

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – July 10, 2018

CALL TO ORDER – Mayor Renee Castiglione called the regular meeting of the Beech Mountain Town Council to order at 3:00 p.m., Tuesday, July 10, 2018 in the Town Hall Council Chambers located at 403 Beech Mountain Parkway, Beech Mountain, North Carolina 28604. Mayor Castiglione requested a recess until 4:00 p.m. Other Council Members present were Barry Kaufman, Carl Marquardt, Weidner Abernethy, and Wendel Sauer. A quorum was present. Town Attorney Stacy C. Eggers, IV was present. Staff members present included Town Manager Tim Holloman, Finance Officer Steve Smith, Interim Town Clerk Katherine Johnson, Police Chief Tim Barnett, Director of Infrastructure Robert Heaton, Planning Director Preston Yates, Special Projects Director Riley Hatch, Director of Tourism and Development Kate Gavenus, Fire Chief Pudney and Parks and Recreation Director Sean Royall.

- I. Adoption of Amended Agenda** – Mayor Castiglione mentioned that there was no closed session meeting. Mayor Castiglione asked to amend the agenda with the exclusion of XI E- ‘Consider recognizing parcel of land to name the property Mr. and Mrs. John Accardi Kite Field’. Councilman Sauer motioned to approve the amended agenda. Vice Mayor Kaufman seconded the motion, the vote carried unanimously.
- II. Closed Session** – At 3:00 p.m., Mayor Castiglione requested to recess until 4:00 p.m.
- III. Invocation** – Town Manager Tim Holloman presented the invocation.
- IV. Pledge of Allegiance** – Mayor Castiglione led the Pledge of Allegiance to the flag.
- V. Proclamation – Wedding Barn:** Mayor Castiglione read through the entire proclamation.
- VI. Other Business** – There was no other business.
- VII. Consent Agenda** – Mayor Castiglione opened the floor for Council to take action on the consent agenda. Councilman Sauer motioned to approve the consent agenda. Vice Mayor Kaufman seconded the motion, the vote passed unanimously. The consent agenda included:
 - a.** April 24, 2018 – Special Meeting
 - b.** May 8, 2018 – Regular Meeting

- c.** May 8, 2018 – Closed Session
- d.** May 22, 2018 – Special Meeting
- e.** June 12, 2018 – Regular Meeting
- f.** June 12, 2018 – Closed Session
- g.** June 25, 2018 – Special Meeting
- h.** June 26, 2018 – Special Meeting

VIII. Public Comment – No public comments.

IX. Public Hearing

a. Public Hearing on Ordinance to Amend Ch. 72 ‘Golf Carts and Utility Vehicles’ –

Wilson King of 405 Beech Mountain Parkway, stated his wife has a saying, she says a lie is simple and the truth is complex. Beech Mountain is a great place supposed to be for retirement living. This town was quiet where you could hear birds. This is a safe community. The nature is a free show (plants, stream, animals, etc). I have heard long term residents saying they live in a magical place. Being in a magical place means it is a fragile place. This place will drastically change. We need to look after what is important. We are here today because a lot of good people stood up for what they thought was best.

Monie McCoury of 6091 HWY 421, Bristol, TN stated it’s everyone’s mountain. This mountain is magical. This mountain was designed for everyone. Today is a sad day. I am embarrassed for the mountain, it’s a personal attack against one company. Our customers, residents of the mountain have spoken. We have operated within the law, bent over backwards to please the town and it’s residents. The chamber and tourism development have also thanked me for an outstanding job of increasing tourism. Also, the countless businesses here on Beech, as well as the many residents who have come to our defense. We believe the short sided thinking of the Mayor and Town Council will continue to hurt this amazing mountain. To those who have threatened boycotting business to those that support us, canceling leases with businesses, sending texts and threatening individuals is wrong. I am here today to say we want to finish out our year. We have been great for the mountain. At that point we will leave peacefully. We started it out the right way. I spoke with the town manager and police chief. No one brought up the ordinance. We want to finish out our season and then we will leave gracefully. We have done everything we could possibly do to live in harmony with the mountain. We need to finish out the season because of the amount of money we put into this business.

