

**Town of Montreat
Board of Commissioners
Town Council Retreat
March 8, 2008 – 9:00 a.m.
North Carolina Arboretum - Asheville**

The Montreat Board of Commissioners held a Retreat on March 8, 2008 at 9:00 a.m. at the North Carolina Arboretum in Asheville. Present among the Board were Mayor Letta Jean Taylor, Mayor Pro Tem Eric Nichols, Commissioner Ruth Currie, Commissioner Bill Hollins, Commissioner Jack McCaskill and Commissioner O’Neil Tate. Representing Town Staff were Town Administrator Ron Nalley, Public Works Director Charles Caldwell, Safety Officer Stephen Freeman, Chief of Police William B. McClintock and Finance Officer Stefan Stackhouse. No members of the public were present. Mayor Taylor called the meeting to order and gave the invocation.

Agenda Approval

Mayor Pro Tem Nichols moved to adopt the meeting agenda as presented. Commissioner Currie seconded and all voted in favor. The motion carried 5/0.

Meeting Format and Suggested Ground Rules for Effective Group Process

Mayor Taylor explained that the purpose of the Retreat was to encourage open communication in a more informal setting and encouraged participation from all Council members. She also briefly summarized the list of “Suggested Rules for Effective Group Process” developed by the Land-of-Sky Regional Council and referred to the article entitled “10 Habits of Highly Effective Councils” by Carl H. Neu, Jr. included in the meeting agenda packet.

Montreat Board of Commissioners Areas of Responsibility

After discussion, the Commissioners’ areas of responsibility were assigned as follows:

Mayor Pro Tem Nichols:	Commissioner of Communication and Sanitation
Commissioner Currie:	Commissioner of Roads and Water and Audit Committee member
Commissioner Hollins:	Commissioner of Safety and Audit Committee member
Commissioner McCaskill:	Commissioner of Finance
Commissioner Tate:	Commissioner of Environment and Audit Committee member

Community Group Liaisons: These responsibilities were assigned as follows:

French Broad River Metropolitan Planning Organization:	Mayor Taylor and Commissioner McCaskill (Alternate)
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Black Mountain Center for the Arts: Mayor Pro Tem Nichols

Land-of-Sky Regional Council: Mayor Taylor and Commissioner McCaskill (Alternate)

Montreat Cottagers Association
Wilderness and Open Space Committee: Commissioner Currie

Montreat Institutional Sharing Committee: Mayor Taylor and Commissioner Tate (Alternate)

Other Group(s): Commissioner Tate

Review of Previously Adopted Goals and Objectives

Mr. Nalley reported that out of the forty-three goals set for the current fiscal year, twelve were completed, twenty-five were ongoing and fourteen had been postponed for various reasons. Mayor Pro Tem Nichols suggested setting specific completion dates for the upcoming fiscal year's goals rather than using more general timeframes.

Reports From Department Heads - Review of Goals and Objectives for 2007-2008

Administration: Mr. Stackhouse said that a Request for Proposals (RFP) for banking services had been drafted and submitted to Mr. Nalley for his review. Responses to the RFP would likely be presented to the Council for consideration at their May Town Council meeting. He also stated that digital data backups were being made in tape format on a daily basis. Mr. Stackhouse explained that off-site computerized data storage was not possible given the current modem connection speed, which he said would be very expensive to upgrade and not a practical expense if the Town was considering building a new facility. Mayor Pro Tem Nichols stressed the importance of making sure the data storage tapes were taken off-site to ensure security. Mr. Stackhouse agreed that staff would establish a daily procedure by which tapes would be taken home with a staff member each evening. He also advised that he was working to incorporate information on the older components of the street and water systems into a spreadsheet he had created to keep an inventory of the Town's fixed assets.

Governing Board: Mr. Nalley reported that the Comprehensive Plan Steering Committee and Planning and Zoning Commission had both unanimously recommended the adoption of the Montreat Comprehensive Plan, which would be presented to the Council at their March meeting for formal consideration and adoption. He noted that an Audit Committee had been successfully established and staffed, and that he would continue his work on the development of a merit-based employee incentive program throughout the coming weeks. Mr. Nalley also advised that exploration of alternate revenue sources had been postponed until after the adoption of the Comprehensive Plan, and that public education concerning the annual budget and Capital Improvements Plan process would be on-going from year to year. He continued by stating that copies of Town Council meeting minutes would soon be sent to the North Carolina Division of

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Archives for microfilming, and that an office-wide file indexing system was being developed and would be implemented through the remainder of the fiscal year.

