

**MINUTES – SPECIAL MEETING
BOONE TOWN COUNCIL
MARCH 4, 2014**

A special meeting of the Boone Town Council was called to order at 9:06 a.m., Tuesday, March 4, 2014, in the Council Chambers, 1500 Blowing Rock Road. Mayor Andy Ball presided. Council members present were Mayor Pro-Tem Rennie Brantz, Jennifer Peña, Quint David and Lynne Mason. Staff members present were Town Manager Greg Young, Town Clerk Kim Brown, Deputy Town Clerk Christine Pope, Finance Director Amy Davis, Special Assistant to the Town Manager Jim Byrne, Human Resources Director Peri Moretz, Interim Public Works Director Eric Gustaveson, Planning Director Bill Bailey, Public Utilities Director Rick Miller, Cultural Resources Director Pilar Fotta, Fire Chief Jimmy Isaacs and Police Chief Dana Crawford. Town Attorney Sam Furgiuele was also in attendance.

The purpose of the meeting was to hold the Town's Annual Retreat. Mayor Ball welcomed all in attendance and noted that Council Member Fred Hay may be unable to attend.

DEPARTMENTAL REPORTS

- **Human Resources**

Human Resources Director Peri Moretz advised there have been compression issues with employees with more than one year of experience still receiving entry-level salaries, which will be discussed at length later into the retreat. She added that she is currently waiting on the community and town manager position profiles from Springsted Incorporated, who is the consultant for hiring a new town manager.

- **Public Works Department**

Interim Public Works Director Eric Gustaveson presented the Public Works Department Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)** Mr. Gustaveson indicated that there are lease-to-purchase options for department needs that he can look into further if directed by the Council, and added that the department may wait to resurface streets until after natural gas lines have been installed to ensure flat surfaces.

- **Cultural Resources Department**

Cultural Resources Director Pilar Fotta presented the Cultural Resources Department and Downtown Boone Development Association Annual Reports. **(Copy of reports permanently on file in the 2014 Town Council Annual Retreat packet.)** Brief discussion ensued regarding needed repairs and equipment at the Jones House Cultural and Community Center.

- **Planning and Inspections Department**

Planning Director Bill Bailey presented the Planning and Inspections Department Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)**

- **Police Department**

Police Chief Dana Crawford presented the Police Department Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)** Chief Crawford noted that some equipment needed can be funded through the E-911 fund; however, the department is out of space and needs to either renovate the building or relocate. Council Member Mason requested a comparison of the pros and cons and expenses of consolidating 911 dispatch services with the county versus maintaining the town's center.

- **Fire Department**

Fire Chief Jimmy Isaacs presented the Fire Department Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)**

- **Public Utilities Department**

Public Utilities Director Rick Miller presented the Public Utilities Department Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)** Mr. Miller noted there are multiple projects which still need to be completed.

- **Finance Department**

Finance Director Amy Davis presented the Finance Department Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)** Ms. Davis noted that her staff has been able to take on the additional work load so far; however, any increase in work in other departments creates more work for her department.

- **Boone Housing Authority**

Special Assistant to the Town Manager Jim Byrne presented the Boone Housing Authority Annual Report. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)**

Mayor Ball declared a break at 10:50 a.m. Council reconvened at 11:12 a.m.

PRESENTATION OF FINANCE/BUDGET REVIEW

Town Manager Greg Young gave a PowerPoint presentation **(copy of presentation permanently on file in the 2014 Town Council Annual Retreat file)** regarding the following issues:

- FY 2013/2014 Budget Overview
- Property Tax Collections as of December 2013
- Revaluation – Effective January 1, 2014
- Tax Exempt Property Map and Chart
- Current and Prior Year Sales Tax Collections
- Loss of Sales Tax Revenue (Cash Basis)
 - Town Manager Greg Young noted that as of February 2014, the Town has received \$1,265,237 less than last year, and expects to have lost a total of \$2 million by the end of the fiscal year. He added that under the past sales tax distribution method, the Town received 25% of revenue back, whereas the Town now receives only 12% back with the redistribution method.
- Sales Tax Collections through February 2013 and 2014
- Budget Issues Facing FY 2014/2015
 - Economy/Fuel Costs
 - Loss of Sales Tax Revenue
 - Consumer Price Index – 1.60% as of January 2014
 - Employees – Cost of Living/Merit Funding
 - Revaluation
 - Incremental Increase of Water/Sewer Rate Structure
 - \$225,000 Raw Water Land Loan to balance FY 2013/14 general fund budget
 - \$352,875 General Fund – appropriated to balance FY 2013/14 general fund budget
- Priority Review
- Fire Station #3
- USDA – Aerial Fire Truck Purchase
- Water Intake Project
 - Town Manager Greg Young noted there is a timeframe at which point Council must take action to begin the water intake project, which he believes will be in the coming fiscal year.
- Town of Boone – Fund Balance Data
- NC Local Government Commission – Fund Balance Data as of June 30, 2012
- Recommendations:
 - Consideration of Revenue Shortfalls
 - Continue to Build Reserve for Brown Building

