

REGULAR MEETING OF THE TOWN BOARD OF COMMISSIONERS
OF OCTOBER 21, 2009

Town Board Present: Mayor Don Mullen, Vice Mayor Amy Patterson, Commissioner Larry Rogers, Commissioner Hank Ross and Commissioner John Dotson. Commissioner Dennis DeWolf was not present.

Staff Present: Town Manager Jim Fatland, Town Engineer/ Public Services Administrator Lamar Nix, Recreation Director Selwyn Chalker, Planning and Development Code Enforcement Official Josh Ward, Police Chief Bill Harrell and Town Attorney William H. Coward.

1. Call to Order

Mayor Don Mullen called the Regular Meeting to order at 7:00 P.M.

2. Approve agenda.

Prior to the Board approving the agenda, Town Manager Jim Fatland stated that Item 8 (Duke Agreement) was to be moved to the next regular meeting of the Town Board.

Vice Mayor Amy Patterson moved to approve the agenda, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

3. Approve minutes of September 16, 2009

Discussion was had amongst the Town Board regarding corrections to minutes of the previously meeting and it was agreed that the corrections, if any, would appear first then the approval subject to corrections would come after the corrections made.

The following correction is made to the Minutes of August 19, 2009 regarding Macon Bank Lease Agreement and paragraph 5 is amended to read as follows:

Town of Highlands, as Lessee, would be required to maintain property including landscape maintenance of the grass area.

The following corrections are made to the Minutes of September 16, 2009:

- a. Section 5(C): Paragraph 1, first line is amended to state Parks Committee and replaces Recreation Committee.
- b. Section 5(C): Paragraph 2, lines 3 and 4 are amended to read The Biological Station.
- c. Section 5(C): Paragraph 2 is further amended to add that the State representative came to also discuss green projects.
- d. Section 7 is amended to correct the spelling of Cullasaja.
- e. Section 10 (Appointment to Highlands ABC Board) is amended to read as follows:

Vice Mayor Amy Patterson moved to appoint David Wilkes to the Highlands ABC Board, was seconded by Commissioner Dennis DeWolf and was unanimously approved by the Town Board.

- f. The Minutes of September 16, 2009 are also amended to correct the spelling of Randall Lake Dam.

Vice Mayor Amy Patterson moved to approve the Minutes of September 16, 2009 subject to the above corrections, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

4. Public Comments

There were no public comments.

Commissioner Larry Rogers discussed with the Town Board concerns/comments that he has heard regarding Town of Highlands business employees/owners using the parking spaces at Reeves and Third Street. Discussion was had as to where Reeves employees parked and Police Chief Bill Harrell advised the Town Board that there was no employee parking on Third Street.

5. Reports

A. Mayor

Mayor Don Mullen reminded the Town Board that on October 22, 2009 at 6:00 p.m. is the combined Town of Highlands and Franklin dinner and discussion.

Vice Mayor Amy Patterson voiced her concern that the public who attend the Town of Highlands Board Meetings have an opportunity for public comment however there is no provision for the Commissioners to voice their comments. Town Manager Jim Fatland advised that the same could be added to the agenda and Vice Mayor Amy Patterson wished to discuss the order of the Agenda. It was subsequently decided that Commissioner Comments would come after the Mayor Reports.

Vice Mayor Amy Patterson further stated that she feels that there is a lack of communication between the Town of Highlands and the general public. Although the Town Board meetings are advertised, the agenda is not posted in the newspapers and inquired if the agenda could be e-mailed to the citizens. Town Manager Jim Fatland advised that the agenda is posted on the Town of Highlands' website. Commissioner Hank Ross inquired why the agenda was not posted in the newspaper and was informed that the agenda is not prepared in time for publishing. It was further discussed of a sending a mass e-mail to all citizens.

B. Committees

Recreation Director Selwyn Chalker advised that over 600 surveys have already been returned. Mr. Chalker advised that in the survey it asked for comments and he advised that the comments received have nothing to do with what was being asked.

The Planning Board has formed new committees to cover education, recreation, seniors' health/welfare, child care, housing, transportation, economic development. The information was given to Town Manager Jim Fatland.

C. Town Manager

Town Manager Jim Fatland advised that the FEMA grant is pending regarding Spruce Street. Mr. Jim Fatland further advised that he has received information on the Curbside Recycling Grant. Although there is no due date, he will get the application back as soon as possible and will pursue it.

