

REGULAR BOARD MEETING of May 2, 2001, with Mayor Buck Trott and Commissioners Zeke Sossomon, Amy Patterson, H. N. James, Ron Sanders, and Mike Cavender present.

Also present were Richard Betz, Bill Coward, Lamar Nix, Maureen Lackey, Jerry Cook, Selwyn Chalker, Kim Lewicki, Bob Wright, Bronce Pesterfield, Steven Horvath, Larry Guido, Nin Bond, David Johnston, Alan Marsh, Barbara Werder, and Bob Sutton.

I. Call to Order.

The Mayor called the Regular Board Meeting to order at 7:00 p.m.

II. Approval of Agenda.

Copies of the agenda had been distributed by mail. The Clerk asked that the following items be added:

- Property/General Liability Insurance
- County Collection of Taxes
- Derek Taylor - request for structure in right-of-way
- Gary S. & Catherine W. Garren subdivision plat

MOVED BY COMM. PATTERSON, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO APPROVE THE AGENDA AS AMENDED.

III. Approval of Minutes.

Copies of the minutes of the April 4 Regular Board Meeting had been distributed by mail.

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

IV. Reports.

1. The Mayor reported that he had attended a North America Lake Management Society meeting in Chicago, which had included the EPA and other agencies. One of the things he had learned was that private lakes which allowed public access are eligible for public money, such as EPA "319" funds.

He also reported that he had attended a North Carolina League of Municipalities Board of Directors meeting on May 1. He had learned at the NCLM meeting that the State budget crisis was much worse than anticipated, and he understood that receiving any State reimbursements in the future was questionable. He personally felt that the State had gotten itself into trouble, and it ought to get itself out of trouble.

The Mayor also reported that the Parking Ordinance was in effect as of May 1. He thanked the Parking Committee for working on the Ordinance over the last two years, and commended all of its members.

He said that any persons objecting to the Ordinance should come directly to the Board in the future.

2. Each Board member had received the Public Services Administrator's written report for the month. Lamar Nix was present and reviewed the report with the Board. He said that the maintenance work at the Water Treatment Plant had been completed, as well as the maintenance on the Big Bearpen water tank; work on the Little Bearpen water tank had already begun. The Maple Street project was ongoing, but the contractor had encountered some problems with the blasting sub-contractor. The West Shore Lake Sequoyah project was nearly complete, but the contractor was still waiting for materials.

He also reported that Duke Power had begun relocating the power lines over Lake Sequoyah.

The Mayor added that he understood Duke Power would be finished

setting the new poles along US-64 by June, and the entire project, including the substation, would be completed by October.

3. Each Board member had received the Police Chief's written report for the month. Jerry Cook was present and reviewed the report with the Board.

4. Each Board member had received a copy of the Recreation Director's report for the month. Selwyn Chalker was present and reviewed the report with the Board. He said that Integrated Building Systems was finishing up work on the chiller, and noted that it would be one-third quieter as well as much more efficient when installed. The swimming pool had also been placed in operation and it seemed to be in good shape.

5. Each Board member had received a copy of the Town Planner/ Zoning Administrator's report for the month. Maureen Lackey was present, noted that she was back full-time, and reviewed the report with the Board.

The Mayor reported that the County Vision 2025 group was working on an "open use district" Land Use Ordinance, using a model from Hendersonville.

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

MOVED BY COMM. JAMES, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO ACCEPT THE TREASURER'S REPORT.

7. Each Board member had received a copy of the Town Administrator's written report for the month. He reported that the contract with Fish & Wildlife Associates for monitoring in Big Creek had been executed. Senior Biologist John Boaze had reported that only 4 to 5 storm events would suffice to provide baseline data; he had already placed sample stations in the creek, and would be conducting the substrate analysis and stream evaluation next week. He had also reported that sandbags had been placed at the penstock in the Randall Lake dam and the lake was being filled, and that the D. O. T. had been doing culvert work above the lake preparing for bridge replacement. He also attached a copy of a letter from J. C. Bumgarner, P. E., an engineer retained by Robert Nass, regarding the condition of the Randall Lake dam.

He also distributed a letter written by the Fire Department, at the suggestion of the League of Municipalities, opposing proposed NFPA standards which would adversely affect the Department.

Attorney Bob Long had reported that he would be filing the complete record in the Highlands Country Club appeal on May 16; he expected the matter to be calendared for hearing the week of September 10.

