

MINUTES
BEECH MOUNTAIN TOWN COUNCIL
Regular Meeting – June 12, 2012

I. CALL TO ORDER

Mayor Owen called the regular meeting of the Beech Mountain Town Council to order at 3:05 p.m., Tuesday June 12, 2012 in the Town Hall Council Chambers. Other Council Members present were Paul Piquet, Alan Holcombe, Cindy Keller and Rick Miller. Town Attorney Stacy C. Eggers, IV. was present. Staff members present were Town Manager Randy Feierabend; Town Clerk Jennifer Broderick, Parks and Recreation Director Daniel Scagnelli, Recreation Activities Coordinator Sabrina Powell and Tourism Development Authority Assistant John Troxler. Finance Officer Nancy Johnson, Public Utilities Director Robert Heaton, Town Planner James Scott, Public Works Director Riley Hatch, Fire Chief Robert Pudney, Police Captain Jerry Turbyfill and Town Engineer Marion Rothrock were available outside of the Council Chambers.

II. Invocation – John Troxler presented the invocation.

III. Pledge of Allegiance – All present joined in the Pledge of Allegiance to the flag.

IV. Adoption of Agenda – Mayor Owen stated that the proposed agenda would be amended to reflect § VII. New Business a. ‘Proclamations’ i. ‘Proclamation Honoring Norman Smith’ and ii. ‘Proclamation Honoring Charlie Burlison.’ Mayor Owen also stated that § VIII. Old Business a. ‘Proposed Fiscal Year 2012 – 2013 Budget Discussion of Additional Workshop or Adoption’ would be placed on the agenda above § VII. New Business. Mayor Owen stated that the agenda would stand as amended.

V. Approval of the Minutes

a. May 8, 2012 Regular Meeting – Councilman Holcombe motioned to approve the May 8, 2012 Regular Meeting Minutes as corrected. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

b. May 8, 2012 Closed Session – Vice Mayor Piquet motioned to approve the May 8, 2012 Closed Session Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

c. May 17, 2012 Special Meeting: Budget Workshop – Councilman Miller motioned to Approve the May 17, 2012 Special Meeting: Budget Workshop Minutes as corrected. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

d. May 31, 2012 Special Meeting: Budget Workshop – Vice Mayor Piquet motioned to approve the May 31, 2012 Special Meeting: Budget Workshop Minutes as corrected. Councilman Miller seconded the motion and the vote passed unanimously.

e. May 31, 2012 Closed Session – Vice Mayor Piquet motioned to Approve the May 31, 2012 Closed Session Minutes. Councilman Holcombe seconded the motion and the vote passed unanimously.

VI. Public Comment –

Mayor Owen stated that individuals wishing to address the Council on any topic of their choosing had a 3 minute period of time. Mayor Owen stated that there is a maximum of a 30 minute time period allotted for all public comments. Mayor Owen stated that if there were additional comments Council could choose to extend that time period beyond the 30 minutes. Mayor Owen stated that he would begin the public comment period by going down the list of names on the signup sheet and then moving on to those who wished to speak but had not placed their name on the signup sheet. Mayor Owen stated that he would like to take an opportunity prior to public comment to address the public regarding a matter he believed would be brought up during public comment. Mayor Owen stated that he had received several e-mails last week referencing a request from Mr. Larry Price to be placed on the Town's agenda for several items that he wanted to discuss and that these items would take 45 minutes to an hour of the Council's time. Mayor Owen stated that he did not opt to put Mr. Price on the agenda and called him to discuss the matter. Mayor Owen stated that Mr. Price indicated that he was not surprised that he was not putting him on the agenda. Mayor Owen stated that he informed Mr. Price that he wished to personally discuss the issues that Mr. Price had with Mr. Price prior to him addressing Council. Mayor Owen stated that he has heard that it has been relayed to the public that he was prohibiting Mr. Price from speaking. Mayor Owen stated that he is not prohibiting Mr. Price from speaking and that the public comment period is an opportunity for anyone to address Council about anything. Mayor Owen stated that he has since spoken Mr. Price on the phone several times and is still hoping that there will be a meeting between the two of them in order to discuss some of these topics. Mayor Owen stated that some of the comments that Mr. Price has are allegations against the Town of a legal nature and that this is not the proper forum for that. Mayor Owen stated that there is an ongoing investigation looking into these allegations. Mayor Owen stated that until the investigation is over it will not be discussed by Council in an open public forum. Mayor Owen stated that he remained open to meeting with committee, committee members and Mr. Price to discuss these topics and items that have been brought to Council's attention. Mayor Owen stated that it was not his desire for the first time that these items were discussed for it to be in this public forum until there had been an opportunity to personally discuss the items. Mayor Owen again reiterated that he was not silencing Mr. Price; that he may be limiting his time to speak but that he was not silencing him. Mayor Owen then opened the public comment period.

