

REGULAR BOARD MEETING of June 4, 2008, with Mayor Don Mullen and Comms. Amy Patterson, Hank Ross, Dennis DeWolf, Larry Rogers, and John Dotson present.

Also present were Richard Betz, Bill Coward, Lamar Nix, Joe Cooley, Josh Ward, Bill Harrell, Selwyn Chalker, Kim Lewicki, Melody Spurney, Dennis Matthews, Nancy Cox, Dwight Bryant, Benjamin Woods, MaryAnn Sloan, Kristy Carter, Bill Nellis, Tom Clark, Ridgley Berger, Alan Marsh, and others.

#### I. Call to Order.

The Mayor called the 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 the addition of two items in the Closed Session already scheduled: consultation with the Town Attorney concerning litigation and discussion of acquisition of property.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROGERS, AND UNANIMOUSLY CARRIED TO APPROVE THE AGENDA AS AMENDED.

#### III. Approval of Minutes.

Copies of the minutes of the May 21 Regular Board Meeting had been distributed by mail; one error has been noted by the Town Administrator and corrected.

MOVED BY COMM. DEWOLF AND UNANIMOUSLY CARRIED TO APPROVE THE MINUTES AS CORRECTED.

Copies of the minutes of the May 28 Special Board Meeting had been distributed by mail.

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

#### IV. Public Comment Period.

The Mayor stated that this was the public comment period required by law, and invited comments.

1. Dennis Matthews, a resident of 135 Wyanoak Road, was present and read a prepared statement. He said that he had been working for almost two years with the Town Administrator on conveyance of right-of-way of that road so that it could be paved; two of the 43 homeowners had not signed the right-of-way agreement and could not be persuaded to do so. He pointed out that the road was in an even more deteriorated condition now, that property owners were paying taxes, and that the Town was enforcing setbacks from the 30-foot private right-of-way; he wondered by 100% of the right-of-way needed to be conveyed. He commended the Town for working with the D.O.T. to pave Hickory Hill, Chowan, and Cullasaja, and said it would be nice to see Wyanoak paved, too.

Nancy Cox, another resident of the road, pointed out that a new subdivision accessed from Wyanoak Road was increasing traffic and adding to the road's deterioration.

Town Attorney Bill Coward said that this was a policy question, not a legal question; the Town could choose to pave

every road, or roads where 98% of the right-of-way had been conveyed. He suggested that a survey could be made to identify what would be needed to make a good paving job. Comm. Rogers said he did not see any problem with paving within the 30-foot private right-of-way. The Mayor suggested that the Board take the matter under advisement and the Board agreed by consensus to do so.

2. Dwight Bryant said that the Playhouse was looking forward to a great season. He also said that the Board of Directors was looking into placing the Playhouse building on the National Register of Historic Places and wondered if the Board would have any objection. By consensus, the Board agreed to take the request under advisement.

3. Benjamin Woods said that he operated a trash company in Cashiers, would like to push recycling in Highlands, and would appreciate working with the Town in getting started.

## V. Reports.

1. The Mayor distributed copies of a letter from the D.O.T. State Traffic Engineer dated April 1, replying to the Board's decision on March 12 to oppose the 53-foot trailers on US-64. The letter indicated that despite an Attorney General advisory ruling in February opening state highways to such trucks, the through movement of such trailers are currently prohibited. The Board discussed how the prohibition would be enforced and asked the Town Attorney to look into the legal meaning of the letter.

2. The Town Administrator reported that the Finance Committee had met the previous evening and recommended making up the \$350,000 deficit in the General Fund by appropriating Fund Balance rather than increasing ad valorem taxes two cents; fund balance in the General Fund would still be 43%, which was more than adequate. Copies of a letter from the Chamber of Commerce requesting that commercial solid waste rates not be increased were also distributed; Comm. Dotson said the Committee had not recommended making such a change.

