

Special Meeting Minutes of the Town of Highlands Board of Commissioners Meeting of March 11, 2021, at the Highlands Community Building, 71 Poplar Street, Highlands, North Carolina

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

Also Present: Town Manager Josh Ward, Town Attorney Jay Coward, Finance Director Rebecca Shuler, Public Works Director and Town Engineer Lamar Nix, MIS/GIS Director Matt Shuler, Police Chief Andrea Holland, Parks & Recreation Director Lester Norris, Computer Support Specialist Mark Hall and Town Clerk Gibby Shaheen

1. Meeting Called to Order

Mayor Taylor called the meeting to order at 9:07am.

2. Present and Approve the Agenda

COMMISSIONER STIEHLER MADE A MOTION TO APPROVE THE AGENDA AS PRESENTED, WHICH WAS SECONDED BY COMMISSIONER DOTSON AND THE VOTE WAS UNANIMOUS.

3. Financial Matters – Midyear Update

Town Manager Josh Ward thanked Rebecca for the lights in the conference center and thanked Matt, Jon, Ethan and James for their hard work installing them.

Town Manager Josh Ward reviewed the following Capital Projects from this year:

- Valentine Lane water line replacement completed by Stilwell
- Paving Cullasaja, Chowan and Pinecrest was complete
- Sidewalk repairs have been completed and sidewalk repairs at Reeves are being finished up
- Tennis Courts are completed and will be striped when it warms up
- Chowan Road repairs have been completed and our guys patched holes and removed from trees hoping this will not happen again
- Sewer Plant Repairs are complete and Ward thanked Jake, Howard and Randy for their help.
- Fire Department construction had started with grading but was stopped because of the soil being unsuitable in the front soil. Samples of the soil are being checked and working on a plan of a 98% compaction rate in the front. Multiple springheads found, so they will put down a rock layer and dirt back over.
- Fiber Construction workers are pulling in the last head end and the testing will begin. MIS/GIS Director Matt Shuler should have a draft copy of the Contract for review and then it will bring it to the Board.
- Comprehensive Plan with Stewart who currently has a business survey still open and the third steering committee meeting on March 24th, 2021, 6:30pm-7:00pm

Town Manager Josh Ward said the intersection of Satulah Road and South Street had changed and the medians were removed and patched and topsoil was put on the area that will be landscaped. Ward also said that NCDOT would begin paving Sunday night weather permitting.

Finance Director Rebecca Shuler presented the following highlights of the FY20/21 budget at mid-year.

As of February 2021 property tax collections have increased \$90,565.27 compared to February 2020. This represents a collection rate of 98.32% as of February 2020.

Sales tax revenue as of February 2021 has increased \$24,470.77 compared to February 2020.

Franchise Tax revenue as of February 2021 is \$3,844.31 less than in February 2020.

The amount of General Fund revenues collected as of February 2021, exclusive of \$34,250.00 in donations for Police and Recreation projects, is \$114,707.24 more compared to General Fund revenues collected as of February 2020.

We anticipate meeting our budgeted revenue for General Fund with General Fund expenditures are 52% spent as of February 2021.

The Town had an original fund balance appropriation in General Fund at July 1, 2020 of \$1,469,616.00. As of February 2021, the Town has appropriated an additional \$377,428.00 in General Fund.

All utility funds should be at approximately 66.7% of budgeted revenue as of February 2021. The Water is at 58% with water charges. The Sewer is at 50%, Sanitation is at 53% and the Electric is at 74% for electric charges. We anticipate meeting our budgeted revenue for all utility funds.

All utility funds should be at or below 66.66% spent as of February 2021. Water is at 55%, Sewer is at 44%, Sanitation is at 68% and Electric is at 41% spent as of February 2021. All utility fund expenditures will be closely monitored so as to stay within budget.

4. Public Works Department – Capital Needs

Public Works Director and Town Engineer Lamar Nix presented the following outline:

2021-2022 Proposed Budget Item

2/26/21

1. Street Dept.

- A. Sidewalk Repair \$30,000
- B. Salt \$30,000
- C. Paint Striping \$25,000
- D. Paving
 - a. Spring Street \$180,000
 - b. Upper Lake \$85,000
 - c. Lower Lake \$135,000
 - d. Sherwood \$120,000
 - e. Old Walhalla \$47,000
 - f. Warren Rd \$20,000
 - g. Many Rd \$135,000
 - h. Gibson \$60,000
 - i. Cullasaja Ext \$52,000
 - j. Talley Rd \$50,000
- E. Sidewalk Projects
 - a. US 64-(Chandler Inn) \$92,000-\$111,000
 - b. Main St. Presbyterian Church \$70,000
 - c. US 64 Poplar \$50,000
 - d. Replace Planters near Reeves \$17,000
- F. Equipment
 - a. Replace 2008 Dump \$125,000
 - b. Replace Ton Dump \$80,000

