



MINUTES

Regular Town Council Meeting

4:00 PM - Tuesday, December 14, 2021
Council Chambers

The Regular Town Council of the Town of Beech Mountain was called to order on Tuesday, December 14, 2021, at 4:00 PM, in the Council Chambers, with the following members present:

COUNCIL PRESENT: Mayor Barry Kaufman
Vice Mayor Jimmie Accardi
Councilmember Weidner Abernethy
Councilmember Kelly Melang
Councilmember Erin Gonyea

COUNCIL EXCUSED:

STAFF PRESENT: Attorney Stacy Eggers, IV
Town Manager Bob Pudney
Town Clerk Tamara Mercer
Town Planner Preston Yates
Director of Special Projects Riley Hatch
Finance Officer Steve Smith
Parks and Rec Director Sean Royall
Chief of Police Tim Barnett

1. CALL TO ORDER

2. ADOPTION OF AGENDA

- 2.1. Mayor Kaufman stated that there were a few changes to the agenda. He added Council would change the Budget Retreat date from January 20 to January 19, 2022, and that the agenda item, 7.5 Resolution designating Fifth Third Bank would include the specific names of the Mayor and Vice Mayor as well as the title.

Motion

Kelly Melang made a motion to adopt the amended agenda and Jimmie Accardi seconded the motion. CARRIED. unanimously.

3. INVOCATION- DEWEY CYCLONE BRETT

4. PLEDGE OF ALLEGIANCE

5. SELECTION OF MAYOR AND VICE MAYOR

5.1. Selection of Mayor and Vice Mayor

Councilmember Accardi nominated Barry Kaufman as Mayor and Councilmember Abernethy seconded the nomination. The motion carried unanimously 5-0.

Motion

Erin Gonyea made a motion nominated James Accardi as Vice Mayor and Kelly Melang seconded the motion. CARRIED. unanimously.

6. CONSENT AGENDA

6.1. Resolution designating Fifth Third Bank as an Official Depository

Mr. Pudney clarified that the Town Attorney requested the Resolution would also include the titles and names for the Town Manager and Finance Director as well as Mayor, Barry Kaufman and Vice Mayor James Accardi to which Mayor Kaufman requested a motion.

6.2. Adoption of Minutes

6.3. Emergency Medical Services Agreement

6.4. Auction Sale- 109 Hemlock Circle

6.5. 2021-2022 Budget Ordinance, Amendment #2022-03

Motion

Approve

6.6. Town Council Regular Meetings and Board Meetings 2022 Calendar

Motion

Kelly Melang made a motion to approve the consent agenda for items: November 9, 2021 Town Council meeting minutes, Emergency Medical Services Agreement, Property Auction Sale-109 Hemlock Circle, 2021-2022 Budget Ordinance Amendment No. 2022-03, Resolution #2021-012 designating Fifth Third Bank as Official Depository to add names for Town Manager, Bob Pudney, Finance Officer, Steve Smith, Mayor, Barry Kaufman and Vice Mayor, James Accardi and Town Council Regular Meetings and Board Meetings Calendar Schedule and Erin Gonyea seconded the motion. CARRIED. unanimously.

7. FEATURED LOCAL BUSINESS- LAND OF OZ, JANA GREER, MARKETING MANAGER

- 7.1. Ms. Jana Greer, Land of Oz Manager reviewed the history of the Land of Oz beginning with the Carolina Caribbean Corporation design and plan for the theme park. She noted that by 1980 the theme Park had closed. Since then, a rebirth of the Land of Oz has returned with character/actor reunions in the spring and autumn. During Autumn at Oz through the pandemic of 2020, they held private tours, but with the reopening over 13,000 guests traveled through the Land of Oz this year. They will continue to host locals' night fundraisers for the Fire Department and she thanked Councilmember Melang for volunteering and she thanked the Council and Town for supporting the legacy and history of Land of Oz.

8. PUBLIC COMMENT

- 8.1. Mayor Kaufman announced the Public Comment portion of the meeting for those who wished to address Town Council.

Mr. Nick Wilson of 513 Charter Hills Road voiced his concerns over the speed limit on Woodland Avenue. He suggested making it 18 mph. The trash pickup requests should be allowed to be scheduled by any citizens. He could call Public Works to pick up tree limbs and yard waste debris as homeowners are not following up.

9. PROCLAMATION AND ACKNOWLEDGMENT OF MR. GIL ADAMS

- 9.1. Recognition of Mr. Gil Adams

Councilmember Abernethy read the Proclamation recognizing Mr. Gil Adams noting his tenure and honors serving Beech Mountain and the Ski Patrol at Beech Resort.

10. OLD BUSINESS

- 10.1. Planning Board Report on Workforce Housing

Mr. Yates, Senior Planner prepared the Planning Board report addressing workforce housing. Councilmember Abernethy questioned if the topic was not a private development issue, to which Mr. Pudney stated that the interim report acknowledged that and that a partnership between the town and local businesses and contractors could work together to incentivize affordable housing. The Planning Board brought in a consultant who specializes in workforce housing issue and discussions involved working on the Planning Board's role for economic development with the TDA and businesses.

