

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – January 10, 2017

- I. *CALL TO ORDER*** – Mayor E. ‘Rick’ Miller called the regular meeting of the Beech Mountain Town Council to order at 4:01 p.m., Tuesday, January 10, 2017 in the Town Hall Council Chambers located at 403 Beech Mountain Parkway Beech Mountain, NC 28604. Other Council Members present were Paul Piquet, Rick Owen, Wendel Sauer, and Renee Castiglione. Attorney Austin Eggers was present to represent the Town with the absence of Town Attorney Stacy C. Eggers, IV. Staff members present included Interim Town Manager James Scott, Town Clerk Jennifer Broderick, Finance Officer Steve Smith, Public Utilities Director Robert Heaton, Public Works Director Riley Hatch, Fire Chief Bob Pudney, and Director of Tourism and Economic Development Kate Gavenus.
- 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 Miller welcomed James Scott as the new Interim Town Manager. Councilman Sauer motioned to adopt the agenda. Councilwoman Castiglione seconded the motion, the motion carried unanimously.
- V. *Consent Agenda*** – Mayor Miller opened the floor for Council to take action on the consent agenda. Councilwoman Castiglione motioned to approve the consent agenda. Vice Mayor Piquet seconded the motion, the vote passed unanimously. The consent agenda was approved as follows with consent agenda item ‘c’ attached as Exhibit A, consent agenda item ‘d’ attached as Exhibit B, and consent item ‘e’ attached as Exhibit ‘C’. Exhibits A thru C are incorporated by reference as if fully set out within these minutes.
 - a. *December 13, 2016 – Regular Meeting***
 - b. *December 13, 2016 – Closed Session***
 - c. *Radio Antenna Agreement***
 - d. *Budget Amendment #2-2017***
 - e. *Tax Refunds and Releases***
- VI. *Public Comment*** – There was no public comment.
- VII. *Public Hearing***
 - a. *Public Hearing for Proposed Ordinance to Amend the Town of Beech Mountain Regulations Regarding Fire Extinguishers*** – Vice Mayor Piquet

motioned to open the public hearing. Councilwoman Castiglione seconded the motion, the vote passed unanimously. Interim Manager Scott stated this proposed ordinance would identify what types of fire extinguishers are required in certain buildings. These proposed amendments are in line with current state regulations. Vice Mayor Piquet motioned to close the public hearing. Councilman Sauer seconded the motion, the vote passed unanimously.

- b. Public Hearing for Proposed Ordinance to Amend the Town of Beech Mountain Dimensional Requirements Regarding the Minimum Size for Detached Single Family Dwellings*** – Vice Mayor Piquet motioned to open the public hearing. Councilwoman Castiglione seconded the motion, the vote passed unanimously. Interim Manager Scott stated that there is some concern about tiny homes in their use in real life for communities like Beech Mountain. The Planning and Inspections Department has been receiving increased numbers of interest concerning buildable size. North Carolina State building code minimums are approximately 150 square feet. Although they could support some low income housing options they do create issues with harmony and character in the community. The intent is to not set a high bar but to set a minimum so that new homes do not detract from our community. With the exception of a limited numbers of homes within the community most homes are 800 square feet, as the proposed ordinance recommends for the new minimum building requirement. This minimum building requirement would be for single family dwellings. There has been talk of zoning a district in the Town for tiny homes. It is staff and the Planning Boards recommendation that a minimum of 800 square feet be adopted. Vice Mayor Piquet motioned to close the public hearing. Councilman Sauer seconded the motion, the vote passed unanimously.
- c. Public Hearing for Proposed Ordinance to Amend the Town of Beech Mountain Subdivision Regulations Regarding Requirements for Open Space and Trails*** – Councilwoman Castiglione motioned to open the public hearing. Vice Mayor Piquet seconded the motion, the vote passed unanimously. Interim Manager Scott stated developers would have control over where these green spaces would be. Most of the time these areas would be in buffer areas or unbillable land so the impact would be minimal. Mr. Scott stated that having worked eight years in planning within the Beech Mountain community he knows the importance of recognizing and developing areas where trails and green space are needed versus trying to come in later and develop this type of space. Mr. Scott stated that staff and the Planning Board recommend the adoption of the proposed amendments. Councilwoman Castiglione motioned to close the public hearing. Councilman Sauer seconded the motion, the vote passed unanimously.