Larry Price of 1003 Charter Hills Road stated that he disagreed with what Mayor Owen said and that this was not what happened. Mr. Price stated that he has made available to the public information that he has gathered from recreation minutes and public audits. A packet has been prepared which outlines 3 things. One; the Buckeye Recreation facility loses that have been sustained over the years by this Town and the continued losses that will be sustained. Mr. Price stated that at present time the facility is losing \$508,000 a year. Second; Mr. Price stated that he had discovered a loss of funds in the Town. Mr. Price stated that there was a loss of funds in excess of \$170,000 and more likely closer to \$200,000. Mr. Price stated that the Town has fought him on every turn. Mr. Price stated that when he has

requested documents the Town has sent him the wrong documents and that they have even sent extra documents made him pay for extra documents. Mr. Price stated that under the freedom of information act of the State of North Carolina they have been totally uncooperative. Third; Mr. Price stated that he has created a document called the Beech Mountain Truth. Mr. Price stated that he created this document after reading what was being printed in the MountainEar. Mr. Price stated that the MountainEar is full of gross distortions and is propaganda. Mr. Price cited one example from the MountainEar which stated that we in this Town pay slightly above average water rates compared other Towns according to the League of Municipalities. Mr. Price stated that when he compared our rates to those provided by the North Carolina League of Municipalities that the Town of Beech Mountain's base water rate ranked number one and that the 4,000 gallons ranked number 13. Mr. Price stated that the Towns taxes ranked 31. Mr. Price stated that there will be a tax raise shortly after the next election that will be significant. Mr. Price stated that he had wanted to present to Council documentation that would show that within the next 4 years the Town was on a path to taxes of \$1.50 per \$100. Mr. Price stated that every time the Town has a shortage they have raised the taxes. Mr. Price stated that the Buckeye Recreation Facility earns \$2,822 and while it costs \$46,000 to run. Mr. Pfohl, whom I do not know, said that when they were borrowing money for this that with good management the facility will prosper. Mr. Price stated that it has been a disaster and nobody wants to face it. Mr. Price stated that he is looking out for his piece of property that he has paid hundreds and thousands of dollars for and that he believed that this Council was leading the Town down a path that is going to be disastrous. Mayor Owen thanked Mr. Price and informed him that his offer still stood.

Walter Gassner of 117 Dogwood Lane stated I would like my question recorded in the minutes in this written form and in the transcribed minutes of this meeting. I further request a copy of the proposed transcribed minutes prior to the next Council meeting as soon as practical after transcription. I make this request pursuant to the FOI statutes of the State of North Carolina. I agree to pay reasonable copy charges for the copies.

Question:

Did the City Council receive a letter from Mr. Larry Price dated June 2, 2012 wherein he submitted to the Council a series of cost analysis regarding Buckeye Recreation Center? If Yes:

- (1) What members of the Council read or reviewed the letter or any portions of it?
- (2) Did the Council or any member of it ask any person not associated with the Council to review the letter or any portion of it? If so, who was asked and by whom?
- (3) Did 3 or more members of the Council discuss the letter amongst themselves? If so when and where?
- (4) Was any report given to the Council from any source other than the Council members themselves as to the accuracy of the analysis contained in the May 3, 2012 letter. If so by whom was the report given, when was it given and was it in writing or ever reduced to writing?
- (5) After reviewing the letter and its contents did the Council or any member of the Council become aware of the fact that official audits of the city could not be reconciled with the Recreation Committee reports of the same fiscal year as the audits?

