

Special Meeting Minutes of the Town of Highlands Board of Commissioners Meeting of April 9, 2020, at the Highlands Community Building, 71 Poplar Street, Highlands, North Carolina

Town Board Present: Commissioner John Dotson, Commissioner Amy Patterson, Mayor Pro Tempore Donnie Calloway, Commissioner Brian Stiehler, Commissioner Marc Hehn and Mayor Pat Taylor

Also Present: Town Manager Josh Ward, Human Resources Director Emilie Nickerson, Public Works Director and Town Engineer Lamar Nix, Fire Chief Ryan Gearhart and Town Clerk Gibby Shaheen

Media Present: Ryan Hanchett from the Highlander and Kim Lewicki from the Highlands Newspaper

1. Meeting Called to Order

Mayor Taylor called the meeting to order at 3:07pm.

2. Adjust and Approve the Agenda

Commissioner Hehn asked to add Item to discuss the Contract of the new Fire Department site. Item added as #4.

Mayor Pro Tempore Calloway made a motion to approve the agenda as amended, which was seconded by Commissioner Stiehler and the vote was unanimous.

3. Approval of the AIA Agreement with D.R. Reynolds – Fire Dept. Construction Manager at Risk to Establish the Guaranteed Maximum Price

Town Manager Josh Ward presented the AIA Agreement with D.R. Reynolds for a one-time payment of \$35,000 for a guaranteed maximum price building out for the new Fire Department and recommended approval.

MAYOR PRO TEMPORE CALLOWAY MADE A MOTION TO APPROVE THE AGREEMENT AS PRESENTED, WHICH WAS SECONDED BY COMMISSIONER HEHN AND THE VOTE WAS UNANIMOUS.

4. Contract for New Fire Department Property

Town Manager Josh Ward stated he wanted to move forward with the agreement first so we can have an idea of the buyout and recommended waiting until we had the numbers back before deciding.

Commissioner Hehn asked if the Contract to purchase had an expiration date.

Ward stated the Contract was open ended and was specific for the Fire Station and LGC approval.

Commissioner Calloway expressed concern if something was to happen if the Agreement would be upheld.

Ward recommended to wait to make the decision in June when we had numbers back.

5. Insurance Update

Town Manager Josh Ward said the Town had not received all of the insurance quotes, however Medcost would increase 10%, but Wayah was going to try to negotiate. United Healthcare, Aetna and Blue Cross Blue Shield should have their estimates in by the end of April.

Commissioner Hehn suggested the Town cover the cost in the increase on behalf of the employees to show appreciation.

Town Manager said Wayah would be getting other rates and possibly better rates.

**TOWN OF HIGHLANDS
MEDICAL PLAN ANALYSIS
EFFECTIVE JULY 2020**

Insurance Carrier			MIT (League of Municipalities)	MIT (League of Municipalities)
Type of Plan			MED 5000 with HRA (50%)	MED 5000 with HRA (50%)
			Current July 2019 - June 2020	Renewal July 2020 - June 2021
Lifetime Maximum			Unlimited	Unlimited
			In-Network	In-Network
Deductible				ESTIMATED RATES
Individual			\$5,000	\$5,000
Family			\$10,000	\$10,000
Out of Pocket Maximum			<i>(Max includes ded, copays, coins, and Rx)</i>	<i>(Max includes ded, copays, coins, and Rx)</i>
Individual			\$5,000	\$5,000
Family			\$10,000	\$10,000
Inpatient Hospitalization			100% after ded	100% after ded
Inpatient Mental Health/SA			100% after ded	100% after ded
Outpatient Surgery			100% after ded	100% after ded
Emergency Room			100% after ded	100% after ded
Urgent Care			100% after ded	100% after ded
Primary Care Office Visit			100% after ded	100% after ded
Specialist Office Visit			100% after ded	100% after ded
Mental Health/SA Office Visit			100% after ded	100% after ded
Chiropractic Office Visit*			100% after ded	100% after ded
Preventive Exam:				
Primary Care Provider			100% no ded	100% no ded
Specialist			100% no ded	100% no ded
Prescription Drugs:			Amount you pay for 30 day supply	Amount you pay for 30 day supply
Deductible			Medical ded applies, except for Generics	Medical ded applies, except for Generics
Generic/Preferred			\$10 copay	\$10 copay
Preferred Brand			100% after ded	100% after ded
Non-Preferred Brand			100% after ded	100% after ded
Specialty Brand			100% after ded	100% after ded
Coverage Tier		#		
Employee Only	EE	41	\$588.00	\$653.00
Employee+Spouse	ES	12	\$1,267.00	\$1,400.00
Employee+OneChild	E1C	4	\$831.00	\$920.00
Employee+Child(ren)	EC	2	\$831.00	\$920.00
Employee+Family	FAM	7	\$1,811.00	\$1,998.00
Retirees	RET	0	\$0.00	\$0.00
Estimated monthly Premium			\$56,975.00	\$63,079.00
Dollar Change			n/a	\$6,104.00
Percentage Difference			n/a	10.7%
Annualized Premium			\$683,700.00	\$756,948.00

