

**Town of Montreat
Board of Commissioners
Town Council Meeting
November 12, 2015
Walkup Building**

Board members present: Mayor Letta Jean Taylor
Mayor Pro Tem Mary Standaert
Commissioner Martha Campbell
Commissioner Tim Helms
Commissioner Jack McCaskill
Commissioner Ann Vinson

Town staff present: Ron Nalley, Town Administrator
Stefan Stackhouse, Finance Officer & Deputy Town Clerk
Steve Freeman, Public Works Director
Barry Creasman, Senior Water Operator
David Arrant, Master Police Officer

Approximately 45 members of the public were also present. Mayor Taylor called the meeting to order at 7:00 p.m., led the group in reciting the Pledge of Allegiance, and in prayer.

Agenda Approval

Mayor Taylor asked if there were any corrections to the agenda. Mayor Pro Tem Standaert requested that the approval of the July 2nd through September 10th Minutes be pulled from the Consent Agenda until Board members could have additional time to review them. Commissioner Vinson moved to approve the Agenda as amended. Mayor Pro Tem Standaert seconded and the motion carried 5/0.

Presentation to Council: 2014-2015 Fiscal Year Audit Report

Mr. Brian Lee, CPA and Field Auditor of Martin, Starnes & Associates presented and reviewed the 2014-2015 Fiscal Year Audit Report. The Report reflected an unmodified opinion, meaning that the Town's financial statements were fairly presented in all material respects. Mr. Lee summarized the procedures and stages of review performed at each phase of the audit process, as well as, the definition, purpose and calculation of the Town's Fund Balance. Mr. Lee then gave comparison data indicating Fund Balance levels over the past three fiscal years. The Fund Balance for the General Fund is \$1.457 million, an increase of \$37,676 from last year, of which \$1.377 million is available for appropriation. This represents nine to eleven months of General Fund expenditures. Mr. Lee reviewed significant revenue sources and expenditures for the General and Water Funds, comparing each figure to the balances reported at the end of the prior fiscal year. General Fund revenues exceeded expenditures by \$49,467 and Mr. Lee noted that in the Water Fund, Special Assessment projects in the Upper Kentucky area distorted the year-end results showing a larger loss due to higher capital project costs in the current year as compared with the revenues that will be received over a ten year period. Mr. Lee thanked the Audit Committee and

Town staff for their participation and cooperation in this year's audit. The Local Government Commission has approved both the Town's Audit Report and Comprehensive Annual Financial Report (CAFR). The Town's CAFR earned a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association, and Mr. Stackhouse has been recognized with an Award of Financial Reporting Achievement for his contributions toward preparing the CAFR document.

Mayor Taylor thanked Mr. Lee for his report. Commissioner Campbell recognized and thanked the members of the Audit Committee, including Commissioner Vinson, Chair of the Committee, Commissioner McCaskill, Commissioner Helms, Phil Arnold and Bill Hollins.

**Public Hearings: Proposed Revisions to Montreat General Ordinance,
Chapter K, Article V: Trees**

Mayor Taylor opened the public hearing for comments on the proposed revisions to Montreat General Ordinance, Chapter K, Article V: Trees.

Bill Seaman, 425 Appalachian Way and Chair of the Montreat Landcare Committee, stated that the intent of the Ordinance is to help fulfill the objective of having Montreat apply for national recognition as a Tree City USA, a concept unanimously endorsed by the Landcare Committee earlier this year. The revision has the additional benefit of cleaning up outdated language in the current zoning ordinance. The Tree Ordinance is one of four requirements for being approved by the Arbor Day Foundation as a Tree City USA. Tree City USA status gives a municipality a certain prestige, but the real payoffs are in becoming better informed and equipped concerning the health of our forest ecosystem and the trees in our yards. Education is a major priority for Landcare. Tree City USA designation also has the practical effect of qualifying a city to apply for and receive certain funding. Mr. Seaman went on to say that this year's deadline for submittal to the NC Forest Service is December 7th and that over 3,400 towns and cities already have dealt with and resolved their tree laws in becoming Tree Cities. The proposed Ordinance was drafted using model ordinances that have been adapted into the draft. Expert reviews were also solicited from a State forester and a private attorney, who each read the initial draft of the ordinance and provided comments which were then incorporated into the draft. Mr. Seaman then thanked the Board for their consideration of the proposed Ordinance.

