

DRAFT
MINUTES
Town of Blowing Rock
Board of Commissioners
Regular Meeting- July 9, 2013

The Town of Blowing Rock Board of Commissioners met in regular session on Tuesday, July 9, 2013 at 5:30 p.m. The meeting took place at Town Hall located at 1036 Main Street, Blowing Rock. Present were Mayor J.B. Lawrence, Commissioners Albert Yount, Dan Phillips, Tommy Klutz, Doug Matheson and Jim Steele. Others in attendance were Town Manager Scott Hildebran, Interim Town Manager Bob Shepherd, Town Attorney Allen Moseley, Town Engineer Doug Chapman, Police Chief Eric Brown, Finance Director Nicole Norman, Public Works Director Mike Wilcox, Parks & Recreation Director Jennifer Brown, Emergency Services Director Kent Graham, and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Lawrence called the meeting to order at 5:38 p.m. and welcomed everyone.

APPROVAL OF MINUTES

A motion was made by Commissioner Phillips to approve the minutes for the June 10th, 11th, 25th, and July 1st 2013 including a Closed Session meeting as written, seconded by Commissioner Klutz. Unanimously approved.

PUBLIC HEARING

Town Manager Hildebran presented Council with Ordinance #2013-10 for consideration to allow possession and consumption of alcohol at the American Legion building. The current Town Code prohibits the possession and use of alcohol on public streets and Town property, with the exception of the Edgewood Cottage and the Blowing Rock Art & History Museum during special events such as weddings and receptions. The Code was amended in 2008 to allow alcohol at these two locations. Under the proposed American Legion amendment, alcohol would also be permitted within the buildings, grounds, patio areas, but would be prohibited in the parking facility and adjacent public sidewalks.

Mr. Hildebran explained that per the Town's current insurance carrier, each event would require appropriate liability insurance including a \$2 million general liability policy, a \$2 million liquor liability, and a hold harmless agreement with the municipality.

After a brief discussion, a motion to close the public hearing was made by Commissioner Steele, seconded by Commissioner Matheson. Unanimously approved.

Commissioner Klutz made a motion to approve Ordinance #2013-10 as presented, seconded by Commissioner Steele. Unanimously approved. **Ordinance #2013-10**

Consumption of Beer, Wine, and/or Mixed Beverages at American Legion Building – Exhibit A

NEW BUSINESS

1. Chamber of Commerce – Event Dates

Town Manager Hildebran presented Council with a request from Charles Hardin, Executive Director of the Blowing Rock Chamber of Commerce for approval of the following dates for the 2014 events:

- 1) 2014 Blowing Rock WinterFest – Thursday, January 23rd through Saturday January 26th. Any facility/park use will be coordinated with the parks and Recreation Department.
- 2) 2014 Blue Ridge Wine & Food Festival – April 9th-14th.
- 3) 2014 Art in the Park May 17th, June 14th, July 19th, August 16th, September 6th & October 4th.
- 4) 2014 Farmers' Market – Thursdays beginning May 22nd through October 16th (2:00 p.m. – 6:00 p.m.)

According to Mr. Hildebran, the proposed dates were similar to the dates approved by Council in 2013. Staff was unaware of any conflicts with the proposed dates. Pursuant to the use agreements with the Chamber of Commerce, the Town will obtain copies of their Certificate of Insurance and special Hold Harmless Agreement prior to the events.

Commissioner Klutz commented that he would like discussion to be held to consider moving Art in the Park back into Memorial Park. He thought the park would be a better setting for the event rather than the parking deck. Mr. Hardin responded the Chamber and the Town had a current agreement with the event to be held at the American Legion Parking Deck.

Commissioner Yount asked if the event would have to be down-sized if moved back into the park. Mr. Hardin stated he did not think so. Commissioner Phillips concurred with Commissioner Klutz, stating the park would be a more charming location than the parking deck and the parking spaces were needed as well.

Commissioner Matheson disagreed with both Commissioner Klutz and Phillips because he felt the event, if moved back into Memorial Park, would cause damage to the park. Mr. Hardin stated from a logistical point, it was more convenient for the artists if the event was held on the parking deck due to the lack of volunteers to help with setting up for the event.

Commissioner Steele stated he would like for Mr. Hardin to compose a list of the pros and cons for the two locations for Council to review. He also wanted to hear from the residents, merchants, etc. regarding the location since the park would not be available for use during the six (6) days of the year that Art in the Park is held.

