

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – May 14, 2013

I. CALL TO ORDER

Mayor Owen called the regular meeting of the Beech Mountain Town Council to order at 3:01 p.m., Tuesday May 14, 2013 in the Town Hall Council Chambers. Other Council Members present were Alan Holcombe, Paul Piquet, Rick Miller and Cindy Keller. Town Attorney Stacy C. Eggers, IV. was present. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Finance Officer Nancy Johnson, Town Planner James Scott, Fire Chief Robert Pudney, Tourism Development Authority Coordinator Amy Morrison, Public Utilities Director Robert Heaton and Public Works Director Riley Hatch.

II. Invocation – Police Chief Jay Hefner 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. April 9, 2013 Regular Meeting – Councilman Holcombe motioned to approve the April 9, 2013 Regular Meeting Minutes as amended. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

b. April 9, 2013 Closed Session – Vice Mayor Piquet motioned to approve the April 9, 2013 Closed Session Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

VI. Public Hearing

a. Public Hearing to Amend Regulations Regarding Junked Car Regulations in Beech Mountain – Councilman Miller motioned to open the public hearing. Councilman Holcombe seconded the motion and the motion passed unanimously. Town Planner James Scott stated that there is a junk car ordinance in Beech Mountain but the ordinance, as now written, does not allow Beech Mountain to take action on a car that is on private property without the consent of the owner. Mr. Scott stated that the State of North Carolina gives 2 options for how to handle junk cars. One of these options is tailored more to resort communities like Beech Mountain. Mr. Scott stated the wording for this option has been taken and incorporated into the wording for the proposed amended ordinance. Mr. Scott stated that the proposed ordinance would achieve the goals Beech Mountain is trying to achieve. Jim Klingerman of 168 Chestnut Way stated that he felt that the proposed ordinance was still subjective and asked who would be making the decision. Mr. Scott stated that he would be making the decision about the vehicle. Mr. Scott stated that when a State statute is written with subjectivity then this is the best way it can be stated. Attorney Eggers also stated that there was a due process where a property owner has the ability to appeal if they are having

issue with the decision. Lee Wittmann of 102 Rainbow End wanted to know what the definition of a junk car is. Mr. Scott stated that it would have to be a vehicle that is a motor vehicle. Mayor Owen stated that what staff has presented is determined by State statute. Mr. Wittmann asked if it would not be prudent to review the ordinance further to make sure it is including everything the Town wants. Mayor Owen stated that this ordinance is following State statute and that, if adopted, it can always be added to. Denise Andrews of 300 St. Andrews Road stated that this has been an ongoing problem that Council should take care of right now and add to later if the need still exists. Hearing no more public comment Vice Mayor Piquet motioned to close the public hearing. Councilman Miller seconded the motion and the motion carried unanimously.

VII. Public Comment

a. Proposed Town Comprehensive Plan – Mayor Owen stated that the Town's proposed Comprehensive Plan is available on the Town's website and available in hard copy form at Town Hall to look at. Mayor Owen stated that the public can offer comments at any time. Town Planner James Scott stated that Council has set a schedule for staff to bring the proposed Comprehensive Plan back to Council's attention at the end of summer after the public has had an opportunity to provide feedback.

b. General Comment Period –

Denise Andrews of 300 St. Andrews stated that she has lived here since 1992 and has been walking her dogs up here for 6 years. Mrs. Andrews stated that she was frustrated with a recent situation which occurred when her dogs as well as a friend's dogs were approached by a loose very aggressive dog. The owner of the dog informed her that he could not control his dog. Mrs. Andrews stated that the police issued the owner of the dog a warning. Mrs. Andrews read aloud the Town's Ordinance which dealt with animal control and stated that the Town needed a more enforceable leash law or needed to enforce its current ordinance more stringently; not feeling that a warning was sufficient in this situation.

Jill Ezell of 123 St. Andrews stated that she was with Denise Andrews when this situation occurred. Mrs. Ezell stated that the owner of the unleashed dog was asked if they could control their animal during their regular walking time. Mrs. Ezell stated that the owner would provide her with no guarantees. Mrs. Ezell asked if Council would consider getting the word out on Channel 2, the Bark Park and Buckeye Recreation Center regarding the Town's animal control policy.

Theres Barry of 100 Squirrel Lane stated that she has had a couple of incidents where she has walked her own leashed dog on her own street and been knocked over by another owner's dog who had broke its leash.

