

Regular Meeting Minutes of the Town of Highlands Board of Commissioners Meeting of March 21st, 2019, at the Highlands Community Building, 71 Poplar Street, Highlands, North Carolina

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

Also Present: Town Manager Josh Ward, Finance Director Rebecca Shuler, Public Works Director Lamar Nix, MIS/GIS Director Matt Shuler, Police Chief Bill Harrell, Code Enforcement Officer John Cherry, Parks & Recreation Director Lester Norris and Town Clerk Gibby Shaheen

1. Meeting Called to Order

Mayor Taylor called the meeting to order at 7:00pm.

2. Public Comment Period

Emily Wilmarth, co-pastor of the First Presbyterian Church of Highlands on behalf of the town churches, requested the use the Highlands Memorial Park for the Easter sunrise service on April 21st at 7:00am.

Mayor Pro Tempore Stiehler made a motion to allow the churches to hold Easter service in Highlands Memorial Park, which was seconded by Commissioner Patterson and the vote was unanimous.

3. Adjust and Approve the Agenda

Town Manager Josh Ward requested to change item number 13 for Budget Amendment for water filter repairs at the water treatment plant.

Commissioner Dotson requested to add item number 14 for Main Street Camera usage.

Commissioner Patterson requested to add item number 15 Closed Session for the Duke update as discussed by the Finance Committee.

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

4. Approval of the February 21st, 2019, Regular Meeting Minutes

Commissioner Dotson asked to change "McGrady" to read "State Representative Charles McGrady" in the Mayor's Report.

Mayor Pro Tempore Stiehler made a motion to approve the February 21st, 2019, regular meeting minutes as amended, which was seconded by Commissioner Calloway and the vote was unanimous.

5. Reports

A. Mayor

Mayor Taylor stated the DOT had started cleaning up the roads in the Horse Cove and Bowery area and will continue getting the debris off the highways and out of the ditches.

Mayor Taylor stated he had met with Sgt. Deals of the North Carolina State Highway Patrol and they have been enforcing trucking regulations in the area, including the Gorge Road and will be coming back from time to time.

Mayor Taylor announced that on April 4th the NCDOT Division 14 Engineer will be coming to Highlands and reviewing new rules and regulations for trucks, and it will involve coordinating with the Georgia Department of Transportation.

Mayor Taylor stated with 43 inches of rain since December there are problems with the roads, culverts and washouts. Mayor Taylor continued the street crews have been working and will continue to clean up debris, patch potholes and paint.

Mayor Taylor thanked Parks & Recreation Director Lester Norris and Town Manager Josh Ward for the new tablecloths and smaller podium. Mayor Taylor also thanked MIS/GIS Director Matt Shuler and his staff for installing the new projection system and getting it ready for the meeting tonight.

B. Commissioners and Committee Reports

Commissioner Patterson stated there was an ordinance in the books about yard waste being dumped into the ditches that are obviously clogged, and now we have a Code Enforcement Officer it should be enforced. Public Works Director and Town Engineer Lamar Nix stated it was a misdemeanor. Commissioner Patterson also stated we might do a letter to the Landscapers to warn them.

Commissioner Calloway announced the Public Safety Committee meeting looked at a proposal for the new Fire Department building.

C. Town Manager

Town Manager Ward recognized and thanked Gene Ramey who is retiring the end of the month for his many years of service. Ward continued that Assistant Jon Shaheen was promoted to the Supervisor position.

Town Manager Josh Ward announced the Bear Proof cans had been ordered and would take 4-6 weeks to receive them and then they would be installed by our crews.

Town Manager Josh Ward reminded that the Retreat was scheduled for Thursday, March 28th at 9:00am.

6. Consent Agenda

Public Works Department
Police Department
Parks & Recreation Department
Planning & Development Department
Treasurer's Report
5k Color Fun Request
Wreaths Across America Request



Agenda Item

Date: March 14, 2019

To: Mayor Pat Taylor and Town Board of Commissioners

Prepared By: Josh Ward, Town Manager

Subject: 5k Color Fun Run

Background:

Highlands High School is requesting approval for the annual 5k Color Fun Run. Chief Harrell has reviewed the plans and approves the request. The dates will be April 27th with May 11th being a backup date.



To the Town Board, Highlands, NC.

Highlands Wreaths across America is requesting permission to conduct a wreath laying ceremony at Highlands Cemetery on Saturday December 14, 2019.

Highlands Wreaths across America request to use the following town properties;

Highlands Cemetery on Memorial Park Drive on Friday December 13, 2019 for set-up and on Saturday December 14, 2019 for ceremony and wreath laying.