SUGGESTED			MONTHLY	MONTHLY
Cost to Employer			\$47,891.50	\$53,088.50
Cost to Employee	EE		\$0.00	\$0.00
	ES		\$339.50	\$373.50
	E1C		\$121.50	\$133.50
	EC		\$121.50	\$133.50
	FAM		\$611.50	\$672.50
	RET		\$0.00	\$0.00
EMPLOYER ANNUALLY DIFFERENCE			\$574,698.00	\$637,062.00
				\$62,364.00

*Additional limits may apply.
This is only a brief comparison of benefits. All benefits are subject to the terms and provisions of the policy. Please see benefit summary for additional limits and out-of-network benefits.

See Benefit Summary for Out of Network
rates include \$24 pepm broker consulting fee

See Benefit Summary for Out of Network
rates include \$32 pepm broker consulting fee

MAINTAIN DEPENDENT COST FOR EMPLOYEES

MAINTAIN DEPENDENT COST FOR EMPLOYEES

ESTIMATE BASED ON 10% RATE INCREASE

6. Proposed FY 2020-2021 Capital Requests

Town Manager Josh Ward stated there were two capital lists for FY 2020-21 in the packet. One list was a proposal before the Covid-19 outbreak and the second list is a post Covid-19 outbreak proposal option that would substantially reduce the capital expenditures.

Ward continued that two items had been added since these items were discussed at the Retreat, one being a project to change-out all street lights to LED, requested by the Mayor. We have been replacing existing street lights over the last several years as the old lights burnout and it has been a very slow process. The proposal would cover the purchase of the lights and our electric crew would replace them over a number of months as they have time. The second addition is for lighting in the parking lot at the community building. The proposal includes 5 decorative poles, similar to Main Street, requested by Commissioner Hehn.

Currently, the economic impact will affect our current FY 2019-20 budget. As for the upcoming FY 2020-21, the question is how long the shutdown to slow the spread will last.

FY 2020-21 Capital Items List (pre Covid-19 option)

Red = Capital Items Identified as Possible Elimination

Street Department

Street Paving

Spring Street	\$180,000.00
Cullasaja Drive (1.1 Miles from Hwy 64)	\$156,000.00
Hickory Street	\$89,000.00
Church Street Alley	\$17,000.00
Chowan Drive	\$111,000.00
Pinecrest Road	\$50,000.00
Sub Total	\$603,000.00

Repairs / Maintenance

Sidewalks

US 64 -- Chandler Inn	\$121,000.00
Main Street – Presbyterian Church	\$64,000.00
Main Street – Loafers Bench	\$3,500.00
Main Street – Reeves	\$21,000.00
Satulah Road	\$11,000.00
Pierson Drive	\$15,000.00
Sub Total	\$235,500.00

Streets / Sidewalks

Misc. Sidewalk Repairs	\$30,000.00
Salt	\$30,000.00
Paint Striping	\$20,000.00
Sub Total	\$80,000.00

Equipment

Flatbed Dump	\$95,000.00
Sub Total	\$95,000.00
<u>Total</u>	<u>\$1,013,500.00</u>

Sanitation Department

Equipment

Replace 2004 Peterbilt	\$172,000.00
Replace Dumpsters	\$30,000.00
<u>Total</u>	<u>\$202,000.00</u>

Electric Department

Equipment

Replace 2004 Yanmar Excavator	\$73,000.00
Replace 2004 Hudson Trailer	\$8,000.00
Replace 2009 International/Altec Bucket Truck	\$246,000.00
Replace 2010 Vermeer Chipper	\$85,000.00
Street Light Upgrade to LED	\$117,000.00
<u>Total</u>	<u>\$529,000.00</u>

Water / Sewer Departments**Projects**

Moorewood Road Waterline Improvements	\$628,000.00
Valentine Lane Waterline Improvements	\$192,000.00
Subtotal	\$820,000.00

Equipment

Replace 2010 Service Truck	\$60,000.00
WTP Service Contracts (Hach, Idexx, Tholen, Generator)	\$17,500.00
WTP Tank Cleaning	\$20,000.00
WTP Lab Equipment	\$16,000.00
WWTP Belt Press Upgrades/Repairs	\$55,000.00
WWTP Replacement Equipment (UV Lights & Polymer)	\$34,000.00
Subtotal	\$202,500.00
<u>Total</u>	<u>\$1,022,500.00</u>

