

REGULAR BOARD MEETING of May 5, 2004, with Mayor Buck Trott and Commissioners Amy Patterson, Hank Ross, H. N. James, Dennis DeWolf, and Alan Marsh present.

Also present were Richard Betz, Lamar Nix, Jerry Cook, Selwyn Chalker, Kim Lewicki, Nancy Welch, Lewis Doggett, Bronce Pesterfield, Jack Bournemann, Ginger Slaughter, Jim Mullen, Rick Siegel, Richard Rhodes, Farrell Zehr, Bill Basham, David Bock, 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 reported that applications for the position in the Recreation Department were still being reviewed, and that item could be deleted from Closed Session.

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

III. Approval of Minutes.

Copies of the minutes of the April 21 Regular Board Meeting had been distributed by mail.

MOVED BY COMM. ROSS, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPROVE THE MINUTES AS DISTRIBUTED.

IV. Reports.

1. Comm. Ross reported that the Public Works Committee had met and discussed several matters which could impact the upcoming budget, such as sewer extension and policies, and also possible remodelling of the Town Hall building; he suggested they meet again, and they agreed to do so at 8:30 a.m. on Monday, May 10.

2. The Town Administrator reported that he had discussed the Bowery Road cases with the Town Attorney; the Court of Appeals had still not released an opinion.

3. Each Board member had received a copy of the Public Services Administrator's written report for the month; Lamar Nix was present to review the report.

4. Each Board member had received a copy of the Police Chief's written report for the month.

5. Each Board member had received a copy of the Recreation Director's report for the month; Selwyn Chalker was present to review the report. The report included a list of part-time summer employees.

MOVED BY COMM. ROSS, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO APPROVE THE LIST OF PART-TIME SUMMER EMPLOYEES.

It was reported that the Recreation Committee would be meeting at 6:00 p.m. on May 13 to review employment applications.

6. Each Board member had received a copy of the Town Planner/ Zoning Administrator's report for the month; Larry Gantenbein was present to review the report. He also reported that the Planning Board had recommended addressing the amendment of the built-upon requirements in the Zoning Ordinance, discussed at the previous meeting, in the context of the Land Use Plan update.

Comm. Ross asked if the Town Board had ever provided the Land Use Planning Committee with a clear statement of its expectations. Mr. Gantenbein said they had not, and suggested that the two Boards meet again in a work session, review the issues, and discuss specific guidelines; Comm. DeWolf felt a joint meeting would be useful. Comm. Ross felt that the Board should develop a "laundry list" of issues that the Committee should address; Comm. James suggested that each Board member create such a list and bring it to the next meeting, and Comm. Patterson agreed. Lewis Doggett suggested that the Committee hold a couple of meetings before having a joint meeting. The Board agreed by consensus to discuss Land Use Plan Update priorities at the next meeting.

Comm. James said that he understood the Town Administrator maintained a list of possible Zoning Ordinance amendments; he thought the Board should review those. Mr. Betz said most of them were technical amendments that were low priority, such as reference in the Ordinance to an edition of the Building Code that no longer exists. He agreed to update the list and provide a copy to the Town Board and the Planning Board.

Comm. Marsh said that he would like to see Linda Clark and Eric Pierson, members of the Planning Board whose terms were due to expire next month, remain on the Land Use Planning Committee; he felt they could be assets to that Committee. The Mayor said it was his prerogative to appoint these kinds of members to the Planning Board.

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

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

8. The Town Administrator distributed copies of a recent article in Southern Cities on streetscapes that had featured Highlands. He also reviewed with the Board in some detail a memorandum reporting on a meeting of the Finance Committee on April 19, addressing the following:

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Budget Requests.

Budget requests had been received from four organizations. The amounts requested last year, approved last year, and requested this year are shown below:

Organization	Requested FY 03-04	Approved FY 03-04	Requested FY 04-05
Hudson Library	12,000	12,000	21,500
Peggy Crosby Center	30,000	20,000	32,500
Historical Society	15,000	15,000	20,000
Highlands Emergency Council	700	700	
Biological Station	10,000	0	
Macon County Humane Society	5,000 (Late)	0	
Highlands Playhouse	3,000	0	
HCCDC	0	0	30,000

In addition, a request for assistance in an unspecified amount had been received late that afternoon from the Macon County Humane Society. The Committee had agreed that the requests should be considered by the entire Board; copies of the letters and other information submitted were attached for information.

Town budget requests.

As approved by the Board, letters had been sent to Jackson County requesting \$15,872 for Fire Protection and to the Chamber of Commerce requesting \$9,000 for the public restrooms.

As discussed at the informal dinner meeting with the County Commissioners last month, Comm. Allan Bryson had proposed (in lieu of the \$270,000 requested for Recreation and the renewal of the \$300,000 annual Water/Sewer cost share agreement) that Macon County assume the total cost of the Town Recreation Department. He had discussed this proposal with the Commissioners at the May 3 meeting, and had agreed to meet with the Finance Committee on May 6 to discuss details.

