

BANNER ELK TOWN COUNCIL MEETING
March 10, 2025
MINUTES

The Banner Elk Town Council met on Monday, March 10, 2025, at 6:00 p.m.

Council Members present: Mayor Brenda Lyerly, Mike Dunn, David Lecka, Robert Tufts, and Charles VonCanon.

Staff present: Town Manager Rick Owen, Chief Kevin Hodges, and Attorney Four Eggers.

Call Meeting to Order

At 6:00 pm Mayor Lyerly called the regular Town Council meeting of March 10, 2025, to order.

Pledge of Allegiance

Mayor Lyerly led those in attendance with the Pledge of Allegiance.

Invocation

Council Member Charles VonCanon opened the meeting with prayer.

Approval of Minutes

Council Member Dunn motioned to approve the February 10, 2025 minutes as written and Council Member VonCanon seconded the motion. The motion passed unanimously.

Public Comment

Suzy Rein asked the Council to consider a competition for a master plan for Tate Park as it needs to be rebuilt. She also thought local developers might be interested in contributing to the project.

Approval of Stated Agenda

Mayor Lyerly asked for a motion to approve or amend the stated agenda. Council Member Tufts motioned to approve the agenda as stated and was seconded by Council Member Dunn. The motion passed unanimously.

Rezoning Request, Scout, Inc.

The request is for *Parcel 1859-19-51-1877* to be rezoned from C1-P to M-U. Manager Owen explained that the parcel is 3.77 acres along Highway 194 by the Mini Storage. He shared that the Planning Board reviewed the request and has recommended the parcel not be rezoned. This is based on recently realized concerns with the Mixed-Use Zoning District and the way that zoning can be used. The Planning Board would like to address these concerns before recommending properties be rezoned to Mixed Use. Council Member Lecka made a motion for a Public Hearing for further consideration of the topic at the next meeting and Council Member Tufts seconded the motion. The motion passed unanimously.

Rezoning Request, Lees-McRae College

The request is for *Parcel 1859-17-10-9367* to be rezoned from M-E to C-1. Manager Owen explained that the parcel is located at 159 Main Street and the request is being made to have the opportunity for Lees-McRae to lease it in the future. The Planning Board is recommending this rezoning request. Council Member Tufts made a motion for a Public Hearing of this request at the next meeting and Council Member Dunn seconded the motion. The motion passed unanimously.

Consider Offer of State Cashflow Loan for Disaster Response

Manager Owen explained that this Loan is money that has been made available by the Treasury to Local Governments in Western North Carolina for Helene recovery. The Treasurer made the application on behalf of local governments based on the damages that were already identified and so now have sent offers of loans with completed documents ready to sign and accept. Manager Owen said this would be beneficial for the Town as a bridge to reimbursement from FEMA and the loan offered to Banner Elk is \$769,418.68. This is figured to be approximately 11% of actual need. The terms are: no interest; repayment of one dollar after the first year; and the subsequent years would be ten percent of the balance, twenty percent, thirty percent, and forty percent. Manager Owen clarified that this money must be used for storm related expenditures and that this loan would obligate taxpayer dollars to pay it back, but the Town has already expended \$1.8 million so the process of encumbering money has already begun.

Council Member Lecka made a motion to approve the Resolution to approve this Loan as written with a second by Council Member VonCanon. The motion passed unanimously.

Consider Audit Contract for Fiscal Year 2024-2025

Manager Owen highlighted that the only difference between this audit contract and previous contracts is an additional fee for work required because the Town will be spending more than \$750,000 of federal funds. A motion to accept the Audit Contract for Fiscal Year 2024-2025 was made by Council Member VonCanon and seconded by Council Member Dunn. The motion passed unanimously.

Advertisement of Unpaid Taxes

Manager Owen gave an updated list of unpaid taxes to the Council. He stated that other taxes need to be applied and names would continue to be removed once paid so this list could change before the advertisement is posted. He added that posting wouldn't happen for a couple of weeks. Council Member Dunn made a motion to approve advertisement of the unpaid taxes and Council Member Lecka seconded the motion. The motion passed unanimously.

Storm Recovery Update

Manager Owen overviewed the Town process of working with FEMA and stated that the Town is currently in the filing and reimbursement phase and is meeting on a biweekly basis. The Town is undergoing review and inspections and there are multiple rounds of questions in the review process. The most difficult process will be the EHP (Environmental & Historical Preservation) review, but that is not a significant part of the emergency repair phase. The Town is nearing the Damage Inventory Deadline, but Manager Owen hopes to get an extension for another month because the Town is still identifying damages on a weekly basis. The Individual Assistance Deadline, though, was extended to April 7.

