

REGULAR BOARD MEETING of November 17, 2004, with Mayor Buck Trott and Commissioners Amy Patterson, Hank Ross, H. N. James, Alan Marsh, and Dennis DeWolf present.

Also present were Richard Betz, Lamar Nix, Larry Gantenbein, Kim Lewicki, Melody Spurney, Larry Rogers, Bob Wright, Jody Lowe, Thomas Eubanks, Bobby Gibson, John Underwood, Bronce Pesterfield, Jack Bournemann, Dr. Carter Davis, and Philip Campbell.

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 Town Administrator reported that three requests for items of New Business had been received: the Highlands Community Child Development Center, permission to cross Church Street with a power line; a request from Comm. DeWolf to discuss tree regulations; and a request from Comm. DeWolf to go into Closed Session to discuss property acquisition.

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

III. Approval of Minutes.

Copies of the minutes of the November 3 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. The Mayor thanked Board members for attending the meeting of the County Commissioners in Highlands on November 1.

2. Each Board member had received copies of the minutes of the Public Works Committee meeting of November 10. One of the items the Committee had reviewed had been a drawing presented by Bronce Pesterfield of a proposed gravity sewer line located behind the Fairway Condos in Highlands Country Club which would serve those 24 units plus six residences along Cobb Road, including that of Dinah Davis, who had a failing septic system; the six residences would require pump stations, but the Condos could be served by gravity connections. Bronce Pesterfield was present and briefly described the project to the Board. The estimated cost would be \$83,441.13, and he asked to what extent the Board would be willing to participate.

The Town Administrator said that the Committee had also discussed the Town's sewer connection policies, and had requested copies for review; they had been included in the agenda package. He said that the policy called for mandatory connections unless the Health Department certified that a septic system was properly operating.

Connection fees for the 30 residential units would amount to \$75,000.

Highlands Country Club had also expressed an interest in connecting some of its facilities, he said, but that was not part of this project.

The Mayor pointed out that the fairways at the Country Club had were technically outside of Town; he thought the fairway in this project would have to be annexed. Comm. Dewolf said he did not have a problem with the line being outside of Town since it served residences inside Town; Comms. Patterson agreed; Comm. Ross thought it might complicate and delay the project. Mr. Pesterfield indicated plan approval would probably not take longer than two weeks.

MOVED BY COMM. JAMES, SECONDED BY COMM. DEWOLF, THAT THE TOWN APPROVE THE PROJECT, THAT IT BE MANDATORY THAT THE FAIRWAY CONDOS CONNECT

TO THE SEWER AT THE PREVAILING CONNECTION FEE, AND THAT THE TOWN PARTICIPATE IN THE PROJECT BY FUNDING 25% OF THE COST, PROVIDED HIGHLANDS COUNTRY CLUB IS WILLING TO SUBMIT A PETITION FOR ANNEXATION FOR FAIRWAY NO. 1.

Comm. Patterson did not think that annexation was necessary. Comm. DeWolf said that he had not understood the motion and he withdrew his second; the Mayor asked if there was a second and there was not.

MOVED BY COMM. ROSS, SECONDED BY COMM. DEWOLF, AND CARRIED, THAT THE TOWN APPROVE THE PROJECT, THAT IT BE MANDATORY THAT THE FAIRWAY CONDOS CONNECT TO THE SEWER AT THE PREVAILING CONNECTION FEE, AND THAT THE TOWN PARTICIPATE IN THE PROJECT BY FUNDING 25% OF THE COST, PROVIDED HIGHLANDS COUNTRY CLUB IS WILLING TO PROVIDE A UTILITY EASEMENT. Comms. Ross, DeWolf, Patterson, and Marsh voted "aye;" Comm. James voted "nay."

Comm. Ross reported that the Committee had identified a model street trash can and agreed to discuss purchasing several for the downtown area at this meeting, but since the meeting another design had come to his attention which he felt was a better look for an urban area. He felt the decision should be postponed and the Committee should review the new design.

