

REGULAR BOARD MEETING OF June 17, 2009

Present: Mayor Don Mullen, Vice Mayor Amy Patterson, Commissioner John Dotson, Commissioner Hank Ross, Commissioner Larry Rogers and Commissioner Dennis DeWolf.

Staff Present: Town Manager Jim Fatland, Police Chief Bill Harrell, Planning and Development Code Enforcement Official Josh Ward, Zoning Administrator Joe Cooley and Recreation Director Selwyn Chalker.

1. Call to order

Mayor Mullen called the meeting to order at 7:00 P.M.

Town Manager Jim Fatland requested that Items 6J and 6K be removed from the Consent Agenda and moved said items to the discussion portion of the Agenda.

2. Approve Agenda

Commissioner Hank Ross moved to approve the agenda and the removal of Items 6J and 6K from the Consent Agenda, seconded by Vice Mayor Amy Patterson and the amended Agenda was unanimously approved by the Town Board.

3. Approve Minutes of May 13, 2009

Vice Mayor Amy Patterson moved to approve the Minutes of May 13, 2009, seconded by Commissioner Hank Ross and the Minutes were unanimously approved by the Town Board.

Approve minutes of May 20, 2009

Vice Mayor Amy Patterson moved to approve the Minutes of May 20, 2009, seconded by Commissioner Hank Ross and the Minutes were unanimously approved by the Town Board subject to the following correction: Page 10, last paragraph: remove the words "within ninety (90) days".

On a separate matter, Vice Mayor Amy Patterson requested that the board members receive draft copies of the Minutes from the Town Manager for review and comment. Town Manager Jim Fatland stated that he would start furnishing a draft of the Minutes to the board members, as a standard practice.

4. Public Comments

There were no public comments.

5. Reports

A. Mayor

Mayor Mullen advised that he at no report.

B. Committees

1. Public Works
2. Finance

Town Manager Jim Fatland advised that both committees met on June 3, 2009 to discuss budgetary issues, which helped with decisions regarding the budget workshop that was held on June 10, 2009. Town Manager Jim Fatland further advised that that during the budget workshop, it was suggested that a budget be set up for sidewalks and a meeting is being scheduled.

C. Town Manager

Town Manager Jim Fatland discussed the moving of Town Hall to its new location and wished to thank the two newspapers in getting the word out. The telephone system was up and running first thing however, e-mail was down until Monday afternoon. Town personnel are currently going through software training for the new finance system.

6. Consent Agenda

- A. Public Services Department
- B. Police Department
- C. Parks & Recreation Department
- D. Planning & Zoning Department
- E. Treasurer's Report for Month Ended May 31, 2009
- F. Monthly Calendar
- G. Grant Status Report
- H. Resolution Accepting \$3 Million Grant/Loan for Mirror Lake Sewer Project
- I. Old Jail Lease with Highlands Historical Society
- J. Community Building and Recreation Park Leases
- K. Operating Lease with Macon Bank
- L. Set Public Hearing for July 15, 2009 for Voluntary Annexation Petition Filed by Nancy Hester
- M. Set Public Hearing for FY10 Proposed Budget for June 24, 2009
- N. Set Special Town Board Meeting for July 1, 2009 for Downtown Parking Presentation
- O. Change of location for July 15, 2009 Regular Town Board Meeting

As to Item H (Resolution Accepting \$3 Million Grant/Loan for Mirror Lake Sewer Project) Town Manager Jim Fatland advised that there was a typographical error in the Resolution wherein it should read \$3,000,000.00. The Resolution is merely a formality in accepting the loan.

As to Item I (Old Jail Lease with Highlands Historical Society) Town Manager Jim Fatland stated that there were typographical errors and that they would be corrected.

As to Item O (Change of location for July 15, 2009 Regular Town Board Meeting) Town Manager Jim Fatland advised that due to a conflict in scheduling, thereby it is recommended that the July 15, 2009 meeting be held at the recreation center.

Commissioner Dennis DeWolf addressed the Town Board and wanted to extend his thanks to everyone who helped at the Houston House including the Town of Highlands personnel and wanted to express his appreciation for all of the efforts. The CO has been received.