He also reported that he had attended a Wastewater Treatment Plant permitting seminar in Asheville last week with Victor Lofquist; Mr. Lofquist reported that he was working on the alternatives analysis and the environmental assessment, and the permitting process was on schedule.

He also reported that Administrative Assistant/Deputy Clerk Mary Jane Wood had turned in her notice on April 12; applications would be reviewed in Closed Session later in the meeting.

Finally, he had contacted Rich Ducker at the Institute of Government concerning the authority of the Appearance Commission to review public projects, and had prepared a memo on the subject. Mr. Ducker had said that public buildings could be reviewed through the Special Use Permit process, but other facilities and projects could not. An amendment adding public buildings to the list of Special Uses would be required.

V. Old Business.

1. Each Board member had received a letter from David Harris of Custom Communications, the consultant who had prepared the franchise agreements with Northland and Highlands Cable Group two years ago, concerning information on funds and assets submitted to the Town Administrator and a requested extension of time. The Town Administrator said that he had met with Mr. Bond and forwarded all of the information provided to Mr. Harris, and based on Mr. Harris's recommendation, Highlands Cable Group had met the requirement in the franchise agreement of \$1.2 million in funds and assets in the form of capital assets of \$865,000 through investments by limited partners, and \$381,861 in capital assets. Mr. Harris had checked the market value of several of the capital items, and the Town Administrator had confirmed amounts invested by several of the limited partners. Mr. Harris had also prepared an Ordinance extending the construction schedule an additional two years, which was submitted for approval on first reading; second reading would be placed on the agenda of the next meeting.

MOVED BY COMM. JAMES, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO APPROVE SAID ORDINANCE ON FIRST READING.

2. The Town Administrator had distributed copies of several e-mail communications between himself and Harold Saylor, P. E., Regional Engineer with the Public Water Supply Section, concerning the Board's moratorium on docks on Lake Sequoyah. Mr. Saylor had decided that, in order to maintain Class I Reservoir classification for Lake Sequoyah, new docks could not be permitted on the lake. He had since been asked if existing docks would be "grandfathered," and if so to what extent they could be repaired or enlarged, and also whether motor boats would be affected by the classification, but he had not yet replied. The Board agreed to defer amending the Lake Ordinance to prohibit docks until answers to these questions had been received.

The Board also discussed the natural vegetative buffer requirement of the Zoning Ordinance, to which Mr. Saylor had referred; the buffer was the means in both the Town and the County watershed regulations by which it had been agreed the Town could maintain the 50-foot "margin of control" required in the Administrative Code for the reservoir classification. Maureen Lackey read the definition and said that the Zoning Board would be reviewing it at a future meeting.

VI. New Business.

1. The Mayor reported that bids for the NC-106 Sewer Project had been opened at 2:00 p.m. on April 25. Bill Coward had been asked to review the escrow agreement approved last year; he was present and reported that, due to the rock clause in the contract, he had decided to prepare an amendment to paragraph 9 to clarify that, regardless of the amount of rock, the Town would have no responsibility to pay more than \$350,000 for the project. Bronze Pesterfield was also present, and had submitted both an invoice for engineering costs in the amount of \$21,611.90 and a tabulation of the bids received. The bids were as follows:

• Larry Rogers Construction Co.....	\$447,720.50
• Tugaloo Pipeline Inc.....	361,296.00
• Stillwell Enterprises Inc.....	320,782.85
• Terry Brothers Construction Co.....	368,612.00
• Wheeler Construction Co.....	344,440.00
• Hobson Construction Co.....	389,161.00

The low bid of \$320,782.85 plus the engineering costs of \$21,611.90 would constitute the "Cost of the Project" under the agreement (\$342,294.75); \$85,573.69 would therefore be required to be placed in escrow.

MOVED BY COMM. SOSSOMON, SECONDED BY COMM. PATTERSON, AND CARRIED TO ACCEPT THE LOW BID. Comms. Sossomon, Patterson, James, and Cavender voted "aye" and Comm. Sanders voted "nay."

2. Copies of an audit proposal from Lucas & Keener, PA, had been

distributed; the total amount was \$14,300, the same as last year, and the submission date was October 25, 2001.

MOVED BY COMM. SOSSOMON, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO ACCEPT THE PROPOSAL.

3. Copies of a landscape maintenance proposal from Lance Hollars or Group One had been distributed; the total amount was \$9,200, an increase over last year due to proposed planting of perennials in the Recreation Park.

