

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
FEBRUARY 10, 2004

CALL TO ORDER

Mayor Rick Owen called the regular meeting of the Beech Mountain Town Council to order at 6:00 p.m. in the Town Hall. All Council members were present, as well as staff Seth Lawless, Jay Hefner, Riley Hatch, Keith Cook, Engineer Ed Powell, Architect Dan McDonald and Town Attorney David Paletta. There were a number of interested parties in the audience.

Invocation – Charlie Burleson opened the meeting with prayer

Pledge of Allegiance - All present joined in the pledge of allegiance to the flag.

1. ***Adoption of Agenda*** – Mayor Owen asked if there were any additions or deletions to the agenda. Seth Lawless asked that Resolution 04-02-02 be considered, declaring the 1997 Jeep Cherokee patrol vehicle surplus. The agenda was approved as amended.

2. ***Public Hearing – Proposed Financing for Recreation Center*** – Mayor Owen opened the hearing and recognized Seth Lawless. Mr. Lawless explained that the Town was considering entering into an installment purchase financing contract authorized by N.C.G.S. 160A-20 to fund approximately 80% of the cost to construct the proposed indoor recreation center. A request for proposals had been sent to four financial institutions requesting quotes on a 15-year and 20 year repayment schedule. Two banks, B B&T and Wachovia had submitted proposals, which were distributed to the Council at the January meeting.

Mayor Owen asked for comments from the audience. Hearing none, Pete Chamberlin moved to close the hearing. The motion was seconded by Gil Adams and passed unanimously.

3. ***Consent Agenda – Minutes of January 13th Regular Meeting.***

Paul Piquet noted that the names of two residents who appeared at the January meeting were misspelled, and moved to approve the minutes as amended. Dr. Waligroski seconded the motion and it passed unanimously.

4. ***Persons Wishing to Address Council***

A. ***Wilson King*** - Mr. King said that he was prompted to make his comments based on a specific situation that he was involved with, but that the purpose of his presentation was to request review of some Town ordinances in general. Mr. King stated that the Town has insufficient regulations regarding excavation of earth, especially when a building permit has not been issued. He asked that the Council review the existing regulations and consider doing more to protect property owners.

Paul Piquet stated that the Zoning Ordinance currently requires the Town Manager to approve excavation involving motorized equipment. Town Manager Seth Lawless stated that he became aware of the specific incident in question after it had been brought to his attention, and apologized to Mr. King for not discussing the existing requirements prior to his

presentation. Pete Chamberlin stated that the current regulations are vague. Wilson King urged the Town to be more involved in these types of situations.

Erich Rosenbusch was recognized and stated that he was the contractor that excavated around his home, including a part of a neighboring yard belonging to Mr. King. His home's foundation was leaking and needed to be repaired. Mayor Owen thanked Mr. Rosenbusch for his comments but stated that Council was interested only in discussing improvements to the Town Code, and not the specifics of what happened between he and Mr. King.

B. Jim Byrnes – Mr. Byrnes introduced himself and distributed a handout summarizing his presentation. Byrnes stated that he was wanted consistency in the administration of Town ordinances as well as new, broad regulations that would govern appearance and unforeseen circumstances that were not specifically covered by the Code. Mr. Byrnes advocated proactive code enforcement rather than the Town becoming involved only when receiving a complaint. Mayor Owen stated that the Town strives to be proactive in public matters. A general discussion ensued regarding Mr. Byrnes request for appearance regulations. Town Attorney David Paletta responded by describing the difficulty of drafting enforceable ordinances described by Byrnes. Erich Rosenbusch was again recognized and stated that the origin of the problem dates back to poor development in the Skiloft area, and that he was disappointed by the discussion. Mr. Rosenbusch continued on to say that he met with the Town Zoning Administrator prior to initiating his home improvement project. Members of the audience began to discuss the specific case among them and Mayor Owen ended the discussion and called for the Council to move on to the next agenda item.