Vice Mayor Amy Patterson moved to approve the Consent Agenda, as amended (removal of Items 6J and 6K), seconded by Commissioner Hank Ross and the amended Consent Agenda was unanimously approved by the Town Board.

7. Park & Recreation Staff/Volunteer Rules of Conduct

Recreation Director Selwyn Chalker addressed the Town Board and requested approval of the Town of Highlands Recreation and Parks Department Staff/Volunteer Code of Conduct and the Child Protection Policy.

After review of the Child Protection Policy by the Vice Mayor and the Commissioners the following changes have been requested:

- (a) Section 2.2, Page 4, should read: *require written parental consent if staff is required to transport young people in their cars;*
- (b) Section 2.3, Page 5, last paragraph, 4th line should read: any such incidents as soon as possible to *the supervisor* and make a written note of it.
- (c) Section 3.4, Page 8, the following is to be added: *All parents should give consent.*
- (d) Section 4.1, Page 8, first paragraph, 4th line should read: through contact with the appropriate *director* so that *he/she* can then make.....
- (e) Section 4.4, Page 9, first paragraph, second sentence is amended to read as follows: *The Town of Highlands Recreation and Parks Department expects its members and staff to discuss any concerns they may have about the welfare of a child **immediately** with the department director or designee.*

Commissioner Dennis DeWolf moved to approve the Park & Recreation Staff/Volunteer Rules of Conduct as amended, seconded by Vice Mayor Amy

Patterson and was unanimously approved by the Town Board.

8. Final Plat for Rainwater Development

The rainwater subdivision came before the Board of Commissioners at its regular meeting on May 20, 2009. Action on the final plat was deferred to the June 17, 2009 meeting in order to clarify questions regarding the lot layout in conjunction with two existing structures, a barn and tower. Both of these elements were shown on the preliminary plat submitted to the Planning Board and Board of Commissioners. The Preliminary Plat was presented to and unanimously approved by the Board of Commissioners, along with subdivision variances relating to road grades and width on April 4, 2007. The Final Plat submitted for approval has been reviewed by staff and corresponds to the Preliminary Plat as approved by the Board of Commissioners with approved variances.

Town Engineer, Lamar Nix, confirmed that utilities for the subdivision have been installed in accordance with applicable Town of Highlands' standards and requirements for final plats.

It is recommended to the Town Board by the staff that it approve the Final Plat as submitted.

Zoning Administrator Joe Cooley appeared before the Town Board and advised that he requested that the developer of the Rainwater subdivision appear so that he could explain the issue at hand.

Commissioner Dennis DeWolf voiced his concern that the barn would be a non-conforming building if the two lots were sold independently. Ray McPhail advised the Town Board that he was aware that the lot line runs through the subject barn and if the two lots were to be sold together, the decision as to the barn would be made by the new owner however, if the two lots were to be split up and sold separately, then the barn would be torn down.

Commissioner John Dotson inquired if the subdivision conformed with the ridgeline law and Zoning Administrator Joe Cooley advised yes but that it is "right on the line". Further discussion was held amongst the Town Board regarding the ridgeline law.

Commissioner Dennis DeWolf moved to approve the Rainwater Subdivision Final Plat with the condition that the barn which is represented on the Plat be allowed to remain intact but if the two lots are sold separately, the barn would be removed, seconded by Commissioner Larry Rogers and was unanimously approved by the Town Board with the condition.

9. Resolution Authorizing Small Town Main Street Application

The Small Town Main Street Program addresses the growing number of small, rural towns that need downtown development assistance but are not likely, due to size of

resource limitation, to pursue the regular Main Street program. Selected communities receive on-site technical assistance from the Small town Main Street staff including: organizational development, market analysis, business assistance, promotions, and design.

Town Manager Jim Fatland addressed the Town Board and advised that every two years The Small Town Main Street Program of North Carolina picks 3 to 5 communities to designate them as a small town. Zoning Administrator Joe Cooley attended a conference and was advised that the state is having budgetary problems and are requesting that the candidates foot the bill for mileage, meals, etc. Town Manager Jim Fatland stated that the Town of Highlands should also furnish accommodations and The Chamber of Commerce has been contacted. The program would provide valuable input to the downtown merchants. Mr. Cooley further advised that this is a two (2) year program and the kick off would be in September.

