

**Town of Montreat
Board of Commissioners
Town Council Meeting
June 8, 2017
Walkup Building**

Board members present: Mayor Tim Helms
Mayor Pro Tem Kitty Fouche
Commissioner Bill Gilliland
Commissioner Kent Otto
Commissioner Mary Standaert
Commissioner Ann Vinson

Board members absent: None

Town staff present: Alex Carmichael, Town Administrator
Steve Freeman, Public Works Director
Dave Arrant, Police Captain/Interim Police Chief
Stefan Stackhouse, Finance Officer
Barry Creasman, Senior Water Operator
Angie Murphy, Town Clerk

Approximately 37 members of the public were also present. Mayor Helms called the meeting to order at 7:01 p.m., led the group in reciting the Pledge of Allegiance, and held a moment of silence.

Agenda Approval

Commissioner Vinson moved to adopt the agenda as presented. Commissioner Gilliland seconded and the motion carried 5/0.

2017-2018 Fiscal Year Budget Workshop

Mr. Carmichael started the Public Hearing by reviewing the Budget Calendar as listed below and gave a brief recapitulation of what has occurred thus far in the Budget Process.

- April 7 (Annual Board Retreat – C.I.P Review)
- May 25 (Presentation of Proposed C.I.P. and Annual Budget)
- May 25 – June 8 (Budget Review by Board of Commissioners)
- June 1 (Public Budget Hearing)
- June 8 (Budget Workshop)
- June 20 (Adoption of Final Budget)

Mr. Carmichael reviewed the Capital Improvement Plan items that were discussed at the Annual Board Retreat. The items that were chosen as priority for 2017-2018 have been ranked according to priority based on the Council's votes during the Retreat. The items in green are considered top priority while yellow is a medium priority and those highlighted in red are low priority. Please see

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chart below:

Project	Estimated Price (first year)	High	Medium	Low	Score
Bucket Truck	\$ 25,000	6			18
Town Hall Replacement	\$ 111,521	6			18
Public Works Building	\$ 111,521	6			18
Local Street Paving	\$ 194,000	6			18
Water Line Replacement	\$ 55,000	6			18
New Road Paving	\$ 40,000	5	1		17
Water Tank Inspection/Maintenance	\$ 25,000	5	1		17
Subtotal	\$ 562,042				
Portable Generators	\$ 5,000	4	2		16
Radio Replacement	\$ 44,200	4	2		16
Subtotal	\$ 49,200				
Comprehensive Plan	\$ 35,000	1	1	4	9
Ordinance Recodification	\$ 15,000			6	6
Subtotal	\$ 50,000				
*Other: Tree Program	\$ 10,000				
Subtotal	\$ 10,000				
Total	\$ 671,242				

Mr. Carmichael stated everything above other than the portable generators, the comprehensive plan and the ordinance recodification were tentatively scheduled to be funded by the 2017-2018 Annual Budget.

Mr. Carmichael then reviewed the expenditures by department:

- Administration \$298,139
- Governing Board \$72,229
- Planning and Zoning \$84,519
- Police \$416,300
- Public Buildings \$434,514
- Public Works \$130,219
- Recreation and Environment \$7,000
- Sanitation \$100,037
- Streets \$465,013
- Water \$364,711

Mr. Carmichael stated that this Budget does include the assumed revenue for the sale of the Florida Terrace Property of \$225,000 which is the amount the Town paid for the property. This leaves Montreat with an estimated unappropriated fund balance of \$1,309,516. There will be a one-time fund balance transfer of \$127,718 and total capital outlay of \$754,000. Key Accomplishments of the 2017-2018 Budget are High and Medium Priority Capital Projects will be completed, a 2.5% cost of living adjustment for all employees other than the Town Administrator, a more robust insurance package at 8% lower cost and 0% tax rate increase. Mr. Carmichael reminded everyone in attendance that the budget is available in the Town Services Building as well as on the website.

Mayor Helms asked if anyone had any questions with regards to the revenue portion of the budget. Commissioner Standaert questioned where the budgeted \$2,000 payment in lieu of taxes derives from and Mr. Stackhouse stated that it is not a specific identified source of money but it is something we budget in the hopes of getting. Mr. Carmichael further explained that this assumption of funds was not included in this year's budget. Commissioner Standaert stated that she cannot approve a budget that includes monies from the assumed sale of Florida Terrace which is 10% of the overall budget. Commissioner Standaert further elaborated that this piece of property was on the market for a year and a half before the Town purchased it and that it currently is not for sale. Commissioner Vinson asked where donations from the Cottagers, Inc appear in the budget. Mr. Stackhouse advised that this shows up under the category of donations.