- Restore Funding of Capital Outlay

Following discussion of the upcoming budget issues, Council agreed they would like to discuss at the upcoming regular meeting formally requesting that the Watauga County Board of Commissioners reconsider the sales tax distribution method. Mr. Young indicated that he would like Council to consider how they would like to distribute the fund balance, and if and how much of a property tax increase they would be willing to implement.

DISCUSSION OF TOWN MANAGER SEARCH

Town Manager Greg Young advised that John Anzivino and other Springsted Incorporated representatives have met with community members and department heads, and the contract has been refined. Mayor Ball suggested delaying further discussion until later on the agenda when Human Resources Director Peri Moretz would be able to provide an update on the candidate search.

COUNCIL ORGANIZATION AND PROCEDURES

- **Discussion of Working Together as a Council, Intro Exercise on Decision-Making, Goals and Direction, and Review of Code of Ethics and Rules of Procedure for Town Council**

Mayor Ball presented information for Council to look through at a later time that included resources from the North Carolina League of Municipalities and the North Carolina General Statute articles which pertain to the roles, responsibilities and authority of Council as well as decision-making tools and guidelines for the relationship between Council and Town staff. Council Member David stated he'd like there to be some form of training on the Town's Code of Ethics in order to ensure everyone is following proper procedures. **(Copy of information permanently on file in the 2014 Town Council Annual Retreat File.)**

- **Discussion of Regular Meeting Schedule**

Discussion ensued regarding the possibility of changing the regular meeting schedule and the procedures for hearing quasi-judicial water and sewer service requests. Council agreed they would like to consult with the town manager and town clerk on the possibility of changing the regular meeting schedule to include an agenda-setting meeting followed by a one-night, formal meeting with a larger consent agenda and smaller list of items for discussion, and to put this topic on the upcoming regular Council meeting agenda for consideration.

DISCUSSION OF TOWN MANAGER SEARCH (CONTINUED)

Human Resources Director Peri Moretz indicated she would contact Springsted Incorporated's John Anzivino to try to provide Council with an update on the status of the hiring process.

Mayor Ball declared a break for lunch at 12:30 p.m. Council reconvened at 1:12 p.m.

DEPARTMENT AND COMMITTEE DIRECTION

- **Discussion of Development Fees – Planning and Inspections**

Discussion ensued regarding ways to raise the planning and inspections fees over time until they reach 50% of the actual costs, but also provide incentive for those who are redeveloping property. Council agreed they would like to see a draft at next month's regular meeting for Council's consideration with 10% increases in all fees except for redevelopment of property, with either a reduced rate or the same rate for that fee, and in addition, an increase in the fee amount for expedited processing of an application.

- **Discussion of Neighborhood Support and Protection, and Neighborhood Conservation Districts – Enforcement and Additional Districts**

Discussion ensued regarding citizen concern for their neighborhoods. Planning Director Bill Bailey presented maps showing the current conservation districts (**Copy of maps permanently on file in the 2014 Town Council Annual Retreat file**). Council agreed they would like to see more public information on the town's Web site regarding neighborhood conservation and protection, and would like to hold a workshop meeting later in the year with neighborhood citizens to determine what the neighborhoods would like to see and how to accomplish those needs.

- **Discussion of Affordable Housing Task Force, Sustainability Committee, Historic Preservation Commission and Cultural Resources Advisory Board**

Council Member David indicated he would like to receive input from all committee chairs on how effective the committees have been and if they are still needed. Council agreed they would like to hold a meeting—annually or bi-annually—with the committee chairs for this purpose. Council was in favor of placing this on the March regular meeting agenda to schedule a special meeting.

