

REGULAR BOARD MEETING of October 17, 2007, with Mayor Don Mullen and Commissioners Amy Patterson, Alan Marsh, Hank Ross, H. N. James, and Dennis DeWolf present.

Also present were Richard Betz, Lamar Nix, Bill Harrell, Bill Coward, Kim Lewicki, Linsey Wisdom, Bryan Starnes, Ed Sullivan, Mitchel Sorin, John Fisher, Al Bolt, Bob KIELTYKA, Rick Siegel, David & Sherry Sims, Robert Smith, David Bee, and others.

I. Call to Order.

The Mayor called the meeting to order at 6:00 p.m.

II. Approval of Agenda.

Copies of the agenda had been distributed by mail. It was noted that the Closed Session already scheduled for personnel would include discussion of acquisition of property.

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

III. Approval of Minutes.

Copies of the minutes of the October 3 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.

IV. Reports.

1. The Mayor distributed copies of a proclamation announcing that the following week was Red Ribbon Week, focusing on drug awareness and education at Highlands School. He also said the Affordable Housing Task Force was talking with the Highlands-Cashiers Hospital Board about 48 work-force houses on hospital property to be funded through federal grants. Robert Smith was continuing to work on recycling and would have a presentation in the following month or two. District Engineer Wesley Grindstaff had estimated the cost of paving Hickory Hill Road, Chowan Road, and Cullasaja Drive at \$280,000; the information had been forwarded to Sen. John Snow and a letter written explaining the need for the project. He then said that the Chamber of Commerce had asked for some time to address the Board concerning the room occupancy tax.

Bob KIELTYKA made a statement on behalf of the Highlands Chamber of Commerce expressing concern over the transfer of authority over the occupancy tax to a County committee. He said that Highlands provided 60% of all the room tax money to Macon County, and there was a concern that events like the upcoming culinary event and Christmas parade might be jeopardized. It could affect the ability of Highlands to attract tourism, and thereby affect the Sales Tax. He questioned whether a committee in Franklin could manage the tax as well as the Highlands Chamber of Commerce had for the past 21 years.

2. Alan Marsh reported on an upcoming November 1 Rural Center workshop to discuss upcoming grants; the Town Administrator offered to look into it. He also said that the Macon County Soil Erosion Ordinance had been revised and he thought that it should be compared to the Town's Ordinance. He also said that he had spoken to the Town Administrator about the Stormwater Ordinance and some projects for which McGill Associates had provided estimates on engineering some time ago. The Town Administrator said that he had a great deal of information on stormwater

impact fees and taxes, as well as model ordinance language, and had discussed three small projects with the engineering firm, but had not been able to find the time to pursue them; he had planned to forward the ordinance information to the new Town Planner when employed. The Public Works Committee agreed to ask the Town Administrator to schedule a meeting with J. P. Johns from McGill to discuss the three projects as soon as possible.

3. The Town Administrator reported that he had been asked by the ABC Board to write a letter to the State auditor consenting to the holding back of distributions, as they had reported they were doing at recent meetings. Comm. James said that he did not think this was legal; he pointed out that they could always take out a bank loan if they needed capital in the future. Bryan Starnes was present from Martin Starnes Associates, the Town's auditing firm, and said that ABC boards had very strict formulas on what constituted "working capital;" he said that State statutes required the distribution, and he advised that they be contacted and asked to make the distribution as required. The Board agreed to forward this information to them.

Bill Harrell told the Board that he would be able to acquire a used GM Hummer with 33,000 miles from government surplus; the only cost to the Town would be \$250 for a light bar. The vehicle would replace an old pickup truck and would remain in Town.

MOVED BY COMM. MARSH, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO PROCEED WITH ACQUIRING THE VEHICLE.

#### V. Old Business.

1. Ed Sullivan was present from McGavran Engineering to discuss his contract for services to the Town as discussed at the previous meeting. Comm. James said that the Town Attorney had advised that the Town not enter into contracts with Verizon and Northland, but instead adopt a Pole Attachment Ordinance incorporating language from the proposed contracts. Mr. Sullivan said that after meeting with the Attorney he agreed; he said that McGavran's role would be to consult with the Attorney, conduct an audit of the system, categorize and prioritize the problems, and determine who is responsible for what costs. He then explained in great detail how that process had worked recently in Lumberton. The Town Attorney pointed out that the contract with McGavran would need to be amended; Phase I of the Scope of Services would consist not of negotiating the contracts but of consulting with the Town Attorney, and Phase II and III, Inventory and Remediation, were up to the Board. The consensus was the McGavran should proceed with the audit.

MOVED BY COMM. JAMES, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED FOR THE TOWN ATTORNEY TO AMEND THE POLE ATTACHMENT ORDINANCE AS DISCUSSED AT THE PREVIOUS MEETING AND TO REVISE THE CONTRACT WITH MCGAVRAN TO PROCEED WITH THE AUDIT.

