MINUTES - TOWN COUNCIL SPECIAL MEETING BOONE TOWN COUNCIL FEBRUARY 27, 2025

I. Call to Order

A Town Council Special Meeting of the Boone Town Council was called to order at 9:00 AM on Thursday, February 27, 2025 at the Town Council Chambers 1500 Blowing Rock Road. Council members present included Dalton George, Todd Carter, Edie Tugman, Virginia Roseman, Eric Plaag. Staff present included .

II. Moment of Silence

Mayor Pro-Tem George asked for a brief moment of silence. Following the moment of silence, Mayor Pro-Tem George asked Ms. Davis if there were any announcements that needed to be made.

III. Announcements

Ms. Davis gave no announcements. Councilmember Roseman noted that the new Chancellor of Appalachian State University would be announced during the meeting and would keep all members present notice of the outcome of the chancellor selections.

IV. Public Comment

Mayor Pro-Tem George asked if anyone present would like to provide public comment. Ms. Caruso gave a brief overview of the interior renovations planned for the Watauga County Library, and asked Council to consider providing $47,000 to assist with the interior renovations. Mayor Pro-Tem George thanked Ms. Caruso and asked Mr. Arnaud if he would also like to speak. Mr. Arnaud introduced himself as the architect behind the presented design for the Watauga County Library, and gave a more detailed overview of the proposed library renovation.

Mayor Pro-Tem George thanked Ms. Caruso and Mr. Arnaud, and explained that Outside Agency Funding applications will be open in April. He recommended that Ms. Caruso and Mr. Arnaud return to Council after completing the Outside Agency Funding application. Councilmember Plaag asked Ms. Caruso if this request was a singular request outside of Outside Agency Funding, and Ms. Caruso said that it was. With no one else signed up for public comment, Council moved to the next item on the agenda

V. Tentative Agenda Adoption

Council Member Tugman made a motion, which was seconded by Council Member Plaag, to Approve tentative agenda as presented .

VOTE: Aye: Dalton George, Todd Carter, Edie Tugman, Virginia Roseman, Eric Plaag
Nay: None
Absent: None

VI. Town Manager/Administration

A brief discussion was held regarding the request from the Watauga County Public Library. Ms. Davis explained that due to Hurricane Helene, this year's budget would have limited funds available for non-priority items. Councilmember Carter stated that he believed the library's request was well thought out and expressed a desire to assist if possible. Councilmember Roseman shared a similar sentiment. Mayor Pro - Tem George agreed but expressed concern that assisting the library would result in double taxation for Boone residents, as the library is a county entity. He noted that since the county declined to fund the renovation, the library turned to the Town for support, which he felt was unfair to taxpayers. Councilmember Plaag agreed with Councilmembers Carter and Roseman but acknowledged Mayor Pro- Tem George's concerns. He also recognized Ms. Davis's point that this budget year would be different from previous years and that decisions needed to be made carefully. After further discussion, Mayor Pro-Tem George thanked the Council for their input but requested that the topic be postponed until a later meeting to adhere to the agenda. The Council agreed.

Ms. Davis informed the Council that she had received the sales tax revenue data for Boone for the past six months about a week before the meeting and had received the property tax valuation figures that morning. While she had included the sales tax revenue in the information provided to the Council, she had not included the property tax valuation since she and Mr. Miller had not yet reviewed the numbers. Councilmember Tugman noted that, based on her involvement with the Boone/Watauga TDA, no occupancy tax data had been received yet, though a decrease from the previous year's figures was expected. Ms. Davis stated that the Town's share of the occupancy tax collected by the Boone/Watauga TDA had been allocated to funding the Howard Street project, which now required approximately $235,000 more than originally estimated due to increased engineering and construction costs. Councilmember Carter inquired about the possibility of securing CDBG funds from the EDA. A brief discussion followed regarding CDBG funding.