Public Buildings: Mr. Nalley stated that staff would be spending a considerable amount of time during the upcoming year on site selection, preliminary cost estimates and design scenarios for a new Town Hall and Public Works facility.

Police: During discussion of necessary revisions to the Police Department's Policy Manual, Mr. Nalley noted that many more changes were needed than was originally expected, and said he felt it was important that updates to the manual be reviewed and approved by the Board of Commissioners. Mayor Taylor suggested that the Chief choose several particular section of the manual for revision and set specific deadlines for completion of any necessary revisions. Chief McClintock reported that he did not feel local speed limit regulations needed revision at this time, and that a uniform purchasing policy had been completed and submitted to Mr. Nalley for his review. He also advised that coordination and development of a crisis response plan, wildfire emergency plan and disaster preparedness education information would be on-going through the beginning of the next fiscal year.

Planning and Zoning: Mr. Nalley reported that the Planning and Zoning Commission had recently submitted their recommendations for elimination of the definition of and setback reduction provisions for irregularly shaped lots for Council's review. He said the Commission would now begin their consideration of cut and fill slopes and then move on to the development of stormwater regulations on lots smaller than one acre. Mr. Nalley also noted that the Town of Black Mountain had withdrawn its matching funds for a Watershed Planning Study and said that adequate funding did not exist for Montreat to complete this study independently.

Public Works: Mr. Caldwell advised that all Phase II, Year 3 Stormwater Permit requirements had been completed and asked the Council to consider assigning stormwater permitting duties to the new Building Inspector/Code Administrator position.

Streets: Mr. Caldwell reported that the chipper had been replaced in accordance with the Capital Improvements Plan, and that paving on Mississippi Road and portions of Shenandoah Terrace had been completed. He also advised that staff had completed their research of a tree removal plan for dead, diseased and dying trees located in Town rights-of-way and said that the Board would need to decide how and if those regulation would apply to trees on private property. Commissioners Currie and McCaskill advocated revising a previous draft tree removal ordinance to ensure compliance with current General Statutes for implementation on private property.

Powell Bill: Mr. Caldwell said that resurfacing on Community Center Circle and a portion of Georgia Terrace was completed.

Sanitation: Mr. Caldwell advised that although he had not received a response from Buncombe County concerning a disposal location for e-trash or hazardous waste, Goodwill Industries had

agreed to accept unwanted computer equipment for donation. Mayor Pro Tem Nichols asked that this information be included in the next sanitation services brochure.

Recreation: Mr. Nalley reported that the Parks and Recreation Committee had delayed the completion of a Greenways/Trails Master Plan until after the adoption of the Comprehensive Plan, and have instead continued their focus on promoting community walkability, the National Forest Service's Trail Links Program and LandCare initiative, as well as the pursuit of available grant funding.

Water: Mr. Caldwell advised that his department was currently investigating the possibility of a new well site in the Harmony Lane, Greybeard Trail or Chapman Road areas.

Finance

2008-2013 Capital Improvements Plan (CIP): Mr. Nalley said that although the 2008-2013 Capital Improvements Plan would be presented for consideration at next week's Town Council meeting, the Board could choose to hold additional workshops to discuss the Plan and delay its adoption until the following month. During discussion, Mayor Pro Tem Nichols questioned the projected 20% increase in ad valorem tax revenues for Fiscal Year 2010 – 2011 and stated his belief that revenues would be more accurately based on the tax rate set rather than the valuation of real property within the Town. Mr. Nalley explained that the purpose of the estimation was to show the limitations placed on funding for capital projects. He pointed out that because more revenue was needed than could be generated through property tax assessments alone, the Board would need to use the CIP as a tool to help them decide whether to consider options such as debt financing and alternate revenue sources or to reduce the amount of projects approved during each fiscal year. Mayor Pro Tem Nichols voiced his strong support of developing new and alternate revenue sources, with a particular focus on user-based fees. Mr. Nalley then reviewed the projects listed in the 2008-2009 Fiscal Year for both the General and Water Funds and reminded the Board the only the first year of the CIP was adopted for inclusion in the annual budget.

