MINUTES - SPECIAL MEETING
BOONE TOWN COUNCIL JUNE
9, 2008

A special meeting of the Boone Town Council was called to order at 1:15 p.m. on Monday, June 9, 2008 at the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Lynne Mason, Liz Aycock, Rennie Brantz, Janet Pepin and Stephen Phillips. Staff members present were Town Manager Greg Young; Town Clerk Freida Van Allen; Special Assistant to the Manager Jim Byrne; Police Chief Bill Post; Fire Chief Reggie Hassler; Development Services Director John Spear; Public Utilities Director Rick Miller; Public Services Director Blake Brown; Human Resources Director Peri Moretz and Finance Director Amy Davis.

BUDGET WORKSESSION

Before beginning budget deliberations, Council heard from the following agencies regarding special allocations:

Dan Meyer of the Boone Area Chamber of Commerce requested $25,000 to be used by the Chamber of Commerce to support programs, such as the Hand of Hospitality. Mr. Meyer said the Town of Boone should continue support of the Chamber because it is crucial to recognize the importance of small businesses and is an opportunity for the Town to identify with the business community as a partner. Mr. Meyer said the Chamber provides helpful information to the business community and has worked successfully with the Town over the past 32 years. Mr. Meyer requested that the $25,000 be awarded as a contract with the Chamber instead of including the Chamber in the outside agency funding. Mr. Scott Eggers, incoming Chamber president, reiterated the importance of the Chamber and the Town of Boone working as partners for the small business community.

Tuesdae Rice of the Downtown Boone Development Association appeared and requested $40,000 to match a DBDA contribution of $40,000 for site furnishings for the downtown area. Site furnishings include recycling and trash bins, benches, and bike racks. Ms. Rice showed a powerpoint presentation supporting her request.

Cherry Johnson of the Watauga County Arts Council appeared before Council to request that the Arts Council application for funding be considered. Ms. Johnson said she missed the deadline for the outside agency funding because she did not see the notice in the newspaper. Ms. Johnson presented facts on the programs the Watauga County Arts Council provides to the community. Ms. Johnson requested that the Town fund the $7,000 Arts Council request.

Todd Nolt of Mountain Alliance appeared before Council to request that the Mountain Alliance application for funding be considered. Mr. Nolt said he too missed the deadline for outside agency funding. Mr. Nolt presented facts regarding the programs the Mountain Alliance provides the community and requested that the Town fund the $10,000 Mountain Alliance request.

Town Manager Greg Young showed a powerpoint presentation highlighting different aspects of the proposed fiscal year 08–09 budget **(permanently on file)**. Mr. Young said the proposed tax rate is $.37 per $100 valuation, which is the same as last fiscal year.

Council member Pepin suggested that Council change the minimum water gallonage to 1,000 gallons at a rate of $14.00 and charge a minimum rate of $15.00 for using 1 to 2,000 gallons per month. Council discussed at length proposed water rates. Council felt that using a tiered rate makes sense in that the consumer will pay more if more water is being used and will be rewarded with a cheaper rate if water is conserved, both residential and commercial users.

Council member Mason also suggested that the Town consider buying more fuel-efficient vehicles in the future. Council agreed. Town Manager Greg Young said the Town may want to review the vehicle take-home policy. Council agreed and suggested that the Vehicle Committee review fuel efficiency and the take-home policy.

Council member Aycock reviewed the outside agency funding process for this fiscal year. Council discussed at length the process. On a motion by Council member Brantz, seconded by Council member Phillips, Council moved to send the Arts Council and Mountain Alliance funding requests to the Outside Agency Funding Committee.

VOTE: Aye-All
Nay-None

Council also felt that the outside agency process should be reviewed to ensure that the outside agencies are made aware of the application deadline, early in the process, next fiscal year. Council members Mason and Pepin agreed to meet with the committee to discuss any changes to the policy.

Council then discussed at length the water and sewer rates. On a motion by Council member Pepin, seconded by Council member Aycock, Council moved to adopt the tier-rate schedule as presented, with the exception of changing the minimums to 1,000 gallons per month at a rate of $14.00 and change 1,000-2,000 gallon useage to $15.00 per month. These rates will be doubled outside the town limits.

