

REGULAR BOARD MEETING of March 5, 1997, with Mayor John Cleaveland and Commissioners H. N. James, Mike McCall, Donnie Calloway, Ron Sanders, and Zeke Sossomon present.

Also present were Richard Betz, Lamar Nix, Selwyn Chalker, Victor Lofquist, Alan Marsh, Ninian Bond, Curtis Hayes, and Bill Christy.

I. Mayor Cleaveland called the meeting to order at 7:00 p.m.

II. The minutes of the February 5 and February 19 Regular Board Meetings had been distributed by mail.

MOVED BY COMM. SANDERS, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO APPROVE THE MINUTES AS DISTRIBUTED.

III. Reports.

1. The Mayor reported that he had scheduled an informal dinner meeting with the Macon County Board of Commissioners in Highlands on March 17; the time and place would be announced later.

2. Victor Lofquist, representing W. K. Dickson Company, the Town's consulting engineers, was present to update the Board on the capital projects currently underway. He reported that the water line projects were nearly complete, and that the final punch list would be prepared soon. The Water Treatment Plant was continuing to operate, and he expected that the trial run under Public Water Supply Section supervision could be scheduled for next week; demolition and finish work would remain to be completed. The Mayor expressed some concerns over the complexity of the Plant and availability of support and spare parts. Mr. Lofquist replied that the Plant was more complex due to the State's monitoring requirements, but he felt that the Town would be well protected due to longer equipment warranties, redundancy, and manual overrides.

3. Public Works Director Lamar Nix reported on routine maintenance in the Electric, Street, and Water departments. The Electric Department had reworked the feed on Leonard Road, and had begun the phase addition on US-64E, using equipment borrowed from Dillard Smith Construction. The 1996 Sewerline Replacement Project was now complete except for retainage, and the Wastewater Treatment Plant operators had reported that the new sewer line had already helped the I/I problem. He also reported that it now appeared possible to supply water to Satulah Ridge Subdivision from the Ravenel Ridge Subdivision water tank, and he asked for permission to pursue this possibility with Craig Cranston, the engineer for Ravenel Ridge, and the Town's consulting engineer; the Board agreed. Mr. Nix reported that the new tank had a capacity of nearly 100,000 gallons; Victor Lofquist felt it might be possible to supply 100 residences from the tank.

4. The Clerk reported that Police Chief Jerry Cook was on vacation, and would present his report next month.

5. Recreation Director Selwyn Chalker reported that Little League was starting up, as well as indoor soccer on Thursday evenings. He also reported that Ed Sullivan would be starting a weight-training program soon for 7th - 9th grade boys and girls. The Parks and Recreation Trust Fund grant application had been submitted before the deadline, but he did not expect to hear anything for another month or two. The new doors had been installed in the rear of the gym, and were a major improvement. He also provided each Board member with a proposed pay scale range for part-time summer employees at the Recreation Park for 1997, as follows:

- Aquatics Director.....\$6.50 - \$7.50/hour
- Lifeguards.....\$6.00 - \$7.00
- Summer Playground Leaders.....\$6.50 - \$7.50
- Summer Playground Helpers.....\$5.50 - \$6.50

He said that the pay scale had not been changed in three years, and

he was having difficulty employing part-time help at the current hourly wage. He also offered to provide a list of part-time employees at the next meeting.

MOVED BY COMM. SANDERS, SECONDED BY COMM. CALLOWAY, AND UNANIMOUSLY CARRIED TO APPROVE THE PROPOSED PART-TIME PAY SCALE.

6. Acting Zoning Administrator Richard Betz had not prepared a written report, but said that the Zoning Board was scheduled to hear three applications for Special Use Permit on March 11 from Old Creek Lodge, McCulley's Mens Store, and Paoletti's Restaurant. He also reported that the Land Use Surveys were being prepared for the printers, and should be mailed by the end of the month. The cost of printing and postage would be approximately \$2400, and Planning Board volunteers would assist with the mailing.

7. Each Board member had received a copy of the Treasurer's Report for the month of February.

MOVED BY COMM. JAMES, SECONDED BY COMM. MCCALL, AND UNANIMOUSLY CARRIED TO APPROVE THE TREASURER'S REPORT AND ACCOUNTS PAYABLE FOR THE MONTH.