Wade Burns, 232 North Carolina Terrace, noted that the proposed Ordinance is primarily intended for public rights-of-way and Greenspaces, with a spillover to private properties found in Section 8. Mr. Burns expressed concern in regard to the requirements to treat or remove trees, noting that Duke Energy pays for what they do, however the Town, who is responsible for much of the Ordinance, is not always in the financial position to do the same. Mr. Burns also expressed concern with the requirement to remove stumps and felt that this provision was not good for Montreat because of the benefit stumps have in controlling erosion.

Eric Muecke, with the North Carolina Forest Service, stated that he has worked in municipal forestry for nineteen years, has written one tree ordinance and assisted many other communities with theirs. Eighty communities in North Carolina have the Tree City USA designation, which is a foothold for gaining additional funding for urban forest activities in communities. Applicability to trees located on private property is controversial. However, the threats to trees are the same, whether they are on private property or public right-of-ways. Mr. Muecke noted that there is always a danger of new pests and pathogens being brought in by tourists and people relocating to the community. If a new pest or pathogen moves in, he encouraged the Board to put a system in place to address it. In response to a question from Commissioner Helms, Mr. Muecke stated that it was not necessary to have Section 8 in the draft Ordinance in order to apply for Tree City USA designation.

There being no further comments, Mayor Taylor closed the Public Hearing.

Mayor's Communications

Mayor Taylor acknowledged that her term of office was drawing to an end after twenty-two years, and expressed her appreciation to the Town Staff.

Consent Agenda Review

Mayor Pro Tem Standaert requested additional time to review the Minutes and requested they be considered at the December meeting. There being no objection, the Board will reagenda the Minutes for the December meeting.

Town Administrator's Communications

- Mr. Nalley noted that the Minutes of July 2nd through September 10th will be placed on the December agenda for consideration. The Minutes for the October 1st Agenda Meeting, the October 8th Town Council Meeting, the October 15th Special Meeting, and the November 5th Agenda Meeting are still pending and will be available for approval during the December meeting.
- Mr. Nalley reported that the Texas Road Bridge right-of-way agreement with the Montreat Conference Center is still pending and that a letter from President Richard DuBose indicates that this matter has been referred to the Montreat Conference Center Executive Committee.
- As reported at the last meeting, the sanitation services discussion has been delayed until the Board's January meeting.
- Mr. Nalley reviewed recent information from the North Carolina School of Government regarding the 2015 Powell Bill changes made by the legislature. While Powell Bill funding has up to now been determined by a formula tied to State gasoline tax revenues, in the future,

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funding allocations will be subject to yearly state budget appropriations. The Town presently receives approximately \$45,000 per year in Powell Bill funding. The new legislation also directs that the allocated funding be used primarily for resurfacing streets within the corporate limits. The Town currently spends about \$25,000 on small, street resurfacing projects while the remaining Powell Bill funds are used for signage, surveying, drainage, and pothole repair. With the State diverting these funds to resurfacing projects, the impact to future budgets is estimated to be equivalent to about one cent on the property tax rate. In addition to these changes, the State has expanded the municipality's authority to levy a local tax to fund street construction, improvement, or repair projects by levying up to a \$30.00 motor vehicle license tax on any vehicle resident. Currently, municipalities have authority to levy a \$5.00 per vehicle tax, however Montreat does not levy such a tax. The implication of the changes is that municipalities will be expected in the future to use local revenues to fund the majority of street construction, improvement and repair projects. It is important to realize that the changes being made in Raleigh can often have a devastating impact on small towns like Montreat. Commissioner Campbell questioned how a \$30.00 motor vehicle tax would be imposed on students, employees or residents who have vehicles registered in another county or state and stated that this may even cause more confusion. Mr. Nalley advised that the Town of Black Mountain currently levies a \$5.00 per vehicle tax which is billed through the Buncombe County Tax Department. Mr. Nalley stated that in the past, it was determined that the vehicle tax would not raise enough revenue to be worthwhile for Montreat, however this should now be considered as an option as the Board moves forward with budget discussions in January.

