

DRAFT

MINUTES Town of Blowing Rock Board of Commissioners Summer Retreat- June 25, 2014

The Town of Blowing Rock Board of Commissioners held a Summer Retreat meeting on Wednesday, June 25, 2014. The retreat was held at Town Hall located at 1036 Main Street, Blowing Rock, NC. Present were Mayor Pro-tem Albert Yount, Commissioners Dan Phillips, Sue Sweeting, Doug Matheson, and Ray Pickett. Mayor Lawrence arrived at 1:45 p.m. Others in attendance were Town Manager Scott Fogleman, Town Engineer Doug Chapman, Finance Officer Nicole Norman, Planning Director Kevin Rothrock, and Town Clerk Sharon Greene.

CALL ORDER

Mayor Pro-tem Yount called the meeting to order at 12:25 p.m.

Town Manager Fogleman mentioned a safety issue brought to his attention by a merchant in Town. He stated there were concerns with safety in the alleyway located on Greenway Court behind the Hanna building. Mr. Fogleman advised the parking area behind the Hanna building was a private lot, however crosswalk markings had been suggested where the alleyway meets Main Street because of traffic exiting that area and concerns with the safety of those pedestrians crossing the alleyway while walking along Main Street.

Council discussed several ways to help alleviate this problem and asked that staff continue to research the issue to identify other alternatives as well.

DISCUSSION ITEMS

1. Consideration of allowing the rezoning request by Wes Carter to move forward

Planning Director Rothrock mentioned that during the December 10, 2013 Council meeting, a rezoning request RZ 2013-01-Rezoning of Carter Property from R-15 to General Business had been tabled. Mr. Rothrock stated this location had been the former Blowing Rock Church of God property. The current owner, Wes Carter had requested a rezoning of the property in order for him to build an office for his HVAC business. Mr. Rothrock stated after the final Comprehensive Plan draft and Gateway Project, research had been completed and there were no specific suggestions for or against rezoning property along the corridor.

Commissioner Sweeting asked if a committee was looking at the appearance of Valley Boulevard once the widening project was completed. She stated the property in question was located at one of the main entrances to Blowing Rock and if zoned General Business, any type of business could be built on the property. Mr. Rothrock stated the Town had design standards that any new business had to adhere to.

Commissioner Matheson made a motion for this item to be sent to the Planning Board for further discussion, seconded by Commissioner Pickett.

Commissioner Sweeting expressed her concerns regarding this property being zoned General Business and the effect it could have on adjoining residential property owners.

Commissioner Phillips also voiced his concerns with the accumulation of property in that area and the potential of a “big box” being built. Mr. Rothrock stated the Town didn’t have conditional zoning in place.

Commissioner Pickett inquired if conditional zoning would be beneficial for future development. Commissioner Yount stated this issue had been discussed at a prior Council meeting and adverse feedback had been received. Mr. Rothrock stated conditional zoning, if used correctly, would allow for more freedom for unique rezoning requests. Commissioner Sweeting and Phillips agreed that conditional zoning should be revisited by the Planning Board.

After further discussion, Mayor Pro-tem Yount called for a vote on Commissioner Matheson’s motion to send this item to the Planning Board for further review. In favor: Matheson & Pickett. Against: Sweeting, Yount & Phillips. Motion failed.

Council consensus was for the Planning Board to revisit the feasibility of conditional zoning.

2. Budget ordinance amendments to specifically document budget accounts impacted by actions already taken by Council thus far in Fiscal Year 2014

Finance Director Nicole Norman presented Budget Amendment Ordinance #2014-29 to Council for consideration:

Section 1 (General Fund)

- Allocates additional Powell Bill Funds towards paving (\$3,435).
- Allocates a Police Department radio equipment grant (\$7,350).
- Allocates Police Department field breath testing instrument (\$1,080) and computer equipment (\$1,200) grants.
- Transfers TDA occupancy tax funds (\$17,147) from FY 2013 towards the parking facility debt service reserve (infrastructure).
- Allocates grant funds received by BRAAC towards a Parks and Recreation seasonal intern (\$2,000).
- Adjusts department allocations to place additional funding towards unemployment reimbursement expense (\$10,000), general fund engineering (\$15,000), Admin/Finance salaries (\$5,000) and FICA (\$2,000) to offset budget overages.
- Allocates a Police department DARE grant received from the ABC store (\$1,000).

