

Special Meeting Minutes of the Town Board of Commissioners Meeting of February 14, 2013 at the Highlands First Presbyterian Church's Coleman Hall, 471 Main Street, Highlands, North Carolina.

Town Board Present: Mayor David Wilkes, Commissioner Amy Patterson, Commissioner John Dotson, Commissioner Gary Drake, Mayor Pro Tempore Eric Pierson, and Commissioner Brian Stiehler.

Staff Present: Town Manager Robert Frye, Town Clerk Rebecca Shuler, Finance Director Chuck Young, Human Resource Director Sonjia Gibson, Recreation Director Lester Norris, MIS/GIS Director Matt Shuler, Police Chief Bill Harrell, Public Works Director Lamar Nix, and Planning and Development Director David Clabo.

Others Present: Kevin O'Donnell, Mike Waresak, Melody Spurney, and Kim Lewicki

1. Meeting Called to Order

Mayor Wilkes called the meeting to order at 9:00am.

2. Financial Matters

A. Preliminary FY2013-14/Budget Outlook/Revenue Estimates

Manager Frye opened the morning by stating the Town had a \$13 million dollar budget and presented the following memo:

The following are highlights of FY 2012-13 revenues through 01-31-13 as compared to revenues through the same period last year. Property tax collections have increased \$110,000 over the same period last year. Sales tax revenue has increased almost \$18,000 over this time last year. Franchise tax revenue is down approximately \$6,500 from last year. The Town will exceed budgeted revenues for property tax. It is anticipated that sales tax and franchise tax budgeted revenues will be met.

The Recreation Fund fees and ABC contribution revenues have increased approximately \$17,000 over the same period last year. We have received the contributions from Macon County for the first two quarters as we did last year. It is anticipated that the Recreation Fund will meet its budgeted revenues.

Water Fund revenues have increased just over \$80,000 compared to this time last year. This reflects the installation of the new radio read meters. It is anticipated that Water Fund budgeted revenues will be met.

Sewer Fund revenues have increased approximately \$72,000 compared to this time last year. This reflects the increase from 80% to 100% of water usage. It is anticipated that Sewer Fund will meet its budgeted revenues.

Sanitation Fund revenues have increased approximately \$30,000 compared to this time last year. This reflects the increase in fees from \$16.00 to \$18.50. It is anticipated that the Sanitation Fund budgeted revenues will be met.

Electric Fund revenues have increased \$343,000 compared to this time last year. This reflects the rate increases in January, 2012 and January, 2013. It is anticipated that the Electric Fund will meet or exceed its budgeted revenues.

Commissioner Patterson asked what the amount of the Town's debt was.

Adjust and Approve Agenda

Commissioner Drake mentioned the agenda had not been approved and made a motion to approve the agenda, which was seconded by Commissioner Stiehler and the vote was unanimous.

B. Utility Issues: Fees/Billing/Collections/Disconnections

Manager Frye stated the Town was within a couple of weeks of being up and running with online bill pay. Customers will be charged a 4% convenience fee to pay their bill online to recoup the Town's expense for offering this service. He also told the board customers could log on through the Town's website with their account number, zip code, and four digit PIN that will go out on this month's utility bill.

Commissioners Patterson and Dotson were concerned about identity theft with the PIN going out on customer's utility bills and also with customers not being able to change the PIN once logged on for the first time.

Manager Frye discussed courtesy calls starting in April for customers on the disconnect list. He also discussed some issues with residences and businesses with master meters.

Commissioner Patterson asked if the utility committee was handling these issues.

Frye then moved to an issue with the residents of Highlands Manor not being happy with their sanitation charges.

C. Energy Efficiency Programs

Kevin O'Donnell of Nova Energy Consultants, Inc. was on hand and gave a presentation on energy efficiency programs which the Town could offer its customers or participate in through Duke Energy. After a brief discussion in reference to shaving peak and receiving credits for these energy efficiency programs, it was agreed upon that the sustainability project would handle energy efficiency ideas.

