

BANNER ELK TOWN COUNCIL

December 11, 2017

MINUTES

The Banner Elk Town Council met Monday, December 11, 2017 at 6:00 p.m. at the Banner Elk Town Hall for their regular scheduled meeting.

Council Members present: Mayor Brenda Lyerly, Allen Bolick, David Lecka, Mike Dunn, Charlie VonCanon and Robert Tufts.

Staff present: Town Manager Rick Owen, Cheryl Buchanan, Lieutenant Orrie Smith and Attorney Four Eggers.

Call Meeting to Order

At 6:00 p.m. Mayor Lyerly called the regular monthly meeting of December 2017 to order.

Pledge of Allegiance

Mayor Lyerly led those in attendance with the Pledge of Allegiance.

Invocation

Council Member VonCanon opened the meeting with prayer.

Approval of the Minutes

Mayor Lyerly asked if there was a motion to approve or amend the November 2017 Town Council Minutes. Council Member Bolick motioned to approve the November Town Council Minutes as written. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Issuance of Oath of Office

Mayor Lyerly stated that the Town has two newly elected Council Members, Robert Tufts and Mike Dunn, who will be sworn in this evening. Cheryl Buchanan administered the oath of office to Mr. Tufts and Mr. Dunn.

Selection of Mayor Pro Tempore

Mayor Lyerly asked for a motion to nominate a Mayor Pro Tempore. Council Member Lecka stated that as current Mayor Pro Tempore he would like to nominate and motions to appoint Mike Dunn as the new Mayor Pro Tempore. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Approval of the Stated Agenda

Mayor Lyerly asked if there was a motion to approve the December agenda. Council Member Dunn motioned to approve the December 2017 agenda as written. Council Member Lecka seconded the motion. All were in favor. No one opposed.

Public Comments

There were no public comments.

Audit Report Presentation

Mayor Lyerly called upon Misty Watson to give the audit report. Ms. Watson presented to Council the results of the June 30, 2017 audit, highlighted items from the audit along with her responsibilities as an auditor. She reported that the assets of the Town exceeded its liabilities by \$9,036,400, which is an increase of \$670,884 from the prior year. She noted that the increase was due primarily to an increase in ad valorem taxes, local sales tax, water and sewer charges and conservative Town spending. Ms. Watson also reported that the Water and Sewer Fund had an increase and the Town's principal debt decreased by \$211,075. Ms. Watson reviewed with Council a three-year trend (2015 – 2017) of Cash and Cash Equivalents, General Fund Balance and Property Tax Collection Rate. A copy of the audit summary is attached to the December 2017 agenda. Mayor Lyerly thanked Ms. Watson for the thorough audit report.

Tourism Development Authority Presentation

Nancy Owen reported to Council that in 2015 the TDA contracted with consultant, Craig Distl, to assist in developing a cohesive marketing plan for the Town of Banner Elk. Mr. Distl presented to Council a condensed overview of what has been accomplished over the last 2-1/2 years. He noted that his task was to take Banner Elk's tourism marketing to the next level which included advertising, promoting brands, elevating the view of Banner Elk for the traveling public. Mr. Distl stated that he worked closely with Nancy Owen in developing a new logo and tag line which portrays why people come to Banner Elk (to escape, to unwind and to indulge). He noted that they developed a new web site which is funded by the Occupancy Tax and the site includes different types of lodging, restaurants, places to stay, things to do, a photo gallery, current events happening in the Town, etc. The site has attracted a lot of visits and is doing very well. It is monitored and managed frequently. Mr. Distl reported that the TDA is also advertising in local media promoting various activities occurring during the year in Banner Elk, is distributing press releases, planning and hosting groups of travel journalists on media tours; essentially promoting Banner Elk to its fullest. Mayor Lyerly thanked Craig Distl for his hard work and noted that the Town has seen the effects of his efforts.

Budget Amendment, State Grant Funds

Mr. Owen reported that last month Council was informed that in this year's State budget, \$25,000 was appropriated at Senator Ballard's request to the Town of Banner Elk for improvements to the Historic Banner Elk School. He noted that Council needs to adopt a budget amendment to recognize these funds. Council Member VonCanon motioned to approve Budget Amendment #20171211. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Playground Improvements

Mr. Owen reported that back in February of 2015, he asked Council to approve a concept for a new children's playground area for ages 2-5. At the time, the Town was hoping to raise funds privately and not use any of the Town's money for this project. However, this project was placed on hold due to another fund-raising project. Mr. Owen stated that currently the Kiwanis are able to participate in this project and the Town is also in a better position to become more involved. Nancy Owen is spear heading this project and will also approach TDA for possible funding. Mr. Owen reported that the Kiwanis are open to committing money to the project and as Town Manager, he is recommending to Council that the Town