Ms. Davis then asked Chief Isaacs to provide an overview of the costs associated with Hurricane Helene. Chief Isaacs reported that outstanding projects related to the hurricane currently totaled approximately $ 2.9 million, with additional projects estimated at $3.6 million. Ms. Davis added that $1.9 million had already been expended on these projects, and the projected costs did not include personnel and labor expenses. Councilmember Plaag asked whether Ms. Davis and Chief Isaacs had concerns about the availability of FEMA funding under the new federal administration. Ms. Davis responded that while reimbursements might be slower than desired, she was not apprehensive. Chief Isaacs noted that the primary challenge had been the bureaucratic process associated with reimbursements. He also explained that Boone was an anomaly in the storm's aftermath, as the Town was able to restore operations more quickly than other affected communities due to prior planning and staff efforts. Councilmember Tugman inquired whether a trip to Washington, D.C., to discuss funding concerns would be beneficial. Chief Isaacs responded that it would not hurt. Following a discussion, the Council decided that Mayor Pro-Tem George, Chief Isaacs, and Ms. Davis would travel to Washington, D.C., to meet with legislators.

Ms. Davis provided an overview of Boone's financial climate as of February 2025. She

stated that, as of January 2025, approximately 96% of property taxes had been collected. She noted that the current property tax rate for Boone was 38.5 cents per $100 valuation, with 1 cent dedicated to affordable housing. She further explained that changes to the ad valorem sales tax distribution by Watauga County had resulted in a revenue loss of $5,073,680 for fiscal year 2023–2024, totaling approximately $32.7 million in lost revenue since the change. However, Boone saw a 6.54% increase in sales tax revenue over the last six months of 2024, which was unexpected. Ms. Davis cautioned that this increase was likely due to hurricane-related supply purchases and should not be expected to continue. Councilmember Plaag asked whether Appalachian State University was still using hotels to house students and if they were paying occupancy taxes for those rooms. Ms. Davis confirmed that the university was still using hotel rooms but was not paying occupancy taxes. After a discussion, Ms. Davis suggested revisiting this arrangement once a new chancellor was appointed.

A brief discussion followed regarding proposed increases in water and sewer fees—8.5% and 5%, respectively—based on the adopted rate schedule. Ms. Davis also stated that, given previous discussions on parking, the Town could expect an increase in parking revenue if rates were raised to $ 1.50 per hour starting July 1. A brief discussion was held regarding parking fee adjustments. Ms. Davis then discussed a proposed 4% increase in employee insurance renewal rates, noting that this was below the national average. She thanked the Council for its continued investment in Town employees and reported that employee turnover had decreased by 58% since fiscal year 2022–2023. Mr. Presnell agreed and clarified that the turnover figures included retirements, with three Town employees retiring in the last fiscal year. Mayor Pro-Tem George inquired whether any department had a particularly high turnover rate, to which Mr. Presnell replied that none stood out. Councilmember Tugman asked whether housing challenges were affecting recruitment for Town positions, and Mr. Presnell confirmed that it was a factor. Ms. Davis noted that North Carolina's unemployment rate stood at 3.7%, indicating a tight labor market. A discussion followed regarding current CPI projections.

Mr. Moody provided an update on the Howard Street project, stating that the Town was in the process of receiving a notice to proceed, with the intention of breaking ground in April. A discussion followed regarding updated project renderings. Ms. Davis then briefed the Council on the status of the Bolick Property, explaining that the Town planned to have the property reappraised, excluding the conservation easement and the two- acre site designated for Fire Station 4. Mr. Moody then updated the Council on the new Public Works Facility, stating that Appalachian Architecture had been commissioned to design the facility. Ms. Davis noted that once the Howard Street project was complete, the Town would pursue a long-term loan with the USDA. She then asked if there were any further questions. Hearing none, Mayor Pro-Tem George called for a break at 10:30 a.m.

VII. Fire Department

Mayor Pro-Tem George resumed the meeting at 10:37 a.m. and invited Chief Isaacs to present. Chief Isaacs began by explaining that the Town would be updating its phone lines to ensure quality service and requested that the Council consider a $25,000 server upgrade. He noted that earlier this year, the Town had begun enhancing

security backups for all servers to improve cybersecurity. Additionally, as a result of Hurricane Helene, he recommended that the Town build redundancy into its internet access.