Comm. Ross scheduled a meeting of the Public Works Committee for 8:00 a.m. on Tuesday, June 24, in the Conference Room to discuss recycling and other matters. He also reported that the Pine Street Park and Recreation committees had met at 5:00 p.m. and arrived at a consensus on a Master Plan concept for the park; the item would be on the agenda of the June 25 meeting.

3. Town Attorney Bill Coward was present and reported that a mediated settlement had been reached on one of the Bowery Road cases, Sam Evins, for \$68,000; he thought the settlement was a reasonable one and hoped the Town could begin settling the other cases without having to go to trials.

4. Each Board member had received copies of the Town Engineer/ Public Service Administrator's report for the month. Lamar Nix was present and reported that the hospital water tank refurbishment was now complete and it was back in service. He also reported that Drum Engineering was conducting a fault-current study of the Town's electrical system; the firm had told him that the Town had a very good system.

5. Each Board member had received a copy of the Police Chief's report for the month; Chief Bill Harrell was present to review the report. He also said that some merchants had complained to him about delivery trucks loading and unloading and wondered if the Town could consider regulating the hours for deliveries. The Town Attorney and the Planning Director were asked to look into such an Ordinance.

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, which included additional summer staff.

**MOVED BY COMM. PATTERSON, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO APPROVE THE ADDITIONAL SUMMER STAFF.**

7. Each Board member had received a copy of the Town Planner/ Zoning Administrator's written report for the month; Joe Cooley and Josh Ward were present. Mr. Cooley said that Mr. Ward was now certified for stormwater

BMP, and that Ryan Sherby was continuing to work with Matt Shuler on a data base for the upcoming parking study. He also said that the first application for additional parking for a restaurant under the new procedure had been approved, for Wild Thyme gourmet.

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

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

9. The Town Administrator had provided a spreadsheet showing the additional cost of a 5% and 6% COLA by Department, as requested by Comm. Rogers at the previous meeting; the total additional cost would be \$21,000 for a 5% COLA, and \$46,000 for a 6% COLA.

He also reported that, according to County Solid Waste Director Chris Stahl, the transfer station would not be complete until after August 1. He said that the County would be able to accommodate trash after July 1 but probably not demolition debris.

He also reported that the Bird Sanctuary signs had been erected.

## VI. Old Business.

1. The Town Administrator said that he had researched the right-of-way on Laurelwood Lane and contacted the three property owners affected by the proposed removal of a stop sign, as requested at the previous meeting; copies of a portion of the Sunset Hills subdivision which he distributed indicated a 40-foot right-of-way. Dennis Frankln and Ridgley Berger, two of the property owners, had contacted him and said they were opposed. Ridgley Berger had provided a letter to each of the Board members, and was also present; she spoke in opposition. Tom Clark was present and said he would have withdrawn the request has this information been known to him. Comm. Rogers said that he thought the hedge needed to be trimmed regardless of the stop sign; the Town Engineer said Sprinkle Surveying was surveying the property line to determine whether the hedge was on private property or not.

2. The Town Planner said that the Town Attorney had reviewed the new proposed Outdoor Display of Merchandise provision recommended by the Planning Board that had been mailed with the agenda package, and he had incorporated his suggestions into a new draft; copies were distributed at the meting, and the Board agreed by consensus to consider this at the June 25 meeting.

## VII. New Business.

1. The Mayor reported that members of the Affordable Housing Task Force, chaired by MaryAnn Sloan, were present to make a report; copies of a Highlands Housing Market Analysis prepared by Kristy Carter with the Division of Community Assistance had been distributed at the last meeting.

MaryAnn Sloan reported that the Task Force had met since January of 2007, investigating the possibility of achieving affordable housing on the Highlands plateau. Several of them had visited Davidson to research sites, and they had met with potential developers, considered the option of a child care center, and gotten appraisals on a potential site at the Highlands-Cashiers Hospital; they were now working on a legal agreement to option the six-acre site, which the Hospital Board had voted on June 2 to sell for \$750,000. Plans were distributed showing 48 units on the site, which she said would consist of 24 affordable units and 24 market-rate units; the Task Force would be asking the Board for \$100,000 in the next budget year, FY 09-10, and would be seeking other grant funds and tax credits to fund the project.

