

**MINUTES**  
**BEECH MOUNTAIN TOWN COUNCIL**  
**Regular Meeting – February 14, 2012**

***I. CALL TO ORDER***

Mayor Owen called the regular meeting of the Beech Mountain Town Council to order at 3:04 p.m., Tuesday February 14, 2012 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, Public Works Director Riley Hatch, Tourism Development Authority Assistant John Troxler and Fire Chief Robert Pudney.

***II. Invocation*** – John Troxler presented the invocation.

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

***IV. Adoption of Agenda*** – Mayor Owen stated that the proposed agenda would stand as presented.

***V. Approval of the Minutes***

***a. January 10, 2012 Regular Meeting Minutes*** – Vice Mayor Piquet motioned to approve the January 10, 2012 Regular Meeting Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

***b. January 10, 2012 Closed Session Minutes*** – Councilman Holcombe motioned to approve the January 10, 2012 Closed Session Minutes. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

***VI. Public Comment*** –

Barry Schorr of 205 Foxgrape Hollow addressed Council regarding the pay study that was performed in May of 2010 as well as the cost of living allowance that was approved by Council during the fiscal year budget process for 2011-2012. Staff was instructed to respond back to Mr. Schorr's questions.

***VII. New Business***

***a. Appreciation to Bark Park Committee Members*** – Mayor Owen stated that this letter of appreciation was to recognize the people that had assisted with the Dog Park. Manager Feierabend informed Council that the committee had raised approximately \$11,000 to \$12,000 dollars for the Bark Park. Vice Mayor Piquet motioned to approve with the letter of appreciation. Councilman Holcombe seconded the motion and the vote passed unanimously.

***b. Framework for Water Upgrades*** – Mayor Owen extended the floor to Urs Gstieger of 115 West Shamrock Lane who was working on the ad hoc water committee for the Town. Mr. Gsteiger prefaced his presentation stating that the information that was about to be presented

was intended to bring about discussion. Mr. Gsteiger acknowledged the good work of fellow ad hoc water committee members John Merritt and Craig Hunter. Mr. Gsteiger also acknowledged the good work of Public Utilities Director Robert Heaton and Town Engineer Marion Rothrock. Mr. Gsteiger felt it was paramount to note the several hundred thousands of dollars that Town Engineer Marion Rothrock had already saved the Town through his expertise. Mr. Gsteiger stated that the ad hoc water committee had formulated proposals for how the Town could potentially best move forward with fixing the long term structural and capital issues that are contained within Marion Rothrock's water study report which has an estimated cost to the Town of \$30,000,000. Mr. Gsteiger further broke this figure down advising that approximately \$15,000,000 of the \$30,000,000 is the replacement of all Town water lines. This replacement process will not take place all at once and can be dealt with somewhat later. The main issue at hand which was going to be discussed today was the other \$15,000,000. Within this figure the most critical three projects have been identified. The three projects are as follows: the Water Treatment Plant which will cost approximately \$5,250,000 and take roughly 3 years to complete; the Spruce Hollow to Parkway Tank Pump Station and Transmission Line which will cost approximately \$759,000 and the Watauga River Intake and Transmission Line which will cost approximately \$2,000,000 and take roughly 5 years to complete. On a side note Mr. Gsteiger pointed out the importance of the Watauga River Intake Project as this was the only other real source of water the Town had available. The permitting process for this project has already begun and takes about 3 years to complete. Mr. Gsteiger stated that Manager Feierabend would be discussing the possibility of test water wells later on in the meeting. Mr. Gsteiger continued on with possible options for funding these large capital projects. The Town could secure bonds in the amount of \$8,000,000 which would be issued for the 2013 – 2014 fiscal year. The money would be drawn as needed but most would not be drawn until the end of the 2015 – 2016 fiscal year. The bonds would be 30 year bonds at an expected interest rate of 4.5%. This would require annual payments of \$486,000. Mr. Gsteiger pointed out that staff felt this was a viable option. The way this would all be phased in is that the Spruce Hollow to Parkway Tank Pump Station and Transmission Line Project would be started and completed in 2016. The Water Treatment Plant Construction Project would start in March 2016 and have an estimated completion date of 2019. If needed the construction phase of the Watauga River Intake Project would start in March 2016 and be completed in 2019. The remaining projects would be completed through \$200,000 annual expenditures from the Water and Sewer Fund using the money raised by the 2012 rate increase. Mr. Gsteiger stated the Lift Station and Buckeye I & I Project would be started in March of 2012 and completed in 2013. It was proposed that funding could be done through the Towns Water and Sewer and General Fund Reserve. Manager Feierabend will discuss the specifics for funding this project. Mr. Gsteiger stated that the committee was proposing a referendum to be held in November 2012 which would seek voter approval of the bond issue without a tax increase. Mr. Gsteiger concluded the presentation by discussing the known unknowns which included the effect of Watauga County's reappraisal of tax collections, interest rates at time of bond issue and what construction cost would be in 2 to 3 years. Watauga County reappraisal, which has to take place in the next two years, will have a significant impact on collections, interest rates could increase. Bond issuance rates cannot be locked in. The ad hoc water committee sees \$8,000,000 of the \$15,000,000 as crucial capital projects for the Town. Mr. Gsteiger asked that Council consider the recommendation of the committee and review their satisfaction with the projects that had been selected along with the amounts. Mr. Gsteiger asked that Council consider how this will tie in with future budgets as well as fit in with other Capital

