

**MINUTES - SPECIAL MEETING
BOONE TOWN COUNCIL
NOVEMBER 15, 2010**

A special meeting of the Boone Town Council/Municipal Service District Special Task Force was called to order at 5:37 p.m. on Monday, November 15, 2010 in the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Lynne Mason, Andy Ball, Rennie Brantz, Jamie Leigh and Stephen Phillips. Municipal Service District Special Task Force members present were Marsha Walpole, Jill Reeves, Ethel Simpson, Nancy Rivenbark, Andy Stallings and Cherry Johnson. Staff members present were Town Manager Greg Young, Town Clerk Freida Van Allen and Finance Director Amy Davis. Facilitator Janet Pepin, Town Attorney Sam Furguele and DBDA Executive Director Mary Baker were also in attendance.

Facilitator Janet Pepin explained what she hoped to accomplish at this meeting. Ms. Pepin said the outcomes of tonight's session could be to inform Council that it could not reach a decision, that it reached a decision or that it reached more than one decision. Ms. Pepin presented a series of questions to help organize the thoughts of the task force members on their preferences for authorities, hiring and reporting of an administrator, use of MSD funds, and modifications to the specifics of any of the models.

1. **Municipality Management Model** is primarily a model in which the MSD/Main Street administrator is hired by the Town, and the Advisory Council is appointed by the Town Council.
2. **Municipality Created Non-Profit Management Model** is primarily a model in which the Town creates a 501c3 non-profit entity; appoints members to the board, and either hires an administrator, or the non-profit bylaws could require the non-profit to hire its own administrator.
3. **Municipality Contracts with an Existing Non-Profit Organization** is primarily a model in which the Town would contract with an existing non-profit agency to manage the MSD and Main Street programs.

Facilitator Pepin asked all members of the Task Force to discuss the features of each of the models and inform the group of which model fit best for what they wished to see happen in the future. She added that a hybrid of the models could be offered as well as the three basic types listed in their packets. After listening to the opinions, Facilitator Pepin summarized that the Task Force had agreed that regardless of the model selected having a full-time dedicated person was important, that MSD taxpayers need to be members of any advisory or board of directors, and a need for on-going town and taxpayer involvement in various decision-making processes was important.

On a motion by Task Force member Rivenbark, seconded by Task Force member Walpole, the Task Force moved to recommend the **municipality management model** with an advisory board comprised of MSD stakeholders. Before voting, the Task Force discussed who would appoint the advisory board and the Town's current board application and appointment process. The Task Force also discussed at length the Town's hiring process. Task Force members discussed the various strengths and weaknesses of the model, and a call to vote was made by Council member Ball. A series of clarification questions regarding the membership vs non-membership non-profit corporation models were asked and summarized by Ms. Pepin and Attorney Furguele which included the fact that an existing membership non-profit would need the membership to approve any changes in the articles of incorporation that directly affected their rights as members and that membership non profit corporations may elect different appointment processes to their board of directors other than membership vote if these different processes are included in the articles of incorporation. Time was also spent in discussion of the requirements of open-meeting law and Town created committees or boards.

VOTE: Aye-6 (Ball, Clawson, Leigh, Reeves, Rivenbark, Walpole)
 Nay-6 (Brantz, Johnson, Mason, Phillips, Simpson, Stallings)

Since a majority was not reached on the motion, Ms. Pepin reminded the group that modifications can be made to any model to create one that might better address the concerns of the group. Council member Leigh made a motion to recommend the **municipality created non-profit management model** with an MSD membership based non-profit corporation. Six members of the 12-member board of directors will be appointed by the Town Council and the remaining six members will be appointed by the MSD membership. During the first year the DBDA shall be asked to appoint

members. The administrator will be hired by the Town and the personnel hiring process using external focus groups for participation. This process will include MSD taxpayers as a focus group during the hiring process. This newly created non-profit would begin as of July 1, 2011. Mayor Clawson seconded this motion. Before voting, Council member Leigh explained that while the **Municipality Model** provided for MSD taxpayer involvement, this hybrid model would provide more equal opportunities for both the Town and the MSD taxpayers as well as allow the non-profit to raise funds of its own. Town Attorney Furguele suggested that the Town begin the incorporation process of the newly created non-profit organization immediately since creation of articles of incorporation, establishing the hiring and interview process, budget allocations, etc. take time and need to occur prior to the end of the fiscal year..

VOTE: Aye-8 (Ball, Brantz, Clawson, Leigh, Reeves, Rivenbark, Simpson, Walpole)
 Nay-4 (Johnson, Mason, Phillips, Stallings)

Since that motion passed, Facilitator Pepin asked the Task Force to discuss and decide recommendations or language to consider for the following:

1. Qualifications of Administrator position.
2. MSD Membership definition and Composition of Non-Profit Board and other requirements they wish to include in the Articles of Incorporation.
3. Planning schedule short-term to prepare for implementation of the new model.
4. Preferences for use of MSD tax funds.
5. Selection of presenter for the Task Force recommendations at the Town Council meeting on Tuesday night.

The Task Force divided into different groups to discuss and decide the answers to the questions and unresolved issues listed above. The Task Force agreed that these conditions and recommendations should also be presented with the formal motion that was adopted earlier.

1. Qualifications of Administrator: Experience with downtown revitalization and historic preservation; outgoing personality with excellent communication skills; skilled at event management for downtown promotional events, such as the Boone Boo, parades, Art Crawl; etc.; familiarity with Main Street or other downtown promotional programs; grant writing and fundraising experience; experience with arts, cultural and heritage programming; experience with economic development and revitalization efforts; good negotiation and facilitation skills; and ability to work with a diverse numbers of people.

2. Membership definition and Composition of Non-Profit Board and Articles of Incorporation: The general membership should be comprised of MSD property owners, business owners or tenants and MSD residents as long as they have a current lease and have resided within the MSD for more than two years. It will be the property owner's responsibility to inform tenants that they are eligible to be a part of the non-profit membership. The Board composition will be 12 members (six appointed by Town Council via application process and 6 appointed by Non Profit Board of Directors via membership vote) comprised of MSD property owners, retail, service, restaurant and arts or entertainment owners with attention being given to geographic location with MSD.

3. Planning for the newly created Non-Profit Organization: The Municipal Service District Special Task Force will remain active until spring of 2011; meet on a monthly basis beginning in December, 2010 and have final plan details prepared for Council's adoption at the May, 2011 regular Town Council meeting. Budget priorities and funding will be completed by March 1, 2011 in order to be included in the FY 11/12 Town of Boone budget. The Town Council will also revisit the original motion creating the Task Force to decide if a super-majority is needed for these deliberations and to reconstruct language of the purpose of the Task Force to match the planning work proposed in this recommendation.

4. Effect on MSD tax funds: Beginning in FY 11/12 the MSD funds will be used for promotion and physical infrastructure; the Town will fund the administrator position from the general fund, during the budget process, other questions on the use of MSD funds and general funds will be discussed.

5. Selection of presenter to present to Town Council on Tuesday, November 16th: As part of her reporting process, Ms. Pepin will provide a summary of the Task Force process and recommendations at the Tuesday, November 16th meeting of the Boone Town Council and at the start of the November 17th public hearing. Task Force members are requested to be present to hear public comment.

ADJOURNMENT

Mayor Clawson adjourned the meeting at 9:10 p.m.

Town Clerk

Mayor