

MINUTES
Town of Blowing Rock
Board of Commissioners
February 8, 2005

The Town of Blowing Rock Board of Commissioners met in regular session on Tuesday, February 8, 2005. Members present were Mayor J.B. Lawrence, Commissioners Bobby Ball, Keith Tester, Terry Lentz, and David Wray. Staff members present were Town Manager Scott Hildebran, Town Attorney Allen Moseley, Planning Director Kevin Rothrock, Public Works Director Johnny Lentz, Building Inspector John Warren, Police Chief Owen Tolbert, Landscape Specialist Perry Davis, Finance Director Margaret Pierce, Doug Chapman of McGill Associates, and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Lawrence called the meeting to order at 7:00 p.m. and welcomed assembled citizens. He advised that Commissioner Wiseman was out of town.

APPROVAL OF MINUTES

A motion was made by Commissioner Lentz to approve minutes for meetings held on January 11, January 17 & 18, and January 20, 2005 with a second from Commissioner Tester. Unanimously approved.

APPOINTMENTS

Appointments to Volunteer Boards and Commissions

At the 2005 Retreat, the following recommendations were made for appointments to various town boards:

- **Planning Board (Appointments effective March 1, 2005 meeting)**

Albert Yount, reappoint to a three-year term ending 2008

Nelda Miller, appoint to a three-year term ending 2008

Sue Sweeting, appoint to a three-year term ending in 2008

- **Board of Adjustment (Appointments effective March 1, 2005 meeting)**

Ron Oberle, reappoint to a three-year term ending 2008

Al Wheeler reappoint to a three-year term ending 2008

Jerry Starnes, appoint to an unexpired term ending 2006

Carol Horne, appoint to a three-year term as an alternate member, ending 2008.

Annie Whatley, appoint to unexpired term as an alternate member, ending in 2006

- **ABC Board (Appointment effective July 1, 2005)**

Susie Greene, appoint to a three-year term ending in 2008

- **TDA Board (Appointment effective March 1, 2005)**

Lynn Drury, reappoint to a three-year term ending in 2008 (At-large)

Commissioner Tester made a motion to accept recommendations listed above, seconded by Commissioner Ball. Unanimously approved.

NEW BUSINESS

1. BREMCO – Streetlight Replacement Proposal

A proposal with Blue Ridge Electric Membership Corporation (BREMCO) to replace approximately 41 streetlights located from U.S. 221 to Chestnut Street was presented to Council. Representing BREMCO were Robert Kent, Kent Landholm and Harold Huffman. Mr. Kent presented Council with the following objectives:

1. Blue Ridge Electric has secured an aluminum pole manufacturer that can make a stronger, more attractive pole to blend in with existing American Revolution lighting throughout the town.
2. The poles will accommodate hanging baskets from optional brackets. The manufacturer of these poles will consider alternative bracket designs provided by the town.
3. The poles will include a plug-in receptacle at the light head for special needs such as Christmas decorations. These receptacles will be direct wired prior to installation to reduce the labor associated with holiday lighting needs and inspections.
4. BREMCO has developed a new rate for these poles and depreciation cost schedule for replacing working lights with newer, more attractive lighting -

Blue Ridge Electric proposes the following replacement schedule of fees:

- a. The replacement cost of poles less than 10 years old: \$850.00 per pole plus the new monthly rate outlined above
- b. The replacement cost of poles greater than 10 years, but less than 20 years: \$425.00 per pole plus the new monthly rate outlined above
- c. The replacement cost of poles greater than 20 years: \$0 per pole plus the new monthly rate outlined above

Note: Blue Ridge Electric retains the right to all replaced poles and light heads regardless of age as these poles may have additional lifetime usage as replacements on other streets in town. Blue Ridge Electric will be responsible for removal and storage of all replaced lighting.

Based on a survey of poles, 41 lights are located from U.S. 221 to Chestnut Street. Of those - 29 are over 20 years old, 1 between 10–20 years old, and 11 are less than 10 years old. BREMCO has developed a depreciation schedule to replace all 41 fiberglass pole lights with aluminum pole lights with brackets/outlets for \$9,775.00.

The monthly rate would increase from \$14.75 to \$16.75 and would cover the cost of the new pole, labor to install and maintain the lights and poles, and the estimated annual cost of energy and holiday decoration usage.

Mr. Kent advised that the BREMCO Board of Directors adopted this proposal at their January Board meeting.

Town Manager Hildebran stated that it is hoped that the TDA will cover the one-time streetlight replacement expenses of \$9,775.00.

Commissioner Ball made a motion to accept the proposal as presented, seconded by Commissioner Tester. Unanimously approved.