Parking at the Community Building on Poplar Street for participant and volunteer parking on Saturday December 14, 2019.

Parking at the Town ball field on Hickory Street for participant and volunteer parking on Saturday December 14, 2019.

Sincerely,

Phillip Potts, Highlands Wreath across America Location Coordinator

Commissioner Calloway made a motion to accept the consent agenda as presented, which was seconded by Commissioner Dotson and the vote was unanimous.

**7. Letter Opposing House Bill 91 – Proposed ABC Amendments
Mayor Patrick Taylor**

Mayor Taylor stated he had met with State Representatives Kevin Corbin and Jim Davis at the legislative dinner and expressed concerns about the bill regarding private service and the other bill considering eliminating municipal Boards, and having County direct the funds. Macon County is a dry county and we like the idea of local control and the one size fits all doesn't work for all areas and the municipalities should make the decision. ABC Board Representative Andy Chmar stated our community benefits financially and have given \$3 million over the past 25-30 years.



Dear Senator Davis / Representative Corbin

The Highlands Town Board of Commissioners have been apprised of the proposed changes to ABC System that are contained in SB87/HB 91. As mayor, I have also been in communication with our Highlands ABC Board concerning this pending legislation.

The Highlands Town Board and the ABC Board welcome any improvements into the ABC System that new legislation would provide. Nevertheless, both boards have concerns about the provision in HB 91 that calls for the merger of separate municipal ABC System boards into a single county board.

We believe that under the current system a distinct, stand-alone town ABC Board best represents the views and needs of the community. Our ABC Board is very effective in operating our town system and retail store. The resulting profits from alcohol sales are distributed to various departments in town government and to nonprofit organizations that address social issues related to alcohol treatment and rehabilitation initiatives.

In Macon County there are two systems, one in Highlands and another in Franklin. Macon County does not permit the sale of alcohol, therefore is not a stakeholder in the ABC system. We see no strategic benefit in merging the two municipal systems.

The current statutes provides the option for multiple systems within a county to voluntarily merge into one board. We have no objections to that option continuing to be a part of the ABC statutes.

Finally, while not included in SB87/HB 91, the recurring proposals to eliminate the existing State ABC System in favor of a privatization model is not a productive concept. The longstanding system has served the State of North Carolina well. While continuous improvements to the system are essential, elimination of the system is not necessary.

Thank you for your consideration in this important matter for local communities.

Sincerely;

Patrick Taylor, Mayor
Highlands Town Board of Commissioners

Commissioner Calloway made a motion to approve the letter presented, which was seconded by Commissioner Pierson and the vote was unanimous.

**Letter Opposing Senate Bill 179 & House Bill 278 –
Special Separation Allowance for Firefighters**

Mayor Taylor stated the new Bill for Special Separation Allowance for Firefighters would be an unfunded mandate and the towns have to pay for it without the state making any contributions.

Commissioner Patterson asked how that worked when the fire tax and the firemen are paid through the county and the fires don't stop at the corporate limits.

Commissioner Dotson made a motion to approve the letter and endorse the Resolution presented, which was seconded by Commissioner Pierson, and further discussion held.

Commissioner Patterson agreed it is important to express the concerns of fire tax and include the county in the letter.



DRAFT

Dear Senator Davis/Representative Corbin:

The proposed SB 179 and HB 278 would provide firefighters and EMS workers with a "special separation allowance" upon retirement. While this benefit would be in line with retirement benefits for police officers and is well meaning, it will place an undue burden on local governments.

As written now, SB 179 and HB 278 is an unfunded state mandate. Towns, cities and counties would have again increase their contributions to the retirement systems to fund this new benefit for a designated class of employees.

For the past several years local governments have already been increasing their contributions to the retirement system to cover projected shortfalls. This unfunded mandate will place an even a heavier load on the backs of municipalities toward insuring solvency of the employee retirement system.

Unless the state appropriates funds to cover this mandate, we urge you to vote against SB 179 and HB 278. Rather than adding an additional retirement benefit, please consider the state adequately funding the existing systems for teachers and government service employees. Another option would be for the state to increase the meager retirement benefits that our volunteer fire fighters receive after long years of service.

Thank you for your attention and consideration of this important matter.

Sincerely,

Patrick Taylor, Mayor
The Highlands Board of Commissioners
Highlands, North Carolina

Commissioner Dotson modified the motion to approve and endorse the letter to include the issues discussed and remove the Resolution, which was seconded by Commissioner Pierson and the vote was unanimous.

8. Old Jail Lease Renewal Request

Town Manager Josh Ward stated Obie Oakley President of the Highlands Historical Society had requested to have the Lease renewed since it had expired.

