MINUTES – WORKSHOP/RETREAT
BOONE TOWN COUNCIL
January 31, 2019

CALL TO ORDER

A special meeting of the Boone Town Council was called to order at 9:00 a.m. on Thursday, January 31, 2019 at the Council Chambers located at 1500 Blowing Rock Road. Mayor Rennie Brantz presided. Council Members present included Mayor Pro-Tem Clawson, Lynne Mason, Sam Furgiuele, Connie Ulmer and Marshall Ashcraft. Staff present included Town Manager John Ward, Assistant Town Manager Jim Byrne, Finance Director Amy Davis, Town Clerk Nicole Worley, Town Intern Autumn Gosheen, Downtown Boone Development Director Lane Weiss, Cultural Resources Director Pilar Fotta and Human Resources Director Dale Presnell. The purpose of the meeting was to hold the Town's annual budget retreat.

COUNCIL DISCUSSION ITEMS

Town Operated Parking Enforcement

Discussion began with the Town taking over control of parking enforcement downtown, which is currently under contract with McLaurin Parking. Mr. Furgiuele stated that despite McLaurin's long-standing relationship with the Town, he took issue with them paying their employees next to nothing and stated that he believed the company to be engaging in illegal debt collection practices in that they mixed Town business with private business. He further stated that he believed the Town could take over parking for less than the amount of the current contract with McLaurin, and that he felt the job could be done adequately while paying employees a decent wage. Mr. Furgiuele added that with McLaurin, the Town had no say in who was hired, and that in the past, there had been complaints about McLaurin's employees. He advocated that at the end of the current contract with McLaurin, the Town bring parking in-house. Mr. Ward noted that staff had made efforts to improve customer relations with McLaurin employees by allowing staff the freedom to issue warning tickets and by setting expectations as far as customer service relations. Mr. Ward noted that unless the process was dramatically altered, that there would not be cost savings unless changes were made to pay categories and the number of employees. He reminded members that McLaurin was also under contract with the County for the enforcement some of their parking, and suggested there may be a potential revenue stream to gain if the Town took over enforcement of this lot as well. Mr. Ward noted that there would be start-up equipment costs, since some of the equipment used belonged to McLaurin, and stated that the main increase in cost would be due to the cost of benefits. Mr. Ward continued by informing Council that IPS would be replacing parking meters Downtown due to premature paint chipping and noted that the company also sold parking enforcement equipment and software. Essential parking employees were discussed, as was a potential need to restructure the system. Mr. Furgiuele stated that he was aware that there would be an increase in cost if the Town were to bring parking in-house, and suggested that the Town charge an additional fee to allow people to add time to their meter remotely to help offset the cost. Discussion briefly turned to the parking situation at the Greenway Loop Lot, with Mr. Ward noting that although students were expected to pay for permitted parking at the health sciences building up-front, that they ultimately had no way to ensure students parked there. Mr. Ward continued by saying that parking enforcement could be brought in-house, and that he believed the Town would reap many benefits, but all of this would come at a cost of approximately $100,000 over the current contract price with McLaurin. Mr. Ward noted that most staff averaged an hourly pay of $10, with Mr. Ashcraft suggesting that even an increase to $12.50 plus benefits would be an increase to the employees. He asked whether it would make sense to fund parking enforcement out of an enterprise fund, to which Mr. Ward replied that he would look into this. Council and staff expressed that the current McLaurin crew was friendly and approachable, with Ms. Fotta suggesting that should the Town bring parking enforcement in-house, this could cause a positive shift in morale, which could result in an even better representation of the Town. It was the consensus of Council to move forward with bringing parking enforcement in-house and to end the contract with McLaurin as soon as it expired. Council also wished to move toward a $15 minimum pay rate for Town employees.