Facilities

Town Hall and Public Works Facility: Mr. Nalley presented a memorandum he had prepared proposing an action plan for the construction of a new Town Hall and Public Works Facility. He reviewed the plan's building milestones, including architect selection, development of a building program, site selection, acquisition, design, bidding and construction and gave what he described as an aggressive completion schedule for each step. Mr. Nalley also recommended establishing a building committee to assess organizational and departmental needs, develop a community education and outreach program, develop a Request For Proposals (RFP) for design and construction and report their recommendations on each project benchmark to the Board of Commissioners. He noted that although several public construction methods were available, most of the other municipalities he had spoken with who had recently completed this type of project used a design-build process and had been very pleased with the results. He explained that the design-build method consisted of publishing a detailed RFP and conducting an extensive

interview process to select an architect and an engineering firm and then relying upon their expertise for the design and construction phases of the project. Mr. Nalley said that with the Board's direction he would prepare a resolution to establish a Building Committee for consideration at next month's meeting and to authorize that committee to begin the RFP process. In response to Commissioner McCaskill's question concerning grant availability, Mr. Nalley replied that certain types of construction projects, such as those using LEED-certified green building techniques often had grants specifically tailored to them and said that this may be an opportunity for the Town to explore that option.

Mr. Nalley then reported that he had discovered that the former CBU Building on Montreat Road might be for sale soon and said that staff had reviewed this site as a possible location for a Public Works Facility. He said that the suggested \$450,000 listed price for the property was likely high considering some renovations would be needed. He also advised that staff had considered asking Friendship Presbyterian Church to consider selling the vacant house located beside the CBU Building, which could then be demolished to make way for parking and equipment storage. Mayor Pro Tem Nichols and Commissioner McCaskill asked for more information on the type of improvements the property would need. Mr. Nalley referred to an aerial map printed from the Buncombe County GIS website and explained that a portion on unopened right-of-way behind the property would need to be developed in order to provide adequate ingress and egress for large equipment. Mr. Nalley said he did not believe the property was large enough to construct an equipment storage building without the additional space from the adjacent house. He continued by stating that although the CBU Building had plenty of interior space for offices and storage, it would not accommodate a Town Hall facility on the same site. Commissioner Currie voiced her support of the proposal, stating the equipment storage area behind the Town Services Office was inadequate and unattractive. Mayor Taylor added that the current lack of equipment storage space created an additional financial strain in that unsheltered equipment required more frequent repair and replacement. Mayor Pro Tem Nichols suggested that Mr. Nalley could express the Town's interest in the CBU Building and determine whether the neighboring vacant home was also available for purchase. The Board then agreed by consensus to move forward with both the Town Hall and Public Works Facility projects.

Services and Infrastructure

Water, Sewer and Road Extensions: Mr. Nalley presented copies of the Town's current Ordinance Regulating the Construction of Public Improvements, an article on special assessments for water and sewer system extensions published by the North Carolina League of Municipalities, an excerpt from N.C.G.S. §160A, Article 10, along with color-coded charts and maps indicating the age, condition and overall rating of Montreat's water lines and road paving. He noted that the public improvements ordinance had been adopted in 1986 and needed to be revised for conformity with current General Statute regulations, but noted that the information from the League was still up-to-date.

During discussion, Mayor Taylor said that the Board would first need to decide whether the Town would extend services into undeveloped areas and then determine how the cost of those

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projects would be distributed. Commissioner Hollins felt that the Board should remain aware that the General Statutes limited assessment amounts to not more than 50% of the projects costs unless all of the affected homeowners agree to a higher percentage. Mayor Pro Tem Nichols said that during construction of his home on Suwannee Drive, he had partnered with six of the eight neighboring families to share the engineering and installation costs of a sewer line which was turned over to the Metropolitan Sewerage District (MSD) upon completion and felt that more citizens in areas not currently served by Town utilities should be encouraged to consider this option. Commissioner McCaskill felt that the Board needed to decide on a petition process for property owners who are interested in special assessments that included the costs of road, water and sewer extensions in the assessed amount, and that property owners should be educated about their assessment options. He also agreed that the Town's ordinance should be brought into compliance with current General Statutes and MSD sewer regulations. Mr. Nalley cautioned that any policy the Town developed should be consistently applied to all residents

Mayor Pro Tem Nichols felt that the Board would need to decide whether roads, water and sewer services should be extended to residents on a petition-only basis or if the Town should proceed with providing these services to all undeveloped lots to prevent installation of any additional private sewer and water lines. Commissioner Hollins suggested developing an assessment policy consistent with current General Statutes but limited in the amount of funding allocated for service extension projects each year to control the amount of cost to the Town for these types of projects. Commissioner Currie believed that development in unopened areas of right-of-way or on steep or remote lots should be discouraged and that those property owners should instead be urged to devote their properties to open space conservation. Mr. Caldwell cited the upper areas of Peace Lane, Providence Terrace and Oklahoma Road as examples of areas that lack adequate fire protection flow pressure in their water lines and said that any assessment for water service installation in these areas would have to include the cost of a new 100,000 gallon water tank and an additional well site to serve those areas. Mr. Nalley said that, provided the property owners agreed, the undeveloped lots above Oklahoma Road could be replatted into a conservation subdivision that would result in lower costs for utility improvements than traditional development and assessment methods.