Frank Steele of 107 Christy Way, stated he agreed with everything Wilson said. I have been coming up here since the mid-70s. We moved here permanently in 2012. I have not found one person that is in favor of keeping these vehicles on the Mountain. They are against them for safety reasons. He is breaking the ordinance created 15 years ago. Monie doesn't think about residents, he thinks about his wallet. Wilson summed it up very eloquently. Why would you want to have an ordinance and start it a few months from now to help his wallet? You were not elected to be politically correct, you were elected to help the community. You should start this ordinance today. If there is a war, there will be people to help fight it. Your priority should be for the people of Beech Mountain. Please do the right thing. He (McCoury) does not live up here and doesn't pay taxes. Do the right thing.

Mayor Castiglione asked for a motion to close the public hearing on Ch. 72 'Golf Carts and Utility Vehicles'. Councilman Sauer motioned to close the public hearing. Councilman Abernethy seconded the motion, the vote passed unanimously.

b. Public Hearing on Ordinance to Amend Ch.73 'Traffic Schedules'

Mayor Castiglione said we do not have any speakers signed up. Mayor Castiglione asked for a motion to close the public hearing on Ch. 73 traffic schedules. Councilman Sauer motioned to approve the consent agenda. Councilman Abernethy seconded the motion, the vote passed unanimously.

X. New Business

a. Discussion and action upon Ordinance to Amend Ch. 72 'Golf Carts and Utility Vehicles'

Councilman Sauer wanted to make a motion with two adjustments that have not been discussed previously. The speed limit should be changed to 15 mph from 10 mph. The other change is the effective date. This ordinance will take affect at 12:01 am on August 1, 2018

Councilman Marquardt seconded the amendment to the ordinance.

Councilman Abernethy said council works for the citizens. He said we have heard the citizens. We have the ability to shut it down today. Per our attorney, he (McCoury) is breaking our ordinance. We should make a motion to move the start date today.

Councilman Marquardt said many people will be impacted by this, including the golf course. 20 days is a reasonable amount of time to get everything

together. We are helping the town in a fair and balanced way. There are more people involved than the one company.

Mayor Castiglione says she does not agree going with the 20 days. It is a safety issue for the town. I am one of the tree huggers mentioned on the Facebook post on Off the Grid Mountain Adventures. I care about the people that are being affected because of this. I worry about our resident for anyone that drives UTVs up here. It's not just Off the Grid. I am not for the extension. I think we should start it today.

Vice Mayor Kaufman said the 20 days will not make a very big difference to the town. We are putting the ordinance in place and including everything the town wants. I agree with Councilman Marquardt and we need to think about the golf club to. It's going to go away but it will take time. I don't want our police to ticket tourists that come here. The staff, police, and attorney will have time to get everything together. We have gone through this for 6 months we can wait 20 days.

Mayor Castiglione asked for a motion to accept Ch. 72 'Golf Carts and Utility Vehicles' ordinance with the two changes. Councilman Sauer motioned to accept the ordinance. Vice Mayor Kaufman seconded the motion.

The amendment passed with a three to two vote with Councilman Marquardt, Vice Mayor Kaufman, and Councilman Sauer voting in the affirmative and Mayor Castiglione, and Councilman Abernethy voting nay.

b. Discussion and action upon Ordinance to Amend Ch. 73 'Traffic Schedules'

Councilman Sauer wanted to make a motion with one change that has not been previously discussed. This ordinance will become affective once it is approved. It will be in effect immediately. Vice Mayor Kaufman seconded the motion.

The amendment passed with a five to zero. All council members voted in the affirmative.

Manager Tim Holloman requested a five minute break.

c. Discussion and action upon Ordinance Section 154.071 'Watershed Protection Ordinance'

Mayor Castiglione said the staff put in a request to amend section 154.071 Overlay District of the Zoning Code, specifically the Pond Creek Supply

Watershed. The current Code for Pond Creek Watershed as codified, is inconsistent with the State's requirements. This amendment would clean up the language of the Code, such that it will be consistent with State requirements. We need to set a public hearing on the proposed ordinance.

