

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, MAY 5, 2014

The Lincoln County Board of County Commissioners met May 5, 2014 at the Citizens Center, Commissioners' Room, 115 West Main Street, Lincolnton, North Carolina, at 6:30 P.M.

Commissioners Present:

Alex E. Patton, Chairman
Carl E. Robinson, Jr., Vice Chair – arrived late
James A. Klein
Carrol D. Mitchem

Commissioners Absent:

Cecelia A. Martin

Others Present:

Martha W. Lide, Assistant County Manager
Wesley L. Deaton, County Attorney
Amy S. Atkins, Clerk to the Board

Planning Board Members:

Darrell Gettys, Vice-Chair
Todd Burgin
John Dancoff
Dr. Crystal Mitchem
Floyd Dean
Keith Johnson

Call to Order: Chairman Patton called the May 5, 2014 meeting of the Lincoln County Board of Commissioners to order. He gave the Invocation and led in the Pledge of Allegiance.

Adoption of Agenda: Chairman Patton presented the agenda for the Board's approval.

AGENDA
Lincoln County Board of Commissioners Meeting
Monday, May 5, 2014
6:30 PM

**James W. Warren Citizens Center
115 West Main Street
Lincolnton, North Carolina**

Call to Order

Invocation - Commissioner Patton

Pledge of Allegiance

1. Adoption of Agenda
2. Consent Agenda
 - Tax Requests for Releases - Over \$100
-March 16 - April 15, 2014
 - Tax Requests for Refunds - Over \$100
- March 31- April 13, 2014
 - CDBG Monthly Status Update
 - Approval of stormwater structure, Release of 75% of construction bond
 - Retention Schedule - Tax Department
 - Minutes for Approval
 - Surplus Property
 - Sheriff's Office Purchase Orders
 - Hazmat Planning Grant
 - LSTA Grant Application Revision
 - Resolution #2014- : Resolution to Sell Crouse VFD a surplus vehicle for \$1.00
 - Older Americans Month Proclamation
3. Lincoln County Schools Budget Presentation - Dr. Sherry Hoyle
4. Zoning Public Hearings - Randy Hawkins

CUP #335 Doyle and Sheri Boyles, applicants (Parcel ID# 56092) A request for a conditional use permit to place a Class C (singlewide) manufactured home in the R-S (Residential Suburban) district. The 1.8-acre parcel is located on the northeast corner of N.C. 27 and Jake Seagle Road in North Brook Township.

CUP #336 PMRS, LLC, applicant (Parcel ID# 87619) A request for a conditional use permit to operate a kennel in the I-G (General Industrial) district. The 6.15-acre parcel is located on the north side of Natalie Commons Drive about 800 feet west of N.C. 16 Business in Catawba Springs Township.

CUP #337 Marni Carpenter, applicant (Parcel ID# 71438, 74799 and 74798) A request for a conditional use permit to operate a bed and breakfast in the R-SF (Residential Single-Family) district. The 9.6-acre site is located at 2800 Laboratory Road, on the west side of Laboratory Road at South Fork Road, in Lincolnton Township.

PCUR #162 Jeff Wilkinson, applicant (Parcel ID# 23024) A request for a parallel conditioning use rezoning of a 0.45-acre parcel from R-S (Residential Suburban) to CU B-G (Conditional Use General Business) to permit servicing and sales of vehicles. The property is located at 103 Finger St., on the west side of Finger Street about 250 feet north of N.C. 27, in Ironton Township.

5. Public Comments (15 minutes allowed per Rules of Procedure – 3 minutes per person)

6. Lake Norman Marine Commission Update - Morris Sample
7. Public Hearing - Installment Financing - Deanna Rios
8. Updated Investment Policy - Deanna Rios
9. Other Business

Adjourn

UPON MOTION by Commissioner Klein, the Board voted unanimously to adopt the agenda.

Consent Agenda: **UPON MOTION** by Commissioner Robinson, the Board voted unanimously to approve the Consent Agenda as presented.

- Tax Requests for Releases - Over \$100
 - March 16 - April 15, 2014
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Items listed in the Consent Agenda are on file in the office of the Clerk to the Board and are hereby made a part of these minutes as though fully set forth herein.

Lincoln County Schools Budget Presentation - Dr. Sherry Hoyle:

Board of Education Chair Candy Burgin introduced Mr. Bob Silver, who presented the Board of Education budget.

Mr. Silver said, as Chairman of the Budget and Finance Committee, it has been his goal through these extremely difficult economic times to reduce costs for Lincoln County Schools as much as possible. He said he has presented and implemented several cost saving initiatives to the School Board and through the support of Superintendent Dr. Sherry Hoyle and the expertise and direction of Budget Superintendent Steve Zickefoose, have been able to save thousands of dollars for Lincoln County Schools. The School Board and administration have been vigilant in efforts to focus on putting as much money

as possible into the classroom as well as for the outstanding educators. Mr. Silver said they are always looking for ways to maximize dollars they receive locally as well as from the state.