Avery County is in the process to move forward with housing grants. Avery County is participating with the Dogwood Health Trust to determine challenges and opportunities around workforce housing in the area. This year's work focuses on assessment, while there will be an opportunity for the county to seek some implementation funding next year. Avery County is the northernmost of the eighteen counties served by the Dogwood Health Trust, which was formed from the proceeds of the sale of the Mission Hospital System.

Mr. Pudney said it is not a simple solution to this long-term problem. Developers want a return on investment. The private sector looks to a return on that investment and short-term rentals satisfies that at the expense of affordable housing. We can look at deed restrictions put in place so a property cannot become an STR, but only if it is within the public assistance program.

Lees McRae College is assessing the issue and available land to supply more student housing. Boone is also working on the issue utilizing [NC Growth](#) to conduct a housing and economic resiliency assessment. This work and partnering with the region will inform the Town's planning for the future.

So, the study is underway. The TDA utilizes the B.E.A.T. toolbox to work with private developers on costs. Businesses and industry around the region are short staffed, as well as on the mountain. We will work together with the Council and businesses to be proactive to assist the service industry and ensure providing services here.

11. NEW BUSINESS

11.1. Town of Beech Mountain Audit Report and Financial Statement Review FY:2020-2021, Cindy Randolph, CPA

Mayor Kaufman introduced Ms. Cindy Randolph CPA, who presented the Financial Statements, Supplemental Schedules, Compliance Report, and Independent Auditor's Report. Ms. Randolph stated the report has been submitted to Local Government Commission. There was a modified opinion referred to as the 'yellow book audit', which means the Town has received Federal Funding in excess of \$100,000. The Town will be receiving ARPA funds which is the American Rescue Plan Act, and that will be about 1-million-dollars for FY: 2021-2022 budget year. Ms. Randolph said this means that for the upcoming FY: 2022 year it will be a single-audit under the Uniformed Guidance, which is governed by the Local Government Commission (LGC) in order to meet compliance supplements. The auditor will test those funds to be sure compliance for certain expenditures only, which Steve Smith, Finance Director is aware.

Ms. Randolph pointed out highlights such as the Unassigned General Fund balance which represents 66% of total expenditures, the unit data collection report, which is required by LGC, which is a performance indicator. The Town has met the minimum threshold and gone over and above as that is about 33%. for towns this size, the expenditures are between million-to-ten-million dollars, and we are double at 66%, which is good. As noted, the minimum is 33%.

The Town's debt was decreased by \$547,999 as principal balance payments were paid off and Ms. Randolph explained the debt margin. The sales tax revenues increased, and we have a high property tax collections rate at 99.3%.

The actual expenditures are below budgeted and the enterprise fund for water, sewer and sanitation budgets increased due to an increase in service charges. She highlighted one deficiency and that was in internal controls. There was a cash disbursement issue found with missing invoices as noted on page 76 which deals with compliance. It was not a significant amount of missing invoices, not 100's but approximately 10 or so missing invoices. To strengthen controls, the auditor recommends all supporting documents attached with the fund disbursements. This tightens controls and follows the preaudit process and includes supporting documentation for preaudit certificate procedures.

Mayor Kaufman inquired as to the invoices and Mr. Pudney responded noting one was for a vehicle, which is a capital asset and was on a list transfer. At the time the auditors were here we were unable to produce the invoice during the transfer. We found them and produced for the auditor later. They were placed in the file and there are no missing invoices now.

The Town agrees to be more careful, efficient, and accountable for producing documentation in the future. Ms. Randolph explained their process and timeline and steps in place to manage this moving forward. Council acknowledged the corrections and stressed following procedures for the financial criteria and compliance.

Further review of the Town's financial revenue increases was discussed as well as the Balance Funds and net position of the Town.

11.2. Private sale of Police Dept. Surplus Property Cameras

Motion

Erin Gonyea made a motion to approve the private sale of Police Department camera surplus property and Weidner Abernethy seconded the motion. CARRIED. unanimously.

11.3. Police Dept. Surplus Firearms and Private Sale Resolution

Mayor Kaufman pointed out a typo error on the Resolution for Surplus Firearm sale and Mr. Pudney noted that the Police Department equipment has been upgraded hence the sale request for purchase of the surplus firearms to our Police Department Officers.

Motion

Erin Gonyea made a motion to approve the Police Department surplus firearms private sale to Beech Mountain Police Officers and Weidner Abernethy seconded the motion. CARRIED. unanimously.

11.4. Wayfinding Signs for the Town

Vice Mayor Accardi suggested under the public parking sign to add restrooms for that portion of the Wayfinding Sign to which Mr. Royall noted that staff would add that. Mr. Royal stated that the TDA agreed to fund the project in order to allow visitors an ease in navigating the mountain. The proposed design for the wayfinding signs matches the current signs for continuity. Project is estimated to be completed by spring of 2022, noted Mr. Royal.

Councilmember Abernethy had questions as to the posts and dimensions. The materials, dimensions, various locations, and design was discussed. Councilmember Abernethy believed that the proposed signs were too cumbersome and overbearing. Aesthetically they should be smaller to be consistent, these are too big.

