

BANNER ELK TOWN COUNCIL

**January 9, 2017
MINUTES**

The Banner Elk Town Council met Monday, January 9, 2017 at 6:00 p.m. at the Banner Elk Town Hall for their regular scheduled meeting.

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

Staff present: Town Manager Rick Owen, Cheryl Buchanan, Chief Byron Clawson and Attorney Austin Eggers.

Call Meeting to Order

At 6:00 p.m. Mayor Lyerly called the regular monthly meeting of January 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 December 12, 2016 Town Council Minutes. Council Member Dunn motioned to approve the December Town Council Minutes as written. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Approval of the Stated Agenda

Mayor Lyerly asked for a motion to approve or amend the January 2017 agenda. Council Member VonCanon motioned to approve the January 2017 agenda as stated. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Public Comments

There were no public comments.

Presentation of \$25,000 Historic Banner Elk School Matching Grant

Mayor Lyerly called upon Council Member Bolick. Council Member Bolick reported that in 2016 an anonymous donor offered a \$25,000 matching grant to the Town for the Historic Banner Elk School project. He noted that there were 64 individuals, groups, businesses, etc. that contributed towards this matching grant. Council Member Bolick stated that on behalf of all the people who contributed, he presented to the Town Manager, Rick Owen, a check in the amount of \$25,000. Mr. Owen reported that the donor who challenged the Town with this matching grant also fulfilled his offer. The Town has now accounted for \$50,000 which will go toward the payment of the loan to the County. Mayor Lyerly thanked Council Member Bolick for his efforts in making this grant become a reality and thanked all the donors.

Ensemble Stage Agreement

Mr. Owen reported that under the direction of Council he has been working with Ensemble Stage in bringing their year-round theater to the Historic Banner Elk School. He noted that Gary Smith and Lisa Lamont are in attendance this evening and that included in Council's packet is a one year lease agreement prepared by Attorney Eggers. Mr. Owen stated that he met with Mr. Smith and Ms. Lamont and reviewed the lease agreement. A few additions and modifications were discussed and stated that they were really close to having an executed agreement. Mr. Owen went over with Council several recommendations. (1) He noted that in the proposed lease the Ensemble Stage would be leasing the former gymnasium, but the Town's intention is having it available for community needs when the theater is not in operation. Mr. Owen recommended that the agreement will read that Ensemble Stage will "use" the former gymnasium for productions. The Town in turn would remain in control of the gymnasium. It would be clarified under Item 1 Premises of the lease agreement. (2) Mr. Owen reported that under Item 9 Utilities, it was discussed putting the gymnasium on its own meter for heat and electricity use. Since there are no current costs for that space (i.e. additional use/increase in utilities) it was decided to move forward without metering it separately until arrangements are made as far as the use of the gym and letting a year go by to better appraise the relationship and what issues arise in the course of that year. (3) Mr. Owen reported that under Item 8 Improvements of the Property, renovations were discussed (i.e. lighting, sound, equipment, stage, seating, etc.). He noted that for now there is nothing dictating or directing additional improvements in this first year. Mr. Owen stated that if Council is comfortable with the three changes that will be applied to the lease, Council can direct the Town Manager to move forward with the lease after a final draft is prepared. Attorney Eggers suggested that the final draft with changes be prepared so that Council will have a concrete idea of what is being voted upon. Mayor Lyerly asked if there was a time frame. Mr. Owen noted that Ensemble Stage would like to start moving into the gymnasium the first of February. Attorney Eggers stated that he will finalize the lease agreement with the changes specifically noted in the document. Council Member Bolick motioned to approve the proposed lease agreement with the noted adjustments/changes to be approved by the Town Manager and the Mayor prior to signing. Council Member Lecka seconded the motion. Mayor Lyerly asked if there were any questions. Council Member VonCanon asked for clarification regarding renovations the first year and asked about upkeep and maintenance. Mr. Owen stated that the agreement is set up so that if the premises becomes unusable the Town does not have to make it useable. Ensemble Stage realizes that they are renting the space "as is". The Town is not mandating that they make any certain improvements. Mayor Lyerly stated that all have heard the motion and the second and asked for a vote. All were in favor. No one opposed. Mayor Lyerly stated that the Town is looking forward to working with Ensemble Stage. Gary Smith noted that they are very excited. He stated that the group has been in Blowing Rock since October 2009 and were looking for a larger facility where they could perform year-round productions. This facility in Banner Elk fits perfectly. Mr. Owen distributed a copy of an email Ensemble Stage will send to clientele and donors notifying them of the change in location to Banner Elk.