NORTH CAROLINA
MACON COUNTY

L E A S E

THIS LEASE, made this ___ day of ___ 2019, by and between the TOWN OF HIGHLANDS, A North Carolina municipal corporation (herein called "Lessor"), Post Office Box 460, Highlands, North Carolina, 28741, and THE HIGHLANDS HISTORICAL SOCIETY, INC., a North Carolina nonprofit corporation, (herein called "Lessee"), Post Office Box 1235, Highlands, North Carolina, 28741

R E C I T A L S

1. Lessor is the sole owner of the premises described below, and desires to lease the premises to a suitable Lessee for the purpose hereinafter described;
2. Lessee is a nonprofit desiring to use the building to store artifacts and other historical materials of the Town, and to open such building periodically to the public;
3. The parties desire to enter into a lease agreement defining their rights, duties, and liabilities relating to the premises.

THEREFORE, this lease:

W I T N E S S E T H

In consideration of the mutual covenants contained herein, the parties agree as follows:

1. Subject and Purpose. Lessor leases the building known as the Old Jail, which is situated on the north side of Maple Street in the Town of Highlands
2. Term. Lessor demises the above premises, a renewal of a lease originally commencing the first day of April, 2019, and ending the last day of March, for an additional term of five (5) years, ending the last day of March, 2024.
3. Rent. The Lessee agrees to pay, the Lessor agrees to accept as rental for the term of this lease, the sum of ONE DOLLAR (\$1.00), receipt of which is hereby acknowledged.
4. Alterations, Additions, and Improvements. Subject to the limitation that no substantial portion of the building on the demised premises shall be demolished or removed by Lessee without the prior written consent of the Lessor, the Lessee may make at any time during the Lease term and at its own expense any alterations, additions or improvements, in and to the demised premises and the building. Such alterations, additions and improvements on or in the demised premises shall become the sole property of Lessor, except that all moveable fixtures, furniture, displays, or materials placed in the building shall be and remain the property of the Lessee.
5. Repairs. Lessee shall at all times during the lease and at its own cost and expense, repair, replace, and maintain in a good safe, and substantial condition, the exterior and the interior of the building and any improvements, additions, and/or all alterations thereto. The Lessee shall use all reasonable

precautions to prevent waste, damage, or injury to either the interior or the exterior of the building.

6. Utilities. Lessor shall provide utility service to premises at no charge.
7. Insurance. During the term of this Lease and for any further time the Lessee shall hold the demised premises, Lessee shall obtain and maintain at its expense insurance against liability for bodily injury in the policy limit amount of \$300,000, and keep in force other insurance in amounts that may from time to time be required by Lessor against other insurable hazards as are commonly insured against for the type of activity that Lessee shall conduct. Lessor shall maintain hazard insurance against the building and premises, excluding contents owned by Lessee.
8. Indemnity. Lessee shall indemnify Lessor against all expenses, liabilities, and claims of every kind, including reasonable counsel fees, by or on behalf of any person or entity arising out of either (a) a failure by Lessee to perform any of the terms or conditions of this Lease, (b) any injury or damage happening on or about the demised premises, (c) failure to comply with any law of any governmental authority, or (d) any mechanic's lien or security interest filed against the demised premises or fixtures, materials, or alterations of buildings or improvements thereon.
9. Default or Breach; Effect of Default. If Lessee shall vacate or abandon the demised premises, such event shall constitute a default or breach of this Lease by Lessee. In the event of Lessee's default, Lessor shall have such rights against the Lessee as provided by law.
10. Destruction of Premises. In the event of the destruction of the demised premises during the term of this Lease, the Lessee shall have the right to terminate the Lease or exercise his option as provided herein. Lessor shall not be obligated to repair or rebuild the premises in the event of their destruction.
11. Access to Premises. Lessee shall permit Lessor or its agents to enter the demised premises at all reasonable hours to inspect the premises or make repairs that Lessee may neglect or refuse to make in accordance with the provisions of this Lease.
12. Quiet Enjoyment. Lessor warrants that Lessee shall be granted peaceable and quiet enjoyment of the demised premises free from any eviction or interference by Lessor if Lessee pays the rent as provided herein, and otherwise fully and punctually performs the terms and conditions imposed on Lessee.
13. Liability of Lessor. Lessee shall be in exclusive control and possession of the demised premises, and Lessor shall not be liable for any injury or damage to any property or to any person on or about the demised premises, nor for any injury or damage to any property of Lessee.
14. Assignment, Mortgage, or Sublease. Neither Lessee nor his successors or assigns shall assign, mortgage, pledge or encumber this Lease or subject or subject the demised premises in whole or in part, or permit the premises to be used or occupied by others, nor shall the Lease be assigned or transferred by operation of law, without the prior consent in writing of Lessor in each instance.

