

Town of Lake Santeetlah

Council Meeting Minutes

November 17, 2015

Mayor Crabtree called the meeting to order at 10:00am. Vice Mayor Roger Carlton and Councilmembers John Garland, Jim Hager, and Bob Allmond were present for the meeting. Town Administrator Kim Matheson and Town Clerk Emily Hooper were also present for the meeting. The first order of business was the approval of the agenda. Councilmember Jim Hager made a motion to move Discussion Item #9 Leaf Clean-up in Lakeside to the beginning of the meeting so Scott Kamps could leave in a timely manner. With no additional changes Vice Mayor Roger Carlton moved approval of the agenda. Councilmember Bob Allmond seconded. All others approved. The motion carried.

There were no changes or corrections to the October 20, Council Meeting minutes therefore Jim Hager moved to approve the minutes with a second from Bob Allmond. All others approved. The motion carried.

A financial report was given by Finance Officer Jim Hager with an explanation that all balances are correct and current with only a few more updates to come. There will be a midyear budget amendment presented in December 2015 and the proposed FY 16/17 budget will be discussed in April 2016 with the required Public Hearing to be held during Memorial Day Weekend.

Request for Public Comment: Mr. Jack Gross asked about the update of QuickBooks and if we could now capture past due water balances when sending out current water bills. Finance Officer Jim Hager provided the explanation that QuickBooks doesn't have that capability of pulling those balances forward but staff would add the past due balances to the quarterly bills in the future. Mr. Gross asked for a roll call vote concerning the current Council's position in regards to the Election protest. No motion was given and no comments were made. He also asked that the Council consider recouping any and all cost related to the protest if the protestor loses or the protest is dropped. Mayor Crabtree was unsure if the Council would have this authority and until this matter is fully resolved it will not be discussed in an open meeting. Mr. Gross would like the Council to "consider and vote upon an act for referendum in the Town of Lake Santeetlah on the issue of whether or not voters of that Town can recall from office the elected officials of the Town." Also due to financial hardships that this protest may cause he asked that the dissolution of the Town of Lake Santeetlah be considered. Mr. Gross also identified and encouraged the Council to read Section 1(d) of the Occupancy Tax Law before any enactment of the required resolution. He feels that it may be difficult to appoint a Committee as stated in the document. Councilmember Jim Hager read the section out loud and Vice Mayor Roger Carlton suggested certain potential individuals who would qualify and felt that it would not be as difficult as Mr. Gross suggested.

Andy Owens ask the Council for an update concerning the Election Protest. Vice Mayor Roger Carlton explained that the next meeting would be held by the County on Saturday December 5, 2015. If the matter is not resolved at that point the protest can then proceed to the State. There was no estimate of time from that point as to when a resolution may be reached.

Councilmember-elect Connie Gross stressed her concerns about the costs for the protest and asked if the charges may be recovered from the protestor if he loses. She stated, without verification, that the last protest in 2009 cost the Town \$20,000.

Carleton Kelly presented the Council with a petition signed by nine people who are not voters or full time residents but feel as though they have the right to voice their opinion against the Election Protest.

Lisa Russo asked if the Protestor decided to drop the protest would the Graham County Election Board continue to hear the protest as scheduled on December 5, 2015. The Council was unsure of the answer and referred Ms. Russo to the Election Board for her answer.

Old Business:

#1 Leaf Clean-up in Lakeside: (Moved from Discussion #9) Vice Mayor Roger Carlton explained that the residents of Santeetlah Lakeside are taxpayers just as others throughout the Town however are not receiving the same benefits. Services such as leaf clean up and snow plowing are currently not provided in Santeetlah Lakeside. The roads have not been turned over as required in the Development Agreement because the Town Commission wants an estimate of the cost to repair the roads. That estimate will be provided by HMC paving in the near future. There is also a question of receiving Powell Bill funds once the roads are turned over. Scott Kamps was present for the meeting to confirm that Mr. Rosado has a current contract with him to provide leaf clean up throughout the fall season in this area. In the past there have been issues with payment from Rosado therefore Mr. Kamps was unable to complete the leaf clean-up but at this point the contract is current and leaf clean-up is being provided. In regards to the roads being plowed during the winter months it was requested that the Town scrape the roads just as the other roads in Santeetlah are by Public Works Technician Eric Hayes. Vice Mayor Roger Carlton made a motion that the Town make a commitment to plow the roads. Councilmember John Garland amended the motion by agreeing that the roads did need to be plowed for residents safety, however, the charges should be billed to Jose Rosado until he agrees to turn the roads over to the Town. Prior to the first snow event a calculation will be given to Rosado of the amount for each plowing to be billed. Jim Hager seconded and all others agreed. The motion carried. Vice Mayor Roger Carlton stated for the record that he is a resident of Santeetlah Lakeside.

