

TOWN OF NEWLAND
07/02/2024
MONTHLY BOARD MEETING



ATTENDING:

MAYOR: Derek Roberts

ALDERMAN: Kenan Foxx, James Johnson, Gail Haller, Christie Hughes, Dave Calvert

GUEST: Theresa Foxx, Mike Tolson, Bert Valery, Beverly Hoyle, Faith Lacey, Larry Hoyle, Donetta McKinney, Vanessa Angrasani, Julie Banner, Susan Rash, Rick Roberts, Nathan Gitter, Vicki Carraway, Kenny Carraway, Lonni Wilson, Christian Gardner, Melania McKinney, Clara Dickson, Mike Nelson, Jackie Nelson, Diane Jaynes, Tom Golder, Lauren Turbyfill, Casey Turbyfill, Kyle Wise, Dennis Aldridge, John Millan, Mike Lacey

STAFF: Town Administrator Bill Bailey, Finance Officer Sandy Lewis Town Clerk Jessica Buchanan, Police Chief Michael Fields, Police Captain Chris Clark, Public Works Director Gary Lewis, Town Attorney Gerald McKinney

Mayor Roberts called the meeting to order at 6:00 p.m., reminded everyone of ethics awareness, and led the assembly in the Pledge of Allegiance. Mayor Pro Tem Foxx motioned to approve the June minutes; Alderman Haller seconded the motion. All agreed by a show of hands and stating aye. Alderman Johnson motioned to approve the agenda. Alderman Calvert seconded the motion. All agreed by a show of hands and stating aye.

AGENDA

MAYORS REPORT

Mayor Roberts stated it would be a busy weekend for the Town. Mike Nelson will have free barbeque, bands, and fireworks at the campground on Thursday, July 4th. The kid's fishing tournament would start at 8:15 a.m. on Saturday, July 6th, along with vendors and food trucks set up around the bandstand. Anyone who wants to be in the parade can line up at the square at 11:30 a.m., which will start at noon. Skydivers will jump at 8:30, and fireworks will follow after that. Mayor Roberts asked where the fireworks will be shot off from. Christie stated nobody responded to her email. The Mayor said he thought everyone responded. Christie said she had already told the Little League no since she has not received any responses. The Mayor asked where the best location would be. Christie said she thought the Little League field would be the best place. In the email, she said we had to have two certificates of liability, one for the County and one for the Little League. And another document for the Fire Marshall. Alderman Johnson

suggested the Newland Elementary parking lot since it was a higher location. The Mayor stated the Board would work on resolving this tomorrow.

