

**Town of Montreat
Board of Commissioners
Annual Board Retreat Minutes
April 11, 2019 – 12:00 p.m. – 5:00 p.m.
Way Out Building**

Board members present: Mayor Tim Helms
Mayor Pro Tem Otto
Commissioner Kitty Fouche
Commissioner Bill Gilliland
Commissioner Alice Lentz
Commissioner Tom Widmer

Board members absent: None

Town staff present: Adrienne Isenhower, Zoning Administrator
Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk
Barry Creasman, Public Works Director
Darlene Carrasquillo, Finance Officer
David Arrant, Chief of Police

One member of the public was present. Mayor Helms called the meeting to order at 12:16 p.m., and led the group in an invocation.

Administrative Reports

Annual reports were provided to the Commission and Staff was on hand to answer any questions.

Mayor Helms asked Mr. Carmichael to bring the Commission up-to-date on the Local Government Commissions visit earlier this week. Mr. Carmichael advised that the purpose of their visit was to review the CAFR but also they knew we would soon be going out for a loan. Mr. Carmichael stated that they were very impressed with how Staff has addressed the findings pointed out in the CAFR. Mayor Helms thanked Ms. Carrasquillo for all her hard work providing the information that went into the CAFR.

Managing the Process

- A. Board of Commissioner's areas of responsibility: Commission member assignments
- B. Community Group Liaisons: Commission member assignments

Environment	Alice Lentz
Sanitation/Public Works	Kent Otto
Finance	Kitty Fouche (will be on bank accounts)
Communications	Kitty Fouche

**Board of Commissioners
Annual Board Retreat Minutes
April 11, 2019**

Planning & Zoning/Public Safety	Bill Gilliland
MPO	Tom Widmer
FBR Transportation Coordinating Committee	Alex Carmichael
Land of Sky Regional Council	Tom Widmer
Land of Sky Regional Council Alternate	Bill Gilliland
Montreat Cottagers	Kent Otto
Montreat Cottagers Wilderness & Open Space	Kent Otto
Montreat Landcare Committee	Alice Lentz
Open Space Conservation Committee	Alice Lentz
Presbyterian Heritage Center	Kitty Fouche
Audit Committee	Bill Gilliland
Audit Committee	Alice Lentz
Audit Committee	Kitty Fouche
Tree Board	Alice Lentz

C. Town Clerk Angie Murphy reviewed the terms and vacancies of the Town Boards and Commissions. Two alternates are needed for Board of Adjustment.

Finance, Audit, and Procedures Discussion

The Commission viewed the film entitled "All the Queen's Horses". A synopsis of the movie is as follows: in 2012 Rita Crundwell was arrested as the largest municipal fraud perpetrator in the nation's history, embezzling upwards of \$50 million as the comptroller and treasurer (functional town administrator) of Dixon, Illinois. Rita Crundwell became one of the nation's leading quarter horse breeders, traveled the world, and threw lavish parties, all while forcing staff cuts, police budget slashing, and leaving public infrastructure in disrepair. All the Queen's Horses aims to illuminate this landmark case and bring to light the blatant negligence of auditors and bankers the public relied on to keep their tax dollars safe.

After viewing the movie Mr. Carmichael reviewed the separation of duties currently in place between the Staff members in the office. It is difficult to fully separate the duties due to the small number of employees. Mr. Carmichael reviewed the purchase order process all the way through to the check printing process. Mr. Carmichael also mentioned that the Town currently has nine bank accounts and Staff will work on consolidating these accounts to minimize risk and fraud. The LGC recommended appointing an employee as Deputy Finance Officer for signature purposes only in the event of an emergency. Mr. Carmichael stated that we still have some vulnerabilities in that the same auditing company audits and prepares our financial statements. Mr. Carmichael advised that Staff takes extreme precaution in the division of duties. The LGC said we were ahead of other cities our size with dual signatures needed for check writing and journal entries. Commissioner Widmer made the suggestion to have the Audit Committee research steps to minimize risk and fraud; such as separating the audit versus preparing the financial statements.