Councilman Sauer motioned to set a public hearing. Vice Mayor Kaufman seconded the motion, the vote passed unanimously.

Town Manager Tim Holloman stated the public hearing will be at the regular scheduled meeting on August 14, 2018.

Attorney Eggers, IV wanted to clarify the water shed regulations that are being adopted are already in place with the state. Technically if one would wish to build in that area they would have to drive to Winston Salem to file a permit. This would be a time saving and administrative process.

d. Comprehensive Plan Presentation

Preston Yates, Town Planner made a presentation on the comprehensive plan update. The first slide is a brief explanation of the comprehensive plan. It is not zoning. It is a policy document that establishes a guide growth and development. We can't control what the market is going to do. This document shows what challenges we are going to face. The plan is forward looking, based on a shared community vision, and a long range approach. The plan includes 9 primary elements. We are very passionate about getting the public involved. The green on the map is undeveloped lots. The plan elements are vision, land use, community design, image and character, transportation, water and sewer infrastructure, public safety, economic development, recreation, parks and trails, and environment and sustainability. The update process is the evaluation and appraisal review of current plan, get residents engaged, research and analyze present environment, update plan using public input and analysis, and implement. We are 95% complete with the evaluation and appraisal. Staff making public engagements include workshops, surveys, etc. The survey is critical because we can get a lot more information from citizens. Council will pick the questions in the survey that will go out to residents. The final product reflects values and vision of residents and stakeholder. We will have goals and objectives that we want to strive for. We will be able to evaluate the progress of the goals to determine if we are meeting them or not. We will also provide a framework for review and update.

XI. Old Business

a. Tucker Insurance Q&A

Tommy Bartz from Tucker Administrators said his job is to make it as smooth as possible. It was a little rocky in the beginning but it is getting better. The biggest issue we were having is many doctors are out of network. Now, if you go to an out of network doctor you get the same benefits. You do not get penalized for going out of network other than the deductible. The new ID cards came in with more information. If you have any questions I can answer them now or you can always call me.

Councilman Abernethy said I want to make sure we protect our employees. I asked previously if all hospitals were in the network, the answer was yes. But, the doctors are not in the network. For the 80-20, we signed up so it would be 80-20 in network and 20-80 out of network. He asked where the difference is coming from. Bartz said there was no increase of rates. Everything except the deductible and out of pocket is the same in network and out of network.

Vice Mayor Kaufman hypothetically said he goes to the doctor out of network and they don't accept the insurance. The first thing they will ask for is the insurance company. If the doctor does not accept the insurance then they will ask the employee to pay upfront. Bartz said doctors will also have to look at the plan and it will show 80% is covered by the company and 20% by the employee.

Mayor Castiglione asked if any of our employees have had issues with doctors not accepting the insurance. Town Manager Tim Holloman said we have not experienced any employees that had doctors not accept the insurance. The out of pocket will be the same in network and out of network. Vice Mayor Kaufman said it can't be, that's impossible. Bartz said he will look into this and get back to the council. Vice Mayor Kaufman said there are very few doctors in the Roan Mountain area and we have a lot of employees that live there. If the police chief gets sick and goes to an out of network doctor he will have to pay \$200. He will have to pay that upfront and then go back to the insurance company to collect. I do not want my employees to pay that. A lot of employees are not ready to pay a lot of money upfront. Mayor Castiglione asked Chief Barnett if any of his employees are having problems with the insurance. Chief Barnett said no. He said his wife works at Avery Regional Health Care. She looked into it and they have not found any doctors out of network. Chief Barnett said there has not been a problem with any officers.

Chief Pudney said Elk River Medical Center in Banner Elk is not accepting the insurance. I was there yesterday. They take the card and bill the insurance for you but you are going to pay and hopefully get the money back. I don't know where the Chiefs wife got all these doctors. When I went

through the list I couldn't find a hand doctor for my daughter. My daughter needed a physical and had to pay out of pocket, which wasn't supposed to happen. The Elk River Medical Center said they got out of that plan in 2010 because they did not get paid, and the schedule of benefits was so low that they couldn't afford to be in the plan. That is my personal experience that happened yesterday.

