

**Special Meeting Minutes of the Town of Highlands Board of Commissioners  
Meeting of March 8, 2018, at the First Presbyterian Church, 471 Main  
Street, Highlands, North Carolina**

Town Board Present: Commissioner John Dotson, Commissioner Amy Patterson, Commissioner Brian Stiehler, Mayor Pro Tempore Eric Pierson and Mayor Pat Taylor

Also Present: Town Manager Josh Ward, Finance Director Rebecca Shuler, Public Works Director and Town Engineer Lamar Nix, MIS/GIS Director Matt Shuler, Police Chief Bill Harrell, Fire Chief Ryan Gearhart, Parks & Recreation Director Lester Norris, Computer Support Specialist Mark Hall and Town Clerk Gibby Shaheen

**1. Meeting Called to Order**

Mayor Taylor called the meeting to order at 9:06am.

**2. Present and Approve the Agenda**

Town Manager Josh Ward stated the Budget Amendments for the Recreation Park needed to be added.

Commissioner Patterson made a motion to approve the agenda as amended, which was seconded by Commissioner Stiehler and the vote was unanimous.

**3. Financial Matters – Midyear Update**

Town Manager Josh Ward stated the economy was strong and sales tax was over \$1,000,000, property values have gone up with the residential and commercial construction. Town Manager Josh Ward stated the county will be doing the re-evaluations next year and it's unsure whether the property values will go up or down.

Town Manager Josh Ward stated the Town Hall needs interior painting and some exterior maintenance and repairs on the trim, Warth Construction estimates a cost of \$25,000. Town Manager Josh Ward stated Administration could use a Toyota Camry with an estimated cost of \$23,000.

Town Manager Josh Ward stated he had received an email from Energy Consultant Kevin O'Donnell who recommended the Town participate in a settlement conference with Piedmont Municipal Power Agency against Duke regarding the overcharges related to regulatory assets as agreed upon by the Federal Energy Regulatory Commission. Town Manager Josh Ward stated there was still money in the budget to pay the \$1,500 cost. The Board of Commissioners agreed that O'Donnell should attend the conference.

Town Manager Josh Ward stated the County had ordered the recycling trailer and wanted to include a sharp container which looks like a mailbox, but would have to find an acceptable location.

Finance Director Rebecca Shuler presented the following highlights of the FY17/18 budget at mid-year.

As of February 2018 property tax collections have increased \$22,984.06 compared to February 2017. This represents a collection rate of 96.703% as of February 2018.

Sales tax revenue as of February 2018 has increased \$7,230.73 compared to February 2017.

The amount of General Fund revenues collected as of February 2018, exclusive of \$261,946.39 in donations for Police & Recreation projects, is \$355,425.34 more compared to General Fund revenues collected as of February 2017.

We anticipate meeting our budgeted revenue for General Fund with 64% currently collected. General Fund expenditures are 60% spent as of February 2018.

The Town had an original fund balance appropriation in General Fund at July 1, 2017 of \$703,439.00. As of February 2018, the Town has appropriated an additional \$513,350.00 in General Fund.



<b>SANITATION</b>								
Dumpsters			\$30,000 A	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Sanitation Truck			\$130,000				\$130,000	
Recycle/Convenience Center			\$200,000			\$200,000		
<b>WATER/SEWER</b>								
Spare Pump Moorewood			\$9,000	\$9,000				
Split Rail Waterline			\$670,000		\$670,000			
Buckhorn Water Tank			\$1,377,600	\$1,377,600				
Generators for Pump Sta.			\$300,000			\$300,000		
Moorewood Waterline			\$484,000		\$484,000			
Dog Mtn. Ph. 1 Waterline			\$261,000				\$261,000	
Dog Mtn. Ph. 2 Waterline			\$822,000					\$822,000
Black Rock Waterline			\$185,000			\$185,000		
Debt Mirror Lake			\$56,967 A	\$56,967 A	\$56,967A	\$56,967A	\$56,967A	\$56,967A
<b>Public Works FY 2017 Thru 2022 Capital Improvement</b>	<b>Funding Source</b>	<b>Fund</b>	<b>Estimated Project Cost</b>	<b>FY18-19</b>	<b>FY19-20</b>	<b>FY20-21</b>	<b>FY21-22</b>	<b>FY22-23</b>
<b>EQUIPMENT/REPLACEMENT</b>								
WTP Plumbing/Tile Repair			\$20,000	\$20,000				
Service Truck			\$70,000				\$70,000	
55 Excavator/Trailer			\$65,000				\$65,000	
WWTP (UV Light repair, Software Update)			\$67,000	\$67,000				
WWTP Tractor			\$35,000		\$35,000			
<b>ELECTRIC</b>								
Equipment								
2003 FL Boom			\$135,000		\$135,000			
Reconductor US64/ Horse Cove Rd			\$270,000		\$270,000			
2007 F-550			\$75,000		\$75,000			
2005 Excavator/Trailer			\$70,000		\$80,000			
2009 Int. Bucket			\$200,000			\$200,000		
2010 Vermeer Chipper 1800			\$60,000				\$60,000	
2011 Dodge Bucket			\$125,000				\$125,000	

Public Works Director and Town Engineer Lamar Nix stated the cost of the Playhouse and Fire Department wall to be replaced would be \$140,000, and if the Fire Department wall was not included it would reduce costs by \$10,000.

