

**MINUTES – WORKSHOP/RETREAT
BOONE TOWN COUNCIL
February 5, 2020**

CALL TO ORDER

A special meeting of the Boone Town Council was called to order at 9:14 a.m. on Wednesday, February 5, 2020 in the Council Chambers located at 1500 Blowing Rock Road in Boone. Mayor Rennie Brantz presided. Council Members present included Mayor Pro-Tem Loretta Clawson, Sam Furguele, Connie Ulmer, Dustin Hicks and Nancy LaPlaca. Staff present included Town Manager John Ward, Finance Director Amy Davis and Town Clerk Nicole Harmon.

The purpose of the meeting was to hold the Town's annual budget retreat.

COUNCIL DISCUSSION ITEMS

Town-operated Parking Enforcement vs. Contracted Parking Enforcement Update

Mr. Ward began discussion by announcing that although the transition had a rocky start, it had worked out better than he originally thought it would. Council Member Furguele stated that the parking staff has consistently shown good attitudes and were proving to be good representatives of the Town. Mr. Ward confirmed that all full time employees received a minimum of \$15/hour and part time employees' pay was not far from that amount. He announced that staff would soon be working toward upgrading the original 2G meters at a cost of \$200 each. Council Member Furguele asked whether there was the capability to charge more for each subsequent hour after two on the parking meters, and whether there had been an arrangement with the County for the reserved law enforcement spaces on Queen Street. Mr. Ward answered that staff had a game plan for making it more clear that courthouse parking was available for public use on weekends and noted that the library spots were fully permitted out, though the Horn in the West permitted spots had dropped off some. Council Member Furguele asked that staff work to relocate the bike repair trailer currently in the Town-owned lot off King Street in order to free up a parking space. Mr. Ward indicated that staff had sent out several emails to the person in charge of the trailer, all of which had gone without reply. Mr. Ward added that he would like to work with this person to coordinate the move instead of having staff move it without the person's knowledge, but that the trailer had not been open in a year. Mayor Brantz asked whether there had been any maintenance problems with the meters, to which Mr. Ward answered that there had been some fogging issues due to temperature changes and jamming issues due to coins, but that staff had been able to trouble shoot. He added that the meter housings had been replaced due to paint chippings, but reassured Council that the only complaints he received were from people who did not want to pay for parking. Mayor Brantz asked about the amount of revenue received from the meters. Mr. Ward replied that the meters brought in a strong revenue stream at around \$300,000 so far. Council Member Furguele said he was also pleased with the flexibility the parking transition had given the Town, with Mr. Ward stating that the Greenway lot issue was the perfect example of the benefit of the flexibility.

Full-time Town Attorney vs. Contracted Town Attorney

Council Member Furguele stated in response to a previous comment about the high cost of professional liability insurance that his was less than his regular insurance and he did not believe there would be a big change if the Town were to hire a full-time attorney. Council Member Furguele anticipated that staff would have to issue a Request for Qualifications since there would be no way to know whether an acceptable rate could be negotiated until the position was advertised. Mr. Ward indicated Council had not performed an evaluation of the Town Attorney since he had been employed as manager, and noted that under the Town Charter, he had no authority over the attorney. Council Member LaPlaca asked what the benefits were to having a full-time staff attorney, and felt that before staff spent a great deal of time on research, Council should take a straw poll to see if it was the will of Council to move forward. Mr. Ward noted that in response to Council Member LaPlaca's question from the day before, the Town paid approximately \$371,000 in attorney fees dating back to FY 2015/15 which were paid mostly to outside Council dealing with the ETJ and water intake lawsuits. Council Member Furguele noted that he was not the Town Attorney at that time, and noted that the Town had also hired right-of-way agents for the intake project and that he had no involvement other than the preparation for deeds. Ms. Davis noted that the Town also paid fees associated with the Mountaineer Towing lawsuit, Templeton and steep slope lawsuit. Mr. Ward pointed out a decline in FY 2015/16 even though the Town was still involved in the water intake project, followed by a drop again in FY 2016/17 even with the Mountainview Speedway lawsuit. He believed that Council's decision to switch to one meeting per month may have helped to decrease attorney fees as well. Council Member Furguele reminded Council that there were

