

MINUTES

Town of Blowing Rock Board of Commissioners Meeting November 10, 2009

The Town of Blowing Rock Board of Commissioners held their regular meeting on Tuesday, November 10, 2009. The meeting took place in the Town Council Chambers at Town Hall, 1036 Main Street, Blowing Rock. Present were Mayor J.B. Lawrence, Commissioners Bobby Ball, Keith Tester, Phillip Pickett, Albert Yount, and Tommy Klutz. Commissioner Elect Doug Matheson and Jim Steele were also present. Others in attendance were Town Manager Scott Hildebran, Town Attorney Allen Moseley, Town Engineer Doug Chapman, Public Works Director Johnny Lentz, Planning Director Kevin Rothrock, Police Chief Eric Brown, Finance Director Nicole Norman, Assistant Parks & Recreation Director Garryd Caliendo, Emergency Services Director Kent Graham, Building Inspector Jesse Horner, and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Lawrence called the meeting to order at 7:00 p.m. and congratulated Mr. Klutz on his re-election to Council and newly elected Board Members Mr. Matheson and Mr. Steele.

APPROVAL OF MINUTES

Commissioner Pickett made a motion to approve the minutes for the regular meeting and the Closed Session meeting held on October 13, 2009 as written, seconded by Commissioner Ball. Unanimously approved.

PRESENTATION

1. Blowing Rock Historical Society – Edgewood Cottage Note Cards

Ms. Ginny Stevens of the Blowing Rock Historical Society distributed to Council Edgewood Cottage note cards. Ms. Stevens stated that on September 13, 2005, Council had approved the refurbishing of Edgewood Cottage and the Historical Society wished to thank them for their support. She advised the note cards were also available to the public for purchase.

Mayor Lawrence also thanked the Historical Society for all that they do for the town.

2. North Carolina League of Municipalities Green Challenge – Level One Award

Commissioner Pickett presented Mayor Lawrence with the NCLM Green Challenge Level One Award plaque for the Town's commitment to efficient energy saving operations and practices.

He also noted that Town Manager Hildebran had been elected for a two-year term on the NCLM Board of Directors recently.

PUBLIC HEARINGS

1. Establishment of Town Center District (Ordinance #2009-16)

Planning Director Kevin Rothrock presented Council with Ordinance #2009-16 establishing a Town Center zoning district. He advised the ordinance was consistent with Chapter 1.D. of the 2004 Town Comprehensive Plan and also reflected recommendations made by the HyettPalma Downtown Retail Strategy, Retail Strategy Steering Committee, zoning subcommittee, and Planning Board. In addition to the creation of the new zoning district, the Planning Board recommended changes to the applicable dimensional regulations for the Town Center and the Central Business District. Mr. Rothrock then gave a brief summary of the proposed changes.

Mr. Rothrock remarked that during the September Planning Board meeting several public comments were made which were also incorporated into the proposed ordinance.

A summary of the Planning Board recommendations were as follows:

- A. Extend the Town Center to **West** Hill Street and the properties on each side of Main Street.
- B. Establish a 15-foot setback for Central Business and the west side of Main Street in the Town Center.
- C. Establish a 5-foot setback for the east side of Main Street in the Town Center.
- D. All street setbacks measured from the face of the curb assuming an average 10-foot wide public sidewalk area.
- E. Continue to allow replacing a building in the previous footprint, but if additional story is added the applicable setback must be met.
- F. Allow common wall construction in the Town Center only.
- G. Remove provision that allowed for encroachment into 50% of street setback area.
- H. Allow a standard 30-foot building height in Town Center and remove requirement of average adjacent building height from ordinance for simplicity.
- I. Allow buildings that are built further back (35 feet from face of curb) to be built up to 40 feet high from the Main Street sidewalk elevation.

Mr. Rothrock mentioned the Town had received a letter of support from Ms. Rita Davis, President of the Blowing Rock Chamber of Commerce. He also stated that all adjacent property owners affected by the proposed changes had been notified.

Commissioners Klutz and Yount had questions regarding the setbacks for the left side of Main Street and if certain buildings would be non-conforming with the proposed ordinance change. Mr. Rothrock explained that sidewalks along Main Street varied from 7 to 11-feet wide in area and that was why 10 feet was chosen to measure setback requirements.