Public Works Director and Town Engineer Lamar Nix presented 4 options of paving Sunset. After discussion Public Works Director and Town Engineer Lamar Nix stated he would research and find out what would be involved in the possible closing of the road to vehicles instead of paving and would report at the next Board Meeting.

## **5. Police Dept. Matters – Capital Needs**

Police Chief Bill Harrell stated the Police Department needed a vehicle estimated at \$38,000 and equipment for the vehicle estimated at \$18,000.

Police Chief Bill Harrell stated he had discussed with MIS/GIS Director Matt Shuler the possibility of the IT department taking over the car technology, including body cams. Police Chief Bill Harrell stated the equipment had to be replaced every time, and so to keep up with the correct equipment and software it would be more efficient for the IT department to handle those items.

**6. Parks & Recreation Matters – Capital Needs**

Parks & Recreation Director Lester Norris gave a status report on construction and stated that the estimate for the repairs for the kitchen and meeting room was estimated for \$96,830 and should be completed by May 1<sup>st</sup>.

Town Manager Josh Ward recommended the Budget Amendment to be approved.

TOWN OF HIGHLANDS BUDGET AMENDMENT  
AMENDMENT # \_\_\_\_\_

March 8, 2018

FROM: General Fund



DEPARTMENT: Admin Dept.

EXPLANATION: Appropriate funds to cover change order to Rec. Contract for wall repair

<b>Account</b>	<b>Description</b>	<b>Increase/Decrease</b>	<b>Debit</b>	<b>Credit</b>
1. 10-3100-0910	Fund Bal Approp. ~ GF	Increase		\$97,000.00
10-6200-7300	Capital Outlay/Other Improvements	Increase	\$97,000.00	
<b>Totals</b>			<b>\$97,000.00</b>	<b>\$97,000.00</b>

Approved by Town Manager

Action by Town Board

Approved and Entered on Minutes Dated

Finance Director

Commissioner Patterson made a motion to accept the budget amendment, which was seconded by Commissioner Stiehler and the vote was unanimous.

Parks & Recreation Director Lester Norris stated that the second budget amendment was to replace an air conditioning unit at the Performing Arts Center.

TOWN OF HIGHLANDS BUDGET AMENDMENT  
AMENDMENT # \_\_\_\_\_

March 8, 2018

FROM: General Fund



DEPARTMENT: Admin Dept.

EXPLANATION: Appropriate funds to cover HVAC repair at PAC

<b>Account</b>	<b>Description</b>	<b>Increase/Decrease</b>	<b>Debit</b>	<b>Credit</b>
1. 10-3100-0910	Fund Bal Approp. ~ GF	Increase		\$5,800.00
10-5700-1310	Maint. & Repair ~ PAC	Increase	\$5,800.00	
<b>Totals</b>			<b>\$5,800.00</b>	<b>\$5,800.00</b>

Approved by Town Manager

Action by Town Board

Approved and Entered on Minutes Dated

Finance Director

Mayor Pro Tempore Pierson made a motion to accept the budget amendment, which was seconded by Commissioner Stiehler and the vote was unanimous.

Parks & Recreation Director Lester Norris stated the remaining Capital projects at the Civic Center would be the exterior and would like to have the building pressure washed and the window seals cleaned and painted in FY2018-2019. Parks & Recreation Director Lester Norris also stated that in the 6 year projection of the Capital Projects the Town should be \$10,890 to the good.

Parks & Recreation Director Lester Norris stated other budget requests for the upcoming year were as follows:

- (a) 2 lights needed at Founder's Park that would be on the same timer and dimmer as the other lights would cost \$10,500;
- (b) Replace flooring, paint and get a sign with interchangeable letters for the Community Building with a cost of \$49,000;
- (c) Clean and repair cracks in the tennis courts, which should give a couple of years of use, but the tennis courts have come to the point that they are needing rebuilt; and
- (d) 32 foot scissor lift needed to change lightbulbs in the gym and other repairs that are unreachable by the current scissor lift with a cost of \$8,500, which costs can be offset by selling the current 19 foot scissor lift for \$4,000-\$5,000.

Parks & Recreation Director Lester Norris stated future requests would be to replace two tennis courts in the fall of 2019 and the other two in the fall of 2020. This will allow for the cost to be spread out over two years and will also allow us to keep two courts in operation while the other two are being rebuilt.