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 September 30, 2009
- F. Monthly Calendar
- G. Grant Status Report

Vice Mayor Amy Patterson inquired as to the sign/developer ordinance and when it would be presented and was so advised that it would be at the next Board meeting.

Vice Mayor Amy Patterson moved to approve the Consent Agenda, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

7. Annual Audit Report for Year Ended June 30, 2009

Bryan W. Starnes, Accounting and Auditing Partner of Martin Starnes & Associates passed around a handout to the Board members, which showed the results of the audit. Mr. Starnes wanted to commend the Town of Highlands on the hiring of Jim Fatland as Town Manager.

Mr. Starnes made a presentation to the Town Board and explained that the audit process is a year-round process and takes into account planning and risk assessment, interim and final procedures. Mr. Starnes further showed the Town Board through graphs that the 2009 expenditures were more than the previous year and Mr. Starnes advised that the figure included the purchase of the fire truck. Mayor Mullen inquired as to the Unreserved Fund Balance as a Percent of Expenditures and why the percentage was lower in 2009 and Mr. Starnes reminded the Mayor that it was due to the fire truck purchase. Mr. Starnes stated that the Town of Highlands overall was in very good shape as the sales tax stayed constant due to tourism dollars.

Mr. Starnes further discussed with the Town Board about stimulus funds and that "nothing is as good as it seems".

Although there were no further questions posed, Mr. Fatland did want to acknowledge the hard work of Hilda Brown in working with the auditors and software conversion.

Vice Mayor Amy Patterson inquired as to the ABC Store and was advised by Mr. Starnes that the ABC Store was not included in the audit.

8. A. Duke Agreement

This matter has been deferred to the November 18, 2009 Board Meeting.

B. Greenway Project Request

Hillrie Quinn made a presentation on the approved FY10 budget and a request to spend \$36,250.00 in funds for October through December for the approval of consulting fees, brochures/booklets and rock for Bear Pen. Mr. Quinn stated that 1,000 maps were printed and all are gone and further advised that the majority were given out by the visitor center. Mr. Quinn has further advised that he is applying for two (2) grants and is looking for the NC DENR grant match of \$50,000.00.

Another matter brought up to the Town Board is the development of Adopt-a-Trail and would entail maintenance guidelines, litter pick up, watch dogs, weeding and the request that anyone wishing to adopt a trail be out on the trail at least four times a year to walk the same. Mr. Quinn advised that the Audubon Society wishes to adopt the rec. park.

There are liability issues to content with and Mr. Quinn advised that he would forward all of the information to Town Attorney William Coward for review.

Commissioner Hank Ross moved to approve the request of the expenditure of \$36,250.00 for October through December, was seconded by Vice Mayor Amy Patterson and was unanimously approved by the Town Board.

9. Petition from Mirror Lake Residents on Increased Traffic

Bill Jordan presented a Petition signed by ten residents of Mirror Lake which reads:

"We the undersigned residents of the Mirror Lake area of Highlands, feel that there has been a many fold increase in the traffic on Cullasaja Drive between Bruner and Mirror Lake Rd. This is detrimental in terms of both quality of life and safety. We would like the Town of highlands to explore ways to decrease both the volume and speed of traffic, including diversion and speed retardation methods."

Mr. Jordan voiced his concerns that there indeed is more traffic and the same is being used as a cut through to Dillard Road and is fearful of accidents and people driving too fast. Mr. Jordan is requesting help from the Town Board.

Police Chief Bill Harrell advised that there is presently no regulatory signs on Brunner Lane and has contacted the Department of Transportation engineers in an effort to obtain measures to slow the traffic. Police Chief Harrell inquired of Mr. Jordan as to times of the occurrences and was advised that it is in the afternoons and Chief Harrell stated that this was the first time he had heard of this situation and would saturate the area. Patricia Jordan addressed the Town Board and advised that since the road was paved, traffic has increased and that something needs to be done to deter the traffic and speeding. She also pointed out that Brunner Lane and Raoul Road has a blind corner and is dangerous in a speeding situation. Additional discussion was had between the Town Board and Police Chief Harrell who advised that the Town Board has the power to change speed limits. Discussion was had as to posting of speed limits, putting in signs, setting the speed limit to 20 mph and speed humps. Town Manager Jim Fatland stated that it would start with the posting of speed limits and then would request the public's input to see if a difference has been made.

