

SPECIAL BOARD MEETING of November 29, 2006, with Mayor Don Mullen and Commissioners H. N. James, Alan Marsh, Hank Ross, and Dennis DeWolf present. Comm. Patterson was unable to attend.

Also present were Richard Betz, Lamar Nix, Sonjia Stewart, Kim Lewicki, Jim Lewicki, Linsey Wisdom, Eric NeSmith, and Bill Staley.

I. Call to Order.

The Mayor called the Special Board Meeting to order at 7:00 p.m.

II. Approval of Agenda.

Copies of the agenda had been distributed by mail. The Town Administrator noted that one item of New Business, discussion of a proposal to assess sediment removal in Big Creek, had been inadvertently omitted from the agenda; he also requested that the Board consider approving Christmas bonuses.

MOVED BY COMM. MARSH, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO APPROVE THE AGENDA AS AMENDED.

III. Business.

1. The Mayor reported that he had met with many interested citizens to discuss affordable housing in Highlands, and if agreeable to the Board he proposed appointing a task force for that purpose, headed by MaryAnn Sloan. He also reported that Jim Hickman, Local Government Assistance Team Leader with DENR's Division of Pollution Prevention and Environmental Assistance, would be speaking on recycling at Rotary next week, and he invited everyone to attend.

2. Each Board member had received a copy of a lease agreement with Rotary Club of Highlands for the Conference Center, prepared by the Town Administrator and Town Attorney, reflecting the proposal made by Brian McClellan at the October 18 Board meeting.

MOVED BY COMM. MARSH, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO APPROVE THE LEASE AGREEMENT.

Comm. DeWolf also distributed copies of cost estimates prepared by Wolf River Construction for repairs to the building.

3. Each Board member had received a letter dated November 29 from Ted McGavran of McGavran Engineering, proposing to proceed with a plan discussed at a Public Works Committee meeting on November 7. The letter proposed collecting data from the Town and preparing a report to the Board that would show the condition of the pole attachment situation and recommend steps to improve the financial and operational condition of the electric plant as relates to pole attachments; the cost estimate for preparing the report was \$7,500, which would be "considered as a recoverable cost," according to the letter.

Town Engineer Lamar Nix said that he thought the proposal would be to the Town's advantage. Comm. James also felt that the Town needed some help, although it needed to keep in mind that "recoverable costs" would ultimately be passed on to the ratepayers; he also thought that the proposal should be reviewed by the Town Attorney. Comm. DeWolf agreed that some help was needed, and he thought that a big advantage with the proposal was the promised leverage to work with Verizon.

MOVED BY COMM. MARSH, SECONDED BY COMM. JAMES, AND UNANIMOUSLY CARRIED TO

ACCEPT THE PROPOSAL. Comm. James felt that a not-to-exceed cap of \$7500 should be placed on the cost of the report; Comm. Marsh agreed to amend his motion accordingly.

Bill Staley, Regional Manager for Northland Cable, was present. He said Northland shared the Town's frustration in waiting for Verizon to move its attachments. He expressed a concern, though, that the Town's current pole attachment fee of \$10.00/pole was higher than that charged by Duke, GTE, and Verizon, which ranged from \$4.87 to \$5.96/pole; rates were already too high, and he did not think it would be good to push more costs on to customers. He said that Northland did have other competition, both from satellite TV and from another company with which the Town had past experience; he hoped that company would comply with Town regulations.

Comms. Ross and James asked if the Pole Attachment Ordinance would need to be amended in light of the new legislation going into effect January 1; the Town Administrator agreed to forward it to the Town Attorney for review and provide copies for the Board.

4. Each Board member had received a proposal dated November 13 from Peter Alberice of Camille-Alberice, who had met with the Board on November 8 to discuss development of an architectural study for the Town Hall property; the amount for Phase I of the study - programming, schematic design, and cost estimate - would be \$21,200 plus expenses. Comm. DeWolf said he had reviewed the proposal and the approach sounded good, they had the expertise, and the fee schedule seemed fair; however, he thought it may be advisable to reach out and consider alternate firms. Comm. Ross agreed; he thought the Town should check with one or two other architects and invite them to submit informal proposals. Comm. Marsh wondered if the Town should proceed with the Phase I work now; Comm. Ross felt that whoever did the Phase I work would have an impact on the design concept. The Board agreed by consensus for Comms. DeWolf and Ross to contact additional architects.

5. The Board considered filling the vacancy on the Appearance Commission. Comms. Ross and DeWolf nominated Dixie Barton; Comm. James nominated Mike Bryson. The Board agreed for Comms. Marsh and Patterson to forward their nominations to the Clerk for tabulation at the next meeting.

6. Each Board member had received a copy of a proposal from Mountain Engineering dated October 31 for assessing sediment removal from Big Creek, for a total estimated cost of \$16,000. Town Engineer Lamar Nix said that the proposal was for hydraulic dredging of the lake, which was the most efficient and cost effective method of removing the silt; the proposal would accurately measure the silt and provide an estimate of the cost.

Comm. James said that the news media should ask if the water ratepayers should fund the removal of silt for a few property owners around the lake. Kim Lewicki said she thought the project was going to be funded by a grant. The Mayor explained that financing had not been decided yet, but could involve a combination of a grant and a loan from USDA Rural Development.

MOVED BY COMM. ROSS, SECONDED BY COMM. DEWOLF, AND CARRIED TO ACCEPT THE PROPOSAL. Comms. Ross, Dewolf, and Marsh voted "aye," and Comm. James voted "nay."

7. The Town Administrator recommended the following Christmas bonuses for full- and part-time employees, the same as last year:

- Less than one year of service.....\$150.00
- Between one year and ten years of service.....\$200.00
- Between ten years and twenty years of service....\$250.00
- More than twenty years of service.....\$300.00
- Part-time employees.....Hams

MOVED BY COMM. ROSS, SECONDED BY COMM. DEWOLF, AND UNANIMOUSLY CARRIED TO APPROVE THE BONUSES. The Town Administrator thanked the Board on behalf of all employees.

8. MOVED BY COMM. DEWOLF, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO

GO INTO CLOSED SESSION PURSUANT TO G. S. §143-318.11(A)(6) TO DISCUSS A PERSONNEL MATTER. All present left the room except the Clerk and the Town Attorney.

The Town Administrator discussed the Code Enforcement Position with the Board.

MOVED BY COMM. MARSH, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO GO INTO OPEN SESSION.

9. Comm. Marsh asked about the status of the Stormwater Master Plan being prepared by McGill. The Town Administrator said he had contacted Forrest Westall the previous week and had been told that McGill was still awaiting some inventory information; he hoped to be able to provide a draft copy by mid-December and then forward it to the Board for comments in January.

10. Comm. DeWolf said he thought it might be advisable to defer the Highlands Playhouse presentation, which he understood was on the agenda of the next meeting, until the Recreation Committee had met and discussed Civic Center use policy; the Board agreed by consensus.

IV. Adjourn.

MOVED BY COMM. DEWOLF AND UNANIMOUSLY CARRIED TO ADJOURN.

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 8:15 p.m.

Richard Betz, Town Clerk