Rochelle Gassner of 117 Dogwood Lane addressed Council disputing what had been published in the Winter/Spring 2012 MountainEar under the Council's Corner regarding the \$5 utility rate increase for water and sewer. Mrs. Gassner stated that it was reported in the

MountainEar that even with this water rate increase water rates are only slightly above the State average for resort communities according to statistics from the North Carolina League of Municipalities. Mrs. Gassner stated that she went online to the North Carolina League of Municipalities website and that the statistics are not slightly above but that they were about 100% above the average Town. Mrs. Gassner stated that this accuracy should be corrected. Mrs. Gassner stated that part time residents contribute to the Town and support businesses on this mountain and that they care about the future of the Town. Mrs. Gassner stated that there are many knowledgeable people who are part time residents whose knowledge could be a valuable asset to the Town's committees. Mrs. Gassner stated that this 'us and them' attitude exhibited by some is very insulting and commended Mayor Owen for correcting those who have this attitude. Mrs. Gassner finished by stating that responsibility does not just lie with the voters.

Frank Steele of 107 Christie Way stated he has been a part time resident for 25 years and that it was time to change things in this Town. Mr. Steele stated that the part timers wished to assist with this change. Mr. Steele stated that when he found out that Mr. Price was not allowed to speak at the Council meeting it really bothered him. Mr. Steele stated shame on Council if 1/3 of these things that he was hearing were correct. Mr. Steele stated that with the possible exception of Mrs. Keller that there were a few things that should be done. Mr. Steele stated that you should fire your attorney and Town Manager. Mr. Steele called for the voluntary resignation of the four gentlemen Council Members. Mr. Steele stated that this is not the way government is supposed to work and encouraged Council to pay attention to these part time people. Mr. Steele stated that if things are being published that are inaccurate then the Town Manager needs to go.

Larry Miller of 235 Lakeledge Road asked what the proper procedure was to be placed on the agenda. Mayor Owen stated that anyone wishing to be placed on the agenda needed to get in touch with the Town Clerk and the Town Manager. Mr. Miller stated that he understood that Mr. Price was denied his ability to speak because there was at least \$160,000 of money unaccounted for at Buckeye Recreation Center and you did not want it brought out in public and you thought it was better to deal with it in another way. Mr. Miller stated that the photos of Council that hung in the Council room represented a long line of no change and that they were putting us on a path of bankruptcy.

Hal Halliburton of 132 Skiway Circle stated I would like my question recorded in the minutes in this written form and in the transcribed minutes of this meeting. I further request a copy of the proposed transcribed minutes prior to the next council meeting as soon as practical after transcription. I make this request pursuant to the FOI statutes of the State of North Carolina. I agree to pay reasonable copy charges for the copies.

Question:

Has the city Council or anyone acting on their behalf done any study to determine the cost to the City of the Buckeye recreation Center and its operation. If yes:

(A) Who performed the study?

(B) When was the study performed?

(C) Were the results of the study reduced to written form and if so by whom and who now has possession of any copy of the study?

(D) Were the results of any such study conveyed to any member of the City Council verbally. If so, by whom and to whom, and when.

(E) If any such study was done with results conveyed to the Council in writing or verbally, did 3 or more of the Council discuss the study and the results amongst themselves. If so, where and when?

Carol Parent of 140 Mariah Circle stated I would like my question recorded in the minutes in this written form and in the transcribed minutes of this meeting. I further request a copy of the proposed transcribed minutes prior to the next council meeting as soon as practical after transcription. I make this request pursuant to the FOI statutes of the State of North Carolina. I agree to pay reasonable copy charges for the copies.

Question:

In the official Recreation Committee minutes, the committee reports on the number of visits to the Buckeye Recreation Center. For instance in the records of the August 2010 Recreation Committee meeting the reports indicate in excess of 4,000 visits to the Recreation Center in July of 2010. How does the center or its personnel keep track of and tabulate these figures.

Is there a written record of the tabulation of the visitors and if so describe the record and who is the present custodian of any such records?

