

MINUTES

Town of Blowing Rock

Board of Commissioners

Recessed Meeting – November 14, 2007

Council reconvened the November 13, 2007 meeting at 5:00 p.m. on Wednesday, November 14, 2007. The meeting was held in the conference room at Town Hall. Present were Mayor J.B. Lawrence, Commissioners Bobby Ball, Rita Wiseman, Keith Tester and Tommy Klutz. Commissioner Terry Lentz was unable to attend. Others present were Town Manager Scott Hildebran, Finance Director Nicole Norman, Town Clerk Sharon Greene, Commissioner Elect Phillip Pickett, and Commissioner Elect Albert Yount.

CALL TO ORDER

The meeting was called to order by Mayor Lawrence.

DISCUSSION ITEMS

1. FY 2006-07 Audit

Town Auditor Billy Combs had not arrived to present and discuss the FY 2006-07 Audit.

Council moved to the next item on the agenda.

2. Emergency Services Building Project- Change Order #003

During the regular meeting held on November 13, 2007 Change Order #003 was presented to Council for their approval. It was consensus of Council that Town Manager Hildebran, Emergency Services

Director Graham and members of the project building committee meet with the project architect to renegotiate items listed on the change order.

Town Manager Hildebran advised a meeting with the project architect was held earlier in the day and Garner & Brown had agreed to forfeit their 8% fee of \$4,435.89 in regard to this issue, due to items overlooked in the building design. Mr. Hildebran advised the town had also made changes that were on the change order and a contingency fund was set aside to cover these additions. He also stated with this change order the money used so far was well below the amount allotted in the contingency fund.

After a brief discussion regarding the type of fuel to be used for the appliances and the cost incurred, a motion was made by Commissioner Wiseman, seconded by Commissioner Ball to approve Change Order #003 as presented with the forfeiture of the 8% architectural fee. Unanimously approved. **Change Order #003 Exhibit A**

3. Quail Hollow Drive Sewer – Developer Agreement

Town Manager Hildebran confirmed that Mr. Granville Petrie planned to install sewer along Quail Hollow Drive at an out-of-pocket cost of approximately \$500,000. Mr. Hildebran advised this would allow the town to extend sewer to the majority of residents in Laurel Park which would put the town ahead of schedule 10 years. Mr. Hildebran conveyed that Mr. Petrie had inquired if the town would consider reimbursing a portion of the cost incurred and staff recommended an amount in the neighborhood of \$100,000. Town Manager Hildebran presented a proposed funding strategy via availability fees and water taps totaling \$105,750.00

Mr. Hildebran also advised the water line in that area was substandard and would need replacing (estimated at \$65,000) and work would be needed to improve the road (estimated at \$75,000). He mentioned that several residents had called wanting to connect to town sewer as soon as it became available.

A motion was made by Commissioner Tester to enter into a developer agreement to reimburse/credit \$105,750 toward the project and fund the water line upgrade and road improvements, seconded by Commissioner Ball. Unanimously approved. **Developer Agreement – Exhibit B**

4. Engineering Services Agreement – PARTF Project

An agreement for engineering services between the Town and McGill Associates for Robbins Memorial Swimming Pool Improvements was presented to Council for their review and approval. Mr. Hildebran stated the Town had received several donations towards this project and he would continue to search

for more monetary donations. Mr. Hildebran advised with the PARTF Grant and donations being made, the majority of project costs come from non-town resources.

Council questioned the starting date on this project. Mr. Hildebran advised work would most likely begin at the end of the season next summer and if all went as planned, the new complex would reopen for the following season (2009).

A motion was made by Commissioner Wiseman to accept the Agreement for Engineering Services totaling \$117,000 as presented, seconded by Commissioner Klutz. Unanimously approved. **Agreement for Engineering Services – Exhibit C**

5. Big Belly Solar Trash Receptacle

Mr. Hildebran advised a demonstrator model like the Big Belly trash compactor located in Memorial Park had been offered to the Town at a discounted sum of \$3,500. He inquired if Council was interested in purchasing another Big Belly to install in a centrally located area.

A motion was made by Commissioner Klutz, seconded by Commissioner Ball in favor of purchasing the demonstration model for \$3,500. Unanimously approved.

6. Other

Photographs of the modular news racks the Town was contemplating ordering were shown to Council. Mr. Hildebran stated these news racks would hold as many as six paid publications plus four free publications. He advised three would be ordered and installed at the Post Office, Gossip Park, and the Pictorial Museum and at a later date one may be installed in the vicinity of the Blowing Rock Grille if feasible.

