

MINUTES
Town of Blowing Rock
Board of Commissioners
Departmental Meeting-March 9, 2009

The Town of Blowing Rock Board of Commissioners held a special meeting on Monday, March 9, 2009 at 4:00 p.m. The meeting began in the Council Chambers located at 1036 Main Street. Present were Mayor J.B. Lawrence, Commissioners Bobby Ball, Keith Tester, Albert Yount, Phil Pickett and Tommy Klutz. Others in attendance were Town Manager Scott Hildebran and Town Clerk Sharon Greene.

COUNCIL/TDA ANNUAL JOINT MEETING

Tourism Development Authority (TDA) members present were Vice Chair Lynn Drury, Keith Tester, Rob Dyer and Phillip Pickett. Also in attendance were Ex-officio members Scott Hildebran and Nicole Norman. TDA Director Tracy Brown and Assistant Director Amanda Lugenbell also attended. TDA Chair Kent Tarbutton was out of the country and unable to attend.

TDA Director Brown thanked Council for the opportunity to meet with them and discuss efforts being made by the TDA and also update them on their future plans. He began by handing out recent articles and advertisements produced and coordinated by the TDA in 2008. A power-point presentation was given outlining accomplishments and priorities of the TDA. Mr. Brown advised a retail strategy group had been formed in order to concentrate on several focus areas of the downtown district. He also spoke regarding the marketing approach that had been taken and what areas the TDA had advertised in order to draw visitors. Mr. Brown explained the Blowing Rock TDA had partnered with Watauga County and the Town of Boone, each giving \$30,000 to promote the area in the Raleigh/Durham market.

Mr. Brown advised occupancy collections were down approximately 11.5 percent for this fiscal year compared to last fiscal year.

Several other points of interest discussed during the power point presentation were:

- economic development assistance offered by the TDA through retaining the consulting firm Hyett Palma
- the targeted media markets
- funds that were provided by the TDA for parking and parking improvements in the downtown area
- co-operative efforts with Watauga County TDA and the Boone CVB
- new creative and website design that showed examples of art and functions during 2008
- provided examples of literature such as walking maps and visitor guides that had been distributed throughout the year
- earned media worth \$750,000 with the Weather Channel, RFD Network, UNC TV, Southern Living, Our State magazines and others

- continuing education through attending the NC Governors Conference on Tourism and the Sustainable Tourism Summit
- events supported by the TDA, such as; Winterfest, Winefest, parades and the BRAHM Antique Show totaling \$19k+
- use of various mediums for paid advertising such as radio, TV, print and web totaling \$146,850
- visitor center inquiries, stating that with a slight decline in walk-in traffic, and an increase in visits to the website, visitor center inquiries totaled approximately 483,000 visits

Mr. Brown concluded the TDA's joint meeting with Council by stating he had an optimistic outlook for the future and felt Blowing Rock would fare better than other places comparable to Blowing Rock's size.

With no further business to discuss, the joint meeting was adjourned at 5:05 p.m.

The meeting reconvened in the Conference Room at Town Hall at 5:10 p.m. Members of BRAHM were present to give Council an update on the progress being made on the Blowing Rock Art & History Museum project.

BLOWING ROCK ART & HISTORY MUSEUM UPDATE

In attendance representing BRAHM were Welborn Alexander, JoAnn Mitchell and John Calvin. Mr. Stephen Silver of Boone Construction and Town Engineer Doug Chapman were also present.

Per Council direction, Mayor Lawrence and Mayor Pro-tem Tester as well as staff met with BRAHM to discuss cost estimates. Council received a document with information on the BRAHM Parking Facility funding, framework, possible financing options and timeline. Town Manager Hildebran stated the 2-level structure would provide a minimum of 58 spaces plus 4 extra spaces next to the Edgewood Cottage and the total cost of the project was not to exceed \$1,300,000.00.

Mr. Hildebran also advised that BRAHM would pay town-related costs until July 15, 2009, at which time the Town would reimburse them in full for the expenses incurred related to the parking structure. Mr. Hildebran also stated the Town would be able to apply \$100,000 in cash towards the project from reserve funds and secure a long-term loan for the remaining \$1,200,000.00 in FY 09-10.

Commissioner Klutz stated he would like to further pursue the idea of putting a surface lot instead of the two-level parking facility. Mr. Hildebran stated that due to topography a surface lot would be too low for integration with the BRAHM building and likely requiring a redesign. Also, the cost of such a lot could be as much as \$600,000.00+. Town Engineer Doug Chapman also commented that retaining walls would be needed in order for a surface lot to be located in that area. Mr. Klutz stated he had envisioned a flat lot following the terrain of the property.

After further discussion on the feasibility and cost efficiency of a surface lot, the majority agreed to cease discussion on a surface lot due to the lack of feasibility.

At this time, Town Manager Hildebran reviewed the Town's current debt status with Council.

Town Code requirements for parking were discussed. According to Mr. Hildebran, after comparing parking requirements with other jurisdictions in North Carolina most parking requirements for museums were less than one space per 300 square feet as required by the Town. Commissioner Tester felt there should be some flexibility in the code for parking requirements.

Commissioner Tester stated in order for him to support the parking facility a funding plan for the museum would be needed. It was the Council's consensus that BRAHM should work to get the best possible price they could attain for the museum and parking facility especially considering current economic conditions and competitive construction prices. Ms. Mitchell expressed BRAHM's desire to have the best structure possible that was within their budget and the proper timeframe. Commissioner Tester stated he was in full support of the parking facility, but realistically if the cost did not fit into the Town's budget or requiring an increase in taxes or cutting a program, etc. the Town couldn't move forward with the facility. Commissioner Ball stressed that everyone was affected by the present economic status.

Mr. Stephen Silver of Boone Construction Company spoke briefly regarding the bidding process for the project. He advised his company was waiting for the revised plans for the parking facility in order to rebid that portion of the project.

Mr. Welborn Alexander stated several donors for the museum had given stocks and securities and BRAHM had strived to be the best stewards of the donor funds as possible.

In summary, BRAHM wished to have plans and final costs estimates completed for Council's review during their regular meeting in April. Also, costs for the project were to be revamped in order for the costs to fall within the Town's parameter amount of \$1,300,000.00.

Mr. Alexander thanked Council and Town Manager Hildebran for their time and assistance.

INFRASTRUCTURE ISSUES

WWTP/WTP Supervisor Tom McRary was present to discuss his department's accomplishments and priorities. He advised that Phase I of the Capital Improvement Plan (CIP) was underway. Mr. McRary conveyed the project was due to be completed in the next 90 days but due to bad weather conditions they were behind schedule.

Town Engineer Doug Chapman stated the completion date for Phase I was mid June and there was also a delay in the design and ordering materials for the sludge digester.

After further discussion, Town Manager Hildebran advised there had been less water produced in the last 14 months than anytime during the past ten years.

Council thanked Mr. McRary for a job well done.

Town Engineer Chapman then updated Council on several engineering issues. He advised the American Legion Parking Facility was almost completed and Phase II could begin with reworking the parking areas around the old Fire Department on Wallingford Street.

Mr. Chapman also advised that federal stimulus money was being pursued for future immediate needs listed in the CIP at the Wastewater Treatment Plant. He also advised some stimulus money would be sought for the emergency water interconnection between Blowing Rock and Boone, which would help with the Town's debt service. Mr. Chapman expressed his desire to receive bids for the interconnection project as early as April. Mr. Hildebran advised the Park Service was in the process of writing the encroachment agreement for the water line and sewer line under the Parkway.

Mr. Chapman updated Council on the Robbins Pool Project. He advised some changes were planned in order to save money. Mr. Chapman hoped this project would also go to bid in April with construction to start once school commences in August.

According to Mr. Chapman, Phase I of the Streetscape Plan had been submitted to NCDOT for approval and possibly the project would be bid out by late spring, which included the area from the Martin House to Edgewood Cottage. Commissioner Yount inquired if the Town had funds to complete Phase I. Mr. Hildebran responded that adequate funds were available for Phase I depending on bid results.

Mr. Hildebran mentioned that \$550,000 in priority items listed in the CIP such as an emergency generator, new treatment base and handrail, etc. at the Wastewater Treatment Plant qualified for stimulus funding. In order to submit an application for stimulus funding, he requested approval of the Engineering Services Agreement with McGill Associates from Council for \$35,000 to complete the necessary designs. A motion was received from Commissioner Ball to approve the Engineering Service Agreement, seconded by Commissioner Pickett. Unanimously approved.

Engineering Services Agreement- Exhibit A

FISCAL MANAGEMENT

Mr. Hildebran spoke regarding several areas of the Town budget affected by the current economic conditions. He explained interest income was down approximately \$30,000-\$40,000 this fiscal year as well as an anticipated increase in liability and workers comp insurance and employee/retiree health insurance. Mr. Hildebran advised a 7.3 percent

increase in the State Health Plan of which the Town is now a participant was anticipated. Other areas mentioned were cost for utilities for town buildings and water/sewer impact fees being slightly below average. Mr. Hildebran advised several municipalities in surrounding areas were downsizing departments as well as not giving cost of living raises this fiscal year.

Mr. Hildebran also expressed concern about the funding of cost of living increases in the next fiscal year.

Council briefly discussed the pursuit of forming a Downtown Municipal Service District to provide needed funding towards the Streetscape Plan, additional restrooms, and parking to minimize the impact to residential property owners.

Mr. Hildebran mentioned a recent Chamber request he had received for the potential use of the old fire department to hold a farmers market. Several members of Council felt this idea had strong potential, but there were many issues that needed further review. The Council authorized Mayor Pro-tem Tester to meet with Chamber representatives to convey their position and concerns.

ADJOURN

Following a brief discussion in reference to the relocation of the town's recycling center, the meeting was adjourned at 7:15 p.m.

MAYOR _____
J.B. Lawrence

ATTEST _____
Sharon Greene, Town Clerk