

## **Town of Lake Santeetlah**

### **Council Meeting Minutes**

**July 19, 2016**

Mayor Crabtree called the meeting to order at 10:02AM. Vice Mayor Jim Hager and Council Members Bob Wehr, John Garland and Connie Gross were present for the meeting. Town Administrator Kim Matheson and Clerk Emily Hooper were also present. Public Work Technician Eric Hayes was not in attendance.

The first order of business was the approval of the agenda. Councilwoman Connie Gross asked to add the nullification of the parking lot easement under old business #6. Councilman Bob Wehr added Lake Santeetlah road repair to new business #7. With no further additions or changes Councilman Jim Hager made motion of approval. Councilwoman Connie Gross seconded. All others approved, the motion carried.

After review of the June 21, 2016 Council Meeting minutes a change of address was needed on item #2 under old business. The location of the steps is 123 Santeetlah Trail rather than Nantahala Terrace. Councilman Jim Hager made a motion to approve the minutes as amended. Councilwoman Connie Gross seconded. All others approved. The motion carried.

**Financial Report:** Finance Officer Jim Hager briefly reviewed the reports explaining the contingency funds are lower than recommended in both the Water and General accounts. The budget for 2016-17 does have allotted funds to increase the contingency.

#### **Request for Public Comment:**

Jack Gross reviewed points from the audio tape of a closed session held February 16, 2016. Mr. Gross pointed out various comments made during that meeting concerning the turnover of Lakeside roads. He felt that attorney Ellen Davis suggested that the Lakeside homeowners should unite and form a Homeowners association, hire an attorney and attempt to proceed on their own. Mr. Gross shared specific times during the meeting when it was stated that those who had standing with such issues would be the residents of Lakeside. In Gross' opinion the Town should not become involved with Lakeside's concerns and would hope that this issue would be "put to bed."

Dr. Campbell spoke as a Lakeside homeowner and feels that forming a committee will be a positive step in getting the ongoing Lakeside issues resolved. Campbell stated that the Lakeside homeowners could quickly form a homeowners association however he feels the best approach is a committee.

Councilman Bob Wehr stated that a committee would hopefully be able to move forward and feels that there may be new information that could provide clarity within the coming months. Mr. Wehr asked for patience and just a little time for the committee to work together and address the issues.

Councilwoman Connie Gross shared her research of what the tax payers receive for their tax dollars. According to her findings from February 2015 to February 2016 approximately \$7840 was spent on legal fees to the Town attorney regarding Lakeside issues. Other services received from tax money are security, recycling, and road maintenance.

Roger Carlton shared that he agreed as well that a committee was a positive approach in resolving Lakeside issues. Carlton questioned if the audio referred to by Mr. Gross was in fact available for the Closed Session meeting in February as he thought it had been misplaced. Carlton also would like to have a copy of the research completed by Mrs. Gross regarding legal fees spent on Lakeside. Carlton will be supplied both items upon request. Also, an item on the Planning Meeting Agenda, inappropriate actions by Council members, had not been carried over to the Council Meeting and Mr. Carlton asked for clarification. Carlton stressed that this issue seemed to be of concern

and the citizens should be more informed of the situation. Councilwoman Connie Gross responded that she had removed the item until Town Attorney Ellen Davis could be present. Councilman Bob Wehr explained that there are notes from that private meeting available if anyone is interested. Councilwoman Connie Gross affirmed that this item was not permanently removed from the agenda but only until the attorney was present.

Roger Schilf asked for clarification concerning the proposed budget that was displayed in the May budget meeting. Schilf explained that the 18.5 mileage rate seemed sufficient then two weeks later a 22.5 mileage rate was passed. Councilman John Garland pointed out that in the May meeting it was explained that the 18.5 mils would allow the town to “break even” and increasing the rate to 22.5 would allow the Town to increase reserves. During that meeting citizens were asked for a show of hands of who would agree to the increase and there were none opposed. The Council clarified that the extra \$32,000 of income will go into reserves and will not be used for any specific project.

Mayor Crabtree stated that we hope that the Lakeside committee will be productive in helping the Town get the roads turned over. Mayor Crabtree explained that there had been ongoing commitments and plans none of which have been fulfilled. However, when this process is completed and we have ownership of the roads it will be the Town's responsibility to repair the roads as needed. This will likely become an expense for the Town as it isn't suspected that any money will be obtained in the turnover process. When this occurs Mayor Crabtree explained that the Lakeside owners could see their tax money being used.

Mike Danforth suggested that with all the back and forth discussion with Lakeside we should simply “cut them loose.” Let them have water rights, their own taxing district, and not continue on with such animosity.

