

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – December 13, 2011

I. CALL TO ORDER

Mayor Rick Owen called the regular meeting of the Beech Mountain Town Council to order at 3:05 p.m., Tuesday December 13, 2011 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, Public Utilities Director Robert Heaton and Fire Chief Robert Pudney.

II. Invocation – John Troxler presented the invocation in remembrance of Charlie Burleson.

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

IV. Swearing in Newly Elected Officials – Town Clerk Jennifer Broderick administered the oaths of office to the Towns newly elected officials Rick Owen, Alan Holcombe and Rick Miller. All three newly elected officials were sworn into office.

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

VI. Selection of the Mayor – Mayor Owen stated the Mayor serves at the pleasure of the Council and is selected from amongst the Council that is currently in office. Councilman Holcombe motioned for Councilmember Rick Owen to serve as Mayor and Councilmember Paul Piquet to serve as Vice Mayor for the next 2 years. Councilman Miller seconded and the motion and the vote passed unanimously. Mayor Owen extended his appreciation to his fellow Council Members stating that he did not take this responsibility lightly and that he was there to serve at their pleasure.

VII. Selection of the Vice Mayor – Selection of the Vice Mayor was done concurrently with the selection of the Mayor.

VIII. Approval of the Minutes

a. November 15, 2011 Regular Meeting – Vice Mayor Piquet motioned to approve the November 15, 2011 Regular Meeting Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

b. November 15, 2011 Closed Session Minutes – Council elected to hold off approving these minutes until their next meeting. Staff was instructed to place this item on the upcoming agenda.

IX. Public Comment – Leslie Hayhurst of 225 Upper Grouse Ridge Road stated that her water pressure was bad and that there was also some discoloration issues. Mayor Owen directed Manager Feierabend to follow up with Mrs. Hayhurst.

X. New Business

a. Resolution to Adopt Watauga County Hazard Mitigation Plan – Steve Sudderth, Fire Marshal and Emergency Management Coordinator of Watauga County addressed Council. In 2000 Watauga County and the municipalities of Boone, Blowing Rock, Seven Devils and Beech Mountain completed a Hazard Mitigation Plan. The last approved Hazard Mitigation Plan was in 2005. Mr. Sudderth explained that grant funding and flood insurance provided by the Federal Emergency Management Agency is tied to an up to date Hazard Mitigation Plan being in place. The Federal Emergency Management Agency requires the Hazard Mitigation Plan to be updated every 5 years. The proposed updated 2010 Hazard Mitigation Plan has been provided for the Town of Beech Mountain's approval. Mr. Sudderth advised that a Multi-County Regional Hazard Mitigation Plan was being put together that should be ready for adoption in 2012. Attorney Eggers stated that without this plan the Town would be ineligible for Federal assistance if a natural disaster should strike. Vice Mayor Piquet motioned to adopt resolution 2011-10. Councilman Holcombe seconded the motion and the vote passed unanimously.

b. Water and Sewer Rate Presentation – Mayor Owen stated how much he appreciated Urs Gsteiger providing a presentation to Council as well as the time Mr. Gsteiger has given over the last several years to this topic. Urs Gsteiger of 115 W. Shamrock stated that he has been a citizen volunteer involved with the water and sewer issues with the Town for about 4 years. Mr. Gsteiger stated that he first addressed Council about 2 and a half years ago after completing an extensive review of water rates with the Water Committee. The Water Committee identified the fact that the way the Town was charging for water did not make a whole lot of sense nor was it sufficient to fund the needs that the Town had. The Town was funding a lot of their water issues out of General Revenues. The structural deficit for the budget was recorded at about \$200,000 however this deficit was probably closer to \$300,000 to \$500,000 because a fair number of salaries that should have been carried under water and sewer were being carried under other departments and not being properly accounted for. The reason this is important is the State in putting increasing pressure on municipalities to make their water and sewer systems self funding. The Water Committee recognized that the Town could no longer continue with business as usual by continuing to fund out of General Revenues. The more the Water Committee worked with Town Engineer Marion Rothrock the more it was discovered that the Town had some significant infrastructure issues that could not be solved overnight. The Water Committee needed to come up with a way to fund the capital projects over the long term. Mr. Gsteiger stated that two years ago Council was presented with a three year plan created by the Water Committee for three \$5 rate increases. The Council decided to approve these rate increases in one year increments; advising the Water Committee to come back each year and ask for the additional rate increase. Mr. Gsteiger advised that each rate increase generates approximately another \$200,000 in revenue for the Town. What Council had before them was the proposed third rate increase in what was initially a three year plan of rate increases. The initial rate increase made the monthly minimum \$25. The Water Committee is asking for the third rate increase which would bring the monthly minimum to \$35. Mr. Gsteiger stated that this is anticipated to be the last rate increase. The two rate increases that have been approved are allowing the Town to achieve its goal of being structurally sound; where the Town is generating enough revenue through the water and sewer system to fund things that the Town needs to fund. Mr. Gsteiger emphasized that this did not mean that the Town was going to be able to fund a lot of the upcoming necessary capital improvements to the water and sewer system which were due in

