

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
September 8, 1992

CALL TO ORDER

Mayor Rick Miller called the regular meeting of the Beech Mountain Town Council to order at 6:02 PM. Other Council Members present were Tim Holland, Greg Brown, Kakii Handley and Reub Mooradian. Also present were Town Manager Al Greene, Town Attorney David Paletta, Town Engineer Ed Powell, and Chief of Police Jay Hefner. Present in the audience were Leslie Hoffman, Patti Pacifico, Bill Sposato, Mona Forrest, Oci Galindo and Cindy Keller.

Two items were added to the agenda under "Other Business:"

- a. Interest Rate on Bonds.
- b. Slopes Road; Bill Sposato.

1. Consent Agenda.

Kakii Handley moved approval of the Consent Agenda. Tim Holland seconded the motion and the following item was unanimously approved:

- a. Minutes of the Regular Meeting of August 11, 1992.

2. Committee Reports.

- a. Watauga Parks and Recreation. Kakii Handley reported that the program had had a very good year. The softball league and soccer teams had been very popular, as well as the swimming pool and lessons.

3. Old Business.

- a. Amendment to Chapter 37, Section 3, Establishing Fee for Dog Registration. Al Greene reported that the dog tags had been received at a cost of \$50.00 for 300. He recommended that the Animal Control Ordinance be amended to include a fee of \$1.00 per dog for registration. Tim Holland so moved. Greg Brown seconded the motion and it passed unanimously.
- b. Amendment to Chapter 28, Section 2-6 (d), Utility Deposits. Mr. Greene explained that the deposits of \$25.00 for water and \$25.00 for sewer were rarely sufficient to pay past-due bills in the case of commercial customers. After general discussion, Reub Mooradian moved that the deposits for water and sewer be set at \$50.00 each for residential customers and \$75.00 each for commercial customers. Greg Brown seconded the motion. Mona Forrest asked if this would apply to everyone and was told it would only be for new customers. The question was called and the motion passed unanimously.

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- c. Amendments to Agreement and Letter of Credit; Emerald Mountain Water Tank and Pump Station. Al Greene reported that the developer of Emerald Mountain has requested an amendment of its agreement with the Town extending the completion date of the expanded pumping station to May 1, 1993, together with a roll-over of the letter of credit to May 15, 1993. He indicated that he had told the developer that the Town Council had experienced a great deal of frustration over the water tank situation, but he also stated that he felt that granting the extension, rather than cashing the letter of credit and going out for bids at this time, would be in the Town's best interests. He recommended the Council grant the extension contingent upon Ed Powell agreeing with the \$79,000 figure as being sufficient to complete the pumping station, and David Paletta agreeing with the wording of the agreement.

Mayor Miller expressed his opinion that if the Council agrees to this extension, the Emerald Mountain developer must be made to understand that this will be the last time. He said he felt the Town had bent over backwards to assist the developer, and did not wish to continue to agree to delays. He asked Ed Powell if he felt \$79,000 would be sufficient. Mr. Powell said he had visited the water tank site and it was evident to him that the tank would be installed by the October 1 deadline. He felt that \$79,000 should be sufficient to complete the pumping station if need be.

Tim Holland asked for clarification of the developer's request regarding plat approval for Blocks D and K. Mr. Greene said that the developer had requested approval from the Planning Board for Blocks D and K, but that the Planning Board had deferred a decision since the pumping station would not be completed prior to the October 1, 1992 date. The developer is requesting that the Town accept a letter of credit in the amount of \$44,090 to cover the needed improvements required for the Town's approval of Blocks D and K. When asked about the connections allowed with the current water supply (Skiloft tank), Mr. Greene said the State had approved twenty connections to the current water system. Several of those have been made, and he felt it was doubtful that enough construction would occur at Emerald Mountain over the winter to exceed the State's allowance. Council's approval of the developer's request would allow them to transfer properties, but any requests in excess of the twenty would not be given a building permit until the pumping station was in place and the transfer made to the 100,000 gallon tank.

Kakii Handley asked for clarification of the developer's statement that while they were not asking for any reduction in the amount of the letter of credit (\$79,000) they might request it in the future if a reduction in the dollar amount seemed appropriate. Cindy Keller,

representing the developer, replied that she believed the developer to mean that if the bids for the pumping station come in considerably less than \$63,200, since the amount required for a performance bond is 125% of the cost of the project, the developer might request a reduction in the amount of the bond to equal 125% of the actual cost. Mrs. Handley pointed out that, even though there was a new principal involved in the development, the Town is still without the 100,000 gallon tank and the pumping station.