PRESENTATIONS

- **Dan Meyer – Boone Area Chamber of Commerce**

Dan Meyer appeared before Council, and expressed the Boone Area Chamber of Commerce's support for the water intake project. Mr. Meyer also touched on the topics of the potential business park along the US Hwy 421 East corridor and the new ASU Health Sciences building to be constructed, and indicated the Chamber hopes all entities involved in these projects can collaborate to ensure their success. He added that, in an effort to "partner and promote," the Chamber would like to offer their services once again to the Town for economic and business development. (**Copy of letter presented to Council permanently on file in 2014 Town Council Annual Retreat file.**)

- **Teresa Buckwalter, Destination by Design**

Teresa Buckwalter appeared before Council to present a proposed design to bring more walkability to the western portion of downtown Boone from Water Street to the Watauga County Health Department property, including renovations to Water Street between King and Rivers streets, additional bike lanes and a possible roundabout on Rivers Street. Ms. Buckwalter indicated that they have presented this design to other entities who might have interest in the underutilized and vacant properties located in that area, and believe it could bring more people and business to the area. Mayor Ball thanked Ms. Buckwalter for her presentation and advised that Council would send her any comments or questions they may have regarding the proposal.

- **Dylan Russell – Appalachian State University Student Government Association**

Dylan Russell appeared before Council to request that Council prioritize human-powered transportation in town this coming year. He noted that ASU would like to run a test-trial to see the impact it would have on streets and would like the Town to support and also hold a test-trial as well. Mr. Russell also spoke on other topics including the search for a new chancellor, making the university and town smoke-free, voting designation areas, mobile applications to make the town and university safer at night, providing safe-ride services, and more ASU involvement on Town committees. Mayor Ball thanked Mr. Russell for his presentation, and Council Member Peña suggested Mr. Russell speak with Cultural Resources Director Pilar Fotta regarding the mobile application in downtown to identify possible unsafe places in the area at night.

TECHNOLOGY/MEDIA/PUBLIC RELATIONS NEEDS

- **Update on Web Site Development – Dan Dunkin, At-Net Services, Inc.**

Dan Dunkin provided Council with an update on the functions of the company and the status of the Town's new Web site. He added that they are hoping to present Council with the new Web site structure at their next regular monthly meeting.

- **Internet/Web Opportunities**

Council Member Brantz stated he believes it would be helpful to have answers online for people to search through prior to having to call into Town Hall for help. Town Manager Greg Young suggested limiting it to one person to handle all social media aspects for the Town through a policy which will need to be created.

- **Live Broadcasting of Council Meetings and Video Availability**

Fire Chief Jimmy Isaacs stated that the current system can support stored video of each meeting, which posts one to three days after the meeting. He added that they looked into live streaming of the meetings in the past, but at that time, it would have cost several thousands of dollars more to have this capability. Discussion ensued regarding having Charter Communications or MTN broadcast the meetings. Town Manager Greg Young noted Charter used to provide that service, but the Town stopped when Charter began charging for the service. Council agreed they would like the town manager to get cost estimates for streaming the meetings live and to check with MTN and Charter Communications on the possibility of broadcasting meetings.

STAFFING NEEDS

- **Discussion of Compression Issues**

Human Resources Director Peri Moretz presented a chart detailing proposed salary increases for those employees who have been employed with the town for more than one year and are still at the entry-level salary rate. **(Copy of report permanently on file in the 2014 Town Council Annual Retreat packet.)** She added that doing a full pay study would cost approximately \$10,000-15,000 plus the salary increases that would need to be made. Council indicated that resolving these compression issues is a high priority for the upcoming budget.

- **Discussion of Assistant Town Manager, Public Information/Relations Officer, P&I Environmental Planner, Housing Coordinator and EDC Coordinator Positions**

Discussion ensued regarding the need for these various positions. Mayor Ball noted that the public information/relations officer position has been discussed for the past two years, and he would like to see Council consider this position favorably this upcoming budget.

MAINTENANCE NEEDS

- **Discussion to Address Maintenance Issues with Town Properties, including Rachel Rivers Coffey Property and Horn in the West Property**

Interim Public Works Director Eric Gustaveson provided an update on the maintenance needs of various town properties.

- **Daniel Boone Native Gardens Property – Fencing**

Lyla Peterson with Daniel Boone Native Gardens, Inc. appeared before Council and advised that although they are in support of the sidewalks along Horn in the West Drive, the salt put on the roads is killing all plant life along that area without the past vegetation to block it. Mayor Ball suggested that Council keep this item at the forefront to see what they can do to help this upcoming year.

Mayor Ball declared a break at 3:57 p.m. Council reconvened at 4:04 p.m.

SPECIAL FUNDING NEEDS

- **Outside Agency Funding Budget**

Council Member Brantz stated he believes it's important to keep this funding. Council Member Mason suggested the idea of taking old meters, letting people decorate them, then anyone can put money in the meters to donate toward outside funding. Mayor Ball suggested forwarding this

idea to the Downtown Boone Development Association for consideration with the Council liaisons.