Mayor Helms then moved on to the expenditures. Mayor Helms asked why there was an increase under Maintenance & Repair and Mr. Carmichael explained that furniture and equipment in the office are nearing the end of their useful life and we will have to start thinking about replacing some of it soon. Mr. Gilliland asked what Travel & Training encompassed. Mr. Carmichael advised that he has allocated funds for the Municipal Manager's Certification for himself, the remaining portion of the Certified Municipal Clerk Class for the Town Clerk and required training for the new Finance Officer position. Mayor Helms then asked Mr. Carmichael to explain the separation allowance that is established for law enforcement officers. Mr. Carmichael stated that North Carolina requires municipalities to provide benefits to law enforcement officers who retire before the age of 62 and this allowance supplements their retirement income. The figure budgeted this year is for retired Police Chief Jack Staggs. The capital outlay recommended for the Police Department is for the impending federal mandates for radio upgrades. These upgrades would allow our Police Department to interact with other public safety officials in the area in the event of an emergency.

Mayor's Communications

Mayor Helms had no communications for the evening.

Consent Agenda Review

The proposed Consent Agenda will include the following items:

- April 6, 2017, Public Forum Meeting Minutes
- April 6, 2017, Town Council Meeting Minutes
- April 7, 2017, Town Council Annual Board Retreat Minutes

Town Administrator's Communications

- Mr. Carmichael reported that he has been in communication with the NCDOT and a division of the municipal bridge program and he has been asked for additional information which he is in the process of preparing for them.
- Mr. Carmichael advised the Board that he has a proposed Budget Adoption Calendar which will begin with a presentation only meeting on May 25; a Public Hearing on June 1; a Budget Workshop during the regularly scheduled meeting on June 8; and a Budget Adoption on June 20th.
- Mr. Carmichael advised that the Town of Montreat has several committees with vacancies: such as the Tree Board, Planning & Zoning and the Board of Adjustments. He encouraged anyone with interest to apply.

Commissioner Standaert asked if there would be a question/answer period for the Commission as well as a public comment period during the presentation only meeting. Mr. Carmichael proposed this schedule as a way to give the community time to digest the information before the Board makes any initial revisions on June 8th but he would be happy to open the floor for question/answers on May 25th per Commissioner Standaert's request.

Administrative Reports

Police Chief: Interim Police Chief/Captain Arrant reviewed and presented the April 2017 monthly departmental activity report. Captain Arrant stated that April was a rather slow month with mileage being down a significant amount due to the vacancy with the department. There was a rather quick spreading fire on Carolina Heights, just outside the Montreat Gate, which could have encroached onto Kanawha but thankfully due to the quickness and the number of fire agencies that responded there was no threat to Montreat. Captain Arrant reported that a truck did get stuck inside the Gate but there was no structural damage to the Gate this time.

Public Works Director: Public Works Director Steve Freeman advised that Sanitation Pickup will start Friday pickup service on June 2nd as well as in lieu of Memorial Day refuse will be picked up on Tuesday May 30th instead of Monday May 29th. Public Work Crews are busy testing a newly installed 6 inch water main along Mecklenburg Circle. The next step is to connect the main to the system as well as installing the residential taps along the line. Crews are looking to the 2nd week of June for the Mecklenburg/Upper Louisiana Paving Project to begin.

Finance Officer: Mr. Stackhouse present and reviewed the following monthly reports:

- April 2017 Financial Summary Report;
- Final April 2017 Detailed Financial Statement;
- April 30, 2017 Cash and Investment Earnings Report;
- Preliminary May 2017 Detailed Financial Statements.

Building Inspector/Code Enforcement Officer: Mr. Currie presented and reviewed his April 2017 zoning and inspections activity report. Planning & Zoning and the Board of Adjustments did not meet in the month of April. Mr. Currie reported that Planning & Zoning would be meeting the following Thursday to discuss the possibility of rezoning Florida Terrace at the request of the Council. Mr. Currie also reported that Anderson Auditorium's window replacement project was almost finished and the windows will not only be cost effective but they have increased the beauty of the building as well.

Public Comments

Mayor Helms reiterated that this Public Comment period was intended for remarks pertaining to items listed on the meeting agenda, including staff reports and communications.