4. Administration Matters: Consent Agenda Uses

Town Clerk Rebecca Shuler gave a short presentation on the use of consent agendas and showed more ways the Town could use the consent agenda to be an effective mean of managing the length of a meeting. Once items were discussed that could be added to the Town's current use of consent agendas there was general consensus from all commissioner to expand the Town's use of consent agendas as appropriate during regularly scheduled board meetings.

The board was excused at 10:13am for a 14 min. break. At 10:27am the board reconvened.

5. Capital Projects Overview

- A. Water Intake Upgrade**
- B. Dredging**
- C. Dam Refurbishment/Power Generation**

Mike Waresak, PE of McGill Associates was on hand and made a presentation on the Water Intake Upgrade, Dredging, Dam Refurbishment/Power Generation, and Culvert Replacement Projects. The following projects and cost estimates were presented:

| Project | Estimated Cost |
|---|------------------------|
| Lake Sequoyah Raw Water Intake | \$2.0 million |
| Lake Sequoyah Dam Repairs | \$500,000 |
| Big Creek and Randall Lake ~ Total | <u>\$3.3 million</u> |
| Big Creek Dredging | \$2.1 million |
| Randall Lake Dredging | \$400,000 |
| Randall Lake Dam Replacement | \$800,000 |
| *These costs do not include property acquisition costs. | |
| Hydroelectric Facility ~ | |
| FERC/EA Permit Process | \$100,000 to \$150,000 |
| Capital Investment | \$4 to \$4.5 million |
| Mill Creek Culvert Replacements | \$665,000 in Grants |

6. Public Works Matters

- A. Chowan Repair**
- B. Sidewalk Projects**
- C. Police Department Parking Landscaping/Drainage Project**
- D. Cemetery Needs**
- E. Water Plant Gas Treatment Replacement Project**
- F. General Departmental Capital Needs**

Public Works Director Lamar Nix presented the following projects and cost estimates for the Public Works Department:

| Project | Estimated Cost |
|--|---------------------------|
| Chowan Road | \$150,000 |
| Sidewalk Projects ~ Total | <u>\$300,000</u> |
| Main Street ~ North side of 3 rd St. to 1 st St. | \$115,000 |
| 4 th St. West side from Maple St. to Town Hall | \$185,000 |
| Police Department Parking Landscaping/Drainage Project | \$90,000 |
| Cemetery Needs | \$85,000 |
| Water Plant Gas Treatment Replacement Project | \$697,000 |
| Water Projects ~ Total | <u>\$1.48 million</u> |
| Big Bear Pen Water Line Upgrade | \$200,000 |
| NC 28 Water Line Upgrade | \$500,000 |
| Split Rail Road Water Line Upgrade | \$650,000 |
| HCC Pump Station Rehabilitation | \$130,000 |

Commissioner Stiehler said he had many people say to him that the Town shouldn't fix Chowan. After a brief discussion it was determined we should fix the road while we had the NCDOT's assistance.

Commissioner Drake said he thought the repairs to the Big Bear Pen Water Line was a great idea as he had heard many complaints out of the year round residents due the line freezing because of the rock.

Then there were discussions as to the NC28 water line and how the County should be involved since this would also benefit the residence in the County with possible water connections.

Manager Frye mentioned that the Water Plant Gas Treatment Replacement Project was not an option but a matter of just how soon we could work it in.

The board was excused for lunch at 11:53am. The board reconvened at 12:32pm.

7. Parks and Recreation Matters

A. Facility Issues

Parks and Recreation Director Norris presented the following list of facility updates and maintenance that is needed at the Recreation Department.