5. Old Business – Proposed Contract w/ G.E.M. Constructors – Seth Lawless reviewed the letter from Overcash and Demmitt Architects recommending G E M., the low bidder, to construct the recreation center. Mr. Lawless then went over a list of negotiated deductions offered by the low bidder in an attempt to reduce the cost of the building. Mr. Lawless reviewed his recommendations on the negotiated items, the resulting project cost, the financing proposal and the anticipated impact of the annual debt service and operating costs on the General Fund. Mayor Owen asked for discussion on the deduct items. Paul Piquet advocated against using cultured stone over natural stone. Mr. Piquet stated that the natural stone would last the entire life of the building, while the life of cultured stone is still unproven. The architect, members of the audience and Town Council made comments on the stone. All agreed to leave the natural stone as part of the project. The next item discussed was the motorized window shades. Seth Lawless stated that he felt this item could be deleted. Dan McDonald explained that the shades were to cover the windows that will run the entire perimeter of the building, and that other blinds would need to be added if the building was going to be darkened for events or presentations. Mayor Owen reminded everyone that some of the anticipated functions would take place in the summer time, when the sun doesn't set until later in the evening.

Pete Chamberlin said that the total of all the proposed deductions amounted to very little when viewed against the total cost of the building and the 15-year amortization period of the loan. He also stated that there likely would be additions made to the project either during construction or after the building is in operation awhile. After further discussion, all Council members agreed to deduct only the water and sewer service lines (to be installed by Town forces), and to use the substitute sprinkler system and light fixture features offered by G.E.M. The total reductions amounted to \$10,025. Dr. Waligroski asked if user fees would be part of the operating budget. Seth Lawless replied that he would eventually be recommending a user fee schedule to Council and/or the Recreation Committee. Mayor Owen asked the audience if anyone had any additional

input. Rick Miller was recognized and stated that the project had involved much community input and scrutiny over four years. Mr. Miller stated his support for the project, and belief that it was now time for the Council to move ahead. Charlie Burleson recommended adding a swimming pool to the project.

Paul Piquet moved to approve the contract with G.E.M. Constructors with the deductions approved by Council earlier in the meeting. Pete Chamberlin seconded the motion and Mayor Owen called for discussion. Dr. Waligroski expressed concern over the Town's inability to legally bind the Tourism Development Authority (TDA) to dedicate the one third of the occupancy tax collections statutorily required for capital outlay to this project. David Paletta said that some short-term risk with the TDA is possible, but that over the long term the Council has the power of appointment to the TDA. Council will be able to appoint members as they see fit. Mayor Owen stated that the authorizing legislation for the occupancy tax and the TDA by-laws required that one third of the room tax collections be appropriated for tourist related capital facilities. Dr. Waligroski replied that the documents Mayor Owen was referring to would not prevent the TDA from diverting funds to some other capital project. Paul Piquet added that every current member of the TDA has publicly expressed support for the recreation center. Dr. Waligroski commented that future Town Councils would be required to know where potential appointees "stand" on the recreation center funding issue prior to appointment. Pete Chamberlin also commented that several years from now, new projects might gain support from the TDA but that Town Council would likely be involved and have the ability to influence any TDA Board from halting the annual contributions toward the recreation center's debt service requirements.

Gil Adams stated that the purpose of government is to do what is best for the majority of the people. Mr. Adams stated that he was confident in the proposed financing plan, but personally, as a taxpayer, he doesn't think a majority of Beech Mountain's citizens will benefit from the project. Mr. Adams questioned the purpose that will be served by the center, because there are currently multiple sources of recreation in Town and in nearby areas. Adams continued to say that he is not overly opposed to the project, but has trouble supporting it for the reasons stated above. Paul Piquet said that the building would serve a number of purposes including multiple recreation opportunities, provide meeting space, and hosting social/entertainment events. Adams replied that the facility might be needed in the future, but not at the present time.

Pete Chamberlin said that he shared many of the same concerns as Mr. Adams, but that Blowing Rock and other municipalities dedicate approximately 8-10% of their General Fund budget to parks and recreation, and the addition of the center would bring Beech Mountain into a similar range. Mr. Chamberlin said that his apprehensions had been eased somewhat by new ideas on how the center would be used by Town residents. Mr. Chamberlin continued that ideally a swimming pool would be added to the project, but that debate was for another time. Chamberlin concluded by stating that a lot of people that he respected worked on the project for a long time, and felt as though it was time to move ahead.