other issues, such as personnel matters that he was involved in during his time as attorney. Mr. Ward indicated that attorney fees were currently at \$81,000 to date, and noted that Town Council action was a contributor to what gets budgeted for attorney fees. Council Member Furgiuele reiterated that attorney fees were not wholly predictable, and felt that even if Council took no action whatsoever, the Town could still be sued at anytime. Council Member Furgiuele stated that the Town's current attorney had a high skill level and he would invite her to apply, though he was not sure whether she would be interested in the position if it switched to a full-time position with the Town. Council Member Furgiuele continued by stating that he had asked Council for years when he was Town Attorney to hire a full time attorney even though he was not interested, and noted that when he sat in on some of the interviews for the attorney vacancy when he left, about half were interested in a contract position and about half were interested in a full time position. Council Member Furgiuele added that he was surprised at some of the applicants in that he thought they were committed to their own practices and noted that money was not discussed during those interviews. Council Member LaPlaca felt that before staff spent a great deal of time on the issue, members should indicate their level of support. Council Member Ulmer believed Council should take into consideration whether or not there was enough work to validate the need for a full time attorney, and added that she felt the current attorney was doing a good job. Council Member Furgiuele replied that there were Council mandated tasks that had been set to the side, and that she did not carry out any board training, which he used to do yearly when he was Town Attorney. Council Member Furgiuele felt that the Town had a legal responsibility to its boards and committees to train them properly, and added that the Town may not be able to afford a full-time attorney, but if the topic was never advertised and researched, it would never know. Council Member LaPlaca asked to take a straw poll on the matter before Council Member Furgiuele asked to take a break. Mayor Brantz called for a break at 10:10 a.m. Council reconvened at 10:29 a.m. Mayor Pro-Tem Clawson stated that she would be agreeable to having a full-time attorney, but stated that she would not want Council to be tied to a particular attorney. Mr. Ward asked for feedback from Council on specifics of what they wanted staff to research, and noted that if Council wished for staff to advertise the position, he believed the current attorney should be notified. Council Member Furgiuele indicated that he would hold the matter due to a lack of interest from other members, but if it were the will of the Council to explore, he would expect the current attorney to apply. Mayor Brantz asked whether members wished to delay the discussion until later in the agenda. Council Member Ulmer was hesitant to delay discussion. Council Member Hicks stated that if the Town were required to hire outside attorneys, they would be interested to see how a full time attorney would benefit the Town. Mr. Ward was unsure how staff could predict that, and noted that the Human Resources department prepared comparisons previously that could be updated and brought back. Council Member Furgiuele noted that those comparisons were mainly from larger cities which would not be comparable to Boone. Mr. Ward agreed and stated that the reason for that was that staff had difficulty finding towns of a similar size to Boone with full-time attorneys. He asked members to keep in mind that a full-time attorney would work 40 hours per week and would have to balance that out with attending meetings, which meant they would not be in the office all the time. Council Member LaPlaca asked how much work it would take for staff to compile the requested information, to which Mr. Ward replied it would take several days plus additional discussion. Council Member Furgiuele stated that he would hate to waste staff time researching and that the only way to find out whether there would be qualified people available was to advertise the position. Council Member LaPlaca indicated that she was not comfortable posting the position unless there was a majority of members who wanted to do so. Council Member Furgiuele reiterated that he was not in anyway unhappy with the individual currently doing the job, and was only unhappy with the balancing of the Town's representation with the private practice. Council Member LaPlaca suggested that Council take a vote at a regular meeting if members wished to issue an RFP. Council Member Ulmer felt that members were putting the cart before the horse by advertising the position at this time. Council Member Hicks indicated that they would like to hear opinions from different staff members. Council Member Furgiuele reminded members that everyone thought transitioning parking in-house was a bad idea but that it had worked out well, and believed this could as well. Mr. Ward estimated an attorney salary at \$100,000-130,000 plus benefits, office space, and liability insurance, and noted that the Town was only paying around \$175 per hour now. Council Member Furgiuele stated that the rate for litigation-related activities was higher than that, but Mr. Ward said he would have to check. Members took a straw poll, with Council Members Clawson and Furgiuele in favor of examining the possibility of a full-time attorney and Council Members Ulmer and LaPlaca opposed. Council Member Hicks was in favor of staff bringing back updated research before a decision was made. After additional discussion, Council Member Furgiuele stated that if a majority of the Council was not even interested in learning if there were qualified people available, he would yield on this topic.