Lower Level Project

| | |
|---|--------------|
| Renovate/Expand the Restrooms/Locker Areas | \$75,000.00 |
| ❖ Expand Restrooms to meet ADA Standards | |
| ❖ New showers to meet ADA requirements for 1 Unit min. | |
| ❖ Improve locker dressing area with new lockers | |
| ❖ New tile floors in the bathrooms | |
| ❖ Approx. 225 sf. New restroom area and 570 sf. Renovated | |
| Lower Level Finishes Upgrades | \$20,000.00 |
| ❖ Carpet | |
| ❖ Ceiling Tiles | |
| ❖ Paint | |
| Total Lower Level Coordination, AE Drawings | \$6,500.00 |
| Total Lower Level Project | \$101,500.00 |

Main Level Project

| | |
|--|--------------|
| Refurbish the Main Gym Area | \$175,000.00 |
| ❖ Paint interior and make wall repairs as needed | |
| ❖ Install new motorized bleachers | |
| ❖ Install motorized goal systems | |
| ❖ Install new multi-use floor surface | |
| ❖ Electrical Work for new systems | |
| Refurbish the Main Level Bathrooms | \$55,000.00 |

- ❖ New Fixtures/Fittings
- ❖ New Tile Floor
- ❖ New ceiling tile and tracks
- ❖ New toilet enclosure walls
- ❖ Paint

Main Level Refurbishment/Finishes \$315,000.00

- ❖ Paint all areas
- ❖ Replace all lay-in Ceiling Tiles (tiles only except in Kitchen and Bathrooms)
- ❖ Replace all trough ceiling fluorescents with HE Units
- ❖ Replace acoustical ceiling tiles in the Lobby Area
- ❖ Replace Exterior Doors with new doors and hardware
- ❖ Mechanical Systems Replacement
- ❖ Electrical work for the mechanical Systems work

Existing Stage Renovation \$188,000.00

- ❖ Renovate stage into Aerobics Room and Meos/Womens Locker Rooms
- ❖ New exit and ramp to pool side of building
- ❖ All new finishes
- ❖ Mechanical systems for spaces
- ❖ Lift Installation
- ❖ 1,051 sf. Aerobics Room 445 sf. Locker Rooms

Total Main Level Consultants, AE Drawings \$45,000.00

Total Civic Center Projects \$879,500.00

Norris stated the most urgent project this budget year would be the replacement of the exterior doors and mechanical system replacement.

B. Pool Repair/Rebuild/Relocation

Norris then discussed issues with the town's pool. Norris presented the board with a swimming pool replacement alternatives analysis created by Henry Ross. The analysis had four proposed locations for a newly constructed pool. Norris presented the board with a cost estimate for construction for only one location. After some discussion, the board suggests Norris get with the County to see if they would help fund a new pool and to gather construction estimates for the other proposed pool locations.

8. Police Matters

A. Vehicle Procurement Recommendation

Police Chief Harrell explained to the Board how he would like to get on the vehicle replacement schedule they discussed last year at budget time. Harrell told the board he would like to purchase two Ford Taurus vehicles to replace an old Crown Victoria and an Impala. The Fords will cost approximately \$33,300.00 each.

B. Enforcement Philosophies

Police Chief Harrell opened the floor for questions or comments on why the police department does what it does. He encouraged the board to get answers to their concerns. Some topics of discussion included: why does every traffic stop include a breathalyzer?, why are there police cars behind every Highlands welcome sign?, why are there always two cop cars at a traffic stop?, and why isn't there more patrol downtown? There was discussion about Highlands being a hospitality town and not a big city. It boiled down to not necessarily what the police department does but how they do it.

C. Parking Enforcement Issues

Parking enforcement was discussed very briefly.

9. Information Technology Matters

A. Fiber Optics Backbone Project Update/Phase 2

MIS/GIS Director Matt Shuler gave a presentation with an update of projects from last year's budget including online bill pay, fiber to the Community Building, and fiber to the Water and

Sewer Plant which led him into discussing the proposed Fiber project for FY13-14 which would provide fiber to the premise (Downtown). The total project estimate is \$670,000.00 to \$700,000.00 which consists of \$470,000.00 for 6 areas (nodes) identified and 193 drops for businesses or residences and \$200,000.00 plus site preparation for a co-location building. In connection with the Fiber to Premise project there are a few considerations to think about which include staffing needs, service level agreements, and funding.

