

REGULAR BOARD MEETING of May 19, 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, Larry Gantenbein, Selwyn Chalker, Kim Lewicki, Jim Lewicki, Nancy Welch, Farrell Zehr, Teresa Calloway Speed, Wolfgang Green, George Wiggins, Bronce Pesterfield, Bob Wright, Christy Kelly, 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 Old Edwards Inn had asked to be placed on the agenda under New Business for cutting across South Fourth Street.

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

III. Approval of Minutes.

Copies of the minutes of the May 5 Regular Board Meeting had been distributed by mail.

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

IV. Reports.

1. The Mayor announced that Larry Gantenbein had received certification as Zoning Administrator on April 15, and he presented the certificate to him; he noted that few municipalities have certified Zoning Administrators, and it was reported that Mr. Gantenbein was the first in Highlands.

The Mayor also reported that he would be attending Town Hall Day in Raleigh on June 6. One of the bills pending in the legislature this term, which the League of Municipalities opposed, would prohibit the amortization of outdoor advertising signs.

2. Comm. DeWolf reported that he had met with the Chamber of Commerce, and had e-mailed a proposed letter he had drafted as a result of the meeting to each Commissioner for input. He also said that the Recreation Committee had met with a potential contractor to repair the Civic Center roof but had cancelled due to rain; a meeting would be re-scheduled next week.

3. The Town Administrator reported that the new accounting software had been installed, was being tested, and staff was on target for the July 1st transition.

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 previous meetings for use of Town right-of-way for construction. He understood that there was still good cooperation with the Ordinance. The Spring Street project, approved until May 14, was expected to be completed in two to three weeks. The Church Street/Fourth Street project, approved until May 19, was expected to be completed in six weeks. He also reported that the permit issued to the Presbyterian Church did not need to be extended beyond March 23.

MOVED BY COMM. JAMES, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO APPROVE CONTINUATION OF THE PERMITS UNTIL JUNE 2.

VI. New Business.

1. Each Board member had received a tabulation of nominations for various Boards and Committees based on forms distributed at the previous meeting; an updated list of several citizens who had volunteered to serve was also distributed.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO RE-APPOINT JOHN DOTSON AND JIM TATE AND TO APPOINT BILL RETHORST AS REGULAR MEMBERS OF THE ZONING BOARD FOR THREE-YEAR TERMS.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPOINT BILL CONWAY AND ALAN FREDERICK AS ALTERNATE MEMBERS OF THE ZONING BOARD, TO FILL UNEXPIRED TWO-YEAR TERMS.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPOINT GRIFFIN BELL AND PAT TAYLOR, AND TO RE-APPOINT CLEM PATTON, TO THE PLANNING BOARD FOR THREE-YEAR TERMS. Comm. Marsh reported that Jim Graham had told him he would be unable to attend the afternoon Land Use Planning Committee meetings.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO RE-APPOINT JIM GRAHAM, AND TO APPOINT JOHN CLEVELAND AND PAT TAYLOR, TO THE APPEARANCE COMMISSION FOR THREE-YEAR TERMS.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPOINT WOLFGANG GREEN TO THE ABC BOARD FOR A THREE-YEAR TERM.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPOINT SUSIE DEVILLE SCHIFFLI TO THE SCHOLARSHIP COMMITTEE FOR A THREE-YEAR TERM.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPOINT KITTY BYERS, CHRISTY KELLY, AND J. T. PUTNEY TO THE ADVISORY COMMITTEE FOR THE SCHOLARSHIP ENDOWMENT FUND FOR A THREE-YEAR TERM.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPOINT RANDY POWER TO THE ADVISORY COMMITTEE FOR THE SCHOLARSHIP ENDOWMENT FUND FOR A THREE-YEAR TERM.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO APPOINT JACK MAYER TO THE CEMETERY COMMITTEE FOR A THREE-YEAR TERM.

2. Each Board member had received a copy of the lease agreement with the Highlands Emergency Council; the building had been constructed by volunteer labor on Town property on Poplar Street in 1989, gifted to the Town, and leased back to the HEC. Teresa Calloway Speed was present and said that the organization only received \$2056 per year from various organizations, would appreciate renewal of the lease, and would also appreciate continuation of Town subsidy of electric service for the building. Comm. James asked the Clerk to review the adequacy of insurance coverage for the building.

He also felt that the lease needed to be updated to remove paragraphs which were no longer relevant relating to construction of the building.

MOVED BY COMM. MARSH, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO RENEW THE LEASE FOR THREE YEARS, CONTINGENT ON UPDATING OF THE DOCUMENT. Copies were to be circulated to each Board member for final review when completed.

3. Each Board member was to have prepared a list of priorities to be addressed by the Land Use Planning Committee. The Board agreed to forward the lists, some of which had not been prepared, to the Clerk for tabulation, and to place the item on the agenda of the

June 2 meeting for discussion.