#2 Terri Phillips of Hometown Tax/Proposal to Network Staff Computers: Town Administrator Kim Matheson explained that Mrs. Phillips was ready to install the server upon decision of the Council. There will be an off-site back-up included in the proposal. The cost for the equipment and installation is approximately \$575. Councilmember John Garland made a motion to purchase the equipment needed to network staff computers. Jim Hager seconded. All others agreed. The motion carried.

#3 McGill Associates/Water Meters and Installation/Bid Document: The bid package has been available for review by both Council and residents for several weeks. Therefore it was recommended by Vice Mayor Roger Carlton that we proceed with the bid process, clarifying that nothing would be purchased at this point, simply receiving bids for new meters. This will allow the Town to have a better understanding of the amount needed for this purchase. The Town Administrator will also continue to investigate the options for costs and installation. Once this information is known then the Town Council can determine where the funds will come from and reach a final determination. Roger Carlton moved that the Town receive bids through McGill Associates with certain minor changes to the bid document such as correcting the Town Hall address for the purchase of new water meters. John Garland seconded. All others agreed. The motion carried.

#4 401K Recommendation by John Garland: UCB is the predominant bank used by the Town and also provides payroll services. Therefore in order to keep things "in house" UCB was Mr. Garland's recommendation. For only three employees the service is considered a simple IRA and doesn't vary in great detail between providers. The Town will provide 1% of payroll during the current fiscal year and does have the option to opt out two of every 5 years. John Garland made a motion to proceed with UCB as the service provider and to provide 1% of salary to our three employees to match their 1%. Future

years will be decided during each budget cycle. Bob Allmond seconded. All others agreed. The motion carried.

#5 Town Website Transition/Termination of Current Vendor/Recommendation of New Vendor: The current vendor who provided IT services to the Town and started the process of designing a new website has been unavailable and will not return phone calls. The Town of Lake Santeetlah needs a new, updated website that can be used for reference by residents and home owners. Two proposals were received from local individuals. Miranda Buchanan charges \$30.00 per hour and can create the website by January 1, 2016. Abraham Husmillo can begin working on the new site immediately with an estimated cost of \$3793. Tri-County Community College has been contacted concerning any students that would have such capabilities. At this point we have not received any feedback from them. If a student is capable this would potentially be the more cost efficient route. Councilmember Jim Hager made a motion to table this issue until the next meeting when more information has been obtained. John Garland seconded. All others approved. The motion carried. A special meeting will be held in the event that staff is ready to proceed before the December 15, 2015 regular meeting.

#6 Fiscal Year 2014/15 Amended Audit Adoption: According to CPA Joe Turchetti who completed the audit for the Town a small change was requested by the State which resulted in an amendment. The amended audit is attached to these minutes. Jim Hager made a motion to adopt the 2014-15 Amended Audit. Roger Carlton seconded. All others agreed. The motion carried.

#7 Email Response from Jane Jett, Regarding Town Council Approval of Remodeling Project at 834 Sequoyah Trail: Ms. Williams remodeling project located at 216 Sequoyah Trail was approved with conditions during the October 20, 2015 Council Meeting. Councilmember and Contractor for the project John Garland confirmed that the conditions had been followed to this point and assured that no property lines were being crossed and would re-affirm when construction was complete. A letter from County Building Official, David Hyatt was read into the record and is attached to these minutes. The letter stated that the County would consider withholding the TCO or CO if the conditions imposed by the Town were not met. Ms. Jett's email is also made a part of these minutes.

New Business:

#1 Occupancy Tax/Schedule Workshop: The Town has received inquiry from the State of North Carolina regarding the status of the Town's resolution to establish the Occupancy Tax. Vice Mayor Roger Carlton made a motion to schedule a workshop following the January 14, 2016 Planning Meeting so that a decision can be made. Town Attorney Ellen Davis will be requested to be present to provide legal advice and suggestions. Jim Hager seconded. All others agreed. The motion carried.

#2 Violation of Set Back and Cash Deposit Policy at 75 Nantahala Terrace: Vice Mayor Roger Carlton explained that there has been a violation at this property owned by Jack and Connie Gross wherein a walkway had been constructed in the setback and no application or bond posted as required by the building application process. The current process would require approval for this project as it exceeded the ten foot setback and a bond posted to protect roads since the project required concrete truck delivery. Councilmember John Garland made a motion that a retroactive application be submitted for the Council to review with no bond posted as the project is complete unless Eric Hayes determined that the newly paved road had been damaged. Jim Hager seconded. All others agreed. The motion carried. Town Administrator Kim Matheson is to notify the owners, Jack and Connie Gross, that they must submit the retroactive application. There also needs to be some clarification to the current Building

Application. John Garland agreed to review and suggest changes for review at the December 10, 2015 Planning Meeting.