large part because it had been ignored over the past twenty years. A different plan is being formulated that is going to be presented at a later date to cover how that these future projects are going to be funded. Some of this may end up having to be funded through General Revenues because of the large amounts of money that are going to be needed. This third rate increase will afford the Town the opportunity to take care of a lot of the minor repairs that needed to be completed and will continue to need to be done. Mr. Gsteiger stated that a lot of the emergency repairs have already been completed to the system. The only critical situation currently facing the Town is the potential water shortage issue at Buckeye Lake. Water loss has been cut back significantly. The new radio read meters that have been installed will allow the Town to pinpoint leaks as well as provide more accurate feedback on water loss. This is significant because it allows the system to generate more revenue and should also mean that our system can last longer without reaching the maximum capacity. The State was concerned that the Town was reaching the maximum capacity of water that the system was able to generate. The only reason the Town was pushing their maximum capacity was because so much of the water that was being generated was going back into the ground. The Town is gradually getting a handle on this situation. Mr. Gsteiger reiterated that this third rate increase keeps the Towns system operational and funds a lot of the repairs that are immediately necessary and that this rate increase was not going to be sufficient to fund the major capital improvement projects that the Town had to tackle in the future. Mayor Owen thanked Mr. Gsteiger for his efforts; stating that it was nice to have someone that is in the community that is not a Council Member nor a part of the staff but is an interested citizen that got involved with the process several years back and has held their interest and made sure that the Town was doing the right thing and making the right decisions, with some of those decisions being tough decisions. Vice Mayor Piquet motioned for the Town to implement the third \$5 monthly rate increase for both water and sewer to be effective January 1, 2012. Councilman Holcombe seconded the motion and the vote passed unanimously.

c. Audit Presentation – Misty Watson of Bryce Holder and Associates stated that the Towns audit went really smooth this year. The collection of property and vehicle taxes was up and the General Fund had positive revenues. Mayor Owen stated that Council had just received the audit and that if after reviewing the audit Council should have any questions they could invite Bryce Holder and Associates to return to a future Council meeting. Mr. Holder stated that his firm does look at the budget in an overall sense to see what is coming in and what has been proposed as an expenditure. Mr. Holder stated that sometimes things change quite a bit during a fiscal year; advising that debt services can change and large projects can be taken on. Mayor Owen thanked Mr. Holder and Mrs. Watson for their presentation.

d. Property Tax Refund; Troughton – Manager Feierabend stated this was due to a change in valuation issued by the Avery County Tax Assessor's office due to a fire to the structure. Councilman Miller motioned to refund the amount of \$622.56. Vice Mayor Piquet seconded the motion and the vote and passed unanimously.

e. Property Tax Refund; Hayet – Mayor Owen stated that this was due to the North Carolina Property Tax Commission lowering the assessed value. Vice Mayor Piquet motioned to refund the amount of \$539.95. Councilman Miller seconded the motion and the vote passed unanimously.