4. A list of possible Zoning Ordinance amendments had been distributed, as requested by Comm. James at the previous meeting; the amendments consisted primarily of technical amendments which, according to Town Planner Larry Gantenbein, were not urgent and could be handled any time. Comm. DeWolf suggested deferring consideration of the amendments until August, and the Board agreed by consensus.

5. Each Board member had received copies of a memorandum summarizing recommendations of the Public Works Committee dated May 10, and the Board proceeded to discuss them in detail.

A. Planters. The Committee had recommended that the Town replace the six tree planters between Reeves Hardware and Highlands Suite Hotel on West Main Street with a pilot design for a new planter; the design called for a larger size and would include tree grates, zelcova trees, and a space for a bench and trash can, and the approximate cost would be \$1500 to \$2000.

MOVED BY COMM. DEWOLF, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO PROCEED WITH THE PLANTERS. Comm. Marsh commented that he would like to see the business community or the Chamber of Commerce share the cost. Comm. Ross agreed, but pointed out that this was a pilot design to get the project started.

B. Trash Cans. It was reported that a sub-committee of the Public Works Committee consisting of Comm. Ross, Larry Gantenbein, and Lamar Nix was reviewing a possible pilot design for a trash can; the number needed was 50 to 60, and the cost was between \$600 and \$1200 each. The Finance Committee had earlier recommended that new trash cans not be funded by the Town; however, Comm. Ross said that he felt this was a very visible part of the streetscape, and he felt the Town should begin the project, perhaps asking the Chamber of Commerce or business community to contribute eventually. The Board agreed to defer action until the sub-committee had finalized a recommendation.

C. Crosswalks. Lamar Nix had discussed crosswalk standards with the DOT, and the Committee had recommended asking the DOT to paint crosswalks as indicated on a map he had prepared.

MOVED BY COMM. DEWOLF, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO REQUEST THE DOT TO PAINT THE CROSSWALKS.

One of the crosswalks was at Maple Street where the DOT proposed installing a traffic light. Comm. Patterson said that she had had second thoughts about this light; she did not see a large problem at the intersection, and she pointed out that it could back up traffic to Pine Street.

D. Sidewalk to Post Office. Lamar Nix had learned that Small Urban Funds might be available for sidewalks that did not meet the ADA requirement of five feet in width provided the Town was willing to participate in the cost, which could include increasing the width to six feet; the Committee had recommended asking the DOT to proceed with such a project, consisting initially of the sidewalk to the Post Office along the Walhalla Road. Some fill would be required but not much.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO REQUEST THE DOT TO PROVIDE SMALL URBAN FUNDS FOR THE PROJECT.

E. Poplar Street Sewer Line. The Committee had also reviewed general sewer extension plans based on the Master Sewer Plan and plans the Town Engineer had developed for the Lake Remediation project; the Committee had agreed to schedule a meeting to evaluate sewer extensions in more detail, but meanwhile it had agreed that a priority for sewer extension should be locations in Town where known sewer problems existed. It had identified a gravity sewer line down Poplar Street--including its unopened section to Fifth Street, serving the Conference Center, Wilson Gas, and several problem residential septic systems--as a priority, and had asked Mr. Nix to prepare an estimate; the cost would be \$280,000.

MOVED BY COMM. MARSH, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO INCLUDE THE PROJECT IN THE BUDGET.

F. Town Hall Building. Both the Finance Committee and the Public Works Committee had recommended budgeting \$5000 to retain an architect to explore the feasibility of renovating the Town Hall building, or alternatively constructing a new building. Comm. DeWolf distributed copies of an outline he had prepared of a proposed request for proposals, which he felt should be limited to architects in the Highlands area and selected by lottery. Comm. James thought that the architect should consider other sites, such as that of the Conference Center. Comm. Ross commented that he would like to see the Town Hall building located in the downtown area at its present location if it was adequate; if not, other sites should be evaluated.

MOVED BY COMM. MARSH, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO INCLUDE THE PROJECT IN THE BUDGET.

6. Each Board member had received copies of a memorandum summarizing items discussed by the Finance Committee dated May 13. In addition, copies of budget requests from the Literacy Council of Highlands and the Jackson Macon Conservation Alliance had been distributed, as well as notes from a discussion that Recreation Director Selwyn Chalker had had with John Poole, administrator of the Land & Water Conservation Fund, and a memo from the Town Administrator reporting on the funding policies of Franklin and Macon County for non-profits. The Board reviewed the items in detail.

A. Non-profit requests. The Board discussed in detail budget requests from several non-profits:

Organization	Requested FY 04-05
Hudson Library	21,500
Peggy Crosby Center	32,500
Historical Society	20,000
Macon County Humane Society	Unspecified
HCCDC	30,000
Literacy Council	6,473
Jackson Macon Conservation Alliance	4,118

Comm. James said that he would like to see the Town develop a policy like that of the County; a lump sum was placed into a funding pool and individual non-profits applied for funding to a Committee appointed by the Board. Comm. Ross agreed, and made a motion that the Town develop such a system for distributing monies to non-profits in the community. The Board discussed the proposal at length. Bob Wright and Christy Kelly were present and both

commented that the County process was effective. Comm. Ross agreed to amend his motion.