Councilman Abernethy said we got into this insurance because it benefits the town but not the employee. Vice Mayor Kaufman and Chief Pudney have a good point. I think if employees are going to have to pay out of pocket that is not good. I think there are some gray areas. Is there a schedule of benefits for what it was and what it is now? Do you know what the improvement has been? Bartz said the cost has been reduced. We had a \$90,000 decrease, it's good for the town and employees, everyone benefits from it. Before, people had to pay 20% of the bill. Now we have a copay so all employees have to do is pay a copay. The copay is \$20 for primary and \$40 for a specialist. Councilman Abernethy asked what the turnaround time to get reimbursed for out of network visits. Bartz said he will check on the turnaround time. Mayor Castiglione asked what do we do for our chief who can't find a hand doctor for his daughter and had to pay for the physical. Bartz said the physical should have never been charged. If that happens to any employee, where they tell you that you owe money after the physical, send us the EOB because most likely they are not right.

Councilman Abernethy said he appreciates what you (Bartz) have done to try to save the town money. I still have concerns. Vice Mayor Kaufman said the problem he has is that there are not enough doctors on the PHCS plan. I am not happy with the amount of doctors available for our employees. I am not happy that guys are working hard and have to pay \$200 - \$300 dollars out of their pocket. Councilman Abernethy asked why we got off on a rocky start. Bartz said because of the out of network doctors. That was the only issue. Councilman Abernethy said if this does not work what is the backup plan. Bartz said we would have this insurance for a year. Councilman Abernethy confirmed that we are locked in for the year.

Mayor Castiglione said what do we do about Elk River to get them on the plan. Bartz said we could nominate the provider. It goes to PHCS and negotiations will start. But, if the provider does not want to then they don't have to join. Vice Mayor Kaufman asked if this was the employees responsibility. So, you (Bartz) are not actively trying to get providers to join the network. Bartz said no we are not. Town Manager Tim Holloman said both Interim Town Clerk Katherine Johnson and I have talked to Chief Pudney and told him if he got us the bill we could get that taken care of.

Councilman Abernethy said he does not like the program. I made a mistake when we voted for this.

Town Manager Tim Holloman said we had to save money somewhere. We still allow dependents (spouses and children) on the insurance. If we switch to a different plan council will be forced to look at if we can offer those coverages as well. Mayor Castiglione said we can't have it both ways.

Councilman Marquardt said they told Tim Holloman and his Staff to find a cheaper way and he did. We knew there would be changes and it may be difficult at times but eventually it will get better. Councilman Abernethy said we have already had an employee have to pay out of pocket. Both Mayor Castiglione and Councilman Marquardt said he will get it back. Chief Pudney said he will not get his money back. The insurance company only pays a certain amount. What he (Bartz) hasn't mentioned to you is balance billing. They told the employees to be careful of the provider that sends you a balanced bill. I will use a hospital as an example. You go to the hospital, the first thing they take from you is your insurance card, the next thing they give you is a financial responsibility form that you sign. If you read that, it says regardless of your insurance you sign that you are responsible for the bill. So, you may get out of the hospital with a copay, or you may get out of the doctors with a copay, or you may have to pay a couple hundred dollars up front. The reimbursement is what the plan pays. What you haven't been told is that they are only going to reimburse me in what the plan would have given the doctor. The reason the doctors not in the plan is because the plan doesn't pay what the doctor wants. So the balance is on the employee. I won't get my money back, I will get a portion of my money back. So let's not talk in hypothetical, let's talk in actuality. What you did is you took \$100,000 out of the health insurance and you did it on the employees. You five did not ask many questions when you voted on the plan. I went to the employee meeting and asked questions, the representatives couldn't answer the questions. They said they would get back to me. It's July 10th and haven't heard a word. I will tell you what you got is a pig with lipstick. If that's what you want fine, as an employee no thanks. I pay every month for my daughters insurance. Which is the reason I work here for my daughters insurance. It's not for what you pay me. What I pay per month for my daughters insurance is not worth it. So whatever you pay for the health insurance, the money you saved, I appreciate that as a tax payer. As an employee, I am looking to buy my own insurance for my daughter so I don't have to waste my money paying the town. I wish you would have all thought about it. I tried speaking to most of you about it. I have not had much response. So this is my time to speak. You have something for a year, thank you. The 80-20 was an improvement unless you look at the details. The 80 percent is what they will pay. Not 80 percent of the bill.