Improvements that the Town will have in the future. Mayor Owen stated that the ad hoc water committees work has been phenomenal commending the committee on the information that had been presented and laid out in front of Council. Vice Mayor Piquet stated that the information that had been presented by the ad hoc water committee held a lot of validity. Mayor Owen asked how quickly does Council need to move forward to get the bond process started. Attorney Eggers stated that the Local Government Commission needs to approve the Town moving forward with the bond referendum. Once this happens the Town will need to move forward with a resolution at least 90 days prior to the election. It takes a majority of the voters voting in favor to pass a referendum. Mayor Owen stated that this information would be further reviewed during this years' budget workshop process.

**c. *Water Well Option to Intake Line*** – Manager Feierabend stated that finding an alternative water source was the only hope for the Town to not have to follow through with the Watauga River Intake Project which was expected to cost approximately \$2,200,000. Manager Feierabend asked Council to consider hiring a well testing expert to test Beech Mountain for the feasibility of drilling for water at a cost of \$50,000. If the Town could strike 200,000 to 300,000 gallons per day then the Town would be able to postpone the Watauga River Intake Project. Manager Feierabend asked that Council consider doing a budget amendment. Councilman Miller asked where the proposed well drilling would take place. Manager Feierabend stated that the location selected thus far was around the Buckeye area and the back gate. Vice Mayor Piquet asked if the \$50,000 would cover the drilling of all of the wells. Manager Feierabend informed Council that a firm had indicated that they would be able to test drill 4 to 6 wells. Should the drill efforts be successful there would still be the expense for the Town of running water lines back to the treatment plant. Manager Feierabend stated that there is money in the Towns Fund Reserve to cover this expenditure as well as the lift station project and still stay maintain a balance above \$3,000,000. Public Utilities Director Robert Heaton informed Council that there would be a nominal cost for the chemicals that would need to be used to treat the water and that the water would have to be tested before it could be put on line. This will cost for testing would be an additional \$5,000 to \$7,000. Manager Feierabend asked Council to give staff the blessings to move forward with negotiating on behalf of the Town. Vice Mayor Piquet asked about potential geological studies that could be performed to detect if there was a good probability of finding water. Manager Feierabend stated that for \$5,000 to \$7,500 the company will look at maps to determine what percentage of a chance the Town has of finding water and whether or not the Town needs to proceed to the next step. Vice Mayor Piquet confirmed verbally then that the Town would only be spending the additional money if there was a reasonable chance that they would find water. Manager Feierabend stated that this was correct that staff was still following through with obtaining the permits for the Watauga River Intake Project as recommended by Town Engineer Marion Rothrock. Mayor Owen asked that staff go ahead and prepare this for the next meeting.