2. Water/Sewer Dept.

- A. Moorewood Rd Water Improvements \$670,000
- B. Little Bear Pen Pump Station Generator \$75,000

3. Sanitation Dept.

- A. Replace Dumpsters \$30,000
- B. Equipment
 - Compact Rearloader Truck \$125,000

4. Electric Dept.

- A. Equipment
 - Replace 2009 International Bucket Truck \$251,000

5. Water Plant

- A. High service Replacement Pump VFD \$600,000
- B. Lab Upgrades \$48,000
- C. Walkway/Access walks to Clearwell \$189,000
- D. Pump Rebuilds \$20,000
- E. Tank Cleaning \$20,000
- F. Service Contracts (Idexx, Tholen, Covington, Heyward, Patton) \$25,000
- G. Misc. Equipment/Tools \$3,000
- H. Replace Lab Equipment (DR 3900,CL17) \$8,000

6. Wastewater Plant

- A. Roof Repair \$32,000
- B. Tank Cleaning \$61,000
- C. Diffuser Winch Replacement \$18,000
- D. Flygt Pump Replacement \$15,000
- E. UV Light repair/replace \$12,000
- F. Additional Testing \$3,000
- G. Belt Press Parts \$19,000

5. Break

6. Sanitation Fee Discussion

Town Manager Josh Ward said with the auditors being concerned with the Sanitation fund not being sustainable on its own the Finance Committee met to review the need to possibly increase the rates.

Finance Director Rebecca Shuler gave a presentation with a look of an increase and expense projection to keep the fund in balance.

Town Manager Josh Ward said the commercial picked up on the weekends causes the overtime and commercial is the main cost for the tipping fees.

Public Works Director and Town Engineer Lamar Nix said he has stopped them picking up cardboard on weekends and limiting overtime to 4 hours on Saturday and Sunday with two people from the Sanitation Department, and he thinks it would eliminate any overage concerns in the overtime pay.

Mayor Pro Tempore Patterson thinks cutting expenses and targeting rates as opposed to across the board was a better choice, but should look at all options.

Officer Leah McCall gave a report on Sanitation issues.

7. Police Department – Capital Needs

Police Chief Andrea Holland requests \$118,000 for Ford Interceptor SUV with extended warranty and equipment for the SUV.

- (a) Ford Interceptor SUVx2 - \$84,000; and
- (b) Emergency equipment, rifle and gun mount, graphics and tint x2- \$34,000.

8. Lunch

Mayor Taylor recessed the meeting for lunch at 12:05pm.

The meeting was reconvened at 1:00pm

9. IT/GIS Department – Capital Needs

MIS/GIS Director Matt Shuler requested the following for the IT/GIS department:

- (a) Police Tablets - \$68,000;
- (b) Design Jet Printer/Scanner - \$22,000;
- (c) Community Building upgrades – \$6,000; and
- (d) Sewer pumps (3) on to SCADA at a cost of \$12,000.

10. Parks & Recreation Department – Capital Needs

Parks & Recreation Director Lester Norris requested \$75,000 for remodel of outdoor restrooms. Norris also advised there was a donation of \$51,000 to expand the playground.

11. Chamber of Commerce Update

Chamber of Commerce Director Kay McHan thanked the Board for all the work and tough decisions and keeping the citizens informed during this pandemic. McHan updated on the Chamber and Visit Highlands and the ongoing plans of activities and projects.

12. Session Wrap Up: Mayor and Council Comments

Mayor Taylor thanked the staff for informative presentations of where we are and where we are headed.

Commissioner Hehn asked about cameras in busy intersections. Chief Holland said most of the accidents were from people backing out and she had an accident reconstructionist in Officer Leah McCall. Commissioner Dotson said the Board had talked about cameras in the past and seems the prevailing feeling that cameras by government is an intrusion of privacy and don't know that we need them.

Mayor Pro Tempore Patterson thanked the staff for getting the town through this year.

13. Adjournment

AS THERE WERE NO FURTHER MATTERS TO COME BEFORE THE BOARD OF COMMISSIONERS, COMMISSIONER CALLOWAY MOVED TO ADJOURN WHICH WAS SECONDED BY COMMISSIONER DOTSON AND UPON A UNANIMOUS VOTE, THE TOWN BOARD ADJOURNED AT 2:37PM.

Patrick Taylor
Mayor

Gilberta B. Shaheen
Town Clerk