Capital and other expenses for FY 04-05.

Major capital improvements this year included the Wastewater Treatment Plant, budgeted last year, and the Holt Knob Water Line Project, budgeted last year if the cost did not exceed \$150,000.

Other capital expenses identified in the Capital Improvement Program last year included the following:

- Warehouse Building No. 2.....\$250,000
- Clearing Land at Cemetery.....\$75,000
- Handrail Old Edwards Inn (Reimbursement).....\$17,500
- Replace 1994 Ford in Water Department.....?
- Replace 1992 Ford tractor w/mower in Street Department
- Small excavator.....?
- New GIS/Field Technician (memo of February 4, 2004)
- Balance of utility pole study FY 04-05.....\$11,200

The Committee had agreed that cleaning all of the monuments at the Cemetery (a proposal had been submitted for \$6,200) was not the responsibility of the Town. It had also agreed that the cost of providing anything other than standard utilitarian trash cans now in place should be the responsibility of the Chamber of Commerce. The Public Works Committee had also suggested that an architect be retained to prepare plans for remodeling the Town Hall building.

Health Insurance.

The most significant personnel/benefits expense this year was an expected increase in health insurance of 39%; the monthly cost would increase from \$42,000 to \$56,500.

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Comm. James said that he felt the Board needed to develop a clearer policy on budget requests. He noted that the County had a policy of budgeting a set amount for charitable donations each year and had appointed a Committee to review grant applications. Comm. Ross agreed that Town policy needed to be clarified.

The Board agreed by consensus to review the report and discuss these items in a work session at the next meeting on May 19.

V. Old Business.

1. The Town Administrator reported that he had reviewed parking enforcement at the Old Edwards Inn projects, a condition of the permit issued at the previous two meetings for use of Town right-of-way for construction. He understood that there was still good cooperation with the Ordinance.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO APPROVE CONTINUATION OF THE PERMIT ISSUED AT THE PREVIOUS MEETING UNTIL MAY 19.

2. Town Engineer Lamar Nix had prepared a layout for a proposed

tree planter to be used on West Main Street and elsewhere in Town. The Public Works Committee agreed to discuss it at the meeting on May 10.

The Committee also further discussed a proposal to widen the curb cut in front of the Prince House on North Fourth Street to 20 feet in order to accommodate a two-way drive. Comm. DeWolf verified that the cost would be \$2500. It was pointed out that the item was included in the list of capital costs identified in the Historical Society's budget request.

MOVED BY COMM. JAMES, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO APPROVE ADDING THE CURB CUT TO THE PACO CONCRETE CONTRACT.

3. The Planning Board had recommended at its previous meeting that the Town amend both the Zoning and the Subdivision Ordinance to permit clustering of multi-family, as outlined in previous reports. Copies of amendments to Sections 210.4 and 211.4 of the Zoning Ordinance and Sections 409.3 and 410 of the Subdivision Regulations had been distributed again by the Town Planner. Mr. Gantenbein also reported that he had resolved the question of whether a clustered lot could be developed for commercial use at a later date by a provision in Section 409.3.

MOVED BY COMM. MARSH, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO SET A PUBLIC HEARING ON THE FOREGOING AMENDMENTS TO THE ZONING AND SUBDIVISION ORDINANCES AT 7:00 P.M. ON JUNE 2.

VI. New Business.

1. Each Board member had received a nomination form, copy of appointment policy, list of members whose terms were due to expire, report on terms served, and list of citizens who had expressed an interest in serving on various Boards and Committees of the Town; the Clerk asked that the nominations be returned to him for tabulation before the May 19 meeting.

2. Two sealed bids for paving Town streets had been received pursuant to request for informal proposals, as follows:

- APAC-Carolina Inc.....\$70,389.65
- Rhodes Brothers Paving Inc.....58,977.70

MOVED BY COMM. JAMES, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO AWARD THE CONTRACT TO THE LOW BIDDER, RHODES BROTHERS PAVING, SUBJECT TO REVIEW BY THE TOWN ENGINEER.

Comm. James also asked that several bumps caused by hand-patching be re-paved as part of the contract.

3. Each Board member had received for review a copy of the Highlands Emergency Council lease for its building on Poplar Street, which was scheduled to expire on May 31; the Town Administrator reported that renewal of the lease would be on the agenda of the May 19 meeting.

4. On May 21, 2003, the Board had agreed that the contract for landscaping, awarded to Tate Landscape Services LLC, should be changed to a calendar year. Each Board member had received a proposal from James Tate for \$3750, one-half of the annual contract, for the period July 1 through December 31.

MOVED BY COMM. MARSH, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO AWARD THE CONTRACT.

Comm. Ross reported that he had asked Mr. Tate to take over maintenance of the planters in the center of Main Street, and that he was also reviewing a number of capital landscaping projects that would eventually lower the cost of maintenance.