2. Mitchel Sorin and John Fisher presented in considerable details concept sketches of the new Town Hall building, including site plan, floor plans, and elevations. The building would consist of 4900 SF for the Town Offices (including a 1200 SF auditorium), 3489 for the Police, and 2052 for the Chamber of Commerce. The cost could be \$2.25 to \$2.5 million; the next step would be incorporation of comments, adjustment of design, and estimates. The Board discussed many parts of the plans, including the need to incorporate the clock/bell into the plan, perhaps in a separate structure; the need for more space in the Town Hall area; the possibility of a parking deck in the future; a rear entrance onto Maple Street; finish materials; and the need for more engineering/GIS space. The Board agreed to forward comments to the Town Administrator for him to send to the architects.

#### VI. New Business.

1. Bryan Starnes was present on behalf of Martin Starnes & Associates to present the FY 06-07 audit. He said that fund balances were healthy except for the Water Department, largely due to depreciation. He complimented Town

financial staff on improved internal controls and said that there were no problems. Referring to earlier comments by Bob Kieltyka, he also said that he had seen other counties where travel authorities created political problems, and he urged the Town to be vocal on the issue if it had a concern. The Town Administrator said that the auditing firm would also be conducting a security audit of its computer systems in the near future.

2. The Town Administrator reported that a petition had been received from seven families who used Brooks Road, asking the Town to assume maintenance. The Town Engineer said that the road was narrow and partly-inside, partly-outside the Town limits. The Board agreed to defer consideration until the next meeting in order to have the opportunity to look at the road.

3. David Bee was present with a proposal that the Town participate in a sewer project on Cobb Road. The 1300-foot pressure line would serve an existing house with a questionable septic system and a vacant lot with an improvements permit but a siting of the house that the owner did not find desirable. The cost according to the Town Engineer was \$170,000, and would include 13 grinder pump stations for the 13 residences involved; the Town's contributions would be \$32,500 in connection fees. After some discussion the Board agreed to add this to the agenda of the upcoming Public Works Committee meeting.

4. The Board discussed the recent joint meeting with the County and recreation funding. Comm. Patterson said she understood the Town Attorney was to prepare the agreement, and he confirmed that he had received a copy of the previous agreement for FY 06-07 funding from the County Attorney. She had also met with the Recreation Director and prepared a list of Recreation Department facilities, staff, and programs, which she thought should be forwarded with the agreement, and she felt that the Town should consider requesting more than \$500,000. Comm. James did not think the Town should ask for more than \$500,000; he felt that the County Attorney should prepare the agreement. After considerable discussion, the Board agreed for the Town Attorney to prepare an agreement for the \$500,000 which the County had budgeted this year; however, the Board agreed to continue discussing funding for next year.

**MOVED BY COMM. JAMES, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO ASK THE TOWN ATTORNEY TO PREPARE A CONTRACT SIMILAR TO THAT USED LAST YEAR FOR FY 07-08 FUNDING, TO BE REVIEWED BY THE BOARD AT THE NEXT MEETING, AND TO SEND IT WITH THE ADDITIONAL INFORMATION AND LINE ITEM BUDGET.**

5. The Board also discussed funding of the solid waste transfer station at Rich Gap Road for some length. Comm. James felt that a letter should be written to the County requesting that they fund 50% of the \$476,000 cost; he said that the County was providing for everybody else in the County except the Town of Highlands, and he felt the transfer station was an extension of their solid waste program. He made a motion to that effect but it was not seconded. Comm. Ross felt that the Town should request that the County waive the tipping fee for a period of time to cover the cost.

**MOVED BY COMM. ROSS, SECONDED BY COMM. DEWOLF, AND CARRIED TO SEND A LETTER ASKING THE COUNTY TO CONSIDER WAIVING THE SOLID WASTE TIPPING FEE TO THE TOWN FOR THE NEXT FOUR YEARS. The motion carried, with Comms. Ross, DeWolf, Marsh, and Patterson voting "aye," and Comm. James voting "nay."**

6. **MOVED BY COMM. JAMES, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G.S. §143-318.11(A)(6) TO REVIEW APPLICATIONS FOR EMPLOYMENT AND PURSUANT TO G.S. §143-318.11(A)(5) TO DISCUSS ACQUISITION OF REAL ESTATE. All present left the meeting room except the Town Administrator, Town Attorney, and Public Services Administrator.**

A. The Public Services Administrator reviewed applications for the new position budgeted this year, the Water Plant/Wastewater Plant Trainee. He recommended transferring Dawn James from the Billing Clerk position at the same salary, 11-7.

B. The Board discussed scheduling a Special Meeting on October 29 in closed session to interview candidates for

the Planning Director position.

C. The Board discussed the acquisition of real property.

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

7. MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO TRANSFER DAWN JAMES TO THE WATER PLANT/ WASTEWATER TREATMENT PLANT TRAINEE POSITION AT THE SAME SALARY OF 11-7.

VII. The Board agreed by consensus to adjourn.

There being no further business to come before the Board, the meeting was declared by the Mayor to be adjourned at 9:20 p.m.

---

Richard Betz, Town Clerk