After further discussion, Reub Mooradian moved that the Council approve (1) extension of the date for completion of the pumping station to May 1, 1993 and roll-over of the entire \$79,000 letter of credit to May 15, 1993, providing the Town Attorney approves the amendment to the agreement and Town Engineer finds the amount of the letter of credit sufficient to complete the project; (2) acceptance of a performance bond in the amount of \$44,090 for completion of necessary improvements to Blocks D and K; and (3) granting the Planning Board permission to approve Blocks D and K upon completion of the items mentioned in (1) and (2) above. Tim Holland seconded the motion and it passed unanimously. Cindy Keller expressed her thanks, on behalf of the developer, for the Council's patience and understanding.

4. New Business.

- a. Agreement and Letter of Credit, Emerald Mountain, Block D. This item was handled as part of Old Business, Item c.
- b. Resolution Declaring Surplus Property. Mr. Greene explained that Don Fulkerson and he desired to dispose of three surplus vehicles and search for a small used pickup truck for Mr. Fulkerson to use rather than the used Broncos he keeps inheriting from the Police Department. Reub Mooradian said he thought a small pickup would be much more economical to run than the larger vehicles. Kakii Handley moved that the resolution declaring a 1990 Ford Bronco, 1987 Ford Bronco and 1986 Ford pickup surplus be approved. Reub Mooradian seconded the motion and it passed unanimously.

5. Staff/Consultant Reports.

- a. Town Engineer's Report. Ed Powell reported that the Bear Branch sewer outfall line and force main is under construction and about 50% completed. All information has been submitted to the State in support of the loan funds that will be forthcoming and the Town should be able to start drawing on the loan funds in time for the next construction draw.

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Regarding the replacement of the ultraviolet unit at the Pond Creek Plant, the contractor has been authorized to proceed. The drawings have been approved and delivery is anticipated shortly. He pointed out that the plant personnel have done an excellent job in keeping the Town in compliance with fecal coliform limits.

- b. Public Works Director's Report. Al Greene stated that Joe Perry was on vacation, but he could report that the Skiways water line replacement project has been completed. He also said the right of way to the new tank site in Hemlock Hills has been cleared and that if anyone needs firewood, it is there for the taking.

Rick Miller asked about the parking lot expansion and striping of the Town roads, and Mr. Greene said he would have to check on those and report later. Reub Mooradian asked if the blasting that has been heard was coming from the Bear Branch project and Mr. Powell said that was possible, but Tim Holland pointed out that the Ski Resort was blasting also to enlarge White Lightning.

- c. Town Attorney's Report. Mr. Paletta said he had no report.
- d. Chief of Police's Report. Chief Hefner had no formal report. Tim Holland asked about the status of the new radios, and Chief Hefner said the consultant had reviewed the specs and the Town is now ready to advertise for bids. Chief Hefner reported that Jerry Turbyfill had completed Basic Law Enforcement Training, scoring highest in his class on the examination, and is now on duty. A new dispatcher has been hired, so the Department is fully staffed.

Tim Holland said he would like to thank the individuals involved in cleaning and painting the dispatch office prior to the E 9-1-1 ribbon cutting ceremony, and that the facility looks great. Rick Miller asked about the auction and was told that at least enough funds to pay for the advertisement were raised.

- e. Town Manager's Report. Mr. Greene reported that a property owner, David Setnor, had written a letter suggesting that the Town hire an outside electrical engineer as a consultant to look into the proposed TVA/Mountain Electric transmission line and substation specifications. Ed Powell indicated he had talked to electrical experts prior to the first Planning Board meeting on the subject with regard to above ground vs. underground installation. The cost ratio is in the neighborhood of 2½ to 1, making the project a \$10,000,000 one rather than a \$4,000,000. He also pointed out that the head-in and head-out structures (transitioning from overhead to underground) would be the largest structures involved and would involve much more devastation of the landscape than the poles and right-of-way would.

Reub Mooradian asked what a qualified electrical engineer consultant would charge for this type of work and about how much time would be involved. Mr. Powell indicated such individuals get \$75 to \$100 per hour, plus expenses. The time involved would be visiting the Town and becoming familiar with the area, putting together numbers and writing his recommendation, plus visiting the Town again to present his findings to the Council and perhaps before a public hearing. He also said that should our expert disagree with the TVA expert, then more monies would have to be expended for the engineer to "battle" TVA. At a minimum \$10,000 would be expended very quickly.

Reub Mooradian said he had been told the Department of Natural Resources had experts which could assist the Town, and Mr. Powell said he had not heard of this. He said they have experts relating to water and wastewater, energy conservation, etc., but that he was not aware of an electrical expert. Mr. Mooradian said that some of Mr. Setnor's points seemed to have merit, especially as concerned possible radiation effects, the Town's liability and substation site. He said that a number of property owners had expressed their opinion that the expenditure of \$10,000 - \$15,000 would be a good use of taxpayers' monies, since it would be protecting the citizens from possible harm. Greg Brown asked if there would be the possibility of a consultant at least checking the TVA specifications, perhaps at a lesser cost.

