

BANNER ELK TOWN COUNCIL

January 12, 2015

MINUTES

The Banner Elk Town Council met Monday, January 12, 2015 at 6:00 p.m. at the Banner Elk Town Hall for their regular scheduled meeting.

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

Staff present: Town Manager Rick Owen, Chief Byron Clawson, Steve Smith and Attorney Four Eggers.

Others present: Rebecca Bolick, Tom McMurray, Jim Swinkola, Ted Silver, Carol Silver, Mari-lis Smyth, Jamie Shell and other interested parties.

Call Meeting to Order

At 6:00 p.m. Mayor Brenda Lyerly called the regular monthly meeting for January 2015 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 the November 19, 2014 Town Council Special Meeting minutes, the December 8, 2014 Town Council minutes and the December 15, 2015 Special Meeting minutes. Council Member VonCanon motioned to approve all three minutes. Council Member Bolick seconded the motion. All were in favor and no one opposed.

Approval of the Stated Agenda

Mayor Lyerly asked Council for a motion to approve the January 2015 agenda as written. Council Member Tufts motioned to approve the agenda as written. Council Member Dunn seconded the motion. All were in favor. No one opposed.

Public Comments

Mayor Lyerly called upon Jim Swinkola to speak to Council. Mr. Swinkola stated that he was present because of his membership with the Kiwanis for 31 years. The Kiwanis was established in Banner Elk in 1968. The Kiwanis International will celebrate its 100 year anniversary in 2015. He noted that several local events will be held to raise the awareness of the importance of this club and the contributions it has made in support of educational services in Avery County. Mayor Lyerly thanked Mr. Swinkola and the Kiwanis of Banner Elk.

Annual Audit Presentation

Mayor Lyerly introduced Andrea Bridges with Martin Starnes & Associates. Ms. Bridges addressed council thanking them for letting Martin Starnes be the Town's auditors. She presented the Audit Report for the year ending June 2014 which has been approved by the Local Government Commission. Ms. Bridges reported that at the end of the fiscal year, the Town has: General Fund cash in the amount of approximately \$900,000, General Fund revenues of approximately \$1.8 million and General Fund expenditures of \$1.6 million. She presented an overview of the General Fund which is the Town's main operating account. Revenues were approximately 10% greater than the prior year due to increased tax revenues. Expenditures increased by approximately 10% mainly due to increases in transportation expenditures. Ms. Bridges noted that from 2012 to 2013 the Fund Balance increased by 18% and from 2013 to 2014 increased by 15% due to increased tax revenues. The available Fund Balance increased approximately 3% from the prior year. She noted that the top three revenue sources for the General Fund were property taxes, unrestricted intergovernmental (sales tax, utility tax, occupancy tax, etc.) and restricted intergovernmental (grants). Ms. Bridges also reported that the top three expenditures were public safety, general government and transportation. The Town's total debt increased this year due to the purchase of the snowplow and the Dogwood Road repairs project. She reported on the water and sewer fund as compared to last fiscal year. The debt service was comparable to the prior year, cash flow from operations increased due to rate increases and the expenditures decreasing substantially due to monitoring and controlling of expenditures. The unrestricted net position serves as working capital for the fund balance which is available for spending. Council Member Tufts questioned cash flow from operations under the water and sewer fund. Ms. Bridges noted that the Town has done well in keeping expenditures down which reflects in the increase of cash flow from operations. She stated it is a good number to see increase. Mayor Lyerly thanked Andrea and Martin Starnes for all their hard work.