**d. *Request from Chamber of Commerce for Town Funding of Fireworks*** – John Troxler spoke representing the Chamber of Commerce stating that Council had before them 2 proposals from Pyrotecnico Vitale Family Fireworks which was the same company that Town contracted with last year for its fireworks. Mr. Troxler stated that the Chamber is trying to get the wheels in motion to see what needs to happen in order to get fireworks lined up for the annual Pig Roasting event. With the presence of fireworks last year there were 1,100 people in attendance at the event. One proposal replicates the firework shoot from last

year which is an increase in cost of 10%. The other proposal is slightly less. Mr. Troxler stated that the Fire Department has offered support as they did last year for the event. Councilman Holcombe asked what the profit for the Pig Roast was last year. Mr. Troxler stated that the monies in revenue were a little over \$6,000 and that the Chamber of Commerce uses these monies for some of the other events that do not generate money. Mayor Owen stated that the Town funded the fireworks last year. Councilman Miller reminded Council when Council elected to fund the fireworks last year they had done so with the understanding in place that this was a one time occurrence. Mayor Owen asked if the Chamber of Commerce had approached anyone else to assist with the funding. Mr. Troxler stated that the possibilities of partnering with the Tourism Development Authority had not been explored but that the ultimate question was whether the Town was going to have fireworks or not. Councilman Miller asked if Council had included fireworks in this years' budget. Manager Feierabend stated that it could be paid for in July in the forthcoming budget. Councilman Miller felt that this was a lot of money for the Town to spend on fireworks and felt that a partnership to fund the fireworks should be created with the Chamber of Commerce and the Tourism Development Authority. Vice Mayor Piquet stated that the Tourism Development Authority should be addressed first to see if they are able to assist. Mr. Troxler stated that he would ask the Tourism Development Authority for assistance and then return back at March's Council meeting to continue discussion.

***e. Utility Reduction Requests*** – Robert Heaton stated that staff has provided each of the homeowners requesting a reduction the standard reduction that is permissible through the Town's ordinances. Manager Feierabend reminded Council that the ordinances in place permit staff to provide a reduction while still allowing for the Town to collect monies for the actual cost of the water.

***110 Sweetwater Drive*** – Public Utilities Director Robert Heaton stated that this leak had taken place under the homeowner's walkway. Vice Mayor Piquet motioned that there be no further deduction. Councilman Holcombe seconded the motion and the vote passed unanimously.

***113 Locust Ridge Road*** – Public Utilities Director Robert Heaton stated the leak was underground next to the house. Councilman Miller motioned for there to be no further reduction to the water portion of the bill and for the homeowner to pay the \$637.56. Councilman Holcombe seconded the motion and the vote passed unanimously.

***112 Fairway Drive*** – Public Utilities Director Robert Heaton stated the leak is located somewhere under the homeowners driveway. Mr. Heaton stated that as a result staff is in the process of moving the meter. The homeowner is paying to run the new water line to the house. Vice Mayor Piquet motioned that Council make no further reduction. Councilman Holcombe seconded the motion and the vote passed unanimously.

Councilman Miller stated that Council was not looking favorably upon further reducing utility bills beyond the reduction that was permitted within the Towns ordinance stating that Town costs need to be recovered.

