment Benefits

We noted during our audit procedures that the Town calculates the estimated Other Postemployment Benefits. As this potential liability increases, the ability of the Town to correctly calculate this estimate may decrease. We recommend that the town take into consideration the use of an independent third party actuary to calculate this estimated liability.

Other Matters

We have noted during our current year and previous year audit, the difficulty the accounting department has with the current accounting software. We would recommend that the Town consider reviewing other accounting software packages in the future.

REZONING REQUEST – PITTSBORO FORD REZONING. (REZ-2014-03) (STUART BASS)

Planner Bass said the request is to rezone approximately 1.3 acres adjacent to the existing Pittsboro Ford dealership from R-A (Residential-Agricultural) to C-2 (Highway Commercial). A public hearing was held on November 24, 2014.

Planner Bass stated we have received a valid petition for annexation of the property.

Mr. Nelson agreed to address the buffering concerns received during the public hearing.

Motion made by Commissioner Fiocco seconded by Commissioner Farrell to approve an Ordinance to Rezone (REZ-2014-03).

Vote Aye-5 Nay-0

The ordinance reads as follows:

**AN ORDINANCE AMENDING THE ZONING ORDINANCE
AND THE
ZONING MAP
OF THE TOWN OF PITTSBORO**

Boyette Nelson, LLC {Pittsboro Ford} REZ-2014-03

WHEREAS, the Board of Commissioners of the Town of Pittsboro has considered the Application of Boyette Nelson, LLC (REZ-2014-03) to amend the zoning map of the Town of Pittsboro to rezone the property described on Exhibit A attached hereto and incorporated herein by reference from R-A (Residential Agricultural) to C-2 (Highway Commercial) pursuant to the provisions of NCGS 160A-385 through 385 and Article X of the Town of Pittsboro Zoning Ordinance; and

WHEREAS, the Town Planning Board, after reviewing the Application in detail, has advised and commented to the Board of Commissioners by a written recommendation for approval of the Application and also that the amendment to the Town of Pittsboro zoning map proposed by the Application is consistent with the Town's comprehensive plan, including the Land Use Plan, and other officially adopted and applicable Town plans and policies; and

WHEREAS a Public Hearing was held on November 24th, 2014 to receive public input which was duly considered by the Board of Commissioners; and

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF PITTSBORO as follows:

1. That the zoning map of the Town of Pittsboro is amended to provide that the property described on Exhibit A attached hereto and in Application REZ-2014-03, which is incorporated herein by reference, be rezoned from R-A (Residential Agricultural) to C-2 (Highway Commercial). The subject parcel is located at 1293 Thompson Street, Tax Parcel ID # 7342.
2. That all ordinances and portions of ordinances in conflict herewith are hereby repealed.
3. That in addition to the foregoing, as required by NCGS 160A-383 and Article X of the Town of Pittsboro Zoning Ordinance, the Board of Commissioners hereby approves the statement attached hereto as **Exhibit B** and incorporated by reference.

Adopted this 8th day of December, 2014.

EXHIBIT A

Property Description

Property identified as 1293 Thompson Street, Tax Parcel Number 7342, Tax Map Number 9751-47-1084.

EXHIBIT B

The action taken by the Board of Commissioners in approving Application REZ-2014-03 is consistent with the adopted comprehensive plan, including the Land Use Plan, and other officially adopted and applicable Town plans, because it advances the plan's vision and goals, promotes the expansion of the Town's public infrastructure, and promotes the strength of the Town's economy and the creation of

local jobs. Such action and the amendment to the Town's zoning map proposed in Application REZ-2014-03 are reasonable and in the public interest because they will foster the orderly growth of the Town, increase the tax base, and establish the basis for the provision of beneficial goods and services to the citizens of the Town. The property affected is a reasonable location for those uses permitted in the Town's C-2 zoning district and would be suitable for all of those uses permitted within the district.