#3 Policy for Electronic Transfers approved by Assistant Finance Officer: The Town enrolled in on-line banking and in order to correctly and accurately record transfers done on-line both the Finance Officer and Assistant Finance Officer will receive an email explaining the transfer. A response will be requested from the Assistant Finance Officer within 24 hours so the transfer may proceed. If the Assistant Finance Officer is unable to respond within the time limit a printed copy of the transfer will be signed and filed for the records at a later date and the transfer will be made. A copy of this policy will be attached to these minutes. Vice Mayor Roger Carlton moved to approve the policy. Jim Hager seconded. All others agreed. The motion carried.

#4 Closing of Accounts at CMT Bank: Currently the Town has accounts at CMT bank. Finance Officer Jim Hager suggested that those accounts be closed and the money moved into a local bank. There is a very small difference in interest rates from the two banks. Jim Hager moved to close the accounts at CMT and re-open in UCB. Roger Carlton seconded. All others agreed. The motion carried.

#5 Adoption of Official Map/Resolution to Set Public Hearing for Amendments to the Zoning Ordinance: Vice Mayor Roger Carlton presented a zoning map for which no formal approval can be found. According to Attorney Ellen Davis a current Zoning Map must be adopted before moving forward with the proposed amendments to the current land use code. The proposed amendments were discussed in a workshop held November 12, 2015. Using a map of the Town, recently created by Surveyor Alan Carver and previously adopted by the Town Council, two zoning districts, where shown Commercial Services (CS) and Residential (R1) were discussed. The map presented showed the demarcation point for CS to be the eastern boundary of Santeetlah Lakeside. John Garland suggested that the boundary be expanded to include the Old Lodge Building and the area in front of the building out to the road. The line on the map was moved during the meeting. Councilmember John Garland made a motion to adopt the zoning map with the adjusted boundary line acknowledging that changes can be made at the Public Hearing December 15, 2015 at 1:00pm. Jim Hager seconded. Bob Allmond approved. Roger Carlton voted against the map stating that he believes all of Santeetlah Lakeside should be single family residential. He also acknowledged that he is a resident of Santeetlah Lakeside. The motion was approved three to one.

#6 Resolution for Town Council Quorum: A resolution was prepared for the Town of Lake Santeetlah by Attorney M. Ellen Davis regarding the Mayor making a Quorum if needed. Roger Carlton moved to adopt the resolution which is attached to these minutes, Jim Hager seconded. All others agreed. The motion carried.

#7 Resolution for Mayor to Break a Tie: A Resolution was prepared for the Town by Attorney M. Ellen Davis to affirm that in the case of a tie the Mayor shall vote to break the tie. Roger Carlton moved to adopt the Resolution which is attached to these minutes, Jim Hager seconded. All others approved. The motion carried.

#8 Approval of Employee Evaluations: After discussion in the Closed Meeting on November 12, 2015 concerning Employee Evaluations due after 90 days of employment for Emily Hooper and Kim Matheson a 3 percent raise was recommended effective November 30, 2015. Eric Hayes had previously received a similar adjustment. Roger Carlton moved approval of the increase. Jim Hager seconded. All others agreed. The motion carried.

#9 Payoff of UCB Loan: Vice Mayor Roger Carlton explained the pros and cons of paying off the loan with UCB. After speaking with Pam Shafer, Local Branch Manager, she affirmed that there would be no

penalties for early payoff. The reduction in the reserves will be \$21,845 as a result of the loan payoff. The Town will most likely receive a negative comment from the State regarding the reduction in reserves. If in the coming months another storm hit the Town it could be difficult to cover the expenses prior to being reimbursed. A letter to the LGC explaining how the loan will be paid off was suggested as well as a confirmation from both LGC and the School of Government prior to any payoffs should be sought. The positive side of paying off the loan was also discussed including saving the major effort to complete a long and detailed LGC application, the \$1250 application fee and the cost for two Councilmembers to travel to Raleigh. Councilmember Jim Hager moved that the loan be paid off with the full intention of paying back all reserves used from the water account. John Garland seconded. All others agreed. The motion carried.

Discussion Items:

#1 2015 Town Directory Draft: A draft of the new directory was presented for review to continue the updates and changes necessary before printing. The WCU print shop offers printing options at a lower cost than most companies, but they are busy and will not be available to print the directories until a later time. An electronic version of this directory will be available on the website when it is complete. The Council requested staff to continue to check prices, change the dates to 2016 and revise the names of Councilmembers.