He said he regrets to report that he proposed county budget allocation for Lincoln County Schools for 14/15 is inadequate and irresponsible. Two years ago, it was stipulated by the County Manager that the true up amount for their utility costs would be supplied by the county. In 2012 and in 2013, \$139,000 per year was allotted to help defray the additional costs charged to the School Board for utilities. George Wood, then County Manager, agreed to continue that expenditure going forward. Superintendent Hoyle, Steve Zickefoose and himself had attended those meetings and clearly remember that assurance. This year, nothing has been allocated and the projected shortage for 2013/2014 utility costs are nearly \$210,000. Even with the aforementioned \$139,000, Lincoln County Schools will still incur a \$71,000 shortfall. This is money that will come out of teacher positions, teacher and administrative supplements and instructional supplies for students. Outside the true up expense, last year the county allocated an additional \$342,000 which was used for teacher positions, technology, and well deserved teacher supplements. For this coming fiscal school year, 2014/2015, based on county growth revenue, our supplemental budget allocation from the county will be \$259,553, which includes the utility true up. This is a reduction of \$221,500 from last year. That \$259,553 will barely pay for the utility true up, leaving them with \$50,500. At the last joint meeting in January of the County Commissioners and School Board members, the Commissioners requested a wish list of schools most important budgetary needs: teacher supplements – they are asking for a ½% supplement increase for teachers to not only be more competitive with surrounding counties, but to also be at the state average. Currently, Lincoln County Schools average supplement is \$2,928, compared with the state average of \$3,553, a \$625 difference or 18%. Of the teachers who left the ranks of LCS last year, 25% went to neighboring counties and states because of higher pay scales. We are losing some of our best educational leaders and mentors who affectively train teachers to have our students strive to their highest academic levels. They are the ones who make Lincoln County Schools one of the state's top school districts. Keep in mind North Carolina's teacher pay ranks 48th nationwide and Lincoln County teachers are below the State Average.

Principal supplements: Once again we are asking for an increase for Principals via a rubric evaluation. The Principals of Lincoln County Schools have not received a supplement increase since the 2005/2006 school year. We have lost some key and very talented individuals because we haven't kept pace with surrounding county scales.

Instructional supplies: For at least the last 3 years, our teachers have not received any instructional supply monies that are essentially needed to help teachers prepare their students. In fact, between local and state funds, over \$530,000 has been eliminated in the budget. In many instances, our teachers have used their own money several times a year to provide our students with necessary materials for an effective learning environment.

Teacher Assistants: We are asking for 4 First grade teaching assistants. Once again, due to state and local cuts, 87 state paid positions have been cut in prior years and \$88,000 in local funds have been eliminated.

Technology: Here is one area where we have made some significant strides through the efforts of the school board, technology initiative, and the administration's acute usage of state funds, we have made a tremendous impact on our student's abilities in acquiring skills as well as the desire to learn. We still lag in facilities with surrounding counties. This is a crucial component needed for our students to accurately maintain our competitive edge within the state.

Fixed cost: Every year more and more responsibility is put on the school system and county government. The state mandates that we pay for salaries and benefits for locally funded positions. Obviously with cost continuing to rise, a bigger chunk of our budget is needed to pay for it. This takes a substantial amount of money out of the classroom.

In conclusion, we need \$808,700, not \$259,553. We are always looking for ways to save and generate money for Lincoln County Schools. Fourteen months ago, we proposed a shared services initiative regarding our VOIP communication facility. This alliance would save hundreds of thousands of dollars for the county and taxpayers and create hundreds of thousands of dollars in discretionary funding for Lincoln County Schools. Money desperately needed for the areas just mentioned. Here we are fourteen months later and still no implementation. This initiative should have been in place months ago, possibly saving the school system and the county as much as \$300,000 each. Instead, the schools are put into the position of asking for additional funds. Lincoln County Schools are at a crisis state and have no time to waste. Every day we do not employ a cost savings plan is a day that money is taken out of the classroom. Education needs to be a priority in Lincoln County. Looking at some counties around us, Mecklenburg County allocates 49% of their local budget towards education, Catawba County allocates 36%, Cleveland County allocates 36.2%, Iredell County allocates 44% of their local budget towards education. The national average for local budgets is 43%. Lincoln County is around 19%. You stated that the total percentage is 34%, that is grossly misleading. Understand that bond money appropriated for facilities cannot be used for budgetary items, therefore the true assessment of the actual budget allotment for operations is 19%. Right now, we are struggling to be competitive to our neighboring counties. A quality school system is extremely important to this county. It attracts families, businesses, the best educators and administrators. More importantly, it creates revenue through taxation to be put back into the classroom producing this county's leaders of tomorrow.

As I said before, I, along with the Board and Superintendent, want Lincoln County Schools to be the number one school system in the state – that is our objective. Number one in graduation rates, number one in test results, number one in teacher qualifications and teacher pay. We want Lincoln County Schools to be the envy of every teacher statewide because we offer the most competitive supplements, so we attract the best to educate our children. The envy of every parent, so they move here to have their children benefit from our innovative use of technology through curriculum. The envy of every

business so they relocate to Lincoln County creating employment while drawing from a qualified pool of students with 21st century skills.

Please give our students this opportunity and show that education is a top priority in Lincoln County.

Commissioner Mitchem said that Mr. Silver quoted about a \$500,000 cut. He asked if that was state or county money.

Mr. Silver said it is a combination of both. He said the county has cut \$88,000 the past two or three years. He said they have had less allocated money for the classroom and students.

Chairman Patton said the total dollars coming from Lincoln County has not went down in the last five years. He asked if the same can be said for the State of North Carolina. He said they took \$6.9 million from the schools and it is impossible for Lincoln County to make up \$6.9 million that the state took. There is not a person on the Board of Commissioners that is not pro education. He said he was a product of Lincoln County Schools so he wants Lincoln County Schools to be the best they can possibly be too. He said Lincoln County cannot continue to make up what the state decides not to pay.

