

ADJOURNED SESSION BOARD MEETING of May 21, 1997, with Mayor John Cleaveland and Commissioners H. N. James, Zeke Sossomon, Ron Sanders, Mike McCall, and Donnie Calloway present.

Also present were Richard Betz, Lamar Nix, Steve and Brenda Pierson, Rosemary Fleming, and Curtis Hayes.

I. Mayor Cleaveland reconvened the meeting, adjourned from May 14, at 6:30 p.m.

II. Business.

1. The Board again discussed a request for funding, in the amount of \$1000 each year for three years, for an Environmental Education Position from the Little Tennessee River Basin NPS Team, as discussed at previous meetings. The Mayor said that he was not opposed to environmental education, but he had some concerns about whether this person's role would be limited to education. The Clerk had learned that the Town of Franklin was proposing to donate \$500 each year for three years to the position. Comm. Sanders felt that the Town should consider donating \$500 this year, but that the request should be reviewed again next year. He made a motion to that effect, but there was no second.

2. The Board again discussed a requested donation of \$5000 from Macon County Humane Society Inc. The Clerk distributed copies of the Humane Society's proposed budget for FY 97-98 which he had obtained as requested at the previous meeting. He said that he had spoken to a Humane Society official, and approximately 25% of their stray animals reportedly came from the Highlands area.

MOVED BY COMM. JAMES, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO DONATE \$2000 TO THE MACON COUNTY HUMANE SOCIETY FOR THE COMING FISCAL YEAR.

3. Comm. McCall reviewed Fire Department plans to replace the 1973 Pumper Fire Truck and construct an addition to the Fire Department Building over the next two to three years. The Clerk said that none of the expenditures would be made in FY 97-98, as he had erroneously reported on May 14. The new service fees would bring in a projected \$70,000 each year, and the Clerk said that he had budgeted an increase in fund balance of approximately \$30,000 for the coming year due to the increased revenues. Comm. James felt that the Board should consider contributing to the building addition, and should be setting aside funds for this purpose; the Board asked Comm. McCall and the Clerk to meet together to further discuss this matter.

4. The Clerk reviewed several proposed increases in the Fee Schedule with the Board.

• Solid Waste: He proposed increasing Solid Waste fees from \$7.00 to \$8.00 per month for residential pickup, and commercial rates as follows:

<u>Type User</u>	<u>Added Fee (Current)</u>	<u>PROPOSED AMENDMENT</u>
Small	\$10.00	\$15.00
Medium	\$20.00	\$30.00
Large	\$40.00	\$60.00

He explained that the purpose was to increase revenues to cover operating expenses in the Sanitation Department, and projected that additional annual revenues would be \$43,000.

• Water/Sewer: He proposed establishing commercial rates for water service, based on water meter size, with minimum charges approximately 33% higher than residential minimum charges. The proposed minimum rates are as follows:

<u>Size of Meter</u>	<u>Inside Town</u>	<u>Outside Town</u>	<u>COMMERCIAL</u>
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R - 3/4"	11.00	22.00	14.70
A - 1"	14.30	28.60	19.00
B - 1-1/4"	19.80	39.60	-
C - 1-1/2"	25.30	50.60	33.75
D - 2"	30.80	61.60	41.00
E - 3"	36.30	72.60	48.40

He explained that the purpose was to increase revenues for operating expenses and debt service in the Water and Sewer Departments; sewer revenues, based on 175% of water charges, would increase proportionately. He projected that additional annual revenues would be \$16,150 in the Water Fund and \$28,250 in the Sewer Fund.

• Electric: He proposed increasing commercial electric rates as follows:

<u>Current</u>	<u>Proposed</u>
Basic Charge (single phase) \$10.50	\$12.00
Basic Charge (three phase) \$19.00	\$21.00
First 1000 KWH: -.115	.120
Next 2000 KWH: -.065	.070
All over 3000 KWH: -.050	.055
Demand Over 10 KWH: \$3.90	\$4.00

He explained that the purpose of the increase was to offset a 6.5% increase in Demand and 5% increase in Energy charges from Nantahala Power & Light effective last month. The average increase would be 2.6% overall, and he projected that additional annual revenues would be \$65,000. At the May 14 meeting, the Board had also proposed increasing the monthly fee for yard lights from \$6.75 to \$7.75, increasing the charge for special readings from \$10.00 to \$20.00, and increasing the charge for service calls from \$25.00 to \$30.00.

MOVED BY COMM. CALLOWAY, SECONDED BY COMM. SOSSOMON, AND UNANIMOUSLY CARRIED TO AMEND THE FEE SCHEDULE AS PROPOSED, WITH SOLID WASTE AND WATER RATES TO BECOME EFFECTIVE JULY 1, AND ELECTRIC RATES TO BECOME EFFECTIVE JUNE 1.