Historic Banner Elk School Fund Raising Committee Update

Mr. Ted Silver reported to Council that the Fund Raising Committee consists of Brenda Lyerly, Carol Berns Silver, John Heinlein, Mike Dunn, Tony Littleton, Allen Bolick and Lou Ann Morehouse. He also noted that present at their first meeting was Rick Owen and Nancy Owen who served as secretary recording the minutes. Mr. Silver thanked Jamie Shell with the Avery Journal for publishing an article in the paper providing the public information on the endeavors of the Fund Raising Committee and the Town of Banner Elk in preserving the Historic Banner Elk School. Mr. Silver reported that the Committee created a kick off letter to supporters, a naming rights list along with a donor's list with donor categories which provides everyone an opportunity to donate. Mr. Silver noted that the 501(c) committee has a bank account with Highlands Union which will also be used in receiving funds and a post office box has been opened which is noted on the kick off letter to supporters. The committee is also working on a web site and researching the use of credit cards and servicing agents. Mr. Silver reported that he contacted David Burleson, the superintendent of Avery County Schools, requesting his help in researching the history of the Historic Banner Elk School and compiling a list of alumni and contact information. Mr. Michael Hardy was also contacted. He is a local historian and will also help in providing a historical background of the school and the community involvement which the committee will use to circulate to the public which will encourage support and

donations. Mr. Silver stated that the committee is in its beginning stages in terms of what we want and need to do. This will be an ongoing fundraising effort, trying to obtain permanent and sustainable funding sources in order to meet the \$1 million plus operating expenses associated with the building and property. Mr. Silver noted that the committee is also looking into grant sources available from the state and federal level, but before any applications are filed, we need backup information (i.e. determine how the money will be used, the purpose of the money and how the money will be administered). Mr. Silver stated that this is just the beginning. The committee will be in full force in the days ahead working towards getting a web site up and running, working on getting funds to start coming in and working on potential grants. Mayor Lyerly thanked Ted and Carol for all their work.

Historic Banner Elk School Property Use Committee Update

Mr. Tom McMurray reported to Council that four of the members were able to meet a couple of weeks ago. Those able to attend were: Brenda Lyerly, Jo Anne McMurray, Fred Schmitt and myself along with Rick and Nancy Owen. He noted that those attending did not have a consensus on any topic, but that the full board of nine needed to meet as one body. Mr. McMurray stated that the good news is that there is a great deal of public interest in the use of the property. He noted that Mr. Owen has received several applications that still need to be reviewed from those who are interested in bringing forth their thoughts and expertise on the use of the school property. It was determined that we need to find compatible and not competing uses for the property. We don't need to be competing with tax paying businesses that are in Town. Mr. McMurray reported that it has to be a combined effort on the part of both the fund raising and property use committees. He noted that the use of the property by Mayland is very positive although they won't be bringing any money in to pay for expenses, but they will be investing in the property and will be bringing people through the property. Mr. McMurray reported that the committee will be meeting again on January 19th and with the nine members comprising the board he hopes they will have more to report to Council at February's meeting. Mayor Lyerly thanked Mr. McMurray for the nice report.

Mr. Owen gave Council an update on Mayland. He reported that he met with Melissa Phillips and discussed the uses of the space they are interested in. They are now looking at renting 3 spaces versus 2; classrooms that are connected by door ways. Mr. Owen is researching utilities and pricing issues and Mr. Eggers is working up a contract between the Town and Mayland. He noted that they are looking at moving into the space in the fall of 2015. Mr. Owen is hoping he will have more to report to Council at next month's meeting.

Tax Release

Mr. Owen reported that there are two tax releases from the County. One is for Bear Real Estate and the second is for Pepsi Cola Bottling Company. These are releases the County has already made so the Town is requesting Council to approve the releases. Council Member Lecka motioned to approve the two tax releases. Council Member Tufts seconded the motion. All were in favor of the motion. No one opposed.

Manager's Update

Mr. Owen reported that included in Council Member's packet were the financial report, police report, planning, zoning and tax collection report. Also included is a copy of the High Country ABC Board Meeting minutes for November 13, 2014. Mr. Owen noted that if there were any questions regarding these reports to let him or staff know.

Mr. Owen reported that Phillip Dean resigned from the TDA Board and that Mayor Lyerly will consider recommendations. When the Mayor appoints a new member it will be up to Council to approve.