Mr. Silver said he is up here to tell the Board they are at a crisis stage. These are the things they need to promote themselves, to promote commerce within this county.

Commissioner Robinson said it comes across like Mr. Silver is yelling at the Commissioners. He said the Board has done everything in the world they can possibly do to support the schools over the last three years through the economy crisis. He said he wants to make sure the public understands this, the Board did not cut the schools and did everything they could to meet the school's needs. He said they have done some of the ideas he talked about and even implemented one, which didn't make any money. He said they have tackled those. He said they have worked hard to meet the needs of the schools. He said if the county has not tried up something, that needs to be done this year. He said the state has taken a lot of money and the schools and county have worked together.

Mr. Silver said one area is the VOIP system which is still not up and running.

Chairman Patton said this was not as easy as was made out in the beginning.

Commissioner Robinson said the county has had to buy a lot of equipment and will not see the savings that was originally thought.

Commissioner Robinson said he does not disagree that there are needs at the schools. He said there is also a long list on the county's side and the two boards need to work together to figure out how to meet the goals. He said he could make a presentation too on what the county has not been able to do. He said they are frustrated too.

Chairman Patton said the county is losing good quality employees for the same reason the schools are.

Commissioner Robinson said county employees have only had one raise in four years.

Chairman Patton said Mr. Silver said funding is at 19% and the county says 34%. He said the difference comes out of tax money. He said the county budget allocated to education is 34%. A lot of it is going to build schools that we had to have, but it still goes to education. He said the we would love to put more money in the classroom. Chairman Patton said the public is not game for a tax increase. Commissioner Robinson said what the schools are asking for is a penny on the tax rate. Chairman Patton said that in this economy, it is impossible to raise taxes and no one is going to do that in this economy.

Mr. Silver said he is not yelling, this is how he projects when he speaks.

Commissioner Mitchem said if he was sitting in the audience, he would think the county had cut all this money from the poor little school children. He said that is the way it sounded and the way it was presented. He said that is why he brought up it is not Lincoln County, but the State of North Carolina. He said when citizens get their tax bills, the pie graph does not show 19% for education.

Chairman Patton said calling the Commissioners irresponsible for not giving the schools 100% of what they want is not right.

Commissioner Mitchem asked about supplements for administration. Mr. Silver said he mentioned teacher and principal supplements. He said he is not concerned with the hierarchy. He said they haven't addressed that yet.

Commissioner Robinson said the Commissioners gives the School Board the latitude to use the money given on instructional supplies. He said the county gives a bucket of schools and they spend it as they choose.

Commissioner Mitchem said the School Board decides where the money goes, not the County Commissioners. He said he would love to see it go to the classroom, there is nothing else he would rather do than give X amount of dollars for the teachers to use in the classrooms. He said the money needs to be put in trenches. He said the Commissioners cannot do this, because it is the responsibility of the School Board to do this, not the County Commissioners.

Mr. Silver said the Commissioners asked in January for a wish list and that is what he is here to present.

Commissioner Klein asked for more information on the utility true up.

Dr. Sherri Hoyle said they understand the Board has a lot of things to consider but would like for them to take a look at true up costs. She said \$209,724 is the total, after they have looked at all incoming bills and projected to the end of the year.

Chairman Patton said there was some discussion about whether this was a temporary deal or ongoing.

Martha Lide said one of the things was if there were additional revenues at the end of each year, they would work with the School Board to assist them on utilities. She said there are two issues, whether the increment given last year will be in the base this year and whether the county will give additional money this year.

Chairman Patton said the Commissioners have not seen the budget yet.

Commissioner Mitchem asked if the schools can provide Kleenex and things like that so parents do not get letters sent home asking for school supplies to be sent.

Chairman Patton said they will take this under advisement at the budget meetings.

Zoning Public Hearings: Randy Hawkins presented the following:

CUP #335 - Doyle and Sheri Boyles, applicant
Parcel ID# 56092

The applicants are requesting a conditional use permit to place a Class C manufactured home in the R-S (Residential Suburban) district. A Class C manufactured home is a singlewide that meets the Unified Development Ordinance's appearance standards. Under the UDO, a Class C manufactured home is permitted in the R-S district subject to the issuance of a conditional use permit.

The 1.8-acre parcel is located on the northeast corner of N.C. 27 and Jake Seagle Road in North Brook Township. It is adjoined by property zoned R-S and CU R-R (Conditional Use Rural Residential). Land uses in this area include residential, recreational, agricultural and business. Manufactured homes, including a manufactured home park, are located in this area. County water is available at this location. This property is part of an area designated by the Lincoln County Land Use Plan as Rural Preservation, suitable for low-density residential uses.

Chairman Patton opened the public hearing.

Sheri Boyles, applicant, said the reason for this request is that their daughter is getting married and wants to put a mobile home there to start out.

Being no additional speakers, Chairman Patton closed the public hearing.

CUP #336 - PMRS, LLC, applicant
Parcel ID# 87619

The applicant is requesting a conditional use permit to operate a kennel in the I-G (General Industrial) district. The applicant is proposing to build a 12,500-square-foot facility, with a possible future expansion that would double the size (see site plan).

Under the Unified Development Ordinance, a kennel is a conditional use in the I-G district, with no special standards that must be met.