f. Discussion Involving Memorial Donation for Charlie Burleson – Mayor Owen opened the floor up for discussion. Councilman Holcombe stated that Charlie Burleson had been

heavily involved in the fishing tournament and that with this being the case it would be appropriate to rename the tournament held at Lake Coffey in honor of Mr. Burleson. Councilwoman Keller, Vice Mayor Piquet and Councilman Miller were in agreement with Councilman Holcombe. Manager Feierabend stated that this fishing derby is a Chamber of Commerce and Recreation Department event. John Troxler of the Chamber of Commerce confirmed that the Chamber does partner with the Recreation Center on this event. Mr. Troxler stated that he would present this proposed idea to the Chamber of Commerce. In the meantime Mayor Owen instructed staff to also look into the pier that was being built and to work up a synopsis to dedicate the pier in honor of Mr. Burleson. Council was in agreement that all efforts should be made to have everything in place to honor Mr. Burleson in the spring or at the latest by the beginning of summer.

g. Planning Board Appointments – Mayor Owen stated that Brian Barnes and John Hoffman's terms are expiring. Both have informed staff that they wish to continue to serve. Councilman Miller motioned to appoint Brian Barnes and John Hoffman to the Planning Board. Councilman Holcombe seconded the motion and the vote passed unanimously.

h. Board of Adjustment Appointments – Mayor Owen stated there Fred France and Bernie Kneпка's terms were expiring. Both have informed staff that they wish to continue to serve. Councilman Holcombe motioned to appoint Fred France and Bernie Kneпка to the Board of Adjustment. Councilman Miller seconded the motion and the vote passed unanimously.

i. Board of Adjustment Alternate Appointments – Mayor Owen stated that Mike Chase's term was expiring. Mr. Chase has informed staff that he wishes to continue to serve. Councilman Holcombe motioned to appoint Mike Chase as the second Alternate to the Board of Adjustment. Councilman Miller seconded the motion and the vote passed unanimously. Council instructed staff to place the new Board of Adjustment vacancy on the agenda for Councils meeting in January.

j. Spring, Summer and Fall Accomplishments – Manager Feierabend stated that Council had before them a handout which details the accomplishments of staff for the spring, summer and fall months. Manager Feierabend advised that this information was to be placed on the Towns website and on Channel 2 once Council had an opportunity to review the information. Mayor Owen stated that Council would have 1 week to review the material. All changes needed to be submitted to staff by the upcoming Tuesday.

XI. Town Manager and Staff Reports

Board of Adjustment Appeal Fee – Manager Feierabend stated that Vice Mayor Piquet and he had a discussion regarding the \$350 fee for making appeals to the Board of Adjustment. Vice Mayor Piquet stated that the way the \$350 fee is currently handled is unfair to those who appeal to the Board of Adjustment and are found in favor of since the appellant is not reimbursed the \$350 fee. Attorney Eggers stated that in order to change this process a resolution would need to be adopted and that this would need to receive the Planning Boards recommendation. Attorney Eggers stated that an item of consideration would be how modified decisions by the Board of Adjustment would be handled. After much discussion Mayor Owen referred this matter to the Planning Board.

Discussion of Possible Grants

Rural Centers NC STEP – Manager Feierabend asked Councils permission for staff to move forward with the grant process. Duncan Cavanaugh, Regional Planner of the High Country Council of Governments – Region D, feels that a case can be built in favor of Beech Mountain as a result of the Town losing homes to foreclosures. There is a potential \$100,000 available to implement projects identified during the planning process. Manager Feierabend informed Council that the Town can always walk away from the grant if during the process it is discovered that there are too many strings attached.

Adopt a Trail Grant – Manager Feierabend stated that this Adopt a Trail Program Grant had a \$5,000 award with one hundred percent funding.

Recreational Trail Program Grant – Manager Feierabend stated that this Recreational Trail Program Grant had an up to \$100,000 award with a twenty-five percent required match. Manager Feierabend stated that this is an opportunity to take our trails to a new standard. Councilman Miller motioned for staff to apply for all three grants. Councilman Holcombe seconded the motion and the vote passed unanimously.

Automated Teller Machine – Manager Feierabend stated that staff had met with the Dawn Daniels, the contact person for the Newland Local Government Federal Credit Union Branch, to discuss potential locations of an Automated Teller Machine known as Cash Points for the Town. Manager Feierabend stated that the reason for this possible addition is that the Town is trying ways to eliminate the credit card fees that they are currently paying. The Newland Branch was only able to provide service to the Avery County portion of the Town. Manager Feierabend stated that he was in the process of communicating with the contact person for the Watauga County Local Government Federal Credit Union Branch to see if the location of an Automated Teller Machine at the Recreation Center would be feasible. Council was presented with a total of 4 potential locations for the Avery portion of the Town. Manager Feierabend asked Council if staff should proceed with an indoor or outdoor location. After much discussion Council stated that they preferred an indoor location with staff ascertaining the exact dimensions of the equipment and returning to Council with this information for a final decision.