MIKE TOLSON MACK GAY ASSOCIATES – UTILITY RATE STUDY

Mr. Tolson stated they had wrapped up the asset inventory assessment for the water system. This amounts to a review condition evaluation of the Town's water system and updating the asset inventory in the current GIS, which houses with the COG. The Town uses GIS to house this database and move forward with these things. Tolson stated they updated everything and got a condition score, which is populated in that database for employees to view. However, the number of people allowed to view this information is limited simply because it is somewhat sensitive. Knowing where water valves are and where the tanks are located. Tolson said it is a complete picture of the system, and all water/wastewater files from the public works department were scanned and digitized into the system. Now, you can see historical maps on top of digitized maps while seeing what materials are and how old materials are. Tolson stated they had four tasks to complete, the first being updating the existing GIS conditional evaluation. Evaluating all the valves, hydrants, and mains on a 1-5 scale. One is in excellent condition, and five are in very poor condition. They did not find anything in very poor condition. They base the score on age, material, and any information you can pull from an asset, like a fire hydrant with age. Overall, the Town's water system is considered to be in poor condition. Regarding age and material, many lines are asbestos cement, considered well past its service life material. It is a good water pipe. However, it is very brittle, and when it breaks, it will break longitudinally along the pipe and can have a 20-foot crack in a section of the pipe which will shut a whole section of the Town down. You would have to shut half the Town down to fix a small leak because valves near the leak are not functioning well enough to get a full shut-off. Several valves are buried by constant snow debris that has gotten plowed over. However, Tolson stated they located as many as they could. With the number of inoperable valves and asbestos cement in the system, there is a need for the replacement of those mains. Tolson has generated a 10-year CIP, task number three, and incorporated the work to be done with the AIA grant money. The CIP includes potential projects that need to be done, and Tolson tried to schedule the amount for the 10-year phase by estimating how much it would cost to make these repairs. He stated that after listening to the Town's previous budget meeting, he wasn't sure if the Board wanted to see what the amounts are on those estimates because, bottom line, it is a very large number. Task four was his final report and discussion of the next steps. Tolson presented his capital improvement plan, explaining it is a schedule of how you plan to invest capital investment in your instruction, and it is based on things you need to have done versus things you want to have done that you do not have the money for. You move these projects into "future gears" ten years out. The first five years are scheduled to work on things in the poorest condition. Project number one for the drinking water system is Town Square cast iron water main, a project that has been a priority in the past and has applied for grants. The next project is the valve exercise and insertion evaluation project, which has a price tag of \$900,000. Tolson said this isn't something that has to be done tomorrow or a year. However, you can break this down over your 10-year schedule and do several valves. Each valve can cost between \$15,000-\$20,000 a piece for installation. The third project is replacing ground tank number one. The tank is underground by about two feet, on top of a hill, and pushing 100 years old. It is one of the main tanks in Town and needs to be evaluated, inspected for cracks and breaks, and replaced. This project alone would cost around \$1.3 million. The last project would be replacing the oldest pipe mains with asbestos cement, a \$16 million project.

This one is so expensive because there are 58,000 linear feet, close to 12 miles, of 6-inch asbestos cement in the system. Alderman Johnson asked Tolson if he thought we could receive grant funding from the State for this project. Tolson stated he knew we could get help if it were documented as being 40 years or older. Alderman Johnson asked Tolson if he would help us apply for the funding. Tolson said he would be happy to if we chose to do that, and the next round is coming up in September. When applying for these grants, Tolson explained to the Board that he couldn't promise they would get 100%. It could be 80/20 or 75/25, and they would have to decide how much they will contribute to the projects. Tolson said part of the AIA grant was conducting a rate study, which he was here to present to the Board. He said he went into the study looking at \$19 million needed over ten years; therefore, the rates presented are going to be unrealistic, but it is made to show you what you need to do to be able to raise those funds based on what you have in the system currently. A new monthly bill of 5,000 gallons would be \$74.20 for Newland. Spruce Pine charges \$55, Boone charges \$73.95, Beech Mountain charges \$109, and Banner Elk charges \$79.60 for 5,000 gallons. Tolson explained you must have some combination of adjusting rates and, in addition, ask for grant funding and long-term low-interest loans. Alderman Calvert asked if Tolson had other Town's commercial rates. Tolson said he only researched residential but could look those up and get those numbers back to him. Alderman Calvert asked if the Town could charge a different rate for governmental agencies. Tolson replied they would be considered commercial institutes. The rate scenarios presented are just meant to give you some illustrations to show you different examples. Tolson then presented a rate structure he recommended for the Board. It is not necessarily the numbers but only the conversation structure rate. Customers would pay a set base fee each month and an additional fee for every 1,000 gallons used. If the Board adopts a structure like this, the State will give you more points in the scoring matrix, and the Town will more likely be approved for grants. Mayor Roberts asked Tolson what his best recommendation would be. Tolson said he would return to the Board, choose the projects they want to proceed with, and build the applications to send to the State. Tolson recommended that the Town need at least a yearly 1-2% increase in our utility rates. Gary said the water tank needed to be priority number one. Tolson told the Board they needed to adopt the asset management and capital improvement plans before applying for more money. He said they did not have to do it tonight; they could review it and then adopt it at a meeting before starting applications. September 30th is the deadline to apply for the grants, and they do this twice a year. He said he could come back with the resolution in August or September for the Mayor to sign after it is adopted.