The 6.15-acre parcel is located on the north side of Natalie Commons Drive about 800 feet west of N.C. 16 Business. A portion of this parcel is zoned B-N (Neighborhood Business), but it is not proposed for development at this time. This property is adjoined by property zoned I-G, B-N and R-SF (Residential Single Family). Land uses in this area include business, institutional, industrial and residential. A commercial area that's clustered around the intersection of N.C. 16 Business and the northern end of Triangle Circle extends to this property. The NC 16 Corridor Vision Plan recommends that commercial activity be concentrated in nodes.

Commissioner Klein asked if this is considered a commercial node since it is connected or will adjoin the existing shopping mall. He asked if it will be part of that node.

Mr. Hawkins said this is correct. He said part of it is zoned neighborhood business and part is zoned general industrial. He said he would contend that the commercial node extends even further north of this to the industrial area to the north.

Chairman Patton opened the public hearing.

Roger Seitz, applicant, said that he wishes to develop this for a dog daycare center, boarding and grooming along with Patricia McCafferty. He said they are hoping to have a premier design and center anywhere within 100 miles of this place. He said he is surprised and confused when he read in one of the local papers that there is some pushback on this because they are a small business that will bring jobs and a substantial tax base. Mr. Seitz said the community really needs the service they provide. He said the concerns are about yapping dogs and he wishes to alleviate those concerns right away. He said they also do not like yapping dogs, but have been dog owners all their lives. He said the parcel is 6.1 acres of land, which is quite lengthy and is currently wooded. He pointed out the neighborhood and said this is separated from it by the Duke Energy buffer zone, which is another acre. Mr. Seitz said the yards for the play area for the dogs will be used during the day. They will be contained and there will be an 8' fence around every piece of property that can be seen by the dogs, since dogs yap when they see other animals or humans. He said the dog noise will be minimum anyway. The building itself will have dappers and sound deafening devices in it. He said unless you are walking on the street, right by the fence while there are a bunch of dogs outside and they all bark, you will not even know it is there. He said they are leaving the trees and Duke Energy

buffer zone to quiet the noise. He said you probably will not be able to hear firecrackers going off on their property from the housing development, the church, or Joey's. Between Joey's and their outside areas is 3/10 of a mile. He said they will not interfere with anybody's lunch at Joey's. He said no one will hear the dogs. Mr. Seitz pointed out an existing dog kennel, which he said was even closer to the neighborhood. He said in the church, you will not even be able to hear anything from the kennel. He said the dogs will be inside by 6:00 each evening.

Keith Johnson, Planning Board member, asked if this is built according to specifications what the maximum number of dogs that would be in the kennel.

Mr. Seitz said they are planning on having 100 kennels and they are sound resistant, solid wall kennels. These are not cages. He said they are designed out West, and are bringing brought in. He said they can hold up to 100 dogs, which will not necessarily all be there at the same time since they will have daycare and night boarding. The maximum number will be 100.

Floyd Dean asked about expansion plans.

Mr. Seitz said if they are fortunate enough to be so successful that they need more than 100 dog kennels on a regular basis, they may put another building in the wooded area, using the same outdoor yard. He said they are using 3.5 to 4 acres for this and it's all going to be pushed up against the already there strip mall. The other 2 acres may take another 1/2 acre at most. There will still be plenty of buffer.

Keith Johnson asked if this is approved if an expansion would be by right or would be another application.

Mr. Hawkins said if there is a substantial change in the site plan, it would have to come back to amend the conditional use permit. If they would want to extend the outdoor area further, it would need to come back.

Mr. Johnson said the Planning Board can also put conditions on it since it is a conditional use permit.

Mr. Seitz said concerning traffic, he lives 1 1/2 miles away from this area and he cuts through Natalie Commons and that complex all the time, as do a lot of other people he knows. He said they will direct people around Optimist Club, down Triangle and back up 16 to keep traffic at a minimum. He said this area is already being used as a cut through and if anything the increased traffic would come to the strip mall, because they will be exposed to more customers. He said if the traffic was increased, it would only be to drop dogs off in morning and pick them up in afternoons. He said there would be no after hours activities.

Dr. Crystal Mitchem asked the hours of operation.

Mr. Seitz stated that their hours will be 6:30 a.m.to 7:00 pm., 7 days per week.

Commissioner Robinson said he understands there will be an 8' privacy fence. He said he doesn't understand how this will block the sound out.

Mr. Seitz stated there will be 3 divided areas in the play areas, not including the pool area because there will be a pool for the dogs too, which will make it 4. He said dogs will be separated and no group of dogs will be more than ten or twenty dogs in one area. He said there has to be 1 handler for ten or twenty dogs. He said the dogs will be moved around or taken inside if they bark. He said there will not be forty dogs outside barking, but if they did, the privacy fence will be facing the street, then you have the street itself, then nothing on the other side. He said the first time you get anybody who could hear it would be at the church, outside in their picnic area.

Commissioner Klein asked about the parking lot and the eastern most piece of the property that will be developed.

Mr. Seitz said the drawing that the Board has is the very first engineering attempt and has been modified since then. He said in front of the parking lot would be any future building for retail shop for dog supplies.

Commissioner Klein asked if this lot would abut Joey's lot.

Mr. Seitz showed on the map where the property would be. He said the outdoor play area will be west.

Todd Burgin asked what type of road Natalie Commons is.

Mr. Seitz stated that there are no lines and the residents said it is a private road.