AN ORDINANCE AMENDING THE ZONING ORDINANCE AND THE ZONING MAP OF THE TOWN OF PITTSBORO IS RECORDED IN THE BOOK OF ORDINANCES NUMBER ONE, PAGES 54-58

**REZONING REQUEST – CHATHAM PARK PDD REZONING (REZ-2014-02)
(STUART BASS)**

Planner Bass stated Chatham Park LLC is proposing to add approximately 46 acres to the previously approved Planned District Rezoning (approved June 9, 2014). Six additional parcels will be added for a total of 46.615 acres.

Planner Bass said some text change revisions have also been incorporated into the previously approved Master Plan (primarily in Chapters 8 and 10). This request affects the entire assemblage. If approved, this rezoning would supersede the June 9, 2014 approval. A public hearing was conducted on November 24, 2014.

Commissioner Foley said she would like for the board to revisit the issue of whether greenways count as parks or transportation. She would like to propose that it be counted as transportation.

After discussion Mayor Terry polled the Board on their opinion.

To change as she requested: Commissioner Foley

To leave it as it currently is in the document: Commissioner Farrell, Fiocco, Baldwin and Turner.

Mayor Terry said he would like to make a change to page 50 paragraph 2 which reads:

Within two years following final, non-appealable approval of the Chatham Park PDD zoning and Master Plan, Applicant, working cooperatively with the Town, will submit for consideration by the Town a Development Agreement in accordance with Section 160A-400.20 et seq. of the North Carolina General Statutes. Any conflict between the Master Plan and the provisions of a Development Agreement, agreed to by Applicant and the Town, shall be controlled by the Development Agreement.

Mayor Terry said he is not happy with that arrangement and thinks it should be reversed and read as follows:

Within two years following final, non-appealable approval of the Chatham Park PDD zoning and Master Plan, the Town, working cooperatively with the Applicant, will submit for consideration by the Town a Development Agreement in accordance with Section 160A-400.20 et seq. of the

North Carolina General Statutes. Any conflict between the Master Plan and the provisions of a Development Agreement, agreed to by Applicant and the Town, shall be controlled by the Development Agreement.

Mayor Terry said the applicant should not be writing the development agreement.

After discussion Mayor Terry asked for a poll of the board in support of his proposed change: Commissioner Foley. Leaving it as it is: Commissioner Farrell, Fiocco, Baldwin, and Turner

Commissioner Foley said we have another opportunity to protect some very important natural areas that she believes should be done before agreeing to this PDD ordinance and not through Small Area Plans.

Mayor Terry said he disagrees with the finding in the Planning Board's written consistency statement. He stated the Town doesn't have a Comprehensive Plan. Attorney Messick stated the Town does have a Comprehensive Plan (it always has).

Mayor Terry said with all due respect to his colleagues on the Planning Board he doesn't agree too much of what they put in their recommendation.

Mayor Terry stated as far as the resolution approving the rezoning is concerned he would like the board to entertain changing the signature line to read Mayor Pro Tem. He said this is not a resolution he is prepared to affix his signature to.

Motion made by Commissioner Fiocco seconded by Commissioner Farrell to approve the Ordinance for the Chatham Park PDD Rezoning (REZ-2014-04) with the Mayor Pro Tem signing the ordinance.

Vote Aye-4 Baldwin/Farrell/Fiocco/Turner
Nay-1 Foley

Resolution approving REZ-2014-04 reads as follows:

**AN ORDINANCE AMENDING
THE ZONING ORDINANCE AND THE
TOWN OF PITTSBORO ZONING MAP**

WHEREAS, the Board of Commissioners of the Town of Pittsboro has considered Application REZ-2014-04 of Chatham Park Investors LLC (the "Application") to amend the zoning map of the Town of Pittsboro to rezone the property described on **Exhibit A** attached hereto and incorporated herein by reference to Planned Development District ("PDD") with its associated PDD Master Plan dated October, 2014, pursuant to the provisions of NCGS 160A-383 through 385 and Article X of the Town of Pittsboro Zoning Ordinance; and

WHEREAS, the Town of Pittsboro Planning Board, after reviewing the amendment Application in detail, has advised and commented to the Board of Commissioners regarding the Application by a written recommendation for approval of the Application and also that the amendment to the Town of Pittsboro zoning map proposed by the Application is consistent with

the Town's comprehensive plan, including the Land Use Plan, and other officially adopted and applicable Town plans and policies; and

