

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – August 14, 2012

I. CALL TO ORDER

Mayor Owen called the regular meeting of the Beech Mountain Town Council to order at 3:05 p.m., Tuesday August 14, 2012 in the Town Hall Council Chambers. Other Council Members present were Paul Piquet, Alan Holcombe, Cindy Keller and Rick Miller. Town Attorney Stacy C. Eggers, IV. was present. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Tourism Development Authority Assistant John Troxler, Public Utilities Director Robert Heaton, Public Works Director Riley Hatch, Building Code Inspector John Merritt, Fire Chief Robert Pudney and Finance Director Nancy Johnson.

II. Invocation – John Troxler presented the invocation.

III. Pledge of Allegiance – All present joined in the Pledge of Allegiance to the flag.

IV. Adoption of Agenda – Mayor Owen stated that the agenda would stand as presented.

V. Approval of the Minutes

a. June 28, 2012 Special Meeting – On a request from Mayor Owen Council agreed to take no action on the June 28, 2012 Special Meeting Minutes.

b. July 10, 2012 Regular Meeting – Councilman Holcombe motioned to approve the July 10, 2012 Regular Meeting Minutes as corrected. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

c. July 10, 2012 Closed Session – Councilman Miller motioned to Approve the July 10, 2012 Closed Session Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

VI. Public Comment

Frank Steele of 107 Christie Way asked several questions of Council that related to 5 issues. The 5 issues were financing, aging water and sewer lines, aging treatment plants, inadequate number of water storage tanks and lack of secondary emergency water during extended periods of severe drought.

Hal Halliburton of 132 Skiway Circle provided Council with information of what some positions for the Town of Beech Mountain earn compared to what other municipalities in the surrounding area pay. Mr. Halliburton felt that the salaries of the Town of Beech Mountain employees were too high.

Barry Shore of 205 Foxgrape Hollow recommended to Council that they deal with the infrastructure needs of the Town by lowering costs. Mr. Shore suggested that a cost benefit justification be made

by Department Heads during budgetary time. Mr. Shore stated that Council should make decisions based on minimizing the cost of programs while maintaining adequate levels of service.

Larry Miller of 235 Lakeledge Road addressed Council about the Gnarnia Festival stating that the Town Council had no ability to enforce because of the way the Towns Charter was written. Mr. Miller stated that a lot of people made money off of the event but that the people whose rights should be of the utmost importance were that of the property owner.

Bill Little of 112 Raven Road stated the Towns medical team was excellent. Mr. Little stated that his wife had suffered a stroke and that the individuals that showed up to respond were great. Mr. Little stated that having been a resident since 1982 he wished for the mountain to remain as it has been.

Bill Elder of 835 Dobbins Road stated that the people who participated in the Gnarnia Festival were the nicest group of people. Mr. Elder stated that he felt law enforcement was over zealous and that this was great for the economy on the mountain.

Cliff Elder of 815 Dobbins Road stated that he felt the Gnarnia Festival needed a few things worked on but that all in all it was a good event for the mountain. Mr. Elder stated that he felt that law enforcement was profiling vehicles.

Eve Skelton of 109 Overbrook Knoll stated that there needed to be better deer control on the mountain and that over population brings on disease. Mrs. Skelton proposed that Council permit electric fences.

Lee O'Neil of 220 Birchwood Lane stated that he has been up here for 30 years and that he was in support of the Gnarnia Festival and that the festival goers had left everything neat. Mr. O'Neil stated that he lived close to the ski slopes and that the music was not that loud.

Bonnie King of Jackpine stated that her support for the Gnarnia Festival acknowledging that a parking and camping needed to be tweaked a little. Mrs. King felt that the presence of law enforcement helped to keep the drugs out of the event. Mrs. King also stated that the negative issues that have been going on between groups on the mountain needed to stop and that everyone should be working together for the common good of the community.

Having reached the 30 minute allotted time for the Public Comment period Mayor Owen asked Council if they wished to extend the time. Council consented to allow the public comment period to continue.

Mary Frisbie of 310 Elderberry Ridge Road stated that she supported the Gnarnia Festival and that instead of closing ourselves off from this type of event we should address the problems to make it better next year. Mrs. Frisbie stated that the law enforcement presence was heavy.

Margaret Jenkins of Upper Holiday Lane H-333 stated that she supported the Gnarnia Festival and that we do not want to have a fortress mentality but a community mentality.

Bowie Van Ling of Upstanding Entertainment LLC, who organized the Gnarnia Festival, stated that there were some logistic issues with the campground and moving around. Mr. Van Ling stated that

he did not feel like his attendees were made to feel welcome. Mr. Van Ling felt that the presence of the law enforcement was too heavy.