Pat McCafferty shared an aerial view which shows the site. She said the kennels themselves will be offset from the church, further down from the church, not directly across from it. She said they are going to be facing an empty wooded lot, there is nothing between where the end of the kennels will be and where Villages of Denver starts, because there will be wooded buffer and the electrical. She said they have done a lot of research on what makes dogs bark. Dogs bark because they see other dogs they do not know, they see strangers, traffic and will do that kind of thing. If you are eliminating the traffic view through the fences, you are eliminating one of the sources that causes dogs to bark. Another reason dogs bark is they are bored, they don't have anything to do. She said they plan to have the dogs occupied so they will be busy and happy dogs. Ms. McCafferty said there are so many professionals that are coming to the Denver area. These professionals go to work in Charlotte and need someplace to put their dogs. The business is there, they are taking their dogs to Huntersville and Cornelius. They want to be able to offer these services close to home. Ms. McCafferty said they have plans to partner with the Humane Society and SPCA for discounted rates and adoption days. She said they want to provide a community service because they are part of the community.

Floyd Dean asked if the applicants are in this business now and Ms. McCafferty answered that they are not and have not been in the past. She said she is a project manager and said that she knows that she does not have to know everything when she has people who do know everything.

Keith Johnson asked Mr. Hawkins about the street, if it is a dedicated street.

Mr. Hawkins replied that it is a public right of way, it does not currently have the density to meet DOT requirements for DOT to take it over.

John Sitzenstock said he does not buy Mr. Seitz's arguments and thinks this is wrong. He said this is the front yard of his community. He said he doesn't want this due to property values dropping, risk of dogs escaping, and more traffic in their neighborhood. He said there are enough cut throughs in their neighborhood already. He spoke concerning how the odor from the kennel will make nearby restaurants lose business and eventually close. He said there are other places this kennel could be built. He objected to the hearing since his whole neighborhood wasn't notified. Mr. Sitzenstock asked if the Board would want this built in their backyard.

Jannice Sitzenstock said there are a lot of neighbors who did not sign up to speak, but are totally against this. She said they have stop signs that people do not stop at and people speed through the neighborhood. She said she feels like with the restaurants there, which is an asset to a neighborhood, this is not a location for this type of kennel. She said they can hear the dogs from Barking Buddies some days. She said in the winter the tree buffer will be gone and they can hear everything. Mrs. Sitzenstock said she is totally against this.

Keith Johnson asked if people in the neighborhood regularly use Natalie Commons drive to get to Business 16. Mrs. Sitzenstock said that is their main entrance to the subdivision.

Commissioner Klein asked if the neighborhood has a HOA. Mrs. Sitzenstock answered that they do, but they are not in control of it since it is still being developed.

Carol Cooke said she lives on Natalie Commons and is opposed. She said her daughter lives on corner of Natalie Commons Drive and people use Natalie Commons to come off of Business 16 to head to the new Highway 16. They blow the stop sign, they speed and have no regard for children. She said she recently put little men with orange cones and the Sheriff was called and told her to move them. The Sheriff told her he is not allowed to give tickets to people in the neighborhood since they are private roads. She said the times for drop off and pickup are the exact same times school buses pick up children in the development. There are only 3 bus stops in the Villages of Denver. Ms. Cooke said they were told that speed bumps were not allowed.

Floyd Dean asked who maintains Natalie Commons Drive. Ms. Cooke said she does not know. Neighbors said they mow the grass. Ms. Cooke said the HOA said they could not install speed bumps.

Matt Welch asked why there. He said there are plenty of places in Denver, along 16 even, that this business could go so why in the middle of a community. He said the developers are starting to develop again and this will turn into a waste land. He said as far as privacy fence, he had one and his dogs sense people going by and bark. He said they community will hear the dogs barking.

Todd Burgin asked Mr. Welch how his neighbors feel about his dogs barking. Mr. Welch answered that they probably do not like it, but he gets them in the house when they do bark.

Rudy Bauer said he goes to Joey's and the pizza place. He said Joey's has outside service and these dogs are unsanitary. He said they can go another place, the area doesn't need another one close to restaurants. He said he doesn't know how they will handle waste but would imagine there will be a smell associated with the place.

Captain Leo Dematio stated that he lives in Villages of Denver. He said he owns dogs and dogs can smell when you are walking by his house. He said if you put 50 dogs and have joggers going by they will bark. He asked how the applicant would feel if someone would put this at the entrance to his neighborhood. He said the businesses there will hear dogs barking all day. He said people coming to the dog kennel will come through their neighborhood. Mr. Dematio said this is really not the place for this business.

Commissioner Mitchem asked the estimated number of dogs in the neighborhood.

Captain Leo Dematio said best guess is fifty to sixty percent of the people in the neighborhood have dogs.

Andrew Ferrante said he lives in the Villages of Denver. He said with his windows closed and air conditioning on he can hear sirens. He said they will be able to hear dogs barking and doesn't think this should be in their neighborhood.

Floyd Dean asked if Mr. Ferrante can hear his neighbor's dog bark. Mr. Ferrante said he can.

Michele Beheler said she bought house about 6 years ago at peak of market and is starting to gain equity and is really concerned with having a 6 acre kennel on the same road that she runs on. She said they have 2 small children and this is a busy street and they don't need more traffic. She said there is no stop light at 16. Ms. Beheler said speed bumps were turned down by the developer because it would be harder to turn streets over to state

Annie Geerkeen, 7232 Kaley Lane, said she did not get an email, but a neighbor sent her an email about the hearing. She said they have 3 dogs, 2 are rescue dogs. Ms. Geerkeen said dogs have excellent hearing. She said this is the wrong location for a dog kennel.