Modest Raises for Staff and Minimum Pay Rate Goal \$15 Update

Council Member Furgiuele asked whether Council would be able to approve staff pay raises without a tax increase, and stated that he believed it should try to keep at pace with the increase in the cost of living if possible. Council Member Furgiuele added that he would like to implement the retention plan/longevity bonus program for the police department only, since there was not enough money to do it across the board. Mr. Ward believed that implementing this program at just the police department would erase equity between them that had just recently been created. Mayor Pro-Tem Clawson stated that she was not in favor of raising taxes to fund raises. Council Member Furgiuele stated that his reason behind supporting the retention plan/longevity bonus program only for the police department was because that department saw the highest number of turnovers. Mayor Pro-Tem Clawson felt that the police department was the most important since it dealt with citizen's safety. Council Member Furgiuele stated that he would yield on funding the bonus for the police department, but that in the future when the tax revaluation occurred, he believed the Town should consider incentives for employees to live in Town, as well as for driving hybrid/electric vehicles. It was the consensus of Council to move forward with 2.3% raises for staff. A brief discussion of brownfields and their impact on property taxes followed.

Howard Street Project Update

Mr. Ward indicated that interest rates had dropped and that while the loan terms were still undetermined, Council could expect a 2-3% interest rate. He added that three Native American tribes had to review the application and comment on the environmental portion of the project before it could move forward due to their previous presence in the area, which he expected to take four weeks.

Bolick Farm Municipal Complex Discussion

Mr. Ward stated that the space needs analysis was complete and staff was working now to pull financial data. He indicated that he had been working with the Town's broker to negotiate a final offer on the Public Works building which would be discussed along with favorable lease back terms at the February Council meeting. He noted that the Town would have to go through the upset bid process and added that staff hoped to plant grove plantings for educational purposes and for wetland and animal habitats.

Municipal Service Tax District for Stormwater & Hydrological Study/Update to Stormwater Regulations

Mr. Ward announced that a private property owner along Highway 105 had expressed interest in partnering with the Town on a stormwater MSD in the area, and added that the Town was moving forward with utilizing grant funds for stormwater work along Kraut, Boone and Winkler's Creeks. He added that the Town did not have rights-of-way in the area, so a lot of money would go toward securing them, and a lot of time would go toward having meetings with property owners. Council Member Furgiuele stated that he was not against an MSD in the 105 area, but that the Blowing Rock Road area was more pressing in his opinion. Council Member Furgiuele felt that Council should explore implementing an MSD along the Blowing Rock Road corridor to address property owners who had built in the flood plain. He understood that this would not constitute a complete stormwater control system, but thought that it could be the initial phase of what could eventually be a Town-wide system, and he would like for Council to try to control the flooding in problem areas according to FEMA maps. Council Member Furgiuele felt that in terms of the delay of seeing stormwater improvements, it would be no different than the delay in seeing improvements in streetscape benefits seen in the downtown MSD and paid for by the special taxes in that district. Mr. Ward was unsure that Boone was ready for a stormwater MSD at this time, though it may be the quicker way to address stormwater. He feared that the Town would spend 20 or more years to save the money to pay for needed easements. Mayor Brantz asked what the feedback had been from businesses downtown about the MSD tax. Mr. Ward replied that he had heard only positive feedback due to the improvements property owners saw in return for their tax dollars. Council Member Furgiuele expressed that if the Town was able to get sales tax back to per-capita distribution, then it may have money to address stormwater differently. It was the consensus of Council to include this on a regular meeting agenda for discussion at a later date.

Mayor Brantz declared a break at 11:46 a.m. Council reconvened at 12:36 p.m.

Rivers House

Mr. Ward began discussion on the Rivers House by stating that staff was unable to move forward with a major restoration due to cost. He stated the staff had identified funds to pay for an HVAC system to help control moisture in the house, and noted that the price of the system was high due to the required duct work. Mr. Ward suggested the possibility of installing a mini-split system in the house, though he was uncertain it would be an option due to the square footage of the house. Council Member LaPlaca responded that the systems were adjustable. It was the consensus of Council to move forward with the purchase of the HVAC system to help prevent further mold and moisture damage.