Mayor Owen made comments to the effect that the recreation center is a huge undertaking and that he did not arrive at his position on the issue without serious consideration. Owen commented that the building represented a turning point for the Town. Mayor Owen continued to say that the Town needed to represent all property owners and residents in the community, and that he felt this project was a positive step in that direction. There being no further discussion, Owen called for the vote. The motion passed 5-0.

5. *New Business*

A. Resolution 04-02-01 Approving Installment Financing Contract – Seth Lawless reported the financing bid results, and that B B&I was the lowest bidder on the 15 year fixed rate loan at 3.99%. Mr. Lawless also discussed the requirements of the Local Government Commission, and that he hoped to have the Town's application considered at their March 2nd meeting. Pete Chamberlin moved to approve Resolution 04-02-01. Paul Piquet seconded the motion and it passed unanimously.

B. Call for Public Hearing – The Council set a public hearing for the March 9th Regular Meeting to hear comments on a proposed zoning map amendment.

C. Review Engineers Recommendation for Phase II Sewer Rehabilitation Project – Mr. Lawless stated that bids for the project were opened February 5th, and that the consulting engineers, Hobbs, Upchurch & Associates recommended the low bidder, Iron Mountain Construction Company. The total of the base bid and alternate was \$405,460. Pete Chamberlin moved to accept the low bid and authorize the Town Manager to sign the contract with Iron Mountain Construction Company. The motion was seconded by Gil Adams and approved unanimously.

D. Proposed Contract w/ Hobbs, Upchurch – Mr. Lawless reported to Council that the previous agreement with Hobbs, Upchurch for engineering sewer line rehabilitation carried the Town through the completion of the Phase I project and the design of Phase II. The proposed agreement would hire the company to inspect the work awarded to Iron Mountain. Dr. Waligroski moved for approval of the agreement, seconded by Paul Piquet with all voting for the motion.

E. Budget Amendment and Capital Project Ordinance Amendment – Seth Lawless reviewed the amendments, which balanced the Wastewater Improvement Capital Project Ordinance, accounting for the A.R.C. grant and the operating budget appropriation to fund the Phase II sewer collection rehabilitation project. Pete Chamberlin moved for approval, Paul Piquet seconded the motion and it passed without dissent.

F. Audit Contract – Paul Piquet moved to accept the contract with Holder-Powell Accounting Firm for the 2003/04 annual audit. Dr. Waligroski seconded the motion and it passed unanimously.

G. Signatories - Dr. Waligroski moved to add Mayor Owen and Vice Mayor Adams as signatories to the Town's checking accounts. Pete Chamberlin seconded the motion and it passed unanimously.

7. *Staff/Consultant Reports*

A. Town Engineer's Report. - Mr. Powell reported that the Grassy Gap Plant Improvement project is substantially complete, and that the Pond Creek Plant Improvement project plans are now finalized.

B. Public Works Director's Report. – Riley Hatch reviewed departmental activities over the

past month. One of the Town's motor graders and a snowplow are currently being repaired. Pete Chamberlin suggested writing a letter to homeowners on the dead end roads that will be impacted by the sewer repair project. Seth Lawless said that staff will write the letters following the pre-construction conference.

C. Town Attorney's Report. – Mr. Paletta reported on two pending foreclosures, slated for February 26 and 27.

D. Police Report – Chief Hefner reviewed the monthly Police Department activity report, which is on file in the Office of Town Clerk.

E. Town Manager's Report. - On file in the Office of Town Clerk

F. Tax Collection Report - On file in the Office of Town Clerk.

G. Building Inspections Report - On file in the Office of Town Clerk.

8. Other Business – Pete Chamberlin moved to adopt Resolution 04-02-02, declaring the 1997 Jeep Cherokee surplus. Dr. Waligroski seconded the motion and it passed unanimously. Dr. Waligroski moved to move the July and August 2004 Regular Meetings to the 2nd Monday of the month to avoid a conflict with other scheduled events. Gil Adams seconded the motion and it passed unanimously.

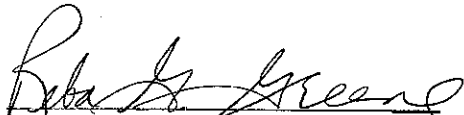
By consent, the meeting adjourned at 8:30 p.m.

Minutes approved by Town Council on 3/9/, 2004.



Mayor

ATTEST:



Acting Town Clerk

