

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – June 9, 2015

I. CALL TO ORDER

Mayor Owen called the regular meeting of the Beech Mountain Town Council to order at 4:03 p.m., Tuesday June 9, 2015 in the Town Hall Council Chambers. Other Council Members present were Paul Piquet, Alan Holcombe, Cindy Keller, and E. 'Rick' Miller. Town Attorney Stacy C. Eggers, IV. was present. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Finance Officer Steve Smith, Tax Collections Administrator Rebecca Ward, Public Works Director Riley Hatch, Public Utilities Director Robert Heaton, Fire Chief Robert Pudney, Police Chief Shawn Freeman, Town Planner James Scott, Director of Tourism and Economic Development Kate Gavenus, and Interim Parks and Recreation Director Sean Royall. Town Engineer Benjamin Thomas of P.E. West Consultants was also present.

II. Invocation – Dewey 'Cyclone' Brett 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 agenda would stand as presented.

V. Approval of the Minutes

a. May 12, 2015 Regular Meeting – Councilman Miller motioned to approve the May 12, 2015 Regular Meeting Minutes. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

b. May 12, 2015 Closed Session – Councilman Holcombe motioned to approve the May 12, 2015 Closed Session Minutes. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

c. May 27, 2015 Special Meeting – Councilman Miller motioned to approve the May 27, 2015 Special Meeting Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

d. June 4, 2015 Special Meeting – Vice Mayor Piquet motioned to approve the June 4, 2015 Special Meeting Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

VI. Public Hearing

Public Hearing on Proposed Fiscal Year 2015 – 2016 Budget – Mayor Owen stated that this is the public's opportunity for their thoughts on the budget. Councilman Holcombe motioned to open the public hearing. Vice Mayor Piquet seconded the motion and the vote

passed unanimously. Manager Feierabend stated that there is no tax increase, there is no utility increase, and there is no employee benefit package change. The proposed budget the addition of 2 full time positions; a Police Captain, and a Recreation Employee, and one part time Fire Department employee. There is an implementation of a 5 year equipment plan. There is a proposed increase from \$190,000 to \$250,000 in paving this year. There is an increase in gravel roads from \$50,000 to \$80,000. Mayor Owen asked if there were any comments from the public. Urs Gsteiger, of 115 W. Shamrock Lane, stated that the Beech Mountain Metric video is a wonderful advertisement for Beech Mountain. Mr. Gsteiger stated that he has defended the Town when the Town was discussing the utility issue. When he did so he was dealing with the facts. Mr. Gsteiger stated that the fact is that the study completed by David Hill, of HR Essentials, is unfounded. Mr. Gsteiger stated that the study uses suspect data. Several members of the Council have stated that the Town has a salary issue. Not all employees are due raises. Any monies spent on salaries is money that must be taken from somewhere else in the budget such as street paving and water infrastructure. Mr. Gsteiger stated that he has no hidden agenda and is concerned about pandering to short term interests instead of long term problems. Mr. Gsteiger asked that Council review the approved proposal. Mr. Gsteiger stated that he would also ask that current employees pay a portion of the cost of the health benefits for the extra lives. Nicholas Ferguson, of 324 Pinnacle Ridge Road, pointed out what appeared to be a variance and stated that there seems to be a large increase in administrative salaries. Mr. Ferguson noted that there could be good reason for this increase. The Police Department budget is up \$130,000. Also, there is a total showing under expenditures and revenues but he believes that this should be zeroed out. It looks like a tight budget in the water department. On page 34 the employee insurance is down. This should not be lower than the projected. Frank Steele, of 107 Christie Way, stated that he would like to thank Urs Gsteiger who has expressed most, if not all of his concerns. Mr. Steele stated that the Town does need to look at how the Town stabilizes its budget and yet provides good services for the good employees that the Town has. Mr. Steele felt that the economy is going to jump up and bite the Town in the future. Mr. Steele stated that the Town has some serious infrastructure issues to deal with. Hearing no more public comment Councilman Holcombe motioned to close the public hearing. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

VII. Public Comment

Bonnie King, 102 Maple Wood Lane, stated that residents of Beech Mountain deserve a stable Parks and Recreation Department. A year and a half ago when they bought their home they felt that the Buckeye Recreation Center was a real amenity. There used to be fitness classes and events to draw the people in. Beech Mountain has a lot to offer; hiking, mountain biking, a club for golfing, tennis, and swimming. This department needs someone to lead and needs a Town Council that is one hundred percent supportive of its department head. The Town Council should be one hundred percent supportive of Buckeye Recreation Center.