Vice Mayor Amy Patterson questioned what the Town of Highlands would get out of this type of program and what the cost would be for the Town of Highlands. Mr. Cooley stated that this program would be beneficial especially as to organization and bringing the business owners and residents working together for a common cause.

Town Manager Jim Fatland stated that the program works with four elements: organization, promotion, design and economic restructuring and it would be an excellent opportunity of the Town of Highlands. Commissioner Dennis DeWolf stated that the program worked in Franklin, NC and it brought the merchants together as a group to move in one direction.

Commissioner Dennis DeWolf moved to approve the Resolution Authorizing Small Town Main Street Application, seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

10. Resolution Authorizing Application for USDA Grant (Police Patrol Vehicles)

The grant application is part of the USDA's Facilities loan/grant program. If approved, the USDA will offer a grant totaling 15% and the remainder as a low interest rate loan. The approved FY09 Budget included \$92,000.00 for patrol car replacement, which has not been spent and is included in the FY10 Budget Recommendation as a General Fund Balance Appropriation.

The Town of Highlands has a sound policy of replacing equipment that has high mileage and has aged requiring high maintenance. The Town board reviewed a proposed replacement schedule.

It is recommended that the Town Board authorize the application be submitted to the United States Department of Agriculture (USDA) to purchase police patrol vehicles.

The total cost for the new vehicles and all costs associated to equip the patrol cruiser fleet are as follows:

SOURCE OF FUNDS

Unspent funds from FY09 Budget	\$92,000.00
Estimated USDA Grant	\$48,000.00
FY10 Budget Recommendation:	<u>\$180,000.00</u>
Electric Reserves	\$320,000.00

USE OF FUNDS

Purchase nine (9) patrol vehicles with associated police equipment	\$320,000.00
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It was explained to the Town Board that this agenda item was not for the purchase of police vehicles right now but for the approval of submitting the application.

Town Manager Jim Fatland advised that Board members that this program is not a federal stimulus program and is an opportunity for the Town of Highlands. Police Chief Bill Harrell appeared before the Town Board and the several vehicles have over 100,000 in mileage and excess monies are being expended for maintenance and that warranties have expired. Police Chief Bill Harrell further advised that the life expectancy of a police vehicle is 5 to 7 years.

Commissioner Larry Rogers questioned what the vehicles were worth right now and Police Chief Bill Harrell advised between \$1,000.00 to \$3,000.00.

There was much discussion amongst the Board members and the Town Manager. The Town Manager stressed again that what was before the Town Board was merely an application to apply for a grant and not for the purchase of vehicles. Police Chief Bill Harrell explained to the Town Board the type of equipment needed for the police vehicles.

Commissioner John Dotson stated that he was in favor of the Department of Agriculture grant application but expressed his concern on the manner of how many vehicles would be purchased at one time. A suggestion was made by Commissioner John Dotson that vehicles should be purchased on a rotation basis so that equipment would not become obsolete.

There was no public comment.

Vice Mayor Amy Patterson moved to authorize the application be submitted to the United States Department of Agriculture (USDA) to purchase police patrol vehicles,

seconded by Commissioner John Dotson and was unanimously approved by the Town Board.

Town Manager advised that there would be a separate grant application for the renovations of the ABC store.

11. FY10 Non Profit Applications & Finance Committee Recommendation

Mayor Don Mullen advised the Town Board that the Finance Committee meet and made recommendations and was presented to the Town Board for comment. Town Manager Jim Fatland advised that if there were no objection, he would instruct the staff to include it in the Y10 budget.

Commissioner Hank Ross inquired why the library did not receive any funds this year and Vice Mayor Amy Patterson explained that the library's application did not include a budget for the use of the funds. Further, Vice Mayor Amy Patterson explained that the request by the Highlands Playhouse contained no details, no budget and she further stated that she was quite upset at their attitude.