Mr. Ron Sneed, John Jordan's attorney, was there to speak on behalf of Mr. Jordan who was unable to attend the meeting. Mr. Sneed stated that Mr. Jordan felt that the stormwater ordinance is a burden to the property owner as well as a burden to the growth of the Community. Mr. Jordan feels that the ordinance creates extra cost which discourages development in Montreat. Mr. Jordan feels that there are things within the ordinance that could be relaxed. Mr. Sneed suggested that relaxing things within the MS4 permit application process would be helpful as well. Mr. Sneed believes that Mr. Jordan wants to take appropriate measures to reduce pollution but feels that certain areas of our ordinance are overkill.

Mr. Jim McNair of 224 Virginia Road said that Mr. Jordan has spent over \$10,000 in the engineered system and then spends over \$1,400 annually in inspections and frankly he's tired of it.

Mr. Mike Sonnenberg of 125 Virginia Road asked a series of questions about stormwater.

Mrs. Clare Frist of 98 Frist Road felt that perhaps a trial period with no Agenda Meetings would be a great compromise for both sides of the issue. If the trial period did not seem to work then the Council could revert back to monthly Agenda Meetings.

Mr. Sam Sloan of 423 Kentucky Road suggested that Option B under Item B in New Business would be the best way to go with regards to the Agenda Meeting issue.

Mrs. Peggy Scheu of 146 Eastminster Terrace felt that we should eliminate Agenda Meetings and consider other creative ways to get the information out to the public and the Commission.

Mr. Bill Scheu of 146 Eastminster Terrace also felt that eliminating the Agenda Meeting would be an efficient way to handle the business of the Board. In some instances the Agenda Meeting has been used as a Regular Meeting with no vote so in essence people are attending the same meeting twice.

Mrs. Shannon Ingersoll of 124 Eastminster Terrace felt that one meeting a month would be a good use of everyone's time and would eliminate the need for meeting space rent.

Mr. Gordon Neville of 226 Alabama Terrace agreed with the idea of having one meeting per month.

Old Business

There was no Old Business to discuss.

New Business

- A. Promotion of Justyn Whitson to Officer Second Class: Officer Justyn Whitson has been a valuable member of the Montreat Police Department. Officer Whitson has far exceeded the extra training required for his current position. Commissioner Vinson moved to approve the transference of rank and a two percent pay increase, per the Officer Advancement Program adopted in 2005 and amended in 2017. Commissioner Standaert seconded and the motion carried 5/0.
- B. Rescheduling or Cancellation of Agenda Meeting: Mr. Carmichael reviewed options A through E which ranged from cancelling the Agenda Meeting completely, to rescheduling the Regular Meeting to the 1st Thursday of the month and even holding the Agenda Meeting during business hours. Mayor Helms asked if everyone understood all the options. Mayor Pro Tem Fouche has listened to the opinion of many homeowners and she felt that the Agenda Meetings add cost financially in compensatory time as well as personal time for paid staff. She feels that more people would attend a single meeting each month where everything happens. Mayor Pro Tem Fouche read an excerpt from an email sent to the Commissioners which suggested a trial run for several months of not having an Agenda Meeting to see how it worked. Mayor Pro Tem Fouche moved that we start the Public Forum at 6:30 p.m. on the second Thursday of the month followed by the Regular Meeting which would begin with the agenda approval. Commissioner Gilliland seconded. Commissioner Standaert stated that the Commissioners knew the commitments involved when they made the choice to run for elected office. Commissioner Standaert finds the Agenda Meetings to be crucial in doing her job as an elected official. She stated that only the Town Administrator and Town Clerk are required to attend the meetings, with an estimated cost of \$150 in compensatory time and room rental fees, while other associates could be invited as needed. Commissioner Standaert recommended holding the Agenda Meeting the week before the Regular Meeting during business hours so all associates could attend if they wanted. Commissioner Vinson felt that the