Parks & Recreation Director Lester Norris stated other future requests would include light replacement at the ballfield, including a 25 year warranty turnkey project at a cost of approximately \$212,000, and the Cardio Fitness equipment will need updating in FY2019-2020 with 3 treadmills and in FY2020-2021 Elliptical and bike.

Parks & Recreation Director Lester Norris stated it had been brought to his attention that the fitness members would like extended hours. Parks & Recreation Director Lester Norris stated that the entry downstairs was in place to facilitate the extension of hours, but the insurance carrier said the Town would need to install a telephone in each room and produce a Release Form to be signed by the members. Parks & Recreation Director Lester Norris stated the proposed hours of extension was 5am to 11pm. Mayor Pro Tempore Pierson and Commissioner Patterson stated why not just keep it available all hours and have the Police Department aware to patrol that area.

Commissioner Dotson asked if tennis was still a viable sport and should 2 of the tennis courts be taken out. Parks & Recreation Director Lester Norris stated that tennis was actually making a comeback and it was doing well and should not take them out. Parks & Recreation Director Lester Norris also stated that Pickle Ball is popular and can use the tennis courts as well.

## **7. Fire Dept. – Capital Needs**

Chief Ryan Gearhart stated the Fire Department would need a new truck in the near future, but hadn't made a decision on what type of truck. Chief Ryan Gearhart stated he didn't think it would be required this year, but wanted to make the Board aware the request would come up in the future.

## **8. Lunch**

Mayor Taylor recessed the meeting for lunch at 11:30am.

The meeting was reconvened at 12:30pm with Commissioner Donnie Calloway now present and 12:45pm Town Attorney Jay Coward now present.

## **9. Arnold Road Paving Request**

Attorney Fred Jones as representative of Lake Sequoyah Property Owner's Association stated the Association wanted to pave the remaining portion of Arnold Road, and presented pictures of the impact of the sedimentation and erosion around the docks. Attorney Jones stated the Association had hired an engineering company and found that the road should have 8 inches of gravel before it can be paved, so the Association is requesting the gravel be brought up to this standard and the Town pay 15% of the paving costs.

Attorney Jones stated the legal basis for improvements is the ongoing maintenance costs of \$2,000-\$5,000 a year to maintain the gravel road and the cost for paving would be \$15,000 or less and then would see a deduction in maintenance costs after 5 years and there would be low or no maintenance costs.

Mayor Taylor thanked Attorney Jones and representatives for their time and stated that in consideration of staff to have time to perform due diligence and report options to be considered the Town would need more time, but to expect a report from Lamar at the next board meeting on March 22, 2018.

## **10. Nuisance Dogs: Leash Requirements**

Police Chief Bill Harrell presented the revised Chapter 3 - Animals Ordinance Amendment and map to reflect the enforceable area required to provide leashed animals in commercial areas and the contiguous properties and to change the penalty from a misdemeanor to a civil ordinance with a \$250.00 fine, but doesn't include residential area.

## **11. IT/GIS Matters – Capital Needs**

MIS/GIS Director Matt Shuler stated the department would need the following:

- (a) Jeep at a cost of \$30,000.00 in FY2018-2019 and FY2019-2020;
- (b) Camera Recording Server with a 15 year design, including storage and maintenance for the Wastewater Treatment Plant at a cost of \$16,000;
- (c) PLC Hardware Replacement (3 units) for the Water Treatment Plant at a cost of \$72,000; and
- (d) Drone and equipment for Mapping/Police Department/Fire Department Drone Program in the amount of \$23,000.

MIS/GIS Director Matt Shuler pointed out that the Drone Program did require training and licensing by the FAA, but was beneficial in locating water lines, aerial photography for location purposes, thermal mapping and preplanning for the fire department and police department.

**12. Closed Session: Pursuant to NCGS §143-318.11(a)(5): To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract.**

**13. Closed Session: Pursuant to NCGS §143-318.11(a)(4): Discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body.**

Mayor Pro Tempore Pierson made a motion to go into Closed Session pursuant to §143-318.11(a)(5): To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract; and NCGS §143-318.11(a)(4): Discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, at 1:30pm which was seconded by Commissioner Calloway and the vote was unanimous.

Once discussion was held, Commissioner Patterson made a motion to go back into open session at 2:30pm, which was seconded by Commissioner Dotson and the vote was unanimous.

Discussion was held. No action was taken.

#### **14. Session Wrap Up: Mayor and Council Comments**

Commissioner Dotson asked about the status of the Christmas Tree. Town Manager Josh Ward stated that the tree could be picked up when the field was dried out.

Mayor Taylor thanked the Presbyterian Church for hosting the Retreat and Town Manager Josh Ward and staff for their hard work.

#### **15. Adjournment**

As there were no further matters to come before the Board of Commissioners, Commissioner Calloway moved to adjourn which was seconded by Commissioner Dotson and upon a unanimous vote, the Town Board adjourned at 2:35pm.

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Patrick Taylor  
Mayor

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Gilberta B. Shaheen  
Town Clerk