No action was taken by the Town Board.

12. Appointment to Planning and Zoning Board

The Town Board reviewed three (3) letters from Macon County: one for the Highlands ETJ Zoning Board and two for the Highlands ETJ Planning Board. There is still one position open. Zoning Administrator Joe Cooley advised the Town Board members that the applicants must live within the town limits. Applications have been received however only two (2) are being considered as the applicants reside within the town limits.

Discussion was had amongst the Board Members as to what type of experience/knowledge was needed to be on a board/committee. Also discussed was the Town of Highlands ordinances governing same and the North Carolina state statutes.

Commissioner John Dotson inquired if advertisements were being run to fill the vacancy and Zoning Administrator Joe Cooley stated that it would be advertised as it would give everyone living in the town limits a chance to serve. Vice Mayor Amy Patterson agreed and stated that she would like to see the position advertised so that way you would get a better variety.

Zoning Administrator Joe Cooley suggested to the Town Board that the Town of Highlands adopt a policy of running legal advertisements.

The Town Board of Highlands unanimously approved the policy, effectively immediately, of running legal advertisements for open positions on appointed boards.

Town Manager Jim Fatland advised the town Board that he would advertise for the open position in time sufficient to place it on the Agenda of the July 15, 2009 regular board meeting.

No further action was taken by the Town Board.

13. Community Building and Recreation Park Leases

The Town Board at its regularly scheduled meeting on April 1, 2009 approved that operations management of the Community Building be placed under the supervision of the Parks and Recreation Department. The Highlands Rotary Club has provided a sixty (60) day notice that the Town take over operations management on July 1, 2009.

All rental income and expenses associated with Community Building and Recreation Center will be accounted for in the Recreation Special Revenue Fund.

Subsequently, staff discussed the current rental agreement with The Mountain Top Rotary Club, Highlands Rotary Club and Christ Anglican Church and recommends the following:

- a) That the Town Board authorize the Town Manager and Town Attorney to enter into a five (5) year lease with Rotary Club of Highlands for use of the Community Building for weekly meetings and special events; and
- b) That the Town Board authorize the Town Manager and Town Attorney to enter into a one (1) year lease with Christ Anglican Church.

Town Manager advised that the cleaning of the Community Building would be handled by the park employees, that the Christ Anglican Church would meet only on Sunday and all scheduling for the Community Building is done through the Parks and Recreation Department.

Vice Mayor Amy Patterson moved to authorize the Town Manager and Town Attorney to enter into a five (5) year lease with Rotary Club of Highlands for use of the Community Building for weekly meetings and special events under the terms currently in effect, seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

Vice Mayor Amy Patterson moved to authorize the Town Manager and Town Attorney to enter into a one (1) year lease with Christ Anglican Church for its use on Sunday mornings, was seconded by Commissioner John Dotson and was unanimously approved by the Town Board.

14. Operating Lease with Macon Bank

This agenda item was reviewed by the Macon Bank Board of Directors on June 16, 2009.

Macon Bank has a .19 acre parcel adjacent to Pine Street which includes a gazebo. During special events throughout the year, this parcel has been utilized along with Kelsey Hutchinson Park by the general public. The Town of Highlands, as Lessee, would be required to provide a certificate of insurance for liability and an annual payment of \$442.00 for use of said property. Macon Bank, as Lessor, would be required to maintain the property including landscape maintenance and payment of utilities.

It is recommended to the Town Board to approve a one (1) year operating lease with Macon Bank contingent upon the Town Attorney's approval.

The fiscal impact would be the annual rental cost of \$442.00, which amount is the tax amount that Macon Bank incurs.

Commissioner Hank Ross moved to approve a one (1) year operating lease with Macon Bank contingent upon the Town Attorney's approval, was seconded by Commissioner Larry Rogers and was unanimously approved by the Town Board.

15. Adjourn

As no additional action was taken, Vice Mayor Amy Patterson moved to adjourn, seconded by Commission John Dotson and the Town Board adjourned at 8:10 p.m.

James R. Fatland
Town Manager

Jane J. Capman
Recording Secretary

Don Mullen Mayor