

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
Monday June 14, 2010  
5:30 p.m.

**MINUTES**

Members Present: Mayor Roger McElroy, Colin Edwards, Scott Pauley, Saralyn Price, and Phil Aldridge  
Staff Present: Attorney Chuck Dickson, Manager Tim Barth, Planning Director Nathan Clark, Police Chief Scott Sutton, Public Works Director Mike Mehaffey, and Town Clerk Vickie Best  
Others Present: Harry Cats, Kathleen Klawitter, and Dan Massey

1. **Meeting Called to Order.**

Mayor McElroy called the meeting to order at 5:30 p.m. in the Town Hall Boardroom.

2. **Consent Agenda**

a. Petition for Annexation: Robert E. Mathews, 907 Country Club Drive, 0.5203 acres, Parcel #7697-21-8613.

Resolution No. 10-11, Directing Clerk to investigate an annexation petition.

b. Resolution 10-12 – Identifying Areas Under Consideration for Annexation.

c. Resolution 10-13 – Approving the Maggie Valley July 4<sup>th</sup> and Labor Day Fireworks Displays.

d. Year to Date Revenues and Expenditures.

e. FY 2009-2010 Schedule of Ad Valorem Taxes Receivable.

f. June 2010 Tax Release and Refunds.

g. Correction and Approval of Minutes for the May 3, May 11, May 17, May 20, and May 25, 2010 meetings.

**ALDERMAN EDWARDS MADE A MOTION TO APPROVE THE CONSENT  
AGENDA AS PRESENTED.  
MOTION CARRIED UNANIMOUSLY.**

3. a. **Public Hearing on Annexation of Parcel #7697-65-5967, (0.304 acres), belonging to Brannon Forest, LLC to be added to Parcel #7697-65-3492 belonging to Myles Jeffrey Ross, 137 Ladderback Ridge.**

**b. Consideration of Ordinance No. 692 to annex Parcel #7697-65-5967, (0.304 acres), belonging to Brannon Forest, LLC to be added to Parcel #7697-65-3492 belonging to Myles Jeffrey Ross, 137 Ladderback Ridge**

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

Mayor McElroy opened the public hearing at 5:32 p.m. There were no comments from the floor. Mayor McElroy closed the hearing at 5:33 p.m.

**ALDERMAN ALDRIDGE MADE A MOTION TO ADOPT ORDINANCE 692  
FOR THE VOLUNTEER ANNEXATION.  
MOTION CARRIED UNANIMOUSLY.**

**4. a. Public Hearing on the Proposed Fiscal Year 2010-2011 Budget.  
b. Adoption of the Fiscal Year 2010-11 Budget**

Mayor McElroy opened the public hearing at 5:34 p.m. There were no comments from the floor. Mayor McElroy closed the public hearing at 5:34 p.m.

Alderman Aldridge stated that he was disappointed that no one was present. He also stated that next year budget work should begin much earlier.

**ALDERMAN EDWARDS MADE A MOTION TO ADOPT THE 2010/2011  
BUDGET WHICH MAY BE AMENDED IF NEEDED.  
MOTION CARRIED UNANIMOUSLY.**

**5. Consideration of an Engineering Agreement Amendment to cover the final part  
of engineering a construction administration at the wastewater treatment plant.**

This amendment will close out the project. Change orders have extended the contract completion date. The cost will not exceed \$5,000.

**ALDERMAN PRICE MADE A MOTION TO AWARD THE ENGINEERING  
CONTRACT FOR THE WASTE WATER TREATMENT PLANT.  
MOTION CARRIED UNANIMOUSLY.**

**6. Consideration of awarding an engineering contract for the Reuben Branch  
Road sewer line project**

Brooks Engineering Associates, from Asheville, have agreed to complete the project for \$2,200.00. The funds have been allocated in the 2010/2011 budget.

**ALDERMAN EDWARDS MADE A MOTION TO AWARD BROOKS  
ENGINEERING ASSOCIATES THE PROPOSAL FOR THE SEWER LINE  
EXTENSION ON REUBEN BRANCH ROAD.  
MOTION CARRIED UNANIMOUSLY.**

**7. Consideration of a NCDOT Agreement regarding use of DOT funds for the  
Rich Cove landslide**

The agreement with NCDOT is for the activity related to the landslide. Because NCDOT is providing the largest part of the local match, the Town must follow NCDOT guidelines in terms of contracting for work to be done. NCDOT must also have the ability to review the work that is proposed to be done.

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

**ALDERMAN PRICE MADE A MOTION TO APPROVE THE AGREEMENT  
WITH NCDOT.  
MOTION CARRIED UNANIMOUSLY.**

**8. Consideration of a Resolution No. 10-14 supporting a 1% Prepared Food and Beverage Tax**

**Town of Maggie Valley  
Resolution No. 10-14**

**A RESOLUTION SUPPORTING THE ENACTMENT OF A PREPARED FOOD  
AND BEVERAGE TAX**

**WHEREAS**, the Town of Maggie Valley is a resort town in Western North Carolina that depends on tourism as the economic engine; and

**WHEREAS**, with so many areas seeking the tourist dollar, Maggie Valley is seeking the additional funding to provide enhanced visitor services and to attract tourist to the town; and

**WHEREAS**, the Town of Maggie Valley wishes to enact a food and beverage tax to be used to bring visitors to Maggie Valley, to improve motel occupancy, increase revenues for businesses and return Maggie Valley to a thriving resort town.