- **Tree Fund**

Town Manager Greg Young referenced the earlier presentation on the upcoming budget, which indicates there is \$13,747 re-encumbered from the prior fiscal year in this fund.

- **Town Calendar Project**

Mayor Ball advised this was removed from the last budget, and is something to look at in the upcoming year.

- **Solar/Renewable Projects**

Mayor Ball noted there was a project installed in Hunting Hills for approximately \$15,000 a few years ago, and there are other solar/renewable projects that could be done in town to be considered. Town Manager Greg Young added there are solar/renewable meters available as an option as well.

- **Greenway Expansion**

Brief discussion ensued regarding money in the corresponding fund to expand the Greenway with the possibility of a continual contribution.

- **Greenspace Preservation**

Council expressed their support for greenspace preservation and agreed they would like to look into funding for this purpose.

- **Cultural Resources Department – Expanded Programming**

Council Member Brantz felt there is much opportunity for new and expanded programming in this department and would like to consider providing more support for those programs. Council Member David added that he sees a lot of community support as well for these programs.

- **Community Gardens**

Council Member Mason noted that this topic may be monitored already by the Unified Development Ordinance. Council Member Peña stated she would like to encourage more community gardens and work on promoting them.

CAPITAL NEEDS

- **Parking Management – McLaurin Parking Contract, Meters, Public Parking Lots**

Town Manager Greg Young advised that a Request for Proposals was sent out last year for parking management services, and the contract is due to expire June 30, 2014. He added that he will be talking with Steve McLaurin of McLaurin Parking in the coming months to submit a revised proposal relating to parking management, and believes there needs to be a contract with the Downtown Boone Development Association for the financing offered. Mr. Young noted that he hopes the new parking meters and pay stations will be installed in the early part of next fiscal year, and believes there needs to be a strong educational component for the merchants regarding the new system.

- **Space Needs – Brown Building/Public Works, Consolidated Town Facilities, Municipal Complex**

Town Manager Greg Young recommended Council put money aside again this coming year toward the Brown Building. He added that a realtor is currently looking for property. Council Member Mason advised she would like to start pursuing land options for a municipal complex

and would like to know what the Town could expect to make from selling the Brown Building, Council Chambers, etc. Mr. Young reviewed the procedure for obtaining a new Town property.

FUNDING OPTIONS

Town Manager Greg Young reviewed the process for obtaining a bond or loan. He added that with everything discussed—personnel, space needs, balancing last year’s budget—a substantial property tax rate increase is required. Council requested a tax rate and salary comparison with other towns. Mr. Young advised he could obtain a tax rate comparison, but a pay study would be needed to determine salary rates.

CAPITAL NEEDS (CONTINUED)

- **Water Intake Project**

Brief discussion ensued regarding the funding of \$140,000 still needed to meet the estimated loan payment installments.

- **Downtown Streetscape Plan – Lighting and Sidewalks**

Cultural Resources Director Pilar Fotta advised that the Downtown Boone Development Association may be willing to help fund additional lighting downtown. Interim Public Works Director Eric Gustaveson noted his department continues to follow the direction of Council regarding improvements.

- **Stormwater Issues**

Lengthy discussion ensued regarding the costs for alleviating the stormwater issues in the town. **(Copy of Stormwater Planning and Management permanently on file in the 2014 Town Council Annual Retreat file.)** Town Manager Greg Young noted that the Unified Development Ordinance is handling a portion of the stormwater issues, but the Town needs to determine what ASU and the County intend to do, whether it is cooperate with the Town or handle it on their own. Council further discussed ways to help private property owners.

Council was in agreement to end the meeting with “Final Remarks” and continue the rest of the discussion during the special meeting for committee reports to be scheduled at the March regular meeting.

FINAL REMARKS

Council Member David felt this was a good discussion and indicated he would like to put everything together to make a responsible choice for the upcoming budget. Council Member Peña stated she appreciated everyone’s time and details, and her goal is to support staff and the Town as much as possible. Council Member Mason stated she believes the employees are the Town’s best asset, and they need to look at trying to maintain the same level of service for citizens. Council Member Brantz stated he would like to build a model, mountain community as well as providing recognition and support for Town staff, and focusing on infrastructure, balancing needs and transparency. Mayor Ball stated the Council is dedicated to preserving what it has internally, but also providing a level of service to the citizens. He believes this will be the focus of the upcoming budget discussion.

ADJOURNMENT

Upon a motion by Council Member Brantz, seconded by Council Member David, Council moved to adjourn at 5:08 p.m.

VOTE: Aye – All
 Nay – None

Christine Pope, Deputy Town Clerk

Andy Ball, Mayor