Blue Ridge Membership Corporation

Outdoor Lighting Service Agreement

Attached as Exhibit A

1. Comprehensive Financial Operating Policy

Mayor Lawrence stated the next item for consideration was a Town of Blowing Rock Comprehensive Financial Policy. Town Manager Hildebran advised that the Town of Blowing Rock Comprehensive Financial Policy would provide direction and serve as a basis for the overall fiscal management of the Town's resources in five (5) specific areas:

- Operating Budget Policy (Revenue, Expenditure & Reserves)
- Capital Improvement Policy (Plan, Formation & Debt Management)
- Accounting/Financial Reporting Policy
- Cash Management Policy (Receipts, Disbursements, Banking & Investments)
- Purchasing and Contracting Policy

Manager Hildebran also stated the policy had been reviewed by the Town Auditor.

Commissioner Tester made a motion to accept the policy with minor changes as follows:

Page Four, Item #3 omit the year 2004 from that sentence. Page Five, Item #1 under Financing Source, omit LGC from the last sentence. Commissioner Wray seconded the motion. Unanimously approved.

Town of Blowing Rock Comprehensive Financial Policy

Attached as Exhibit B

1. Declaration of Intent to Reimburse Expenses – Resolution #2005-04

The next item for consideration was a Resolution to formally declare the official intent of the Town to be reimbursed from the RBC Centura installment financing contract for expenditures associated with the purchase of 7738 Valley Boulevard for the Blowing Rock Visitors Center. Council approved the financing of this project at the January 11, 2005 meeting.

The United States Department of Treasury Regulation § 1.150-2 provides the rules for the reimbursement of expenditures for public capital projects, which the Town intends to have reimbursed through the proceeds of debt. The regulations require that the Town make a Declaration of Official Intent to reimburse any capital expenditure paid prior to the issuance of such debt. The regulations further require that such declaration of intent be made no later than sixty (60) days after payment of the capital expenditure. Treasury regulations also require that project costs must be reimbursed from the proceeds of debt not later than 18 months after the capital expenditures are paid or 18 months after the property is placed in service, whichever is later.

Commissioner Wray made a motion to accept the Resolution #2005-04 as presented, seconded by Commissioner Ball. Unanimously approved.

Resolution #2005-04 Declaration of Intent to Reimburse Expenses

Attached as Exhibit C

2. Visitor Center Lease

Consideration of a lease with the Tourism Development Authority for 7738 Valley Boulevard was next on the agenda. Town Manager Scott Hildebran stated this item could not be considered at the time, due to the need for formal advertisement. He asked Commissioners for any feedback on this item prior to the next meeting.

3. Personnel Policy Amendments- Vacation/Sick Time & Travel Reimbursement

The following amendments to the Town Personnel Policy regarding Vacation/Sick Time Transfer and IRS Travel Reimbursement rates were considered by Council.

1. The proposed change to the Town Personnel Policy would allow a transfer of accumulated vacation leave over 160 hours to sick leave at the end of the calendar year. The new text to be added:

Section 11.04 Vacation Leave

Vacation leave may be accumulated to a maximum of 160 hours (20 days). At the end of each benefit year, effective with the Fair Labor Standards cycle ending on or before January 15, any Town employees with accrued annual vacation leave in excess of twenty (20) days or one-hundred sixty (160) hours will have this leave converted to sick leave and/or forfeited. This converted sick leave shall be used in the same manner as accrued sick leave and may be used for authorized sick leave purposes.

2. The proposed change to the Town Personnel Policy would increase the mileage reimbursement rate to IRS limits. The new text to be added:

Appendix A

A. Mileage Reimbursement Rate

The reimbursement rate for the use of a personal vehicle on Town business will reflect the latest Internal Revenue Service Standard Mileage Rate, as established from time to time. However, if the Standard Mileage Rate changes during a town fiscal year, the mileage rate change shall not take effect until the next budget year.

If a Town vehicle is available and the employee chooses to use their own vehicle, the standard mileage rate will be reduced by 15 cents per mile.

A motion to accept both amendments was made by Commissioner Ball, seconded by Commissioner Tester. Unanimously approved.

1. Tax Collectors 2004 Settlement Report & Advertisement of Tax Liens Order

Pursuant to North Carolina General Statutes 105-373 a Settlement Report for the 2004 tax year was prepared for Council's review. The total tax levy for the Town of Blowing Rock for 2004 was \$2,298,245.00. According to

the Tax Collector's report, 93% had been collected at this time. Ninety-seven percent of the budgeted amount for the FY 2004-05 was collected.

In order for past due 2004 taxes to be advertised, an authorization from Council is required. The proposed date of advertisement is April 7, 2005.

A motion to accept the Tax Collector Settlement report and an authorization to advertise taxes was made by Commissioner Wray, seconded by Commissioner Ball. Unanimously approved.

DEPARTMENTAL REPORTS

Doug Chapman gave an update on various items that McGill Associates were in the process of working on.

Town Manager Hildebran stated the Police Department had received a grant in the amount of \$22,280 from the State to purchase a checkpoint trailer and two handheld radar units.

He also reminded the Board that the March meeting would begin one hour earlier (6:00 p.m.) due to a large number of agenda items.

ADJOURNMENT

There being no further business to discuss Mayor Lawrence adjourned the meeting at 7:25 p.m.

MAYOR _____

J.B. Lawrence

Attest: _____

Sharon H. Greene, Town Clerk