Full-time Town Attorney

Mr. Furgiuele stated that he brought this issue up due to the cost of legal fees and the heavy workload of Town-related work, adding that he felt this was a time and money issue. Mr. Ward noted that $100,000 was spent in legal fees last year, and that he expected an increase this year due to Council mandated projects. He asked Council to consider the lack of office space for an attorney, and that if Council chose to pay less money for a lesser experienced attorney, there may be an increase in legal fees in the long run. Mr. Ashcraft suggested that this issue was worth monitoring moving forward and suggested that he would endorse negotiating with the current Town Attorney. Mr.

Furgiuele stated that he was willing to yield on this topic, but that he wanted to watch it closely, with the expected increase in future legal fees, and asked staff to bring back cost estimates at next years budget retreat.

Employee Raises - Potentially Larger Raises to Emergency Personnel

Mr. Ward noted he hoped to be able to match employee raises with the current Consumer Price Index, noting that the average statewide salary growth was approximately 3%. Mr. Furgiuele asked whether there any departments where staff could be reduced, to which Mr. Ward replied that he was not aware of any. He further noted that the Finance Department had not had an increase in staff in twenty years, that Planning had been discouraged from asking for new staff this year and that Public Works and Public Utilities had been consolidated in the past few years. He added that most increases in staff was due to the addition of the third fire station, the addition of some law enforcement personnel and the addition of the Cultural Resources department. Mr. Ward stated that a 3% raise to all employees would cost approximately $300,000. Mr. Ashcraft suggested that since there had been a large amount of turnover in the Police and Fire Departments specifically that these employees should potentially receive larger raises. Mr. Ward stated that his interpretation of "emergency personnel" included Public Works personnel who worked in inclement weather to keep the roads safe for fire and police, and others who had to be on the roads. Mr. Presnell agreed with Mr. Ashcraft, in that the feedback he heard from officers who chose to leave the Town for other employment, the reason was typically salary related. Chief Crawford noted that he believed this to be a nationwide problem, and stated that he would like to see officers receive raises based on their achievements.

School Resource Officer at Hardin Park School

Mr. Ashcraft stated that the value of having an officer in schools was much larger than just responding in the worst case scenario, but that the officer helped children struggling with abuse, bullying and self-harm, and worked to build relationships with students as well as teachers. He added that he believed the school system would still be interested in the proposal of the Town and County sharing the cost of this position. Ms. Mason suggested that additional funding from the State or County be explored, with Mr. Ashcraft asking staff to come back with options for addressing the need for an officer at Hardin Park.

Mayor Brantz declared a break at 10:59 a.m. Council reconvened at 11:11 a.m.

Discussion turned back to raises for officers, with Ms. Mason suggesting that a recognition-based salary adjustment plan be implemented, specifically when the training helped an employee perform better at their job. Mr. Ward stated that this could be a good option for the least experienced employees, but stated that it could lead to compression issues among more experienced officers. Ms. Davis noted that this was the problem with the Master Police Officer program previously in place, in that many officers reached the limit of their pay grade. She added that 34% of Police Department staff enjoyed the take-home vehicle benefit, which held a monetary value of approximately $5,000-10,000. Mr. Furgiuele suggested requiring officers to agree to a time commitment upon hiring.

Stipend to Town Employees Living Within Town Limits

Mr. Ward stated that he believed the number of employees living in Town limits to be eight, though the number would increase if employees who owned property in Town were considered. Mr. Furgiuele stated that he believed there was a value in having the Town's employees living in Town, and that he believed a stipend would help to offset the additional cost of living in Town. Mayor Brantz stated that he agreed with this goal, but he believed this would create a feeling of unfairness among other employees, since those living outside of Town could feel penalized. Mr. Ward indicated that he had informally discussed this policy with staff members, and that most felt that a $100/month stipend would not cover the additional expenses of living in Town such as water/sewer services. Mayor Pro-Tem Clawson stated that she did not agree with this policy, and that she felt employees living outside Town limits were equally invested in the Town. Ms. Mason stated that she would like to see living in Town as an option for Town employees and added that housing was unattainable for workforce families. Mr. Furgiuele felt that if growth continued on the same path, Boone would no longer be a residential community, and that while a stipend would not reverse the development trend, it was a step in the right direction. Mr. Ward noted the effect this policy could potentially have on staff morale. Mr. Furgiuele asked staff to find out the number of employees who rent versus own, with Ms. Mason suggesting staff put together a survey regarding employees' living arrangements to see if they would be willing to live in Boone if they were given a stipend to help offset costs. Mr. Furgiuele suggested confining the policy to only the Police Department employees, or only employees who take home Town vehicles, with Mr. Ward expressing concern about this or any benefit being tied to a select group and reminded members that a new Council could change this policy in the future, which could potentially result in a pay cut.