EVENTS

Bill stated this was a conversation to be had about which events they felt were essential and how they wanted to proceed with them. With little staff and a little funding, we need to have a plan in place because people are already asking about the Fall and Christmas festivals. He also mentioned the idea of paying someone to be an events coordinator. Sandy suggested having an events committee. As the planning board members did, I would like to see if citizens would be interested in volunteering on the committee. Alderman Johnson said he thought the Christmas parade didn't cost anything. Bill stated it costs staff time and police on duty and directing traffic. MPT Foxx said he liked Snady's idea of the events committee. Mayor Roberts said if anyone was interested, contact Jessica, the Town Clerk.

SWEET WATER RANCH

Bill stated that this process phase is where the clerk researched to determine that all state laws and requirements were met as they were. If the Board chooses to go forward, there will be a public hearing at the next meeting. This is a much smaller project, around 5 acres this time, so it fits well within our satellite annexation. Alderman Calvert asked if this was the project being discussed by Dr. Lindsey. Bill stated yes. Alderman Calvert stated he had heard a lot of negative feedback from several citizens living on that road. Bill said everyone can speak their opinion at the public hearing next month. Alderman Calvert asked if we had annexed this property and if we had to annex all other properties between here and there. Bill stated that it would only be their property. Bill said they would all be notified by letter. Alderman Calvert and Johnson asked several questions, and Bill responded that they would all be answered during the public hearing. MPT Foxx motioned for a public hearing for Sweetwater Ranch at 5:00 p.m. before the regular August board meeting. Alderman Hughes seconded the motion; all agreed by a show of hands and stating aye.

RICK FLOWE – N FOCUS

Rick Flowe wanted to echo Mr. Tolson's comment in setting a pace instead of taking one "big bite." Rick wanted to talk about the previous budget meeting the Board had, which stated there are two ways to raise funds. One is through your tax rate, and the other is your tax base. Rick said the Board hired him to help the Town move forward so that he wouldn't sugarcoat anything or anybody. He said he has worked for the poorest and the wealthiest municipalities, and the one thing they all have in common is the angst over taxes. Rick asked the Board to find the map of the downtown map in their notebooks. He said someone mentioned earlier that evening that the County owned the Town, which means a tax exemption 95% of the time. Everything highlighted in blue on the map is government-owned. The Planning Board had the urgency with this process because there are a lot of standards in the notebook, some you may like and some you may not like.

Right now, the Town does not have standards; we are a closed shop for substantial investment in this community, which means we will be stuck with high tax rates. Rick stated a public hearing for the planning and zoning ordinance would be held on July 16th. He also issued a certificate for two years of administrative support at no cost to the Town. MPT Foxx made a motion to continue the meeting to July 16th to discuss the NDO. Alderman Hughes seconded the motion. Alderman Johnson stated he looked through the ordinances and everything he read about taking property owner rights away and holding specific regulations on businesses and their signs. Rick said that's not true; Article 22 protects everything already in place. You do not have to change anything; this is about balancing property rights.

PUBLIC WORKS REPORT

Gary gave the board copies of the new work order program he has been using. He stated he had 10 – 811 tickets for the month, six of which were for Charter to run new fiber optic or cable. Several blue flags around the elementary school out to the high school road. He has entered 138 work orders, and for each one he enters, you can also see the amount and time spent on each one. Gary stated there was a leak in the pumping area at Tweetsie. Carolina Water Systems is looking at the parts right because it will not be a simple fix. When they fix it, they will have to shut the system down and drain the line from Tweetsie to the wastewater treatment plant to take the pipe apart to fix it. This will require manual pumping into a truck and bringing it to the WWTP. Gary is working with Mike to get some of our grant money, so we don't have to come up with money

for that. Earlier in June, there were some issues with the trailer park on Bird Street. Someone ripped a meter from one of the trailers; however, it wasn't ours. The trailer park only has one meter for the Town, but the trailers are metered. Someone ripped out a meter and let a one-and-a-half-inch line blow water using over 10,000 gallons. That same trailer had a sewer issue because the water line wasn't fixed properly, and it was washing sewage down the driveway. Gary said he believes they have everything fixed now. They have been cleaning the globes and swapping them out on the lights at the Riverwalk towards the bandstand.