- Allocates drug forfeiture funds towards Police department materials/supplies for the purchase of patrol rifles (\$2,413). (April 2014 TCM)
- Recognizes a donation from Ms. Annett Greene-Mayes towards improved lighting of the American Flag in Memorial Park (\$400). (March 2014 TCM)
- Allocates sales tax revenue towards the Capital Planning Initiative (\$19,600), tree removal (\$23,000) and pool heater replacement (\$16,000). (March 2014 and June 2014 TCM)
- Allocates fund balance towards the Chestnut Ridge Incentive (\$150,000). (Feb. 2014 TCM)

Section 2 (BRAAC Special Revenue Fund) transfers grant funds received by BRAAC towards a Parks & Recreation seasonal landscape intern (\$2,000).

Section 3 (General Capital Fund) allocates TDA occupancy tax revenue (\$17,147) from FY 2013 towards the parking facility debt service reserve (infrastructure).

This section also allocates additional funding towards the Wonderland Trail (\$104,975) and Quail Hollow (\$8,100) Roadway Repair projects following final bid receipt and acceptance. (March 2014 & April 2014 TCM) Also makes allocation of fund balance (\$150,000) and recognizes the ARHS contribution (\$100,340) towards the Chestnut Ridge incentive. (Feb. 2014 TCM)

After a brief discussion, a motion to approve Budget Amendment Ord. #2014-29 was made by Commissioner Pickett, seconded by Commissioner Phillips. Unanimously approved. **Budget Amendment Ord. #2014-29 – Exhibit A**

3. Police Department purchases leveraging lapse salary

Town Manager Fogleman stated that in discussions with Police Chief Tony Jones, a prioritized list of needed equipment items that could be afforded with the reallocation of lapse salary budget authority accumulated during the current fiscal year was presented. Mr. Fogleman stated that approximately \$18,000 would be available for reallocation to equipment and supplies. Items needed were jump-start kits for all patrol cars, 2 camera systems for patrol cars currently without, and an evidence safe. Commissioner Sweeting inquired about camera systems in all patrol cars. Mr. Fogleman stated the cost of a camera system was approximately \$5,600 each and 2 would be purchased with the above reallocation of funds. He advised to install 5 camera systems in the remaining cars it would cost approximately \$28,300. After further discussion, it was the consensus of Council to purchase the total of seven camera systems for patrol cars to enhance protection levels as well as the other equipment needs as stated above. Commissioner Pickett made a motion to approve the above stated purchases using \$18,000 lapse salary and the remainder from sales tax proceeds, seconded by Commissioner Sweeting. Unanimously approved.

4. Consideration of idea to have two movies in the park this summer

Town Manager Fogleman stated in order to help perpetuate a fun and festive environment with a variety of options, the Town's Parks & Recreation Department would

like to offer two “Summer Movies in the Park”. If approved, this would be a trial run to see how it goes and what opportunities might exist to either expand or change the event for the summer of 2015. A 10x10 screen was donated and the cost of renting movies (approximately \$300 each) would be paid through sponsorships. Attendees would be allowed to bring their own chairs and refreshments (no alcohol allowed) and the movies would be free of charge. All movies would be rated either G or PG. The tentative dates would be Thursday, July 31 and Thursday, August 14. It was the consensus of Council to approve the “Summer Movies in the Park” as presented.

5. Accepting Partner Statement for Support of Watauga County Library StoryWalk in Memorial Park

Mr. Fogleman stated that during their December 10, 2013 Council meeting, Council approved the Town of Blowing Rock’s support of a grant to support the StoryWalk program. The Watauga County Library would post pages of selected children’s books along the walkway in Memorial Park and as requested by Watauga County, the Town would maintain the space around the markers and allow the project to be in place for at least one year. Town staff would partner with representatives of the program regarding the placement of markers in areas to minimize impact to other park activities while still providing the intended experience. It was the consensus of Council to enter into the Partner Statement agreement with the Watauga County Library as presented.