Sustainability Goals

Mr. Ward suggested that Council consider using a portion of the previously allocated $100,000 set back for sustainability toward the purchase of two electric-assisted bicycles for the Police Department and two hybrid vehicles. Mr. Furgiuele proposed that funds should be taken from the previously allocated $100,000 for two hybrid vehicles, as well as the two bicycles. He further asked that department heads come back with proposals of how their department could increase sustainability efforts and that they should adopt a mission of reducing their carbon footprint, and suggested that inter-department incentives could be created. After brief discussion of sustainable efforts at the new municipal complex, it was the consensus of Council to fund two hybrid vehicles and two bicycles, and to protect the remaining funds for future sustainable opportunities.

Mayor Brantz declared a break at 12:04 p.m. Council reconvened at 12:17 p.m.

321/Blowing Rock Road Municipal Service District

Discussion on a new municipal service district specifically for stormwater repairs and improvements began with Mr. Furgiuele noting that he believed State law would allow for such a district, and stated that he believed the stormwater problem to be town-wide. He continued by saying that the 321/Blowing Rock Road corridor would be a good starting place and that he was enthusiastic about partnerships with ASU and the Army Corps on stormwater projects. Ms. Mason asked whether these improvements would be performed by the Town or by private property owners. Mr. Furgiuele answered that he anticipated both parties would be involved in making improvements. Mr. Ward reminded Council of issues in the past with the Town attempting to acquire easements for the 421 improvement project and was concerned that the cost of easements for stormwater improvements on 321/Blowing Rock Road would be in the millions. Mr. Furgiuele suggested that an MSD plan along this corridor could be put into place to accumulate money for the first five years, with improvements beginning in year six. He further suggested that Council and staff engage County officials regarding stormwater runoff into the Town from properties within the former ETJ. Ms. Mason stated that the County should enforce stronger stormwater controls, to which Mr. Furgiuele agreed. Mr. Ashcraft stated that he was reluctant to impose a tax in this district with no plan in place. Mr. Furgiuele stated that the 321/Blowing Rock Road corridor was important to the economic livelihood of Boone and noted that this corridor was not small business and should be required to assist in stormwater improvements. After brief discussion, it was the consensus of Council to have an outside contractor examine the stormwater issue along 321/Blowing Rock Road.

Rivers Property

Mr. Ward began by announcing that the Rivers House was one of the properties that would be moved into the current municipal service district. Ms. Fotta stated that to be usable, the home needed electrical updates and a mold issue would need to be abated. Mr. Ward estimated that the cost of getting the interior ready to use to be approximately $200,000. Mr. Byrne noted that the deed to the property restricted the use for recreational use only. Ms. Fotta continued by saying there were foundation concerns and that the repair estimate could be increased to $350,000-400,000. She added that there were concerns with wiring and water damage, though she believed most repairs could be done in-house and noted that the house was eligible to be designated as a historical building. Mr. Ward reminded Council of the hazardous conditions of the Public Works building which employees were actively working in and asked them to consider that as they prioritize projects. Ms. Fotta stated that partnerships with the Chamber of Commerce and Tourism Development Authority were possible for event space or retail. She added that she believed a museum could be housed at the property according to the deed restrictions. Mr. Furgiuele stated that he thought the plan was to sell the property, to which Mr. Ward replied that the costs would not be borne by simply selling the property. He added that the Northern Peaks Trail program could be a potential partner and suggested grants be explored to help with funding. Mr. Ashcraft stated that he felt this was not high on his priority list, to which Ms. Ulmer agreed. Mr. Furgiuele stated he believed it would be a shame if the property was left to decay. Mr. Ward stated that staff would explore partnerships with the Chamber of Commerce and the TDA. Mr. Furgiuele added that a new municipal complex was the higher priority and suggested that the Rivers property be rented to the Chamber for one year for office space, and to display historical artifacts. He added that he would rather this option than to rent the space to the County TDA, given the fact that the County took away funding from the Town in the form of sale tax.

