

## **Town of Lake Santeetlah**

### **Council Meeting Minutes**

**November 16, 2018**

Mayor Jim Hager called the meeting to order at 10:00AM. Councilmembers Bob Wehr and Mary Williams were present for the meeting. Town Administrator Kim Matheson, Clerk Emily Hooper, and Public Works Technician Eric Hayes were also present. Councilmember Patrick O'Donovan was available by phone for the meeting.

The first order of business was the approval of the agenda. Mayor Hager explained that Item #9 New Business should read "balance due from General to Water instead of Water to General." Councilmember Wehr made a motion to approve the agenda as amended. Councilmember Williams seconded. All others approved.

**Financial Report/Tax Report:** Town Administrator Matheson presented reports as of October 30, 2018. The general account balance is \$18,252.82; the water operating account balance is \$10,372.92. Tax collection for October was \$17,611.66. This check has been received and deposited in the general account. Resident Jack Gross asked if the Town had paid for a new survey of Parcel 5. Town Administrator Matheson confirmed that the Town did pay \$275.00 for a survey. The resolution for the sale of Parcel 5 states that Parcel 5 would be subject to a three-foot strip to allow passage to Parcel 4 making a new survey necessary. Councilmember Wehr made a motion to approve the financial reports as presented. Councilmember Williams seconded, all others approved. The motion carried.

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

**Occupancy Tax Update/Diana Simons:** Diana Simons reported the current balance in the OT account is \$8,507.70. The TDA discussed the possibility of an electric car charging station. Chalet Village could potentially be a site for the station; however, more research and planning will be necessary. The charging stations are approximately \$500.00. Fontana, Tapoco, Snowbird Mt. Lodge and Tail of the Dragon currently offer the charging stations as electric cars become more popular.

Simons also shared that Kevin Fitzsimmons, Deputy Forest Supervisor, US Forest Service had presented an award at the GREAT meeting. The Bob Marshall award was presented to Partners of Joyce Kilmer for being champions of wilderness stewardship. There are only two awards given annually, one to an individual and the other to a group therefore receiving this award was a great achievement. Simons had the opportunity to meet Fitzsimmons after the GREAT meeting and invited him back to Graham County for the Azalea Festival in June. She stressed the importance of bringing people into the area for these type events that make Graham County such a unique place.

**Roger Schilf:** 484 Thunderbird Trail is on the agenda for approval of purchase of the three-foot strip abutting the 1817. Schilf asked why he is receiving a quick claim deed for this purchase rather than a warranty deed. Schilf felt as though he should be granted a warranty deed. Schilf also asked if there was a lien against the property being sold, what would happen in that case. Mayor Hager explained that since the Town originated in 1989 land had been sold by quick claim deed. Councilmember Williams pointed out that there are additional steps necessary and an increased cost to receive a warranty deed. The Town Council offered to postpone the approval of Schiff's transfer today in order to give adequate time to complete the process for a warranty deed if he would like to do so. Schilf declined and wanted to move forward with the transfer today.

**Connie Gross:** Connie Gross shared an email sent to Town Hall from Tina Emerson on November 15, 2018 at 7:25PM. Gross acknowledged she was sharing this information on Emerson's behalf as she was unable to attend the meeting today. According to the email, Emerson is concerned that the change in the survey for Parcel 4 and 5 should require new advertisements and delay the approval of the sale today and referenced NC GS 160A-266.

Councilmember Wehr shared a portion of the Resolution that was passed by the Town Council to permit the sale of land on Santeetlah Trail, reads as follows:

WHEREAS, upon acceptance by the Town Council of the high bidder on parcels 4 or 5, the Town, if necessary, will deed a three-foot strip of Town-owned property along Santeetlah Trail to connect the high bidder's property with the purchased parcel. The purpose of the three-foot strip is to comply with Brookfield's Shoreline Management Plan which requires continuous ownership to the 1817 contour line;

Councilmember Wehr acknowledged that the Resolution was reviewed, presented and passed by the whole Council and reviewed by the Town attorney and litigation attorney.