**NOW THEREFORE IT BE RESOLVED BY THE BOARD OF ALDERMEN OF  
THE TOWN OF MAGGIE VALLEY THAT:**

1. The Town has the support of the local restaurants to request legislation to enact a food and beverage tax.
2. The Town is respectfully requesting that legislation be introduced allowing the Town of Maggie Valley to enact said tax.
3. The Town of Maggie Valley will adhere to all rules and regulations pertaining to the enactment thereof.

The General Assembly is the only authorizing agent. The deadline for bills in the short session was May 19, 2010. Representative Haire will try to attach the request to another bill. If not, it will be 2011 before the General Assembly will consider the request.

If the General Assembly approves Maggie Valley enacting a food and beverage tax, there will be public hearings on the issue.

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

**ALDERMAN PAULEY MADE A MOTION TO APPROVE RESOLUTION  
NUMBER 10-14.  
MOTION CARRIED UNANIMOUSLY.**

The owner of the Bear's Den spoke from the floor opposing the resolution due to the state of the economy and the decline of the tourist industry in Maggie Valley.

**9. Consideration of Resolution No. 10-15 for a NC Governor's Highway Safety Program grant**

The Police Department is applying for funds for motorcycle training. The training cost \$5,000. The grant, if approved, will pay \$3,750 of the cost. The goal of the training is to send four officers through the NC State Highway Patrol Training.

**ALDERMAN ALDRIDGE MADE A MOTION TO APPROVE RESOLUTION  
NUMBER 10-15.  
MOTION CARRIED UNANIMOUSLY.**

**10. Consideration of Resolution No. 10-16 a NC Governor's Highway Safety Program grant**

The Police Department is applying for an \$8,000 grant for a light tower that would require no local match. The purpose of having a light tower with a generator is to provide lighting during night time checking stations.

**ALDERMAN EDWARDS MADE A MOTION TO APPROVE RESOLUTION  
NUMBER 10-16.  
MOTION CARRIED UNANIMOUSLY.**

**11. Discussion regarding a legislative agenda**

One of the items that will be discussed is the sweepstake gaming machines.

**12. Ordinance 693 - Capital Project Ordinance**

**BE IT ORDAINED BY THE GOVERNING BOARD OF THE TOWN OF  
MAGGIE VALLEY, North Carolina that,** pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is to prepare a capital improvements plan to assess the wastewater system, project needs, and predict the capital needed to accomplish the needs for a 10-year period to be financed by Rural Center Supplemental grant funds and Town funds.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms grant documents, and the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

Assessment of Existing System	\$ 3,000
Preparation of Cost Estimates	\$ 7,000
Financial Evaluation	\$ 3,000
Preparation of Report	\$ 5,000

Section 4. The following revenues are anticipated to be available to complete this project:

Grant Funds from Rural Center	\$ 12,000
Town Funds	\$ 6,000

Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and the federal regulations. The terms of the bond resolution also shall be met.

Section 6. Funds may be advanced from the Sewer Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

**ALDERMAN EDWARDS MADE A MOTION TO ADOPT ORDINANCE  
NUMBER 693.  
MOTION CARRIED UNANIMOUSLY.**

**13. Budget Amendments**

Ordinance No. 694 – This is an amendment to the sewer department to recognize the additional funds that need to be added to the Capital Outlay – Line Extensions in order to pay for the project. The additional funds for this project will come from the leachate revenue.

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

**ALDERMAN PRICE MADE A MOTION TO ADOPT ORDINANCE NUMBER  
694.**

**MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 695 – This is an amendment to appropriate the expense for the sewer system Capital Improvement Plan. This transfers the \$6,000 to the Professional Services account so that the money is where it needs to be.

**ALDERMAN EDWARDS MADE A MOTION TO APPROVE ORDINANCE  
NUMBER 695.**

**MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 696 – This is an amendment to transfer the Town’s share of the local match for the Rich Cove landslide project. The engineers are working on the grading plan for the area. The Town’s local share of \$25,000 comes from Contingency in the current year budget.

**ALDERMAN PRICE MADE A MOTION TO ADOPT ORDINANCE NUMBER  
696.**

**MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 697 – This is an amendment to recognize the FEMA reimbursement funds that we are getting for the debris removal that was done after the December 18 snowstorm. This recognizes the refund from FEMA as revenue and the expenses associated with the debris removal as expenses.

**ALDERMAN PAULEY MADE A MOTION TO ADOPT ORDINANCE 697.**

**MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 698 – This is an amendment that recognizes the FEMA reimbursement for employee overtime and material and equipment used in the General Fund to deal with the snowstorm. This is just the General Fund budget amendment part.