MOVED BY COMM. ROSS, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO DEVELOP A PROCESS FOR FUNDING NON-PROFITS, SIMILAR TO THAT OF MACON COUNTY, FOR NEXT YEAR, AND MEANWHILE TO INCLUDE \$50,000 IN THE BUDGET TO BE DISTRIBUTED THIS YEAR BY THE BOARD. It was agreed that distribution of funds in FY 04-05 would be placed on the agenda of the June 2 Board meeting.

B. Macon County Water/Sewer and Recreation Funding. The Finance Committee had met with Comm. Allan Bryson and discussed funding from Macon County. Comm. Bryson had reported that the County was proposing replacing the Water/Sewer fund with a \$450,000 appropriation in the budget, \$300,000 of it for Highlands for water and sewer projects, although he had indicated that qualifying projects could be limited to extensions outside the Town limits; it was suggested that the Wastewater Treatment project would meet this criteria.

The Committee had also discussed in depth a proposal that, in lieu of the \$270,000 requested for Recreation for this coming year, Macon County assume the total cost of the Town Recreation Department. Selwyn Chalker said that he had discussed the LWCF funding of the Recreation Park and the property could not be leased; the property could be sold or gifted to the County, but an equivalent agreement would have to be executed and public hearings held. Retirement and insurance benefits appeared to be equivalent. Comm. James said he felt the Town was still in the early stages of discussion, and he suggested meeting with the County Commissioners face-to-face in an informal luncheon or dinner meeting. After some discussion, the Board agreed for the Town Administrator to set up such a meeting with the County Manager. In the meantime, Mr. Betz reported that for now he would be presenting a budget that would include the entire cost of the Recreation Department and a conservative \$150,000 in funding from the County this year.

C. Capital Expenses. The Town Administrator briefly reviewed the major capital expenses, which included the Wastewater Treatment Plant, the Holt Knob Water Line, and the Poplar Street Sewer Line, as well as several vehicles; he agreed to provide more detail when presenting the budget at the special May 26 meeting.

D. Insurance and benefits. The Town Administrator reported that the Town's agent had confirmed from the underwriter that health insurance premiums would increase 39%. He pointed out that rates were still lower than rates for Municipal Insurance Trust/CIGNA, and there was a far better provider network with BlueCross. He also pointed out that the difference in an individual policy and family coverage, which was carried by most Town employees, would be approximately \$920/month; asking employees to pay for all or most of this amount would in his opinion result in many employees not opting to carry family coverage. He said that he would present a balanced budget which would again include 100% employer-paid premiums and a modest cost-of-living allowance; the General Fund was healthy due to higher than anticipated sales tax and property tax revenues. He said the only rate increase he would ask the Board to consider would be in solid waste fees, due to a deficit of over \$100,000 between expenditures and revenues; some of that increase was due to an increase in landfill tipping fees. He again agreed to provide more detail when presenting the budget at the special May 26 meeting.

7. George Wiggins was present representing Old Edwards Inn; he

proposed replacing the existing aerial communications line across South Fourth Street at Church Street Alley with either a bored or cut underground line. If the latter, OEI would also agree to install at its own expense a six-inch water line to the end of their property on Church Street, a fire hydrant, and a sewer line. Town Engineer Lamar Nix said that he had discussed the proposal with the OEI engineer and felt it would improve water and sewer service in the area. The State DOT and DENR would have to review plans.

MOVED BY COMM. JAMES, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO PERMIT THE PROPOSED CUTTING OF THE STREET, CONTINGENT ON DOT AND DENR APPROVAL AND SUPERVISION BY THE TOWN ENGINEER.

Comm. Ross asked if traffic control would be a problem, and he also asked if there would be water interruptions to businesses in the area; he was told there would not. He was also told that the cut would be patched with asphalt, a DOT requirement

8. MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318.11(A)(6) TO REVIEW APPLICATIONS FOR EMPLOYMENT IN THE RECREATION DEPARTMENT. All present left the room except the Town Administrator and the Recreation Director.

The Recreation Department reported that he and the Recreation Committee had reviewed several applications for a Recreation Maintenance Worker to replace retiring Wymer Bryson; he recommended employing Bobby Newton at the beginning salary. He also recommended adding Danny Hall to the list of summer part-time employees approved at the previous meeting.

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

9. MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO EMPLOY BOBBY NEWTON AT A BEGINNING SALARY OF 7-1 (\$18,634), AND TO ADD DANNY HALL TO THE LIST OF PART-TIME SUMMER EMPLOYEES.

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 8:56 p.m.

Richard Betz, Town Clerk