Steven Hallman, 1261 Clinton Court, Iron Station, said he is familiar with the neighborhood and has used both kennels in the area. He said the business should go somewhere where they are wanted. He said his dog currently goes to Puppy Planet.

Delores Hallman 1261 Clinton Court, Iron Station, said she goes to the restaurants there and would not like to go there with dog kennel next door. She said Puppy Planet is a small establishment and her dog loves it there.

Pat McCafferty, applicant, said she appreciates that the neighborhood does have traffic problems. She spoke about the park on Optimist Park Road and the fact that people cut through that neighborhood now to go to and from these ballfields. She said their neighborhood is used as a cut-through and needs to be addressed through DOT. She said they will have multiple yards outside and during peak times they will not have the dogs up against the fence and they have a way of moving the dogs in the yards.

Roger Seitz, applicant, stated that they looked all over Lincoln County and unless they want to go way north, there really isn't any affordable land. He said somebody will buy this land at some point and they will probably be the most community oriented owners that will be there because you could get a night club, a go cart track, or anything industrial. He said they will make sure they are the best bet and are community players.

Crystal Mitchem asked if there will be any dogs outside at night. Mr. Seitz said the only time they go out will be potty breaks by 7:30 p.m. All dogs will be in from 6:30 p.m. to 6:30 a.m.

Commissioner Mitchem asked what could be put there by right. Mr. Hawkins said a manufacturing plant, race car shop, and a number of uses could be put there by right without a public hearing.

Commissioner Mitchem asked Mr. Hawkins to explain how notifications are sent out since some people said they did not get a notice.

Mr. Hawkins said the ordinance requires them to mail a notification to anybody who owns property with 660 feet, an 1/8 of a mile of the property. A sign is posted at the property and a notice runs in both newspapers (Lincoln Times News and News@Norman).

Being no additional speakers, Chairman Patton closed the public hearing.

CUP #337 - Marni Carpenter, applicant
Parcel ID# 74138, 74799 and 74798

The applicant is requesting a conditional use permit to operate a bed and breakfast in the R-SF (Residential Single-Family) district. Under the Unified Development Ordinance, a bed and breakfast is a conditional use in the R-SF district, subject to certain standards.

The 9.6-acre site is located at 2800 Laboratory Road, on the west side of Laboratory Road at South Fork Road, in Lincolnton Township. This property is adjoined by property zoned R-SF and I-G (General Industrial). Land uses in this area are primarily residential. Across the road from this property, an old mill has been converted into an event center. This property is part of an area designated by the Lincoln County Land Use Plan as Suburban Residential.

BED AND BREAKFAST STANDARDS

The Unified Development Ordinance establishes the following standards for a bed and breakfast:

§4.4.3 Bed & Breakfast

Single-family detached dwellings may be used as bed and breakfasts in accordance with the following requirements:

- A.** One or more bedrooms may be rented on a daily basis to tourists, vacationers and similar transients;
- B.** Where the provision of meals is provided, such provision is limited to the breakfast meal, available only to guests and employees;
- C.** Individual rooms shall not be equipped with cooking facilities;
- D.** There shall be no substantial modifications to the exterior appearance of the structure; however, fire escapes, handicapped entrances and other features may be added to protect public safety;
- E.** Such operations shall be conducted primarily by persons who reside in the dwelling unit, with the assistance of not more than the equivalent of two full-time employees; and
- F.** An owner of the use shall reside on site.

Chairman Patton opened the public hearing.

Marni Carpenter, 2800 Laboratory Road, said they hope to enhance what Lincoln County offers since there is this fabulous Mill across the street. She said they have had interest about people staying there. They would be the only historic bed and breakfast in Lincoln County.

John Dellinger, owner of Laboratory Mill, said when the Carpenters approached them about this, great idea, they were ecstatic about it. He said the majority of the bookings at the facility are out of town. He said this will be a big asset to the community.

Being no additional speakers, Chairman Patton closed the public hearing.

PCUR #162 -Jeff Wilkinson, applicant Parcel ID# 23024

The applicant is requesting a parallel conditional use rezoning of a 0.45-acre parcel from R-S (Residential Suburban) to CU B-G (Conditional Use General Business) to permit servicing and sales of vehicle. The applicant is proposing to use an existing commercial building to service vehicles for sale as part of a car dealership he operates on an adjoining

site. Vehicle servicing is a permitted use and vehicle sales is a conditional use in the B-G district. This property has been the location of a legal nonconforming (grandfathered) use, a heating and air conditioning contractor.

The property is located at 103 Finger St., on the west side of Finger Street about 250 feet north of N.C., 27, in Ironton Township. It is adjoined by property zoned R-S, B-N (Neighborhood Business) and CU B-G (Conditional Use General Business). Land uses in this area include business, residential and institutional. This property is located in an area designated by the Lincoln County Land Use Plan as Mixed Residential/Commercial.

ADDITIONAL INFORMATION

Permitted uses

Under current zoning: Heating and air conditioning contractor, single-family dwelling, duplex, church.

Under requested zoning: servicing and sales of vehicles.

Adjoining zoning and uses

East (opposite side of Finger Street): zoned R-S and B-N, church.