Mr. Owen informed Council that this year's budget includes the purchase of a police vehicle. Chief Clawson has been researching new 4-wheel drive vehicles and the one that he is recommending to Council is a 4-wheel drive, 4-door pick-up truck. Mr. Owen noted that it is not uncommon to purchase trucks as patrol vehicles. It fits the needs of the department plus the price is in the budgeted range. The other option is a Tahoe, but there is about a \$6-7,000 difference. Mr. Owen stated that he wanted to inform Council of the direction they were headed in regarding this purchase. Chief Clawson reported to Council that he has begun interviewing for a new police officer.

At 6:40 p.m. Council Member VonCanon made a motion for Council to proceed to closed session pursuant to NCGS 143-318.11. Council Member Dunn seconded. All were in favor. No one opposed.

Mayor Lyerly thanked everyone for coming.

Council returned to open session at 7:20 p.m.

Other Business

Council Member Bolick stated that the Town should consider equipping the patrol vehicles with "cages" or at least in the new vehicle as a safety issue. The Town should provide the security for its officers. Mr. Bullock stated that this is something that the Town should pursue, getting prices, etc. Discussions continued regarding cost, the number of vehicles along with the restrictions of the cage on the driver. Mr. Owen stated that he and Chief Clawson will do more research on this subject and report back to Council at February's meeting.

Council Member Tufts asked Mr. Owen if the cut-off valve at the sprinkler system in the gym at the old school was installed. Mr. Owen apologized for not updating Council, but it has been installed. Council Member Tufts also asked about the two new signs in Town. Mr. Owen reported that the signs (Duck Crossing) were donated to the Town by a private individual and installed by staff. The road right of way where they were installed is not state maintained.

Council Member Tufts also reported to Mr. Owen that several Town streetlights are out specifically where the Christmas lights are. Mr. Owen noted that they will be checked and within the next couple of weeks the garland will be taken down.

Council Member Dunn asked Mr. Owen where the Town stood regarding the sidewalk extension going past VonCanon's property down to the Mill Pond. Mr. Owen stated that Mr. Eggers completed finalizing the easements and noted that one of the property owners involved is requesting some oversight regarding the plans, giving the owner some kind of control. The Town is trying to work with the owner. Mr. Owen also noted that approximately \$35,000 remains from the close out of the Streetscape Project which we could use to start this project, approximately 1/3 of the total amount needed.

Council Member Dunn asked Mr. Owen if the Town has approached the DOT about a guardrail being installed at the Mill Pond where the accident occurred last year. Mr. Owen noted that the Town has had several conversations with DOT and their responses were all about impact zones, accident numbers provided by the Police Department, etc. Their response was no guardrail. Mr. Owen stated that he then asked DOT about a bridge, culvert or header rail. He noted that he hasn't heard back from them, but will follow up and report back to Council. There was a discussion regarding incorporating that area into the Greenway Project design.

Council Member VonCanon thanked Council Member Bolick for all the work he has done regarding the maps located around Town, which include locations of various historical sites, businesses, etc. Council Member Bolick noted that there are two located at the park, two at Lees-McRae, one at the Chamber of Commerce and one at Town Hall. He also stated that this is just one more phase of the project, wanting to expand the map to the Town's web site and area web sites. There are many possibilities, but it takes time.

Council Member VonCanon asked Mr. Owen about the status of the old Puckett House. Mr. Owen noted that at one point the new owner (Jack's Glass) was looking into Town sewer. Other news came forth that the owner was looking into having the house burned down. Mr. Owen noted that no formal requests have been brought forth to the Town. He is in contact with the Banner Elk Fire Department and they will inform him of any burn requests including the Cook House. It is the third oldest house in Banner Elk.

There being no further business, at 7:47 p.m. Council Member Dunn motioned to adjourn the January 2015 Town Council meeting. Council Member VonCanon seconded the motion. All were in favor.

Adjourn

The Town Council meeting adjourned at 7:47 p.m.

Mayor Brenda Lyerly

Steven R. Smith
Finance Officer/Clerk

Approved: February 9, 2015