Don Berman of 116 Ashe Lane stated I would like my question recorded in the minutes in this written form and in the transcribed minutes of this meeting. I further request a copy of the proposed transcribed minutes prior to the next Council meeting as soon as practical after transcription. I make this request pursuant to the FOI statutes of the State of North Carolina. I agree to pay reasonable copy charges for the copies.

Question:

In the official Recreation Committee minutes, the committee reports on the numbers of resident family passes sold to the Buckeye Recreation Center. For instance in the records of the August 2010 Recreation Committee meeting the reports indicate in excess of 140 family resident passes to the Recreation Center were sold in July of 2010. How does the center or its personnel keep track of and tabulate these figures. Is there a written record of the tabulation of the visitors and if so describe the record and who is the present custodian.

Barry Shore of 205 Foxgrape Hollow Road stated that he would like to pass out a couple of things of interest and that his intent was not to impugn anyone or the Town. Mr. Shore stated that he has asked this question twice before regarding the pay study and that some employees are making more money then what the study recommended. Mr. Shore asked about the cost of living adjustment that Council was considering putting in place and how this was going to affect pensions. Mr. Shore stated that pay is not the only determining factor in employee motivation and suggested that Council consider some of the other options that are available.

Phil Lipscoey of 116 Overbrook Trail stated that he was impressed with the activism. Mr. Lipscome stated that he went through the same issue in Fort Lauderdale dealing with water rates. Mr. Lipscoey addressed the Recreation Center stating that there is a design flaw for air flow within the building. Mr. Lipscoey stated his one major question was how much grant money was used to build the Buckeye Recreation Center?

Drew Sayko of 311 Pinnacle Ridge Road stated that he was a member of the Recreation Center and that they use a bar code to keep track of the number of visits. Mr. Sayko stated that he was in favor of fiscal responsibility. Mr. Sayko stated that he uses Buckeye

Recreation Center and sees a lot of activity down there. Mr. Sayko stated that it seems that there is a lot of the criticism coming from people that do not use the facility. Mr. Sayko stated that the facility was an excellent investment to the community. Mr. Sayko stated that things are a lot cheaper here than in Florida and stated that it depends on your point of reference.

Richard Wichman of 223 Greenbriar Road stated that he is adversarial and wonders what legal remedies we have. Mr. Wichman stated that he wondered if people that are full time residents pay different taxes than part time residents.

Bob Bedore of 113 Heather Lane addressed Council stating that his first question is in regards to the \$500,000 shortfall at Buckeye Recreation Center. Mr. Bedore wished to know at what point in time does this stop. If you took the total income of the Town from the taxes and utilities what percentage of that million dollars do you think that the non-residents pay? Mr. Bedore also asked how much money do the non residents spend in support of the merchants up here.

Dava Carson of 102 Ladybug Lane stated that she is an advocate for Buckeye Recreation Center and for the Beech Mountain Club but it makes her crazy to think that money is being spent the way it should not be spent. Mrs. Carson stated that she pays for recreational memberships with both Buckeye Recreation Center and the Beech Mountain Club. Mrs. Carson stated that she did not believe that the accuracy for the amount of people that use Buckeye Recreation Center was correct believing there to be more usage. Mrs. Carson stated that all over the country people are not getting raises and not getting bonuses and that it was not right to give staff a raise. Take responsibility in the way you are spending our dollars.

Connie Pudney of 143 Teaberry Trail stated that she is a full time resident of the mountain and had lived in Florida for 40 years. Mrs. Pudney stated that she is thankful to live in such a beautiful community and that the employees for Beech Mountain work hard and that her husband is an employee here with the Town. Mrs. Pudney stated that many employees here go above and beyond and are very helpful. If you have a problem they come right out. Mrs. Pudney stated that this type of service did not happen in Florida. Mrs. Pudney stated that her family uses Buckeye Recreation Center and that it is busy. Mrs. Pudney stated that everyone should be thankful that there is a facility available to go to work out and enjoy. Mrs. Pudney stated that everyone should be trying to work together.

Steven Phenneger of 119 Hawthorne Road stated his grandfather was Ray Hansen and that he had lived up here for over 30 years. Mr. Phenneger stated that Mr. Hansen passed away this past December. Mr. Phenneger stated that Mr. Hansen would be very hurt by what was being said. Mr. Phenneger stated that Town employees went out of their way every chance that they could to assist him through his medical misfortunes. Mr. Phenneger stated that you will not find another Town that will go out of their way like this for their residents. Mr. Phenneger stated that his family uses Buckeye Recreation Center and that it would be a shame to lose this type of facility and that it also helps the tourists that come up here.

Carol Perlaza of 105 Willow Run respectfully requests that Buckeye Recreation Center be made available for these meetings.

Caroline Shore of 205 Foxgrape Hollow Road stated that she is a full time resident up here and a full time and Realtor in Banner Elk. Mrs. Shore stated that there are a lot of properties on the mountain that are for sale. Mrs. Shore stated that as a Realtor she has the fiduciary responsibility to disclose material facts. Mrs. Shore stated that when she discloses the material fact about the Town's infrastructure and some of the things that are going on here that she loses her sale on Beech Mountain. Mrs. Shore stated that the Town needs to be more fiscally responsible. Mrs. Shore asked that Council quit raising taxes and find better uses of monies that we have. Mrs. Shore stated that the Town need to get things cleared up with their infrastructure.

Nevada Jones of 100 Welsh's Way stated that she is a mother of these 7 children that are here and that her children are homeschooled and that they are up here full time. Mrs. Jones stated that there are lots of homeschooling families on this mountain that use this Buckeye Recreation Center. Mrs. Jones stated that her husband almost died this past summer when he contracted spinal meningitis. Mrs. Jones stated that Town employees Marla Gentile, Brie Powell and Daniel Scagnelli have helped rehabilitate her husband so that he is now capable of being a Volunteer Fire Fighter. Mrs. Jones stated that she would pay triple the amount in membership to have this facility here for her family.

Gina Phenneger of 119 Hawthorne Road stated that her family chose to move her because of the community. Mrs. Phenneger stated that she wished to be fully educated on what was going on and appreciated hearing everyone's viewpoints. Mrs. Phenneger stated that we need to work as a community and move forward and not dwell on the negative.

Eva Jones of 100 Skiway Unit 5 thanked everyone for being present at the meeting. Mrs. Jones stated that she and her family have lived on and off full time on the mountain since the Carolina Carribean days of 1974. Mrs. Jones stated that two of her children were raised here since 2001. Mrs. Jones stated that she does not consider herself a second home resident but a full time homeowner. Mrs. Jones stated that she has invested herself in Beech Mountain. Mrs. Jones asked that the Council recognize the second home owner. Mrs. Jones requested that Council allow for the ability for a forum and committee to work together as a community to have a voice and work together with Town Council.

Walter Gassner of 117 Dogwood Lane asked Council if it was true that that Buckeye Recreation Center was losing \$400,000 to \$500,000 a year. Mayor Owen stated that the term losing could be used or the expense of operation and emphasized that this is not an enterprise fund. Vice Mayor Piquet stated that the Town does not lose money on services that the Town provides. Vice Mayor Piquet stated that the Town provides public safety, public works administration of the Town and recreation. Vice Mayor Piquet stated that it was not a lose stating that the Town does not lose a \$1,000,000 a year because we are providing police protection.

Jeanie Wimberly of 201 Poplar Drive stated that she is a summer resident and that by she owns a cabin and a lot on Beech Mountain. Mrs. Wimberly stated that the taxes for her cabin were a couple thousand dollars while the taxes for her lot were a couple hundred dollars and that if the community could get more building on Beech Mountain a lot of problems would be solved.

Vivian Rausch of 117 West Blueberry Lane stated that her concern was with the Town's drinking water. Mrs. Rausch felt that she could not drink the water that comes to her house and that she uses bottled water for everything. Mrs. Rausch stated that she understood that the sewer system was horrendous. Mrs. Rausch asked what was going to happen with this community if the water situation was not fixed.

Mayor Owen closed the public comment period and stated that Council would take a short break at 4:14 p.m. At 4:33 p.m. Mayor Owen reconvened the June 12, 2012 Council meeting.

VII. Old Business

a. Proposed Fiscal Year 2012 – 2013 Budget Discussion of Additional Workshop or Adoption – Mayor Owen stated that Council has held two workshops and a public hearing on the budget. At Council's last meeting Council had directed staff to have the 2012 – 2013 Budget Ordinance prepared with the changes that Council had requested. Mayor Owen stated that at this time Council needed to decide whether they wished to hold additional workshops or to approve the budget as it was amended at the last workshop. Councilman Holcombe asked staff if all of the requested changes had been made. Staff confirmed that these changes had been made. Mayor Owen stated that some of the changes that Council requested were for the 2.7% Cost of Living Allowance to be lowered to 1.5%. The proposed merit pay had been removed from the budget as well. Mayor Owen stated that Council was looking for ways to save money on employee benefits. Mayor Owen stated that Council has prepared a new insurance package for new hires that will eliminate some of the benefits that the Town currently pays for employees. This new benefit plan will become effective July 1, 2012. Mayor Owen stated that a new proposal for employee benefits will be forthcoming with the next fiscal year budget. Councilwoman Keller stated that \$15,000 was removed from the proposed funding of the Streetscape Project. After much discussion Vice Mayor Piquet motioned to approve the 2012 – 2013 Budget Ordinance. Councilman Miller seconded the motion and the vote passed unanimously. The 2012 – 2013 Budget Ordinance is attached as Exhibit A and incorporated by reference as if fully set out within these minutes.

VIII. New Business

a. Proclamations

i. Proclamation Honoring Norman Smith – Vice Mayor Piquet read the proclamation honoring Colonel Norman Smith into the minutes. Councilman Holcombe motioned to adopt the proclamation. Vice Mayor Piquet seconded the motion and the vote passed unanimously. The Proclamation Honoring Norman Smith is attached as Exhibit B and incorporated by reference as if fully set out within these minutes.

ii. Proclamation Honoring Charlie Burlison – Vice Mayor Piquet read the proclamation honoring Colonel Norman Smith into the minutes. Councilman Holcombe motioned to approve the proclamation. Vice Mayor Piquet seconded the motion and the vote passed unanimously. The Proclamation Honoring Charlie Burlison is attached as Exhibit C and incorporated by reference as if fully set out within these minutes.

b. Limited Groundwater Availability Assessment Report – Mayor Owen stated that Town Engineer Marion Rothrock had reviewed the report that was completed by Analytical Services, Inc. which had been put together to look into the feasibility of the Town drilling wells for water. Mayor Owen extended the floor to Mr. Rothrock. Mr. Rothrock stated that Analytical Services, Inc. recommend that the Town fully permit the site prior to drilling the well. Mr. Rothrock stated that he did not agree with this and felt that this would be a waste of money on most of these sites because he did not feel that the Town was going to get adequate water from the majority of these sites. In the same vein of wasted money Mr. Rothrock stated that Analytical Services, Inc. also recommend drilling 8” wells. Mr. Rothrock advised Council that another way to save money would be to drill down 8” until you set the casing and then move on to a smaller 6” hole. This will save the Town approximately half of the cost as drilling 6” is half the cost of drilling 8”. If enough water is discovered then there is no problem coming back and reaming the hole to an 8” or 12” hole. Mr. Rothrock states that in the report Analytical Services, Inc. states that they do not expect the Town to find high yielding wells but that there is still a possibility. Mr. Rothrock stated that he does not agree with the report that there are a potential of 8 target wells like they suggest. Mr. Rothrock stated that he recommends that the Town drill in priority 1-4 on the list. Mr. Rothrock informed Council that any well under 70 gallons a minute is not considered a viable well because of all of the additional costs that go into finishing the project. Mr. Rothrock stated that there would be a cost of sealing off unused wells. Mr. Rothrock stated that if one of the 4 recommended target sites turned into a producing well then Council could consider drilling additional wells. If, however, none of the 4 recommended target sites do not turn into producing wells then Mr. Rothrock recommended that Council stop drilling then. Mr. Rothrock stated that Council has spent approximately \$6,500 on the study so far and that the approximate cost to take care of drilling these 4 test well sites will be \$35,000. Mr. Rothrock pointed out to Council that the cost for closing those wells that did not produce has not been factored into this figure yet. Councilman Miller asked about the Watauga River Reclassification project. Mr. Rothrock stated that his opinion was that the odds are against the Town in finding a high producing well. Vice Mayor Piquet stated that the reason the study was done so that the Town did not waste money. Councilwoman Keller asked about the potential of drilling on bodies of water. Mr. Rothrock stated that this type of drilling needed to be done 100’ from and stream and 100’ from any road so this is going to eliminate a lot of areas. Mr. Rothrock pointed out that two of the sites that Analytical Services, Inc. looked at are not permittable. Mr. Rothrock stated that you cannot have any potential of runoff within 100’ of any public well. Eva Jones of 100 Skiway Unit 5 asked if any of the lakes up here were fed by underground springs. Mr. Rothrock stated that most of them are stream fed but could not answer to all of them. Mr. Rothrock stated that Buckeye Lake is stream fed and that Coffey Lake is runoff. Mayor Owen stated that the purpose behind trying to dig wells for water was to buy time in going to the Watauga River. Mayor Owen asked Mr. Rothrock for his professional opinion on whether the Town should move forward with digging the wells. Mr. Rothrock stated again that the probability was not good but that there was a slim possibility. Councilman Miller stated that he was not in favor of spending money on this project. Mayor Owen asked if any of the potential sites for the wells would help some of the residents or if anyone would be able to use the water for irrigation. Public Utilities Director Robert Heaton stated that target 6 with was number 3 on the priority list was the only viable site for this type of option but was not sure how much benefit this would be. Vice Mayor Piquet stated that he was not in favor on moving forward

with drilling the wells. Mayor Owen thanked Mr. Rothrock for his time on reviewing the report.

c. Resolution Accepting and Endorsing the Solid Waste Management Plan of 2012 for Watauga County – Mayor Owen stated that a waste management plan is completed bi-annually and that the Town can either produce their own or use Watauga County's. Councilman Holcombe motioned to adopt the resolution. Vice Mayor Piquet seconded the motion and the vote passed unanimously. The Resolution Accepting and Endorsing the Solid Waste Management Plan of 2012 for Watauga County is attached as Exhibit D and incorporated by reference as if fully set out within these minutes.

d. Call for a Public Hearing for an Ordinance to Amend the Standards Regulating Banners and Temporary Signs – Town Planner James Scott stated that currently the sign regulations do not allow for directional signs for events. Mr. Scott stated that not allowing for directions signs for large events on the mountain could have a negative impact on traffic flow which would impact the tranquility of the mountain. Mr. Scott stated that the proposed ordinance is to be used only for directional purposes. Councilman Miller motioned to call for a public hearing. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

e. Tourism Development Authority Vacancy – Mayor Owen stated that the vacancy for the Tourism Development Authority was due to a resignation. Councilman Holcombe motioned that Brian Barnes be appointed to the Tourism Development Authority to fill the vacancy. Councilman Miller seconded the motion. Mayor Owen stated that currently Brian Barnes is on the Planning Board and asked if it was Council's intention to remove him from the Planning Board. Attorney Eggers asked for Council to delay calling the question in order for him to review the general statutes to see if Mr. Barnes was eligible to serve on both boards.

f. Public Records Request Policy – Mayor Owen stated that normally the policy has been that if an attorney calls requesting information then the Town has had them deal directly with the Town Attorney. This practice ends up costing the Town money. As a result of this staff was asked to bring proposals before Council. Mayor Owen stated that of the two procedures he liked the second proposal the best. This policy stated that requests made by the general public are to be submitted to the Town Manager. The Town Manager then processes all requests and consults with the Town Attorney on an as needed basis. Council directed staff to implement this procedure.

g. Tax Refunds – Mayor Owen stated that all tax refunds before Council have been through the review board and approved at the County level. Councilman Miller motioned to approve both tax refunds. Vice Mayor Piquet seconded the motion and the vote passed unanimously.

High Country Municipal Association – Mayor Owen stated that there is a High Country Municipal Association meeting on June 21, 2012 at 6:30 p.m. at the Village of Sugar.

IX. Town Manager and Staff Reports

Charlie Burlison Memorial at Lake Coffey – Manager Feierabend stated that the memorial dedication of the pier at Lake Coffey in Charlie Burlison's name would take

place on Saturday, June 23, 2012. Manager Feierabend informed Council that staff is looking for a company to have a bronze plaque made.

Benson House – Manager Feierabend informed Council that he had been contacted regarding the possibility of extending Town water and sewer to the Benson house. This request has been made by John Albertson with Piedmont Home Inspections & Environmental testing. Manager Feierabend stated that staff had discussed the possibility of them doing a voluntary annexation and that they were not opposed to it. Mayor Owen stated that Council would address this issue further during closed session.

Pier at Lake Coffey – Rochelle Gassner of 117 Dogwood Lane asked about how the Town had funded the construction of the pier at Lake Coffey. Manager Feierabend stated that North Carolina Wildlife had funded 75% of the construction of the pier and that The Cool 5 run had provided the remaining 25%. Manager Feierabend stated that when the engineer reviewed the construction of the pier that adjustments had to be made which would cost the Town approximately \$3,000 to \$4,000.

Tourism Development Authority – Manager Feierabend stated that the Tourism Development Authority will be hosting a Public Forum on their budget here in the Town Chambers at 9:30 a.m. on Wednesday, June 13, 2012.

Mountain Electric – Councilman Holcombe asked about Mountain Electric trimming trees up on the mountain stating that he thought that Mountain Electric was not planning on doing any more trimming. Manager Feierabend stated that he believed this to be the case.

Mayor Owen stated that Council would take a short break at 5:45 p.m.

- X. *Closed Session – Pursuant to NC GS 143-318.11(a)(3) Attorney Client Matters*** – Upon motion by Vice Mayor Piquet at 6:03 p.m., seconded by Councilman Holcombe, the Council voted unanimously to go into closed session pursuant to NC GS 143-318.11(a)(3) for Attorney Client Matters. Councilman Miller motioned to exit closed session at 6:36 p.m., which was seconded by Vice Mayor Piquet. The motion passed unanimously.

XI. *Other Business*

Special Meeting – Councilwoman Keller asked if Council was going to call for a special meeting. Mayor Owen stated he was not opposed to scheduling a special meeting. Councilman Miller stated that these issues need to be addressed. Vice Mayor Piquet recommended Council members taking time to discuss things one on one to explain that the numbers are accurate in the audit. Councilwoman Keller stated that it would behoove Council to call a special meeting.

Tourism Development Authority Vacancy (continued) – Attorney Eggers stated that these boards are not mutually exclusive so individuals are able to serve on both the Planning Board and the Tourism Development Authority Board. Mayor Owen stated that he has spoken with

Brian Barnes over the phone and that Mr. Barnes had given him his verbal resignation from the Planning Board and is sending will send his written resignation to staff via e-mail. Mayor Owen called the question and Council voted unanimously for Brian Barnes to fill the vacancy on the Tourism Development Authority board.

Planning Board Vacancy – Councilman Holcombe motioned for Matt LaVigne to fill the new vacancy on the Planning Board. Councilwoman Keller asked if the Paul O’Connell, Chairman of the Planning Board, had been asked about this nomination. Councilman Holcombe stated that Paul O’Connell was fine with the nomination of Matt LaVigne. Councilman Miller seconded the motion and the vote passed unanimously.

Freedom of Information Requests – Manager Feierabend stated that staff has spent approximately 1449 minutes on freedom of information requests. This figure did not include Manager Feierabend’s time nor Attorney Eggers time. Attorney Eggers informed Council that staff had done what had been asked of them with regards to the freedom of information requests that had come through his office. Attorney Eggers stated that when staff had further questions regarding a request they had clarified these questions through him.

XII. Adjourn – Upon motion to adjourn made by Councilman Miller and seconded by Vice Mayor Piquet the meeting was adjourned at 6:50 p.m. The motion carried unanimously.

Minutes approved by Town Council on July 10, 2012.

Richard H. Owen, Mayor

ATTEST:

Jennifer Broderick, Town Clerk