Vice Mayor Amy Patterson made a motion to post 20 mph speed limit signs on Brunner Lane and Cullasaja Drive, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

10. Historical Highway Marker

Ran Shafner has made a request for a historical sign on the Town's right of way. This has been previously accomplished and would like to add a historical marker for Andre Michaux, a French botanist and pioneer in the studying flora of Western North Carolina, who visited the Highlands Plateau June 15, 1787 and discovered the famous plant *Shortia galacifolia* near Highlands. The site to be marked would be on 4th Street at the intersection with Foreman Road within the Town limits on property owned and preserved by the Highlands-Cashiers Land Trust, Inc., which has approved the erection of the marker. Ran Shafner requested the Town Board's support and any input as to the placement of the marker.

Vice Mayor Amy Patterson made a motion to write a letter in support of the historical marker, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

11. Request from Chamber to close a portion of Main Street following Christmas Parade

Robert Kielytka, Executive Director of the Highlands Chamber of Commerce has requested that a section of Main Street be remained closed following the Olde Mountain Christmas Parade on Saturday, December 5, 2009. The portion to be closed would be the westbound lane (north side) of Main Street between 4th and 5th Streets. Mr. Kielytka explained that a flatbed trailer would be brought in at the conclusion of the parade and would serve as a stage for seasonal entertainment as caroling, clogging, etc. in an effort to promote the "winter season" in Highlands. Mr. Kielytka further stated that he has polled the businesses on Main Street and was informed that all were in favor of the idea. Police Chief Bill Harrell advised that he did not anticipate any problems. More discussion was

had by the Town Board regarding parking, traffic flow and possible conflicts with the Church. Mr. Kielytka stated that if an activity were to take place at the church, nothing other activity would take place on the stage at the same time.

The issue of the portable skating rink at Pine Street was discussed and Commissioner John Dotson stated that more detail was needed, i.e. will it be set up all for the entire winter season but more specifics were needed. Town Attorney William H. Coward inquired as to insurance and Mr. Kielytka advised that the appropriate insurance has been purchased.

Vice Mayor Amy Patterson moved to keep the north Side of Main Street closed on December 5, 2009 immediately preceding the Olde Mountain Christmas Parade until 5:00 p.m., was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

12. Lewellyn Subdivision

An request has been submitted to subdivide an existing parcel equaling 3.15 acres into two (2) lots; one being 2.13 acres and the other 1.00 acre. An area of 0.02 acres of the subject property is being deeded to the adjacent property owner directly southeast of the subject property in order to correct a non-conforming setback on the adjacent property.

Planning and Development Code Enforcement Official Josh Ward spoke to the Town and advised that the property is approved for septic and meets zoning and subdivision. The Planning Board has reviewed this matter and recommends approval for the preliminary and final plats for the subdivision and staff also recommends approval of the subdivision.

Commission John Dotson inquired if the Pannbecker house was in compliance with the additional 0.02 acre and was advised that it was.

Mayor Amy Patterson moved to approve the Lewellyn Subdivision, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

13. Vehicle Bids

Town Engineer/ Public Services Administrator Lamar Nix addressed the Town Board and advised that bids had been received on October 20, 2009 for the following vehicles:

Meter Reading Jeep:	Jim Brown Dodge	\$21,989.00
	Jacky Jones Dodge	\$22,533.00
	Hayes Dodge	\$22,433.00

The staff recommends the purchase from the low bidder - Jim Brown Dodge

Water/Sewer Dept. Service Truck	Jim Brown Dodge	\$42,209.00
	Jacky Jones Dodge	\$40,082.00
	Hayes Dodge	\$39,612.00

The staff recommends the purchase from the low bidder – Hayes Dodge

Sanitation Truck	NU Life (Peterbuilt)	\$111,320.00
	NU Life (International)	\$115,583.00
	CES Inc. (Peterbuilt)	\$123,041.00
	CES Inc. (International)	\$125,734.00

The staff recommends the purchase from the low bidder – NU Life, Inc.

As to the fiscal impact, the budgeted total for this was \$173,000.00 and the actual bid amount totals \$172,931.00 and under budget by \$69.00.

Mayor Amy Patterson moved to accept the low bids for the purchase of the public works vehicles, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

14. Debt Setoff Program

Town Manager Jim Fatland addressed the Town Board and advised that great method for the recovery of delinquent debts by offsetting debtors’ North Carolina state tax refunds and Education lottery winnings. As long as the debt has been delinquent sixty (60) days and is \$50.00 or greater, the process can begin. There is no got to participate with the North Carolina Debt Setoff Clearing House, since the debtor pays all the fees. There is only the effort and the cost of mailing the required notification letters.