### **Old Business**

**#1 Lakeside Road Turnover/Appoint Committee:** Lakeside road turnover has been an ongoing issue with little progress therefore a committee will be formed to work together to help solve the lingering issues. In an attempt to form a balanced committee two members from the Council were appointed, Bob Wehr and John Garland. Two Lakeside residents, Roger Carlton and Bill Campbell and two Town residents Bill Piel and Roger Schilf. Councilman Bob Wehr suggested that the committee meet immediately after today's Council meeting. Councilwoman Connie Gross suggested the addition of Stephanie Danforth to this committee however the others felt that the recommended committee should be sufficient and Stephanie would be helpful on the Occupancy Tax committee. Councilwoman Gross asked Councilman John Garland if he had any conflicts of interest being on the committee as she had heard “rumor” that Jose Rosado (one of the Lakeside road owners) had offered to sell him some of the property within Lakeside. Garland confirmed that there would be no conflict of interest as he was simply asked by Mr. Rosado if he could help with selling some of the property. Mayor Crabtree charged the committee to meet, set up objectives, and report back in a public meeting next month. Councilman Jim Hager made a motion to approve the recommended committee Bob Wehr, John Garland, Bill Piel, Roger Schilf, Roger Carlton and Bill Campbell. Councilman Bob Wehr seconded. Councilwoman Connie Gross opposed. With a three to one vote the motion passed.

**#2 Removal of Steps on Town Property/Advice from Ellen Davis:** Town Administrator Kim Matheson shared the information received from Attorney Davis regarding selling Town property to Mr. Cochran. Davis acknowledged that it was a lengthy process and there were several legal requirements that must be followed. Attorney Davis felt that a simpler way to remove the Town of liability would be to place signs in the area to “use at your own risk,” and have Mr. Cochran sign a hold harmless agreement that she could compose. Councilman John Garland suggested that we ask about granting an easement for the homeowners however felt that selling the property and reserving an easement for the Town for road access would be the Town's best option in this situation. The lengthy process mentioned by attorney Davis may take some time, but from Garland's personal experience it was not difficult. Councilman John Garland made a motion to table this item for one month for Town Administrator Kim

Matheson to contact Attorney Davis asking for the best way to convey this giving the homeowners legal access to their docks and removing the Town of all liabilities.

**#3 Danger Tree Removal at 195 Nantahala Trail/Duke Energy Response:** Duke Energy has been contacted numerous times concerning the two trees located near 195 Nantahala Trail. The response received is that one of the trees cannot be removed with a typical bucket truck and equipment used by Duke Energy but would have to be contracted privately through an approved Duke Energy contractor. The closest contractor to the area is located in Franklin and an estimate of approximately \$4000 would be the cost for them to trim the tree. This would not include any clean up and Duke Energy has asked that the Town split that cost. The homeowner is concerned that the tree could fall on his home and would like the tree removed as soon as possible. Duke Energy said it could take up to four weeks to make arrangements with the contractor. Town Clerk Emily Hooper contacted two local contractors that have the liability coverage needed to work for the Town and ask for bids to remove and clean up the two danger trees. Clean Cut Tree Service was the low bidder at \$2400.00. Clean Cut can get to the job as soon as the Frontier and Duke Energy lines are lowered. Justin Odom, owner of Clean Cut said this typically takes about one to two weeks to coordinate and he could complete the job within that time frame. Councilman Bob Wehr made a motion to proceed with Clean Cut tree service for the removal of the danger trees rather than waiting on Duke Energy to respond as it seems we would be paying more to work with them and still have to privately contract the cleanup. Councilman Jim Hager seconded. All others approved. The motion carried.

**#4 Plans to proceed with Occupancy Tax/Appoint Committee:** There has been several months of discussion and research on the idea of collecting a 3% occupancy tax for the rental homes within Lake Santeetlah. A list has been composed with approximately 25 homes that we are aware of being rented at this time. Town Administrator Kim Matheson spoke with Michelle Crisp who works in Graham County Finance and asked several questions that we needed clarified before proceeding. Crisp stated that Graham County has one Commissioner on the TDA board. The board meets monthly and the meetings are recorded and minutes are taken. The tax must be paid to Graham County on the 20<sup>th</sup> of each month. According to Crisp she had no knowledge of a state standard audit price but did confirm that their audit had decreased over the years. Crisp could not say whether the County would collect the 3% tax if we chose not to. That would be a Commissioners decision. Resident Roger Carlton provided a brief overview of the length of time this item has been discussed. The audit cost has been addressed with our auditor and a price of \$500 has been proposed in writing for the Occupancy Tax audit. Also, the Legislator approved the resolution two years ago and it is uncertain how long we can postpone without a decision. The only thing remaining to establish this tax is to enact a resolution that has been composed by the Town attorney approximately one year ago. Carlton stated that a public hearing should be scheduled so that this tax can be enacted. Councilman Bob Wehr confirmed that he did not disagree with Carlton, however felt that we still lacked certain facts in order to proceed. Wehr asked that Town Administrator Kim Matheson contact the Town of Robbinsville and Fontana who both already collect the tax for more information. Councilman Jim Hager asked Kim to also find out how they spend their money received from the tax. Jim Hager stated that we would be able to clarify the questionable cost of the audit when the auditor visits Town Hall on August 4<sup>th</sup> and 5<sup>th</sup>. When asked what the cost would be for the Occupancy Tax audit would be, the response received was that the company would “test” the audit for \$500. This price will be confirmed in August with an explanation of what “test” may have meant. Councilman Bob Wehr made a motion to continue research and report back in August with a more informed decision. Councilwoman Connie Gross seconded. All others approved. The motion carried.