Commissioner Phillips made a motion for approval of the proposed event dates, seconded by Commissioner Klutz. Unanimously approved. **Chamber of Commerce 2014 Event Dates – Exhibit B**

2. Blowing Rock Historical Society – Ice House

Town Manager Hildebran stated that the Blowing Rock Historical Society (BRHS) had requested to discuss the Town-owned Ice House, located on Maple Street with Council. Mr. Hildebran then asked BRHS President Marcia Quinn and BRHS Past President Ginny Stevens to come forward to discuss the request.

Ms. Stevens commented that BRHS had shown they would take care of the building by the improvements that had been done to Edgewood Cottage as well as the Pictorial Museum. She then gave a brief history of uses of the Ice House. Ms. Stevens stated it would be detrimental to the building for it to remain vacant and that BRHS wanted to work with the Town in regard to this building.

Ms. Quinn stated that BRHS had visions of a diorama to be displayed in the windows of the Ice House showing how it had been used in the past for the enjoyment of visitors and residents.

Commissioner Matheson questioned if the Ice House would need to be staffed. Ms. Stevens stated it would not with a diorama. Commissioner Phillips asked how people would be directed to the building. Ms. Stevens stated through signage as well as walking traffic. Commissioner Steele asked what impact the diorama would have on others using the building. Mr. Hardin stated the Chamber used it for storage only at the present time. Ms. Quinn stated with a diorama, impact would be very minimal since only the front windows would be used.

Commissioner Yount inquired if Council needed to vote on this request. Town Attorney Moseley stated he did not feel a vote was needed.

It was the consensus of Council to allow BRHS to utilize the Ice House for their diorama and to work with the Town in preserving the building.

3. Town Banking Services

Mayor Lawrence recused himself from the meeting due to potential conflict of interest in the next agenda item.

Town Manager Hildebran stated that the Local Government Commissioner and the UNC School of Government encouraged periodic review of banking services as a prudent practice in performing due diligence with taxpayer monies. He then called upon Finance Officer Nicole Norman to come forward to discuss the banking options.

Ms. Norman stated that during the 2013 Town Council Retreat, staff had been directed to solicit Banking Services Proposals from the three banks located in town (First Citizens Bank, Wells Fargo, and United Community Bank) and on June 21, 2013,

proposals had been received from each of these local banks. Upon review, it was determined that United Community Bank had offered the most favorable proposal while providing the current level of banking services to the Town at no charge and by paying an interest rate on deposit balances equal to the rate of *Wall Street Journal Prime minus 315 basis points* to be adjusted as the Prime Rate changes (current rate is 0.10%). Ms. Norman stated that staff recommended the Town move their current operating accounts to United Community Bank for a period of 3 years; with the option of extension for 1-year periods should the proposal remain favorable to the Town.

Ms. Norman also noted that Mayor Lawrence as City President of United Community Bank had not been involved in the proposal process; other bank representatives had dealt with the request.

Commissioner Yount inquired how much the Town would save per year by making his change. Ms. Norman responded that an approximate savings of \$7,800 would be realized.

Commissioner Phillips asked if future proposals could be received in less than a 3-year period. Ms. Norman stated that it was best to evaluate no less than every three years due to the cost and time involved in the process of changing banks.

Commissioner Matheson asked about the on-line banking process. Ms. Norman advised that on-line banking would be available. Ms. Norman also stated with the change, current service levels would remain. Commissioner Phillips asked if she had evaluated the on-line banking process at United Community Bank. Ms. Norman stated that she had.

Commissioner Steele made a motion to accept the Banking Services Proposal from United Community Bank as presented, seconded by Commissioner Matheson. Unanimously approved.

Mayor Lawrence reentered the meeting at this time.

4. McGill Associates Engineering Services Agreement – ARHS Infrastructure Project

Mayor Lawrence received notice there were audience members present who wished to speak regarding this item. He stated, although this was not a public hearing, if Council had no objections, persons wishing to speak would be allowed three minutes.

Town Manager Hildebran presented an Engineer Services Agreement with McGill Associates for design and construction support services for Appalachian Regional Healthcare System water/sewer for consideration. He stated the Agreement was prepared in consultation with various funding agencies and in accordance with the requirements of the Appalachian Regional Commission, US Economic Development Administration, N.C. Rural Center, and the NC Golden Leaf Foundation.

The services included Technical Services (planning, engineering design, permitting, bid and award), and Construction/Inspection Services. The total sum cost of the professional services included in the estimate \$1,200,000 project, is as follows:

\$79,000 - Planning, Design & Permitting
\$ 5,000 - Bidding & Award
\$62,500 - Construction/Inspection
\$146,500 Total

Mr. Hildebran stated that funds to cover the Engineering Services Agreement were allocated in the ARHS infrastructure capital project ordinance adopted by Council in November, 2012. Mr. Hildebran stated that Town Engineer Doug Chapman was present should Council have questions.