VIII. New Business

- a. Town Audit – Misty Watson, CPA, PA** – Misty Watson provided a review of the 2015-2016 Financial Statements that Council had before them. Mrs. Watson stated that the Town's assets exceeded its liabilities at \$1,806,468 from the prior year. The increase is primarily due to above market expectations for local option sales tax, water and sewer charges, and conservative spending in the current year. Property tax collection rate for the current fiscal year is 98.14%, an increase of .23% from fiscal year 2015. The state average for a similar size municipality is 98.26%. The Town incurred \$4,300,000 in bond anticipation notes to finance the new Water Treatment Plant in the current year and paid principle of \$492,478 on installment notes. The Town continued the construction of the Water Treatment Plant in the current year, completed road paving, and purchased various equipment including a fire truck, a Carolina Cat backhoe, a Ford 250, a Ford Expedition, and computers for E-911.
- b. Water Plant Replacement Project Update** – Dale Schepers, Construction Administrator for West Consultants, provided a contract summary update for the Water Plant Replacement Project. Mr. Schepers stated that as of January 10, 2017 the Town is 478 days into the 510 contract days, representing 94% of work completion. Work completed through pay request 16 equals 71%. Mr. Schepers reported to Council that the last construction schedule shows a delay in completion of 37 days. The contractor has requested a 90-day extension of the Contract Times. The Engineer has denied the request. Discussion has been had by staff and the engineer concerning cosmetic fixes that can be made to the external concrete of the building. The Town has not heard back yet from the contractor on how they will proceed. The quality of work is acceptable. Structural steel is complete. Process piping and equipment installation continues. Electrical work continues along with automation equipment. The next construction progress meeting is scheduled for January 12, 2017 at 10:30 a.m. at Buckeye Recreation Center. Councilwoman Castiglione questioned rubbing the concrete to fix the surface. Mr. Schepers explained the process. The alternative fix would be the cement board siding. Councilman Wendel questioned whether not having the roof panel on would lead to more delays. Mr. Schepers stated that the contractor has gotten themselves to this point. Councilman Sauer asked if the Town knew when the roof would be in. Mr. Schepers stated that he was not aware of a date but that this would be a good question for the meeting on Thursday this week. Mr. Schepers stated that at this point in time it is the opinion of the Engineer that the contractor did not meet the contract and they need to fix it. At this point in time Mr. Schepers was not requesting Council action.
- c. Update on Test Well Site and Proposal of Second Well** – Mayor Miller introduced Andy Lovingood and Freddie Harrill with McGill Associates along with Mike Floyd, Hydrogeologist with McCall Brothers. Mr. Lovingood

provided Council with an update on the existing test well site that was selected out of ten identified sites to test. The test well site is 800' (foot) deep and 8" (inch) in diameter and is producing 200 gallons per minute. The hole was drilled into the bedrock looking for fractures in the rock. Initially a 6" (inch) diameter hole was drilled. Due to water that was found the hole was reamed out to an 8" (inch) hole. A larger reamed out hole increases the size of the water pump that can be installed. An 8" (inch) hole can use up to a 150 horsepower pump. The 6" (inch) hole provided 100 – 120 gallons per minute. By the time we reached the 8" (inch) hole it was estimated that the test well site was yielding 200 gallons per minute. The technique used to get this estimate was 'blowing' the well out. This is a rudimentary technique. By installing a pump and doing a draw down recovery test, which consists of monitoring pressure for a 24 hour period with the well pumped and then another 24 to monitor the pressure building back up you can gain a more accurate figure. The well may only pump 150 gallons per minute. Mr. Lovingood stated that it is not good to pump a well at its maximum capacity 24 hours a day because doing so will pull the water down further and further, providing no recharge. Mayor Miller asked if this will be an irrigation pump. Mr. Floyd stated that there are different rules and regulations for a public water supply well. Here there is a perfect case scenario where the well can be considered an irrigation well due to being able to dump the water the well produces directly into the lake. It is simply a raw water supply. A submersible pump will be installed that can be used with either type of well systems. Mr. Lovingood stated that we have been asked to consider doing another test well. He explained the steps that would need to be taken to drill a well for potable test well water site. The first step will be to contact North Carolina Water Supply. The next step would be the implementation. McGill Associates recommendation is to take the process step by step to keep the expenses low and to gather data to justify the next step. Mr. Floyd stated that the proposed Windsong Lane Well site could have water but due to some of the requirements that have to be met for portable water this test well site will cost more money. Public Utilities Director Robert Heaton stated that if the Town gets another yield that the Town is better off treating the water on site versus running pipe for a little over a mile. Mr. Floyd stated that the cost would increase for bringing up larger compression equipment by approximately \$1,000 – \$2,000 and the draw down recovery test of approximately \$4,000 – \$6,000. There would also be a cost of approximately \$2,500 – \$3,000 for the water samples that would need to be collected. After all of this was taken care of McGill Associates would then be able to submit engineering plans to the state. Mayor Miller pointed out that this would also include costs of getting power to the site. The pump will cost approximately \$25,000 – \$30,000. Mayor Miller asked if the second proposed site could be treated on site. Mr. Heaton stated that the second test well site could not be treated on site right now due to buffer restrictions. Mr. Floyd stated that if the first step does not look probable for water than the out of pocket expense would be approximately \$10,000. Council