15. **Option to Renew.** The Lessor grants to the Lessee an option to renew this Lease for an additional five (5) year period commencing March 31, 2024. If the Lessee elects to renew said Lease, it shall submit its notice of election thereof to the Lessor not later than March 1, 2004. In the event the Lessee elects to exercise the option hereunder, each and every term and provision of this lease shall continue in full force and effect throughout the optioned lease period.
16. **Surrender of Possessions.** Lessee shall, on the last day of the term, or on earlier termination and forfeiture of the Lease, peaceably and quietly surrender and deliver the demised premises to Lessor free of subtenancies, including the building, additions, and improvements constructed or placed thereon by Lessee, except moveable fixtures, furniture, displays or materials placed in the building, all in good condition and repair. Any property not used in connection with the use of the demised premises and belonging to Lessee, if not removed at the termination or default, and if Lessor shall so elect, shall be abandoned and become the property of the Lessor.
17. **Total Agreement.** The Lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto. This Lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.
18. **Time of the Essence.** Time is of the essence in all provisions of this Lease.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this day and date first above written.

LESSOR:

TOWN OF HIGHLANDS

By: _____
Patrick Taylor, Mayor

(SEAL)

Attest: _____
Gilberta B. Shaheen, Town Clerk

LESSEE:

Highlands Historical Society, Inc.

(SEAL)

By: _____
Osborne Oakley, President

Attest: _____
Christine Kelly, Secretary

STATE OF NORTH CAROLINA
COUNTY OF MACON

I, _____, Notary Public, do hereby certify that GILBERTA B. SHAHEEN personally appeared before me this day and acknowledged that she is the Clerk of the Town of Highlands, a municipal corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by the Mayor, sealed with its corporate seal, and attested by her as its Clerk.

Witness my hand and official seal this ____ day of _____, 2019.

Notary Public
My Commissioner Expires: _____

Commissioner Dotson asked about item #10 Destruction of Premises and the definition of destruction. Commissioner Dotson thought there should be extra verbiage for that purpose.

The Board agreed to table the Lease until Town Attorney Jay Coward could answer the question of the definition of destruction.

9. Leash Ordinance Amendments

Mayor Taylor stated several months ago a man was attacked and Animal Control was delayed in getting here and thought the Leash Law should extend to all zoning areas including residential. Mayor Taylor stated he had suggested some language to Chief Harrell and Town Manager Josh Ward and they suggested to make it easier and just remove the reference to the map and Main Street and umbrella the town limits of Highlands.

Chief Harrell state for the Town to be able to take care of issues regarding any stray or destructive dogs something needed to added in the Ordinance to give the Police Department that ability.

Commissioner Calloway stated he thought simple was better. Commissioner Pierson stated he understood what was trying to be accomplished but walked with his dog without a leash and didn't want to cause problems for responsible dog owners, but felt the Board needed more time to look at it, and realize we need to control the situation.

Mayor Taylor and the Board agreed to table and asked the Public Safety Committee to review and comeback with appropriate verbiage.

10. Financial Matters: Budget Amendment Recognition of 2017 Governor's Crime Grant Funds

Police Chief Bill Harrell stated in October 2017 the department applied for a grant and there were issues and it was withheld, but it has been resolved and the money released and awarded to move forward on purchasing interact software as first intended. However there is potential of a cost increase way above budget, would like the Boards permission to allocate the money towards the purchase of viper radios.

Commissioner Pierson stated it had been a slow process in North Carolina with putting up towers, but these are the radios used across the state with state agencies Fire, EMS and Police.

Police Chief Harrell stated it would allow cross communication with the State Highway Patrol which is not currently available.

Town Manager Josh Ward asked what if the costs comeback for \$25,000, Chief Bill Harrell stated he would not come back to the Board if the amount was above that.

TOWN OF HIGHLANDS BUDGET AMENDMENT
 AMENDMENT # _____

March 15, 2019

FROM: General Fund



DEPARTMENT: Police Department
 EXPLANATION: 2017 Block Grant

Account	Description	Increase/Decrease	Debit	Credit
1. 10-3100-0910	Fund Balance Appropriated ~ General Fund	Increase		\$25,000.00
10-5100-5760	Governor's Crime Commission Grant	Increase	\$25,000.00	
Subtotals			\$25,000.00	\$25,000.00
Totals			\$25,000.00	\$25,000.00

Approved by Town Manager

Action by Town Board

Approved and Entered on Minutes Dated

Finance Director

Commissioner Patterson made a motion to approve the Budget Amendment for \$25,000, which was seconded by Commissioner Pierson and the vote was unanimous.