8. The Clerk said that he had been informed that the Macon County Board of Commissioners had agreed to include the Town of Highlands in the County's Solid Waste Management Plan.

The Clerk also reviewed some re-adjustments in lot lines which had been made in Ravenel Ridge Subdivision. The total number of 31 lots would not increase, and two lots in Satulah Ridge Subdivision outside the Town limits would be incorporated into the re-configured lots; he was not certain at this time whether or not a petition for annexation would be filed for those lots. The Town had already committed to providing water to the Satulah Ridge Subdivision lots, even though they were outside of the Town limits, but water rates and connection charges would be double those in Town. The changes would be reflected on the final subdivision plat when all of the improvements had been installed.

The Clerk also reported that he had learned yesterday that the Travel and Tourism Coalition of North Carolina, a Raleigh-based lobbying group, had said it would oppose the Town's Room Occupancy Tax bill, which had been introduced in the house last week, unless it was amended to limit the uses of the proceeds strictly to tourism promotion and related activities. The Coalition would opposed use of revenues for law enforcement, fire protection, public utilities, recreation, or public works. He had discussed the matter with Rep. Jim Carpenter, who had requested that consideration of the bill be postponed for one week, until March 12; the bill had been scheduled to be reviewed by the Local & Regional Government 2 Committee this morning. Rep. Carpenter had said that it might be helpful for the Mayor or some Board members to appear before the Committee in Raleigh next week, and he had also provided a list of all of the members of the Committee.

Comm. James felt that the Town should do everything it could to have the bill adopted as proposed. The Mayor agreed; he pointed out that tourism resulted in demands on the infrastructure, and the proposed bill would help address those problems. Comm. Sossomon said that he was scheduled to be in Raleigh next week, and tentatively offered to accompany the Mayor to the Committee meeting if necessary.

MOVED BY COMM. JAMES, SECONDED BY COMM. CALLOWAY, AND UNANIMOUSLY CARRIED TO PREPARE A WRITTEN STATEMENT IN SUPPORT OF THE BILL, AND TO ASK THE MAYOR AND COMM. SOSSOMON TO ATTEND THE COMMITTEE MEETING IN RALEIGH IF POSSIBLE.

#### IV. Old Business.

1. Each Board member had received a copy of a memo prepared by Town Attorney Bill Coward dated March 3 concerning a proposed Mutual

Aid Agreement between the Highlands Police Department and the Macon County Sheriff's Department, as discussed at the February 5 Board meeting. The Board agreed to take the memo and the proposed agreement under advisement until the next meeting.

2. The Clerk reported that the Main Street Sewer Improvements Project application had been received by the State Clearinghouse. He expected that letters from merchants on Main Street and other information in support of the grant application would be ready to send to the Southwestern North Carolina Planning and Economic Development Commission by the end of the week.

3. Each Board member had received a copy of a memo prepared by Town Attorney Bill Coward dated February 7 to Jack Mayer concerning a proposed lease between the Town and Highlands-Cashiers National Public Radio Association for a translator site on the Upper Brushy Face water tank. The memo recommended revisions which addressed all of the concerns expressed by the Board at their meeting of February 5, including non-interference with the Fire Department repeater, a cancellation clause, prohibition of construction of any outbuildings without written permission, and a specific description of the premises. The Board agreed for the Clerk to obtain a final copy of the lease from Mr. Mayer and place this matter on the agenda for approval at the next meeting.

4. The Clerk reported that he had discussed the two proposed amendments of the Zoning Ordinance dealing with exempt signs and time limits on construction, discussed at the February 5 meeting, with Shannon Baldwin; he had drafted a proposed amendment and sent it to Bill Coward for review. Each Board member had received a copy of a memo prepared by Mr. Coward dated February 10, suggesting three changes to the amendment on time limits. The Clerk said that he felt all of the recommendations were good ones that clarified the proposed procedure whereby an applicant would present a construction schedule with a Special Use Permit application. The penalty for non-compliance could include any of various penalties for violation of the Ordinance. The Board agreed to incorporate the recommendations, and send the proposed amendment to the Planning Board for review at their next meeting; the Clerk was also requested to provide a copy of the amended proposal to each Board member.