She then presented Kristy Carter, who outlined the main points in the Housing Market Analysis she had prepared; the analysis provided a great deal of housing information for the Highlands area that would be useful for a variety of

reasons. It had been established that there is a demand for affordable housing, affected recently by factors such as rising gas prices and the slump in the construction industry. The property itself was the best that could be hoped for, relatively flat and close to services and employment centers. Rental amounts for the affordable units would be based on Area Median Income and would not increase for 30 years. She said she hoped that the Board would continue to support the Task Force.

Ms. Sloan and Ms. Carter then fielded several questions. The Mayor praised the Task Force for the excellent work done so far and pledged the Town's continuing support.

2. Nomination forms had been distributed at the previous meeting for appointments to various Board and Committees. The Town Administrator said that he had received forms from each Commissioner except Comm. Rogers, but the number of nominations would not have been affected by his form. The majority of nominations had been received for the following:

BOARD OR COMMITTEE	NOMINEE
Zoning Board (3 Openings)	Dave Rohrer James Manley Bill Conway
Planning Board (1 Opening)	Thomas Craig
Appearance Commission (1 Opening)	Bill Nellis
ABC Board (1 Opening)	Mike Thompson
Scholarship Committee (1 Opening)	Bud Potts
Advisory Committee for Scholarship Endowment Fund (3 Openings)	Gloria Pariseau David Cull Randy Power
Cemetery Committee (1 Opening)	Bob Houston

MOVED BY COMM. ROSS, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO APPOINT THE FOREGOING.

Comm. Dotson said that he had recommended someone else for the Planning Board; he pointed out that the Code specifically said that Planning Board members should hold no other positions except on a zoning board or housing authority board. The Board discussed appointment policy, and it was pointed out that the nominee Comm. Dotson had suggested lived in Highlands Falls Country Club, which was neither in the Town limits nor the ETJ. Appointment to the Planning Board from the ETJ rather than outside the ETJ was a matter of policy, the Town Administrator said; Appearance Commission and Zoning Board members (except the ETJ representative) had to reside within Town pursuant to law.

3. MOVED BY COMM. DEWOLF AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318.11(A), (2), (3), (6) AND (5) TO REVIEW SCHOLARSHIP AWARDS, DISCUSS PERSONNEL MATTERS, DISCUSS ACQUISITION OF PROPERTY, AND CONSULT WITH THE TOWN ATTORNEY ON LITIGATION. All present left the room except the Town Administrator, the Town Attorney, the Town Engineer, the Police Chief, the Planning Director, and the Code Enforcement Officer.

A. Planning Director Joe Cooley, Code Enforcement Officer Josh Ward, and the Town Attorney briefed the Board on some potential zoning litigation.

B. The Board discussed acquisition of property.

C. The Board reviewed the recommendations of the Scholarship Committee. The Police Chief also discussed a recent prank at the school with the Board and Town Attorney and how it could affect continued eligibility for scholarship awards in the future.

D. The Town Administrator presented his annual salary recommendations.

MOVED BY COMM. DEWOLF, SECONDED BY COMM. PATTERSON, AND UNANIMOUSLY CARRIED TO GO INTO OPEN SESSION. The room was opened to the public.

4. MOVED BY COMM. PATTERSON, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO ACCEPT THE RECOMMENDATIONS OF THE SCHOLARSHIP COMMITTEE.

VIII. MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROGERS, AND UNANIMOUSLY CARRIED TO ADJOURN.

There being no further business to come before the Board, the meeting was declared by the Mayor to be adjourned at 9:25 p.m.

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Richard Betz, Town Clerk