After further discussion, the Board agreed by consensus to develop a policy stating that no water, sewer or road extensions to undeveloped lots would be allowed in Town rights-of-way that were not compliant with Town subdivision and water system standards and MSD sewer regulations. The Board also agreed to have the Town Administrator and Town Attorney revise the current public improvements ordinance for compliance with current statutory guidelines, and if permissible by law, to require all property owners within a distance yet to be determined of existing water and sewer lines to connect to those systems.

Stormwater: Mr. Nalley said that during the upcoming fiscal year, staff would implement the Phase II, Year 4 Stormwater Permit requirements and work with the Planning and Zoning Commission to develop stormwater regulations for lots less than one acre in size. Mayor Pro Tem Nichols asked what costs were associated with the Year 4 Stormwater Permit requirements.

Mr. Nalley replied that the \$5,000 budgeted for this line item included inspection of all Town-owned facilities and correction of any violations found.

Sanitation/Recycling: Mr. Nalley said that with the completion of the fencing around the Town's compactor site he expected the collection amounts for February to decrease considerably from those reported in previous months.

Environment and Recreation

LandCare: Mr. Nalley reported that at a recent joint LandCare meeting with representatives from Montreat College, Montreat Conference Center and the Town, all three entities had agreed to support and participate in community LandCare projects to the best of their ability. He also advised that because the Parks and Recreation Committee felt that their group's focus was environmental conservation rather than public parks and facility maintenance, they were now considering disbanding and reforming itself as a LandCare consortium. He explained that if this change occurred, the Town would be included as an active partner in LandCare projects but would no longer make committee appointments. Mr. Nalley continued by stating that the Parks and Recreation Committee would need to determine how much authority and direct control they should retain as they worked to coordinate LandCare projects throughout the community. He said that under the traditional LandCare model, the Town would serve as a fiscal agent, and that group meetings would be held annually to review completed tasks and assign new goals for the upcoming year. Commissioner Currie asked how the new Building Inspector/Code Administrator position fit into assisting with these goals and suggested that this person could assume organizational oversight to coordinate LandCare projects. She felt that some of the other environmental groups within the Town did not have the necessary structure to coordinate community-wide projects on their own and did not believe that the Town should relinquish their organizational authority. She referred to Open Space Conservation as a specific program that she felt should not be incorporated into LandCare and instead suggested that LandCare could benefit from Open Space objectives such as pocket park creation and the donation of undeveloped land into permanent conservancy. Commissioner Currie also encouraged the other Board members to consider and promote the Town of Montreat and its citizens as an overarching community framework, rather than equating the Town, Montreat College and Montreat Conference Center as three separate entities. Mr. Nalley explained that although he had heard from several of the individual committees within Montreat that they would like the Town's assistance in coordinating their projects, LandCare was not intended to replace these community groups but would simply serve as a means of coordinating them to achieve common initiatives. He stated that the Parks and Recreation Committee would continue their consideration of this change during their upcoming meetings and draft a final proposal for presentation to the Town Council.

Fit Community Designation: Commissioner Tate reported that the Parks and Recreation Committee was also pursuing the Fit Community Designation and Grants Initiative as a means of promoting community walkability. Mr. Stackhouse explained that the program focused on coordination between schools, communities and workplaces to promote physical activity and

healthy behaviors. Mr. Nalley also advised that any grant funds received could be used for wellness education and noted that Montreat College had recently been awarded a similar grant of \$75,000 to establish a smoke-free campus.

Montreat Comprehensive Plan and Implementation Matrix

Mr. Nalley referred to the Implementation Matrix which the Comprehensive Plan Steering Committee had prepared as a means of categorizing all of the strategies and initiatives outlined in the Comprehensive Plan into short-, mid- and long-range goals. He stated that the Steering Committee had unanimously recommended the approval of both the Comprehensive Plan and Implementation Matrix, but did not wish to serve as an implementation committee. Mr. Nalley explained that instead, the Steering Committee had suggested that the Council form subcommittees to examine related categories of goals and initiatives and report back to the Town Council with action steps for completing the objectives of each particular area. Mr. Nalley advised that the Planning and Zoning Commission had also unanimously recommended adoption of the Comprehensive Plan and Implementation Matrix and had suggested forming topic-related subcommittees to help complete the Plan's short-term goals more quickly. Commissioner Hollins noted the relatively large number of short-term goals listed in the Implementation Matrix and suggested that the Council consider selecting those that could be completed the most quickly for the subcommittees to consider first. Commissioner Currie agreed and continued by stressing the importance of education the public that those projects were being completed as a direct outcome of the Comprehensive Plan.