3. The Town Administrator reported that Matt Shuler was working out very well in the new GIS/Field Technician position, had begun training, and was already producing some excellent maps. He also reported that specifications were being prepared for three vehicles for which informal bids would be accepted at a future meeting: replacement of the 1994 Ford in the Water Department, replacement of the 1992 Ford tractor w/mower in the Street Department, and purchase of a small excavator. He also reported that the County Commissioners had not yet been able to schedule a joint meeting, and he understood now that it could probably not be held until December.

V. Old Business. None.

VI. New Business.

1. Brian Starnes was present from Martin Starnes & Associates to present the Town's FY 03-04 audit. He said that the Local Government Commission was behind schedule in approving audits due to the new accounting standards; the Town's audit had not yet been approved, but copies would be distributed as soon as it had been approved. The Town Administrator said that he had all of the financial information he needed for upcoming reports. Mr. Starnes then briefly reviewed the Town's financial condition, which was very good. He said that the Treasurer and his staff had been very cooperative, and also pointed out that the Town now complied with the new GASB-34 auditing standards.

2. Comm. Patterson had requested at the previous meeting that the Board discuss the problem of siltation in Big Creek, subject of an e-mail communication from Sarah Fenton several weeks ago. The Mayor reported that it now appeared \$1.2 million in funding would soon be approved by Congress for the Lake Restoration Project, but he felt that this should be taken under advisement until funding was certain. Comm. Patterson felt that the Town should be thinking about having the Steering Committee look at priorities for the project if it is funded. The Mayor agreed to ask a contractor for an updated estimate on removal of silt from Big Creek, confirm the process for permits for silt removal, and determine the time frame for start-up and operations. Comm. Ross agreed to ask the Steering Committee to meet.

3. The Clerk reported that a petition for annexation had been received from Thomas Eubanks and Gibson Investments LLC for a 15.08-acre tract contiguous to the Town limits on NC-106. A plat was also submitted, together with a drawing showing a proposed 16-lot subdivision. The lots would meet the minimum density for the property, part of which would be in the WS-III-CA Watershed Overlay

District, part in the R-1 Zoning District. Jody Lowe, engineer for Lofquist & Associates, was present and said that the Town Engineer had reviewed plans for extending an eight-inch gravity sewer and a six-inch water main and fire hydrants along NC-106 to serve the property; all of the lots could be served by gravity sewer. The Clerk suggested that an Annexation Ordinance be prepared and reviewed by the Town Attorney, and that the Board meanwhile set a public hearing if it wanted to proceed with the annexation; he would certify the sufficiency of the petition.

MOVED BY COMM. JAMES, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO SET A PUBLIC HEARING FOR THE PETITION FOR ANNEXATION PURSUANT TO G. S. §160A-31(C) FOR 7:00 P.M. DECEMBER 15.

4. Each Board member had received a memo from the Highlands Community Child Development Center requesting permission to cross Church Street with a power line from a generator at the new facility to serve a sump pump in the sanctuary on two existing Town poles; the request had been approved by the Town Engineer, who said that the line would meet all NESC clearances.

MOVED BY COMM. MARSH, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO APPROVE THE REQUEST.

Bob Wright was present and also requested extension of the time limit for the construction trailer at this site on Church Street.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO EXTEND THE TIME LIMIT FOR USE OF TOWN RIGHT-OF-WAY FOR CONSTRUCTION ACTIVITIES UNTIL DECEMBER 15.

Mr. Wright also invited each Board member to attend a pre-opening for the HCCDC on December 4 following the Christmas parade.

5. Comm. DeWolf discussed the removal of a large tree in front of a building on the corner of US-64 and Foreman Road; he was concerned that such a significantly large tree had been removed, and he asked about the procedure. Larry Gantenbein said that he had issued a permit for the tree, which had been examined by Matt Shuler, who was a certified arborist, and determined to be dying. Comm. James commented that the Town could be accepting some liability if it was not careful in permitting damaged trees to be removed. Mr. Gantenbein said that he felt the Town had a good commercial tree ordinance, but needed to consider a residential ordinance; he expressed concern over the recent clearing of a residential lot by a developer.

6. MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318.11(A)(5) TO DISCUSS THE ACQUISITION OF REAL PROPERTY. All present left the room except the Clerk and the Town Engineer.

Comm. DeWolf discussed with the Board the possible acquisition of real property.

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

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

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 8:55 p.m.

Richard Betz, Town Clerk