Downtown Christmas Decorations

Ms. Fotta began discussions about downtown Christmas decorations by noting that the snowflakes that currently hung on every other light pole downtown were purchased in 2017 and that she believed the snowflakes to be inclusive of all beliefs. She added that people did not like the blue-lit snowflakes or swags which previously hung downtown. Ms. Fotta noted that wreaths were offered to all businesses within the MSD during the recent holiday season. Mr. Ward noted that $300,000 worth of contracted work in the form of an accelerated streetscape program would be beginning soon, which would allow the infrastructure to have lit decorations where there was not a power source before. Mr. Furgiuele suggested that discussions should continue once the construction is complete. Ms. Fotta noted that the cost for the 22 new snowflakes was approximately $9,000. Ms. Weiss stated that holiday decorations were on the DBDA radar.

Bolick Farm/New Municipal Complex

Mr. Ward stated that the Police Department building had a previous appraisal of $5,000,000, and the Public Works building of $1,000,000 in 2013, and noted that he anticipated updating the appraisals with existing funds this year. Mr. Ward asked Council for guidance on whether they wished to officially announce the two buildings as for sale and added that if the two buildings were to sell, it would be a sizeable funding source to go toward the new municipal complex. Mr. Furgiuele asked for an estimated cost of the new municipal complex, with Mr. Ward answering that he would not know until the site plan was complete. Mr. Ward further stated that he anticipated the Police Department building would be leased by the Town for a certain period of time after it sold to allow for meetings to continue being held there. Mr. Ashcraft expressed concerns with this notion, with Mr. Furgiuele suggesting that lease options could be negotiated as a condition of the sell. Mr. Ward noted that Mr. Byrne was working on a request for proposals for the site plan and that he had been working with NCDOT to line the entrance to the facility up with Bamboo Road. Mr. Byrne noted that community facility grant funds were only available to cities with populations under 20,000 and suggested that the Town move quickly if they wished to apply. Mr. Furgiuele felt that the Town should move forward on this project, since they had known for at least fifteen years that the Public Works building no longer met the needs of the town. Ms. Mason agreed that the Town should move forward with obtaining appraisals of the two buildings and suggested that staff work to get the buildings ready to market. Mr. Ward asked who the Town would use as a listing agent, noting that A+ Realty and Hodges had been used in the past. Mr. Furgiuele suggested an open solicitation and to have agents make proposals to the Town since the Police Department specifically was such a valuable property. Ms. Davis stated that the property could be surplused at the time the Town was ready to sell, to which Mr. Ward added that offers could be refused if Council was not satisfied with them. Ms. Mason finished by suggesting that the Town obtain an independent and a commercial appraisal on the properties.

Howard Street

Mr. Ward announced that New River Light and Power had agreed to run underground power lines along Howard Street and that he planned to be able to go out to bid for construction this year. He continued by adding that he had attended TDA meetings and that they had expressed support of designating hotel/motel tax revenue for Howard Street improvements.

Total Debt

Mr. Ward outlined the total debt held by the Town, stating that General Fund debt was $787,859, Water and Sewer was $196,055 and the debt attributed to the Water Intake project was $32,456,000. He noted that even with the intake debt, the Town was still under mandated debt limits.