Councilman Abernethy said he made a mistake and he apologizes to the employees. I agree with Councilman Marquardt that we asked to have them cut costs. Councilman Marquardt said after the original meeting I had concerns but at that point I put faith in our manager and staff to evaluate it. If it's a mistake, then it's a mistake that has already been made.

Councilman Sauer said we could possibly change the plan before the year is up. Councilman Abernethy said that you (Bartz) should make it a goal to expedite the reimbursement to employees. The employee should be paid back for the entire bill.

Vice Mayor Kaufman said we need to explore the option of getting out of it.

Town Manager Tim Holloman wanted to clarify that he was hearing that we want to get out of the plan and go back to the exact same plan we had before. Vice Mayor Kaufman said no, what you are hearing is that we would like you to explore it.

Mayor Castiglione said are we going to change the plan for one person. So far, I have heard the plan has been good. Is that because people have not experienced the plan yet. Do we know if the plan works for employees or does it not work for one employee. How many employees will be affected the way Chief Pudney was.

Town Manager Tim Holloman said we have to work a plan to see if it is effective or not. I think its too early in. It's July 10th. The plan has been in effect for ten days. I think we should keep the plan until December to see if it works. I don't see changing plans until January 1. Unless I hear differently from the council, we are going to keep the plan as it is.

Councilman Abernethy said we need to move things on to change plans on January 1.

Vice Mayor Kaufman asked the council if we are prepared as a town to make up the difference of the bill for the employees. Councilman Abernethy said we need facts in front of us to do what is right.

Vice Mayor Kaufman said it is too early to call. We do not know if it works or not. We will have this until July 1st and see how it goes.

Town Manager Tim Holloman said employees are used to a certain policy. Any product will be less than what we had. If next year I am asked to save money no matter what the product will be it won't be as good as what we had.

Councilman Marquardt said the only thing we can do is to ensure that Tucker gives our employees good customer support.

Tim Holloman clarified that there will be no change until January 1st. Bartz will check in to see if there is a fine to get out of the plan. As of now, we are not making any changes. Vice Mayor Kaufman said no one likes change. We need to see how it turns out. Bartz said he will find answers to all of your questions and concerns.

XII. Town Manager and Staff Reports

Town Manager Tim Holloman said July 18th is the fundraiser for Shane Park at the wedding barn. The new hours for the convenience center is 6:00 am to 8:00 pm. The next Town Hall Meeting is July 23rd at the Buckeye Recreation Center.

XIII. Town Council Comments

Councilman Abernethy said the convenience center looks way better. Vice Mayor Kaufman asked why there was a new TDA Report. Kate said the percentage was wrong. She gets the numbers from someone else. Vice Mayor Kaufman asked Sean Royall why pass holders went down 100 members. Sean said without doing research, he does not know if we are losing members. He said people may have signed up at different times. Vice Mayor Kaufman asked Sean to run a 6 month report to compare the last 6 months.

XIV. Adjourn – Upon motion by Councilman Sauer, seconded by Councilman Abernethy, the Council voted unanimously to adjourn at 5:51 p.m.

Minutes approved by Town Council on August 14, 2018.

Renee D. Castiglione, Mayor

ATTEST:

Katherine Johnson
Interim Town Clerk

**ATTACHMENT TO MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – July 10, 2018**

- I. Ordinance to Amend Chapter 72 ‘Golf Carts and Utility Vehicles’
- II. Ordinance to Amend Chapter 73 ‘Traffic Schedule’
- III. Ordinance Section 154.071 ‘Watershed Protection Ordinance’
- IV. Comprehensive Plan Presentation