

REGULAR BOARD MEETING of May 15, 2002, with Mayor Buck Trott and Commissioners H. N. James, Ron Sanders, Mike Cavender, and Hank Ross present; Comm. Patterson arrived during the meeting.

Also present were Richard Betz, Lamar Nix, Larry Gantenbein, Kim Lewicki, Bob Wright, Alan Marsh, Bill Basham, Pat Barnes, Lewis Doggett, Tony Potts, Morris Williams, Barbara Werder, Dennis Dewolf, Ann Wyand Jones, and others.

I. Call to Order.

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

II. Approval of Agenda.

Copies of the agenda had been distributed by mail. The Clerk requested that discussion of individual salaries be added to the Closed Session.

MOVED BY COMM. JAMES, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO APPROVE THE AGENDA AS AMENDED.

III. Approval of Minutes.

Copies of the minutes of the May 1 Regular Board Meeting had been distributed by mail.

Comm. James pointed out that the Board had agreed that the lease for the Chamber of Commerce, Item No. 6 under New Business, should have a 5-year term with a 60-day annual cancellation notice. He also pointed out that he had asked the Zoning Administrator, Item No. 10 under New Business, about a sale of property at Pinebrook, not issuance of a Zoning Certificate.

MOVED BY COMM. ROSS, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO APPROVE THE MINUTES AS AMENDED.

IV. Reports.

1. The Mayor reported that Fire Chief Mike McCall was in very serious condition at Highlands-Cashiers Hospital, and he said that his prayers and those of the Board were with his family.

He also reported that the Town had received the ruling from Judge Downs in the Highlands Country Club case. The decision had been in favor of the Town, but some of the superfluous wording had been removed. There was still no word on the decision in the Bowery Road case.

2. The Town Administrator reported that the Town's application for renewal of the Wastewater Treatment Plant's NPDES permit had been submitted to the State, and that he had received a copy of the Environmental Assessment prepared by Goldstein & Associates.

V. Old Business.

None.

VI. New Business.

1. Bill Basham, Member Services Director for the Highlands Chamber of Commerce, updated the Board on Chamber activities. He reviewed that organization's mission statement, and said that recent focus groups had expressed a desire for a Chamber that worked more for the business community rather than organizing social events. He reviewed upcoming events and described new services to the members,

such as training sessions, monthly newsletters, brochures, a calendar of events, a bi-monthly column in The Highlander, and activities like the Fourth of July, Halloween, Christmas Parade and Tree Lighting, and funding for the Public Restrooms in partnership with the Town. He also distributed information on income and expenditures, and said that the Chamber was reviewing marketing strategies for the Conference Center. He said that the Chamber wanted to be both an advocate for the business community and an ally of the Town.

2. Dennis DeWolf was present to raise a question about a requirement in the Zoning Ordinance limiting alterations and repairs in non-conforming buildings. The requirement applied to many smaller, residential lots with setback and watershed overlay district non-conformities where remodelling could not exceed 50% of the value within any 12-month period.

Town Planner and Zoning Administrator Larry Gantenbein said that Mr. DeWolf had discussed the requirements with him and he agreed that these provisions, in Section 110(b)(2), were primarily intended for building codes rather than zoning ordinances:

"Alterations or repairs. If, within any twelve month period, alterations or repairs costing in excess of fifty percent of the physical value of an existing building are made to that building, such building and premises shall be made to conform to the current requirements of this Ordinance."

COMMISSIONER PATTERSON ARRIVED AT 7:30 P.M.

Town Administrator Richard Betz said that he had discussed this possible amendment of the Zoning Ordinance with Mr. Gantenbein, as well as three other amendments on the "back burner," some of which had originated with former Zoning Administrator Chris Shook. They included a proposed regulation of wetlands, which would require a permit from the U. S. Army Corps of Engineers prior to issuance of a zoning certificate; several technical amendments in Appendix A concerning references to handicap requirements in the Building Code; and standards for review by the Appearance Commission for buildings not owned by public bodies, such as the old library building recently moved to the Prince House site.