Commissioner Klutz asked if the unit located at the Post Office could be encased with stone. Remaining Council members were not in favor of this suggestion. It was consensus of Council to purchase the units suggested by staff.

Mr. Hildebran presented Council with renditions of the information kiosks planned for the downtown area, stating one would be installed at the Pictorial Museum and one in the Maple Street parking lot and later one would be installed at the new parking facility at the American Legion and another at the Blowing Rock Art & History Museum on South Main Street. He advised that the kiosks would be funded by the Blowing Rock TDA.

Commissioner Ball commented on the new signs being installed in various places in town and how beautiful they were.

Commissioner Klutz suggested that an extended roof be added to the kiosks, he felt this would enhance their appearance. Mr. Hildebran responded that the roof could be modified to improve appearance.

Commissioner Wiseman asked once the kiosks were installed if the directional signs would be taken down. Mr. Hildebran advised they would be removed. Mayor Lawrence suggested maps of the Moses Cone trail system be added in the kiosks so visitors would be aware of the various walking trails in the area. It was Council's consensus to proceed with the kiosk purchase, upon consultation with TDA members. **Modular News Rack Photos – Kiosk Renditions – Exhibit D**

Mr. Hildebran was informed by staff that Billy Combs was unable to attend the meeting due to a scheduling error. Mr. Hildebran stated he (Mr. Hildebran) would review the audit with Council should they desire, and answer any questions they might have at this time. **FY 2006-2007 Audit Exhibit E**

He also relayed that on December 6th, NCDOT wanted to meet with Council to update them on the 321 road widening project, and possibly Mr. Combs could attend and Council could formally accept FY 2006-07 Audit at that time.

Upon Council wishes, Mr. Hildebran continued with his review of the audit explaining various aspects and advised that according to Town Auditors Billy Combs, P.C. the Town of Blowing Rocks FY 2006-07 Audit was in compliance in accordance with Government Auditing Standards and no problems were noted.

Town Manager distributed the Town Financial Policy used as a guide for the town financial operations. **Town Financial Policy – Exhibit E**

Several areas of the audit were discussed such as Fund Balance. Mr. Hildebran stated the Town continued their efforts towards achieving an undesignated fund balance in an amount equal to 50% of the Town's General Fund Budget, i.e., an amount equal to 6 months operating expenses from the then current operating budget. And once the Town achieved its goal of an undesignated fund balance, equal to 50% of Town's General Fund Budget, any excess funds would be earmarked for capital reserve purposes.

Commissioner Wiseman commented that Fund Balance looked better than it did 10 years prior and commended Mr. Hildebran on his efforts. Mr. Hildebran spoke of several one-time monies the Town received in the past year that were in Fund Balance such as Cable TV Franchise monies, reimbursement from Blue Ridge Electric Membership for 600 homes Blowing Rock was not credited for, and the revaluation on property taxes which had increased fund balance. He also commended Margaret Pierce, Finance Director at the time of the Audit, for her work in the audit process.

Mr. Hildebran stated the tax collection rate for the Town continued to be high with a collection rate of 99.49% for 2006-2007 which exceeded last year's collection rate by .55%. He also commended Tax Collector Sharon Greene for her efforts.

Mr. Hildebran commented that various capital plans such as; the 5-year CIP, Water & Sewer CIP, Parks & Recreation CIP, the pavement plan and the new storm water plan had aided in the financial planning.

Next, Mr. Hildebran spoke briefly on the General Fund, stating town debt had increased due to the new emergency services building, and currently two payments had been made with eighteen years left on the loan.

Mr. Hildebran also advised that using a traditional 20-year bank loan in lieu of the 40-year USDA loan had saved the town \$1,400,000.00. He conveyed the CIP project for the water/wastewater improvements would be bid out the beginning of 2008 and the Town could possibly get a better rate if the new parking facility was bid at the same time.

With no further questions or comments regarding the FY 2007-07 Audit, Council discussed the town water situation briefly. Commissioner Klutz stressed he would like to see a solution to this problem and an interconnection completed as quickly as possible. He commented the area had several water sources and there should be more connections for more available water. Council members responded that according to State officials the best short term solution was an interconnection with Boone and ASU.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 6:15 p.m.

Mayor _____
J.B. Lawrence

Attest: _____

Sharon Greene, Town Clerk

Attachments

Change Order #003 - Exhibit A

Developer Agreement – Exhibit B

Agreement for Engineering Services- Exhibit C

Modular News Rack Photo-Kiosk Rendition – Exhibit D

FY 2006-2007 Audit – Exhibit E

Town Financial Policy – Exhibit F