Boone Skate Park

Mr. Ward reminded members that skate park representatives had raised \$50,000 in private funds for the park and that grading had been completed. In the spring, Mr. Ward stated that Chandler Concrete would provide the needed concrete at cost as part of an in-kind donation. He added that park representatives had worked to secure a design package, and requested that Council consider an additional allocation. Mr. Ward stated that the project should qualify for a PARTF grant and that he planned to use some of the Town funds set aside for the project as the match.

Sustainability Goals

Mr. Ward announced that New River Light and Power representatives were planning to attend the March Town Council meeting to give more details on the proposed megawatt solar array, which he believed would include discussion of location. He anticipated that they would provide the NTE contract at that time as well. Council Member LaPlaca stated that she had already obtained a copy of the contract, but was waiting on a searchable version from New River Light and Power. Mr. Ward stated that staff would try to help make that document searchable if possible. Council Member Furguele stated that he was under the impression that the Town had committed to 500 kilowatts but had heard that it was mentioned that the Town committed to 250 kilowatts. Mr. Ward was unsure of the numbers and how they were divided up, but New River Light and Power representatives were given the minutes of the meeting during which Council voted for approval. He indicated that representatives confirmed that they would not be entering into an agreement which would prohibit where they purchased renewable energy. Council Member LaPlaca noted that in the contract, New River Light and Power was obligated to buy between 50-70 megawatts, and noted that additional details were being studied. Mr. Ward noted that he had recently had a discussion with the Town Attorney about the Town's ability to influence New River Light and Power's franchise agreement, and her opinion was that the Town had none. Council Member Furguele asked whether New River Light and Power knew that when they were dealing with individual members of Town Council that those members were not necessarily speaking for the entire Council, or Sustainability Committee, etc., and asked whether the Sustainability Committee was involved in this matter. Mr. Ward replied that he was unsure whether the Sustainability Committee was involved in this matter, and he acknowledged that New River Light and Power had expressed some confusion about whether individual Council Members were speaking on behalf of the Town. Council Member LaPlaca also stated that she was a regulatory policy expert and that she had been for 15 years and had been working on these issues for a very long time, and that she was doing this work in her professional capacity, and added that she had been very clear about that from the very beginning. She stated that whenever she referred to the term "we", she was referring to NCAIRE which was the North Carolina Appalachian Institute for Renewable Energy which was started by Steve Owen, Jeff Deal Bucky Black and she was a member. Council Member Furguele felt that it should be made clear when the Town was acting officially and when it was individuals acting on their own behalf, or when it was through a committee. Council Member LaPlaca reiterated that the work she was doing was not through the Sustainability Committee, and noted that she had been meeting with New River Light and Power for a year and a half. Mr. Ward indicated that in terms of sustainability goals, one or two of the requested departmental vehicles could potentially be fully electric and announced that Republic services would be attending the Council meeting in February to give their report on the Town's recycling program.

AppalCART

Mr. Ward stated that AppalCART representatives had asked for an increase in funding from the Town this year and asked Council what their commitment level to keeping cars off the street was. Council Member Furguele stated that he believed that this was one area the previous which the Council's commitment to use the increased portion of sale tax revenue to address climate goals would apply if the County would return to the per-capita distribution method, and indicated that he was not prepared to raise taxes to support this. Mayor Pro-Tem Clawson was in agreement with Council Member Furguele. Council Member LaPlaca suggested the Town ask AppalCART to assist in negotiations with the County. Council Member Hicks suggested that a climate action planning process might be an opportunity to help. Council Member Furguele stated that he would not be against adding AppalCART to the list of outside agency round-up program beneficiaries. Council Member Hicks asked whether a round-up program could be done with the parking meters with the money being put toward efforts to offset carbon impacts, and added that the same idea could be used for AppalCART buses with a box at the front of the bus. Council Member Hicks further suggested that a four day work week had been shown to reduce electricity use.