WHEREAS, a Public Hearing on the Application was held on November 24, 2014 to receive input on the Application and the Board of Commissioners has duly considered such input from the public hearing; and

WHEREAS, the Board of Commissioners has determined that the amendment to the Town's zoning map proposed in the Application advances the public health, safety, and welfare;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF PITTSBORO as follows:

1. That the zoning map of the Town of Pittsboro is amended to provide that the property described on **Exhibit A** attached hereto and incorporated herein by reference and in Application REZ-2014-04, which is also incorporated herein by reference, has a zoning district classification of Planned Development District (PDD), which shall include the October, 2014 Chatham Park PDD Master Plan filed with the Application.

2. That the continued validity and effectiveness of this approval is expressly conditioned upon the continuing compliance with the October, 2014 Chatham Park Master Plan, including any subsequent amendments thereto adopted in accordance with applicable provisions of the Town of Pittsboro Zoning Ordinance.

3. That all ordinances and portions of ordinances in conflict herewith are hereby repealed.

4. That in addition to the foregoing, as required by NCGS 160A-383 and Article X of the Town of Pittsboro Zoning Ordinance, the Board of Commissioners hereby approves the statement attached hereto as **Exhibit B** and incorporated by reference.

Adopted this 8 day of December, 2014.

TOWN OF PITTSBORO

By: _____
Mayor Pro Tempore

ATTEST:

Clerk

EXHIBIT A

PROPERTY DESCRIPTION

All of the real property described as the following Chatham County Tax (AKPAR) Parcels:

6792, 7099, 7101, 7182, 7183, 7207, 7250, 7255, 7292, 7293, 7294, 7295, 7298, 7313, 7332, 7333, 7334, 7336, 7338, 7339, 7372, 7386, 7397, 7398, 7399, 7402, 7403, 7406, 7423, 7424, 7432, 7445, 7447, 7448, 7449, 7463, 7474, 7482, 7483, 7578, 7581, 7583, 7585, 7589, 7590, 7596, 7617, 11006, 11183, 11198, 11199, 11221, 60218, 60745, 60763, 60775, 61066, 62520, 62521, 62522, 62852, 63257, 63927, 64501, 67893, 67906, 68503, 68705, 68706, 69490, 70101, 71493, 71754, 71844, 72014, 72791, 73236, 73514, 73516, 73517, 74060, 74580, 74581, 78535, 79066, 80308, 80309, 81330, 82166, 82958, 83129, 83665, 84291, 84303, 85882, 86970, 87175, 87176, 87219, 88002, 88481, 90060 and 75051.

EXHIBIT B

The action taken by the Board of Commissioners in approving Application REZ-2014-04 and the amendment to the Town's zoning map proposed by the Application are consistent with the adopted comprehensive plan, including the Land Use Plan, and other officially adopted and applicable Town plans, because they advance the plan's vision and goals, promote the expansion of the Town's public infrastructure, encourage a variety in the Town's housing stock, and promote the strength of the Town's economy and the creation of local jobs. Such action and the amendment to the Town's zoning map proposed in Application REZ-2014-04 are reasonable and in the public interest because they will foster the orderly growth of the Town, increase the tax base, and establish the basis for the provision of additional housing opportunities and beneficial goods and services to the citizens of the Town.

AN ORDINANCE AMENDING THE ZONING ORDINANCE AND THE TOWN OF PITTSBORO ZONING MAP IS RECORDED IN THE BOOK OF ORDINANCES NUMBER ONE, PAGES 59-62

JORDAN LAKE PARTNERSHIP, UPDATE (FRED ROYAL)

Fred Royal gave background on the Jordan Lake Partnership.

The next steps are to:

Develop and execute an Interlocal Agreement to continue EIP discussions to develop potential approach to develop regional facilities.

- Policy committee
- Technical committee
-

Monitor water quality to inform WTP process decisions,

- Develop scope, approach and estimated cost
- Implement study

Seek concurrence on institutional framework and funding strategy for implementation, ownership, O & M,

Identify how each WIP's water supply needs will be met until new regional facilities are online.