**ALDERMAN EDWARDS MADE A MOTION TO ADOPT ORDINANCE 698.**

**MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 699 – This amendment goes along with Ordinance No. 699, because it is the FEMA reimbursement for the Sewer fund expenses during the snowstorm. The vast majority of these expenses were related to operating the generator at the wastewater treatment plant for four days straight after the snowstorm.

**ALDERMAN PRICE MADE A MOTION TO ADOPT ORDINANCE 699.**

**MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 700 – This is an amendment to transfer the \$235 in extra funds to the correct account so that we can make the payment on our share of the J Creek park expenses.

**ALDERMAN EDWARDS MADE A MOTION TO ADOPT ORDINANCE 700.**

**MOTION CARRIED UNANIMOUSLY.**

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

Ordinance No. 701 – This is an amendment to appropriate the funds for the sewer creek crossing project. This is the sewer line that was damaged by debris that was in the creek after the snowstorm and damaged the sewer pipe. The Town will be reimbursed for these expenses by FEMA as soon as the project is complete.

**ALDERMAN PAULEY MADE A MOTION TO ADOPT ORDINANCE 701.  
MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 702 – This is an amendment to recognize the revenue and expenses for bullet proof vests. The money for the vests came from a safety grant and those funds were recognized as well as the expense for the vests.

**ALDERMAN ALDRIDGE MADE A MOTION TO APPROVE ORDINANCE  
NUMBER 702.  
MOTION CARRIED UNANIMOUSLY.**

Ordinance No. 703 – This is an amendment for the forgiveness of debt at the Festival Grounds. It has to be shown as a transfer of funds from the General Fund to the Festival Grounds and then shown as an expense in the Festival Grounds. This is audit purposes.

**ALDERMAN EDWARDS MADE A MOTION TO APPROVE ORDINANCE  
NUMBER 703  
MOTION CARRIED UNANIMOUSLY.**

14. **Consideration of an alternate date for the July Town Board meeting**

**ALDERMAN EDWARDS MADE A MOTION TO CHANGE THE JULY  
MEETING DATE TO THURSDAY JULY 22, 2010.  
MOTION CARRIED UNANIMOUSLY.**

15. **Manager's Report.**

Manager Barth will be out of the office at a Managers' conference June 23 through June 26.

The Commission for a Clean County will be working in Maggie Valley June 19.

16. **Other Business.**

**ALDERMAN EDWARDS MADE A MOTION TO DISCONTINUE THE  
WEEKLY REPORTS FROM DEPARTMENT HEADS.  
MOTION CARRIED UNANIMOUSLY.**

**ALDERMAN EDWARDS MADE A MOTION TO DISCUSS APPOINTING THE  
TOWN CLERK ASSISTANT MANAGER DURING CLOSED SESSION.  
MOTION CARRIED UNANIMOUSLY.**

The Town Clerk will conduct the next landslide meeting for the residents in the Rich Cove area. Mayor McElroy and Alderman Pauley directed Manager Barth to contact McGill Associates to encourage them to speed up the process.

Town of Maggie Valley  
Regularly Scheduled Board of Aldermen Meeting  
June 14, 2010  
MINUTES

Alderman Pauley questioned Chief Sutton to see if the officers have riding gear. The officers do not have riding gear other than the necessary safety gear.

**17. Public Comment.**

The Bear's Den Restaurant owner of seven years addressed Council questioning what Maggie Valley was doing to improve the economy.

Alderman Price responded that the Town has hired a festival director, Audrey Hagar, to bring events to town. "It will be next year before we begin to see the fruits of her labor. Council has created an EDC Board and has empowered them to look at incentives to entice businesses to move to Maggie Valley. Council is open to suggestions. The economy is difficult throughout the country."

Dan Massey addressed Council stating that they should get the word out on the streets as to what the money will be used for and that a separate board (similar to the MVTDA1% Subcommittee) will decide how to spend the additional funds to help the Maggie Valley businesses.

Mr. Harry Cate addressed Council stating that the Police Department budget is out of control. "Nearly \$900,000 of the budget goes to the Police Department and \$375,000 of that goes to salary. That is a lot of money for policing 1500 people. The national average is one officer per every 3,000 people." Mr. Cate felt that Maggie Valley should look at consolidating with Haywood County. Mr. Cate felt he was not getting the bang for his buck.

**18. Closed Session – Consideration of an Award.**

**Closed Session – Attorney Client Privilege.**

**Closed Session – Personnel Matter.**

**ALDERMAN EDWARDS MADE A MOTION AT 6:37 P.M. TO GO INTO  
CLOSED SESSION TO DISCUSS A PERSONNEL ISSUE AND ATTORNEY  
CLIENT PRIVILEGE.**

**MOTION CARRIED UNANIMOUSLY.**

**19. Meeting Adjourned**

**ON MOTION OF ALDERMAN EDWARDS, WITH ALL IN FAVOR THE  
MEETING ADJOURNED AT 7:15 P.M.**

---

Mayor Roger McElroy

---

Vickie Best, CMC, Town Clerk