The Mayor said that he understood Macon County may soon be considering county-wide solid waste pickup, involving a combination of "blue bags" and recycling.

5. The Clerk reported that he would be presenting the FY 97-98 budget at the May 28 Special Meeting. Preliminary calculations indicated that the Town would be able to afford all of the items discussed at the May 14 meeting, including Phase I of the Bowery Road Water Project at \$182,000, as well as setting aside \$137,000 in addition to the \$100,000 already reserved toward the Main Street Utilities Improvement Project.

The Mayor reported that Rep. James Carpenter had informed him that he was trying to get the State Legislature to appropriate an additional \$150,000 toward the Main Street project.

Comm. Calloway asked if he had included funds for opening up 4½ Street. The Clerk said that he had placed this item on the agenda of the June 4 meeting, since he understood the Planning Board would be making a recommendation at their June 2 meeting; he said the proposed budget could be amended accordingly.

6. The Clerk noted that the agenda for the meeting had indicated that the Board would be going into Closed Session to discuss individual employee salaries, in accordance with §143-318.11(a)(6). He said that, in discussing this matter with newspaper reporter Curtis Hayes from The Highlander earlier in the day, Mr. Hayes had told him that in his opinion such a Closed Session was not authorized by the open meetings law. He had subsequently reviewed this question

with Town Attorney Bill Coward and with League of Municipalities attorney Kimberly L. Smith, and both attorneys had agreed that the Statute authorized a Closed Session for discussion of individual employee salaries as related to qualifications, competence, and performance of employees. He understood that general personnel policies and final action on salaries would have to be discussed in open session.

Mr. Hayes was present, and said that he disagreed.

MOVED BY COMM. SANDERS, SECONDED BY COMM. CALLOWAY, AND UNANIMOUSLY CARRIED TO GO INTO CLOSED SESSION.

The Board discussed in great detail proposed increases in salaries for individual full-time employees as related to qualifications, competence, and performance, based in part on a salary schedule under consideration as part of the League of Municipalities pay and classification study.

MOVED BY COMM. CALLOWAY, SECONDED BY COMM. MCCALL, AND UNANIMOUSLY CARRIED TO GO INTO OPEN SESSION.

7. MOVED BY COMM. CALLOWAY, SECONDED BY COMM. SANDERS, AND CARRIED TO APPROVE THE FOLLOWING INCREASES IN SALARY, AND IN ADDITION TO APPROVE A 3% COST OF LIVING ADJUSTMENT FOR ALL FULL-TIME EMPLOYEES, EFFECTIVE WITH THE NEW FISCAL YEAR. Comms. Calloway, Sanders, and James voted "aye;" Comms. McCall and Sossomon voted "nay."

<u>No.</u>	<u>Employee</u>	<u>Salary</u>
102	Geraldine Crowe	\$26,106
103	Richard Betz	37,809
107	Connie Sparacino	19,411
108	Lamar Nix	37,809
109	Eddie Madden	27,428
111	Lisa Wilson	16,330
201	Jerry Cook	29,537
203	James McCall	21,962
204	W. P. Perkey	20,393
205	Todd Ensley	20,393
206	R. L. Forrester	19,896
208	Willie Houston	23,074
209	Clifford Ammons	18,938
221	C. Dwayne Thomas	18,025
301	Bobby Creswell	26,811
402	Dale Walker	18,025
311	Wade Wilson	24,242
304	Kevin Waller	19,896
407	Jimmy Mull	18,938
306	Leroy McCall	28,114
307	Mike Burrell	24,848
309	Stanley Houston	19,411
310	Wayne Johnson	18,938
401	Johnny Henry	28,114
403	Roy Henry	16,738
406	Eugene Ramey	17,585
409	W. Lee Reddish	16,330
501	Wm. "Butch" Beck	25,469
503	Clyde Brown	17,156
505	John Smith	16,738
610	Kenneth Norris	16,738
611	"Petey" Bryson	16,738
600	Craig McCall	35,109
605	Greg James	33,418
606	David Leffler	33,418
607	Clay Talley	33,418
618	Dale McMahan	17,585
619	David Webb	17,585
701	Selwyn Chalker	29,537
703	Bonnie Bryson	18,476
704	Wymer Bryson	17,585

705 Gary McCall

13,738

The Board agreed to postpone discussion of the proposed Personnel Manual, salary schedule, and job classifications until a later date.

III. MOVED BY COMM. CALLOWAY, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO ADJOURN.

Meeting was adjourned at approximately 9:00 p.m.

Richard Betz, Town Clerk