

**MINUTES – SPECIAL MEETING
BOONE TOWN COUNCIL
March 21, 2018**

CALL TO ORDER

A special meeting of the Boone Town Council was called to order at 5:30 p.m. Wednesday, March 21, 2018 in the Council Chambers located at 1500 Blowing Rock Road. Mayor Rennie Brantz presided. Council Members present were Mayor Pro-Tem Loretta Clawson, Lynne Mason, Sam Furgieue, Connie Ulmer and Marshall Ashcraft. Town Attorney Allison Meade was in attendance. Staff present included Town Manager John Ward, Town Clerk Nicole Worley, Public Works Director Rick Miller, Deputy Public Works Director Josh Eller, Facilities Maintenance Superintendent Todd Moody and Planning Director Jane Shook.

PRESENTATION BY RAFTELIS FINANCIAL CONSULTANTS

A complete copy of the PowerPoint presented by Raftelis Financial Consultants is available to view online at <http://boonenc.igmm2.com/Citizens/FileOpen.aspx?Type=1&ID=1250&Inline=True>.

At the conclusion of the presentation, discussion ensued regarding the information presented and the process used to get a final cost on the water intake project. Elaine Conti, representative of Raftelis Financial Consultants explained that the estimate was based upon the Capital Improvement Plan provided by Public Works Director Rick Miller. Public Works Director Rick Miller noted that the discharge schedule used in calculations was from the 1990's and that water and sewer rates have not been changed since 2008. Ms. Conti noted that development would play a part in determining rates. It was noted that when the Town had the ETJ, the impact fees were the same inside the Town limits and out due to statutes stating you could not differentiate. Mr. Miller added that prior to ceasing the collection of System Development Fees, the Town brought in \$150,000 in revenue from System Development Fees. Council Member Furgieue expressed concern that citizens in single family homes who conserve water would have to pay extra for those that are heavy users or in multifamily complexes and that he was concerned that heavy users would not be paying their fair share. He also confirmed that base rates on a single meter in a multifamily complex would have to account for the fact that there would be variations. Mr. Miller noted that the average single-family water usage was around 5,000 gallons per month. Ms. Conti added that the rate adjustments proposed were comparable to others they've seen in order to maintain and repair structures, especially communities who have relied on system development fees as revenue. Council Member Mason expressed a desire to go with the option that encouraged conservation among users. Discussion turned to differentiating between commercial and residential with Mr. Miller stating that determination was typically made by an architect. Council Member Furgieue voiced concern that people would attempt to undersize meters to take advantage of lower water rates, with Mr. Miller adding that was a possibility, but that it could not be avoided on from a Public Works standpoint. Mayor Brantz inquired as to how many water and sewer customers the Town had outside its limits with Finance Director Amy Davis answering that the Town served 139 customers outside its limits for both water and sewer, 95 for water only and 44 for sewer only. Council Member Clawson expressed concern if the Town should ever lose control of its water system to the State. Council Member Furgieue stated that he favored option two the best, adding that it was not perfect and doesn't encourage conservation across the board, but stressed the importance of keeping residential water and sewer rates as low as possible if we want to keep people living in Boone. Mayor Brantz agreed with keeping residential rates low, but was concerned about the impact a rate increase would have on some commercial businesses. Council Member Mason agreed that an increase would not be a minor consideration for a small business. Council Member Ashcraft added that he favored maintaining the 2,000 gallon minimum usage and looking into taxing overages to other users to absorb. Mr. Miller stated that the July 1 statutory deadline applied only to System Development fees and asked Council for guidance on the same, adding that rates could be discussed at a later time. Upon a motion by Council Member Ashcraft, seconded by Council Member Furgieue, Council voted to approve rates in the amount of \$7.89 and \$7.99.

VOTE:	Aye:	All
	Nay:	None

Council Member Clawson made a motion, which was seconded by Council Member Furgieue to accept option 2 from Raftelis Financial Consultants with a minimum usage of 2,000 gallons.

VOTE:	Aye:	All
	Nay:	None

PUBLIC COMMENT

Bob Flanigan spoke regarding single versus multiple water meters, stating that there was minimal chance of a tenant wasting water in an apartment building and that single meter points were more aesthetically pleasing. He assured members that not all landlords viewed single water meters as an opportunity to charge more to their tenants for Town water.

ADJOURNMENT

Upon a motion by Council Member Clawson, seconded by Council Member Ulmer, Council voted to adjourn the meeting at 7:57 p.m.

Nicole Worley, Town Clerk

Rennie Brantz, Mayor