

REGULAR BOARD MEETING of November 1, 2006, with Mayor Don Mullen and Commissioners Alan Marsh, Amy Patterson, H. N. James, Hank Ross, and Dennis DeWolf present.

Also present were Richard Betz, Selwyn Chalker, Bill Harrell, Larry Gantenbein, Bill Coward, Kim Lewicki, Jim Lewicki, Bill Nellis, Rick Siegel, Bob Kieltyka, Eric NeSmith, Linsey Wisdom, Ran Shaffner, and Jim & Rene Ramsdell.

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 requested that the Board add a request to move a building onto Recreation Park property under New Business, and a closed session to consult with the Town Attorney on legal matters.

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 October 18 Regular Board Meeting had been distributed by mail.

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

Copies of the minutes of the October 25 Special Board Meeting had been distributed by mail.

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

IV. Public Comment Period.

The Mayor stated that this was the time for public comments as required by law.

Rick Siegel thanked the Police, EMTs, Firemen, and many volunteers who had helped with the Halloween event the previous night. He also thanked the Town for opening NC-106 on a recent busy weekend when construction had been delaying traffic.

V. Reports.

1. The Mayor reported that Town officials had met with the principal owners of Riverwalk LLC and their attorney and contractor the previous Thursday and discussed the project; they had developed an agreement and a timetable for installing all of the soil erosion devices, had agreed to pay the civil penalties assessed, and would be presenting the proposal at the November 8 Special Board Meeting. The only other item on the agenda of the November 8 meeting was a planning session for Town Hall property with architect Peter Alberice.

He also reminded the Board that the Public Works Committee would be meeting with MacGavran Engineering on

November 7 at 8:30 a.m. to discuss utility poles.

He also reported that he would be meeting with USDA Rural Center consultant Pam Hysong on November 13 at 11:00 a.m. concerning affordable housing, for which he felt there was a need in Highlands. He said he would also be talking to Joe Riley, Mayor of Charleston, about what that city had done about the problem.

2. Comm. DeWolf said that he had asked a contractor for an estimate on proposed improvements to the Community Building in order to make it more energy-efficient; the estimate was \$74,000, but he felt that cost could be reduced. The Mayor pointed out that one of the tenants who had expressed an interest in leasing the building from Rotary was willing to contribute to the cost. The Town Administrator said that the Rotary lease had been drafted and would be distributed to the Board in the near future.

Comm. Ross reported that Mountain Top Rotary and the Chamber of Commerce had raised about \$1400 the previous night toward Pine Street Park.

3. Town Attorney Bill Coward was present and reported that the ETJ lawsuit with the County had been dismissed on October 26.

4. Town Engineer/Public Service Administrator Lamar Nix was not present due to a death in his family.

5. Each Board member had received a copy of the Police Chief's report for the month; Bill Harrell was present to review the report.

6. Each Board member had received a copy of the Recreation Director's written report for the month; Selwyn Chalker was present to review the report. Comm. DeWolf said that he would be designing a hip roof for the portico of the Civic Center building with skylights to supplement the lighting; he said Pierre Construction was scheduled to begin Phase II of the roof work in two weeks.

7. 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. Comm. Patterson said she thought the Planning Board needed to start working on a definition of cluster housing, and he agreed to ask the Planning Board to do so at its next meeting, which was scheduled for November 13.

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

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

9. The Town Administrator distributed copies of correspondence received from the public. He also reported that County Solid Waste Director Chris Stahl had indicated they would be ready to meet again to discuss the Rich Gap Road transfer station in January. He also reported that the County Commissioners would be meeting on November 6, and he understood a large number of people would be attending to express their concerns over the proposed condo project just outside the Town's ETJ on US-64.

VI. Old Business.

1. Bob Kieltyka was present representing the Highlands Chamber of Commerce to report on the parking passes approved on July 5 through the end of October. He said that 211 passes had been issued and the program was working well, with no issues from the Chief of Police. Local merchant Sabrina Hawkins had also written a letter in support of the program, which she said was well-used by her guests. Comm. James expressed some concern that there might not be a level playing field if hotel guests used the passes; he asked why the Board did not simply do away with the two-hour parking. Comm. Patterson suggested that the passes be approved for two more weeks, through the end of the season, and that the Board discuss this matter further in the Spring.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO APPROVE THE PARKING PASSES THROUGH THE END OF THIS SEASON.

2. The Board also discussed two-hour parking on Church Street, which the Town Administrator reported had been extended in April of 2003 due to construction on that street, which had now been completed. Bob Kieltyka said he had polled area merchants and suggested that the employee-restricted and two-hour parking be retained on the western end of the street, but not the eastern end past the generator. The Board agreed to discuss parking on the street at the first meeting in February, together with the foregoing matter, and meanwhile to waive enforcement of the Ordinance through the end of this season.

VII. New Business.

1. Chuck Cooper was present to request the Board to review the antenna lease for WHLC, which would expire on March 1, 2009; the rent amount was scheduled for review on March 1, 2007. He asked the Board to consider, as had been suggested by Board members, keeping the rent the same but including in the new lease an escalator provision based on some index like the Social Security increase, which was about 3% annually; he also asked the Board to consider a provision in the new lease protecting existing antennas from interference from new antennas on the tower. He suggested a 10-year lease with eight 10-year options to renew. He said that he had an option on adjoining property on Big Bearpen; he wished to remain on the tower, but might consider moving to another tower on that site. Comms. Ross and Patterson thought the idea of an escalator was a good one, and asked the Town Attorney to review the lease.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO MAINTAIN THE SAME RENT UNTIL 2009.

2. Ran Shaffner was present on behalf of Highlands Historical Society, and he reported that one of the original "Bug Hill" cottages had been located in Carolina Trailer Park, originally part of a tuberculosis clinic established on the Rec Park property in 1908. The owners had agreed to donate it and it had temporarily been moved to the parking lot on Foreman Road, but he said the Historical Society would like to move it permanently to Rec Park property adjacent to the Prince House, which was close to the original location. Approval would be required from the State since the property had been acquired with LWCF funds. Comm. James said he thought the Board ought to be careful what was placed on this property, which had been restricted to outdoor recreational use for 99 years when acquired years ago.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO ALLOW THE HISTORICAL SOCIETY TO PLACE THE COTTAGE WHERE REQUESTED, CONTINGENT ON APPROVAL FROM THE STATE.

3. MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318.11(A)(3) TO CONSULT WITH THE TOWN ATTORNEY ON A LEGAL MATTER. All present left the room except the Clerk and the Town Attorney.

- A. The Board discussed possible litigation with the Clerk and the Town Attorney.
- B. The Board consulted with the Town Attorney on litigation involving Riverwalk Subdivision.
- C. The Board consulted with the Town Attorney on the ETJ lawsuit with the County.

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

4. Comm. Marsh said he felt the Board should review Town policy on the use of the Civic Center. The Board agreed by consensus for the Recreation Committee to discuss this.

5. Comm. James said that he felt in future the Board should require three bids for major projects, even if they did not exceed the statutory limits for formal bids.

VIII. MOVED BY COMM. DEWOLF 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