***f. Expenditure of E-911 Funds*** – Mayor Owen stated that Council has two plans before them today identified as Plan A and Plan B for spending the expenditures that staff has in reserve. Manager Feierabend advised Council of the long term benefits of Plan B stating that it would allow for a total overhaul of the radio network system. This was estimated to cover the Town 10 to 15 years. Staff is recommending Plan B in lieu of using the money to go towards a building addition. Councilman Holcombe motioned to approve Plan B on the condition that the funds were being expended through the permissible scope of E-911 requirements. Councilman Miller seconded the motion. Councilwoman Keller stated that more time should be used to review other potential avenues of use for these E-911 funds that amounted to \$127,100. While agreeing with Plan B in principle Councilwoman Keller felt that the monies could potentially be better used to purchase 6 walkie talkies versus 10 and that the remainder funds could be used to acquire another vehicle for the Police Department. Manager Feierabend stated that with Plan B Police Officers would have complete access to viber while having the ability to maintain conventional radio channels with one radio. The implementation of Plan B benefited multiple departments as well. Public Works would be receiving the old mobile radios thus improving their communication system. Vice Mayor Piquet stated that the Town already has a vehicle replacement plan in place. Councilman Miller stated that by the end of 2012 the Federal Communications Commission was mandating ‘Narrow Band’ equipment usage by all Police and Fire radios. Mayor Owen called the vote. The vote passed 4 -1 with Councilwoman Keller voting nay.

***g. Board of Adjustment Appeal Fee*** – Town Planner James Scott stated that there is currently a \$350 fee associated with making an appeal to the Board of Adjustment regarding a decision or requirement imposed by Town staff. This fee is currently non-refundable, even if the Board do Adjustments agrees with the appeal and overturns the staff’s decision. Vice Mayor Piquet motioned to schedule a public hearing for the next regularly scheduled Council meeting. Councilman Holcombe seconded the motion and the vote passed unanimously.

***h. New Job Description*** – Manager Feierabend stated that currently the Town has a Building Codes Administrator Position and a Building Maintenance Mechanic position. Manager Feierabend stated that he was proposing that Council move forward with a new job description which would be a hybrid of the two positions due to the amount of work the Town currently had. The new position would take care of building code enforcement, contractual matters and building maintenance. Council had before them two job description possibilities. Councilman Miller stated that the most important thing was that the Town continue to maintain a high standard of code inspections. Mayor Owen stated that the second job description was the most favorable; however Council may want to consider during this years’ budget process moving in the direction of acquiring a part time building inspector and a part time individual to assist with building maintenance. Mayor Owen advised that Watauga County was always available to perform backup inspections if necessary. Mayor Owen instructed staff to come up with some alternative solutions versus a full time position. Manager Feierabend thanked Council for their input. Councilman Holcombe motioned to proceed with advertising the job description entitled ‘Building Inspector / Maintenance Administrator / Code Officer. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

## ***VIII. Old Business***

***a. Board of Adjustment Appointment*** – Vice Mayor Piquet motioned that the 1<sup>st</sup> Board of Adjustment Alternate Cindy Giarruso be appointed to fill the vacancy on the Board of Adjustment and nominated Norm Smith to be the 3<sup>rd</sup> Alternate for the Board of Adjustment. Councilman Holcombe seconded the motion and the vote passed unanimously.

***IX. Town Manager and Staff Reports***

***Educational Opportunities*** – Manager Feierabend reviewed with Council two handouts Council had before them which provided of two educational opportunities. One was through the North Carolina School of Government and the other was the 2012 Watauga County Economic Development Summit.

***Town of Beech Mountain Comprehensive Planning Survey*** – Manager Feierabend stated before them they had a draft version of a Comprehensive Planning Survey for the Town that Town Planner James Scott was working on. Mr. Scott stated that he welcomed Councils review of the draft survey and looked forward to receiving their input and comments. Council was asked to submit their input and comments by next week.