Vice Mayor Accardi was in favor of the design as it is simple and good looking. There was general consensus for the signs to be 6-feet and not 8-feet as that is too big. Mr. Pudney said staff would change it to 6-foot, build at that size and allow the TDA and Council to review the size.

Motion

Jimmie Accardi made a motion to approve the wayfinding signs with the aforementioned changes and Erin Gonyea seconded the motion. CARRIED. unanimously.

11.5. Call for Public Hearing for Comprehensive Plan Amendment

Mr. Yates presented the background on the request and stated the Planning Board recommended the Comprehensive plan in 2019. After a Public Hearing by Town Council, the Comprehensive Plan was adopted in 2019. In supporting the need for workforce housing addressing the community's needs a policy document drafted should be incorporated in the Comp Plan for clearly defining the community needs and Council's goals for a zoning policy consistent with the Comp Plan, therefore Staff recommends having the consistency statement in place.

Motion

Kelly Melang made a motion for holding a Public Hearing to gather public input on the proposed amendment for the next regularly scheduled Town Council meeting in January and Erin Gonyea seconded the motion. CARRIED. unanimously.

11.6. Water Service Lines Request for Qualifications

Mr. Pudney introduced the item for a Water Service Line Project request for qualifications stating that the Town received a 1-million-dollar grant, which was facilitated by House Representative, Ray Pickett. The Capital Project is in process of development, and we need a request for engineering qualifcators to move it forward. Mr. Pudney explained how the monies were awarded to the town for the repair of our infrastructure. We will work to maintain

compliance in disbursements of the 1-million-dollar grant, which has a January 30th deadline for receiving RFQs.

Motion

Jimmie Accardi made a motion to approve the Water Line Replacement Project request for engineering qualifications and Weidner Abernethy seconded the motion. CARRIED. unanimously.

11.7. Boards and Committee Member Terms and Appointments

Mayor Kaufman noted that there are two openings on Parks and Recreation Committee and the Board of Adjustment, and we need applications in order for Council to make appointments in January.

12. TOWN MANAGER AND STAFF REPORTS

12.1. October Financial Report

Mr. Pudney noted that during the audit report the revenue taxes were reviewed as well as the water and sewer infrastructure million-dollar improvement project. These Capital Improvement plans, and the Lake Coffey/ Lake Santis Water Project were input into the Town's Financial model, and we updated the model. Mr. Cheatwood, our financial consultant has the data. Financing the improvement projects to forecast the costs, planning phases, and overall expenditures and the effects to taxpayer rates are being forecast.

12.2. Town Manager's Report

Mr. Pudney reviewed the following items, projects and updates for the Town:

- COVID-19 update no new restrictions
- Pinnacle Inn mediation
 1. Paint one wall on salt building
 2. Extend fence
 3. Reduce outside lighting at night
 4. Keep bay doors closed when possible
 5. Budget amendment for tree buffer

- Water / Sewer phase project completed and State final inspection Monday 12/13/21
- Final paperwork and payments underway
- Pavement in the spring

- Road striping and reflectors – this week weather dependent
- Parking lot completed
- Additional landscaping in the spring
- Sledding hill

1. Well and tank water working well
 2. Two snow guns
 3. Additional pads and signage
- Bathrooms
 - Burn ban Lifted
 - No water restrictions at this time, encourage conservation.
 - Ems Station Agreement approved
1. building set
 2. Utilities completed
 3. Furnishings next week
 4. Dispatch and protocols set
 5. Expect operation first week of January pending Watauga counties agreements
- Lake Coffey Reservoir -Agreement in the final stages
Engineering and design underway
 - One-million-dollar grant from the State for Water Service Line Replacements approximately 600 lines
 - November Holiday market 600+ attendees
 - 2nd Annual Christmas parade 12/22/2021

12.3. Police Department Monthly Report

Mr. Pudney reported the level of service calls in 2021 were at 1,050 and was 400 in 2020, so the Police Department is extremely busy as there are more and more people on the mountain.

12.4. November 2021 Recreation Report

12.5. Fire Department Report

12.6. DOI Report November 2021

12.7. Planning and Inspections Monthly Report 2021-11

12.8. TDA Report December 2021

13. TOWN COUNCIL COMMENTS

- 13.1.** Council comments consisted of thanking the auditors, Mr. Gil Adams, the TDA for funding projects and NC Representative Ray Pickett, for the million-dollar infrastructure grant. Other comments included the holiday lights, parade event, and the bench donated at the ornament ball.

14. CITIZENS' AGENDA COMMENTS

- 14.1.** Ms. Harriet Chamberlin thanked the Brick Oven for the Fire Department's fund raiser event in November.

Mr. Adams thanked the contractors working on the infrastructure project in the Charter Hills area and at the Land of Oz.

15. ADJOURNMENT

15.1. There being no further business, Mayor Kaufman requested a motion to adjourn at 5:50 p.m.

Note: the minutes are not a verbatim transcript of the proceedings.

Motion

Erin Gonyea made a motion to adjourn the regular meeting and Kelly Melang seconded the motion. CARRIED. unanimously.

Town Clerk

Mayor, Town of Beech Mountain