Discussion was then heard concerning alternate revenue sources. Mayor Taylor said that the Council may consider petitioning the State legislature to approve a local bill that would allow occupancy tax revenues to be used for infrastructure needs due to Montreat's high percentage of tax-exempt real property. Mayor Pro Tem Nichols suggested pursuing this option if discussions with Montreat College and Montreat Conference Center concerning negotiated payments in lieu of taxes were unsuccessful and offered to develop committee to explore this and other revenue options. Mayor Taylor said that the Council would first need to hold a workshop to determine which short-term goals should be given immediate attention. After discussion, the Board agreed to continue the Retreat until Monday, March 10, 2008 at 5:00 p.m. in the Town Services Office for further consideration and prioritization of the Comprehensive Plan's short-term goals

Personnel and Employee Benefits

Mr. Nalley reported that the employee health insurance plan would be revised this year to increase the deductible amount. Mr. Stackhouse suggested that the Town also consider incorporating a medical spending plan option into the benefit plan. Mr. Nalley also reported that he would perform a brief review of employee salary ranges during the budget preparation process.

Goals and Objectives for 2008-2009

The Board agreed by consensus on the following goals for the upcoming fiscal year:

Governing Board:

1. Implement ten short-term goals listed in the Comprehensive Plan Implementation Matrix, including establishment of a Revenue Committee.
2. Replace the monthly Gate News article in the Black Mountain News with briefer, bi-monthly newsletters.
3. Establish a public e-mail sign-up list option for interested parties to receive Town-related information and communications.

Administration:

1. Implement a merit-based incentive program by January 2009.
2. Develop Requests for Proposals (“RFPs”) for insurance, accounting refuse disposal, engineering and legal services pursuant to an established schedule.

Public Buildings:

1. Perform a space needs study, proceed with the site selection process, prepare a financing plan, execute the design-build bidding process and begin construction on a new Town Hall and Public Works Facilities, incorporating LEED building standards.

Police:

1. Purchase a new Police vehicle.
2. Provide a minimum of two annual training opportunities per officer.
3. Perform a detailed review of four specific areas of the Police Department Policy Manual.
4. Perform a speed study for certain areas to be identified in Montreat.
5. Develop a Disaster Response Plan and disaster preparedness education information for the community.
6. Develop a Wildfire Emergency Community Action Plan
7. Develop a disposition schedule for vehicles and other departmental equipment

Planning and Zoning:

1. Develop stormwater regulations for lots smaller than one acre in size.

Public Works:

1. Meet all Phase II, Year 4 Stormwater Permit requirements.
2. Revise the Public Infrastructure Ordinance to ensure compliance with current General Statutes.
3. Clean up the equipment storage area behind the Town Service Office.

4. Develop a disposition schedule for vehicles and other departmental equipment.

Streets:

1. Complete storm drainage and paving work on Appalachian Way and Woodland Road.
2. Develop a tree removal plan for dead, diseased and dying trees located within Town right-of-ways.
3. Develop traffic calming measures pursuant to the speed study conducted by the Police Department.
4. Develop a disposition schedule for vehicles and other departmental equipment.
5. Replace the Street Department's dump truck.

Powell Bill:

1. Perform road resurfacing on smaller portions of streets in accordance with the recommendation of the pavement management system, i.e. Tennessee Road Extension, Oklahoma Road and Virginia Terrace.

Sanitation:

1. Distribute an updated public education brochure to include bulk item collection dates and all Town-observed holidays which effect the garbage and recyclable collection schedule.
2. Develop an e-trash and hazardous waste recycling and disposal program and provide related public education.

Environment and Conservation:

1. Complete the Greenways/Trails Master Plan
2. Submit a grant application for the Fit Community Designation and Grants Initiative.
3. Support LandCare initiatives.
4. Promote and support community walkability.
5. Continue supporting Open Space Conservation initiatives.

Water:

1. Purchase and implement an automated water meter reading system
2. Locate and install a new well site in the Greybeard Trail area.
3. Explore future well sites and locate at least one viable site.

Adjournment

There being no further business to discuss, Mayor Pro Tem Nichols moved to continue the meeting until 5:00 p.m. on March 10, 2008 in the Town Services Office. Commissioner Hollins seconded and all voted in favor. The motion carried 5/0 and the meeting ended at 4:00 p.m.

Letta Jean Taylor, Mayor

Misty R. Gedlinske, Town Clerk