Manager Owen shared the areas still pending repairs. He stated that there are two sections of water lines, between Balsam and Dogwood and out by Dobbins and Bear Run, that need additional loops in the system. Culverts and storm water collection systems throughout Town are significantly damaged and are still needing to be replaced. Bridging is needed at Lecka Lane, Silver Springs, and Crooked Creek. He stated that Lecka Lane requires a bridge and Silver Springs and Crooked Creek need new culverts that due to size are considered bridges. He shared that although paving is happening, some of it is temporary to secure Town systems as they are restored. Manager Owen said that the SCADA system was inspected today, and generators are being replaced at Town Hall (for Well 3), Elkmont, and the Police Department.

FEMA has inspected the Park and before the Town can do any work there, FEMA must approve projects so that reimbursement can happen. A list of the projects and the timeline for those projects needs to be

determined before any work can be done so work is only done once. Debris must go to an approved debris site and the detention/cooling ponds must be repaired/rebuilt before other work can be done. Staff hopes that a debris site will be located so that first step can take place.

Manager Owen stated that the Park is closed, other than the track. Moving into the spring, orange safety fence will have to be installed around the playground to keep people safe. The Greenway Trail has multiple sections that need to be addressed. He focused on the Boardwalk as section that is important for protecting the roadway and for allowing the infrastructure of piping for water and sewer to be housed. It is also important for making a significant trail connection. He explained that it is challenging to address this particular rebuild because a Boardwalk is not necessarily the desired end result anymore.

Manager Owen updated the Council on the options for the Police Department. He stated that the Council could choose to renovate the existing structure and bring it up to code, or they could consider relocating the Police Department altogether. Manager Owen expressed his belief that going back into the existing building will be the easiest and fastest choice, however options are still being reviewed with FEMA as to any amount that may be reimbursable.

Manager Owen covered the status of insurance claims completed and pending. The Town is insured through the League of Municipalities and insurance has already taken care of the vehicles that were damaged. The claims for the Police Department, the Park, the Town Hall, generators, pump stations, and other items will require a new inspection to ensure appropriate coverage.

Manager Owen highlighted the debris removal happening around Town. He shared that work is currently underway on Klonteska Drive and in Crooked Creek. Private property debris removal is evolving to include trees, rock, sediment, and even areas that are unkept property. Representatives from Debris Tech are making themselves available in Newland on March 19 and may make future dates at locations around the county.

Manager Owen handed out a current damage inventory list that itemizes and provides status for damage throughout the Town. Ryan Cox clarified that Public Entities and Nonprofits are eligible for Public Assistance and private citizens are eligible for Individual Assistance.

Manager's Update & Staff Reports

Manager Owen reported that the packet this month includes a series of reports including finance, ABC Board, Police, Public Services, and Tax Receivable.

The Farmers Market would like to return under the same terms and behind the Fire Department. They would like to be open starting in April and running through October.

The Town would like to surplus a vehicle and make it available to the Town of Elk Park. This would help them out and avoid listing the vehicle to auction.

Council Member Lecka asked for an understanding of the timeline for repairs and Manager Owen stated that it would be a long process that would include detailed planning before certain repairs begin. He also stated that the earliest time the Park could be available for full use could be next year. The path is open, and work will progress to open other sections as they are made safe and usable. He asserted that restoration of damages should be expected to take years with a significant variable in this process being the availability of contractors. Council Member Lecka expressed the need for communication to the community and visitors about the need for patience with an understanding of the complexity of the process.

Ryan Cox added that working through the process includes looking at what is most cost effective. He stated that mitigation is about putting things back better, to avoid the same issues being repeated in the future. He said that these initial processes will take at least 18 months.

Fred Schmitt asked for a restatement of the realistic expectations and dissemination of that information to the public. Manager Owen, Mark File, and Ryan Cox asserted that they would work together toward this end.

Other Business

There was no other business.

Adjourn

With no further business, Council Member Lecka motioned to adjourn and was seconded by Council Member Tufts. The motion passed and the meeting was adjourned.

The meeting ended at 6:55

Mayor Brenda Lyerly

Attested

Approved: