

TOWN OF NEWLAND  
MONTHLY BOARD MEETING  
FEBRUARY 7TH, 2022



**ATTENDING:**

**Mayor:** Derek Roberts

**Attorney:** Gerald McKinney

**Alderman:** Kenny Caraway, Gail Haller, Christie Hughes

**Guests:** Lily Kincaid, Sandy Lewis, Alaina Stair, Alsie Sturgill, Ben Hansel, Mike Nelson, Lily Kincaid, Victoria Darlington, Francis Banner, Clara Dickson

**Staff:** Town Administrator Bill Bailey, Town Clerk Jennifer Beam, Police Chief Byron Clawson, Captain Michael Fields, Public Works Supervisor Gary Lewis, Melisa Borkowski

The Mayor called the meeting to order at 6:00 pm, led the assembly in the Pledge of Allegiance, and reminded everyone of ethics awareness.

**AGENDA:**

Ben Hansel mentioned he has a townhouse in Newland where his stepson stays. Ben first complimented Chief Clawson and his staff for dealing with an incident that happened where an individual threatened his son at Ingles. Ben stated it was handled in a very good way. The reason Ben came before the board was to discuss the water bill at the town house. He mentioned in the past month there was consumption of 3,000 gallons and his bill was twice as much. After some discussion, the board decided to adjust the water bill to the average and the Mayor stated that he would send a plumber by the home to check everything out. Kenny stated that there is a policy that allows the clerk to adjust a water bill for leaks one time annually.

Elsie Sturgill stated she owns the three trailers on Eskona Street, and she has had the parking lot fixed but every time it rains it comes across in a pipe and washes out her parking. When she

spoke with Bill, he stated that there needs to be a bigger culvert put in. Gary stated the County's drain that comes off of their parking lot was basically coming out to a flat surface which basically went straight across the road. They dug it down to a ditch and it seemed to help. Gary stated that we couldn't really have a bigger culvert because there is a water line and sewer line there. Gary continued they would go down there every month and make sure the existing culvert is cleaned out. The Mayor asked Elsie to call the town when it gets bad, and someone will take a look and decide a plan of action. Christie asked if the board couldn't go ahead and act on the situation. Bill stated, there are a number of issues that that we would have to look at, he believed public works solve the main issue with digging the ditch but there's also an asphalt diverter going all the way across the road which takes water and then concentrates it down right at that corner where the culvert is and then shoots it all down so that culvert is under size for what it's taking.

Bill stated that the policies and procedures are out of date. Several issues are not addressed in the policies and procedures for the Town. Bill has spoke with the League about what they can offer economically as a consulting basis. Bill recommended that the town look at the policies and procedures and update them. That would also include separate police set of policies and procedures because they're vastly different. Bill stated we could hire a third party to create policies for the police department that would be in line with all the court cases and in line with state law and they would update the policies regularly for the fee that the town would pay. The Mayor asked the board if they agreed with Bill moving forward. The board agreed.

Bill stated that the town had not been billing the Lacey property for utilities. He continued the local government commission frowns on that when we don't bill somebody for utilities and so I told Jennifer to bill them. Gerald found in a deed the agreement between the town and the Lacey's because we have a tank on their property, the town will not charge for utilities for so many gallons.

Christie stated that when someone can not come in due to inclement weather, it should be taken out of the individuals paid time off. The Mayor stated that it is odd to punish someone who is driving from say Jonas Ridge because they can't come in during a snowstorm. Gail said it is typical business when someone misses due to weather, it is leave without pay. If the employee feels unsafe, they should stay home, take a day without pay, or vacation day. Christie suggested making the time up too. The Mayor stated that the board wouldn't pressure or make an employee

feel bad because they can't make it into work. The board agreed. Kenny stated that other people must come in during inclement weather, such as the police department and maintenance. Christie made a motion to give the people who came to work eight hours of leave time to make it fair to them. Kenny seconded the motion. All agreed by stating aye and show of hands.

Bill stated the board needs to make a decision regarding the annexation. Frances Banner asked if the board would take public input on the annexation. The Mayor stated yes, the board conceded. Frances stated that she has concerns about Newland expanding. Frances stated Wilderness Trail is the reason Newland has a six hundred thousand gallon wastewater treatment plant that Newland does not need. She asked if the development would be worth the tax base to the Town of Newland. She continued if there were people on Smokey Straight that wanted to be annexed in or if the golf course wanted to be annexed in, it would be different but they do not want to be. Frances stated that she is tired of her sewer bill being so high because of the wastewater plant. Frances said Land Harbor has a 225,000 gallon wastewater treatment plant to service 1,400 sewer customers, Newland has a 600,000 gallon plant to serve a little over 400 customers. The Mayor stated that he thought our plant was bigger than that and questioned the location of the plant. Gary explained the old separation tanks are behind the new ones when you come up to the top you've got the two big aerating basins and then the two new separation tanks, the town only runs one each. Frances said the town made upgrades to the system to be able to service Wilderness Trail and that feel through, but the citizens are still paying a higher sewer rate because of the upgrades. Bill explained the town has one piece of property and it started out with a small operation and because the town was growing and because of changes in law, the town got a grant and a loan and expanded. The town has excess capacity, but several years ago we were operating one side and have now switched to the other and the first tank was never maintained. Bill stated the town now has about half a million dollars' worth of maintenance to do just on the aeration basins. The Mayor questioned is the town making one payment for the USDA loan for 875,000 on one waste treatment plant that the town upgraded. Bill and Jessica agreed. Frances insisted that the town needs to take care of the infrastructure of Newland before expanding. Bill explained the board needs to make a decision about where to spend the funds from the grant. Frances asked if it was not already decided. The Mayor stated that it was discussed in March of 2022. Frances asked if the grant can be used to pay off the USDA loan as previously discussed by the board. Christie and Kenny stated no. The Mayor asked why. Bill stated the grant is only to

be used for new projects such as expansions or repairs to the system and it is not to be used for existing projects or debt. Kenny agreed. Frances asked about replacing the existing wells or tanks. Kenny stated the town must show the need of what the money is being spent on. Bill read the quote from the states email.

The 3.2 million is earmarked for Newland through State legislation 2022-74. It does not have specific projects designated in the state law. For projects that are designated the town May directly reference section 12.9 e of the session law which is presented in a similar manner as appendix a which is the list of projects and what we can spend it on. The restrictions for the earmarked grant funding are those referenced in the request for funding document. This means the town May submit for funding requests for projects eligible under the drinking water and wastewater State revolving fund or the Clean Water Act and the ARPA funds can be used can be used for previously incurred costs related to a project approved by the division and for a pre-project planning and assessment that cannot be used to pay principal and interest on outstanding debts.

Clara Dickson stated when she came before the board, the board told her the funds are to be used for water and sewer only. The Mayor stated that no matter what the funds will ultimately be used for water and sewer. Clara confirmed not for the annex, she continued the board would have a lot of people upset if the funds are not used for the town. She stated that the town can get the money somewhere else to annex. The Mayor asked Bill why the sewer rates are more than the water rates. Gary said that it is standard in a lot of places for the sewer to be more that water. Frances said it was not more expensive until the wastewater plant was added on to. The Mayor said he wanted to be sure that the board did not use the plant as an excuse to raise the sewage rates. Kenny stated that a lot of the citizens not just the ones at the meeting but with others in town it's consensus to the people to we take care of what's in town. Kenny made a motion to deny the satellite annexation, Gail seconded the motion. All agreed by stating aye and show of hands.

#### **PUBLIC COMMENTS:**

Alena Stair stated she has been asking for a stop sign at the end of Shady Street since the previous administration. Gary stated there are three there at the intersection one that just got put

in the day before. Kenny asked why there is a stop sign coming out of a driveway it is not a public street. Mike agreed with Alena that people need to slow down. The Mayor asked Mike if he would put speed bumps in on Shady Street. Mike agreed. Gary stated if there is not a stop sign at the exit of the campground people will speed onto Shady Street. Alena asked Mike about blocking that entrance and he stated he would not ever block that entrance. The Mayor asked for a motion to allow Mr. Nelson to put two speed tables out on Shady Street and get with Gary on where to put them, Appalachian Seal Coating will paint them yellow for safety. Christie made the motion, Gail seconded the motion. All agreed by show of hands and stating aye.

Clara asked if the town could replace a yield sign on her street that has been spray painted. The Mayor stated the town would take care of it.

Victoria Darlington asked about the status of the old Lowes building. The Mayor said the people who purchased the property did not receive funding like they had hoped for the location. Mike Nelson stated the same people were trying to buy the campground land. For three years, they paid a deposit down and their grant fell through. Frances asked if it was the Northwest Regional Housing deal and stated the town would not get any tax revenue from them.

Kenny made a motion to approve the January minutes. Christie seconded the motion. All agreed by show of hands and stating aye.