Erin O'Hara of 886 Elderberry Ridge Road stated that she was in support of the Gnarnia Festival feeling that it was an economic boost. Ms. O'Hara felt that the law enforcement presence was too heavy and that the attendees were treated poorly by the community.

Mayor Owen stated that this concludes our public comment period and that the Gnarnia Festival is not on the agenda for discussion. Councilman Holcombe stated that the Town does not control the North Carolina Alcohol Law Enforcement agency and that this agency made plans to be on site once they heard about the festival.

Mayor Owen stated that Council would take a break at 4:00 p.m. to allow those individuals who wished to leave the meeting to depart.

Mayor Owen reconvened the meeting at 4:19 p.m.

VII. New Business

a. Request for Property Exchange – Mayor Owen stated that Council has dealt with this request from Ray Jones one time before. As a solution Council had made an offer to Mr. Jones to purchase some property from the Town. In lieu of accepting the Town's terms Mr. Jones has now made a counteroffer. Attorney Eggers advised that this matter could be handled in closed session as it did pertain to property acquisition. Mayor Owen informed the public that this matter involved a setback issue that Mr. Jones has with a proposed garage Mr. Jones wishes to erect. Hearing no more comment from Council, Mayor Owen stated that this matter would be revisited later on in the agenda.

b. Close BB&T Savings Account – Mayor Owen stated that Finance Officer Nancy Johnson was making this recommendation to Council to transfer these monies in order to increase the Town's interest rate. Councilman Miller motioned to approve the transfer of money. Councilman Holcombe seconded the motion. Councilwoman Keller asked if other bank rates had been looked at. Mrs. Johnson stated that these are the best rates and that she did look into certificates of deposit but keeping the money in a savings account was recommended. Councilwoman Keller asked if this money was insured by the Federal Deposit Insurance Company. Attorney Eggers stated that at this date municipalities are extended unlimited coverage which is set to expire at the end of the year unless Congress acts on this and makes a change. Mayor Owen called the question and the vote passed unanimously.

c. Transfer Money to Highlands Union Bank Savings Account – Councilman Holcombe motioned to close the BB&T savings account. Councilman Miller seconded the motion and the vote passed unanimously.

d. Planning Board Appointment – Mayor Owen stated that Council had received a resignation from Paul O'Connell, who was the acting Chairman of the Planning Board. Vice Mayor Piquet stated that Brian Barnes has expressed an interest in coming back and finishing out Mr. O'Connell's term which expires December 2013. Vice Mayor Piquet nominated Brian Barnes in a motion to fulfill the remainder of Mr. O'Connell's term. Councilman

Holcombe seconded the motion. Mayor Owen stated that he is not in favor of using the same people on various boards but for the sake of the Streetscape Project and the Town's Comprehensive Plan and since the term is so short he was in agreement. The question was called and the nomination was accepted unanimously.

e. Annual Tax Settlement – Mayor Owen stated that Council had the annual tax settlement before them. Councilman Miller motioned to accept the annual tax settlement as presented. Councilman Holcombe seconded the motion and the vote passed unanimously.

f. Order to Collect Taxes – Councilman Miller motioned to direct the tax collector to collect taxes. Vice Mayor Piquet seconded and the motion passed unanimously.

g. Budget Amendment for Pond Creek Clarifier – Mayor Owen stated there had been some issues with the Pond Creek Clarifier and that a settlement had been reached some time ago with the contractor and the engineer over the repair of that structure. This money needs to be removed from the sewer fund balance and combined with the rest of the settlement that has been received to put it into a project fund to do this work for capital outlay. This is a total of \$33,000. Councilwoman Keller asked for a report on when and how much this project would be. Public Utilities Director Robert Heaton stated that the Town has contracted with Mattern & Craig, Inc. Mattern & Craig, Inc. is currently working on a design for the fix. Once the Town approves their plans then Mattern & Craig, Inc. will take care of the bidding process and the inspection of the work. Mr. Heaton stated that the figure is probably going to be double what was received to finish it. Mr. Heaton stated that, weather permitting, staff is hoping that the project will be completed prior to spring. Councilman Holcombe motioned to approve the budget amendment. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

VIII. Town Manager and Staff Reports

Update on Homeowners Who Did Not Participate in the Homeowner Shut Off Valve Program Nor Have Yet to Install Their Own Homeowner Shut Off – Manager Feierabend stated that this report will be ready next month.

