



MINUTES

Regular Council Meeting

3:00 PM - Tuesday, May 7, 2019
Council Chambers

The Regular Council of the Town of Beech Mountain was called to order on Tuesday, May 7, 2019, at 3:00 PM, in the Council Chambers, with the following members present:

COUNCIL PRESENT: Mayor Renee Castiglione
Vice-Mayor Barry Kaufman
Councilman Carl Marquardt
Councilman Weidner Abernethy
Councilman Wendel Sauer

COUNCIL EXCUSED:

STAFF PRESENT: Town Manager Tim Holloman
Attorney Stacy Eggers, IV
Director of Special Projects Riley Hatch
Public Utilities Superintendent Daniel Davis
Building Inspector John Merritt
Director of Tourism and Economic Development Kate Gavenus
Public Works Superintendent Matthew Clawson
Town Planner Preston Yates
Fire Chief Robert Pudney
Director of Infrastructure Robert Heaton
Parks and Rec Director Sean Royall
Finance Officer Steve Smith
Chief of Police Tim Barnett
Police Captain Renee Carpenter

1. **CALL TO ORDER**
2. **CLOSED SESSION - PURSUANT TO NC GS 143-318.11 (A)(3) (A) (6) ATTORNEY CLIENT MATTERS AND PERSONNEL**
 - 2.1. Mayor Castiglione called the meeting to order and asked for a motion to move to closed session for Attorney/Client matters and Personnel, §G.S. 143-318.11 (A) (3) (6).

Motion

Wendel Sauer made a motion to move to closed session and Weidner Abernethy seconded the motion. CARRIED. unanimously.

3. ADOPTION OF AGENDA

- 3.1. Agenda Update: Mayor Castiglione noted that the agenda changes to be made, where for the Recreation Committee member appointment, which was listed under Consent Agenda, and would be moved to Old Business. This was for a nomination discussion for that Committee and for a Board of Adjustment member nomination.

Motion

Wendel Sauer made a motion to accept the updated agenda and Weidner Abernethy seconded the motion. CARRIED. unanimously.

4. INVOCATION BY CHIEF TIM BARNETT

5. PLEDGE OF ALLEGIANCE

6. PUBLIC COMMENT

- 6.1. Kelly Melang of 1032 Charter Hills Road reported three bear trash areas that she witnessed at 208 Dogwood Lane, 1070 Charter Hills Road and 238 Greenbriar Road.

7. CONSENT AGENDA

- 7.1. Adoption of Minutes: February 25, 2019 Special meeting & April 9, 2019 Regular meeting minutes
- 7.2. General Statute Unpaid Taxes and Order to Advertise

Motion

Weidner Abernethy made a motion to accept the consent agenda and Wendel Sauer seconded the motion. CARRIED. unanimously.

8. OLD BUSINESS

- 8.1. Recreation Committee member and Board of Adjustment member resignations and new member appointments.

Mayor Castiglione stated Mr. Peter Fabri resigned from the Recreation Committee and Mr. Lee Wittmann resigned from the Board of Adjustment, therefore a nomination of Carol Beckmann is to be considered for the Recreation Committee, and she asked for Council to consider Jennifer Lavrack to be nominated onto the Board of Adjustment. Since Jennifer Lavrack served as the first alternate on the Board of Adjustment, the Council may consider appointing Judy Elliot in the first alternate position on the Board of Adjustment.

Motion

Wendel Sauer made a motion to nominate Carol Beckman to the vacant term on the Recreation Committee and Weidner Abernethy seconded the motion. CARRIED. unanimously.

Motion

Barry Kaufman made a motion to appoint Jennifer Lavrack to the vacant Board of Adjustment position and Carl Marquardt seconded the motion. CARRIED. unanimously.

Motion

Wendel Sauer made a motion to appoint Judy Elliot to first alternate position on the Board of Adjustment and Barry Kaufman seconded the motion. CARRIED. unanimously.

- 8.2.** Golf Cart Ordinance proposed amendment version I and version II were submitted for consideration

Motion

Weidner Abernethy made a motion to consider the proposed amended first version submission of the Golf Cart Ordinance and Carl Marquardt seconded the motion. CARRIED. unanimously.