South: zoned B-N, fitness center.

West: zoned CU B-G (*not shown correctly on zoning map in packet*), portion of lot recently cleared and graded to provide additional parking for car dealership.

North: zoned R-S, residence.

STAFF RECOMMENDATION

Staff recommends approval of the rezoning request.

Chairman Patton opened the public hearing.

Jeff Wilkinson, applicant, said he already has the property surrounding this site. He said this has always been a commercial building, but the zoning was never corrected.

Being no additional speakers, Chairman Patton declared the public hearing closed.

The Planning Board moved to the 2nd floor balcony.

Chairman Patton declared a five minute recess and then called the meeting back to order.

Public Comments (15 minutes allowed per Rules of Procedure – 3 minutes per person): Chairman Patton opened public comments.

Robert Avery asked the Board to consider town hall meetings concerning the budget.

Being no additional speakers, Chairman Patton declared public comments closed.

Lake Norman Marine Commission Update: Morris Sample gave the Board an update on the Lake Norman Marine Commission. He spoke concerning the need for requirements for rental boats and the need for grass carp.

The Board agreed to write a letter supporting the efforts of the Lake Norman Marine Commission with regards to the need for grass carp.

Public Hearing – Installment Financing: Chairman Patton opened the public hearing. Being no speakers, Chairman Patton closed the public hearing.

RESOLUTION #2014-15:

A RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR
APPROVAL OF A FINANCING AGREEMENT AUTHORIZED BY NORTH
CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the County of Lincoln, North Carolina desires to finance the construction of an industrial park, park shelters and improvements, video programming, radio towers, building purchase and equipment to better serve the citizens of Lincoln County; and

WHEREAS, the County of Lincoln desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Lincoln County, North Carolina, meeting in regular session on the 5th day of May, 2014, make the following findings of fact:

1. The proposed contract not-to-exceed \$6,500,000 is necessary or expedient because construction and acquisition of these items is necessary to provide adequate services to our citizens. The construction of infrastructure for the Airlie Business Park is necessary for the recruitment of new business and industry to the County, increase tax base, and increase jobs in the County.
2. The proposed contract is preferable to a bond issue for the same purpose for the following reasons. The financing is preferred over general obligation bonds because of the comparable interest rate and lower issuance costs associated with a private placement. This is also preferable to a two-thirds debt issuance because it is also less costly. Furthermore this form of financing is faster than general obligation bonds and needs to be completed within the next few months. The proposed financing is also preferable because there are not adequate funds in the current budget to finance the total

cost of the projects. Lincoln County has endeavored to improve its fund balance and to have sound financial management practices.

3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because they are reasonable for the proposed project.
4. The County of Lincoln's debt management procedures and policies are good because such practices have been carried out in strict compliance with the law as evidenced by the refundings of general obligation debt over the past few years.
5. There will be no need to increase taxes to meet the sums to fall due under the proposed contract. Funds will be budgeted in future budgets to make these payments.
6. The County of Lincoln is not in default in any of its debt service obligations.
7. The attorney for the County of Lincoln as rendered an opinion that the proposed Projects are authorized by law and are purposes for which public funds may be expended pursuant to the Constitution and laws of North Carolina.
8. The probable net revenues of the project to be financed will be sufficient to meet the sums to fall due under the proposed contract.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County Manager and/or the Finance Director is hereby authorized to act on behalf of the County of Lincoln in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 5th day of May, 2014.

The motion to adopt this resolution was made by Commissioner Robinson, seconded by Commissioner N/A and passed by a vote of 4 to 0.

Alex E. Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

This is to certify that this is a true and accurate copy of Resolution No. 15 was Adopted by the Lincoln County Board of Commissioners on the 5th day of May, 2014.

Amy S. Atkins
Clerk to the Board of Commissioners

Date

Updated Investment Policy: Deanna Rios presented the updated Investment Policy for the Board's approval.

FINANCE DEPARTMENT

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POLICY:

This investment policy applies to all financial assets of Lincoln County. The County combines the cash resources of its various funds into a single pool in order to maximize investment earnings. Each fund's portion of total cash and investments is shown by fund type in the combined balance sheet of the County's Comprehensive Annual Financial Report. This policy applies to all transactions involving the financial assets and related activity of all the various funds accounted for in the County's Comprehensive Annual Financial Report.

PURPOSE:

Funds of the County will be invested in accordance with North Carolina General Statute 150-30, the County's Investment Policy, and written administrative procedures. The County's investments shall be undertaken in a manner that (1) seeks to ensure the preservation of capital in the overall portfolio (safety), (2) provides for sufficient liquidity to meet the cash needs of the County's various operations (liquidity), and (3) attains a fair market rate of return (yield). Cash management functions will be conducted in such a manner as to ensure that adequate funds will always be available to meet the County's financial obligations and to provide the maximum amount of funds available for investment at all times.

RESPONSIBILITY:

In accordance with North Carolina General Statutes, the Finance Director is designated as the Investment Officer and is responsible for the County's financial assets. The Finance Director is also responsible for investment decisions and activities and shall develop and maintain written administrative procedures for the operation of the cash management and investment program, consistent with North Carolina General Statutes. In order to promote the efficiency of investment duties and related activities, the Finance Director may, at his option, designate one or more members of his staff to perform the functions of cash management and investing. Such delegation shall not relieve the Finance Director of responsibility for all transactions and executions performed by the designated individuals.