Chief Isaacs also requested $5,000 for GIS service upgrades. He then stated the need for three additional firefighters—one per shift—to help manage call volume and maintain the level of service provided to the community. Additionally, he emphasized the need for a new fire engine and urged the Council to consider placing an order soon, as the supply chain for emergency vehicles remained disrupted due to COVID-19. In response, Councilmember Roseman asked how long it would take for the Town to receive the engine. Chief Isaacs estimated that, if ordered now, delivery would take approximately two and a half years.

Chief Isaacs further explained that staff were considering installing shelters behind Fire Station 2 to protect trailers from weather damage and ensure their continued operation. He also requested additional funding for radios, part-time salaries, and maintenance contracts, citing rising costs. Briefly discussing Fire Station 4, he mentioned that after consulting with Mr. Moody, they determined that space was available for a training facility at the site of the new Public Works facility. Councilmember Carter asked how much funding was set aside for Station 4, to which Ms. Davis responded that rural fire services had approximately $7 million allocated. Councilmember Roseman inquired whether the Town would need to purchase vehicles for Station 4 before breaking ground, and Chief Isaacs replied that it would not be necessary. A brief discussion followed regarding Appalachian State University's contribution to fire services.

Councilmember Plaag then asked Chief Isaacs for his thoughts on having a dedicated IT director, clarifying that while Chief Isaacs has been instrumental in managing the Town’s IT system, his primary responsibility remains emergency services. Chief Isaacs explained that the Town currently works with a vendor in Charlotte who is highly familiar with the IT system. Councilmember Carter then asked whether the Town would continue working with the Charlotte vendor after Chief Isaacs retires or consider switching to a local vendor. A discussion followed regarding the process of selecting an IT vendor.
Councilmember Carter also asked if the Town was continuing to take steps to prepare for disasters larger than Hurricane Helene. Chief Isaacs confirmed that preparations were ongoing. Interim Chief Duckworth added that the Police Department had created the Special Operations Sergeant position before Hurricane Helene to assist with large-scale events, and it had proven highly effective. Councilmember Plaag then asked if there were any updates regarding Appalachian State’s PSAP (Public Safety Answering Point) . Chief Isaacs stated that he had not received any new information and believed the project was indefinitely on hold.

With no further comments, Mayor Pro-Tem George moved on to the next agenda item.

VIII. Police Department

Interim Chief Duckworth began by stating that the Police Department's staffing levels are the strongest they have been since he started with the Town of Boone. He thanked

the Boone Town Council for its investment in personnel, emphasizing the significant positive impact on the department.

He then provided a brief overview of the grants received by the Boone Police Department, including the COPS Hiring Grant and the Connect and Protect Grant, both of which help fund officer, social worker, or peer support specialist positions. He also expressed gratitude to Ms. Wise for her assistance in managing these grants.

Interim Chief Duckworth explained that the department currently follows a five-vehicle rotation for police vehicles but noted that this rotation may need to expand in the future. He also mentioned the need for six additional radios.
Providing an update on the department's social work program, he stated that the Town's social worker, now with the department for approximately six months, would be spending more time engaging with the community. Councilmember Carter asked whether the Town anticipated hiring a second social worker by this time next year. In response, Interim Chief Duckworth said that instead, they were hoping to hire a peer support specialist through the Mediation and Restorative Justice Center.

Mayor Pro-Tem George commended the Police Department for its work and discussed the funds the ABC Board allocates for prevention efforts. A discussion followed regarding the types of calls the department has responded to over the past six months. Interim Chief Duckworth mentioned that he had spoken with Chief Brown at Appalachian State University, who advised against utilizing Boone Police Officers for traffic control at football games. However, he requested that the overtime budget line item remain unchanged, as the Town of Boone is experiencing an increase in both town-sponsored and other events.
With no further questions, Mayor Pro-Tem George moved to the next agenda

IX. Public Works Department

Mr. Moody began by providing a brief update on the construction at Horn in the West. He explained that he was currently awaiting the necessary permits to resurface the parking lot and install a sidewalk, with the goal of completing both projects by June. Councilmember Roseman asked whether this construction would interfere with the Watauga County Farmers' Market. Mr. Moody confirmed that it would, prompting a discussion on alternative locations for the market during construction.

Mr. Moody then addressed upcoming fee changes, stating that the Solid Waste Fee is set to increase by $ 2 starting July 1. He proceeded to discuss major construction projects, beginning with the Hunting Hills Bridge Replacement. This project is funded 80% by federal dollars and 20% by local dollars; however, an additional $200,000 is needed to complete it.
He also noted that several larger Town vehicles would need replacement soon. Similar to the Fire Department, these vehicle orders must be placed years in advance due to ongoing supply chain issues.

The Town of Boone has received a Carbon Reduction Grant of $856,000 but still needs $75,000 to meet the required match. The Grove Street Connector Project has been awarded $1.9 million in federal funds, though an additional $1.6 million is required. Meanwhile, the total projected cost for the Greenway Road multi-use path is

$8 million. Mr. Moody explained that Ms. Wise is actively searching for grants to help meet the matching fund requirements.

Councilmember Plaag asked Mr. Moody for his opinion on bond referendums for the Public Works Facility and multi-use path projects. Mr. Moody responded that time constraints present the main challenge for a bond referendum, particularly for projects like the Grove Street Connector. Councilmember Roseman inquired whether the paths could be completed in segments. Mr. Moody acknowledged that this was possible but noted that incomplete paths often draw complaints for "leading to nowhere." Councilmember Roseman agreed but suggested that phased construction could still demonstrate progress.

Mayor Pro-Tem George brought up the idea of fundraising efforts similar to those used for the Middle Fork Greenway, leading to a discussion on potential fundraising strategies. Councilmember Plaag supported the idea but questioned why there seemed to be hesitation around bond referendums. Mayor Pro-Tem George clarified that he was not opposed to bond referendums but believed they should be tied to specific projects. Councilmember Tugman added that a thorough discussion would be necessary before considering either a bond referendum or a tax increase. A brief discussion followed.

Mr. Moody concluded by discussing upgrades at the Jimmy Smith Wastewater Treatment Plant. He explained that a new drying bed is needed at an estimated cost of $700,000. Additionally, two new influx pumps, costing approximately $300,000, are required. Finally, he noted that a trailer-mounted sanitary sewer pump, priced at around $70,000, was identified as a critical need during Hurricane Helene.

With no further questions, Mayor Pro-Tem George called for a break at 12:00 p.m.

X. Planning & Inspections Department

Mayor Pro-Tem George resumed the meeting at 12:20 p.m.

Mayor Pro-Tem George invited Ms. Shook to present on Planning & Inspection matters. Ms. Shook explained that since his promotion in March 2024, Mr. Wise has been serving as both Deputy Director and Environmental Specialist. She recommended filling the Environmental Specialist position to better support department operations, noting that the total cost, including benefits, would be $90,000 annually. Ms. Shook then outlined facility maintenance needs, requesting $10,000 for a new roof and $20,000 for exterior repairs to ensure the building remains functional. Additionally, she requested $1,000 for office renovations to create workspace for the Environmental Specialist.

She also addressed the vacancy in the Residential Housing Specialist position, suggesting that the Council consider converting it into an Advanced Planning Specialist position with a focus on housing. Ms. Shook asked Ms. Davis whether this change would impact the funding structure, as the position is currently funded through

the one- cent tax designated for housing. Ms. Davis explained that if reclassified, the position would be funded 50% from that tax. Councilmember Plaag inquired whether a line item for cemetery maintenance existed in the budget. Mr. Moody confirmed that it is included in the Public Works budget. With no further questions, Mayor Pro-Tem George moved on to the next agenda item.

Council Member Carter made a motion, which was seconded by Council Member Plaag, to amend the agenda to include discussion of a press release for Chancellor Norris at the end of the meeting.

