

**BOONE TOWN COUNCIL
SPECIAL MEETING
JUNE 16, 2009**

A Special Meeting of the Boone Town Council was called to order on Tuesday, June 16, 2009, at 7:00 p.m. in the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council Members present were Mayor Pro-Tem Lynne Mason, Stephen Phillips, Liz Aycock, Janet Pepin, and Rennie Brantz. Staff members present were Town Manager Greg Young, Town Clerk Freida Van Allen, Deputy Clerk Kimberly Brown, Finance Director Amy Davis, Assistant to the Manager Jim Byrne, Public Works Director Blake Brown, Public Utilities Director Rick Miller, Fire Chief Reggie Hassler, Human Resources Director Peri Moretz, Police Chief Bill Post, Police Captain Curtis Main, and Police Lieutenant Andy LeBeau. Town Attorney Sam Furgiuele was also in attendance.

The purpose of the meeting was to conduct a public hearing on the proposed FY2009/2010 budget.

PUBLIC HEARING - FY2009/2010 BUDGET

Mayor Clawson called the public hearing to order at 7:01 p.m.

Town Manager Greg Young presented the following revenue fund balances:

\$	General Fund \$11,279,837
\$	Emergency Telephone System \$150,000
\$	Narcotics Enforcement \$17,100
\$	Water & Sewer Fund \$6,229,364
\$	Health Insurance Fund \$1,201,500
\$	Municipal Service District \$108,589
\$	Rural Fire Service District \$530,152

Total \$19,516,542

Brenda Lyerly, Chair of the Hospitality House Board, appeared before the Council to thank members for the allocation received last year and to ask consideration of this year's funding allocation request.

Stephen Poulos, Director of the Watauga County Parks & Recreation Department, appeared before the Council to ask that the Council reconsider the recommendation for no funding for the Parks & Recreation Department. He listed several actions as a result of no funding from the last fiscal year budget: a 10-15% increase in fees, a reduction in the hours of operation of the swimming complex, and the inability to create a 5th & 6th grade volleyball program.

Janice Koppenhaver, of 212 Charles Street, appeared before the Council to request a funding allocation be given to the Watauga County Parks & Recreation program. She stated that when she and her family relocated to Boone, this program was instrumental in helping her children become adjusted to the area. She also pointed out that many of the Parks & Recreation programs attract visitors to Boone and the High Country.

Council Member Lynne Mason read into the record the following email from Mark Gould, who was unable to attend the public hearing:

From: Mark Gould
To: Lynne Mason
Date: 06/16/09
Subject: Thank you for your support

Lynne:

I just wanted to thank you and your fellow town council men and women for your past, present and future support of The Mountain Alliance. I know that these economic times have been challenging, and budget allocations have been extremely difficult. We are pleased that the town

of Boone continues to recognize value programs like Mountain Alliance (MA) bring to our community. I wanted to publically thank the entire town council at the open hearing tonight, but other responsibilities will prevent me from attending.

Our executive director, Todd Nolt, is currently with 10 students on the third annual Rolling academy. In his absence, I wanted to make sure that MA showed the appreciation we have for your support. Thank you, again.

*Sincerely,
Mark Gould*

With no other persons wishing to speak, Mayor Clawson closed the public hearing at 7:19 p.m.

OTHER MATTERS

Council Member Phillips requested the Council to reconsider the vote taken at the budget workshop on June 9th regarding the administration of the Municipal Service District Tax. He listed the following reasons for reconsidering the vote that was passed:

!Council members were not given this information ahead of time to allow for proper consideration.

!Representatives from Downtown Boone Development Association were not present to address the issues involved--as should be proper protocol.

!No definition of administrative expenses was given--hence no one really knows what expenditures will account for 15% administrative costs.

!Administrative costs of 15% may be impossible with an annual budget of approximately \$100,000.00. There needs to be a serious conversation about this ratio and if it is realistic for a "promotional" non-profit such as the Downtown Boone Development Association.

!Downtown Stakeholders and those who pay the downtown municipal tax are the ones who need to decide how their tax money is spent--not the Town Council. So in this case, a downtown stakeholder meeting would be appropriate to discuss the issues and propose any resolutions.

!Currently, there is NO plan for implementing an infrastructure improvement plan for downtown. Details need to be discussed before such a plan is approved. These details would include financing, scheduling, materials, and administration. Also, what if the downtown stakeholders decided to eliminate the municipal tax altogether? Then how would these capital improvements be financed?

!If the Downtown Development Association Contract expires on June 31, 2009, who is going to be in charge of the upcoming 4th of July parade and other events sponsored by the Downtown Development Association--such as the Friday Night Art Crawls which are becoming hugely popular? Also, who will be responsible for the insurance at the downtown parks?

!Who or what department/body/agency is going to be the voice for downtown--especially now that downtown parking studies are underway and that the town is supposedly moving toward the Smart Growth Land Use Master Plan which costs taxpayers \$180,000.00.

!I believe that if problems exist in a town department or contracted agency, the director should be informed of these problems and given time to correct the problems. If the problems are not corrected by the given deadline, then disciplinary action would be in order. Any other format is detrimental to the normal functioning of the town and to the morale of the staff.

Council Member Pepin clarified the action of the motion as inviting proposals for the administration of the MSD tax money. She also stated that the motion does not restrict any group from submitting a proposal. She stated that she is not comfortable entering into a contract with the DBDA with the issues that are still unresolved. Assistant to the Manager Jim Byrne informed the Council that the annual report regarding the Town's Mainstreet Program has not

been submitted since Kaye Edmisten was director for the DBDA. He indicated that the deadline for this year's report is July 31st. Mr. Byrne stated that if the report is not submitted, then the Town may not be eligible to continue with this program. Council Member Phillips stated that several events are scheduled after the expiration of the contract between the Town and the DBDA and questioned who will then handle the coordination of these events. He insisted that no preparations have been made to facilitate these events. Council discussed the possibility of an interim contract until issues with the DBDA can be resolved. Council Member Pepin stated that any of the events scheduled after the termination of the DBDA contract are directly related to the MSD and that then she will be agreeable to considering an interim contract. Council Member Mason stated that input from the MSD stakeholders is crucial in deciding the areas for which the MSD tax monies should be spent. She also stated that it is imperative that MSD tax money be spend in accordance with what is allowed by state law. It was the consensus of the Council that Mayor Clawson draft a letter and a survey to be sent to MSD members to invite input regarding the use of MSD tax funds. Council agreed that this action will be a significant first step in resolving this matter.

ADJOURNMENT

Upon a motion by Council Member Pepin, seconded by Council Member Aycock, Council moved to adjourn at 8:22 p.m.

Deputy Clerk

Mayor