Jack Gross asked Councilmember Wehr to continue reading the Resolution to state that the buyer must pay for the expense of the survey. Gross stated that the Town had paid for the survey of the three-foot strip running through the Parcel 5. Gross asked Town Administrator Matheson the amount of the check paid to Terry James for the cost of the survey. The amount paid by the Town was \$275.00. Craig Keith, bidder for Parcel 4, was present at the meeting and stated he paid \$1,279.00 to Terry James for a new survey.

**Jack Gross:** Jack Gross had a written layout of dates and times where Mayor Hager and Councilmember Wehr had met with Craig Keith and Bill Smith at Town Hall. Gross explained he was concerned with the group working together to plot the bids and sale of land on Santeetlah Trail.

Gross shared his belief that these individuals are part of the bidding process and should not be having contact with elected officials, that the contact should be made directly through Town Administrator Matheson.

Gross also shared he did not know what was discussed at any of these meetings.

Gross also pointed out that he completed work for the Town using his skid steer to assist with the waterline break on Nantahala Terrace. He submitted an invoice for \$400 for the work completed by his company, TuGood Enterprises LLC. The Town offset that amount by \$79.03 owed by Gross for damage previously caused by him to town property. Gross explained that the invoice sent for waterline damage was sent to Jack Gross. The invoice he submitted was from TuGood Enterprises, which is a separate entity. Gross requested that the Town pay TuGood Enterprises an additional \$79.03 or he would take legal action.

### **Old Business**

**#1 Occupancy Tax Update/Diana Simons:** This item was discussed during public comment.

## **New Business**

**#1 Town Technician Maintenance Report:** Town Technician Eric Hayes reported that Scott Kamps hoped to complete the first leaf removal by next week if weather permitting. Kamps has been working on the pickup for over a week but the extended rain has caused delays.

A local contractor was winterizing a house on Santeetlah Point and discovered water inside the meter box. He reported the leak to Hayes. After inspection, a broken Town water line was discovered. Hayes had to turn off the water to Santeetlah Point for several hours to dig down and remove the broken pipe. He was able to repair the pipe without the assistance of a plumber. There were no homeowners on the Point at the time, therefore the water outage did not affect anyone.

A decorative light pole on Thunder Island Drive, mounted in the ground by concrete was blown over last week. The poles have been there for years and once the pole begins to rot a small windstorm can blow them over. A light was replaced last year in the same area. The pole has been replaced and a new light installed.

**#2 Craig Keith, Town of Lake Santeetlah, Land Sale Parcel 4 on Santeetlah Trail:** An updated survey was completed by Terry James as required per the resolution for the purchase of Parcel 4. Craig Keith paid for the new survey (\$1,279.00). The Town Council has received and reviewed the changes. Councilmember Wehr made a motion to approve the sale of Parcel 4 to Craig Keith. Councilmember Williams seconded. All others approved. The motion carried.

**#3 Bill Smith, Town of Lake Santeetlah, Land Sale Parcel 2 on Santeetlah Trail:** Councilmember Wehr reported that according to surveyor Terry James an additional survey for Parcel 2 would not be necessary and only be additional costs. The updated survey for Parcel 4 provides the changes mandated by the resolution. However, in a past meeting it was stated the sale of parcel 2 was postponed pending an updated survey. Councilmember Williams made a motion to postpone the sale of parcel 2 until a new survey is received. Councilmember O'Donovan seconded. All others approved. The motion carried. Resident Jack Gross asked if Craig Keith now was responsible for the legal costs of the lawsuit with the purchase of Parcel 4. The Santeetlah Trail properties are being sold with a lis pendens attached. Mayor Hager stated that separating legal costs would be difficult.

**#4 Roger Schilf, Purchase of Town Property abutting the 1817 Contour Line of Lake Santeetlah:** Councilmember Wehr made a motion to approve the land transfer from the Town of Lake Santeetlah to Roger Schilf as presented. Councilmember Williams seconded. All others approved. The motion passed.

**#5 Resolution for Approving Water Shortage Response Plan:** This Resolution is an annual approval needed from the Water Supply Planning Branch Division of Water Resources NC Department of Environmental Quality. The Resolution simply explains the response plan in the case of water shortage. Councilmember Wehr made a motion to approve the Resolution. Councilmember Williams seconded. All others approved. The motion carried.