Commissioner Tester asked Mr. Rothrock to clarify what was being proposed and the motivation behind the changes. Mr. Rothrock explained that the Town's Comprehensive Plan suggested a Town Center District to protect and define the core downtown area in order to preserve it. Mr. Tester advised that he had read the Comprehensive Plan and he understood that no boundaries were defined. The downtown district was to include retail businesses, Town Hall, Blowing Rock School, etc. in the Town Center. Mr. Tester stated he had a problem with the proposed ordinance changes because they were different than the recommendations stated in the Comprehensive Plan. He continued by reading the following action item from the Comprehensive Plan Action Item 1.D.8: *Review and strengthen current intensity regulations such as setbacks, building height, and floor area ratios.* Mr. Tester emphasized the proposed changes did not strengthen the current intensity regulations for preserving the downtown area.

Mr. Tester also felt the proposed ordinance was counterproductive and was being rewritten to how it was before Council had made changes to prevent large buildings from being built next to smaller buildings along Main Street. Mr. Tester stated the proposed ordinance encouraged larger buildings along Main Street up to 40 feet high with less setbacks requirements.

Mr. Tester was in favor of the concept being used, but felt the changes in setback requirements and height regulations were too arbitrary.

Commissioner Yount concurred with Mr. Tester. His feeling was that Council should have a meeting with the Planning Board, residents, and merchants before any changes were made.

Commissioner Ball commented that she did not understand the proposed changes to setback requirements or building heights because she felt the residents and merchants wanted Main Street to remain as it was currently.

Mr. Rothrock advised that Main Street would not stay the same because there was only one building that met the 15-foot setback requirements and the ordinance strived to have more landscaped areas on Main Street. He stated there were several areas of the ordinance that were difficult to understand and this seemed to be a good time to look at the rules and how they were being applied.

Commissioner Tester also inquired if notification was sent to all affected Central Business property owners regarding the proposed changes. Mr. Rothrock stated it was not required because there were no zoning changes but all proposed Town Center

properties were notified. Council consensus was that all property owners should be notified even though it was not required.

Commissioner Ball suggested that the ordinance state no parking or decks should be allowed in front of buildings. Mr. Rothrock advised the ordinance already addressed that issue.

Mayor Lawrence asked for any public comments on this issue. Mr. Lewis Coffey gave a reminiscent view of Main Street as he was growing up in Blowing Rock. He stated presently 80 percent of Main Street no longer existed as it was then. He encouraged Council to protect the historic character of the town. Mr. Coffey also advised that his immediate family as well as his extended family owned several properties in the downtown area; one located in the proposed Town Center District. He felt a Town Center District would limit the use of the property and reduce the return value should the property ever be sold. He again urged Council not to approve the Town Center District.

Ms. Annie Whatley, owner of the Village Café, commented that she admired and respected all the time that had been spent on this issue and what the Town was trying to achieve. She felt too much was being done at one time and the town's historic character should be preserved. Ms. Whatley stated that in 1990 the Town had been instrumental in helping to get her property added to the Historic Registry and even though this was an honor there were limitations in order to keep that designation. She requested that the Town slow down and get more input from the community regarding the proposed changes to the ordinance.

Ms. Rita Wiseman stated while she was a member of Council, there were many discussions regarding height and setback requirements along Main Street and their goal was to preserve Main Street. The rules and regulations that were enacted during that time kept Main Street looking attractive to the residents, merchants, visitors, etc. Ms. Wiseman was not in favor of changing the ordinance, but felt a Historic District was necessary. She also mentioned that she had visited several areas that had 35-foot setbacks and those places had a special quality about them. She asked that Council reconsider having a Town Center District and look at the ordinance currently in place to see if it wasn't as good today as it was when it was enacted several years ago.

With no further public comment, Commissioner Pickett made a motion to close the public hearing, seconded by Commissioner Yount. Unanimously approved.

A motion was made by Commissioner Pickett to table the matter for further review. He also suggested a work session be held with the Planning Board. Commissioner Tester advised that he did not have a problem with tabling the matter, but it could not be resolved in the short period of time before new Council members were sworn into office. He felt it would be unfair for this Council to make decisions that the upcoming Council would have to deal with. He suggested the matter be tabled until possibly the Council Retreat in January of 2010 so everyone would have ample time to review the issue properly.

Commissioner Pickett revised his motion to state the Establishment of Town Center District (Ordinance #2009-16) should be tabled until a later date, seconded by Commissioner Yount. Unanimously approved.

Mayor Lawrence stated due to action taken on Item #1, **Item #2 Rezoning of Properties from Central Business to Town Center (Ordinance #2009-17)** would be skipped and Council would move forward to Item #3.

Commissioner Tester further commented these changes were not something that Council had requested. He stated the Planning Board apparently saw a need for the suggested changes, but recommended that in the future, they consult with Council for direction.

3. Flood Damage Prevention Ordinance – Amendment (Ordinance #2009-18)

Per Planning Director Rothrock, the Town currently participates in the National Flood Insurance Program (NFIP) in cooperation with FEMA and the NC Division of Emergency Management Floodplain Management Program. In the Land Use Code, a Flood Damage Prevention Ordinance is used to regulate development within the floodplain as shown in the latest NFIP Flood Insurance Rate Maps (FIRM). In 2007, the NC Floodplain Mapping Program began a process of studying the New River basin and associated floodplains. In 2008, the preliminary Flood Insurance Study (FIS) and Flood Insurance Rate Maps (FIRM) were revised and a 90-day appeal period was effective until January 2009.

Mr. Rothrock explained the major flood map changes indicated additional study area and the floodplain extended through the tributaries along the Blowing Rock golf course, and a reduction in the overall base flood elevation (BFE) of approximately 3 feet in the area of Chetola Lake and along the Middle Fork New River at Shoppes on the Parkway.

In addition, FEMA requires each community that participates in the NFIP to adopt or revise an existing ordinance that meets or exceeds the basic requirements of the model NC Flood Damage Prevention Ordinance. Mr. Rothrock stated there were no significant changes from the current ordinance to the propose ordinance with the exception of:

- Updated definitions
- Procedural and permitting requirements for floodplain development
- Removal of stands for “AO” flood zones since no such zones exist in our jurisdiction

In order for Blowing Rock to continue its partnership with the National Flood Insurance Program, the draft ordinance would need to be adopted and enforced prior to December 3, 2009.

Commissioner Ball made a motion to close the public hearing, seconded by Commissioner Pickett. Unanimously approved.

A motion to accept Ordinance #2009-18 as presented was made by Commissioner Yount, seconded by Commissioner Pickett. Unanimously approved.

Flood Damage Prevention Ordinance-Amendments (Ordinance #2009-18- Exhibit A)

OLD BUSINESS

1. Extension of Nonconforming Uses – Code Amendment (Ordinance #2009-15)

Mr. Rothrock advised as a follow-up to the October public hearing regarding the extension of single-family nonconformities, staff had revised the draft ordinance as directed by Council. The revision would prohibit any expansions or enlargements of nonconforming situations, including those for single-family structures.

With no further comments, Commissioner Tester moved to accept Ordinance #2009-15 as presented, seconded by Commissioner Yount. Unanimously approved.

Extension of Nonconforming Uses-Code Amendment (Ordinance #2009-15) – Exhibit B

NEW BUSINESS

1. Water Interconnection (W/S CIP Phase III) – Bids

Town Manager Hildebran stated the Town had received bids for the Blowing Rock/Boone Water Interconnection on October 29, 2009.

According to Mr. Hildebran, the project consisted of construction of approximately 24,750 linear feet of 12-inch diameter water line and approximately 1,600 linear feet of 8-inch diameter sewer force main along US Highway 321 between the Town of Blowing Rock and the Town of Boone. Also included would be a below-grade prefabricated pumping station, metering station, pressure reducing station and a flow control station.

The bids were as follows:

	<u>Total Lump Sum Bid</u>
Buckeye Construction Co., Inc.	\$3,703,902.45
Hickory Sand Co., Inc	\$4,849,635.00
Ronny Turner Construction, Inc.	\$2,998,196.00

Mr. Hildebran mentioned the total project budget of \$4,000,000 was funded by the following sources:

- Watauga County was awarded a \$500,000 grant from the NC Rural Center.
- Boone was awarded a \$1,000,000 grant from the N.C. Rural Center.
- Blowing Rock was awarded a \$300,000 grant from the Appalachian Regional Commissioner (administered by USDA).

- Blowing Rock was also awarded up to a \$2,200,000 20-year low interest loan from the NCDENR-Public Water Supply Section – Loans and Grants. The Town of Blowing Rock increased water rates by \$5.00 per month per customer effective July 1, 2008 to cover expected debt service requirements of the NCDENR loan.

Mr. Hildebran also mentioned the loan could utilize ARRA - American Recovery and Reinvestments Act funds. If so, the 20-year loan would be a 50% zero-interest loan and a 50% principal forgiveness loan. This would save the Town approximately \$1,100,000 due to 50% of the principal requiring no repayment. Overall, this action would result in a savings of over \$1,731,250 for the town.

Mr. Hildebran stated the Town was second in line to receive ARRA funds in order to save the \$1.7 million dollars.

Commissioner Tester pointed out there was a significant difference in the product costs listed in the bids. Town Engineer Doug Chapmen agreed that the costs differences were wide-spread, but this particular project was complicated somewhat due to the NCDOT requirements and conditions. Commissioner Tester stated according to his estimates, the water line was costing approximately \$50.00 per foot. Public Works Director Johnny Lentz advised the current cost of pipe was approximately \$22.00 per foot.

Commissioner Yount commended low bidder Ronny Turner Construction, Inc. stating this company had been in business for many years and were of the highest integrity.

Commissioner Ball made a motion, seconded by Commissioner Klutz to accept low bid of \$2,998,196.00 from Ronny Turner Construction, Inc. for the installation of the water interconnection between Blowing Rock and Boone. Unanimously approved.

2. Mayview Park – Easement Request

Town Manager Hildebran presented Council with a request from the Mayview Park Home Owners Association to erect a sign at the intersection of Wonderland Trail and Laurel Lane.

Mr. Hildebran stated the proposed sign met the code requirements for signage. He also mentioned the area would be landscaped by the Association.

Planning Director Rothrock further advised the location for the proposed sign would not hinder traffic.

Audience member Earle Horne asked if this was the first time a request such as this had been presented. Mr. Hildebran advised there were various signs comparable to this sign, such as at the entrance to Laurel Park, Hillwinds Estates, etc. Mr. Horne also wanted to know who the association consisted of. Mayor Lawrence commented that he thought this was a group of people who lived in that area who gave money voluntarily

toward the cost of the sign and who would maintain and pay any costs associated with the sign. Mr. Horne felt the Town was setting precedence if this request was approved.

Commissioner Ball also has questions regarding the request because she was not aware of an association and wanted to know if there would be costs involved to the residents who lived in the area. Mayor Lawrence stated he understood this request to be totally voluntary and the residents who wanted the sign would also be the ones to pay all the costs.

Town Manager Hildebran advised if the easement request received approval, Town Attorney Moseley would need to review the easement document.

With no further discussion, Commissioner Yount made a motion to approve the easement request as presented. The motion was seconded by Commissioner Klutz. In favor: Tester, Pickett, Yount & Klutz, Against: Ball, Motion carried 4-1.

Mayview Park Easement – Exhibit C

3. Town Banking Services

Mayor Lawrence asked if he should be excused during the discussion of the Town Banking Services. Mr. Hildebran stated no action would be needed therefore there was no need to be excused.

Per Town Manager Hildebran, the Local Government Commission encouraged periodic review of banking services as a prudent practice in performing due diligence with taxpayer monies.

In an effort to verify the best options for the Town's banking services, Town Council authorized staff to solicit Banking Services Proposals. On October 23, 2009, proposals were received from three local banks (First Citizens Bank, United Community Bank and Wachovia Bank). Upon review of the submissions, consultation with other municipal Finance Directors and in consideration of the current economic environment, no action was warranted. Upon evaluation, it was determined that the proposals did not offer substantial incentives to merit execution of a new banking agreement with any of the institutions. Mr. Hildebran advised that future monitoring of the financial and banking environment would continue for a more favorable time to re-solicit proposals.

4. Bids/Financing – 2009-10 Capital Equipment Purchases

Town Manager Hildebran presented bids for FY 2009-10 capital equipment purchases of two (2) police sedans and a sidewalk tractor for the public works department as well as Financing Proposals for a portion of the police vehicles. The remaining balance of the sedans as well as the entire cost of the tractor would be paid in cash.

Mr. Hildebran stated Police Chief Brown had received three bids on October 20, 2009 for two (2) 2010 police sedans with in-car cameras. The bids were as follows:

(2) Police Sedans/Cameras

Bobby Jones Ford	\$59,137.12
Bill Smith Ford	\$61,980.00
Capital Ford	\$57,423.08

Staff recommended the bid be awarded to low bidder Capital Ford for \$57,423.08, excluding tax, title and tags. The vehicles would be available in 90 days and Capital Ford would accept trade-in value for two (2) police vehicles scheduled for retirement to further reduce the costs.

Public Works Director Lentz also received bids in October for a sidewalk tractor. The bids were as follows:

(1) 2010 Sidewalk Tractor

Boone Kubota	Kubota B3030HSTC 4WD	\$20,828.00
Lenoir Tractor	Kubota B3030HSDC 4WD	\$21,090.54
James River Equip.	John Deere 3320 4WD	\$22,877.31

Staff recommended the bid be awarded to low bidder Boone Kubota for \$20,828.00 excluding tax.

Financing proposals were received from area banks to finance the acquisition of (2) police sedans which were approved in the FY 2009-10 Budget. The proposals were as follows:

Bank	Fees	Rate
BB&T	\$0.00	3.41%
Ford Motor Credit	\$425.00	5.90%
Bank of Granite	No Bid	
Bank of America	No Bid	
First Citizens Bank	No Bid	
RBC Bank	No Bid	
United Community Bank	No Bid	
Wachovia Bank	No Bid	

Staff recommended the installment financing of the vehicles be awarded to low bidder BB&T. The loan amount would be for a term of 2 years for up to \$32,000 with the Town applying \$27,000 (included in the approved FY2009-10 Budget) toward the purchase. Payments of \$16,841.38 would be made in fiscal years 2011 and 2012.

Commissioner Ball made a motion to award low bidder Capital Ford in the amount of \$57,423.08 for two (2) police sedans (with cameras) and trade in two surplus vehicles, Boone Kubota in the amount of \$20,828.00 for a sidewalk tractor and approve the Resolution for Financing Terms to BB&T for a 2-year term for the amount up to \$32,200. The motion received a second from Commissioner Pickett. Unanimously approved.

Bids and Resolution Approving Financing Terms – Exhibit D & E

5. Budget Amendment (Ordinance #2009-19)

Town Manager Hildebran presented Budget Amendment Ordinance 2009-19 for the fiscal year 2009-2010 for consideration.

Mr. Hildebran stated Section I (General Fund) was to allocate funds received as reimbursement from Jerry Neal for materials in the amount of \$5,000 for purchases made by the Street Department to make drainage improvements on Ransom Street.

With no further discussion, Commissioner Pickett made a motion to approve Ordinance #2009-19 as presented, seconded by Commissioner Yount. Unanimously approved.

Budget Amendment Ordinance #2009-19 – Exhibit F

SPEAKERS FROM THE FLOOR

None

DEPARTMENTAL REPORTS

Commissioner Ball inquired about the trees that were removed on Laurel Lane. Mr. Hildebran stated the dead Hemlocks had been removed and Mr. Bob Hess was replanting the area adjacent to his property. Ms. Ball stated she would like to see more trees replaced. Mr. Hildebran advised staff would further explore the matter.

Mr. Ron Oberle invited those present, to the Veteran's Day ceremony to be held the following day at 11:00 a.m. in the Council Chambers during inclement weather or in Memorial Park if the weather permitted.

Mr. Hildebran reminded everyone of Public Works Director Johnny Lentz's Retirement Party to be held on December 2, 2009 from 4 p.m. to 6:00 p.m., with a plaque presentation at 5:00 p.m.

Mayor Lawrence thanked Commissioners Ball and Tester for the great job they had done during their years of service on the Town Council.

Commissioner Yount made a motion to enter into Closed Session at 8:31 p.m., seconded by Commissioner Pickett. Unanimously approved.

ADJOURN

Council reentered their regular meeting at 8:40 p.m. and with no further business adjourned.

MAYOR _____
J.B. Lawrence

ATTEST _____
Sharon Greene, Town Clerk

Attachments (11-10-09)

Flood Damage Prevention Ord. #2009-18 – Exhibit A

Extension Non-Conforming Use/Code Amendment Ord. #2009-15 – Exhibit B

Mayview Park Easement – Exhibit C

Bids/Resolution Approving Financing Terms – Exhibit D & E

Budget Amendment Ord. #2009-19 – Exhibit F