Anthony Ananea of 335 Locust Ridge Road stated that he has worked with animals and recommended that individuals carry pepper spray. Mr. Ananea stated that this is not to say that the Town should not protect.

VIII. New Business

a. West Consultants – Benjamin Thomas of West Consultants addressed Council. Mr. Thomas informed Council that he was providing a brief update on the Water Plant Project and that there would be a more detailed report with some cost details presented at next months' meeting. Mr. Thomas stated that Urs Gsteiger, of the Water Committee, has looked into the funding options available for the project extensively and that he has researched the funding options available for the Town as well. Mr. Thomas stated that the Drinking Water State Revolving Fund is the best option for the Town. This option can be used whenever the project becomes shovel ready, pending the availability of funds. Mr. Thomas informed Council that the regular application deadline is September 30th and that Beech Mountain should meet this deadline this year. Mr. Thomas stated that principal forgiveness is potentially available through the Drinking Water State Revolving Fund if the Town charged \$51.89 per month for a water bill based on 4,500 gallons as well as met some other criteria. Mr. Thomas stated that a zero-interest rate is potentially available but that this may change after May 2014. Mr. Thomas informed Council that the second best funding source for the Towns forthcoming projects was a loan through the United States Department of Agriculture. Mr. Thomas stated that with regards to the design of the new Water Plant the initial capacity will be 1 million gallons per day due to the limited source water quantity. Mr. Thomas stated that the future capacity of the Water Plant will be 1.5 million gallons per day to meet the projected population by 2030. Mr. Thomas stated that a goal in the design work phase will be to design the new Water Plant in such a way that only a few adjustments and/or improvements will be needed when source water availability allows for increasing the capacity to 1.5 million gallon per day plant. Allowances in the Water Plant design will also be made, where feasible, to minimize costs if and when to expand to 2 million gallon per day Water Plant. Mr. Thomas informed Council that other tasks that have been completed and/or were in the progress were that 3 area water plants have been visited along with Town staff to ascertain advantages and disadvantages of various systems and components and that cost data has been collected on various treatment types. Mr. Thomas stated that so far it appears that membrane technology is a viable option but not compelling since the future replacement costs will be uncertain. Mr. Thomas stated that based upon this information a conventional Water Plant was being recommended. Mr. Thomas stated that the committee has recommended that the building for the new Water Plant be located in such a manner that the impacts on the view from Buckeye Recreation Center be minimized. Mr. Thomas stated that the costs associated with this preference will be roughly estimated by Councils next regularly scheduled meeting for Councils consideration. Mr. Thomas stated that a probable construction cost would also be ready for Council at their next meeting. Councilman Miller asked about the starting size. Mr. Thomas stated that the average daily flow is .4 million gallons per day but that the Town needs to plan for its peak which right now is .8 million gallons per day. Public Utilities Director Robert Heaton stated that the million gallons per day was closer to .9. Mr. Thomas stated that Public Water is not going to fund a larger project that is not going to be used. Mr. Thomas stated that the Town cannot get a permit right now for anything over 1 million gallon per day Water Plant. Councilwoman Keller asked what the old building would be used for. Mr. Thomas stated that the plan is to keep the old Water Plant building as well as to keep the clear well tank, the office space and the pumps that lift the water from Buckeye Lake. Mr. Thomas stated that upgrades on heating and air will be made to the existing Water Plant and noted that there was some cracking on one side of the building. Mr. Thomas stated that it was not going to be affordable for the Town to try to replace everything in the current Water Plant building. Vice Mayor Piquet stated that the Towns minimum utility rate was based on a different minimum than the

Drinking Water State Revolving Fund required and asked how this would impact the Town. Mr. Thomas stated that the State looks at what the charge would be if 4,500 gallons were used. Mr. Gsteiger stated that the State would look at what the Town charges at for 4,500 gallons of use. Vice Mayor Piquet stated that with this being the case the Town would not need to establish 4,500 gallons as their minimum. Mr. Gsteiger and Mr. Thomas concurred.