6. Receipt of request from Chetola regarding financial support of water usage

(Mr. Fogleman stated that Mr. Kent Tarbutton would be arriving at 4:00 p.m. to discuss this item, therefore discussion would move onto Item # 9)

7. Possible transition to contracting janitorial services (Discussed later)

8. Pay for performance training and implementation in FY 2015 (Discussed later)

9. Capital Funding Options Including General Obligation Bond Referendum Considerations

As stated by Town Manager Fogleman, Town staff continued to investigate specifics associated with the consideration of a general obligation bond referendum on the general election date of Tuesday, November 4, 2014. Based on all actions necessary, this could be accomplished, however a large number of items would need to be completed. He explained a resolution authorizing the Town’s application to the North Carolina Local Government Commission and retaining Legal Bond Counsel for support and guidance through the process was needed. If Council chose to move forward, a decision regarding bond categories (e.g. water, sewer, streets & parks) and the associated maximum dollar amounts of the bond referendum amounts would be needed as well. Mr. Fogleman further explained the amounts reflected in the initial application could be lowered later in the process; however the amounts could not be increased. Council approval of the engagement letter with the bond counsel for a cost not to exceed \$9,400 would be needed as well. According to Mr. Fogleman, the bond counsel

firm was the same firm that the Town had utilized in the past for water/sewer revenue bonds.

Mr. Fogleman then explained the difference in Revenue Bonds and General Obligation Bonds. He also mentioned marketing would most likely be needed to assist with public awareness regarding the bond referendum.

After further discussion, a motion was made by Commissioner Sweeting to approve the resolution authorizing the Town's application to the NC Local Government Commission and retain Legal Bond Counsel. Included in the motion were the following amounts: \$2 million for "Water Bonds", \$1 million for "Sewer Bonds", \$12 million for "Street Bonds" and \$1 million for "Park Bonds". The motion was seconded by Commissioner Pickett. Unanimously approved. **Resolution of the Blowing Rock Town Council to Authorize Application to the North Carolina Local Government Commissioner for its Approval of General Obligation Bonds of the Town of Blowing Rock – Exhibit B**

7. Possible transition to contracting janitorial services

Town Manager Fogleman explained that funding for this transition was included in the fiscal year 2014-2015 budget, however Council had requested more information regarding this change. Mr. Fogleman reviewed the current custodial arrangement versus the proposed contracted custodial service. He explained the reason for the increase of \$10,000 annually if approved. Mr. Fogleman stated the primary need for the change was to improve the service level and consistency of the services provided. He also explained that the American Legion Building is not currently included on a regular cleaning schedule, it is being cleaned by Parks & Recreation staff. If the transition received Council's approval, the American Legion Building would be cleaned weekly.

Commissioner Yount inquired as to who cleaned the public restrooms and stated that Parks & Recreation employees shouldn't have to clean the restrooms. It was the consensus of Council to move forward with transitioning to contracting for janitorial services.

8. Pay for performance training and implementation in FY 2015

Town Manager Fogleman stated this item was discussed previously during the budget work sessions and Council decided to leave \$15,000 of contracted services funding in the budget for training necessary to begin the implementation of a pay for performance system. Mr. Fogleman stated that Town Department Heads would be trained in the pay for performance system for approximately 4 months beginning in October 2014 and ending in February 2015. He commented with this system in place, higher performing employees would be compensated more for their efforts. Commissioner Pickett inquired if Mr. Fogleman was familiar with this type of system. Mr. Fogleman stated that he was familiar with this system and recommended the pay for performance program. Members of Council decided to move forward with implementation of the pay for performance program.