Administrative Reports

Police: Officer Arrant presented and reviewed the October 2015 monthly departmental activity report. Due to the forecast for severe weather at the beginning of October, the CodeRed emergency notification system was tested on October 2nd with an 81% call success rate. The Town received a lot of positive feedback from the test and Officer Arrant encouraged everyone to make sure that they were registered with CodeRed and that the information provided on the website is updated periodically. Officer Arrant stated that the Police Department and Public Works Department worked together to clear downed trees and limbs from the roadway. All officers have now completed their mandated State and departmental training requirements. In response to a question from Commissioner Campbell, Officer Arrant noted that there has been some increased parking at the trailheads due to the leaf season, but nothing far from what the department normally sees during this time.

Mayor Taylor reminded the public that if they did not receive a call, text, or email from the CodeRed system, it means that they have not signed up yet, and she urged them to do so now, by registering at the Town of Montreat website. Mayor Pro Tem Standaert reminded everyone that initial funding for the CodeRed project was made possible through a gift from the Montreat Cottagers Inc.

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Public Works Director: Mr. Freeman reported that the bulk item pick-up on October 27th resulted in the collection of 50 cubic yards of material. Pothole patching has been completed, and staff members are now at work clearing leaves from the highest streets down towards Assembly Drive. Mr. Freeman reminded the public to please bag their leaves and to not blow them into the street or drainage ditches.

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

- September 2015 Financial Summary Report;
- Final September 2015 Detailed Financial Statement;
- Preliminary October 2015 Detailed Financial Statement;
- October 31, 2015 Cash and Investment Earnings Report.

Building Inspector/Code Administrator: Mr. Currie was absent and presented his report during last week's Agenda Meeting.

Public Comment

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

There were no comments from the public at this time.

Old Business

- A. Montreat General Ordinance, Chapter K, Article V: Trees and the Tree City USA Application: Commissioner Vinson moved to adopt proposed Montreat General Ordinance, Chapter K, Article V – Trees. Commissioner Campbell seconded the motion.

Mayor Pro Tem Standaert expressed her concerns with the stump removal requirement and the requirements of Section 8 of the proposed Ordinance. Mayor Pro Tem Standaert stated that if previous stump removals were not grandfathered, the Town will have to remove the stump across from the post office which has some historical importance to the town. She also expressed concern that just about every property in Montreat may have an infected hemlock, and that the way the proposed Ordinance reads, property owners will have to remove every infected tree from their property at their own expense. Mayor Pro Tem Standaert stated that she sees the need for some way to deal with new, future infestations but wondered if there was some way to modify this section to exclude the hemlock wooly adelgid.

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Commissioner Helms agreed with Mayor Pro Tem Standaert regarding Section 8 and that he does not like people telling him what to do with his trees. Commissioner Helms feels that most people in Montreat do take care of their trees and stated that Section 8 needs additional work.