Tax Release

Cheryl Buchanan reported that Phillip Dean had a late fee penalty on his personal property taxes for 2016. For some reason, it made its way to his ad valorem real estate taxes. She noted that the County advised the Town that the late fee was for a personal property tax listing not real estate and that \$352.22 needs to be released. Mayor Lyerly asked for a motion. Council Member Tufts motioned to approve the tax release. Council Member VonCanon seconded the motion. All were in favor. No one opposed.

Proposed Audit Contract

Mr. Owen reported that included in Council's packet is an engagement letter from Misty Watson and a proposed contract for audit services for the Town of Banner Elk for the 2016-2017 fiscal year. He stated that the proposed rate is the same as the last two years. Mr. Owen noted that after last month's Council meeting he spoke with Ms. Watson about preparing a more detailed Audit Presentation. She plans on returning for another Council meeting to go over this year's audit in more detail and answer questions from Council. Mayor Lyerly asked if there were any questions. Council Member Dunn asked if this included the TDA. Mr. Owen stated that her proposal will remain the same for the TDA, but under a separate contract from the Town's. Council Member Lecka motioned to approve the audit contract as submitted. Council Member Dunn seconded the motion. All were in favor. No one opposed.

Historic Banner Elk School Project Updates

Mr. Owen distributed a list of courses that Mayland Community College will be offering over the next several months at their rooms in the Historic Banner Elk School.

Mr. Owen reported that the Town has been talking with potential tenants for the school. He stated that it is his intention to enter into a lease agreement with Babette McAuliffe with Carolina Mountain Life, to rent space at the school. She is hoping to be in sometime in January.

Council Member Bolick reported on the 2017 golf tournament. He noted that this year it will be called the Historic Banner Elk School Golf Classic sponsored by the Lodges at Eagles Nest with two supporting sponsors. It will be a three-tier sponsorship. Council Member Bolick noted that it will be held at the Beech Mountain Club on Monday, September 25th with a shot gun start at 1:00 p.m. He noted that the committee is working on sponsorships and programs.

Manager's Update

Mr. Owen reported that included in Council Member's packet are the police report, planning, zoning, tax collection report and the financial report for 6 months ending 12/31/16. Also attached is a copy of the November 3, 2016 High Country ABC Board Meeting Minutes. Mr. Owen noted that if there were any questions regarding these reports to let him or staff know.

Mr. Owen noted that he is still working on preparing a list of rates for venue rental that may help with forming rates for events held at the Historic Banner Elk School.

Mr. Owen stated that the Town's solid waste franchise agreement with High Country Waste Solutions was bought out by GDS which was bought out by Republic Services. The Town's three-year contract is up for renewal in a couple of months. There is a 30-day cancellation clause. Mr. Owen stated that he has spoken with their representative and they don't foresee any

major changes, but would like to ask Council for a price increase. He noted that he believes they are looking at a 3% rate increase. Mr. Owen stated he should have a more definitive price to bring to Council next month. He also noted that the Town has received very few negative comments about Republic Services, but if Council has any negative comments to let him know. There were discussions regarding the residential and commercial fees for recycling products (i.e. plastic, glass, etc.)

At 6:26 p.m. Council Member Tufts motioned for Council to proceed to closed session pursuant to NCGS 143-318.11. Council Member Lecka seconded the motion. All were in favor. No one opposed. Mayor Lyerly thanked everyone for coming.

Council returned to open session at 6:40 p.m.

Other Business

Council Member Tufts stated that he reviewed the press release for Ensemble Stage and everything looks fine. Council Member Dunn asked if the group will make Banner Elk their office location or keep Blowing Rock as well. Mr. Owen stated that their intention is to make Banner Elk their home address.

Council Member Tufts asked about Ted Henry's group, Common Grounds, and what room it will occupy. Mr. Owen stated that he and Council Member Bolick discussed room options and rental rate options. Discussions continued among Council Members regarding Common Grounds' affiliations, the services they provide, rental issues, availability and square footage of rooms with the school, etc. Council Members considered providing Common Grounds rent free space on a limited time frame depending upon the demands of the spaces. Council Member Bolick and Mr. Owen agreed to continue conversation with Ted Henry regarding this issue.

There being no further business, at 7:02 p.m. Council Member Bolick motioned to adjourn the January 2017 Town Council meeting. Council Member Dunn seconded the motion. All were in favor. No one opposed.

Adjourn

The Town Council meeting adjourned at 7:02 p.m.

Mayor Brenda Lyerly

Attested

Approved: February 13, 2017