Comm. James said that he would also like the Board to consider an amendment regulating fences on rights-of-way. Comm. Ross said he would like for the Board to consider an amendment addressing the requirement for parking for apartments in the B-1 district. Comm. Cavender asked about the recent Zoning Board case prohibiting expansion of the Old Edwards Inn in the B-1 district.

MOVED BY COMM. JAMES, SECONDED BY COMM. CAVENDER, AND UNANIMOUSLY CARRIED TO ASK THE TOWN PLANNER TO DRAFT THE FOREGOING PROPOSED AMENDMENTS FOR THE BOARD TO CONSIDER. Comm. James suggested that the amendments then be forwarded to the Planning Board for review and recommendations.

3. Each Board member had received nomination forms for various Boards and Committees at the previous meeting, but the Clerk had not received all of the completed forms for tabulation; the Board agreed to forward them to him before the next meeting.

4. Town Engineer Lamar Nix said that he had been approached by members of the Methodist Church to see if the Town would be willing to participate in a gravity sewer line from Spring Street, up Third Street, and along Church Street Alley to serve the church, which was currently served by a pump station and a pressure line to Main Street. He estimated that the cost of the 353-foot line would be \$27,300; half the cost was assumed rock excavation.

Comm. James said that the church had experienced problems with grease in the pump recently, and would like to have gravity sewer if possible. The sewer line would also be available to the rear of the Masonic

Lodge property for a future connection.

Comm. Patterson felt that Town policy permitted anybody to connect to the Town sewer provided they pay the cost; she asked why the Town was considering paying any of the cost. Comm. Ross asked about priorities for sewer line extensions; the Town Engineer said that the 1989 Sewer Study had identified priorities, and the Town Administrator said that sewer connection policy adopted more recently also spelled out priorities and connection policies.

The Board agreed by consensus to take the request under advisement, and in the meantime to review the priority list and connection policies.

5. Each Board member had received a copy of the proposed Macon County Impoundment Ordinance with the agenda package, together with a proposed interlocal agreement for enforcement of the Ordinance by the Town Watershed Administrator.

The Board discussed the Ordinance at some length. Several members expressed concerns over the reduction of fine from \$50,000 in the Town's ordinance to \$5,000 in the County's ordinance, and the proposed authority whereby the County Manager could "affirm or reverse" any decision of the Watershed Administrator.

Comm. Cavender felt that the fines should be the same as in the Town Ordinance; Comm. Patterson agreed, and pointed out that the purpose of the high penalty was to force people to comply before the problem occurred. The Town Administrator felt that appeals should be taken to a review Board and then to Superior Court, as was the case with the Town Ordinance and the County Soil Erosion Ordinance. Comm. James said he felt that the County should enforce the Ordinance; Comm. Sanders agreed. The Mayor said he disagreed, and he called for a vote on the question.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. ROSS, AND CARRIED THAT THE COUNTY SHOULD ENFORCE SUCH AN ORDINANCE, NOT THE TOWN. Comms. Cavender, Ross, and Patterson voted "aye;" Comms. James and Sanders voted "nay."

The Board then agreed by consensus for the Mayor to draft a letter to the County Board of Commissioners objecting to provisions in the proposed Ordinance reducing the fine and giving the County Manager the authority to hear appeals.

6. Each Board member was given a draft copy of the "Assessment Report: Biological Impairment in the Upper Cullasaja River Watershed," drafted by Andrea Leslie for the Division of Water Quality. Board members had also been mailed with the agenda package a proposed letter from the Mayor raising concerns about some of the statements in the report. The Town Administrator reported that he, representatives from the Upper Cullasaja Watershed Association, and Levourn Wiggins from Macon County had met with Ms. Leslie and Michael MacDonald, who had prepared the report, the previous evening and discussed several of these concerns. The Board agreed to take the report and the draft letter under advisement until the next meeting.