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purpose of the Agenda Meeting was to ask for additional information when needed. For example, last week the Board asked for more options with regards to the Agenda Meetings which Mr. Carmichael then provided in the weeks packet. If it had not been for the Agenda Meeting the other options would not have been so readily available. Commissioner Otto stated that he enjoyed being able to hear from the Community but there are some Agenda Meetings where very few people speak. He also needs time to research but as long as he has the Agenda Packet a week to 10 days ahead of the meeting he can have time to speak to staff as necessary. Commissioner Otto felt that while \$150 seemed insignificant in the scheme of things it does add up and it could have been used to pay for vision insurance for staff. Commissioner Otto stated that he is open for compromise and is interested in doing a trial run to see if a different schedule works better for everyone. Mayor Pro Tem Fouche was encouraged at the Annual Retreat when Commissioner Vinson suggested looking into other avenues for the Agenda Meetings and she feels that a trial period would be beneficial for everyone. Mayor Helms called the question and the motion failed due to lack of 2/3 majority vote with Commissioners Otto, Commissioner Gilliland and Mayor Pro Tem Fouche voting in the affirmative and Commissioners Standaert and Vinson voting against the motion. Commissioner Vinson moved to reschedule the Agenda Meeting to the first Thursday of the month at 4:00 p.m. and move the Public Forum to the second Thursday of the month before the Regular Meeting at 7:00 p.m. Commissioner Standaert seconded the motion. Commissioner Standaert suggested adding one public comment period at the beginning of the Agenda Meeting and would like some feedback on that. Mayor Pro Tem Fouche felt that this would not be beneficial to the two Commissioners that work full or for people in the community who may work or be otherwise occupied during the daytime. Commissioners Standaert and Vinson voted in the affirmative while Commissioners Otto, Gilliland and Fouche voted in opposition.

- C. Montreat as an Inclusive Community: Commissioner Standaert moved to add the phrase “to be an inclusive community” to the Town of Montreat Board of Commissioners Mission Statement. Commissioner Vinson seconded the motion. The motion failed 2/3 with Commissioners Standaert and Vinson voting in the affirmative and Commissioners Otto, Gilliland and Fouche voting in opposition.
- D. Florida Terrace Property: Commissioner Standaert moved to sell the Florida Terrace Property owned by the Town of Montreat and to authorize the Town Attorney, Town Administrator, the Mayor and the Commissioner of Finance to investigate and report back to the Commission, specific proposals for the method of sale and state requirements for the process at the July meeting. And to authorize the Town Attorney, Town Administrator, the Mayor and the Commissioner of Finance to investigate and report back to the Commission, specific proposals for the method of sale and state requirements for the process at the July meeting. This would include methods to sell the property as a single unit or division into separate lots. Cost analysis of what the Town has currently invested in the property, including analysis for rock, water, geothermal possibilities and any other cost already spent by the Town which add to the material value of the property. Commissioner Vinson seconded the motion. Mayor Pro Tem

Fouche moved to amend the motion as follows: move to authorize the Town Attorney, Town Administrator, Mayor and the Commissioner of Finance to investigate and report back to the Commission, in a timely manner, specific proposals for the method of sale and state requirements for the process. This would include consultation with a broker to assist with a recommendation concerning market value, whether to sell as a single unit or divide into separate lots, and methods to sell the property. Also, as part of the report, would be a cost analysis of what the Town has currently invested in the property including analysis for rock, water, geothermal possibilities and any other investments. Commissioner Otto seconded the motion. Commissioner Standaert wanted to add a specific time limit back into the motion. Commissioner Otto stated he was hesitant to sell the property immediately due to the possibility of rezoning. Commissioner Standaert asked if the Town needed to retain the property due to the availability of water on the property. Public Works Director Steve Freeman stated that the property was not wide enough to meet the requirements for municipal wells. Mayor Helms called the question on the amended motion. Commissioner Gilliland, Otto and Commissioner Fouche voted in the affirmative. Commissioner Standaert and Vinson voted against the amended motion. The affirmative motion carried 3/2. Mayor Pro Tem Fouche moved to vote on the original motion as amended. Commissioner Otto seconded and the motion carried 4/1 with Commissioner Standaert voting in opposition.

The following motion passed 4/1: move to authorize the Town Attorney, Town Administrator, Mayor and the Commissioner of Finance to investigate and report back to the Commission, in a timely manner, specific proposals for the method of sale and state requirements for the process. This would include consultation with a broker to assist with a recommendation concerning market value, whether to sell as a single unit or divide into separate lots, and methods to sell the property. Also, as part of the report, would be a cost analysis of what the Town has currently invested in the property including analysis for rock, water, geothermal possibilities and any other investments.