In response to questions raised by Commissioner Campbell, Mr. Nalley noted that most of what is found in the proposed Ordinance is nothing new and that we have been dealing with these issues in Montreat for quite some time. If trees on private property are found to be unsafe, the Police Department or Public Works Department contacts the owner to resolve the matter. Mr. Nalley cited the recent example of a walker along the Assembly Drive trail, hitting his head on a sagging limb. The owner of the tree was contacted and the limb was removed. In almost all cases, the Town has found property owners with dangerous or unsafe trees to be cooperative and that the Ordinance is designed to address those people who are not as cooperative. With regard to stumps, the Town's practice is to reduce the stump down to ground level and then cover it with soil rather than fully removing the stump. Mr. Nalley clarified that the proposed Ordinance is in keeping with the current practice in that it does not require the stumps complete removal. Mr. Nalley also pointed out that the Town will at times keep the lower sections of dead trees standing as habitat for wildlife as long as they do not pose a danger. Mr. Nalley reminded everyone that the proposed Ordinance is meant to be used a tool for protecting the urban forest and that the intent is not to demand trees be removed from private property unless they threaten the health, safety or welfare of our residents and visitors. Mr. Nalley then noted that there is a notification and appeal process in the proposed Ordinance, in case someone disagrees with the Town or Public Works Director.

Following discussion, the Board agreed to remove Section 8 with the understanding that Commissioners Standaert and Campbell will work on revised language for consideration in the near future. Mayor Pro Tem Standaert moved to amend the original motion by adding that Section 8 of the proposed Ordinance be removed. Commissioner Vinson second and the amendment to the motion carried 5/0. The amended motion to adopt Montreat General Ordinance, Chapter K, Article V – Trees, with Section 8 of the proposed Ordinance removed then carried 5/0.

Application for Tree City USA Designation: Commissioner Campbell moved to apply for Tree City USA designation and authorize the Mayor and Town Administrator to execute any necessary documents. Commissioner Vinson seconded and the motion carried 5/0.

New Business

- A. Town Clerk Appointment: Commissioner Vinson moved to appoint Angela Murphy to the Town Clerk position effective November 23, 2015 at a starting salary of \$36,500. Commissioner Campbell seconded and the motion carried 5/0. Commissioner Vinson stated she was very impressed with Ms. Murphy and is excited about her joining the Town. Commissioner Campbell stated that Ms. Murphy is, among other things, a part-time dispatcher with the Black

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Mountain Police Department and very familiar with the Town, while Commissioner Helms added that she is very customer service oriented.

- B. Approval of Revised Contract with Asheville Savings Bank - Financing of Upper Kentucky Area Phase I Special Assessment Projects: Commissioner Helms moved to approve the revised contract with Asheville Savings Bank as approved by the LGC to finance \$300,000 of the Upper Kentucky Area Phase I Special Assessment Projects over a ten year period, and to authorize the Mayor and Finance Officer/Deputy Town Clerk to execute the necessary documents. Commissioner Vinson seconded and the motion carried 5/0.
- C. Planning and Zoning Commission Member Appointment: Mayor Pro Tem Standaert moved to appoint Linda Stroupe to the Planning and Zoning Commission to fill the unexpired term of Lucile Jackson to expire on January 31, 2017. Commissioner Vinson seconded and the motion carried 5/0.
- D. Floodplain Review Report: Commissioner McCaskill reported that the initial information from the engineers had been reviewed and that more research on this matter was needed. Further information will be distributed to the Board when available.

Public Comment - Other Topics

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

- Carole Steele, with the Montreat Conference Center, presented a check for the second disbursement of the Community Service Fees. These fees are collected by the Conference Center from people who attend conferences and use the roads and benefit from public services. Mayor Taylor reiterated that these funds impact in a positive way, the Montreat resident tax bill, and that we should thank the Conference Center for their efforts.
- Annie Carlson, with Montreat College, stated that the College has the largest incoming class of new students on record, which means fifty percent more new students this year as compared with last year. She encouraged everyone to visit the Black Mountain Campus Athletic Complex and to see the recent renovations completed at the McAlister Fitness Center and Howerton Dining Hall. Ms. Carlson also reported that Gaither Chapel has been renamed Graham Chapel in honor of the Reverend Billy and Ruth Graham. The Christmas Concert will be held on December 5th, at 7:30 p.m. in Anderson Auditorium and people can learn about other events at the College by signing up for their newsletter by emailing communications@montreat.edu.
- Wade Burns, 232 North Carolina Terrace, expressed appreciation for Mayor Taylor and for her involvement in the Town's business for the last quarter century. Mr. Burns believes that she has demonstrated extraordinary effort and is due the community's appreciation

for all her hard work.