B. Attachments to Town Owned Utility Pole Process

Shuler gave an update on the Pole Attachment Process and where the Town has evolved to. Shuler recommended an ordinance revamp to include things such as better management for handling future development, specific language to ensure competing utilities cooperate in a timely manner, and update all other minor issues.

C. Capital Needs

Shuler mentioned the need to put part-time employee Chuck Crisp on full-time with all the proposed projects at hand. He also presented a cost estimate for a ground penetrating radar of \$12,000.00 to \$18,000.00. This radar would allow for the quick location and accurate mapping of underground utilities. This would also save money in street repair and man-hours for incorrect digs. It would also result in less water loss during breaks with the locating of lost valves.

10. Fire Department Matters

Fire Chief Ryan Gearhart and Assistant Fire Chief Robbie Forrester addressed the board with the request of creating a board for them to consult in reference to certain decisions that need to be made to keep them in check and avoid conflict of interests within the department. It was mentioned that the Town already had a Public Safety Committee consisting of the Fire Chief, Police Chief, two Commissioners (appointed annually), and the Mayor.

Gearhart and Forrester then mentioned whether or not their positions as Chief and Assistant Chief should be full time positions. Manager Frye stated that the Town needed to conduct a pay study this year and these positions would be included and pay adjusted as necessary. Several Commissioners questioned whether this was allowed as the Fire Department was a volunteer department with a tax levied by Macon and Jackson Counties, but with the department's bylaws being approved by the Town Board of Commissioners. The Fire Chief and Assistant Chief along with all officer positions are elected by the department and are elected to two year terms.

11. Planning Matters

A. Comprehensive Plan

Planning and Development Director David Clabo discussed the purpose and chosen topics of the Comprehensive Plan that is being written.

B. Small Town Main Street Program

Clabo then encouraged the Board to continue their support of the Small Town Main Street Program and gave the following list of committee presidents/chairs:

Amanda Sullivan ~ President and Organizational Committee Chair
Regina Lupoli ~ Promotion Committee Chair
Ran Shaffner ~ Design Committee Chair
Vacant ~ Business Development Chair

C. Advisory Board Appointments

Clabo asked the board to revisit the 1998 "Board Policy on Appointments to Board and Committees". He stated that some parts needed to be revisited and/or updated. The board agreed for the policy to be revisited and for staff to bring it back to them at a regularly scheduled meeting.

Clabo mentioned that we had several applications for various board openings and he was unaware as to if the board simply wanted recommendations or if they wanted all applications. The board request that all applications be submitted to them for review as had been the process in the past.

D. Sign Issues

Clabo mentioned “mobile billboards”, political and directional signs as areas of concern. Clabo suggest looking at the town’s regulations on these signs and making sure they are in compliance with State law and also make sure it reflects what the Town really wants.

E. Additional Matters

Clabo mentioned the number of new home permits that have been issued over several years. He then transitioned to a couple of requests from the Appearance Commission and to several UDO Amendments/Corrections.

12. Session Wrap Up: Mayor and Council Comments

Commissioner Dotson said with spring coming up he would like to see the Town work on the overall appearance of the Town. The Town had started to get a handle on this and he would like to see it continue. Dotson also said he gets requests almost annually to get rid of the snowflake Christmas lights. Mayor Wilkes said he had lots of complaints about the wreaths this year as well.

Commissioner Stiehler gave the Street Department a compliment for the great work they do sweeping the streets.

Commissioner Patterson wanted to see if the Town couldn’t do something about landscape companies blowing leaves into Town ditches causing storm drains to clog up. About 10 to 15 years ago Patterson believes the Town sent letters out in regards to the same matter.

13. Adjournment

As there were no further matters to come before the Board of Commissioners, Commissioner Patterson moved to adjourn, which was seconded by Commissioner Dotson and upon unanimous vote, the Town Board adjourned at 3:43pm.

David Wilkes
Mayor

Rebecca R. Shuler, CMC
Town Clerk