- E. Potential Subdivision of Florida Terrace Property: Commissioner Standaert moved to authorize a survey of the Florida Terrace property and direct Staff to prepare deed documents for potential subdivision into separate lots. Commissioner Vinson seconded. The motion failed 2/3 with Commissioners Otto, Gilliland and Fouche voting against the motion.
- F. Schedule Annual Budget Workshops, Meetings and Public Hearings: Commissioner Standaert moved to adopt the following schedule of budget presentations, hearings and workshops:
- May 25 Presentation of proposed capital improvement plan (C.I.P) and annual budget (presentation only)
 - June 1 Public hearing of the proposed C.I.P and budget
 - June 8 Budget workshop held during regularly scheduled Commission meeting and
 - June 20 Board of Commissioners adopt final budget.

Commissioner Gilliland seconded the motion and motion carried 5/0.

Public Comments-Other Topics

Mayor Helms reiterated that the Public Comment period were for remarks pertaining to public business items not listed on the meeting agenda, including any reports or communications from other community entities.

Mrs. Martha Campbell of 149 Maryland Place thanked everyone for the public support of the Arbor Day Celebration and Native Plant Sale. Mrs. Campbell advised those in attendance that next year's celebration is scheduled for the last Saturday in April.

Mr. Gill Campbell of 149 Maryland Place suggested that the Board considering updating the Comprehensive Plan.

Commissioner Communications

Commissioner Vinson stated that there was a good turnout for the Arbor Day Celebration and Native Plant Sale. Eric Mueke with the North Carolina Forest Service was on hand to deliver a talk about Firewise and he will be back to talk with the Cottagers in July.

Commissioner Standaert attended a meeting held by the League of Municipalities in Black Mountain last week. She felt that they provided a generous amount of legislative updates and she asked Mr. Carmichael to keep us updated on any changes from the General Assembly. One of the things before the General Assembly is a ¼% municipal sales tax and she would like to be apprised of any changes. Commissioner Standaert also mentioned the PILOT (payment in lieu of taxes) program and she encouraged the other entities to donate to the Town for all their hard work.

Upcoming Meeting Dates

Mayor Helms reviewed the following list of upcoming meeting dates and deadlines:

<u>Open Space Conservation Committee:</u>	May 9, 2017, 3:30 p.m. Town Services Building
<u>Planning & Zoning Commission:</u>	May 18, 2017, 7:00 p.m. Walkup Building
<u>Montreat Tree Board:</u>	May 23, 2017, 9:30 a.m. Town Services Building

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June Town Council Agenda Meeting:

June 1, 2017, 7:00 p.m.
Walkup Building
Public Forum starts at 6:30 p.m.

Montreat Landcare:

June 7, 2017, 9:00 a.m.
Allen Building
Swannanoa Room

Closed Session

Commissioner Vinson moved to enter into Closed Session in accordance with NCGS §143-318.11(5) to instruct the Town's staff concerning the position to be taken on behalf of the Town in negotiating the price and other material terms of a contract for acquisition of an interest in real property and also NCGS §143-318.11(6) for discussion of a personnel matter. Commissioner Otto seconded the motion. The motion carried 5/0.

Commissioner Vinson moved to enter back into Open Session. Commissioner Gilliland seconded the motion. The motion carried 5/0.

Upon returning to Open Session, Commissioner Vinson moved to direct the Town Administrator to conduct an internal-only recruitment for the Chief of Police position whereby qualified applicants already employed by the Town of Montreat may apply. Commissioner Gilliland seconded and the motion carried 5/0. Commissioner Gilliland moved to Compensate Captain David Arrant with a 5% pay increase for out of class assignment as Chief of Police, to be applied retroactively from April 1st, 2017 until such time as Captain Arrant ends his interim assignment. Mayor Pro Tem Fouche seconded and the motion carried 5/0. Commissioner Vinson moved to authorize the Town Administrator to negotiate with Susan Taylor Rash for the continuation of representation, including representation by her during her remaining time at Adams, Hendon, Carson, Crow & Saenger, P.A. and later at Patla, Straus, Robinson & Moore, P.A., and for the transfer to Susan Taylor Rash all of the Town of Montreat's files at such time she stops providing legal services at Adam, Hendon, Carson, Crow & Saenger, P.A. and begins providing services at Patla, Staus, Robinson, & Moore, P.A. Mayor Pro Tem Fouche seconded and the motion carried 5/0.

Adjournment

There being no further business, Commissioner Gilliland moved to adjourn the Town Council Agenda Meeting. Commissioner Vinson seconded and the motion carried 5/0. The meeting was adjourned at 10:27 p.m.

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Tim Helms, Mayor

Angela Murphy, Town Clerk