questioned what the well production meant for the Town. Mr. Heaton stated that a well is only allowed to be pumped 12 hours a day. Mayor Miller stated that 150 gallons per minute would take care of 1,080 homes that use 3,000 gallons a month, 945 homes that use 4,000 gallons a month, and 756 homes that use 5,000 gallons a month. Mr. Floyd stated that finding a well that produces 200 gallons a minute happens about 5% of the time. Mr. Floyd stated that he would project the next test well site producing between a range of 50 to 100 gallons. Mr. Lovingood stated that the first step would be to meet with Public Water Supply on site to get permission to drill the site. Councilwoman Castiglione made a motion for McGill Associates and McCall Brothers to move forward with drilling another test well at the quoted test well cost based on the Town Manager receiving and approving acceptable cost estimates for having the onsite grading completed. Vice Mayor Piquet seconded the motion, the vote carried unanimously. Interim Manager Scott stated that the Town was still moving forward with the Watauga River Project Intake. Mayor Miller affirmed that the Town was still moving forward with the steps required for the Watauga River Intake Project. Mr. Heaton confirmed that Benjie Thomas, of West Consultants, is still working on the Watauga River Intake Project and that this will still be the Town's secondary water source.

- d. *Spruce Hollow to Beech Mountain Parkway Project*** – Public Utilities
Director Robert Heaton stated that M&M Construction of Banner Elk, Inc. was 6,000' (feet) into the project. The project is at Holiday Beech Villas. The contractor has made it through the woods and are almost halfway through laying the pipe for the project. Councilwoman Castiglione stated that the contractor has been good about moving their equipment off the road for visitors and residents.
- e. *Public Hearing Request for Proposed Ordinance Amendments to Remove Fee Amounts from the Town's Code of Ordinances*** – Interim Manager Scott stated that Town Clerk Jennifer Broderick had created the proposed ordinance and that it had been a long-term goal to remove fee items from the Towns Code. Vice Mayor Piquet motioned to schedule the public hearing for Council's next regular meeting. Councilwoman Castiglione seconded the motion, the vote carried unanimously.
- f. *Tourism Development Authority Board Appointments and Officer Designations*** – Mayor Miller opened the floor for nominations. Vice Mayor Piquet nominated Judy Decker and Larry Watren to the Tourism Development Authority Board and appointed Brian Barnes as Chairperson and Judy Decker as Vice Chairperson. Councilwoman Castiglione seconded the nominations and appointments. Mayor Miller called for discussion. Councilman Owen stated that moving forward he would like to have Ski Beech represented on the Town's boards. Councilman Owen stated that Ski Beech has a common interest in travel, tourism, and occupancy tax. Hearing no more discussion

Mayor Miller called the vote to appoint Judy Decker and Larry Watren to the Tourism Development Board, naming Brian Barnes as the Chairperson and Judy Decker as the Vice Chairperson, the vote carried unanimously.

- g. *Tree Committee Appointments*** – Mayor Miller opened the floor for nominations. Councilwoman Castiglione nominated Jeff Fish to the Tree Board. Councilman Sauer seconded the nomination. Hearing no more nominations Mayor Miller called the vote. Council voted unanimously to approve the appointment of Jeff Fish to the Tree Committee.

IX. Old Business

- a. *Vote on Proposed Ordinance to Amend the Town of Beech Mountain Regulations Regarding Fire Extinguishers*** – Councilman Sauer motioned to approve the Ordinance to Amend the Town of Beech Mountain Regulations Regarding Fire Extinguishers. Vice Mayor Piquet seconded the motion. Mayor Miller called for the vote; the vote carried unanimously. Ordinance No. 2017-01: *'An Ordinance to Amend the Town of Beech Mountain Regulations Regarding Fire Extinguishers'* is attached as Exhibit D and incorporated by reference as if fully set out within these minutes.
- b. *Vote on Proposed Ordinance to Amend the Town of Beech Mountain Dimensional Requirements Regarding the Minimum Size for Detached Single Family Dwellings*** – Councilwoman Castiglione motioned to approve the Ordinance to Amend the Town of Beech Mountain Dimensional Requirements Regarding the Minimum Size for Detached Single Family Dwellings. Councilman Sauer seconded the motion. Mayor Miller called for the vote; the vote carried unanimously. Ordinance No. 2017-02: *'An Ordinance to Amend the Town of Beech Mountain Dimensional Requirements Regarding the Minimum Size for Detached Single Family Dwellings'* is attached as Exhibit E and incorporated by reference as if fully set out within these minutes.
- c. *Vote on Proposed Ordinance to Amend the Town of Beech Mountain Subdivision Regulations Regarding Requirements for Open Space and Trails*** – Councilwoman Castiglione motioned to approve the Ordinance to Amend the Town of Beech Mountain Subdivision Regulations Regarding Requirements for Open Space and Trails. Councilman Sauer seconded the motion. Mayor Miller called for the vote; the vote carried unanimously. Ordinance No. 2017-03: *'An Ordinance to Amend the Town of Beech Mountain Subdivision Regulations Regarding Requirements for Open Space and Trails'* is attached as Exhibit F and incorporated by reference as if fully set out within these minutes.