**#5 Plans to proceed with Zoning Ordinance/Schedule Public Hearing:** Mayor Crabtree suggested that a workshop be scheduled in order to complete the review of the zoning ordinances. Councilman Jim Hager requested that all parties interested review the proposed ordinances and submit any changes or suggestions in writing. There have been two previous workshops that have been lengthy and did not get through definition portion of the document. Councilman Bob Wehr suggested forming a committee to work through the ordinances and bring ideas back to the board. Councilman John Garland shared that there were some good ideas in the new ordinances and the two could possibly be combined. Councilwoman Connie Gross made a motion to table this item and go back to the original

ordinances and at another time we may review the updated ordinances when other issues are resolved. There was no second on this motion. Councilman Jim Hager explained that the proposed zoning ordinances needed to be adopted so that Attorney Davis could proceed in working with staff to update the codifications. Resident Roger Carlton explained that the Council had postponed the further review of the draft until summer when more residents were in the area. Councilman John Garland suggested that we have a workshop to continue the review. Mayor Crabtree asked that the ordinances for review be posted on the website and distributed as needed so that we may proceed in an appropriate manner. A workshop will be held August 11, 2016 following the Planning Meeting at 2:00PM.

Councilwoman Connie Gross made a suggestion that not only the minutes from each meeting be placed on the website but the audio recordings as well. This would enable anyone interested to go to the website and hear what is discussed at the meetings. Mayor Crabtree explained that this process is somewhat difficult and may take up a lot of space. Councilman John Garland asked that we contact the IT provider to find out more information. Councilwoman Connie Gross proceeded to make a motion that we use IT provider, Justin Hager, to put the recordings on the website. There was no second to this motion.

**#6 Easement through Town Hall Parking Lot:** Several years ago the Town entered into an agreement with Santeetlah Lakeside to grant an easement through Town Hall parking lot that would allow access to a planned facility that would offer food and drinks near the marina however the construction of that facility never happened. This easement now needs to be rescinded. Resident Roger Carlton stated that the property has possibly changed ownership since the easement was granted and the proper way to handle the recension would be to hold a public hearing and include all necessary parties. Mayor Crabtree asked Town Administrator Kim Matheson to contact Ellen Davis and determine what the process would be in order to have the easement nullified.

#### **New Business**

**#1 Past due Water Payment/Danforth:** This item was discussed at length at the Planning Meeting. The water bills for all three of the Danforth's homes have been going to the wrong address for several years. The Danforth's have paid a substantial amount on past due charges and requested that the additional balance be waived due to the incorrect billing. The records have been updated and this should no longer be an issue. Councilman Jim Hager made a motion to waive the remaining balance of \$442.88. Councilman Bob Wehr seconded. All others approved. The motion carried.

**#2 Permit for parking at the Guard Shack/Town Technician to Observe for Abuse:** Mayor Crabtree explained that this isn't specifically a problem but a "concern." The guard house has been used in the past for overflow parking however this could cause issues if someone is blocked in or if the area is used for a long period of time. Councilman Bob Wehr suggested that Town Technician be ordered to observe the area and place a notice on cars that may be abusing the space or parking inappropriately. After discussion of a specific process that may force users to report to Town Hall before use of the area the Council decided to simply allow Town Technician Eric Hayes to observe the area and report any misuse.

**#3 Contract Security for Holiday Weekends/Detailed Job Description for Security Officer:** During the fourth of July weekend a complaint was made of fireworks that were being improperly used causing a fire hazard in the area according to an upset resident. The question arose whether the Town should pay for security during busy holiday weekends. It was determined that currently there is no detailed job description for the security officer. Resident Stephanie Danforth, who has many years of experience in human resources, offered to compose a job description to present to the Council in August. Councilwoman Connie Gross made a motion to table this item until August when Mrs. Danforth would have the job description completed. Councilman Jim Hager seconded. All others approved. The motion carried.

