

**MINUTES - SPECIAL MEETING
BOONE TOWN COUNCIL/MUNICIPAL SERVICE DISTRICT
SPECIAL TASK FORCE
OCTOBER 13, 2010**

A special meeting of the Boone Town Council/Municipal Service District Special Task Force was called to order at 5:35 p.m. in the Conference Room at the Watauga County Administration Building, 814 West King Street. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Lynne Mason, Rennie Brantz, Jamie Leigh, Andy Ball, and Stephen Phillips (arrived at 5:55 p.m.). Municipal Service District Special Task Force members in attendance were Ethel Simpson, Jill Reeves, Marsha Walpole, Nancy Rivenbark, Andy Stallings, and Cherry Johnson. Staff members present were Town Manager Greg Young, Deputy Clerk Kimberly Brown, and Finance Director Amy Davis. Town Attorney Sam Furgiuele was also in attendance, as well as DBDA Interim Director Mary Baker. The meeting was facilitated by Janet Pepin.

FACTUAL UPDATES

Ms. Pepin updated the group with the following information that she had received from the Town of Hendersonville in regard to the process of the administration of MSD tax:

- \$ use non-profit association
- \$ approximately \$110,000 allocated for landscaping
- \$ approximately \$110,000 allocated for the operations of the non-profit
- \$ approximately \$30,000 allocated for the Public Works Department and electricity
- \$ the non-profit requests funds from the municipality
- \$ currently embarking on a \$1.5 million dollar restoration project
- \$ recently matched the boundaries of the MSD and the Main Street program.

WORK SESSION - EXAMINATION OF MSD MANAGEMENT OPTIONS USING PRO & CON ANALYSIS

Ms. Pepin divided the task force members into two groups: the members of the Town Council and the members of the MSD Task Force and directed each group to discuss and consider each of the possible models for the administration of the MSD tax which include:

- \$ municipality (Town of Boone)
- \$ non-profit
- \$ private or for-profit
- \$ mix of any of the above
- \$ creation of a new non-profit
- \$ volunteer-advisory council.

After consideration by both groups, the following list of pros and cons for three models, chosen by the groups, was created:

Municipality (Town of Boone)	
Pros:	Cons:
-decrease in costs	-loss of dedicated staff with expertise with FTE (full time equivalent)
-increase in available funding	-increase negative communication with stakeholders
-increase efficiency	-hard feelings/public perception
-better communication between town and MSD taxpayers	-bureaucratic sluggishness
-increase demonstration of town involvement and engagement	-different priorities than taxpayers
-available grant expertise with financial accounting	-space availability

-superior on-site legal/accounting available	-small vs. large government perception
-less overhead	

Non-Profit (Existing)

Pros:	Cons:
-grants may be more available	-previous baggage/history, perception
-better fundraising potential	-multiple priorities (mission)
-easier to solicit volunteers and engage stakeholders	-costs (overhead and salaries)
-more flexible	-another layer of decision-making
-increase of history and knowledge	-lack of institutional control (board selection, open meeting requirements, transparency)
-already work in area of expertise	-lack of management of funds (accounting/legal practices)
-staff knowledge	-decrease in town engagement
-politically insulated	-politically insulated
-concentrated focus/ownership on issues	-less grants available

Non-Profit (New)

Pros:	Cons:
-fresh start/clean slate	-effort and time to set up
-level playing field for all involved	-hard feelings
-single focus on MSD	-expertise and overhead
-Town Council chooses board members	-decrease in involvement
-recruiting new leadership	-can't shift priorities as easily
-more involvement	-build awareness and publicity
	-Town Council chooses board members

Ms. Pepin asked the group to vote on two of the three proposed models for further discussion. By a majority vote, the group chose to continue consideration of the following two models: municipality (Town of Boone) and non-profit (new.) To allow for further discussion of conditions for both models and for discussion of the Main Street program, it was the consensus of the group to request two additional meeting dates: Wednesday, November 10th at 5:30 p.m. and Monday, November 15th at 5:30 p.m. Additionally, it was the consensus of the task force to propose the following schedule for presentation and consideration of the task force recommendations:

- § Tuesday, November 16th Regular Meeting - Presentation of Task Force Recommendations
- § Wednesday, November 17th (Special Meeting) - Public Hearing on the Task Force Recommendations
- § Thursday, November 18th Regular Meeting - Take Action on the Task Force Recommendations.

Staff was directed to locate a larger meeting area for the next two meetings of the task force. Furthermore, it was the consensus of the task force that the members of the MSD be notified of the upcoming meetings during which task force recommendations will be presented and considered by the Town Council. Ms. Pepin indicated that she will prepare and forward to each task force member an agenda for the next meeting on **Wednesday, November 10, 2010, at 5:30 p.m.** and reminded the members to note the location of the next meeting as it will probably change.

ADJOURNMENT

The meeting adjourned at 9:07 p.m.

Deputy Clerk

Mayor