FINANCE REPORT

Sandy said the Avery County Shriner's Club is looking for a \$100 donation, and we have a plaque in the boardroom that she was bringing to the Board for approval. Alderman Hughes asked if there was a deadline for payment. Sandy stated no. Kenny Carraway briefly discussed the donation and the Shriner's Club with the Board. Alderman Johnson asked Sandy if he could pay for it out of his pocket. Alderman Calvert offered to pay \$20, and the other board members also decided to pay \$20 for each. Sandy said the audit for FY 2022 has been submitted to the local government commission, and the auditor will be here for the August meeting so that she can brief the Board on that. They also approved the amended contract for that audit, and then we should receive her invoice. We are now working on the FY 2023 audit and closing journal entries for FY 2024. Sandy said she would need to get some counseling on budget amendments. Thanks to Jessica and Mackenzie, the 2023 tax rate collection is at 95.36%, and we are working diligently to get those back taxes paid.

POLICE REPORT

Chief Fields stated they had 640 calls for service and six arrests. Chris and Kodi assisted in two cases, one resulting in drug charges. Chief attended some training for the LESS program, which is a military surplus program. The department now has two side-by-side, and a requisition for a Hummer utility truck has been put in. They also donated some K9 equipment last week. Alderman Johnson thanked Chief and his department for everything they do. Chief also mentioned one of his officers got dog bit while answering a call on Shady Street. To his knowledge, he said the dog is no longer on the property. Mayor Roberts said that it wasn't true that he had seen it there that day. Chief said it's a work in progress, and they are trying to get something done. The dog has been vetted and had its shots, and the officer has been to the doctor. Mayor Roberts told Chief that Officer Stockton took a report from one of his employees a few months ago about the same dog if he wanted to look it up. Clara Dickson asked if you could shoot coyotes if they weren't on your property. Alderman Johnson stated yes.

ADMINISTRATOR'S REPORT

Bill stated 99% of the streetlights had been put up and they look really nice. Everyone received an invitation to Lees McRae on the 18th for a ribbon-cutting ceremony. Bill asked the Board how they wanted to proceed with liquor by the drink. We are not eligible for an ABC Board ourselves, so we have three options. We can open a store, but we must get with the ABC Board and deal with them directly, so we must buy in. Bill stated he did not know what the cost for that would be. Or we can allow our license holders to make purchases directly from the ABC store. The next meeting for the ABC Board will be on the 18th, and he should know more about it after that.

Bill stated that when the County adopted the occupancy tax, it adopted it for every city. All the Town needs to do is implement a resolution and go through some procedural steps, and then we

can begin collecting next quarter. Alderman Johnson motioned for Bill to move forward with the occupancy tax. Alderman Haller seconded the motion. All agreed with a show of hands and stated aye, except Alderman Hughes, who had stepped out of the room. Julie Banner started yesterday and is eager to work. The State has put us on notice because the tag office has been closed for too many days. You are allowed five days of closure, and we have thirteen. We are glad to have a second person willing to work. Alderman Johnson asked Bill if he had spoken to the County about subsidies. Bill said he had not spoken with the County but would talk to Phillip one day this week. Sandy had asked why we were paying their internet bill, and in their lease, it says they use our utilities and we were responsible for paying for them. They only rent the space from us. At one point in previous budgets, Sandy asked Alderman Johnson if it looked like the County was giving \$30,000 and if he knew why it decreased. He said he did not. Bill has been working on a fee schedule and told the Board he would present that to them at the next board meeting. He also asked what the Board wanted him to do with the utility ordinance he gave them. They asked if he could resend it, and he said yes. A public hearing will be held at 6:17 p.m. on August 6th to adopt the new utility ordinance.