The standard of prudence to be used by the Investment Officer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. It states that investment officers acting in accordance with North Carolina General Statutes, this policy, written administrative procedures, and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. Investments shall be made with judgment and

care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probably safety of their capital as well as the probable income to be derived.

ETHICS AND CONFLICTS OF INTEREST:

The Finance Director, designated Investment Officer and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees shall disclose to the County Manager any material interests in financial institutions that conduct business with Lincoln County, and they shall further disclose any personal financial/investment positions that could be related to the performance of the County's portfolio. The disclosure need not include normal banking or brokerage relationships that are at normal market rates and conditions available to the general public.

STATUTORY AUTHORIZATION:

The legal limitations of local government investments are defined in NCGS 159-30. Accordingly, the following classes of securities are indicative of the investments utilized by Lincoln County:

- A. Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.
- B. Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration and the US Postal Service.
- C. Obligations of the State of North Carolina.
- D. Deposits at interest or purchase of certificates of deposit with any bank, savings and loan association or trust company in North Carolina, provided such deposits or certificates of deposit are fully collateralized.
- E. Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest (A1, P1, F1) by any nationally recognized rating service which rates the particular obligation.
- F. Participating shares in a mutual fund for local government investment (such as the NC Capital Management Trust), which is certified by the North Carolina Local Government Commission.

ADMINISTRATIVE RESTRICTIONS:

In addition to the previously noted limitations on appropriate securities, Lincoln County's investment activities are further restricted in the following manner:

- A. It is the policy of Lincoln County to diversify its investment portfolio. Assets held shall be diversified to eliminate the risk of loss resulting from the over concentration of assets in a specific issuer or specific class of securities. Diversification strategies shall be determined and revised periodically by the Finance Director. Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for stability of income and reasonable liquidity.
 - 1) Lincoln County will invest its short-term investments (less than one year) based on cash flow analysis.
 - 2) Lincoln County will invest minimal levels in money market funds of local government investment pools unless these instruments have higher yields.
 - 3) Short-term investments will be aggressively managed to maximize yield.

- 4) Reserve funds and other funds with longer-term investment horizons (greater than one year) will be invested in higher yield, longer maturing investments to maximize the investment opportunity available.
- B. Lincoln County recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the capital position of the overall portfolio. In the event of a default by a specific issuer, the Finance Director shall review and, if appropriate, proceed to liquidate securities having comparable credit risks.

SELECTION OF SECURITIES:

The Finance Director, or his designee, will determine which instruments shall be purchased and sold, and the desired maturity date(s) that are in the best interest of the County. All brokers and dealers transacting business with the County must be licensed to do business within North Carolina. They must also have extensive knowledge of NC General Statutes and have references from other North Carolina local governments. The selection of an instrument will involve the evaluation of, but not be limited to, the following factors:

- a. Cash flow projections and requirements
- b. Current market conditions
- c. Overall portfolio balance and makeup
- d. Relative liquidity of the instrument

CUSTODY AND SAFEKEEPING OF SECURITIES:

Lincoln County will maintain a third party safekeeping account for all investments, or take physical possession of them. Some securities, primarily certificates of deposit, will not be kept in the third party safekeeping account, but will be kept by the Investment Officer in a secure location in the County Finance Department. Transactions will be processed on a delivery versus payment basis, which insures that securities are deposited in an eligible financial institution prior to the release of funds.

INTERNAL CONTROLS

The Finance Director is responsible for establishing and maintaining a system of internal controls. The internal control structure shall be designed to provide reasonable assurance that the assets of Lincoln County are protected from loss, theft, or misuse by third parties or County employees. Accordingly, the Finance Director shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures.

REPORTING:

The Finance Director shall prepare an investment report on a semi-annual basis to present to the Board of Commissioners. The report should include the following:

- Listing of individual securities held at the end of the reporting period.
- Listing of investments by maturity date.
- Percentage of each type of investment in the total portfolio.

UPON MOTION by Commissioner Klein, the Board voted unanimously to approve the updated Investment Policy.

Motion to Approve Contract with Everbridge for Mass Notification System:

Martha Lide presented the following:

It is recommended that the Board approve the contract with Everbridge for a mass notification system for Lincoln County. In April 2011 the County contracted with Inspiron Logistics, LLC for mass notification services (Reverse 911) at a cost of \$36,900 annually which included unlimited voice, SMS text, email and desktop alerting. At that time, we also approved an Interlocal agreement between the City of Lincoln and the School Board to cover the cost of the system. The School Board has since withdrawn participation in favor of their current notification system.

The County has experienced customer service and mapping problems with the current contract. We investigated other stems and have determined that the Everbridge system is the most cost effective system that clearly meets our County's needs. The contract is for three years with the first year price at \$29,534 and the subsequent years at \$27,346. We will be updating our Interlocal agreement with the City and bring in it back to the Board for review.

Coral Saunders gave a presentation on the selection process for mass notification and features with the Everbridge system.

Commissioner Mitchem asked if staff could look to see how much Lincoln County Schools could save if they went with Everbridge also.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to approve the Contract with Everbridge for Mass Notification System subject to Wesley Deaton's recommended changes.

Other Business:

Commissioner Mitchem said there was a ruling by the Supreme Court today and now any government can pray using Jesus' name again. He said he would like to go back to having prayer like the Board wants to.

Adjourn: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to adjourn.

Amy S. Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners