

# **BANNER ELK TOWN COUNCIL**

**June 11, 2018**

## **MINUTES**

The Banner Elk Town Council met Monday, June 11, 2018 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, Robert Tufts and David Lecka. Mike Dunn was absent.

Staff present: Town Manager Rick Owen, Cheryl Buchanan, Police Chief Kevin Hodges and Attorney Four Eggers.

### **Call Meeting to Order**

At 6:00 p.m. Mayor Lyerly called the regular monthly meeting of June 2018 to order.

### **Pledge of Allegiance**

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

### **Invocation**

Council Member Bolick opened the meeting with prayer.

### **Public Hearing: 2018 – 2019 Budget**

Mr. Owen addressed Council and read the Budget Message dated June 11, 2018. He presented for Council's consideration the proposed budget for the Town of Banner Elk for fiscal year 2018-2019 which was prepared in accordance with the provisions of the Local Government Budget and Fiscal Control Act. The Budget Message summarized the budgets for the General Fund, Water and Sewer Fund, Historic Banner Elk School Fund and Salaries and Benefits. Mayor Lyerly asked Council and the public if there were any questions or comments. Mr. Owen also noted this is also considered a Public Hearing for the TDA. He stated that the TDA's budget is a component unit of the Town's budget. There being no questions, Mayor Lyerly closed the public hearing at 6:07 p.m.

### **Approval of the Minutes**

Mayor Lyerly asked if there was a motion to approve or amend the May 2018 Town Council Minutes. Council Member VonCanon motioned to approve the May Town Council Minutes as written. Council Member Bolick seconded the motion. All were in favor. No one opposed.

### **Approval of Stated Agenda**

Mayor Lyerly called for a motion to approve the agenda set before Council. Council Member Tufts motioned to approve the stated agenda as written. Council Member Lecka seconded the motion. All were in favor. No one opposed.

### **Public Comments**

Mayor Lyerly recognized Jim Swinkola. Mr. Swinkola thanked Council, the TDA and the Town of Banner Elk for their support and help in erecting the new playground equipment. He held up

the recent edition of the Carolina Kiwanian, which featured a picture and article of the playground equipment in the Town Park. He noted that there was also an article in High Country Press. Mr. Swinkola thanked Council and the Town for supporting and celebrating their 50<sup>th</sup> anniversary.

### **ABC Board Member Appointment**

Mayor Lyerly stated that Council received a recommendation that it reappoints Donna Dicks as the Town's ABC Board member. Council Member Bolick motioned to reappoint Donna Dicks. Council Member VonCanon seconded the motion. All were in favor. No one opposed.

### **Request to Dedicate Sidewalk Lights**

Mr. Owen reported that the Town received a request from the Cottages to accept the sidewalk lights currently being metered by the POA. He noted that there are two meters that operate the lights; one is in the name of the POA and the other is in the name of the former developer. Mr. Owen stated that currently the Town has a request from the POA to dedicate the 5 sidewalk lights along Charles Lowe Lane and Old Hotel Road to the Town. Mr. Owen directed Council's attention to the area map indicating the location of the lights. Attorney Eggers recommended to Council that if they choose to accept the dedication of the lights to the Town, he proposed that we draft a written understanding as to what specifically is being dedicated so for future posterity the Town will know what it is responsible for. Mayor Lyerly asked for a motion to direct the Town Manager and Town Attorney to draft a suitable agreement to dedicate the sidewalk lights from the Cottages' POA to the Town and have it executed. Council Member Lecka made the motion. Council Member Tufts seconded the motion. All were in favor. No one opposed. Mayor Lyerly asked if the Town will be working with the former developer on the other meter/lights. Mr. Owen stated that there are several issues that need to be reviewed by staff before moving ahead with this meter. Council Member Tufts asked when the lights will be operating at the sidewalk extension project. Mr. Owen noted that the electrician is working with Mountain Electric on a few issues (i.e. new meter or new pole with a transformer, etc.) and is hoping these will get ironed out soon.

### **Discuss Republic Services Agreement**

Mr. Owen reported that included in Council's packets is the draft of the franchise agreement. He noted that neither he nor Attorney Eggers had fully reviewed the document, but he wanted Council to have a copy of it for their review and discuss any concerns or questions about the Town's trash service. Mr. Owen noted that a franchise agreement gives a lot of control to the franchisee, but also to the Town because we are only dealing with one company as opposed to multiple companies coming into Town to collect trash. He stated that the Town has been operating under a franchise agreement for trash services for several years that was originally with High Country Waste Solutions but was purchased by Republic Services. Republic Services would like to update this agreement to reflect the relationship they have with the Town. Mr. Owen noted that he sent an email to Council with the proposed rates which he would like to discuss with Council. There is a large price increase to the recycling portion. Mayor Lyerly asked Tony Krasienko, Municipal Service Manager with Republic Services, if he had anything further to add. Mr. Krasienko stated that he would answer any questions Council Members have. Council Member Bolick questioned *Item #7.2 Annual Rate Adjustments*. Mr. Krasienko reported that Republic Services follows the Consumer Price Index (CPI) to give any adjustments. We would increase or float the rate as inflation goes up or down. He explained how labor costs, fuel costs, etc. have increased and thus we must allow for inflation adjustments. Council Member Tufts asked what the abbreviations "FL" and "EOW" stood for. Mr. Krasienko stated that FL stood for front load containers and EOW stood for every other week. Mr. Owen noted that after studying this agreement he had

concerns with the CPI, cost adjustments and the wording, disposal costs, equipment accessibility and liability implications to the Town, waste types, recyclable materials, etc. Mr. Owen noted that he and Attorney Eggers will look into these issues along with any legal portions that need to be addressed to help formalize the agreement. He noted that Republic Services has operated well for the Town and having one franchise work for the Town has had its advantages. Mr. Owen shared some issues that have occurred with a few commercial businesses and Town residents but stated that overall the Town has been pleased with the trash services. Mayor Lyerly thanked Mr. Krasienko and Republic Services.

### **Discuss Waterline Project to Ward Property**

Mr. Owen reported that the Town recently annexed this parcel of property which is owned by Jim Ward and is located across the street from Elk River Realty. The Town has agreed to extend water and sewer services to this parcel at the cost of the developer. Mr. Owen noted that the Town wanted to upgrade some items which would benefit the Town. The Town received a bid price in the amount of \$51,845.00. It was determined by working with David Poore that approximately \$17,000 of this bid price were Town related costs that would benefit the Town by making these improvements, which would leave the developer with approximately \$34,895. Mr. Owen reported that at the Budget Workshops we discussed potential upgrades to that line while working on this project. We asked the contractor to also provide us a bid to replace the line all the way to the lift station with a 6" ductile iron pipe which is a better pipe and would be sized appropriately for any further extensions past the lift station. Mr. Owen provided Council Members with a map highlighting the first waterline extension and a potential further extension of the waterline. He discussed an option to extend service along the gravel portion of Old Turnpike (a state road) which could service any potential water customers for the Town, based on development, etc. He noted that the contractor did come back with a "upgrade price" which would be approximately \$50,000, based on this future extension. Mr. Owen noted that he finds it hard to recommend spending this amount of money based on other Town projects that also require attention. At this point in time, he recommends the original plan of going out Silver Springs Drive with a 6" line to the corner, connecting a hydrant and continuing with a 2" line from Silver Springs, past Mr. Ward's property to the lift station with a blow off at the lift station. There were discussions regarding improvements to the line, future annexation and water service, cost of the project, etc. Council Member VonCanon motioned to approve the Town assisting in the cost of the waterline project in the amount of \$16,950 with Mr. Ward paying the balance including engineering fees. Council Member Lecka seconded the motion. All were in favor. No one opposed. Council Member Lecka motioned to award the bid to M&M Construction. Council Member Tufts seconded the motion. All were in favor. No one opposed. Council Member

### **Historic Banner Elk School Project Updates**

Council Member Bolick reported that the water line upgrade project at the school is almost complete.

Council Member Bolick stated that there was a cleanup day at the courtyard area. There were 15 volunteers and the area looks really good.

Council Member Bolick reported that the 4<sup>th</sup> annual golf tournament will be held on September 24<sup>th</sup> at Beech Mountain. He noted that our main sponsor will be the Lodges at Eagles Nest and that we also have five co-sponsors: Kidder Construction, Tom Eggers Construction, Mike Eggers

Construction, Steve Cuff Construction and our hole in one sponsor is Friendship Hyundai/Genesis of Johnson City.

Council Member Bolick noted that last Saturday the Community Yard Sale was held at the school property which was sponsored by the Rotary Club and the Banner Elk Chamber of Commerce. They raised \$670 which all went to the Town.

Council Member Tufts reported that Art on the Greene held on Memorial Day weekend went well and is looking forward to the next show which will be held on July 7<sup>th</sup> and July 8<sup>th</sup>. He noted that 88 vendors have signed up for that weekend.

### **Manager's Update**

Mr. Owen reported that included in Council Member's packets are the police report, planning, zoning and tax collection reports and the financial summary report for ten months ending 5/31/18 has been placed in front of each Council Member. Also attached is a draft copy of the June 5, 2018 Planning Board Meeting minutes and a copy of the April 11, 2018 High Country ABC Board Meeting Minutes. He stated that if there were any questions regarding these reports to let him or the staff know.

Mr. Owen reminded Council of the Budget Workshop that has been scheduled for June 27<sup>th</sup> at 6:00 p.m.

Mr. Owen noted that on June 30<sup>th</sup> at 11:00 a.m. there will be the naming of the gymnasium to the "Hahn Auditorium".

Mr. Owen reported that the Corner on Main project is progressing. The blockwork is almost complete. We are waiting for the rock to be delivered which will be installed on both sides and the timber frame structure.

Police Chief Kevin Hodges reported that one of the Town's police officers seized 33.6 grams of methamphetamine at a traffic stop; the largest amount that Banner Elk Police Department has ever gotten. In Avery County, the value is \$120 per gram (approximately \$6,720 taxable value).

At 6:53 p.m. Council Member VonCanon motioned for Council to proceed to closed session pursuant to NCGS 143-318.11. Council Member Tufts seconded the motion. All were in favor. No one opposed.

Council returned to open session at 7:04 p.m.

Council Member Tufts questioned the Planning Board's issue regarding the "saw mill". Council Member Bolick stated that it is a stand-up band saw; a mobile unit. He noted that it does create saw dust, but it does not create any more noise than the work being done at the granite shop. It would be good for the Rooster; a good location in general. He stated that it will be going to the Board of Adjustment next month. Attorney Eggers stated that it will be up to the Board of Adjustment to consider whether they find it compatible with the area. Mr. Owen noted that the Planning Board did not make any recommendations. They had questions about the operation and the agreement between the property lease holder and this new tenant. The last communication Mr. Owen had indicated that the request would not be continuing at this time.

Council Member VonCanon questioned the street cleaning. Mr. Owen explained what happened with the Public Works' crew between the cleaning, blowing and the debris clean up. The Ventrac machine wasn't effective on the amount and kind of debris on the sidewalks and curb. Mr. Owen also noted that the Town's street sweeper doesn't function as well anymore. There was further discussion about the curb, gutter and sidewalk clean up within the Town.

Mayor Lyerly suggested placing portable trash containers along the 4<sup>th</sup> of July parade route.

There being no further business, Mayor Lyerly asked for a motion to adjourn this evening's meeting.

At 7:18 p.m. Council Member VonCanon motioned to adjourn the June 2018 Town Council meeting. Council Member Lecka seconded the motion. All were in favor. No one opposed.

**Adjourn**

The Banner Elk Town Council meeting adjourned at 7:18 p.m.

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Mayor Brenda Lyerly

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Attested

Approved: July 9, 2018