10. Tuition reimbursement policy possible changes

The current Town Personnel Policy allows for \$600 tuition reimbursement per calendar year for employees who take a course or courses directly related to their current position or a promotional position in which they might be eligible from an accredited or approved community college, university, secondary school, etc. Mr. Fogleman explained if the employee decided to terminate employment within one year after completing the course under this program, the employee shall refund the Town 75%, within two years the employee shall refund the Town 50%, and within three years the employee shall refund the Town 25% of the tuition reimbursement. Mr. Fogleman stated that currently this policy had not been widely used. Commissioner Sweeting suggested the Town try this on a trial basis and if the incentive was abused, it could be changed. Commissioner Matheson commented that he felt this wasn't the right time to make this change and suggested this item be considered next year. It was the consensus of Council to move forward with this policy change with the stipulations that all requests are approved by the Town manager and no additional funds are allocated towards this.

6. Receipt of request from Chetola regarding financial support of water usage

Kent Tarubutton, owner of Chetola Resort joined the meeting at this time to discuss compensation for water usage from Chetola Lake. Mr. Fogleman stated that in the past the Town had relied upon Chetola Lake as an emergency water source. While the exact quantities of volume were not documented because a meter was not installed on the line during the transfers, it was clear that the Town would not have had water available for an extended period of time during drought periods in the 2000's. The Town has since acquired an emergency water connection through the interconnection line with Boone, but there may still be a time in the Town's future in which additional emergency access to Chetola Lake for water may be needed as well. As compensation for past water emergency access and usage and to help dredge the lake which will help ensure that future capacity exists, Chetola is requesting the Town's financial participation. Due to sediment buildup from stormwater over the years, the depth of the lake has decreased and the water capacity of the lake has decreased making dredging necessary.

Mr. Tarbutton explained that he and his staff had worked for the past several months to determine options related to dredging Chetola Lake in the most efficient and cost effective manner. After receiving contractor quotes for the work that were higher than anticipated, Chetola is considering the purchase of dredging equipment that would allow them to perform the work in a much less expensive manner with their staff. Mr. Tarbutton stated that a legal easement would be granted to the Town for use of Chetola Lake and asked that the Town assist with the removal of the many years of silt accumulation in the lake so that future emergency capacity would be available. He then reviewed several options for Council's consideration. Mr. Tarbutton thanked Council for any consideration they might give to his request and at that time exited the meeting.

It was the consensus of Council that Mr. Tarbutton on behalf of RSK Mountain Resort, LLC (dba Chetola Resort) should be compensated for emergency water used by the Town in the past.

Commissioner Phillips made a motion to extend an offer to RSK Mountain Resort, LLC as compensation for past emergency water usage by the Town from Chetola Lake and for the Town to have a perpetual right to access Chetola Lake for emergency water use in the future in the amount of \$200,000 to be funded by an appropriation from the Utility Fund fund balance, second by Commissioner Sweeting. Unanimously approved.

11. Council meeting time standardization

Currently the Council meeting time is 5:00 p.m. for the months of December through March and it changes to 5:30 p.m. for the months of April through November. Town Manager Fogleman presented several options to Council in order to standardize the meeting time so there would be less confusion. After a brief discussion, Council decided that all **regularly scheduled Council meetings should be held at 6:00 p.m. year round beginning in January 2015.**

12. Discussion regarding the Town's role in the local economy

Due to time constraints, Council chose to discuss this topic during their January Retreat.

Commissioner Phillips asked to speak briefly regarding the Hwy 321 Widening Project. He felt that representatives from Council needed to be involved in future discussion with representatives from NCDOT regarding retaining walls and other key Valley Boulevard issues. It was agreed that Commissioner Phillips and Pickett would fulfill this role.

ADJOURN

There being no further business to discuss, the meeting was adjourned at 5:28 p.m.

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

ATTACHMENTS (06-25-14)

Budget Amendment Ord. #2014-29 – Exhibit A

Resolution of the Blowing Rock Town Council to Authorize to the North Carolina Local Government Commissioner for its Approval of General Obligation Bonds of the Town of Blowing Rock – Exhibit B