VIII. New Business

- a. Water Plant Project Update*** – Benjamin Thomas, P.E. West Consultants stated that the project has been advertised for bids. As of June 1, 2015 thirteen contractors and

suppliers have purchased plans for bidding. A pre-bid meeting was held today to discuss the project with potential bidders and suppliers that was held here today at 2:00 p.m. There is a lot of interest in the project. The bid opening date that was set was June 25, 2015. There are at least 2 other large projects being bid on that day. West Engineers and staff is recommending that the bid opening be delayed until June 30th. The following schedule is being followed and is expected to be kept if it is in within budget: June 9th Town 2:00 p.m. – pre bid meeting; June 25th 2:00 p.m. – Open bids at Town Hall (may postpone to June 30th); Early July - Town sends application to the LGC with either bid tabs included or to follow shortly thereafter; Early/Mid July - LGC solicit bank bids for financing; July 14 – Town Council awards construction bid subject to LGC approval and completion of financing; Late July – receive bank bids and determine winner; finalize the documents for the financing; August 4 - LGC approves; August 11 - Town Council adopts Bond Order and Note Resolution; Later that week, close the financing; August 18 – Notice of Award to contractor; September 8 – Notice to Proceed; March 2017 – Substantial Completion. Mayor Owen asked if the pre-bid meeting was mandatory or optional. Mr. Thomas stated that this meeting was optional. Attorney Eggers stated that the bid date is something that can be taken care of by staff. Councilman Miller stated that he would like to see the date moved up.

- b. *Consideration of Lot Donation GL-111*** – Mayor Owen stated that this lot donation is GL-111. Someone wishes to donate the lot to the Town with no strings attached. Manager Feierabend stated that it is a steep lot on the golf course with houses on either side. Upon motion to approve the donated lot by Councilman Holcombe. Vice-Mayor Piquet seconded the motion. Manager Feierabend stated that the gentleman is a widower trying to take care of his affairs. Mayor Owen called the vote and the motion passed unanimously.
- c. *Request Public Hearing for Proposed Road Name Change of Thistle Lane*** – Mayor Owen stated that there is a conflict in the county that is creating issues with two roads with the same name. Town Planner James Scott stated that there is such a thing as a Thistleberry. This item came up through the Watauga County addressing coordinator. This causes mail issues and could potentially cause some emergency services issues. Mr. Scott stated that he would reach out to the homes that would be affected by this proposed changed. Councilman Miller asked if there were a lot of lots. Mr. Scott stated that there were about 20 lots and 4 homes. Councilman Holcombe motioned to schedule the public hearing for Councils next regularly scheduled meeting. Vice Mayor Piquet seconded the motion and the vote passed unanimously.
- d. *Buckeye Creek Road Improvement Project*** – Manager Feierabend stated that Town Planner James Scott and Director of Tourism and Economic Development Kate Gavenous have both worked on this project. They have successfully submitted a pre-grant application that was well received and can go no further without Council approval. Mr. Scott addressed Council stating that there are two feasible routes in and out of Beech Mountain. The Beech Mountain Parkway and Buckeye Creek Road. Buckeye Creek Road is windy and gravel. The Town’s Comprehensive Plan and Tourism Development Authority have each identified improving this road as a goal. For many of the residents if you are north of the Club then it is faster to go out Buckeye Creek Road to get to the

