

Special Meeting Minutes of the Town Board of Commissioners Meeting of January 29, 2014 at the Highlands Community Building, 71 Poplar St., Highlands, North Carolina.

Town Board Present: Commissioner John Dotson, Commissioner Amy Patterson, Mayor Pro Tempore Donnie Calloway, Mayor Patrick Taylor, Commissioner Eric Pierson, and Commissioner Brian Stiehler.

Also Present: Town Manager Robert Frye, Town Clerk Rebecca Shuler, and Town Attorney Jay Coward.

1. Meeting Called to Order

Mayor Taylor called the meeting to order at 5:00pm. Mayor Taylor then read the following statement, "The Highlands Town Board does not manage the Highlands ABC Board or the operations of the Highlands ABC Store, by statute that is not the Town's charge. The Highlands Town Board's responsibility is to appoint qualified board members who in turn oversee the finances, operations and policies of the ABC Store. In recent weeks, the town commissioners, along with the general public, have been made aware of major problems within the ABC Board that if left uncorrected could have a very negative impact on the successful operation of the Highlands ABC Store. The Town Board was hopeful that the ABC Board could resolve their internal problems, and move forward in a cooperative manner. Given recent events, it has become apparent that was not possible. The Town Board did not want to become involved in these controversies, but has a duty to make sure the ABC system functions effectively. This meeting today is not being held to solve the internal problems of the ABC system; that has to be done by a functioning ABC Board. Nevertheless, the Town Board is here to revamp and organize the ABC Board in order for it to function in the best interest of the Highlands community. With this restructuring the Highlands Town Board will expect the ABC Board to resume its responsibilities to oversee the efficient and successful operations of the Highlands ABC Store."

2. Adjust and Approve Agenda

Mayor Taylor stated that he would like to address items 5 and 6 together as one item. Commissioner Patterson made a motion to approve the agenda with the before mentioned correction, which was seconded by Commissioner Stiehler and the vote was unanimous.

3. Acceptance of ABC Board Member Letter of Resignation

Mayor Taylor addressed the Board in reference to Ms. Sanders' resignation letter. Mayor Pro Tempore Calloway made a motion to accept the resignation, which was seconded by Commissioner Dotson. Commissioner Stiehler said he wanted to thank Georgia for almost 30 years of service on the ABC Board. The vote to accept the resignation was unanimous.

4. Removal of ABC Board Member

Mayor Taylor presented a Resolution Removing Mr. Jack Calloway from the Highlands ABC Commission. Commissioner Stiehler made a motion to approve the resolution which was seconded by Commissioner Dotson. Commissioner Stiehler stated that this was nothing personal against either Jack or Georgia, but if the Town Board didn't make a change the ABC Board would not operate efficiently. Stiehler said he felt this was the time for the ABC Board to go in a different direction. Mayor Taylor thanked Commissioner Stiehler for his comments. Mayor Taylor did want to let the Board know that he and Manager Frye had met with Mr. Calloway and addressed the items in the resolution. Then at a second meeting Calloway declined resignation. The vote to approve the resolution removing Jack Calloway was unanimous.

**A RESOLUTION REMOVING MR. JACK CALLOWAY FROM THE
HIGHLANDS ABC COMMISSION
Resolution No. 2014-03-Res**

WHEREAS, Pursuant to North Carolina General Statute 18B-704(c), the Town of Highlands Board of Commissioners finds that there is cause for removal of Mr. Jack Calloway from the Highlands ABC Board in that he has engaged in the following conduct, which brings the ABC Board and the ABC system into disrepute:

1. Mr. Calloway uses vulgar and profane language in the presence of other ABC Board members during official meetings. He uses foul language in the presence of employees, customers and the public. The use of such language is not isolated or occasional; it comes in a constant barrage and as a pattern of intimidation. Mr. Calloway has ignored repeated requests by ABC Board members to refrain from the use of foul language; and
2. ABC Board employees have stated publicly that due to Mr. Calloway's actions it is difficult to work for the Highlands ABC Board; in fact, the employees have sought redress from the Town of Highlands Board of Commissioners rather than from the ABC Board itself; and
3. Mr. Calloway's language and behavior has been communicated to the other ABC Board members in such a way that the other members have stated to Town Board members that they are now afraid to convene and attend ABC Board meetings. The fear caused by Mr. Calloway cripples the ABC Board's ability to function properly; and

WHEREAS, the law imposes no duty on the Town of Highlands to operate, manage, employ or perform any other activity authorized to the ABC Board, but it has been repeatedly asked to do so; and

WHEREAS the workplace environment is due to the actions of Mr. Calloway, the ABC Board employees cannot seek redress from their own board because of his actions, and due to his actions a majority of the ABC Board members are afraid to meet and conduct business; and

WHEREAS, without the removal of Mr. Calloway, the ABC Board will cease to function in the manner required by the laws of the State of North Carolina; and

WHEREAS, Mr. Calloway is unable to perform the duties of his office,

NOW, THEREFORE, BE IT RESOLVED, the Town of Highlands Board of Commissioners hereby remove Mr. Jack Calloway as a member of the Highlands ABC Board. This resolution shall serve as official notice that a hearing before the North Carolina ABC Commission is available to Mr. Calloway to review the removal.

This the 29th day of January, 2014.

Patrick L. Taylor, Mayor

ATTEST:

Rebecca R. Shuler, Town Clerk

5. Expansion of ABC Board to Five Members and Appointment of ABC Board Members

Mayor Pro Tempore Calloway made a motion to expand the ABC Board from a three member Board to a five member board, which was seconded by Commissioner Stiehler. Attorney J. K. Coward in accordance with the State Statute and after review with a female contact at the State ABC Commission it is very simple to just appoint two additional members with staggered terms. The vote to expand the ABC Board from three members to five members was unanimous.

Mayor Taylor told the Board the appointees were Tom Clark, John Underwood, Harry Bears, and Thomas Craig. Commissioner Patterson stated that Thomas and John already serve on other Boards and questioned if that would affect anything. Patterson was assured it would not.

Mayor Taylor then asked for a vote on each appointee.

Commissioner Stiehler made a motion to appoint Tom Clark to fill the remaining term of Jack Calloway which expires on August 17, 2014, which was seconded by Commissioner Patterson and the vote was unanimous.

Commissioner Stiehler made a motion to appoint John Underwood to fill the remaining term of Georgia Sanders which expires on August 17, 2016, which was seconded by Mayor Pro Tempore Calloway and the vote was unanimous.

Commissioner Stiehler made a motion to appoint Harry Bears to a new term on the ABC Board expiring on August 17, 2017, which was seconded by Mayor Pro Tempore Calloway and the vote was unanimous.

Mayor Pro Tempore Calloway made a motion to appoint Thomas Craig to a new term on the ABC Board expiring on August 17, 2017, which was seconded by Commissioner Pierson and the vote was unanimous.

Commissioner Dotson asked if the prior ABC Board has finished their current business. Attorney Coward stated that the new ABC Board could proceed with any business.

16. Adjournment

Mayor Pro Tempore Calloway moved to adjourn the meeting, which was seconded by Commissioner Dotson and upon unanimous vote, the Town Board adjourned at 5:19pm.

Patrick Taylor
Mayor

Rebecca R. Shuler, CMC, NCCMC
Town Clerk