VOTE: Aye: Dalton George, Todd Carter, Edie Tugman, Virginia Roseman, Eric Plaag
Nay: None
Absent: None

XI. Finance Department

Mr. Miller began by stating that Finance's budget typically stays pretty similar each year. He noted that an increase in contracted services would be needed. Furthermore, Mr. Miller asked for $10,000 to $12,000 for new laptops in the Finance Department. A discussion was held about staggering laptop purchases. With no further discussion, Mayor Pro-Tem George asked to move to the next item on the agenda.

XII. Human Resources Department

Mr. Presnell provided a brief overview of employee turnover rates in the Town of Boone. He explained that the Human Resources department typically does not request increased line items beyond those related to benefits. He noted that the Paid Parental Leave policy, passed by the Boone Town Council in 2024, has been well received and utilized. Looking ahead, he mentioned the possibility of requesting a paid leave benefit for employees caring for elderly parents. This year, Mr. Presnell requested $4,000 to implement new evaluation software and an additional $3,000 to expand training opportunities.

Councilmember Carter asked whether there was a need to reinstate a safety officer position, which had been removed a few years ago. Mr. Presnell responded that, at present, the position was not necessary, but in the future, he would support a role focused on insurance claims and training initiatives. A discussion followed regarding the importance of investing in training for current Town of Boone employees. Councilmember Plaag inquired about funding for employee relocation expenses. Ms. Davis confirmed that the Town has covered moving expenses for employees in the past. With no further discussion, Mayor Pro-Tem George moved on to the next agenda item.

XIII. Cultural Resources Department

Mr. Freed reported that the Cultural Resources Department is operating smoothly. He requested additional funds for the part-time employee line item to support Boonerang. Additionally, he asked for approximately $30,000 to replace the roof on the Jones

House. Councilmember Plaag inquired about the Rivers House. Mr. Freed explained that Ms. Wise had secured a grant to install restrooms in the Rivers House Garage and that he hoped to use those funds to upgrade utilities at the Rivers House as well. When asked if there were any clear plans for the Rivers House and its property, Mr. Freed stated that while conceptual plans had been developed, no definitive guidance had been provided. Councilmember Plaag asked if there was interest from the Council in renovating the Rivers House during the 2027 fiscal year. A brief discussion followed. With no further discussion, Mayor Pro-Tem George moved on to the next agenda item.

XIV. Final Discussion

Councilmember Virginia inquired about the current Cost of Living Adjustment (COLA) rate. Ms. Davis explained that while it is currently set at 3%, the rate could change later in the year. Councilmember Tugman expressed interest in touring the Rivers House property, and Mr. Freed agreed to arrange a tour. The Council decided on March 28th at 12:30 p.m. for the visit. Councilmember Plaag asked if the Council would support Ms. Davis and the appropriate staff researching bond referendums. The Council agreed. Councilmember Eric then asked if the Council wanted to discuss a potential tax increase. Councilmember Roseman expressed support for a 0.25 -cent increase, specifically earmarked for town infrastructure upgrades. A discussion followed, and the Council agreed that dedicating a tax increase to town infrastructure improvements would be beneficial.
With no further discussion, Mayor Pro-Tem George moved on to the final agenda

Discussion of Press Release for Chancellor Norris

Mayor Pro-Tem George asked Council their thoughts on a press release for Dr. Heather Norris's appointment as Chancellor of Appalachian State University. After a brief discussion, Council directed Ms. Wise to draft a press release and send it to Council for review. With no further discussion, Mayor Pro-Tem George asked for a motion to adjourn.

XV. Adjournment

Council Member Carter made a motion, which was seconded by Council Member Plaag, to adjourn the February 27th Special Meeting of the Boone Town Council..

VOTE: Aye: Dalton George, Todd Carter, Edie Tugman, Virginia Roseman, Eric Plaag
Nay: None
Absent: None

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Nicole Harmon, Town Clerk Tim Futrelle, Mayor