Capital Projects

A. Mr. Carmichael reviewed the current working list of Capital Projects which can be found below.

Town Hall	Under contract. Phase I preliminary designs, complete. Phase II, construction drawings and final budget, winding down. Phase III, construction expected to begin this summer.
Public Works Building	Site prepared. RFQ published on 3/4, closes on 3/29, informational meeting on 3/18
Texas Pedestrian Bridge	RFQ for design services closed on 2/11. Contract negotiations underway with Vaughn & Melton.
Texas Road Waterline Completed	Expected completion day 3/21
Texas Rd and Calvin Trail Paving In progress	Project awarded in the fall '18-expected completion in early spring
Frist Rd Paving In progress	Project awarded in the fall '18-expected completion in early spring
Wells A & B Chlorine Retrofit Completed	In process. Expected completion date 4/4
Well 6 Pump Conversion Completed	In process. Expected completion date 3/21
Assembly Drive Culvert and Crosswalk Completed	In process. Expected completion date 3/18
Tennessee Road Culvert and Catch Basin Completed	In process. Expected completion date 3/21
South Carolina Terrace Parking Area Completed	Engineer assessed – Expected completion date 4/4
Kentucky Road Culvert Scheduled end of May	Engineer assessed – Expected completion date 4/25
South Carolina Terrace Culvert Completed	Engineer assessed – Expected completion date 4/11
Wyck Road Culvert Scheduled first of May	Engineer assessed – Expected completion date 4/18
Lower Greybeard Wall and Creek Stabilization	RFQ re-published on 2/28, closes on 3/20
Suwannee Mudslide	Engineer assessed – RFQ pending
Texas Road Extension Culvert and Barrel – 1	Engineer assessed – RFQ pending
Texas Road Wall and Bank Stabilization (Below Pool)	Engineer assessed – RFQ pending

There was a brief discussion of the progress of the Public Works Building. Mr. Carmichael put out a Design-Build RFQ which did not get favorable responses. The next step will be to re-publish the RFQ without the Design-Build qualification.

B. Presentation of Capital Improvement Plan updates

Mr. Carmichael reviewed the draft Capital Improvement Plan by department. The number one priority this year for the Administration Department is to find a financial package program that is fully integrated within itself for water billing, payroll, accounts payable and accounts receivable. This \$25,000 was on the CIP last year and Staff is asking for it to be re-approved for this fiscal year.

The request for Public Buildings includes the Town Hall which will be funded by installment financing, the Capital Projects Fund and private donations. The Public Works Building project remains in process. Phases one and two are complete for land and site preparation. \$270,196 remains in the Capital Project Fund for design and construction.

The request for the Police Department/Public Safety is for police vehicle replacement in the amount of \$37,000 for a 4-wheel drive truck. It is the policy of the Town to replace fleet vehicles every ten years or 100,000 miles. This is approximately double the standard for other police agencies. Deferred fleet maintenance lead to higher maintenance costs and vehicle availability issues during periods of repair. Staff will be removing two vehicles out of service at the approval of the Commission at the April Board Meeting later this evening. The second request for the Police Department is the radio replacement project which will cover two vehicle radios for a cost of \$9,000. The price has been reduced by utilizing a single band, "digital only", configuration. This is a cost savings of \$2,000 per radio and should complete the replacement program.

The Planning and Zoning Department is asking for \$36,000 for a Comprehensive Plan Update. The Comprehensive Plan Update would fund a hybrid internal-external process to renew the 2008 Town of Montreat Comprehensive Plan. The envisioned plan would utilize an outside consultant, the Planning and Zoning Commission and Town Staff. Staff also recommends permanently removing the Planning and Zoning vehicle replacement from the Capital Improvement Plan. This is a potential savings of \$25,000.

The Public Works Department is asking for a 2008 Truck Replacement in the amount of \$48,000. It is the policy of the Town to replace fleet vehicles every ten years or 100,000 miles. The Public Works F-250 pickup is 11 years old, has 74,000 miles on it, and needs a new motor.

Local streets scheduled to be paved in the 2019-2020 fiscal year include Kentucky, Wyck, and South Carolina Terrace. A stormwater/hydrology study is needed to identify where Town infrastructure is needed and where investments of stormwater projects can be most efficiently made to shore up vulnerabilities and risk. New road paving scheduled to be paved in the 2019-2020 fiscal year include Texas Road Spur and Lookout, from the trailhead to Whitewater Way. Along the lower section of Greybeard Trail just north of the intersection between Greybeard Trail and Assembly Circle, there is a section of destabilized streambank. Historically this section of bank along Flat Creek was stabilized using boulders stacked vertically along the bank by the Metropolitan Sewer District. However, recent flooding conditions have caused a failure of this existing boulder wall, causing severe bank