**#6 Updated Water Policy:** Due to a recent issue with a long-time renter defaulting on payment to the Town for water payment changes are necessary to the Water Policy. At this time the water bill can be sent to the renter and it is their responsibility to pay. The changes suggested to the Water Policy from Councilmember Williams are as follows:

## Rental Property

**Payment for water service is the responsibility of the property owner and only the property owner can be billed for this service. The property will be solely responsible for all payments due to the Town, notwithstanding the terms of any rental agreement between the property owner and the renter.**

The updated water policy will be posted to the website and effective immediately. Councilmember Wehr made a motion to approve the updated policy. Councilmember O'Donovan seconded. All others approved. The motion carried.

**#7 Purchase Ad for RHS Basketball Program:** The Robbinsville High School Basketball Team is selling ads for a program that is sold at the basketball games. The funds received from the ads help to feed the athletes at the away games. The Town purchased a similar ad in the football program that helped in the same manner. A full-page ad is \$130.00 and is a way for the Town of Lake Santeetlah to show our support to Graham County Schools. Councilmember Wehr made a motion to purchase a full-page ad in the 2018/19 Basketball program. Councilmember O'Donovan seconded. All others approved. The motion carried.

**#8 Authorization for Survey of Town Hall:** Mayor Hager has been approached by Town residents who would like to donate funds to install a fence between Town Hall and the property abutting. In order to install a fence the exact corners need to be located and we are unable to find recent survey of Town Hall. The only cost to the Town in this project would be the survey. Councilmember Wehr made a motion to approve completing a new survey. Councilmember Williams seconded. All others approved. The motion carried.

**#9 Balance due from General Operating to Water Operating:** Town Administrator Matheson explained that the Town General fund owed the Water account \$10,000 from a loan for the water meters. \$30,000 was borrowed and one payment is remaining. Over the past year the Town has had major water leaks that caused extensive damage to the road on Thunderbird Trail near the Danforth's and Nantahala Terrace. The DOT completed the repair of these areas at the expense of \$10,470. This was paid for from the General Fund and will be noted as the final payment due to the Water account. These repairs were necessary due to water breaks therefore payment should have come from the water account. Town Administrator Matheson will contact auditor Joe Turchetti to determine how to accurately note the accounts to show this last payment being made.

## Discussion:

**#1 Increase Water Rates to compensate for aging water system necessary repair costs:** The water system continues to struggle due to necessary repairs and major water breaks over the past two years. The auditor has suggested in the last two years audits that the Town raise water rates to offset these expenses. The Town's insurer is also requiring a fence be installed around the tank. The tank needs painted as well. We have received bids for each of these projects and will need to complete them this fiscal year. A public hearing will be held to discuss the increase and receive public input. The hearing will potentially be held after the December Council Meeting. A notice will be posted and advertised.

## Motion for Closed Session

Councilmember Williams made a motion, for the Town Council to go into Closed Session to receive advice relating to the lawsuit, Kenneth & Jeannine Degarmo vs. The Town of Lake Santeetlah. and to discuss reports concerning investigations of alleged criminal misconduct. Councilmember Wehr seconded. The Town of Lake Santeetlah Town Council moved into closed session at 10:51AM.

Councilmember Wehr made a motion to move back into open session. Councilmember Williams seconded. All others approved. The motion carried.

Mayor Hager announced that the Town Council was back in open session.

Councilmember Williams made a motion to hire an attorney to remedy the unlawful transfer of Town property by the DeGarmo's. Councilmember Wehr seconded. All others approved. The motion carried.

### **Announcements:**

Mayor Hager announced that the next Council Meeting is December 14, 2018 at 10:00AM at Town Hall.

With no further business at this time Councilmember Williams made a motion to adjourn the meeting. Councilman Wehr seconded, all others agreed. The motion carried. Mayor Hager adjourned the meeting at 11:22AM.

### **Meeting Adjourned**

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Jim Hager, Mayor

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Emily Hooper, Town Clerk