7. Each Board member had received a copy of a proposed resolution which the League of Municipalities had requested the Town to adopt, together with information on two constitutional amendments the League was supporting which would help secure local reimbursements and state-collected local taxes.

MOVED BY COMM. JAMES, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO ADOPT THE FOLLOWING RESOLUTION:

**A RESOLUTION REQUESTING THAT MUNICIPAL REVENUE SOURCES  
BE MADE SECURE**

**WHEREAS**, the Town of Highlands is required by North Carolina law to operate and maintain a balanced budget

and comply with the provisions of the Local Government Budget and Fiscal Control Act; and

**WHEREAS**, the Town of Highlands is required to maintain a sufficient fund balance to operate in a fiscally sound manner and to have adequate reserves in case of emergencies; and

**WHEREAS**, the municipal officials of the Town of Highlands have a responsibility to provide for the health, safety, and well-being of the citizens of this community by providing necessary services; and

**WHEREAS**, the ability of municipal governments to borrow for capital infrastructure needs is dependent on reliable revenue sources for repayment; and

**WHEREAS**, adequate municipal revenue sources are required to carry out the above-mentioned responsibilities.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Town of Highlands respectfully requests that the General Assembly enact legislation that will secure the municipal revenue sources and ensure that these revenues are distributed to local governments on a timely basis as set forth by the state's General Statutes

8. The Treasurer briefly reviewed elements of the upcoming FY 02-03 Budget with the Board, including requests from the Peggy Crosby Center, the Hudson Library, and the Highlands Emergency Council; \$100,000 in extra street paving; \$84,629 reimbursement to Bob Fisher for a water line in the Sagee area; extra legal and surveying for the Edwards et. al. case; a new line truck for the Electric Department; a pickup truck for the Recreation Department; and a Rescue Vehicle for the Fire Department. He also said that the Wastewater Treatment Plant project would consist of design in FY 02-03 of \$400,000, and construction in the following year of \$3.9 million. In reviewing water, sewer, electric, and solid waste rates, it appeared that a \$1.00 per month increase in residential rates would be required in order for the revenues to meet expenditures in the Sanitation Department. He was still evaluating health insurance options, and said that he planned on inviting a representative from Blue Cross/Blue Shield to the May 29 Budget Meeting. He also reported that he would be recommending a 3% cost of living allowance for all employees, and would review individual salary recommendations with the Board in Closed Session.

9. MOVED BY COMM. CAVENDER, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318(A)(3) TO DISCUSS AN OFFER OF SETTLEMENT OF THE TOWN V. EDWARDS ET. AL. CASE WITH THE TOWN ATTORNEY, PURSUANT TO G. S. §143-318.11(A)(2) TO APPROVE THE AWARD OF SCHOLARSHIPS, AND PURSUANT TO G. S. §143-318.11(A)(6) TO REVIEW INDIVIDUAL SALARY RECOMMENDATIONS. All present left the room except the Clerk, the Town Attorney, the Town Engineer, and the Town Planner.

A. The Board discussed with the Town Attorney a monetary offer of settlement in the Town v. Edwards et. al. case as set forth in a confidential letter from attorney Richard Melvin dated May 1, 2002. Comm. Cavender suggested that the Board direct the Town Attorney to reply that the Town would not discuss anything other than an offer based upon an appraisal by a licensed appraiser; the Board agreed. The Mayor said that he did not feel the offer of settlement would validate the Kelsey Map.

B. The Board reviewed a letter from the Scholarship Committee dated May 14 containing recommendations for annual Town scholarship awards.

C. The Board reviewed a report prepared by the Town Administrator on individual salary recommendations.

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

10. MOVED BY COMM. CAVENDER, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO APPROVE THE SCHOLARSHIP AWARDS PURSUANT TO THE RECOMMENDATIONS OF THE SCHOLARSHIP COMMITTEE.

VII. MOVED BY COMM. ROSS, 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 8:50 p.m.

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Richard Betz, Town Clerk