VOTE: Aye-All
Nay-None

On a motion by Council member Aycock, seconded by Council member Mason, Council moved to adopt the sewer rates as equal to the water rates also.

VOTE: Aye-All
Nay-None

In discussing an increase in availability fees, Council member Aycock felt that an increase would be detrimental to small businesses. Council suggested that the availability rates be reviewed

more frequently. Council will discuss the availability fees again tomorrow.
Council then discussed the undesignated fund balance.

Last year, Council allocated $1 million dollars from the general fund to the water and sewer fund to purchase the property for a new water intake. The water and sewer fund will repay the general fund over the next 20 years a payment of $45,000. Council member Mason suggested that the funds remaining from the water intake purchase, plus the $45,000 repayment from the water and sewer fund, be applied toward the Howard Street project. Council member Mason said Council needs to devise some creative ways to fund the Howard Street project.

Council member Pepin made a motion to have the Town Manager report the undesignated fund balance every month. Council member Mason seconded.

CLOSED SESSION

On a motion by Council member Brantz, seconded by Council member Phillips, Council moved to enter into Closed Session at 5:03 p.m., pursuant to NCGS 143-318.11a)6) in order to discuss personnel matters.

VOTE: Aye-All
Nay-None

On a motion by Council member Brantz, seconded by Council member Aycock, Council moved to exit Closed Session at 6:08 p.m.

VOTE: Aye-All
Nay-None

RECESS

On a motion by Council member Pepin, seconded by Council member Mason, Council moved to recess the meeting until Tuesday, June 10, 2008 at 2:00 p.m. in the Council Chambers.

VOTE: Aye-All
Nay-None

A recessed meeting from Monday, June 9, 2008 was called to order at 2:00 p.m. on Tuesday, June 10, 2008 in the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council members present were Mayor Pro-Tem Lynne Mason, Liz Aycock, Rennie Brantz, Janet Pepin and Stephen Phillips. Staff members present were Town Manager Greg Young; Town Clerk Freida Van Allen; Police Chief Bill Post; Fire Chief Reggie Hassler; Public Utilities Director Rick Miller; Public Services Director Blake Brown; Development Services Director John Spear; Finance Director Amy Davis; Special Assistant to the Manager Jim Byrne and Human Resources Director Peri Moretz.

Town Manager Greg Young explained in detail the current fund balance and said Council has

approximately an additional $500,000 to allocate to budgeted or non-budgeted items.
Council member Pepin felt that the budget is driving our priorities instead of the priorities driving the budget. Council member Mason felt that the Howard Street project is an important priority and would be a good investment for the future of the Town.

Council member Aycock discussed the DBDA request for site furnishings. Council member Mason again reiterated that the furnishings should be coordinated with the Howard Street project. Council member Pepin felt that the furnishings should be purchased by the Town since the Town will be in final ownership of the furnishings. Council member Aycock asked that a fund be established toward downtown site improvements. Town Manager Greg Young pointed out that $35,000 is allocated toward new lighting downtown. Council member Aycock suggested allocating $20,000 next fiscal year for new trash, recycling, and ash bins and later allocating an additional amount. Council member Pepin felt, with the $35,000 lighting allocation, the additional $20,000 allocation is enough. Council member Pepin made a motion to allocate $20,000 toward the purchase of trash, recycling and ash bins for the downtown area. The funding will come from the Howard Street reserve fund. Council member Aycock seconded.

VOTE: Aye-All
Nay-None

Council member Aycock felt that the Town should not be funding the Chamber of Commerce. Council member Aycock said in her research she has found that no other municipalities which fund their Chambers of Commerce. Council agreed, but felt that the allocation for Hands of Hospitality should be retained, once an itemization of the costs is received. Council member Mason felt the Town should become a member of the Chamber. Council agreed. Council member Pepin made a motion to deny the $25,000 request for a contract. Council member Aycock seconded. Council may choose to contract with the Chamber on specific items once pricing is received on an as-needed basis.

VOTE: Aye-All
Nay-None

Council discussed at length the proposed increase in the availability fees. Council member Pepin made a motion to increase the availability fees by 50% this fiscal year with another 50% increase next year and full $5.00 per gallon funding by 2010. Council member Phillips seconded.