MSD Revenue

Mr. Ward noted that MSD revenue came in at $130,000 last year, which was an increase from previous numbers due to the change in sales tax. He added that if the sales tax collection method was reverted back to ad valorem, that the Town would see an increase in revenue on the general fund side, but would see a decrease in revenue in the MSD and Rural Fire District funds. Mr. Ward stated that fifty percent of the DBDA Coordinator's salary was funded by MSD Revenue, with the remaining portion being funded by the Town, and suggested that Council may want to consider discussion with the DBDA about having the DBDA Coordinator's salary paid entirely from MSD revenue. He added that with the proposed extension to the MSD boundary, and after brownfields exemptions expired, the revenue generated from these properties alone could generate an adequate amount to fund the position. Mr. Ward asked Council for direction on whether they wanted to bring in contiguous parcels at the Ale House property and address the Town's own parcels, to which Mr. Furgiuele stated that he felt the properties were a part of the downtown area and should be included in the MSD. Ms. Davis offered a final note that MSD calculations were based on levy, not evaluation, and that the amount of sales tax going to the general fund would decrease with growth.

Credit Card Usage Report

Ms. Davis reported on credit card usage at parking meters, stating that due to a change in processor, the Town was able to see a savings of approximately $2,000 a month in fees. She noted there were 97,532 swipes between July 2018 and December 2018, with a total revenue of $187,103, or an average of $1.91 per swipe. Ms. Davis added that the volume of transactions drove the rate of fees.

Sustainability Goals

Mr. Furgiele began discussions by stating that he planned to raise the topic of a solar rebate plan in the future. Mr. Ward noted the favorable news from New River Light and Power on a partnership for solar and added that the program may be expanded in the future to allow others to buy solar power. Mr. Ashcraft suggested Council consider giving rebates for the purchase and use of electric lawn mowers versus gas mowers. Mr. Ward noted that funds for this type of rebate would have to come from the general fund. Mr. Furgiuele added that there could be legal issues with this type of rebate, but that the Town should be open to the possibility.

Mayor Brantz declared a break at 2:16 p.m. Council reconvened at 2:31 p.m.

Mr. Furgiuele stated that he would not give up on the public avocate position, but that the highest priority had to be to retain employees and to reward them. Mr. Ward agreed, stating that Council's continued support would be instrumental in recruiting employees and filling vacant positions. Ms. Mason suggested that she wanted to compensate police officers well enough so that they would stay with the Town. Mr. Furgiuele asked that staff make an effort to raise awareness of the value of benefits, with Mr. Ward agreeing to include the value of take-home vehicles in employee's annual compensation summaries. Mr. Furgiuele continued by suggesting officers agree to a durational commitment upon initial employment. Mr. Ward then asked for direction on the overtime issue within the Fire Department. Mayor Pro-Tem Clawson suggested that Fire Department employees be compensated at the same rate as the Police Department in order to relieve the issue. Ms. Davis noted that funding was available to cover this increase. Mr. Ashcraft expressed concern that these would be large pay increases for the same job duties and asked for clarification. Ms. Davis explained that Fire Department scheduling options were laid out by the Fair Labor Standards Act, with Mr. Ward adding that this option would eliminate kelly days. He continued to add that Fire Department personnel were more diversified in their training and carried more certifications than Police Department personnel. Ms. Mason suggested that staff come back to Council with recommendations on how to control the cost for overtime, with Mr. Furgiuele asking for information on how many fires and repeat false alarms were managed in the last year.

Departmental Needs

Fee Schedules

It was the consensus of Council to move forward with updated fee schedules in the Fire and Planning Departments.

Human Resources

A 3% pay increase was recommended for staff.

Cultural Resources

It was the consensus of Council to construct the new sidewalk at the Jones House using Town staff, to build shelves at the Post Office to house mailing materials and to increase the frequency of cleanings at the Jones House.