5. The Board agreed to set a Special Meeting for 7:00 p.m. on May 26 to present the FY 04-05 budget.

6. Greg Hall was present to request that a variation from the Master Sidewalk Plan for the Jerry Pair property on the corner of Spring Street and Second Street, approved on January 21, be amended. He said Mr. Pair had determined that the cost of constructing the sidewalk would be \$86,825, mostly due to blasting, which would put the project over budget. He presented an alternate plan which would provide, in lieu of three spaces on Spring Street and six spaces on Second Street, ten spaces all located on Second Street and a sidewalk at the edge of the roadway on Spring Street; the driveway to the parking lot would be re-located to Church Street, and the cost would only be \$37,375. He pointed out that the spaces on Second Street would be closer to the building, would eliminate an entrance on Second Street, and would preserve several trees on Spring Street.

The Board discussed the proposal in some detail. Comm. Marsh said that he liked the original scheme; he made a motion to deny the request, but there was no second. Comm. Patterson said that she did not see why the parking should be located on Spring Street rather than Second Street except for topography, and she pointed out that the new proposal would also preserve some trees. Comm. James expressed a concern that A. L. Williams was currently constructing a similar sidewalk farther east on the same street that was costing two to three times as much as this; he did not see why the policy should apply to one but be waived for another. Comm. Ross said he felt that parking would be used more due to its proximity to Fourth Street. Comm. DeWolf felt that the access off Church Street was preferable, although he asked if trucks would be able to turn into the driveway.

MOVED BY COMM. DEWOLF, SECONDED BY COMM. PATTERSON, AND CARRIED TO APPROVE THE ALTERNATE PROPOSAL PRESENTED BY MR. HALL. Comms. DeWolf, Patterson, and Ross voted "aye," and Comms. James and Marsh voted "nay."

7. Each Board member had received a package with the agenda mailed the previous week containing the preliminary plat of the Woodcrest Subdivision, prepared by Lofquist and Associates, together with an application for a variance from road grade. The subdivision consisted of six lots located on the Dillard Road immediately adjacent to the Old Red House property. The Town Planner reported that the Planning Board had recommended both approving the preliminary plat and granting the variance, and that the variance request had been publicly advertized by publication of the agenda. A letter had also been included from the Town Engineer approving the roadway, sewer, water, and electrical plans, contingent on granting of a variance for the road grade.

Mayor Trott swore in David E. Bock, manager of Woodcrest Land LLC. Mr. Bock testified that the Town's subdivision standards require a 14% grade, more than the 18% required by the State D.O.T. The proposed grade was 17%, which because of the topography of the piece of property would decrease the amount of dirt and grading required. All of the lots were greater than the required three-quarters of an acre, and in addition a buffer area consisting of a rhododendron thicket would be maintained along the highway. Mr. Gantenbein said that the Planning Board had recommended that the buffer be maintained as a condition to the variance; it would be recorded on the plat and in deed restrictions on the lots. The Board reviewed the written application, which addressed the four conditions required for granting a variance:

"(A) That there are special circumstances or conditions affecting said property such that the strict application of the provisions of this Ordinance would deprive the applicant of the reasonable use of his land;

(B) That the variance is necessary for the preservation and enjoyment of a substantial property right of the petitioner;

(C) That the circumstances giving rise to the need

for the variance are peculiar to the parcel, and are not generally characteristic of other parcels in the jurisdiction of this Ordinance; and

(D) That the granting of the variance will not be detrimental to the public health, safety, and welfare, or injurious to other property in the territory in which said property is situated."

Comm. James said that, although he had no problem with the request, he did not feel the application strictly met the conditions in Paragraph (A) and (C). Comm. Patterson agreed, but she said she felt it was a benefit to what the Town wanted to do with land use in Highlands. Kim LeWicki was present and asked how the request differed from the road grade variance granted to Steve Pierson recently; the Town Planner told her it was the same. Comm. DeWolf said that he felt this was a unique solution to developing property while maintaining a buffer and protecting the character of the area.

MOVED BY COMM. ROSS, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO GRANT THE VARIANCE, CONTINGENT ON RECORDING OF THE BUFFER ON THE PLAT AND IN THE DEED RESTRICTIONS.

8. MOVED BY COMM. MARSH, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318.11(A)(2) TO REVIEW THE RECOMMENDATIONS OF THE SCHOLARSHIP COMMITTEE. All present left the room except the Town Administrator.

The Board reviewed the recommendations of the Scholarship Committee, as contained in a letter from the Town Attorney.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO GO INTO OPEN SESSION

9. MOVED BY COMM. PATTERSON, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO ACCEPT THE RECOMMENDATIONS OF THE SCHOLARSHIP COMMITTEE.

VII. MOVED BY COMM. PATTERSON AND UNANIMOUSLY CARRIED TO ADJOURN.

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 8:42 p.m.

Richard Betz, Town Clerk