5. The Clerk reported that he had received a letter from George Ward Hendon, attorney for Mr. & Mrs. Haack, requesting an extension of time for completion of improvements in the Hobson Subdivision on Satulah Mountain; the last extension of 12 months had expired on February 15. The Mayor pointed out that this property had been on the market for months, and he felt that the owners had abused their privilege. He thought that a six-month time extension should be granted, but that at the end of that period it should be made clear that no further time extensions would be granted; the Board agreed.

MOVED BY COMM. JAMES, SECONDED BY COMM. MCCALL, AND UNANIMOUSLY CARRIED TO GRANT A TIME EXTENSION OF SIX MONTHS FROM FEBRUARY 15, BUT TO INFORM THE OWNERS OF HOBSON SUBDIVISION THAT NO FURTHER TIME EXTENSIONS WOULD BE GRANTED.

6. The Clerk pointed out that the Bowery Water System had been identified as one of two FY 97-98 Capital Improvements Projects on the Town's Capital Improvements Program adopted last year. He said that budget time was approaching, and he asked if the Board wanted to proceed with a cost update on the project from W. K. Dickson Company; the 1994 estimate for the total project had been \$348,550, and the Board had agreed in September of 1994 to approach the project in phases.

The Board then discussed the Bowery Water System project at some length, including the responsibilities of Steve Pierson regarding that system. It was pointed out that a preliminary subdivision had been approved for Mr. Pierson for a development called Fox Farms

Estates last June contingent on submission of roadway, electrical, and water plans being submitted, but they had not been submitted to date.

Comm. James felt that the Town should review who was going to pay for what in the Bowery Road area; he did not think that the Town should have to pay for all of it. He felt that a problem existed due to the subdivision being developed only one lot at a time, with no overall plan; he thought that some sort of Master Plan should be provided. The Board asked Mr. Nix about a road being constructed on Mr. Pierson's land. Mr. Nix said that he had been asked to inspect a road from the water tank to the end of the road to determine if it met Town specifications. However, Mr. Pierson had indicated that the road was not a subdivision road, and he had not provided roadway plans, so Mr. Nix said he had stopped inspecting it.

Comm. Calloway also agreed that the Town should review the status of Mr. Pierson's plans. The Mayor felt that if there was a loophole in the subdivision regulations, it should be closed. He did not feel that the Town should end up spending money to install water lines in a subdivision; he felt Mr. Pierson should bear some responsibility.

It was agreed that the Clerk would contact Mr. Pierson and inform him of the Board's concerns before proceeding; meanwhile, preliminary cost updates can be prepared by W. K. Dickson Company.

7. The Board agreed to schedule a special work session at 7:00 p.m. on March 26 to discuss the Pay and Classification Study prepared by the League of Municipalities, as discussed at the February 19 meeting.

8. Ninian Bond presented a proposal to the Board from Highlands Cable Group for the construction of a new Cable TV station for Highlands, as discussed at the February 5 Board meeting. Mr. Bond said that the proposed system would be a 750 megahertz, state-of-the-art one; 550 megahertz would be provided for a total of 78 analog signals, 60 proposed initially, and 200 megahertz would be provided for digital signals, which would permit internet and telephone communication capabilities. A new antenna site outside Town had been secured and was under contract, and it would permit better reception than the Big Bearpen site. He also said that a Cable TV Advisory Board would be established, and that controversial channels such as MTV would be blocked at no charge. Service would be provided to any residence inside Town who requested it with no surcharge for line construction. He expected to be able to begin service within 18 months of grant of a franchise, and be capable of serving the entire Town within 24 months. The rate structure would vary, with a planned economy package for \$12.95/month, and more expensive basic and premium packages and view services.

He then introduced Bill Christy, who operated a system in Sapphire Valley. Mr. Christy stated that competition from a second Cable TV provider in that area has reduced the Cable TV rates; he said he had a 99% subscription rate.

The Board agreed to take the proposal under advisement, and to again review the Town's current Cable TV Ordinance.

#### V. New Business.

1. The Clerk has prepared a Memorandum of Renewal of Lease with the Highlands Chamber of Commerce for the Highlands Conference Center; the 5-year lease had expired on July 2, 1996, and the proposed renewal term would end on July 2, 2001.

MOVED BY COMM. SOSSOMON, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO APPROVE RENEWAL OF THE LEASE.