VOTE: Aye-4(Phillips, Mason, Pepin, Brantz)
Nay-1(Aycock)

Council then discussed the Leola Street Community Garden allocation for $10,000. The funding was granted by the Outside Agency Funding Committee, and there was discussion that the proposed site improvements could not happen because the property is located in the floodway. A fence and other improvements can not be placed on the property because it is in the floodway. On a motion by Council member Aycock, seconded by Council member Brantz, Council moved to send the request back to the Outside Agency Funding Committee for additional review.

VOTE: Aye-All
Nay-None

Council discussed the Watauga County Parks and Recreation allocation. On a motion by Council member Pepin, seconded by Council member Aycock, Council moved to deny funding to the agency because of the double taxation issue. It was also pointed out that the Town contributes heavily toward the lease of the property for use by Parks and Recreation and the $45,000 donation from the landfill settlement.

VOTE: Aye-All
Nay-None

Council then heard from individual department heads.

Police Department - Bill Post said he had originally requested an additional police officer position that was cut from the budget. Mr. Post said he really needs this position because of tight staffing. Council member Pepin asked if the position is funded whether or not the overtime costs lessen. Mr. Post said no, not necessarily, in that excessive police presence is necessary at ASU football games. Mr. Post discussed how shifts are currently structured. Council member Pepin asked what the cost would be to the budget. Mr. Post said a recurring $45,300 inclusive. Council member Mason felt that a time management study might help determine if new positions are needed not only within the Police Department but also in other departments. Council agreed to fund the new position.

Fire Department - Reggie Hassler explained that the Rural Fire Board is very proactive and that one of the two-cent rural tax increases is for future property acquisition. Mr. Hassler said he is very concerned about the location of college students at the old Heavenly Mountain property. Mr. Hassler said he thinks that a station will be needed in that area in the future.

Development Services - John Spear said that meals were not included in the contract for the design team (Lawrence Group). Mr. Spear said additional $1,200 for breakfast, lunch and dinner for a week would suffice. Mr. Spear also discussed funding for the removal of dilapidated buildings. Council member Brantz suggested hiring more interns within Town government.

Public Services - Blake Brown asked for an additional $7,000 for paving of some downtown parking lots due to an increase in asphalt prices. Mr. Brown said he understands the budget constraints but that the Town must purchase a new bucket truck in the future.

Public Utilities - Rick Miller said that there are two very expensive items at the water treatment plant which take priority over others. Rick said that he and Andrea will be concentrating on information about the new water intake in the future.

Council then discussed the parking revenues. Council member Pepin suggested raising the long-term parking rates by 20%.

Council then discussed the Jones House budget allocations. Cherry Johnson said the $10,000 allocation for the ADA retrofit to the rear door is acceptable but that it may be more than $10,000, since the Jones House is trying to retain its position on the National Register of Historic Places. Council member Brantz said the Contracted Services' line item needs a 5% increase to cover some fringe benefits. On a motion by Council member Brantz, seconded by Council member Mason, Council allocated an additional $385 to the Contracted Services' line item.

VOTE: Aye-All
Nay-None

Council discussed future space needs and suggested that the Town Manager develop a plan for long- term planning and maintenance.

Council then discussed the AppalCART allocation and felt it should be placed under the special projects and programs rather than the outside agency allocation. On a motion by Council member Mason, seconded by Council member Aycock, Council moved $44,800 from the outside agency line to the general fund balance.

VOTE: Aye-All
Nay-None

On a motion by Council member Mason, seconded by Council member Aycock, Council moved to keep the Hands of Hospitality allocation under the special programs and projects budget.

VOTE: Aye-All
Nay-None

On a motion by Council member Mason, seconded by Council member Phillips, Council moved to remove $102,180 from outside agency funding and place it under the special programs and projects budget for AppalCART funding.

VOTE: Aye-All
Nay-None

Council discussed funding at Horn in the West and Council decided to keep the Town's funding at the same level as this fiscal year.

Council member Mason suggested finding a way to fund the Howard Street project without a tax increase. Council member Mason suggested increasing the occupancy tax and searching for alternative methods of funding.

Council then discussed fund balance spending designations and asked that the Town Manager prepare a new list for fiscal year 2008/2009.

ADJOURNMENT

On a motion by Council member Pepin, seconded by Council member Mason, Council moved to adjourn at 5:31 p.m.

VOTE: Aye-All
Nay-None

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Town Clerk Mayor