X. *Town Manager and Staff Reports*

Town Birthday Party – Interim Manager Scott stated that the Town had considered holding the Town’s birthday celebration every five years beginning with year 2021 as a way to increase the meaningfulness of the celebration. Mayor Miller invited audience participation in the future scheduling of the Town’s birthday. Discussion was in favor from the audience to move to every five years. Councilman Owen suggested the possibility of changing the name and looking for other activities and things to celebrate concurrently. Council was in agreement to change the birthday years. Council directed Interim Manager Scott to establish the year and date for the first Town birthday party.

Dr. Shane and Mrs. Shane Property Donation – Interim Manager Scott stated that Dr. Shane and Mrs. Shane had donated their property to the Town. Interim Manager Scott stated the donation has already been accepted by Council. In accordance to the stipulations of the deed the Town will be looking to do some of the recreational uses that the Shane’s would like to see on this property. Mayor Miller stated that the Shane’s donation was the site location of the test well site. Mayor Miller stated that Council and the Town is very appreciative to Dr. Shane and Mrs. Shane for this generous donation to the Town. Interim Manager Scott stated that one of the things that the Town needs to make sure to do is to ensure that the Town does not house any of their work equipment on the property that do not have to do with the well site.

Town Seal – Interim Manager Scott stated that Ed Evans and Parks and Recreation Director Sean Royall had developed a proposed seal for the Town. This would be an additional item that could be used for sealing documents and marketing for the Town. Council determined they would not take any action and revisit the proposed Town Seal next month.

XI. *Town Council Comments*

Fire Calls – Councilwoman Castiglione asked about the increase in fire calls that from 5 last year to 10 this year. Fire Chief Bob Pudney stated that a lot of fires are caused by renters not knowing whether or not their fireplace is a gas or wood fireplace. Councilman Sauer stated that Beech Mountain was the first responder to the call at the Village of Sugar Mountain, and as such took charge of the fire.

Sister City / Tourism Development Authority – Mayor Miller informed the room that the Tourism Development Authority had proposed that the Town participate in a Sister City program and that the identified community that would be a good fit would be announced shortly.

Increased Call Volume at the Visitor Center – Mayor Miller thanked the Visitor Center for their good work reflected through their call volume. Kate

Gavenus, Director of Tourism and Economic Development, informed Council that the total recorded call volume for the 2016 and 2015 calendar year's was 11,669.

Mayor Miller stated that Council would take a short break at 5:30 p.m.

- XII. Closed Session – Pursuant to NC GS §143-318.11(a)(3) Attorney Client Matters and NC GS §143-318.11(a)(6) Personnel Matters** – At 5:44 p.m., Vice Mayor Piquet 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 *Solars v. Town of Beech Mountain* and *Town of Beech Mountain v. Milligan* and pursuant to NC GS 143-318.11(a)(6) Personnel Matters. The motion was seconded by Councilman Sauer and passed unanimously. Upon motion by Councilwoman Castiglione, seconded by Councilman Sauer, the Council voted unanimously to exit closed session at 5:55 p.m.

XIII. Other Business

Application Process – Mayor Miller stated that Town Clerk Jennifer Broderick will be providing the opportunity for the applicants selected to interview with the Town.

- XIV. Adjourn** – At 5:56 p.m., Councilman Sauer moved to adjourn, which was seconded by Councilwoman Castiglione. The motion passed unanimously.

Minutes approved by Town Council on February 14, 2017.

E. 'Rick' Miller, Mayor

ATTEST:

Jennifer Broderick, MMC
Town Clerk

January 10, 2017

**ATTACHMENT(S)
TO
MINUTES**

EXHIBIT A – Radio Antenna Agreement

EXHIBIT B – Budget Amendment #2-2017

EXHIBIT C – Tax Refunds (1) and Releases (2)

EXHIBIT D – Ordinance No. 2017-01: *‘An Ordinance to Amend the Town of Beech Mountain Regulations Regarding Fire Extinguishers’*

EXHIBIT E – Ordinance No. 2017-02: *‘An Ordinance to Amend the Town of Beech Mountain Dimensional Requirements Regarding the Minimum Size for Detached Single Family Dwellings’*

EXHIBIT F – Ordinance No. 2017-03: *‘An Ordinance to Amend the Town of Beech Mountain Subdivision Regulations Regarding Requirements for Open Space and Trails’*