Commissioner Communications

Commissioner Campbell noted that the Montreat Landcare Committee has been working on the Tree City USA application and was already planning for the April 29th, 2016 Native Plant Sale. Commissioner Campbell also reported on the recent work by students from the Montreat College Outdoor Education Department, who are developing educational signage for the Save Our Hemlocks program. The Committee reviewed the standards necessary for the community to continue as a Community Wildlife Habitat. Montreat was the first in North Carolina and eighth in the nation to receive this designation and are looking for new ways to increase participation in the program. The Presbyterian Heritage Center Board met on November 9th and are working with Montreat and Warren Wilson Colleges for new internship opportunities. There is a Montreat College Centennial exhibit at the Heritage Center and on December 9th, from 3:00 – 5:30 p.m., in addition to the annual Christmas Tea event, there will be the opening of a sixty year old time capsule at 4:00 p.m. Commissioner Campbell concluded by stating that Montreat College hosted a very successful Cyber Security conference on October 31st and commended Dr. Teo and the students involved with the program.

Commissioner Vinson stated that during the recent election campaign, there had been some misinformation and resulting confusion in regards to the Town's annual audit requirements. The Local Government Budget and Fiscal Control Act (North Carolina General Statute 159) requires an annual audit to be submitted to the North Carolina Local Government Commission by October 31st. The Town of Montreat established its Audit Committee in 2008, and was one of the first small communities to have done so. The Committee is made up of three Commissioners, excluding the Mayor and Finance Commissioner, plus two community members. The Audit Committee meets two or three times per year. The Committee has completed six years with Martin Starnes as our auditors and is planning next spring, to undertake a Request for Qualifications process to determine if a new auditing firm is desired. Commissioner Vinson reminded everyone that the Town's Comprehensive Annual Financial Report (CAFR), which includes additional Town and related financial information, is not required by law. While most larger municipalities issue annual CAFRs, it is unusual for smaller municipalities like Montreat to do so. The Town has received an award from the Government Finance Officers Association for our CAFR for the past three years.

Mayor Taylor stated that she started her service with the Town thirty years ago, first on the Board of Adjustment, next as Commissioner and then as Mayor. She has seen many changes over the years and has appreciated the support and encouragement the community has given her. She appreciated the wise counsel and advice she received over the years, which in her opinion, made her a better Mayor. Mayor Taylor thanked the Town for the last thirty years in Montreat.

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Upcoming Meeting Dates

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

<u>Open Space and Conservation Committee Meeting:</u>	November 13, 2015, 3:00 p.m. Town Services Office
<u>Planning and Zoning Commission Meeting:</u>	November 19, 2015, 7:00 p.m. Walkup Building
<u>Agenda Items Due:</u>	November 25, 2015, 5:00 p.m. Town Services Office
<u>Town Services Office Closed:</u>	November 26-27, 2015 Thanksgiving Holidays
<u>Board of Adjustment Meeting:</u>	November 30, 2015, 7:00 p.m. Walkup Building
<u>Landcare Committee Meeting:</u>	December 2, 2015, 9:00 a.m. Moore Center Meeting Room
<u>December Agenda Meeting:</u>	December 3, 2015, 7:00 p.m. Walkup Building
<u>December Town Council Meeting:</u>	December 10, 2015, 7:00 p.m. Walkup Building
<u>Town Services Office Closed:</u>	December 24-25, 2015 Christmas Holidays

Adjournment

There being no further business, Commissioner Vinson moved to adjourn the Town Council Meeting. Commissioner Campbell seconded and the motion carried 5/0. The meeting was adjourned at 8:24 p.m.

Letta Jean Taylor, Mayor

Stefan Stackhouse, Deputy Town Clerk