Police Department

(5) Viper Communications Packages	\$34,000.00
<u>Total</u>	<u>\$34,000.00</u>

Fire Department

Replacement Vehicle - Asst. Chief	\$32,000.00
Replacement Vehicle Equipment	\$10,000.00
Viper Communications Packages	\$25,000.00
<u>Total</u>	<u>\$67,000.00</u>

Parks & Recreation Department**Projects**

Tennis Court Replacement	\$120,000.00
Community Bldg. Parking Lot Lighting (5 decorative poles)	\$15,000.00
<u>Total</u>	<u>\$135,000.00</u>

MIS/GIS Department

Replacement Servers		\$20,000.00
Replacement Core Router		\$5,000.00
Network Audit		\$18,000.00
	<u>Total</u>	<u>\$43,000.00</u>

Planning & Dev. Department

Comprehensive Plan Development		\$100,000.00
	<u>Total</u>	<u>\$100,000.00</u>

	Proposed FY 2020-21	FY 2019-20
General Fund Departments	\$1,325,500.00	\$1,019,400.00
Water/Sewer Fund	\$1,022,500.00	\$1,744,500.00
Electric Fund	\$529,000.00	\$318,000.00
Sanitation Fund	\$202,000.00	\$153,000.00
<u>Grand Total</u>	<u>\$3,079,000.00</u>	<u>\$3,234,900.00</u>
	<u>-\$212,000.00</u>	
	<u>\$2,867,000.00</u>	

Fire Department Special Fund **\$67,000.00** N/A

FY 2020-21 Capital Items List (post Covid-19 option)

Red = Capital Items Identified as Possible Elimination

Street Department

Street Paving

Spring Street		\$180,000.00
Cullasaja Drive (1.1 Miles from Hwy 64)		\$156,000.00
Hickory Street		\$89,000.00
Church Street Alley		\$17,000.00
Chowan Drive		\$111,000.00
Pinecrest Road		\$50,000.00
	Sub Total	\$603,000.00

Repairs / Maintenance

Sidewalks

US 64 -- Chandler Inn		\$121,000.00
Main Street – Presbyterian Church		\$64,000.00
Main Street – Loafers Bench		\$3,500.00
Main Street – Reeves		\$21,000.00
Satulah Road		\$11,000.00
Pierson Drive		\$15,000.00
	Sub Total	\$235,500.00

Streets / Sidewalks

Misc. Sidewalk Repairs	\$30,000.00
Salt	\$30,000.00
Paint Striping	\$20,000.00
Sub Total	\$80,000.00

Equipment

Flatbed Dump	\$95,000.00
Sub Total	\$95,000.00
<u>Total</u>	<u>\$1,013,500.00</u>

Sanitation Department**Equipment**

Replace 2004 Peterbilt	\$172,000.00
Replace Dumpsters	\$30,000.00
<u>Total</u>	<u>\$202,000.00</u>

Electric Department**Equipment**

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WWTP Replacement Equipment (UV Lights & Polymer)	\$34,000.00
Subtotal	\$202,500.00
<u>Total</u>	<u>\$1,022,500.00</u>

Police Department

(5) Viper Communications Packages		\$34,000.00
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	<u>Total</u>	<u>\$43,000.00</u>

Planning & Dev. Department

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	<u>Total</u>	<u>\$100,000.00</u>

	Proposed FY 2020-21	FY 2019-20
General Fund Departments	\$1,325,500.00	\$1,019,400.00
Water/Sewer Fund	\$1,022,500.00	\$1,744,500.00
Electric Fund	\$529,000.00	\$318,000.00
Sanitation Fund	\$202,000.00	\$153,000.00
<u>Grand Total</u>	<u>\$3,079,000.00</u>	<u>\$3,234,900.00</u>
	<u>-\$1,454,000.00</u>	
	<u>\$1,625,000.00</u>	
Fire Department Special Fund	\$67,000.00	N/A

7. Adjournment

AS THERE WERE NO FURTHER MATTERS TO COME BEFORE THE BOARD OF COMMISSIONERS, COMMISSIONER DOTSON MOVED TO ADJOURN WHICH WAS SECONDED BY COMMISSIONER PATTERSON AND UPON A UNANIMOUS VOTE, THE TOWN BOARD ADJOURNED AT 3:45PM.

Patrick Taylor
Mayor

Gilberta B. Shaheen
Town Clerk