Considerable discussion on the subject of the advisability of hiring an outside consultant ensued. Reub Mooradian then recommended tabling the subject until the next meeting, but urged that everyone possible attend the public hearing on the subject at Lees-McRae on September 22nd. He also asked that our Town Engineer contact state and federal regulatory agencies and determine if they have someone who could act as a consultant for the Town and what the cost might be.

Mr. Greene reported that the Watauga County Library suspended its operation at Beech Mountain due to lack of participation. Several members of the audience indicated they had not been aware of the library's presence, and Mayor Miller pointed out that there had been an article in the MountainEar on the subject. Mr. Greene said he would continue to work with the library and perhaps by next summer a local volunteer could be found who would man the library at Town Hall so that a short-handed branch library did not have to do so.

Mr. Greene reported that the Institution of Government is planning a course for elected officials on finance, and asked that any interested Council Member let the staff know so they can be

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registered. Tim Holland pointed out that the Council has stopped getting agendas for the Planning Board and Board of Adjustment meetings, and Mr. Greene said he would insure that they are sent out.

- f. Financial Report. The Financial Report was distributed for the Council's information.

6. Other Business.

- a. Interest on Water and Sewer Bonds. Mr. Greene reported that the Local Government Commission had suggested that municipalities investigate the lowering of interest rates on bonds due to the great reduction in interest rates. Wachovia has agreed to lower the current 10.75% interest rate on \$1.13 million to 8.75%, and has been requested to consider 8.5%. This would save \$235,000 over the life of the bond issue. He requested the Council authorize the staff and attorney to continue to work with Wachovia and enter into an agreement to lower the interest rates on the water and sewer bonds. Reub Mooradian so moved. Greg Brown seconded the motion and it passed unanimously. Mr. Mooradian urged that the staff try not to have a prepayment penalty in the new agreement, if possible.
- b. Slopes Road; Bill Sposato. Mr. Sposato said that the Beech Mountain Club had been working with the property owners in The Slopes Subdivision on the repaving of Slopes Road and they had asked about the possibility of bringing the road up to Town specifications and the Town taking over responsibility for the road. He wondered what was involved, and was told that the Town would have to approve the specifications. The matter will be pursued.
- c. Community Watch Program. Greg Brown said he had attended a Community Watch meeting for the Pinnacle Ridge area and two matters of concern had been voiced. First, the residents wanted the Community Watch stickers they had been promised; they wanted Chief Hefner or his representative to attend one of their meetings; and they asked if there couldn't be some way to require ID stickers on construction vehicles doing work in the Town. Chief Hefner said he had asked Raleigh for more Community Watch stickers but had not received them, and that he would be happy to attend any meeting if they would notify him of the time. As far as ID stickers were concerned, that is something that would have to be addressed by the attorney and Council.

7. Executive Session.

Tim Holland moved that the Council go into Executive Session under the terms of N.C.G.S. 143-318.11(a)(4). Reub Mooradian seconded the motion and

it passed unanimously. The Council went into Executive Session at 7:50 PM.
The Council came out of Executive Session at 7:58.

ADJOURN

There being no further business to come before the Council, Reub Mooradian moved that the meeting be adjourned. Tim Holland seconded the motion and it passed unanimously. The meeting was adjourned at 7:59 PM.

Respectfully submitted,



Barbara L. Mooradian
Town Clerk

Minutes approved by Town Council on the 13th day of October,
1992.

ATTEST:


Mayor
Town Clerk

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Special Meeting, September 28, 1992

Mayor Rick Miller called the Special Meeting of the Beech Mountain Town Council to order at 12:02 P.M. Other members present were Tim Holland and Greg Brown. Members absent were Kakii Handley and Reub Mooradian. Also present was Al Greene.

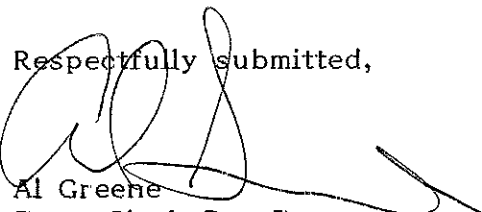
Authorizing the Amendment of the Beech Mountain Sanitary District Water and Sewer Refunding Bond dated June 29, 1988 & issued in the Original Principal Amount of \$1,222,000.

After review of this resolution, a motion to adopt was made by Tim Holland, seconded by Greg Brown, and carried unanimously.

ADJOURN

There being no further business, a motion was made by Greg Brown to adjourn, seconded by Tim Holland, and approval was unanimous. The meeting adjourned at 12:05 P.M.

Respectfully submitted,


Al Greene
Town Clerk Pro Tem

ATTEST:


Town Clerk

Minutes approved by Town Council the 13th day of October, 1992.

ATTEST:


Town Clerk


Mayor