- 8.3.** Golf Cart Ordinance proposed language and the version up for discussion was clarified by Attorney Eggers and further discussion of the safety features to be included in the proposal, allowance of usage and the dates of operation ensued.

Motion

Carl Marquardt made a motion to consider discussion to accept the Golf Cart Ordinance proposed alternate version noted as II, beginning with page 27 and Weidner Abernethy seconded the motion. CARRIED. unanimously.

- 8.4.** Councilman Marquardt stated that he was in favor of the proposed amended language which included the added safety restrictions. He did not believe any vehicles currently met the new safety requirements but a genuine need for alternative transportation might be warranted by the residents of Beech Mountain, so this ordinance addressed that need.

Councilman Sauer noted he was not in favor of the proposal and he disputed the results of the survey and the percentage results in favor by the respondents of the survey. He believed the respondents that were in favor of the ordinance was a lower percentage, about 52% who were in favor of the golf cart usage which is actually not 65%, also in the survey, people were more in favor of bicycles than golf carts.

Vice Mayor Kaufman noted he would consider it with added safety language.

Councilman Marquardt added that if people wished to come into compliance with the proposed ordinance, this was what he was in favor of, but there should not be any confusion as to when the effective date for compliance will be adopted. Mr. Holloman requested that Council also consider including the costs and fines adopted into the Town's Fee Schedule, if the ordinance should pass.

Mayor Castiglione stated she was extremely concerned for the safety of the passengers in the golf carts and is not in favor of the ordinance as the mountain, and its roadways are incompatible with golf carts and UTV vehicles together with motor vehicles. Mayor Castiglione produced her research from the Insurance Institute for Highway Safety Reports and stated that the Institute released data which showed that golf carts are designed for operation on a golf course only. The crash test results from accidents with motor vehicles are life threatening or result in death for passengers in a golf cart after which she called for a vote on the matter.

There was further discussion and it was decided that the effective date would be effective immediately for compliance with the seat belts, lights, horn, and no rear-facing passengers are allowed, and no UTV vehicle are allowed to use the streets and roadways, except for Chestnut Way, Grassy Gap Loop, Lakeledge Road, and Lake Road as that section of the ordinance previously adopted will remain unchanged.

Motion

Carl Marquardt made a motion to approve the amended language to Golf Cart Ordinance allowing golf cart usage on the mountain as listed with the added safety requirements and restrictions and Weidner Abernethy seconded the motion. CARRIED. 3-2 (opposed: Renee Castiglione and Wendel Sauer).

Motion

Carl Marquardt made a motion to change and update the fee schedule from \$25 to \$75 per cart or \$500 for a fleet of carts and Wendel Sauer seconded the motion. CARRIED. unanimously.

8.5. Question and Answer period:

Several citizens asked questions and Chief Barnett and Council reviewed the procedures and answered various questions called out from the audience for golf cart usage and compliance as specified in the new ordinance.

9. NEW BUSINESS

9.1. Request for Public Hearing for Rezoning and Zoning Text Amendment for Shane Outpost Park

Motion

Wendel Sauer made a motion to set a Public Hearing date for June 11, 2019 to consider the Shane Outpost Park rezoning and text amendment and Barry Kaufman seconded the motion. CARRIED. unanimously.

9.2. Public Hearing for Town of Beech Mountain FY: 2019-2020 Annual Budget

Motion

Barry Kaufman made a motion to open the Public Hearing for the FY: 2019-2020 Annual Budget Wendel Sauer seconded the motion. CARRIED. unanimously.

9.3. Mayor Castiglione opened the public hearing for the proposed FY: 2019-2020 Annual Budget and she recognized Town Manager, Tim Holloman to present the proposed Annual Budget.

Mr. Holloman reviewed the Staff's timeline for budget work sessions held by the Town Department Heads, Town Council including the consultant reports submitted to Council. He pointed out the proposed changes to the Tourism Development Authority Director position and Visitor's Center Assistant position. The Marketing Budget reduction was related to economic development issues.

He reviewed the General Fund balances and revenues including the Public Works Utility and Sanitation Department funds as well as pointing out the E-911 fund. The proposed tax rate for fiscal year 2019-2020 is \$.732 per \$100 of valuation which is unchanged from the previous four fiscal years. This rate is based on a tax valuation of \$545,991,320 and a 97% tax collection rate.