CITIZEN COMMENTS

Clara Dickson stated that the last time she was here, we did not open with prayer. Mayor Roberts stated we always open board meetings with prayer and the pledge of allegiance. Alderman Johnson stated they did open with prayer before the board meeting this evening. Clara said zoning for the Town is long overdue and should have been done 50 years ago. She asked if the water was safe to drink now. Mayor Roberts said it has always been safe to drink. Clara asked if the Town was going to increase the tax rate. Alderman Johnson stated there was a 3-2 vote to raise them earlier. She wondered how much of an increase, and Alderman Johnson stated it went from \$0.40 to \$0.56.

Dennis Aldridge has reviewed the online ordinances for the NDO. He said the information given to the public was very overwhelming. One thing mentioned several times is a planning zoning and subdivision administrator, and he asked who was going to pay for that person since we can't pay for the employees we have now. Bill stated he had the skills to do so if he was still employed. Dennis asked if the Board of Adjustment would be the same as the Planning Board. Bill stated yes. Dennis asked if they would institute the ordinance and review any complaints or variances. Bill said they wouldn't institute the ordinance; they brought it to the Board so they could institute it. Dennis asked how much the fee was for Rick Flowe. Alderman Hughes stated \$84,000. Dennis asked how much of that amount was paid this year. Sandy replied to all of it except for \$28,125. Dennis asked Bill if he would handle all the applications and issue the permits. Bill stated that he is the only one with the skill set. Dennis said overall, the ordinance as it is presented is like 'killing a robin with a shotgun.' He said there are parts you could pull out and utilize, but he recommends against adopting them in masses.

Mike Lacey commented that if there is a fire, you would have to follow all the rules and regulations, and you may not be able to rebuild.

Kyle Wise stated he had some rental properties around Town. He said he wasn't against zoning or for it; however, he was worried that if there was a fire, he would not be able to build back on his property.

John Millan said he has had several people complain about the speeding on Watauga Street. Mayor Roberts said after they put a tap in for him, he was going to pay for a speed bump. Gary mentioned that it doesn't matter what you put on that street; people don't stop for anything. John

asked if they could make Banner Hill a four-way stop and put a yellow warning sign in the curve that says stop sign ahead.

Clara asked about potholes, specifically the one beside Rock United Church. Alderman Hughes asked Sandy when we would receive the next round of Powell Bill funding. Sandy replied around October.

Casey Turbyfill stated he was neither for nor against planning and zoning. Martha Hill reiterated that people already living in the Town are grandfathered in. Bill reminded the Board that they were emailed the links to all of the Planning Board meetings. If anyone had any questions, they could contact Bill.

Lauren Turbyfill stated she knew she was on the Board and approved moving forward with N-Focus at the time, but if she could, she would retract her vote today.

Casey said the paperwork for N-Focus says it would go into effect on July 3rd at midnight.

Mayor Roberts said that wasn't true and asked everyone to come back for the Public Hearing on the 16th. Several individuals discussed zoning and planning, and Mayor Roberts told everyone to come back to the public hearing to voice their concerns. He then asked everyone to leave so they could move into a closed session.

CLOSED SESSION

Alderman Johnson motioned not to pay the demand for payment to Carl Glatzel. Alderman Haller seconded the motion. Motion passed with a 4-1 vote, MPT Foxx stating nay. Alderman Haller motioned to continue Bill Bailey's contract until the October meeting as interim Town Manager at 32 hours a week. Alderman Calvert seconded the motion. Motion passed with a 4-1 vote, MPT Foxx stating nay.

ADJOURNMENT

MPT Foxx made a motion to recess the meeting for discussion of the planning board and NDO until July 16 at 6:00 p.m. Alderman Calvert seconded the motion. The motion passed with a 4-1 vote, with Alderman Johnson stating nay. Alderman Johnson made a motion to adjourn the meeting. The meeting adjourned at 9:00 p.m.

Town Clerk, Jessica Buchanan

Mayor, Derek Roberts