Town of Boone. This would tie Beech Mountain in better with the surrounding community. It would give improved access to a bigger commercial area. Improving this northern route would improve our ties with the Watauga Lake area and combine our synergy. They have the lake; we both have the mountain and the lodging capabilities. Beyond convenience and economic improvement this would also improve emergency routes. This project meets the Appalachian Regional Commissions preliminary criteria. \$600,000 is the projected cost of this proposed paving project. Mr. Scott reported that this grant is a 50/50 matching grant. Staff is requesting that the Town commit to the matching portion of the grant. Councilman Holcombe asked where this figure came from. Public Works Director Riley Hatch stated that the \$425,000 figure for the project was established two years ago with just doing 2" (inches) of asphalt. Mayor Owen stated that he was concerned about the cost. If we can do this for \$300,000 then that would be great. Mayor Owen stated that he was concerned that the cost of the project would be even greater. What happens if the Town gets into it and discovers that the project is a \$1,000,000 project? Manager Feierabend suggested that staff be permitted to get a good estimate. In the meantime staff can work on putting the application together. The Town does not want to get approved and turn down the grant. Manager Feierabend stated that if the Town gets in there and finds out that we can raise the man holes, do the ditch lines, then maybe the project can stay in this \$600,000 range. Councilman Miller stated that he is one-hundred percent for paving but did not feel that the Town would need to spend \$300,000. Councilman Miller stated the Tourism Development Authority has indicated that they are willing to support this project with funding. Councilman Miller stated that he made a point of going up and down the paved streets in the Town and that the roads are deteriorating. Vice Mayor Piquet thinks it is more of a \$1,000,000 project. At the time we submit the grant then we are accepting the money no matter the cost. Vice Mayor Piquet wanted a firm commitment on the price of the project for the engineering and the paving. Mr. Scott asked if Council would be willing to let staff move forward with soliciting a firm quote and report back at the next Council meeting. Vice Mayor Piquet stated that Council would be back a week from now meeting again. Councilman Holcombe would like to know what more the State was willing to do. Councilman Miller does not want to hurt future grant opportunities, stating that he wanted to make sure all of the eggs are in the same basket. Councilwoman Keller stated that she was in favor of the project. This would at least make the Town the first destination from the north. Property owners have owned lots out in this area for 40 years. They were told this road would be paved. Councilwoman Keller stated that this project would benefit the tourists and as such would like to see the Tourism Development Authority funds participating in funding this project. Mayor Owen stated that if Mr. Scott wanted to work on some figures that he could return to Councils special meeting next week.

- e. ***Tax Refund*** – Mayor Owen stated that taxes have been paid twice. Councilman Holcombe motioned to approve the tax refund. Vice Mayor Piquet seconded the motion and the vote passed unanimously.
- f. ***Request to Purchase Fire Truck*** – Fire Chief Bob Pudney stated that his is a first for the Town. Last year the Town created a municipal Fire Department. This truck will be serving the residents on the next 20 to 25 years. The bigger deal about this is that this

truck is paid for. When the volunteer fire department transferred over to the Town they transferred all of their assets and liquid assets. This truck is custom built, 4 wheel drive, a larger than average pump, and a bigger tank of water. A committee of 3 people; Riley Hatch, Pete Chamberlin, and John Hoffman worked on gathering the specifications. We are proposing that we piggyback the Wake County bid. In their bid they made it available to other entities. Pierce Manufacturing was the low bidder. Fire Chief Pudney stated that they are a good vendor. We need your approval and the Mayor's signature on the contract. It will take a year to build. Councilman Miller motioned to approve the purchase of the fire truck. Councilman Holcombe seconded the motion and the vote passed unanimously.

IX. Old Business

- a. Proposed Fiscal Year 2015 – 2016 Budget** – Mayor Owen stated that there is a budget workshop next week on Wednesday, June 17, 2015 at 4:00 p.m. The meeting would be held at Town Hall in the Council Chamber room.
- b. Parks and Recreation Study** – Mayor Owen stated that there was a Parks and Recreation study that was completed that was before Council. There is a reorganization component and some staffing issues. Manager Feierabend stated that staff went ahead and funded the budget to support Council's decision either way. HR Essentials study completed by David Hill is supportive of hiring a full time fitness employee. Mayor Owen asked about the job description. Mayor Owen asked if the qualifications of who is hired as Director of Parks and Recreation will matter upon Council's decision with this study. Manager Feierabend stated that he would like to be interviewing for the Director with knowledge of the organization of the department. Mayor Owen asked if this proposed position was funded in the budget. Manager Feierabend stated that staff took an educated look at the budget and believed that the proposed position is funded. Vice Mayor Piquet wants to have this new position added to the Parks and Recreation Department. Manager Feierabend stated that the part time staff money would be substantially lessened. Councilwoman Keller was in support.