Existing and Potential Municipal Service District Revenue

Council Member Furguele stated that the Community Appearance Commission was currently studying how the MSD boundaries coincide with the proposed historic district boundaries and found that the MSD should extend

down almost to EarthFare, and believed that Council should move forward with the extension of the MSD. Mr. Ward noted that when the King and College building was approved, it was under the condition that they would come into the MSD within one year after their certificate of occupancy was issued, and believed that it made sense to bring other properties in that area into the MSD at the same time. Council Member Furguele agreed, but noted that properties could be brought into the MSD with different effective dates if needed.

Total Town Debt

Mr. Ward stated that the total debt in the general fund was \$627,108 and \$32 million in the water and sewer fund due to the water intake debt. He further noted that the water rate study completed last year made a recommendation to incrementally increase rates to cover the cost of repair and maintenance of existing infrastructure. Mayor Brantz asked whether staff felt the Town's overall debt was manageable. Mr. Ward stated that there was incoming revenue to cover payments on the water and sewer debt, and indicated that the general fund debt was phenomenally low compared to other municipalities. Mayor Brantz asked whether ASU was considering building their own sewer system in the future, to which Mr. Ward answered that they were not that he knew of. Mayor Pro-Tem Clawson asked whether the Town could continue to support ASU's water and sewer needs. Mr. Ward indicated that he believed the Town could continue to support these needs, but noted that upgrades to the system would eventually be needed.

Watauga County Public Library

Mr. Ward announced the idea of a potential parking deck behind the library, and noted that if Council believed that not to be an appropriate spot, he planned to propose a deck at the Queen Street surface lot during the meeting with the County later in the month. Mayor Brantz asked whether the Town donated funds to the Library, to which Mr. Ward answered that the Town gave funds to the Friends of the Library organization for books as part of the Outside Agency Funding process. He suggested Council consider a parking deck in that spot that would have less of an impact similar to the deck in Blowing Rock.

Prioritization of Items Identified as Needed for Operations by Departments and Town Council Identified Items

Council Member Furguele asked whether the purchase of the street sweeper could be delayed or financed. Mr. Ward answered that the purchase could be financed. Council Member Furguele then asked whether the requested bullet proof vests could be managed within budget, to which Mr. Ward replied that he believed the cost could be managed within budget with the help of grant funds. Council Member Furguele asked about the purchase of digital radar speed limit signs. Mr. Ward stated that if staff was unable to fund with grants, they would attempt to purchase signs with decreased technology. He added there was no way to fund the requested additional police officers this year without a budget/tax increase, but suggested that Council consider taking on the federally funded positions with the Department of Justice which Council would eventually have to fund, similar to positions added by the Fire Department a few years ago. Mr. Ward stated that the way the program worked was that expected growth in funds would pay for the new positions and that the Department of Justice would fund the new positions at 75% the first year, 50% the second and 25% the third year. He added that if the Town was unable to keep up with the cost of funding the position, Council may have to raise taxes to fund the positions, since the Town was required maintain the positions for a certain number of years. Council Member Furguele asked whether the positions could be supplanted or if Council could initiate a hiring freeze in the event the Town became unable to fund the positions, with Mr. Ward answering that he was unsure. Mayor Pro-Tem Clawson applauded the work of the Police Department. Council Member Furguele supported the idea of three officers in this program, with Council Member Ulmer agreeing. Discussion then moved to the Rivers House, with Mayor Brantz expressing that he believed it would be a mistake for Council to let any other structures in Town to sit and deteriorate as the Rivers House has. Mr. Ward indicated that staff would continue to explore the HVAC system at the house which would stop things from deteriorating further and would look for funding and in-kind donation opportunities. Council Member Furguele agreed with that approach and believed that the property as a whole was as important to the Town as the Horn in the West property, but that the potential had not yet been realized. Mayor Pro-Tem Clawson suggested that the property be used as a museum of local history. It was the consensus of Council to allow staff to move forward with research on a new Assistant Town Manager position geared toward sustainability and project management. Council Member Furguele asked whether a greenspace fund could be reestablished to allow Council to act quickly to purchase property should the opportunity arise. Mr. Ward stated noted that several property acquisitions had been made over the last couple of years, even without the fund, but agreed to keep the possibility in mind. Council Member Hicks suggested the Council and staff work to look into a public forum budget setting next year to allow