The total General Fund expenditures are projected to be \$7,067,051 resulting in a decrease of approximately 8.7% less than last FY 2018-19 amended budget. Each department has worked to maintain or reduce spending for this fiscal year and only necessary capital outlay items are being requested in the 2019-2020 budget.

Mr. Holloman noted his concerns with some of the accounting practices of budgeting including the local sales tax revenues for next year and transferring \$500,000 and reduce the revenue balance by that \$500,000 and to rectify that with the reserves, to which the Mayor concurred.

Mr. Holloman continued and explained that the public safety building project is scheduled to be built on the parcel of land which was purchased by Town Council for the future public safety site and although it is a future capital project we will not begin this construction this year. He mentioned the funding balance and future reserves for the Watauga Water Intake Project and the planned alternate water sources and how the Town would fund those capital improvements as well as reviewing the Shane Outpost Park project and the grants and fundraisers planned for the public park. The new Public Works building has a committed reserve of \$400,000 and the Town begins construction on that facility this year.

There was a question and answer period regarding the Shane Outpost Park project and grants which may or may not be awarded. Mr. Heaton also answered questions regarding the well at Buckeye Creek and Shane Park. He noted the tax base and collection rate, fines and penalties, expected revenues, and he also discussed Administration, the facility building and maintenance projects funding. The landscaping budget was discussed, the hill stabilization and landing zone approach at Buckeye Lake and the streetscape projects, followed by a discussion of the health insurance plan and insurance costs. Town Hall and building improvements listed in the budget were discussed. Lake Coffey improvements were noted such as the building and bathrooms and future plans to address the layout and design were discussed.

There was discussion regarding the Tourism Development Authority restructuring and positions and Mr. Holloman said he suggests perhaps the Mayor and a council member could work with a few members of the TDA to work on those changes. Mr. Holloman said he would follow-up with a meeting schedule.

The discussion then turned to the Police Department and personnel, equipment and training programs. Council complimented Chief Barnett on the note explanations in the proposed budget. The portable information sign is included in the Police Department budget and will be moved where and when it is needed to inform the public regarding issues and events. The Fire Department and budget was reviewed. Special projects, trucks, equipment and building inspections were noted, as well as the Staff Development budget including line items such as contracted services, gas and fuel, and GIS specialty items. Mr. Steve Smith, Finance Officer, explained the billing process for vehicles and equipment services and how the invoices were accounted for in the budget.

Mr. Robert Heaton, Director of Infrastructure, answered Council's questions regarding the Public Works Department, equipment, staffing, staff development and the mowing program. The road paving policy was touched upon along with road maintenance, stabilization and gravel roads wherein Mr. Heaton explained the procedure for grading, filling and repairing of the roads. Mr. Preston Yates, Town Planner explained the planning and inspections of property which Council asked for clarification of the Planning Department line items.

Mr. Daniel Davis, Public Utilities Superintendent clarified and answered questions by Council regarding the water and intake supplemental water sources and projects planned. The Convenience Center and the procedures, cameras, fees and fines and general problems facing the Sanitation Department at the recycle center was discussed. Mr. Holloman concluded the Budget review and asked Council to submit any requests and/or changes to Staff before the next Budget Workshop scheduled for May 24, 2019 at 2:00 p.m.

The revised Budget is available electronically on the Town's website at <https://townofbeechmountain.com/finance/> and a hard copy is available in the Clerk's Office and at the reception area in Town Hall. Vice Mayor Kaufman

requested that worker's compensation claims be listed out separately and for the department heads to remain within their individual budgets.

9.4. Public Hearing FY:2019-2020 Annual Budget

Ms. Sandy Carr, TDA board member addressed the potential change planned by Council which was not included in the TDA Board's approved March 5, 2019 Retreat. Ms. Carr said the TDA Board agreed to commit \$50,000 to the Shane Outpost Park under their proposed budget but due to the substantial restructuring of the TDA as proposed by Council, which includes cutting the TDA Executive Director position and its funding; Ms. Carr said four of the five-member board will consider a change to the promised funding to Shane Park. The previously budgeted Director's salary and benefits are proposed to be eliminated and the funding cuts would have a negative, \$55,494 deficit to the TDA budget. Ms. Carr said, that this item is placed on the TDA's agenda for May 8, 2019 to discuss rescinding the \$50,000 commitment to Shane Park. She added that this was due to the Board's fiduciary responsibility to solvency of the TDA. The TDA budget has collected \$370,830, which is a 75% increase under the TDA Executive Director, Ms. Carr continued to review the successes under the program and current Director and wished to work closer with Council to address the budget changes.