MOVED BY COMM. SANDERS, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO ACCEPT THE PROPOSAL.

4. Each Board member had received a list of streets and parking lots to be re-surfaced for 2001, prepared by the Town Engineer. Mr. Nix reported that there was \$60,000 budgeted for street paving this year. Paving at the Conference Center and along the margin of Poplar Street had been requested by the Highlands Chamber of Commerce and was included, but Mr. Nix reported that the street right-of-way would need to be surveyed. The paving identified was as follows:

Location	Cost
1. Third Street, from Main to Spring	16,120
2. Fifth Street from Main to Pine	14,706
3. Oak Lane from Raoul for 1440 feet	14,560
4. US-64 from Main to Pine	13,914
5. Keener Road from Holt to end	16,114
6. Parking Lot at Conference Center	4,972

MOVED BY COMM. PATTERSON, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO ADVERTIZE FOR BIDS FOR THE PAVING.

5. A report had been prepared by the Town Administrator regarding members to be appointed to the Zoning Board, Planning Board/Appearance Commission, ABC Board, Scholarship Committee, Advisory Committee for Scholarship Endowment Fund, and Cemetery Committee, containing terms served, attendance, and a nomination sheet. The list maintained of citizens who had expressed an interest in serving on the Boards had been erroneously omitted from the package, and the Town Administrator offered to mail it to each Commissioner before the next meeting; nominations were asked to be submitted at the next meeting so they could be tabulated for the first meeting in June.

6. MOVED BY COMM. SOSSOMON, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO ADOPT THE FOLLOWING RESOLUTION:

**RESOLUTION PROCLAIMING
NATIONAL DAY OF PRAYER IN HIGHLANDS**

WHEREAS, the history of our Nation is indelibly marked with the role that prayer has played in the lives of individual Americans, and indeed the United States as a whole; and

WHEREAS, our greatest leaders have always turned to prayer in times of crisis; and

WHEREAS, we acknowledge that prayer is a deeply personal experience—the way in which it finds expression depends on our individual dispositions as well as on our religious convictions; and

WHEREAS, the virtues of prayer have a common bond—our hope and aspirations, our sorrows and fears, our deepest remorse and renewed resolve, our thanks and joyful praise, and most importantly our love—all turned toward God; and

WHEREAS, I join with our President and the Governors of our United States and invite all citizens of the Town of Highlands to join me in earnest prayer for our Nation, our State, and our Town.

NOW, THEREFORE, I, Allen L. Trott, Mayor of the Town of Highlands, do hereby declare **Thursday, May 3, 2001,** as

NATIONAL DAY OF PRAYER

in the Town of Highlands, North Carolina, and encourage my fellow citizens to join in prayer, asking that God's light may illuminate the minds and hearts of our people and our leaders, so that we may meet the challenges that lie before us with courage and wisdom and justice.

Allen L. Trott, Mayor
Town of Highlands

7. Each Board member had received a report prepared by Bob Wright of the Upper Cullasaja Watershed Association updating the Town on the use of the ground water well on Third Street for the Association's groundwater monitoring project.

8. The Town Administrator reported that he would be making a recommendation on health insurance renewal following the NCLM Board of Directors meeting on May 17, at which time the rate increase would be finalized.

He had met with the Finance Committee on May 1 and reviewed in some detail proposals on property/general liability insurance from Stanberry Insurance and from the League of Municipalities. Stanberry had submitted proposals from Scottsdale Indemnity in the amount of \$76,979, and from Kemper Specialty National Insurance in the amount of \$67,797. NCLM Risk Management had submitted a proposal in the amount of \$77,605. The NCLM proposal would result, however, in a decrease in the Town's workers compensation insurance through NCLM of 5%, amounting to almost \$2000. In addition, substantial participation credits would apply after the first year; the credit for participating units this year was 19%, and 25% last year, an amount at those rates of between \$14,000 and \$18,000. After reviewing the proposals with the Finance Committee, he recommended accepting the NCLM Risk Management proposal.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO ACCEPT THE NCLM RISK MANAGEMENT PROPOSAL FOR PROPERTY/GENERAL LIABILITY INSURANCE EFFECTIVE JULY 1.