Mr. Hildebran stated according to the N.C. General Statutes, bids were not required for architectural, surveying, and engineering services, services such as these were based on qualifications only. He also stated the proposal received from McGill Associates was in line with the current scale of 8 – 15 percent. He stated that Council had awarded engineering services to McGill Associates approximately 8 years prior. Commissioner Phillips asked that he be sent the minutes of that meeting.

Mr. Hildebran stated that McGill Associates being the Town's engineering firm, was familiar and knowledgeable regarding this project. He also said that Council could choose to receive RFP's for engineering services if they desired on a case by case basis.

Commissioner Yount questioned if an aerial line into the Wastewater Treatment Plant was proposed. Mr. Chapman responded that it was. Mr. Chapman also explained that improvements to the water/sewer lines were included in the road widening project and had been in the Town Master Plan since 2005.

With no further questions or comments, Mayor Lawrence then asked interested audience members if they wished to speak. Ms. Herterich stated she felt the Town should review Engineering Services every three years instead of utilizing the same engineering firm for a long period of time. Commissioner Klutz stated that it was his opinion that McGill Associates had maintained a good work relationship with the Town and had always accomplished everything the Town had requested.

Commissioner Matheson made a motion to approve Engineering Services Agreement – ARHS Water/Sewer Project as presented, seconded by Commissioner Klutz. Unanimously approved. **Engineering Services Agreement – ARHS Water/Sewer Project – Exhibit C**

5. NCDOT – ARHS Temporary Access Road Agreement

Town Manager Hildebran stated as most everyone was aware, Appalachian Regional Healthcare System (ARHS) planned to construct a new 112 bed state-of-the-art post-acute care facility to replace the aging Blowing Rock Hospital. The new facility would allow ARHS to offer rehabilitation services, extended care, memory support, palliative care and primary care in a beautiful neighborhood setting adjacent to the Blue Ridge Parkway.

In order to expedite the project prior to construction of a new permanent access road to the site, a temporary access road to enter the property would be necessary. The North Carolina Department of Transportation (NCDOT) had worked with ARHS to fund the \$250,000 for construction of the temporary access road to the facility site.

Mr. Hildebran presented Council with a reimbursable locally administered project- state small construction 3-party agreement for constructing a temporary access road to the site. NCDOT would fund the project with the Town serving as the local government agency sponsor for ARHS. Any costs above the \$250,000 approved by NCDOT would be borne by ARHS.

Mr. Hildebran also stated that Town Attorney Moseley had reviewed the agreement.

Commissioner Yount made a motion to approve the NCDOT/ARHS Temporary Road Agreement as presented, seconded by Commissioner Klutz. Unanimously approved.
NCDOT/ARHS Temporary Access Road Agreement – Exhibit D

6. HCCOG GIS/GPS Services Agreement – Sewer & Cemetery

Town Manager Hildebran stated the Town had recently received a quote from the High Country Council of Governments (HCCOG) to perform geographic information system (GIS) and global positioning system (GPS) services for both an inventory update of the sewer system and mapping of Woodlawn Cemetery.

Mr. Hildebran stated that HCCOG would map all not yet mapped sewer lines and manholes, provide detail on direction of flows, identify ages and size and material of lines, valves and structures, at a cost not to exceed \$7,300.

HCCOG would also plot and map current paper cemetery information, verify headstone information and digitize the information and map, at a cost not to exceed \$4,000.

Commissioner Klutz made a motion to accept the HCCOG GIS/GPS Services Agreement – Sewer & Cemetery as presented, seconded by Commissioner Steele. Unanimously approved. **HCCOG GIS/GPS Services Agreement – Sewer & Cemetery – Exhibit E**

7. Budget Amendment (Ordinance #2013-11)

Town Manager Hildebran presented Council with Budget Amendment Ordinance #2013-11 for fiscal year 2013-2014 for their consideration. He reviewed the following:

Section 1 (General Fund) was to allocate funds to be received from the Blowing Rock Fire-Rescue for Part-time Staff to be paid through the Town's system. This section would also allocate fund balance towards the Comprehensive Plan expense.

Section 2 (General Capital Fund) was to complete the appropriation of prior dedicated funds from the E.S. Building Project Reserve as well as Parking Reserve – Other, as approved in the FY 2012-2013 Budget Ordinance.