also become involved. He noted that included in Council's packet are the design renderings of the proposed equipment and the proposal from Carolina Parks & Play, the same company that designed Fort VonCanon. Council Member Lecka asked if this new concept would replace some existing playground equipment. Mr. Owen concurred, stating that pieces of older equipment were removed at the suggestion of the Town's insurance company and other structures that are old and weathered will be removed. There were discussions regarding life span and durability of the new equipment, color, liability, supervision, warranty of materials, etc. Mr. Owen noted that this equipment is commercially developed and is designed specifically for children of ages 2-5. The proposal is that the Town would provide labor for installation, but be supervised by the company. Mayor Lyerly asked Mr. Owen what were his recommendations. Mr. Owen stated that the Kiwanis are close to making a commitment for financing 50% of the project and the other half would have to be raised. Again, the Town is hoping that the TDA gets involved. Mr. Owen's stated that his proposal is that the TDA fund 1/4 of the cost of the project, the Town 1/4 of the cost and the Kiwanis 1/2 of the cost and we move forward with the project. He noted that the Town has collected \$3,000 for a memorial and believes it would be appropriate to spend this money toward the new playground. He is certain there is also a potential to raise additional funds to offset the Town's cost. Council Member Dunn motioned that the Town make a financial commitment towards funding a 25% of the cost for the project. Council Member Lecka seconded the motion. All were in favor. No one opposed.

Historic Banner Elk School Project Updates

Mayor Lyerly called upon Dick Larson. Mr. Larson reported that he represents the Banner Elk Artist's Gallery located in the Historic Banner Elk School. He noted that after several months of discussion and formation, the gallery is now a legal entity, an LLC. Mr. Larson stated that the gallery is comprised of 10 full time members, 7 of whom are contributing artists and during the course of the summer added 13 consignment artists. A total of 20 artists represent the Artist's Gallery. Mr. Larson noted that the gallery has done very well in the short period of time and they are looking at expanding their gallery within the school building. He outlined their plan, proposal and estimated costs to Council sharing with them the challenges along with their goals which would be done over a 3-year period. Mr. Larson also proposed a lease agreement between the Town and the Banner Elk Artist's Gallery which could be negotiated at the end of each calendar year. There were discussions regarding utility agreements with the tenants, the contract, financial aspects involved, etc. Attorney Eggers noted that from a legal standpoint, the Town can do a one-year lease. An agreement to agree in the future would not be necessarily binding on future Councils or future members of the Artist's Gallery. Council Member Bolick motioned to accept the proposal. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Council Member Bolick updated Council on several renovation projects. He noted that the gutters, downspouts, splash guards and ice guards are due in later this week and should be installed on the main building and gym building next week. Council Member Bolick stated that the conference room and meeting room renovations are underway and almost complete.

Mayor Lyerly thanked everyone for attending and asked for a motion to go into closed session.

At 7:19 p.m. Council Member VonCanon motioned for Council to proceed to closed session pursuant to NCGS 143-318.11. Council Member Dunn seconded the motion. All were in favor. No one opposed.

Council returned to open session at 7:30 p.m.

Other Business

Mr. Owen updated Council on a request that had been made to Senator Deanna Ballard to consider making the Woolly Worm Festival the “Official State Woolly Worm Festival”. He noted that the festival has been held in Banner Elk for the past 40 years and it provides countless benefits to the promotion of tourism in Avery County and the children of Avery County, through the funds raised and distributed by the Kiwanis Club of Banner Elk. Mr. Owen feels that this would be a wonderful acknowledgement of the festival and to the hard-working volunteers. Chapter 145 State Symbols and Other Official Adoptions is the section of State Statute that got Mr. Owen thinking. Mr. Owen provided Senator Ballard with SB 141 and HB 96 from this year (Fried Chicken Festival and Gold Festival) along with what a Bill for the Woolly Worm Festival could look like. Senator Ballard responded to him in a positive light. Council Members agreed to proceed with this proposal.

Manager’s Update

Mr. Owen reported that the Town received the snow plow back with the new bed and salt spreader. The chassis was sandblasted and repainted. The truck itself should see several more years.

Mr. Owen noted that Tony Hunter has cut the trees down in the park, several along the path toward Crooked Creek, one at the corner of Town Hall and a couple at the Historic Banner Elk School to aid in the installation of the gutters.

Mr. Owen asked Council’s permission to change the color of the Town’s work trucks. The present white trucks show how much rust is on them. His thoughts are silver as opposed to the white. Council Members agreed on the silver.

Mr. Owen reported that the Town closed on the loan with BB&T which Council approved of at the last Council meeting.

Mr. Owen reported that the 35 ft. flagpole for the Corner on Main has arrived and scheduled for installation depending on weather. It will sit along the hedge row that was planted and will fly a 6x10 flag.

Mr. Owen stated that the Mountain Times does an edition called *My Home Town* and this issue is all about Banner Elk. They are asking the Town to place an ad in the paper. Mr. Owen discussed the prices and size of the ad with Council. There were discussions regarding the size of the ad, involving the TDA and going with a larger ad, etc.

Mr. Owen noted that included in Council Member’s packets is the financial summary report for five months ending 11/28/17, the police report, planning, zoning, and tax collection report. He noted that if there were any questions regarding these reports to let him or the staff know.

Council Member Tufts had a question regarding the Historic Banner Elk School. He questioned the issue of the Artist’s Gallery moving into Room 4 which presently stores supplies, signs, etc. for Art on the Greene. There were discussions regarding storage of supplies, food storage, accessibility, pest control, etc.

There being no further business, at 7:58 p.m. Council Member Tufts motioned to adjourn the December 2017 Town Council meeting. Council Member VonCanon seconded the motion. All were in favor. No one opposed.

Adjourn

The Town Council meeting adjourned at 7:58 p.m.

Mayor Brenda Lyerly

Attested

Approved: January 8, 2018