9. The Town Administrator/Tax Collector had also discussed with the Finance Committee consolidation of tax billing and collecting with the County. The Department of State Treasurer had been urging counties and municipalities to consolidate tax billing and collecting for a number of years due to the inherent efficiency of a single entity conducting this function. The Town Administrator said that consolidation would also be more convenient for taxpayers, attorneys, and real estate offices, and would reduce errors, as well as possibly deferring the cost of added personnel in the Town Office in coming

years due to increased volume of property taxes and complicated software upgrades. He said that the County had agreed to charge 1.5% for billing and collection, the same as for the motor vehicle tax; funds could be disbursed on a weekly, or even a daily basis, as spelling out in an agreement.

MOVED BY COMM. JAMES, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO APPROVE CONSOLIDATED TAX COLLECTING AND BILLING IN CONCEPT; THE TAX COLLECTOR WAS ASKED TO WORK OUT THE DETAILS WITH THE COUNTY.

10. The Town Administrator reported that Derek Taylor had requested permission to erect a rock retaining wall within the right-of-way of a private access road to Shelby Place in order to create four additional parking spaces. A letter dated April 20 from Shelby Place Ltd. indicated that the road was no longer used and there was no objection.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO APPROVE THE STRUCTURE IN THE RIGHT-OF-WAY, SUBJECT TO EXECUTION OF A REVOCABLE LICENSE AGREEMENT.

11. A preliminary and final subdivision plat for Joseph Lloyd Allen, Janet Allen, Gary S. Garren, and Catherine W. Garren, prepared by Appalachian Land Surveying and dated March 15, 2001, had been approved by the Planning Board on April 23. The plat was a division of an existing lot in the Indian Hills subdivision into a 1.16 acre lot and a 1.17 acre lot.

Lamar Nix reported that he had discussed provision of water and electric service to the property with the Utility Committee; both would have to be extended some distance. It had been agreed, and the subdividers had been informed, that the cost of extending electric service would be paid for by the subdivider, and the cost of extending water service would be paid for by the Town.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO APPROVE THE SUBDIVISION PLAT CONTINGENT ON UTILITY SERVICES BEING PROVIDED AND PAID FOR AS AGREED.

12. The Town Administrator reported that Fire Chief Mike McCall had indicated that some local contractors might be interested in bidding on the Fire Department addition; they had asked that the Town advertize for bids again.

MOVED BY COMM. SANDERS, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO ADVERTIZE FOR BIDS FOR THE FIRE DEPARTMENT ADDITION.

13. MOVED BY COMM. CAVENDER, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318(A)(6) TO REVIEW APPLICATIONS FOR EMPLOYMENT. All present left the room except the Clerk, the Police Chief, and the Public Services Administrator.

A. The Board reviewed applications for Police Officer with Police Chief Jerry Cook. Chief Cook recommended using Police Auxiliary Officer David F. Head on a regular basis for thirty days, after which time he would be considered for regular Police Officer.

B. The Board reviewed applications for employment in the Sanitation Department and Meter Reading department with Public Services Administrator Lamar Nix. Mr. Nix recommended employing Kenneth Carver in the Sanitation Department, contingent on passing the written CDL exam; he also recommended employing Petey Bryson as Assistant Sanitation Superintendent.

C. The Board reviewed applications for employment in the position of Administrative Assistant/Deputy Clerk with the Town Administrator, who recommended promoting Hilda Brown to the position. He also asked for permission to

advertize for the position of Billing Clerk, and reported that he had conducted research using the NCLM survey of municipal salaries as of July 2000; based on his research, he recommended changing the salary grade of the Billing Clerk position from grade 9 to grade 10.

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

14. MOVED BY COMM. SANDERS, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO PROMOTE PETEY BRYSON TO ASSISTANT SANITATION SUPERINTENDENT AT A SALARY OF 10-1 (\$19,214).

15. MOVED BY COMM. PATTERSON, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO EMPLOY KENNETH CARVER AS SANITATION EQUIPMENT OPERATOR II AT A SALARY OF 9-1 (\$18,288), CONTINGENT ON PASSING THE WRITTEN PORTION OF THE CDL EXAM.

16. MOVED BY COMM. SANDERS, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO EMPLOY HILDA BROWN IN THE POSITION OF ADMINISTRATIVE ASSISTANT/DEPUTY CLERK AT A SALARY OF 11-1 (\$20,187), AND ALSO TO ADVERTIZE FOR THE POSITION OF BILLING CLERK AND CHANGE THE SALARY GRADE OF THAT POSITION FROM GRADE 9 TO GRADE 10.

VII. MOVED BY COMM. SANDERS, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO ADJOURN.

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 9:00 p.m.

Richard Betz, Town Clerk