b. Summer Meeting Schedule – Mayor Owen asked for Councils input. Mayor Owen stated that in previous years the time had been changed to encourage participation from the community but that the community proved last year that they were able to show up at 3:00 pm. Councilwoman Keller stated holding the meetings at 6:00 p.m. did not encourage more people to attend as they were eating then. Councilwoman Keller recommended 4:30 as a nice compromise. Councilman Miller motioned for Councils regularly scheduled meetings for June, July and August to be held at 5:00 p.m. Councilman Holcombe seconded the motion and the vote passed unanimously. Mayor Owen stated that he was not able to attend the Tuesday, June 11th regularly scheduled meeting. After discussion Council moved the regularly scheduled meeting date to Wednesday, June 12, 2013 at 5:00 p.m.

c. Presentation of Proposed Fiscal Year 2013 – 2014 Budget – Manager Feierabend stated for the Sanitation Department there is no rate increase requested; Fund Reserve is projected to be approximately \$39,000 to \$41,000, budget requested is approximately \$350,000 and that staff is proposing to operate Recycling Center 7 days a week during the months of June, July and August. Manager Feierabend stated for the Water and Sewer Department there is no rate increase requested; fund reserve is projected to be approximately \$1,020,000. Manager Feierabend stated that for the General Fund there is no tax increase requested; Fund Reserve is projected to be approximately \$3,500,000 - \$3,700,000, budget requested is 97% or approximately \$4,455,000. Challenges for this budget include financing the Water Plant Project. Manager Feierabend stated that staff is moving approximately \$125,000 to \$150,000 of utility expenses to the General Fund. Manager Feierabend stated that the budget also includes separation pay of approximately \$17,000, the loss of the hold harmless funds from the State of \$42,000 and Health Insurance increases of approximately \$81,000. Manager Feierabend stated some key facts about the budget were proposed personnel changes; Cost of Living Adjustment of 1%, certification program funded at 1%, employee 401k reduced from 5% to 4% and the beginning of a 4 year transition of employee health insurance reductions being implemented. Manager Feierabend stated that future increases in family, spouse and dependents coverage are to be paid by employee; reductions have been made in gravel and paving program and that major projects included \$18,000 for work on 6 acre tract and parking lot slope. Mayor Owen asked that Council would review the proposed budget in front of them and get back to staff with questions.

d. Public Hearing Request for Proposed Fiscal Year 2013 – 2014 Budget – Mayor Owen asked for Council to schedule a date for the public hearing to be held. Vice Mayor Piquet recommended holding the meeting at Buckeye Recreation Center. Councilman Miller requested that Council do workshops first.

e. Schedule Dates for Budget Meetings – After much discussion Council scheduled a budget workshop for Wednesday, May 29th at 5:00 p.m. at Town Hall. Council stated that the Wednesday, June 12, 2013 meeting would be held at Buckeye Recreation Center at 5:00 p.m. Vice Mayor Piquet motioned to schedule the public hearing for the proposed fiscal year

2013 – 2014 budget for the June 12, 2013 meeting. Councilman Miller seconded and the motion and the vote passed unanimously. Council also instructed staff to schedule a budget workshop meeting for Wednesday, June 19, 2013 at 5:00 p.m. at Town Hall.

f. Advertise Delinquent Property Taxes – Councilman Miller motioned to advertise the delinquent property taxes. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Manager Feierabend advised Council that some of the individuals on the list have paid.

g. Planning Board Appointment – Mayor Owen asked Council for nominations. Vice Mayor Piquet motioned to nominate Pete Chamberlin. Councilman Miller seconded the motion and the vote passed unanimously.

h. Budget Amendment Request – Manager Feierabend stated that this amendment would allow staff to resurface the tennis courts this year, complete roof repairs with the settlement funds plus additional funds, replace the carpet in the meeting room with wood flooring and correct the fire alarm that is not working properly. Manager Feierabend stated that staff would like to pay for it out of this year's budget and not roll it into next year's budget. Councilwoman Keller asked what kind of flooring was going to be used. Manager Feierabend stated that the proposed flooring was oak with padding underneath. Vice Mayor Piquet motioned to approve the budget amendment. Councilman Holcombe seconded and the motion passed unanimously.