It is recommended that the Town Board approve the following documents:

1. 2010 Participation Form;
2. Resolution Authorizing Participation in the NC Local Government Debt Setoff Program; and
3. Memorandum of Understanding and Agreement NC Local Government Debt setoff Clearinghouse Program.

After the presentation, Commissioner John Dotson inquired as to how much debt “do we run on an annual basis” and was advised approximately \$75,000.00. Commissioner John Dotson further inquired that if the Town participated in the program would it preclude the Town from taking a loss, if necessary. Mr. Fatland advised that if the debt was pursued, then it could not be written off until it was written off. Mr. Fatland further advised that he would get some figures to the Board for review.

Commissioner Hank Ross moved to approve enrollment in the Debt Setoff Program, was seconded by Mayor Amy Patterson and was unanimously approved by the Town Board.

15. Resolution of Intent to Participate in Flood Insurance Program

It was discovered that in order to participate in the flood program a Resolution of Intent was needed. This would enable citizens to obtain flood insurance. The flood ordinance was adopted and approved and then was sent to FEMA for approval and that was when the Town was notified that the Resolution of Intent was needed.

Vice Mayor Amy Patterson moved to approve the Resolution of Intent to Participate in Flood Insurance Program, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

16. Resolution Approving Employee Personnel Manual

Town Manager Jim Fatland addressed the Town Board and advised that the Town Board, at its retreat, reviewed the Employee Personnel Manual on September 23, 2009. Changes suggested by the Town Board and Town Attorney have been incorporated. Subsequent to the Town Board review, the employee Advisory Committee met and asked the Town board for consideration of changes to the vacation accrual as shown on page 17 (Article VII, Section 4(b) Manner of Vacation Accrual. The Employee Advisory Committee requested that the Town Board approve Macon County's vacation accrual policy. A meeting with all employees was held on October 22, 2009 to discuss the approved personnel manual and at that time, a copy was given to each employee.

It is recommended to the Town Board to approve the Resolution for the Employee Personnel Manual with the suggested changes as indicated along with Macon County's vacation accrual. There was much discussion amongst the Board members regarding the Town's accrual rate for vacation and comparing that to of Macon County.

Commissioner John Dotson moved to approve the Resolution Approving Employee Personnel Manual, was seconded by Commissioner Larry Rogers and was subsequently amended.

Commissioner John Dotson moved to amend the motion to approve the Resolution Approving Employee Personnel Manual to include the change on service and vacation accrual, was seconded by Commissioner Larry Rogers and was unanimously approved by the Town Board.

17. Establish Sustainability Committee

Town Manager Jim Fatland addressed the Town Board members of the idea of sustainability and ways to better utilize our resources. Recognizing that quality of life is linked to a healthy environment, it is vital to take care of our natural resources. To

promote awareness for its citizens and businesses, it is recommended that the Town Board establish a Sustainability Committee to advise the Mayor and Town Board, which would provide feedback and advice to the Town Board on policies, ordinances and administrative procedures regarding environmental protection and conservation of energy and natural resources.

Mayor Mullen advised that this would be something worth looking into and Commissioner Hank Ross stated that he thought it was a good idea. Vice Mayor Amy Patterson stated that if you want to sustain the community forever, the Town needed to start planning now. Discussion was had regarding solar power and the potential savings. Discussion was also had as to how the Sustainability Committee would work with other boards/committees and it was suggested that for starters that two (2) elected officials be on the Committee, then get more staff and then citizens. Vice Mayor Amy Patterson stated that the Town should solicit, as there may be citizens within the Town with the expertise needed.

No vote was taken on this matter or motion passed. Mayor Mullen advised that he would discuss this matter with personnel.

Vice Mayor Amy Patterson moved the Town Board to Closed Session, was seconded by Commissioner Larry Rogers and was unanimously approved by the Town Board.

18. Closed Session: Mildred Johnson, et al, condemnation cases

Vice Mayor Amy Patterson moved the Town Board back into Open Session, was seconded by Commissioner Hank Ross and was unanimously approved by the Town Board.

19. Adjourn

As there was no further discussion, Commissioner Larry Rogers moved the Adjourn, was seconded by Vice Mayor Amy Patterson and the Town Board Adjourned at 8:55 p.m.

James R. Fatland
Town Manager

Jane J. Capman
Recording Secretary

Don Mullen Mayor