Police Department

Mr. Ward suggested that one hybrid police vehicle for the Downtown Officer be purchased using the $100,000 previously allocated for sustainability, as well as the two electric bicycles. Mr. Ashcraft stated that he would like to hire one new officer (separate from the SRO request), and that he would be willing to increase taxes to support this. Mr. Ward suggested that staff explore grants that would help to increase police staff similar to grants received by the Fire Department. Council expressed support for the funding of the radios and cameras requested, as well as exploring the possibility of a Town-operated consolidated dispatch with the County.

Fire/GIS

Mr. Ward indicated that staff would come back to Council with options to alleviate the overtime issue. Council expressed support for purchasing hoses and breathing apparatus. The need for roof repairs at station one was also slated for completion this year.

Planning and Inspections

All were in support of the differential amount for a new hybrid vehicle be paid for out of the $100,000 sustainability funds.

Finance

Council was in support of the purchase of a new hybrid vehicle to be used as a pool vehicle using funds from the previously allocated $100,000.

Public Works

Mr. Ward reminded Council that the ADA plan was mandated by the State, and that he anticipated costs to be approximately $50,000. He stated that the project may be able to be deferred one year, but that he was not sure. It was recommended that Council not budget any funds toward automated meter reading at this time. Mr. Ward confirmed that things were in play regarding sidewalks in the Perkinsville Church area. Mr. Ward stated that the municipal vehicle tax was currently $20 per vehicle, and that Council could increase the amount to $30 in order to supplement Powell Bill funds for paving needs. He reminded Council of the 421/Grove Street path project and that funds would need to be set aside to match the $500,000 in funds from NCDOT. Mr. Ashcraft suggested that $50,000 be set aside, with the expectation that more funding would come from brownfield revenue. Mayor Pro-Tem Clawson and Ms. Mason felt that this was a reasonable approach, with Mr. Furgiuele stating that he was unsure if he agreed with the high-ranking of this project versus others, but he believed the Town should follow through with its obligation to match funds. He suggested that the Town set aside 1/5 of the funds if possible without a tax increase. Mr. Ashcraft agreed with this approach, as long as it could be done without a tax increase. Mr. Byrne noted that he was hoping to obtain a grant to help with the Hunting Hills project and that $218,000 had already been set aside for the bridge replacement. Mr. Ward was unsure if this project could be put off, in that spring rains could take a toll on the condition of the road. He stated that the goal was to bring in an engineer to give an estimate on the cost for repairs.

It was the consensus of Council to move forward with bringing all employees up to meet a $15.00/hour minimum pay rate. Ms. Davis noted that property tax revenue information would be available around the first of March, with sales tax information coming in April, and noted that she believed the Town would see a slight increase in property tax revenue. Mr. Ward confirmed that if revenue was significantly less, that staff would come back to Council for discussion. Ms. Mason suggested that a 3% increase apply to outside agency funds, to which Mr. Ward replied that cuts would have to be made elsewhere to fund this increase. Mr. Furgiuele suggested discussions with AppalCART regarding funding, with Mr. Ashcraft suggesting that staff invite representatives to an upcoming Council meeting. Discussion returned to outside agency funding, with Mr. Ward stating that the outside agency funding review committee's mandate could be changed to include cultural needs as well as social services, and expressed concerns with blending the two. Mr. Furgiuele felt that Council should hear from agencies requesting funding before allocating funds and that organizations should realize that the tax issue with the County has had an impact on the Town's funding. He added that there should be three meetings in regards to outside agency funds: 1. Discuss restructuring the funding application 2. Hear presentations from interested organizations 3. Make recommendations to take back to Council.

Upon a motion by Mayor Pro-Tem Clawson, seconded by Ms. Ulmer, Council voted to adjourn the meeting at 4:30 p.m.

VOTE:	Aye:	All
	Nay:	None

ADJOURNMENT

Nicole Worley, Town Clerk

Rennie Brantz, Mayor