citizens more input in the process. Mr. Ward noted that all meetings of the Council, including the budget retreats were open to the public, but no citizens chose to attend that day. He added that Council could choose to alter the outside agency funding process to potentially allow citizens of Boone to vote on the allocations which should be made to various organizations in order to allow more organizations an opportunity to receive funding, as well as consider reducing paperwork. Council Member Furgiuele thought that the biggest issue to this idea was that the Town had no discretionary funding, and worried at the reaction if Council did not approve a request made by the public. Mayor Pro-Tem Clawson agreed. Council Member Furgiuele stated that he did want to formalize the reduction of paperwork in the outside agency funding process, and believed that the entire Council and the community as a whole should be able to hear organizations' presentations as well. He added that he was unsure Council needed to retain the committee at all, and that the categories of funding should be limited to time-limited and start-up funding unless organizations could clearly establish the need for indefinite funding. Mayor Brantz felt that the symbolism of the committee was important as was the distribution of Town funds. Mr. Ward asked for suggestions on how to get better participation in meetings. Council Member Hicks stated that some larger municipalities gave a small stipend to citizens who attended meetings. Ms. Davis noted that under state statute, the Town had a limited amount of time to develop a budget and cautioned that extra steps could hinder that process. Other priorities discussed included the website, with Mayor Brantz stating that he believed it should be a priority. Council Member Hicks stated that they had heard from others who struggled with finding meeting materials on the website. Mr. Ward expressed concern in that the website was changed frequently and there was never consensus among Council members about the content and appearance. Ms. Davis noted that each time the website was redesigned, it was at a cost of around \$20,000. Mayor Brantz declared a break at 2:29 p.m. Council reconvened at 2:50 p.m. Council Member Furgiuele believed that the purchase of a vacuum truck was important to assist in the study of permeable concrete, and noted that a permeable concrete requirement could not be incorporated into the UDO until staff fully understood it. Mr. Ward asked whether there was any way for Council to make an accelerated decision about leaf pick-up so that staff could look for alternative equipment if needed. Council Member Furgiuele agreed, and felt that the decision should be delayed until discussion was held regarding leaf pick-up in connection with the possible rebalancing of environmental and appearance concerns assigned to the Community Appearance Commission. Council Member LaPlaca asked where staff distributed leaves once they picked them up. Mr. Ward answered that staff distributed discarded leaves to the landfill or to citizens who have expressed a desire to have them for compost. Council Member Furgiuele believed it was important to leave the fallen leaves undisturbed throughout the winter season in an attempt to help protect bird and insect life, and indicated he would rather hold off on the purchase. Council Member LaPlaca asked whether the purchase of a vacuum truck would save on labor, to which Mr. Ward answered that it would. Mayor Pro-Tem Clawson asked whether leaves got stuck in drainage systems, to which Mr. Ward replied that they often did, and that vacuum trucks were used to suck the leaves out of the drains. Council Member Furgiuele suggested a fee for citizens who requested a leaf pick-up in the fall in an attempt to discourage this practice, and stated that he would rather do that if could be managed and give people the continued option of a fall pick up. He added that he would like staff to put together an education piece soon as well concerning the benefits of leaving leaves on the ground through the winter. Mr. Ward confirmed that Council supported the purchase of the vacuum truck, along with the development of a fee program for leaf pick-up during certain seasons and the development of an education program, and noted that the Town had already changed its approach to pesticides. Mayor Pro-Tem Clawson confirmed that property owners were not allowed to burn leaves or other debris inside Town limits. Mr. Ward confirmed that only recreational burning was allowed inside Town limits. Mr. Ward went over the budget process and noted that he would be asking at the February meeting to adjust the regular Town Council meetings until the next week since they occurred during County school's spring break. He noted that Powell Bill funds were continued this year, but several grants were held up in the state budget, including \$200,000 in fire protection.

ADJOURNMENT

Upon a motion by Mayor Pro-Tem Clawson seconded by Council Member Ulmer, Council voted unanimously to adjourn the meeting at 3:23 p.m.

Nicole Harmon, Town Clerk

Rennie Brantz, Mayor