**#4 Approval of resolution of Sympathy for Fallen Officers in Texas:** A resolution was presented by Councilwoman Connie Gross for the fallen officers in Texas. Since that tragedy there have been other shootings making it difficult

to continue such sympathetic measures. Councilman Jim Hager offered the suggestion that after such tragic events we offer a link on the website where funds may be contributed to help the victim's families. Mayor Crabtree agreed that a link would be more meaningful on our behalf. Councilman Jim Hager made a motion to offer a link on the website for contributions when tragic events occur. Councilman Bob Wehr seconded. All others approved. The motion carried.

**#5 No Parking/Aura Griffith:** Aura Griffith presented the Council with an easement that gives her one parking spot in Town Hall parking lot for access to her cabin. Ms. Griffith explained that the parking spot in the corner where she has posted the no parking sign would be the most convenient for access to the home. Griffith stated that she had someone in need of a home that would likely be moving into the cabin soon and with the construction of her new home she would need the upper parking lot area for the construction workers. Councilwoman Connie Gross informed the Council that the sign had been thrown down over the weekend and she had retrieved the sign and replaced it for her. Gross suggested placing "game cameras" near the area to possibly find out who moved the signs. The recycle trailer in Town Hall parking lot takes up some space but it is convenient in that area and there is no room elsewhere to move it. Councilman Bob Wehr suggested that if Aura has any trouble with someone parking in that area and there is no other place for her to park to report to the Town Technician or Town Administrator. Resident Roger Carlton felt that the Town had possibly given this land away in two different easements, one to Aura Griffith many approximately twenty years ago and again in 2009. Resident Jack Gross stated that the easements are two different areas. Ms. Griffith stated that the no parking sign was located on her property. However, the parking spot that Aura has requested is the most convenient for her and least convenient for Town Hall customers so there should not be an issue unless there is a meeting.

**#6 Bid Process for Tree Clean-up & Removal:** Councilman Jim Hager suggested that there needs to be a policy on how the Town will respond when a tree falls into the roadway. At this time, it is a first come first serve basis which often cost the Town more money in the end. If Town Technician Eric Hayes is not available a process needs to be developed of who to contact next. A list has been supplied of contractors that has the sufficient liability coverage to remove downed trees in the case of an emergency. Councilman Jim Hager offered to compose a policy that will provide a clear explanation of who should be contacted. In the past Raymond Williams cut the trees out of the road and cleaned up the debris. The Town recently purchased a new power saw so Town Technician Eric Hayes, if available, can remove the trees from the roadway and two estimates can then be received for the clean-up. The policy will explain a procedure and will be presented in August.

**#7 Lake Santeetlah Road Repair:** Town Administrator Kim Matheson contacted Department of Transportation representative Keith Rogers to inquire about the possibility of the DOT resurfacing the roads throughout Lake Santeetlah with tar and chat/gravel. Resident Jack Gross and Town Technician Eric Hayes went around Town surveying the areas in need of repair. The estimated cost from the DOT is \$16,000 per mile for the tar and gravel which is far less than repaving. The price per mile is for a two lane highway which is wider than the roads in Lake Santeetlah giving the possibility for more than two miles at that cost. A meeting is scheduled for Wednesday July 20, 2016 at 10:00am at Town Hall with DOT to further discuss this idea. A report will be provided following the meeting.

#### **Discussion Items**

**#1 Approval of Suggested Rules for local Governments Boards:** The book written by Fleming Bell was distributed to all Council Members several months ago for review. Attorney Ellen Davis suggested that this book be the guideline for order for Lake Santeetlah. Councilwoman Connie Gross made a motion to approve the Rules for Local Government Boards. Councilman Jim Hager suggested that we further discuss whether the Mayor votes only in a tie, or votes on all matters. Resident Roger Carlton recognized that the item was listed as a Discussion item and may not be approved today and also recalled that approximately six months ago a decision was made by the Council as to whether the Mayor would vote in the incident of a tie. This could not be confirmed as no other

Councilmember could recall. Councilman Jim Hager asked for the book to be reviewed and placed back on the agenda in August and at that time a decision would be made concerning whether the Mayor will vote.

**#2 Water Tap for Hohenschutz:** The Hohenschutz water tap has been located and a meter is in place. The house is now ready to sell.

**Announcements:**

Mayor Crabtree announced that there would be a Planning meeting August 11, 2016 at 10:00AM and a Zoning Ordinance workshop following at 2:00PM. A Council meeting August 16, 2016 at 10:00AM.

With no further business at this time Councilman Jim Hager made a motion to adjourn the meeting. Bob Wehr seconded, all others agreed. The motion carried. Mayor Crabtree adjourned the meeting at 11:44AM.

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Robert P. Crabtree, Mayor

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Emily Hooper, Town Clerk