After discussion the board thanked Engineer Royal for the update.

NEW BUSINESS

WATER AND SEWER ANALYSIS UPDATE

Mayor Terry said he wanted this as a discussion item because during the budget process we agreed to discuss it at the December meeting.

Mayor Terry had prepared two ordinances raising the water and sewer rates effective immediately and wanted to know how the board felt about that.

It was the consensus of the board to wait until they have received the presentation from Finance Officer Emslie on January 12, 2015.

Commissioner Fiocco said that is the reason he wanted the budget schedule moved from consent to new business. He didn't want to hold the retreat until after they had received the completed Water and Sewer Analysis Report.

The Board agreed to set the date for February 2, 2015 from 8:30 am – 4:30 pm. Manager Gruesbeck said he would check on Mr. Long's availability for that date and time.

Former Mayor Randy Voller was recognized to make a comment. He asked the Town Board to consider revisiting the effort of working with Chatham County since the election of a new board.

It was the consensus of the board to wait until the presentation on January 12, 2015 before a decision is made on the matter.

APPOINT A MEMBER TO SERVE ON THE NC CERTIFIED RETIREMENT COMMUNITY COMMITTEE

Mayor Terry agreed to serve as the Town's representative on the committee and Manager Gruesbeck agreed to be Mayor Terry's backup.

It was the consensus of the Board that Mayor Terry and Manager Gruesbeck be the Town's representative on the NC Certified Retirement Community Committee.

CAPITAL PROJECTS REPORT

MANAGER'S UPDATE ON CAPITAL PROJECTS

Manager Gruesbeck went over #3, 4 and 5 of the FYI items.

Manager Gruesbeck stated there was a broken water line in Chatham Forest on Thanksgiving Day. It was repaired that day and the driveway has been repaired and the yard reseeded. He wanted to thank staff for a job well done.

Manager Gruesbeck stated John Poteat has a snow removal process that he follows, but he is working on a policy.

Commissioner Fiocco said he is looking forward to receiving the Code Assessment (UDO). He said he has signed up for email notifications and hasn't received anything, he wonders if the system is working.

Mayor Updates

- EDC
- RPO
- Solid Waste
- Fairground Association
- PBA/Downtown – will be meeting on Wednesday

COMMISSIONER CONCERNS

Commissioner Farrell said he walked downtown after the Christmas Parade and the 3 or 4 vendors he spoke with were pleased it was held on a first Sunday. The vendors said it was their busiest day.

Commissioner Fiocco said he just wanted to follow up on an item discussed at the Mid-Year Retreat – he wanted to know if we are making progress on the Small Area Plan for Chatham Park. Manager Gruesbeck said Mr. Bass is working on it.

Commissioner Baldwin said she just wanted to mention the Coal Ash Community Event for Chatham County will be held on December 11, 2014.

Mayor Terry asked that Chief Crutchfield and Engineer Royal revisit the issue of the lack of a stop sign at Millbrook and Freeman. He also advised the Board that a hot topic on the Powell Place listserve has been traffic and parking on Millbrook.

Mayor Terry wished everyone Happy Holidays.

Commissioner Fiocco wanted to mention that Commissioner Turner will be receiving a Goodmon Award on the night of December 11, 2014. The Board congratulated her.

Manager Gruesbeck thanked staff for their participation in the Christmas Parade.

FYI –

1. Memo from Finance Director re: Water and Sewer Analysis Update
2. News Release from Duke Energy re: Community Information Event about Coal Ash Management in Lee and Chatham County
3. 2015 North Carolina Development Tier Designations
4. Memo from Town Manager re: Statewide Transportation Improvement Program (STIP) and Future US 15-501 Construction

5. Memo from Clarion Associates, LLC: Status of Pittsboro Unified Development Ordinance Project

ADJOURNMENT

Motion made by Commissioner Fiocco seconded by Commissioner Turner to adjourn at 9:35 p.m.

Aye-5 Nay-0

William G. Terry, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC
Town Clerk