United States Department of Agriculture Loan Update – Manager Feierabend extended the floor to Urs Gsteiger of the Ad Hoc Water Committee. Mr. Gsteiger stated that he was specifically going to discuss the meeting that was held with the United States Department of Agriculture. This meeting occurred on July 18th with the areas specialists of the United States Department of Agriculture Rural Development Fund. Mr. Gsteiger stated that due to a medical emergency he was unable to attend this meeting but that he has been briefed by the other Ad Hoc Water Committee members in order to provide Council with a brief overview. In summary at this point as it is understood from the United States Department of Agriculture there does not appear to be any statutory impediment for the Town qualifying for a United States Department of Agriculture loan. Mr. Gsteiger pointed out that this is not the same for grants but that the Town is not discussing a grant the Town is discussing a loan. The Town's water and sewer rates are within the United States Department of Agriculture's guidelines for what they would want them to be at to approve the type of loan the Town would need to complete the projects the Town is talking about. Mr. Gsteiger pointed out that both the Town of Boone and the Town of Blowing Rock have received similar United States of Department

of Agriculture loans which reinforces the Towns belief that there is no statutory reason why the Town would not qualify. Obviously the entire application process will have to be gone through. This is not the only type of financing that the Town is looking at. Mr. Gsteiger stated that there have also been meetings with bankers. Mr. Gsteiger stated that right now the United States Department of Agriculture is the most attractive option for the Town given length of period they are willing to finance and where interest rates are right now. A problem is that the United States Department of Agriculture relies on Congress funding their agency. One thing that the United States Department of Agriculture cannot tell the Town from one year to another is how much funding they will receive. There had been a lot of rumors out there that the Town would never qualify for a United States Department of Agriculture loan because of this or that criteria. As it turns out most of these criteria's are not actually applicable to loans they are probably applicable to grants. This being said there is no reason for us to not continue forward with looking into this option. All of the other things are beginning to move forward as well. Mayor Owen thanked Mr. Gsteiger for his time and the Ad Hoc Water Committees time for looking into this project. Councilwoman Keller asked what other options the committee was looking at. Mr. Gsteiger stated that another option is to float a bond. Regardless of the way the Town goes interim financing is going to need to be put into place. We have talked with banks about how this would work and the banks have seemed happy to offer the Town interim financing; again this is without reviewing our specifics. The permanent financing is put in after that.

North Carolina Annual Conference – Manager Feierabend stated that the North Carolina League of Municipalities Annual Conference was being held on October 21st thru 23rd in Charlotte and asked that those members of Council who were interested in attending please notify staff.

Gnarnia Overview – Manager Feierabend stated that the Police Department as well as the North Carolina Alcohol Law Enforcement agency were very active. Manager Feierabend stated that there was great cooperation between all of the agencies. Manager Feierabend stated that one of the issues with the festival that was worrisome was that the Fire Department and Emergency Medical Services received 14 calls over 36 hours. There were 7 overdoses to deal with. There were combative people. It is critical in the future that the Town have much better communication and knowledge of the individuals that have been retained to provide professional medical services. Because of this lack of knowledge the Fire Department and Emergency Medical Services providers did not know what they were going into to deal with. When a life is at stake this type of information is very important. Mayor Owen asked Fire Chief Robert Pudney to provide Council with a brief overview. Fire Chief Pudney stated that he would like the opportunity to gather all of the data in order to put a report together that is factual. Fire Chief Pudney stated that it was a difficult weekend from his departments standpoint. Mr. Van Lings planning was inadequate. If the Town had not stepped up and handled the planning for the Town and the community it would not have gone as well as people perceived it to be. The onsite Emergency Medical Services and communication system that Fire Chief Pudney tried to work with Mr. Van ling on since April was inadequate. Mr. Van Ling missed many meetings. Fire Chief Pudney stated that at the last hour Mr. Van Ling stated that his communication system did not work and the Town provided Mr. Van Ling with radios to use for the event as well as use of the Police Radio System so that Mr. Van Ling could communicate with us. Everyone should know that