#2 Draft Letter to Jack Springer of Malibu Boats: Mayor Crabtree drafted a letter to Mr. Springer of Malibu Boats which was presented for review. Town Administrator Kim Matheson informed the Council of the information received from the Fish and North Carolina Wildlife Department concerning no wake zones. The Department suggestion was to form a group of those wanting no wake zones and request Graham County Commissioners to support issue. The County is required to be in agreement in order to create such zones. The draft letter will be mailed this week and staff will determine if a group can be formed to meet with the County Commission regarding the no wake zones.

#3 Draft Codification Study Discussion/Schedule Workshop: The draft codification document is available at Town Hall for review. Vice Mayor Roger Carlton moved to schedule a workshop on February 11, 2016 after the Planning Meeting. John Garland seconded. All others approved. The motion carried.

#4 Audio Equipment for Town Commission Meetings/Cost Estimate: The Geek Squad from Best Buy was contacted concerning the proper equipment needed for the needs of the Town. We are out of range of the service area they provide therefore we will have to visit the store to find more information. Staff will continue to investigate specific equipment needed and prices and follow up with a report at the December 15, 2015 Planning meeting.

#5 Status of Quote from HMC Paving for Road Repairs on Lakeside and Santeetlah Point: Public Works Technician, Eric Hayes spoke with a representative from HMC paving and confirmed that he will visit the area before November 20 and provide a quote for the road repairs in both Lakeside and Santeetlah Point.

#6 Withdrawal of ARC Grant for Downtown Master Plan/Direction to Town Attorney to Investigate Rescinding of Easement Granted to Santeetlah Properties: After much discussion of the Downtown Master Plan Grant and the discovery of an easement granted to Jose Rosado for the Canoe Club which effects the plans for the downtown area Roger Carlton made a motion to withdraw the application. Jim Hager seconded. All others agreed. The motion carried. An explanation of the easement granted in 2007 was provided by Mayor Crabtree. Jose Rosado was granted an easement for a road that would go

through the Town Hall parking lot in connection with his projected Canoe Club. For the easement Jose was required to give the Town more parking as well as a grassy area below Town Hall for a park. Aura Griffith presented the Town Council an easement she and Arthur Griffith had given Jose Rosado for a sewer connection to the Santeetlah Lakeside sewer plant. Due to the time span of approximately eight years and no action taken John Garland made the motion to seek legal advice from Attorney M. Ellen Davis concerning the rescinding of the easement granted to Santeetlah Properties. Roger Carlton seconded. All others agreed. The motion carried.

#7 Discussion of Solution to Frontier Internet and Phone Outages: Town Clerk Emily Hooper spoke with Sandra Miller, Frontier District Supervisor, for this area. They are aware of the issue and are working closely with Graham County Sheriff's Department to catch those who have repeatedly cut and stolen the phone wires causing the outages. An anti-theft device is in place as well.

#8 Report of Past Due Water Collection: At this point \$6968.47 in past due water bills has been collected. The Town has been contacted by some late payers who have arranged payments and others have made partial payments on their account. There are still customers who have given no response to the collection letters. Therefore the meters to those homes will be locked until payment is received.

#10 Construction Work at 741 Black Bear Trail Without a Building Application: Town Administrator Kim Matheson has contacted Mr. Hornsby informing him of the need for a building application for the current construction being done at his residence. Hornsby came by for an application but hasn't turned it back in. The Council instructed Kim Matheson to follow up with Mr. Hornsby giving him a deadline for submitting the application for the construction or a stop work order would be issued.

#11 James Case Building Application/Approval of Neighbors: The Building Application for Mr. Case was approved during the October 13, 2015 Council Meeting based upon receiving approval from of Mr. Predmore a neighbor across the street. Councilmember John Garland confirmed that he had spoken with Mr. Predmore and he was agreeable to the construction and would sign an agreement if needed when he returned to the States.

Report on US Forest Services meeting: A meeting was held in Graham County regarding changing some of the Federal land in the County to a Wilderness Area designation. The Santeetlah Town Council agreed that all were against such a move. Vice Mayor Roger Carlton made a motion for the Town to send a resolution regarding the Town's stand against this issue. Jim Hager seconded. All others agreed. The motion carried. The resolution must be submitted quickly and staff was directed to prepare the resolution before the deadline for submission.

Mayor Crabtree announced that there would be a conference call with Tetra Tech December 8, 2015 at 11:00am. The Regional Library Meeting will be held at the Graham County Library November 19, 2015 at 2:30pm. The Southwestern Commission Board Meeting will be November 23, 2015 at 6:00pm in Franklin. The upcoming Planning Meeting is December 10, 2015 and Council Meeting December 15, 2015. With no further business Roger Carlton made a motion to adjourn the meeting, John Garland seconded. Mayor Crabtree adjourned the meeting at 1:03pm.

Robert P. Crabtree, Mayor

Emily Hooper, Town Clerk