destabilization on the right side of the bank when facing downstream. To ensure continued safe usage of Greybeard Trail, McGill Associates proposes this bank be fixed by installing a retaining wall to armor the bank against further flooding damage. This will be funded by reimbursement from the Office of Emergency Management in the amount of \$193,740 and \$64,580 from the Special Projects Fund. In the middle of Texas Ext. Rd, there is a dual 96" culvert system that conveys the flow of Flat Creek under Texas Ext. Rd. The dual culvert system is experiencing some issues with scour within the pipes and undermining at the ends of the pipes. However, the culvert on the right when facing downstream is more damaged than the left culvert and has several holes in the bottom throughout its length and scattered areas of surface corrosion on fasteners and the exterior of the pipe exposed to flow. Additionally, the protective tar lining has scattered areas of layer cracking. McGill Associates proposes to fix these culverts by spin-casting a new structural coating to restore the structural integrity and protect the remaining pipe from further degradation. The upstream end will require grading and grouting to restore undermined areas. This option will most likely require a Conditional Letter of Map Revision (CLOMR) and a subsequent Letter of Map Revision (LOMR) in order to meet the State Floodplain requirements. This project will be funded by reimbursement from the Office of Emergency Management in the amount of \$151,800 and \$50,600 from the Special Projects Fund. There is an approximately 115 linear foot section of destabilized streambank along Puncheon Branch that is causing structural damage to Texas Rd. Historically this section of stream was stabilized by a rock wall. Flooding conditions have created failures in the wall and substantial undermining at the base of the wall. McGill Associates proposes to fix this section of destabilized bank by repairing/replacing the existing retaining wall. Because this project site is located in FEMA zone AE, a flood study and no-rise certification must be obtained. This project will be funded by reimbursement from the Office of Emergency Management in the amount of \$123,990 and \$41,330 from the Special Projects Fund. There will also be continued cleanup of various flood damaged sites around Town including culvert repairs, curb and gutter replacements, and asphalt erosion. This project will be funded by reimbursement from the Office of Emergency Management in the amount of \$95,991 and \$31,997 coming from the Special Projects Fund.

The Water Department is requesting \$62,011 for a waterline replacement project for the 2019-2020 fiscal year that will replace the existing creek crossing that serves the MRA maintenance shop and the current Town Services Department, but will also serve the future Public Works Building. An additional purchase will cost \$85,000. \$70,000 will purchase one emergency generator. \$15,000 will purchase the necessary hook-ups between the generator and well equipment. These will serve Well B.

**Board of Commissioners
Annual Board Retreat Minutes
April 11, 2019**

Departmental Totals (General, Capital Projects, and Special Projects Funds)	FY 19-20
Administration	\$ 25,000
Public Buildings	\$ 1,749,421
Police	\$ 46,000
Planning and Zoning	\$ 36,000
Public Works	\$ 48,000
Streets	\$ 1,114,026
Sanitation	\$ -
Recreation	\$ -
Total: General Fund	\$ 3,018,447

Departmental Total (Water Fund)	FY 19-20
Water Department	\$ 153,011
TOTAL: WATER FUND	\$ 153,011

Totals By Revenue Source	FY 19-20

**Board of Commissioners
Annual Board Retreat Minutes
April 11, 2019**

General Fund	\$162,000
Capital Project Fund	\$670,196
Installment Financing	\$1,000,000
Private Donations	\$79,225
Powell Bill Restricted Fund Balance	\$324,998
Special Project Fund	\$188,507
OEM Grant	\$565,521
Other Grant	\$28,000
Water Department	<u>\$153,011</u>
TOTAL	\$3,171,458

Mr. Carmichael stated that this year the CIP items would not be ranked in order of priority until the Public Hearing/May Board of Commissioner's Meeting when it will be presented to the public.

Vision and Goals

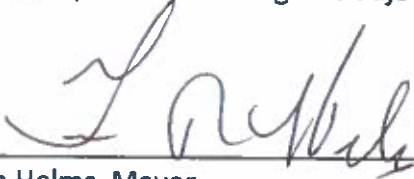
Mayor Helms mentioned the projects that are underway such as the Town Hall, the Public Works Building and the Ordinance Review. Commissioner Fouche stated that the Commission needed to look at stormwater issues and future development. Commissioner Gilliland stated that in this fiscal year the Board needs to finish what they have started and move forward with other items in the next fiscal year. Commissioner Lentz also agreed with finishing what has already been started. She does feel the Montreat address issue should be solved. Commissioner Fouche mentioned putting plans into place in the event of an emergency. Mayor Helms would like to see Staff continue to grow with their development, cross-training and education. Mayor Helms stated that he would like

**Board of Commissioners
Annual Board Retreat Minutes
April 11, 2019**

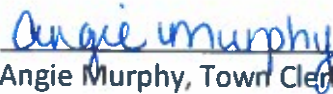
to see what it is exactly that the community wants. He does not want to embark on something that the community is against. Commissioner Widmer mentioned that last fall the Communications Advisory Committee was working on a survey that was looking at the wants/needs of the Community but that has fallen to the wayside. Mayor Helms asked Commissioner Widmer to continue in his role of handling the communications from the Mayor after the monthly meetings. Mayor Pro Tem Otto felt that communication has definitely improved with the community. Mayor Pro Tem Otto also shared his appreciation with the Staff for all of their hard work during the past year.

Adjournment

Mayor Pro Tem Otto moved to adjourn the meeting. Commissioner Lentz seconded and the motion carried 5/0. The meeting was adjourned at 4:43p.m.



Tim Helms, Mayor



Angie Murphy, Town Clerk

*** The following changes in the Board of Commissioner's area of responsibility were made after the meeting had ended.

Kitty Fouche

Land of Sky Regional Council

Tom Widmer

Communications

Alice Lentz

Open Space Conservation Committee