IX. Old Business

a. Adopt or Differ Ordinance to Amend Regulations Regarding Junked Car Regulations in Beech Mountain – Councilman Miller motioned to adopt the amended ordinance as presented. Vice Mayor Piquet seconded the motion. Councilwoman Keller asked why so much of the previously proposed ordinance was deleted. Attorney Eggers stated that the language that was deleted was the language that mirrored the other State policy that the Town could have followed. Councilman Miller asked that staff look into trailers that could be considered junk. Town Planner James Scott stated that the issue of trailers would probably fall under the zoning ordinances. Attorney Eggers advised that trailers could fall under solid waste. Mayor Owen called the vote and the vote passed unanimously. Ordinance No. 2013-07 is attached as Exhibit A and incorporated by reference as if fully set out within these minutes.

b. Fire Chief Job Classification – Mayor Owen stated that staff had received information back from them from the MAPS Group as Council had requested. Councilman Holcombe motioned to accept the recommended classification. Vice Mayor Piquet seconded the motion and the vote passed unanimously. Councilman Holcombe motioned to move Town Fire Captain Robert Pudney into the new Town Fire Chief position. Councilman Miller seconded the motion and the vote passed unanimously.

X. Town Manager and Staff Reports –

Historical Society and Location – Manager Feierabend stated that the Historical Society had been given permission by LifeStore Bank to use a small room at the 3363 Beech Mountain

Parkway location. Manager Feierabend reported that power has been turned on and tested at the building.

Bid Opening April 22, 2013 for ABC Gravel – Manager Feierabend stated that when the bid opening was originally completed that there had been a tie between the two lowest bidders. As a result the Town completed the steps to do a new bid. Manager Feierabend reported that the new lowest bid came in \$1.01 less than the two original low bids. Public Works Director Riley Hatch stated that 8,450 tons of gravel will be delivered.

Property for Sale at Pinnacle Ridge Road and Red Fox Road – Manager Feierabend stated that the property before Council is in an estate. The individuals in charge of the estate would like to give the property to the Town. Estate laws dictate that this property cannot be given away but that there must be a closing in which the receiving party pays for the closing costs plus \$1. Vice Mayor Piquet motioned to approve staff to pay for the costs of closing plus \$1. Councilman Miller seconded the motion and the vote passed unanimously.

Mayor Owen stated that Council would take a short break at 4:33 p.m.

- XI. Closed Session – Pursuant to NC GS 143-318.11(a)(3) for Attorney Client Matters Including – Beech Mountain v. Genesis Wildlife Sanctuary; NC GS 143.318.11(a)(5) Potential Acquisition of Real Property; NC GS 143.318.11(a)(2) to Prevent the Premature Disclosure of an Award and NC GS 143.318.11(a)(1) Personnel Matters*** – Upon motion by Councilman Holcombe at 4:45 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 Including – Beech Mountain v. Genesis Wildlife Sanctuary; NC GS 143.318.11(a)(5) Potential Acquisition of Real Property; NC GS 143.318.11(a)(2) to Prevent the Premature Disclosure of an Award and NC GS 143.318.11(a)(1) Personnel Matters. Vice Mayor Piquet motioned to exit closed session at 5:11 p.m., which was seconded by Councilman Holcombe. The motion passed unanimously.

XII. Other Business

Proposed Budget Personnel Changes – Manager Feierabend stated that this is a very difficult budget and that he is open to Council's suggestions but that right now his recommendation to Council is to remove the Police Captains position from the Police Department. Mayor Owen stated that it is Council's responsibility to determine if the budget would be adopted with this change and that it is no longer in staff's hands. Council agreed with Mayor Owen.

Watauga County Sales Tax Distribution – Vice Mayor Piquet asked when the Town would get an official piece of documentation that the Watauga County Sales Tax Distribution reallocation had happened. Attorney Eggers stated that Watauga County reported these funds to the State and met the deadline. Vice Mayor Piquet stated then this could affect the budget. Mayor Owen stated that this figure is based on collection. Manager Feierabend and Finance Officer Nancy Johnson reported that the money is currently being received monthly. Vice Mayor Piquet stated that he understood that the Town wants to use the money to go towards the Town's Water Plant Project. Manager Feierabend stated that his recommendation was that this money went to Fund Reserve to be used for the Town's Water Plant Project.

XIII. Adjourn – Mayor Owen motioned to adjourn the meeting at 5:21 p.m., which was seconded by Councilman Holcombe. The motion passed unanimously. The meeting was adjourned at 5:21 p.m.

Minutes approved by Town Council on June 12, 2013.

Richard H. Owen, Mayor

ATTEST:

Jennifer Broderick, CMC
Town Clerk