Chamber of Commerce – Manager Feierabend informed Council that the Beech Mountain Chamber of Commerce had met and passed a motion to reimburse the Beech Mountain Tourism and Development Authority for employee time spent on Chamber of Commerce activities.

Essential of Municipal Government Class & Ethics Training Info. – Manager Feierabend provided Council with information regarding potential training opportunities.

Fire Department – Councilman Miller commended Fire Chief Robert Pudney and his department for their efficient and knowledgeable handling of an emergency situation that occurred at his home with resulted in a gentleman who was making a deliver being revived.

Garbage Pickup Over the Holidays – Councilwoman Keller inquired whether extra garbage pickups could be scheduled over the holidays specifically for the Skiloft area. Manager Feierabend informed Council that the Recycling Center will be open 7 days a week 24 hours a day throughout the holiday period.

Bows and Arrows – Eva Jones of 100 Skiway Road #5 inquired about what the Town's policy was on the use of bows and arrows. Manager Feierabend informed Mrs. Jones that bow and arrow use within the Town was not permissible and that all such activity should be reported to the Police Department.

Parking on the Roads – Vice Mayor Piquet stated that the Town enforced parking regulations on Town roads last year. Vice Mayor Piquet felt that this year the Town needed to strive to be more diligent regarding drivers not using chains or 4 wheel drive when hazardous road conditions existed. Councilwoman Keller agreed stating the Town should exert their energies towards preventative maintenance by stopping ill equipped vehicles at the base of the mountain. Eva Jones of 100 Skiway Road #5 expressed concern about homeowners having driveways and parking lots shoveled out in the morning only to return back home to find snow plowed back in front of their driveways. Mrs. Jones expressed concern over the elderly people that are unable to take care of the necessary shoveling thus ending up parking in the road. Mayor Owen stated that staff tries to do the best that they can to assist these individuals. Manager Feierabend stated that staff has discussed implementing a program that would provide assistance services to individual who were sickly or extreme elderly. Council instructed staff to send out a notice via e-mail and on Channel 2 notifying the public that once again the Town will be ticketing for parking on roadways.

Sign at the Base of Beech Mountain Parkway – Councilman Miller brought the issue of the sign located at the base of Beech Mountain Parkway, which informed drivers that road conditions were hazardous, up for discussion. Councilman Miller felt that this sign could be improved on; stating that the State is willing to erect a new sign. The cost to the Town would be approximately \$4,000. This sign would be a vast improvement to the one that is currently at the bottom of the mountain. One of the great features of this new sign was that it would be remotely controlled versus the current sign which had to be manually turned on. Mayor Owen stated that maybe an additional sign should be purchased by the Town and placed around the location of where the first dual lane is; feeling that drivers would really get the message then having experienced some rougher road conditions. Staff was instructed by Council to contact Dean Ledbetter of the North Carolina Department of Transportation to find out if an additional sign could be placed on the road and if so what the cost would be to the Town. Staff was also instructed to gather the specifications for the replacement sign that had already been discussed.

Mayor Owen stated Council would take a short break at 4:34 p.m. prior to entering closed session.

XII. Closed Session – Pursuant to NC GS 143-318.11(a)(3) Attorney Client Matters; NC GS 143.318.11(a)(5) Proposed Contracts – Acquisition of Real Property – Upon motion by Councilman Miller at 4:46p.m., seconded by Vice Mayor Piquet, 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)(5) Proposed Contracts – Acquisition of Real Property.

Councilman Holcombe motioned to exit closed session at 5:53 p.m., which was seconded by Mayor Owen. The motion passed unanimously.

XIII. Other Business – There was no other business to discuss.

XIV. Adjourn – Upon motion to adjourn made by Vice Mayor Piquet and seconded by Councilman Holcombe the meeting was adjourned at 5:53 p.m. The motion carried unanimously.

Minutes approved by Town Council on January 10, 2012.

Richard H. Owen, Mayor

ATTEST:

Jennifer Broderick, Town Clerk