## **REPORTS:**

Jessica stated the auditor, Cindy was supposed to be at the town hall to be getting the stuff for the next audit for the town. However, in an email, Cindy had originally gave Jessica the wrong year and Jessica had pulled several items for the wrong year. Jessica mentioned she would have to start over and pull the correct years documents. The Mayor stated that Jessica is still dealing with stuff from before she was hired and asked the board to consider hiring aide for the finance officer. Jessica mentioned the next audit is not due until October 31<sup>st</sup> but she will be working to get the correct information for Cindy as soon as possible. Frances stated that Jessica will also be dealing with this year's budget too. Jessica stated that she has the contract for Cindy to continue to do the town's audit. Sandy Lewis mentioned that Cindy has experience for "yellow book"

audits which is what the town will require this year. Gail made a motion to allow Cindy to continue being the town's auditor. Christie seconded the motion. All agreed by show of hands and stating aye. Jessica submitted the annual solid waste of materials report, the LGC203 semi-annual report of cash and investments, and the annual TR2 report. Jessica gave a rough draft of the current year's expenditures to the board.

The Mayor asked the board to address getting some administrative help. Jessica mentioned Paul Imes is still helping some. Christie asked about an intern. Bill stated that it would most likely require someone who has skills and would require payment under contract. Christie ask if it would be temporary. Bill agreed. The Mayor stated that the 2021 financial year should not be Jessica's responsibility and we need to get someone to put in that information so that Jessica can focus on the current year. Kenny stated that if there is funds available in the part-time salary budget, the board knows a starting date and the ending date, and it is a part-time basis with no benefits he would see no problem with it.

Bill stated next months report will give the board an idea of the town's condition. It will address the wastewater treatment plant, a few minor issues with Town Hall, and the Sokassa building. Maintenance and Mike Gragg have done quite a bit of grading work, put in some drainage to get it dried out but we've still got some issues with the building itself and the engineer can't seem to provide any plans. Sometime in the upcoming month the concrete will be poured. Bill mentioned he has been evaluating staff to see what jobs they are performing. He mentioned there is one person that does Utility Billing, Tax Collection, Town Clerk, Board's Clerk, there is quite a bit on one job function. The Finance Officer is trying to catch up on many years of previous stuff and get ready for the new budget and getting ready to close out the current budget. Bill stated the board needs to think about workshop dates for the budget. Bill stated the town has lost a third of the town's revenue due to inflation, recession and tax cuts. Bill continued if the board would like projects done they will need to start thinking about that and thinking about how the money impacts that have occurred and will occur in next year's budget. Kenny said for Bill to pick some dates and those who are willing, and can will be here. Christie suggested coming in at 5 pm before the regular meeting. Bill stated we will advertise a workshop at 5pm before the next meeting.

Byron gave the police report. He mentioned the department had eleven suspicious person calls. The suspicious person was same person each time and while fleeing from law enforcement he accidentally shot himself. Byron asked the board to enter a closed session over a personnel matter.

Kenny made a motion to enter closed session, Christie seconded the motion all agreed by show of hands and stating aye.

No decision was made in the closed session.

Gary gave the public works report. The Mayor asked for the Public Works report to be the first report to be given at the next meeting.

#### **Council Comments:**

Gerald gave an update on the tax situations that have been released to him. Gerald mentioned he has drafted an agreement for the individuals to abide by to avoid foreclosure on their property. He mentioned High Country Polaris offered to pay their taxes within eleven months. Kenny stated the town has had issues with this owner in the past. Kenny said that the board needs to be fair between both the parties. If we do something for one of the individuals then we need to offer the same for the other. Gerald asked what amount would be a reasonable down payment for High Country Polaris. Stanley Carvers payment would be a 20% down payment. Kenny stated as long as the percentage is the same. Frances asked if the mortgage would have to be paid off before the town takes ownership of the property. Gerald replied no. Bill stated we have had a number of run-ins with the property owner at High Country Polaris on a number of occasions. The Mayor suggested 33% upfront because of the landowner's reputation with the town. Gerald stated the foreclosure process takes a number of months, in which case you would go through this process to obtain the same amount as if the board would have made the agreement to get the money now with the payment schedule and if they don't pay within ten days then the town will take the property. After some discussion, The Mayor asked for a motion to allow High Country Polaris to make payments for taxes owed within ninety days in thirds and leave Stanley Carver's agreement as is, Gail made a motion, Christie seconded the motion, all agreed by show of hands and stating aye.

Bill mentioned that the Republic contract is ending soon, and he wanted the board to be thinking about what they would like to do as far as trash pickup. Kenny asked what the point of the contract for trash pickup. Bill stated it was implemented to give the citizens of Newland the option for trash pickup at a lower price point.

**ADJOURNMENT:**

Kenny made a motion to adjourn the meeting. Gail seconded the motion. All agreed by stating aye.

**MEETING ADJOURNED.**

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MAYOR DEREK ROBERTS

TOWN CLERK, JENNIFER S. BEAM