***Street Address and Road Name Change*** – Town Planner James Scott stated that travel around the mountain was somewhat daunting for new visitors when travelling to Buckeye Recreation Center. Mr. Scott proposed that when turning off of Beech Mountain Parkway onto Pine Ridge Road to head to Buckeye Recreation Center that Pine Ridge Road be made to continuously flow until abutting Pinnacle Ridge Road. Should Council elect to do this then Grassy Gap Creek Road would need to be renamed as well a portion of Poplar Gap to that of Pine Ridge Road. Additionally to eliminate further confusion Mr. Scott stated that staff proposed that the remainder of Poplar Gap also be renamed. If Council was in agreement to this proposal then staff also asked that they select a road name. After much discussion Council selected the road name of Black Birch. Vice Mayor Piquet motioned to set a public hearing for Councils upcoming regularly scheduled meeting for renaming Grassy Gap Creek Road and portions of Poplar Gap to Pine Ridge Road as well as to rename the remainder portion of Poplar Gap to that of Black Birch. Councilwoman Keller seconded the motion and the vote passed unanimously.

***Tree Committee Proposed Letter for Endorsement by Council*** – Manager Feierabend stated that the Tree Committee was asking for Council to endorse a letter for the purpose of bringing back the American Chestnut tree which at one time was so prevalent to Beech Mountain. Council agreed to endorse the letter.

***Up-To-Date Report on Budget*** – Manager Feierabend stated that the budget report Council had before them showed the Town was in good standing. Should Council have further questions they may direct those to Town's Finance Officer Nancy Johnson.

***Buckeye Fees*** – Manager Feierabend presented a new fee proposal for Buckeye Recreation Center facility use. Along with this proposal was a credit card policy change to not accept credit card payments for amounts less than \$75. After much discussion staff was directed by Mayor Owen to have the Recreation Committee review the year round facility fees as well as the daily use facility fees and to have their findings ready for Council to review with this years' budget process.

***Walking Track at Buckeye*** – Manager Feierabend informed Council that staff had received a price quote from Moretz Paving for repairing the walking track at Buckeye Recreation Center. This project could be taken care of in May or placed in next years’ budget. After much discussion staff was instructed to bring this topic back up to Council.

***Charging for Officers When Event is Private*** – Manager Feierabend stated the Town of Boone charges for use of their services for private events. The Town of Boones fee schedule was \$50 for each employee and \$25 for every vehicle used. Manager Feierabend stated the Towns ordinances permit Beech Mountain to charge a fee for these types of services as well. Moving forward staff was going to charge \$50 for each additional employee that had to be staffed and \$25 for every additional vehicle used for private events. Mayor Owen stated that this fee needs to be applicable and charged across the board to all private groups.

***Codification Process occurring in February*** – Manager Feierabend stated that Town Clerk Jennifer Broderick was moving forward with the Towns codification process this month.

***Lift Station and Buckeye I & I Project*** – Manager Feierabend stated that staff is asking for Councils permission to allow staff move to forward with bidding this \$750,000 project out and to pay cash for it. Council instructed staff to prepare the documents.

Mayor Owen stated that Council would take a short break at 5:20 p.m.

- X. ***Closed Session – Pursuant to NC GS 143-318.11(a)(3) Attorney Client Matters*** – Upon motion by Councilwoman Keller at 5:32 p.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. Vice Mayor Piquet motioned to exit closed session at 6:04 p.m., which was seconded by Councilwoman Keller. The motion passed unanimously.

XI. ***Other Business***

***Buckeye Recreation Center Showers*** – Councilman Miller asked where the Town stood with the showers that had been approved in the budget. Manager Feierabend stated that staff had been asked to hold off on the showers until the Buckeye Recreation Roof issue was resolved. Vice Mayor Piquet stated that repairing the roof was the most important. After much discussion Mayor Owen instructed staff to gather price quotes for the completion of the showers.

***Road Safety Sign at Base of Mountain*** – Councilman Miller asked where the Town stood with the regards to the new sign that Council had approved. Manager Feierabend stated that he was still following up on the sign and that he was in communication with the North Carolina Department of Transportation.

- XII. ***Adjourn*** – Upon motion to adjourn made by Vice Mayor Piquet and seconded by Councilwoman Keller the meeting was adjourned at 6:10 p.m. The motion carried unanimously.

Minutes approved by Town Council on March 13, 2012.

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Richard H. Owen, Mayor

ATTEST:

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Jennifer Broderick, Town Clerk