Ms. Carr announced the upcoming event sponsored by the TDA and Parks and Recreation, In Cold Mud- Mud Run on May 18, 2019, a fundraiser for Shane Outpost Park. Councilman Marquardt questioned Ms. Carr's statement that the increase was only due to the Executive Director, as he said the occupancy tax collection increases are a result of the various boards and Town programs.

Ms. Phyllis Winter, Chairman of the TDA noted that the TDA meeting was May 8, 2019, to which Mayor Castiglione added that Councilman Marquardt and herself would schedule a meeting with the TDA Chairman and Co-chairman.

Mr. Urs Gsteiger stated he was concerned with the Town's infrastructure problems. He was concerned that no senior Beech Mountain Staff live on the mountain or pay taxes and was concerned with the rising employee salary and benefits' costs. Mr. Gsteiger said raises and employee benefits should be controlled, and employees should pay more for their health insurance coverage costs.

Mr. Gsteiger said he has not seen a 5- or 10-year road paving plan and was concerned with the condition of the roads. The \$180,000 budgeted for paving is backwards for planning. The allocation of the local sales tax also concerned Mr. Gsteiger as well as the un-funded water intake project at Watauga, he suggested in order to address those issues, the Town must save money in other areas, to which Mayor Castiglione stated that Mr. Gsteiger was not present when the 5-year roadway plan was discussed.

Councilman Abernethy said he agreed with Mr. Gsteiger that the employees need to pay more for their health insurance to which Councilman

Marquardt agreed that 50% should be paid by the employee and can gradually increase. There was further discussion as to the method of incrementally increasing the employee costs. Mayor Castiglione asked for a consensus of opinion on raising the employees' portion of the coverage costs and to move onto the next item.

Motion

Wendel Sauer made a motion to close the public hearing and Weidner Abernethy seconded the motion. CARRIED. unanimously.

10. TOWN MANAGER AND STAFF REPORTS

- 10.1.** Mr. Holloman submitted the department reports and said that Mr. Davis would update Council on the Buckeye Lake dam repairs.

Mr. Davis said construction completion was expected to occur the second week of May as the operation has been successful so far. Mr. Holloman noted that the grass was to be seeded at the Buckeye Recreation Landing approach and that project would then be completed. The final stages of the design for the Public Works building will soon be bid out and Mr. Riley stated the streetscape project needed certification from NCDOT and then that project would begin after permitting.

On July 31st the Town and Parks and Rec is holding another Shane Outpost Park Fundraiser. He updated Council on garbage cans/bins and the educational program for bear proofing and garbage issues. The Planning Commission Chairman, Pete Chamberlain stated the Comprehensive Plan is almost completed and will be presented to Council.

- 10.2.** Police Department Activity Report
- 10.3.** Fire Department Monthly Report
- 10.4.** Parks and Recreation Report
- 10.5.** Department of Infrastructure Reports
- 10.6.** Planning and Inspections Report 2019-04
- 10.7.** TDA Report May 2019

11. TOWN COUNCIL COMMENTS

- 11.1.** Councilman Sauer cautioned citizens to be careful of the safety of children with the new golf cart ordinance. Councilman Marquardt was disappointed with issues on the TDA Board and with the employee participation level in the Town's 401 K, and he asked for departments to increase participation to which Mayor Castiglione agreed that the 401 K benefits should be taken advantage. She thanked the Chamber of Commerce for sponsoring a great 'trash day' as 45 miles of roadway were cleaned of trash!

12. CITIZENS' AGENDA COMMENTS -NONE

13. ADJOURNMENT

13.1. There being no further business, Mayor Castiglione requested a motion to adjourn.

Town Clerk

Mayor, Town of Beech Mountain

Please note: The absence of Town Clerk, Tamara Mercer was excused prior to the adopted scheduled meeting.