Commissioner Yount asked that EMS Director Kent Graham further explain the part-time staff being paid through the Town's payroll system. Mr. Graham explained the volunteer system had changed over the years and at times there were not enough staff to maintain the level of service needed. He stated that more coverage was needed at night and on weekends; therefore part-time staff would be added. Funding would be covered by the Fire Department and not the Town of Blowing Rock.

Mr. Graham also mentioned the QRV (Quick Response Vehicle) system and the Call-back system would be restructured in order to redirect funding and make it available for the increase in part-time employee coverage. The funds would be allocated through the Town of Blowing Rock Emergency Services budget for payroll administration in the amount of \$28,000.

Commissioner Yount made a motion to approve Budget Amendment Ordinance #2013-11 as presented, seconded by Commissioner Klutz. Unanimously approved. **Budget Amendment Ordinance (Ord #2013-11) – Exhibit F**

8. Settlement of 2012 Property Taxes/Charge of 2013 Property Tax Collection

Town Manager Hildebran stated as required by N.C.G.S. 105-373, Tax Collector Greene was submitting the annual settlement report of the 2012 property tax charges to Council for their consideration. Also, pursuant to G.S, 105-321(b), the Order of the Town Board for the Collection of Fiscal year 2013-2014 Property Taxes also needed approval.

Commissioner Phillips made a motion to accept the 2012 Settlement of Property Taxes/Charge for 2013 Property Tax Collection as presented, seconded by Commissioner Klutz. Unanimously approved. **Settlement of 2012 Property Taxes/Charge of 2013 Property Tax Collection – Exhibit G**

SPEAKERS FROM THE FLOOR

None

DEPARTMENTAL REPORTS

Town Manager Hildebran introduced Mr. Robert (Bob) Shepherd (Interim Town Manager) to everyone. He also extended his gratitude to the Parks & Recreation Department on a job well done during the recent 4th of July festivities.

Mr. Hildebran also thanked Council, staff and the citizens of Blowing Rock for the privilege and honor to serve as Town Manager over the past 10+ years. Mayor Lawrence thanked Mr. Hildebran for his service to the Town and wished him the best in his future endeavors.

Mayor Lawrence also requested that Council compose their list of potential applicants they wished to further review and email those names to him no later than August 1st. He stated it was unfair to the applicants to keep them waiting.

Commissioner Phillips expressed that he felt new members of Council should have input in the process since an election would be forthcoming. Mayor Lawrence stated it was the current Council's job to select a Town Manager.

Mayor Lawrence also expressed the need for potential Inflow and Infiltration (I&I) to be addressed in the near future. He stated if funds needed to be taken from Fund Balance to hire an outside firm to aid with this project, it should be done.

Mr. Hildebran commented that some problem areas had been identified. Commissioner Steele said proposals were needed. Public Works Director Mike Wilcox stated that Lenoir had helped the Town previously, but they were encountering problems also.

It was the consensus of Council to move forward in obtaining proposals from outside firms to aid with I & I issues.

Commissioner Phillips also mentioned that there had been water issues on Greenway Court and the road was scheduled for repaving; however, he was concerned the Town would be liable if further water problems occurred after paving. Town Attorney Allen Moseley responded that he did not feel the Town would be liable, he felt this was the property owner's responsibility.

Commissioner Phillips wanted to know why tax records did not reflect when the Town owned streets such as Greenway Court. Town Attorney Moseley explained there probably was no record of the Town receiving right-of-ways or easements in years past, but the Town had implied dedication of such streets.

Audience member Rebecca Smith extended her gratitude to the Fire Department for their great service during a recent fire at a home located on Goforth Road.

ADJOURN

With no further business to discuss, the meeting was adjourned at 6:45 p.m.

MAYOR _____ **ATTEST** _____
J.B. Lawrence **Sharon Greene, Town Clerk**

ATTACHMENTS (07-09-13)

Ordinance #2013-10 Consumption of Beer, Wine, and/or Mixed Beverages at American Legion Building – Exhibit A

Chamber of Commerce 2014 Event Dates – Exhibit B

Engineering Services Agreement – ARHS Water/Sewer Project – Exhibit C

NCDOT-ARHS Temporary Access Road Agreement – Exhibit D

HCCOG GIS/GPS Services Agreement – Sewer & Cemetery – Exhibit E

Budget Amendment Ordinance (Ord #2013-11) – Exhibit F

Settlement of 2012 Property Taxes/Charge of 2013 Property Tax Collection – Exhibit G