11. Financial Matters: New Financial Institution Selection

Finance Director Rebecca Shuler stated bids for banking proposals was discussed in December and with PNC's closure it sped up the process. Entegra Bank and First Citizens were the two responses received. Entegra offers the best interest rates and no startup costs and First Citizens does have costs. Entegra is merging with Smart Bank, but it will not affect the accounts. The bank is FDIC insured up to \$250,000, but because the accounts are for a municipality it is part of the NC Funding pool and it provides restrictions, including quarterly reports and the Town's money is guaranteed. Finance Director Rebecca Shuler stated the Finance Committee met and recommend Entegra Bank, and there are no contracts so it can be changed if not happy with the service.

Commissioner Calloway made a motion to move the Town's accounts to Entegra Bank, which was seconded by Mayor Pro Tempore Stiehler and the vote was unanimous.

12. Financial Matters: Review & Approve Fiber Construction Bid

MIS/GIS Director Matt Shuler stated the Town of Highlands received bids for Fiber Construction back in November and the lowest bid was from JBL Communications, LLC, however there was a change order and it should be \$200,000 lower than the bid of \$4,595,372.35, and would like to use those funds for make ready poles. MIS/GIS Director Matt Shuler continued that Town Attorney Jay Coward is to review and approve the bonds.

Mayor Taylor stated this was an update and the Board would possibly need to have a Special Meeting to approve the bid to move forward with the project.

13. Financial Matters: Budget Amendment Water Filter Repair

Public Works Director and Town Engineer Lamar Nix stated there was equipment failure at the Water Treatment Plant that would require WK Dickson and \$10,000 in efforts for repair and will give a more direct report at the Retreat of what is needed in the future.

TOWN OF HIGHLANDS BUDGET AMENDMENT
AMENDMENT # _____

March 21, 2019

FROM: Water Fund



DEPARTMENT: Water Plant
EXPLANATION: Filter Engineering

Account	Description	Increase/Decrease	Debit	Credit
1. 30-3800-0910	Fund Balance Appropriated	Increase		\$10,000.00
30-8110-7300	Capital Outlay/Other Imp.	Increase	\$10,000.00	
Subtotals			\$10,000.00	\$10,000.00
Totals			\$10,000.00	\$10,000.00

Approved by Town Manager _____

Action by Town Board _____

Approved and Entered on Minutes Dated _____

Finance Director _____

Commissioner Patterson made a motion to approve the Budget Amendment presented, which was seconded by Commissioner Pierson and the vote was unanimous.

14. Main Street Camera Usage

Commissioner Dotson stated there had been a couple of instances with a direct need to access video for security purposes and needs to be addressed.

Police Chief Harrell stated recently had a chainsaw stolen on Main Street and wanted a playback but it was unavailable. MIS/GIS Matt Shuler stated the time lapse takes a snapshot every 10 minutes. Police Chief Harrell continued the Bryson's Plaza area had a chainsaw stolen and their recorded footage, along with the Main Street time lapse the department was able to put the suspect in both locations and charges could be drawn. Police Chief Harrell stated numerous occasion's things have happened and ask the Board to reconsider recording footage.

MIS/GIS Director Matt Shuler stated the provider Brown Rice has a feature to record up to 14 days and would only be available to the Town and not the public.

Commissioner Dotson stated a major concern is government intrusion, but the good outweighs the bad.

Mayor Pro Tempore Stiehler made a motion to allow MIS/GIS Director Matt Shuler to continuously record the webcam to allow Police Chief Harrell to have access to the recordings for investigative purposes, which was seconded by Commissioner Dotson and the vote was unanimous.

15 Closed Session: Pursuant to NCGS §318.11(a)(1) Information Made Confidential by Law

Commissioner Pierson made a motion to go into Closed Session pursuant to NCGS §318.11(a)(1) Information Made Confidential by Law at 8:34pm, which was seconded by Commissioner Dotson and the vote was unanimous.

Once discussion was held, Commissioner Calloway made a motion to go back into open session at 8:40pm, which was seconded by Mayor Pro Tempore Stiehler and the vote was unanimous.

16. Adjournment

As there were no further matters to come before the Board of Commissioners, Commissioner Pierson moved to adjourn which was seconded by Mayor Pro Tempore Stiehler and upon a unanimous vote, the Town Board adjourned at 8:40pm.

Patrick Taylor
Mayor

Gilberta B. Shaheen
Town Clerk