everyone on Beech Mountain was put at risk. On Saturday morning there was not one ambulance available to transport as they were tied up transporting Gnarria patients. Fire Chief Pudney stated that he had to put a call into Boone for an ambulance and that the response time was about 40 minutes with a critical patient that we could not transport. Staff was almost to the point of needing to call a helicopter in. If anyone else in the Town had suffered a critical medical emergency issue there was no ambulance available to assist. Emergency Medical Services is not happy. One individual was combative which took 2 police officers to go with the Emergency Medical Service crew. When this patient was coherent enough to sign herself out of the hospital this patient was found shortly thereafter in a dumpster in Newland and then transported back to Beech Mountain. Fire Chief Pudney stated that in his career he has not spent much time defending law enforcement. Fire Chief Pudney stated that law enforcement did a fantastic job and do not deserve to take a beating. Fire Chief Pudney submitted to Council his opinion that the success of this event due to the visibility of law enforcement. From Chief Hefner and the two Sheriffs that spent their weekend here and the North Carolina Alcohol Law Enforcement agency worked hard. The people that were arrested were arrested for some pretty bad stuff. Some of these drug quantities are amazing. Some of the types of drugs are critical. The camping areas were like a third world country. My Fire Fighters and Emergency Management Service staff would not go into the campground at night by themselves without a police escort. There were other issues that will be covered in a report will be made detailing what went right and what went wrong. Mayor Owen thanked Fire Chief Pudney stating that he thought noise and traffic were going to be the major issues for the Town and that instead drugs were the major issue. Mayor Owen stated that it was only about 10 days prior to the start of the event that the Town started getting some information from Mr. Van Ling. Councilman Miller stated that it was obvious that the police did the right job. Mayor Owen stated that he spoke with the lead North Carolina Alcohol Law Enforcement agent on Saturday for the first time. Mayor Owen stated that he had not met with them prior to that. They came of their own accord. Mayor Owen stated that he had no idea the effect that they would have on the community or the festival. Mayor Owen stated that he wanted to meet with them and ask them why this event and why our community. What brought them here? Mayor Owen stated that this agent discussed this with him and that he asked this agent that if when this was all done he would not mind coming to a meeting and explaining his answers in a public forum. Mayor Owen stated this is not about all festivals this about a particular type of festival. Mayor Owen asked Fire Chief Pudney about the 13 calls that had been reported as transports. Mayor Owen stated that of those 13 calls 7 of those calls were overdose related. Fire Chief Pudney stated that they were combative and drug related. Mayor Owen stated that Council receives a monthly report from Fire Chief Pudney and that in this report figures are given on the number of medical calls. For example during the month of July Fire Chief Pudney reported 20 calls. So for this 3 day festival period there were 13 calls that were all related to overdose and/or unconsciousness. Mayor Owen asked how many overdoses Fire Chief Pudney deals with during ski season or major holiday weekends. Fire Chief Pudney stated that he believed that last years' statistics for the entire year reflected one possible overdose and combative patient. As it turned out this patient was found to be a diabetic. Mayor Owen stated that for an entire year of economic impact on the Town there was only one issue of this nature.

Councilwoman Keller referenced Frank Steele's letter and if these questions could be answered with the next water bill. Mayor Owen stated that some of the answers would be

appropriate to provide with the utility bill. Mayor Owen stated that staff has discussed including information on some of the larger projects that the Town has done.

Mayor Owen thanked everyone for being present.

IX. Closed Session – Pursuant to NC GS 143-318.11(a)(3) Attorney Client Matters; NC GS 143.318.11(a)(6) Personnel Matters; NC GS 143.318.11(a)(5) Potential Acquisition of Real Property – Upon motion by Vice Mayor Piquet at 4:55 p.m., seconded by Councilman Holcombe the Council voted unanimously to go into closed session pursuant to NC GS 143-318.11(a)(3) for Attorney Client Matters; NC GS 143-318.11(a)(6) Personnel Matters; NC GS 143.318.11(a)(5) Potential Acquisition of Real Property. Vice-Mayor Piquet motioned to exit closed session at 5:39 p.m., which was seconded by Councilman Miller. The motion passed unanimously.

X. Other Business –

Delinquent Taxes – Manager Feierabend stated that payment plan arrangements are set up for 90 days. Mayor Owen suggested that staff look into payment plans that would not only catch the delinquent property owner up with their back taxes but enable the property owner to pay for their current taxes as well.

Town Charter – Councilman Miller addressed the issue of the Towns Charter. Attorney Eggers advised Council that if this was something that they wished to look into then their first step in the process would be to speak with their local representatives to see how they feel about this possibility. Vice Mayor Piquet stated that there is support for Gnarnia as well as support for the Town to have more control for safety issues.

Agencies that Assisted in Gnarnia – Councilman Miller stated that entities such as Johnson Chaplin and Avery Chaplin that brought food up here for 3 nights for members of law enforcement should be recognized. Councilman Holcombe stated that the Fire Department and Emergency Medical Services needed to be recognized as well. Mayor Owen stated that all agencies involved should be recognized and thanked at next month's Council meeting.

XI. Adjourn – Vice Mayor Piquet moved to adjourn the meeting at 5:50 p.m., which was seconded by Councilman Miller. The motion passed unanimously. The meeting was adjourned at 5:50 p.m.

Minutes approved by Town Council on September 11, 2012.

Richard H. Owen, Mayor

ATTEST:

Jennifer Broderick, Town Clerk