X. Town Manager, Staff Reports, and Council Concerns

North Carolina Department of Transportation Grant Application – The North Carolina Department of Transportation has approved the grant for the pathway. This information is confirmed by Dean Ledbetter, North Carolina Department of Transportation Division 11 Senior Planning Engineer. Manager Feierabend gave credit to staff for their good relationship with the North Carolina Department of Transportation. Mr. Ledbetter was instrumental in stepping up and pushing the Town's project. Councilman Miller asked when the project would start. Manager Feierabend stated that he has not heard back from Joe Laws yet.

35 Yard Self-Contained Compactor Unit – Manager Feierabend stated that he had provided information on a leased compactor through Republic Services. If Council wants to experiment the Town could lease for a year which would cost between \$10,000 and \$12,000. This is for a 35 yard compactor. Staff could have the compactor in place within the next 30

to 60 days with Council approval. Councilman Miller asked how staff could keep individual from tossing their trash after hours into the Town's dumpsters. Councilman Holcombe recommended fencing them in. Manager Feierabend stated that this proposed compactor automatically compresses every 15 minutes. Vice Mayor Piquet questioned potential freezing, stating that Republic Services is stating that the compactor will be gone while it is being thawed out. Manager Feierabend stated that it could be advantageous to have Republic Services bring an empty one to replace. Vice Mayor Piquet was in agreement. Councilwoman Keller asked if the compactor can be recessed into the earth so that there are no stairs that have to be used. Councilwoman Keller stated that the Town could purchase a compactor for the cost of 4 years of leasing it. Councilwoman Keller asked about the lease purchase program. Manager Feierabend stated that with ownership there can be monetary costs to fixing the compactor when it jams up.

Realtors Association – 93A-6 – Disciplinary Action by Commission – Manager Feierabend stated that the Town has a large reconnect fee for water. When homes go into bankruptcy and a bank that is from another state gets involved they do not know about the reconnect fee. This has caused problems with communication for new homeowners. Manager Feierabend called and communicated to with the Realtors Association and was informed that if there is a fee associated with a property that is more than a few hundred dollars then this is a material fact and should be disclosed by the Realtor in the transaction. The Real Estate Commission states that this is part of the Realtor's due diligence. Manager Feierabend stated that he would like to write a letter to local Realtors letting them know that this is part of their due diligence. Manager Feierabend stated that if a new homeowner turns a Realtor in to the Town then the Town would in turn submit this Realtor's name to the Raleigh office. Councilman Holcombe stated that the quickest way to distribute this information was to send the letter to the Realtors Association in Boone for them to distribute it to every Realtor that is a member.

Beech Mountain Historical Society – Manager Feierabend stated that the Historical Society will be having a brief ceremony at 2:00 p.m. Saturday, June 13, 2015 at the cemetery on St. Andrews Road to recognize the work that has been done to preserve it. Council is invited.

The Council took a recess at 5:34 p.m.

XI Closed Session – Pursuant to NC GS 143-318.11(a)(3) Attorney Client Privileges; NC GS 143.318.11(a)(6) Personnel Matters– At 5:47 p.m., Councilman Miller moved to enter closed session pursuant to N.C. Gen. Stat. §143-318.11 (a)(3) for the purpose of discussing attorney-client matters, including The Town of Beech Mountain v. Milligan and pursuant to N.C. Gen Stat. §143-318.11 (a)(6) for the purpose of discussing personnel matters. The motion was seconded by Vice-Mayor Piquet and passed unanimously. Upon Motion by Vice-Mayor Piquet, seconded by Councilman Holcombe, the Council voted unanimously to exit closed session at 6:38 p.m.

Note: Town Clerk Jennifer Broderick was excused from executive session at 5:49 p.m. Attorney Eggers took the remaining regular meeting minutes.

XII. Other Business – There was no other business.

XIII. Adjourn – At 6:39 p.m., Vice-Mayor Piquet moved to adjourn, which was seconded by Councilman Holcombe. The motion passed unanimously.

Minutes approved by Town Council on July 14, 2015.

Respectfully Submitted:

Stacy Eggers, IV.

Richard H. Owen, Mayor

ATTEST:

Jennifer Broderick, CMC
Town Clerk