2. The Clerk reported that Warren Cabe, County Emergency Management

Coordinator, had prepared at his request a lease for a repeater site on Satulah Mountain; the equipment served emergency agencies in Highlands, and had been located there for a number of years, but no lease had ever been prepared. Comm. Sossomon offered to review the lease agreement.

3. The Clerk reported that the Macon County budget application had been received for FY 97-98, and was due by the end of the month. He said he had placed the matter on the agenda for the March 19 meeting, and asked the Board to be thinking about it in the meantime.

4. The Clerk had received a copy of a concurring ordinance from the Department of Transportation to reduce the speed limit on NC-28 to 25 miles per hour; the Board had agreed to the change on December 4, 1996.

MOVED BY COMM. CALLOWAY, SECONDED BY COMM. SOSSOMON, AND CARRIED TO ENACT THE ORDINANCE. Comms. Calloway, Sossomon, McCall, and Sanders voted "aye;" Comm. James voted "nay."

5. The Clerk reminded the Board that a new pickup truck had been budgeted for the Public Works Director for FY 96-97, and asked for permission to advertise for bids; the vehicle Mr. Nix now used would be used in the Electric Department to replace a 1986 Ford Ranger that was in very poor condition. Mr. Nix instead proposed providing the truck for the Electric Department, however, and keeping the truck he now used. The truck would be a full-size four-wheel-drive vehicle with automatic transmission.

MOVED BY COMM. SANDERS, SECONDED BY COMM. CALLOWAY, AND UNANIMOUSLY CARRIED TO ADVERTISE FOR BIDS FOR THE PICKUP TRUCK.

The Board then discussed on-call policy in the service departments. Comm. James wondered if other municipalities had a policy similar to the Town's. Some concern was expressed about excessive mileage on vehicles when on-call employees lived some distance from Town. It was pointed out that the 1986 Ranger had been used by the Recreation Park and meter reader before being used in the Electric Department, however, and had over 100,000 miles; Comm. Calloway did not think it was an issue. The Clerk agreed to look into the on-call policy.

6. The Clerk reported that two proposals had been received on the proposed Lake Study for Lake Sequoyah, which has been requested by the Public Water Supply Section, as follows:

- Fish and Wildlife Associates Inc.....\$41,200
- Coastal Environmental Services Inc.....\$62,600

The Board agreed that the proposals were much higher than expected, and discussed the study and the Town's efforts over the years to have Lake Sequoyah reclassified. Comm. James had understood that the PWSS had originally agreed to make this study; he felt that before the Board approved it, the Town needed to discuss it with Harold Saylor, the Regional Engineer. The Board agreed that the Town needed to obtain some assurances concerning the probability of reclassification proceeding. The Mayor wondered if reservoir classification could be removed once designated. Victor Lofquist said that he was not aware of any reservoir which had been classified, then had its classification removed. He pointed out that the Town needed to be able to use Lake Sequoyah in order to take advantage of the capacity of the new Water Treatment Plant. Comm. James felt that the State had already approved use of the lake when the lower raw water intake had been approved several years ago. Mr. Lofquist pointed out that the State took the position that the intake had been approved for emergency use only.

The Clerk reminded the Board that the re-classification process had guided Town policy for a number of years, but he admitted that the proposals were higher than he had expected. Moreover, the low bidder had informed him that they had been unable to locate a certified

lab to conduct testing for two of the chemicals which the State had included in the monitoring. He had been unable to reach Mr. Saylor by phone to discuss the bids with him, to see if perhaps the State would consider reducing some of the parameters for the Study, and to obtain a more definite assurance concerning reclassification.

The Board agreed to defer action on awarding the bids until this matter can be discussed with Mr. Saylor.

7. MOVED BY COMM. SOSSOMON, SECONDED BY COMM. CALLOWAY, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION TO DISCUSS LEGAL AND PERSONNEL MATTERS.

A. The Clerk discussed with the Board several applications which had been received for the position of Town Planner/Zoning Administrator, and the procedure for interviewing applicants.

B. The Mayor discussed with the Board his concerns over the Town's land lease with the Highlands Emergency Council. It was agreed that copies of the lease should be provided to the Town Attorney and Comm. Sossomon for review.

MOVED BY COMM. CALLOWAY, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO GO INTO OPEN SESSION.

VI. Meeting was adjourned by common consent at approximately 9:15 p.m.

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Richard Betz, Town Clerk