

BANNER ELK TOWN COUNCIL MEETING
May 11, 2026
MINUTES

The Banner Elk Town Council met on Monday, May 11, 2026, at 6:00 p.m.

Council Members present: Mayor Brenda Lyerly, Mike Dunn, Chuck Saunders, and Charles VonCanon.

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

Call Meeting to Order

At 6:00 pm Mayor Lyerly called the regular Town Council meeting of May 11, 2026 to order.

Pledge of Allegiance

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

Invocation

Council Member VonCanon opened the meeting with prayer.

Approval of Minutes

Council Member Saunders made a motion to approve the minutes for the regular Town Council meeting on April 13, 2026 and Council Member Dunn seconded the motion. The motion passed unanimously.

Public Comments

Chief Hodges presented Kyle Trammel as the newest Patrol Sergeant and the drone pilot. Chief Hodges presented Officer Trammel with his Sergeant stripes.

Chad Carpenter spoke to the Council about Notting Hill development. He explained that he was aware of an upcoming traffic study, but he wanted to highlight some information. Mr. Carpenter handed out visuals of the intersection at the bottom of the hill from the Methodist Church. He asked the Council if they were aware of the measurements of each of the roads coming into the intersection because the numbers are so diverse. He highlighted the numbers as he had measured them. Mr. Carpenter stated that he had concerns about the safety of the intersection.

Mr. Carpenter handed out a second visual that zoomed out to see more of the area. He pointed out the large truck parked near the intersection and explained that it is a contributing factor to the reduced safety in the intersection. He stated to the Council that the area has become increasingly unsafe. Drivers, including work trucks, are coming up the wrong way on the one way street and the stop signs are frequently not observed.

Mr. Carpenter requested a traffic study for this area. He stated that his goal is not to impede development. He stated that he wants that area to be safe. He asked the Council for help to make this area safer and make Banner Elk a better place.

Council Member Saunders asked Mr. Carpenter what his goals would be from a traffic study. Mr. Carpenter stated that he wants facts for what is happening with traffic in that area, including how often

cars are coming the wrong way and not observing the stop sign. He stated that he felt that conducting a study when the college is in session makes the most sense.

Mayor Lyerly asked for affirmation that the roads in question are town roads and Manager Owen stated that they are and the road across the way is maintained by the College

John Gardner spoke to the Council about the entrance to town on Highway 184 from the Mill Pond and asked if the Town could fix the road without waiting for FEMA. He stated that it is significant as the approach to the Town and should be a priority. He specifically noted that the sidewalk and curb and gutter should be restored.

Mayor Lyerly stated that it is part of the plan for the Town to restore that but it is a matter of money and time.

Manager Owen explained that the section Mr. Gardner referred to is part of a \$700,000 settlement that is still in question with FEMA. He mentioned that Pat VonCanon's property has not yet been settled and the Town was waiting for that to happen before restoring the brick sidewalk so that it wouldn't be torn up. Manager Owen shared that they have recently learned that whatever is damaged in the future would be repaired, so they are now moving things forward. Mayor Lyerly stated that the Town would also value that area to be addressed. Manager Owen added that the gravel area at the Mill Pond that used to be a boardwalk needs to be addressed but the Town is waiting to know what will happen with Lees McRae's treatment of the Mill Pond area.

Approval of Stated Agenda

Council Member VonCanon made a motion to approve this month's agenda and Council Member Dunn seconded the motion. The motion passed unanimously.

PARTF Grant Acceptance

Manager Owen stated that the Town has applied for and received a NC Parks and Recreation Trust Fund Helene Recovery Grant for \$204,201. He explained that this is a matching grant for which the Town will be required to fund an additional \$204,201. The summary in the packet stated that the grant funds are designated for improvements in Tate-Evans Park, including the pedestrian bridge, park shelter, a multi-purpose court, and pickleball courts. It stated that the timeline for the project is projected to take 36 months, completing in April of 2029. He explained that the resolution before them explains this grant and all these details.

Council Member Dunn asked if the Town was still obligated to complete all the project items included if the repairs were to exceed the total monies. Manager Owen stated that the Town is obligated to complete everything and the grant monies were based on reasonable quotes. Manager Owen stated the Town is restricted to the number of years but the Town could change it if it was necessary.

Manager Owen stated that this money and these projects are meant for unfunded needs and to enhance recreational facilities.

Council Member Saunders stated that he was glad to see that it was a requirement of the grant that the plants be native.

Council Member Dunn made a motion to approve the resolution to accept the PARTF Grant and Council Member VonCanon seconded the motion. The motion passed unanimously.

Change Order, Haren Wastewater Plant Project

Manager Owen stated that The Town has been awarded a wastewater treatment plant improvement project to Haren Construction to add in an additional clarifier. He explained that this contract was approved at a previous meeting. The preconstruction meeting has taken place and a notice to proceed is anticipated by the end of June. The initial funding came from the American Rescue Plan Act. The Town has received additional State Revolving Funds related to Hurricane Helene recovery, from DEQ to assist with this project cost. These two different funding opportunities came with different requirements. The Town needs to do a change order to the contract with Haren Construction to include requirements from the State Revolving Funds that were not included in the American Rescue Plan funding requirements. The American Iron & Steel Act and the Davis Bacon Act influence those requirements and create additional costs.

Attorney Eggers stated that the Council can approve these changes to the contract with Haren. He stated that there is a material price increase due to project delay and that would not be eligible for reimbursement. He made the recommendation that the Council go back to Haren and ask them to remove the material price changes so that they could approve the items that are reimbursable.

Manager Owen asked Attorney Eggers if the Council could approve the first two items - American Iron and Davis Bacon - and Attorney Eggers said that those could be passed separately and come back to the third item.

Council Member Saunders made a motion to approve the Change Order for Item 1) the American Iron & Steel and Item 2) the Davis Bacon projects for Haren Wastewater Plant Project and Council Member VonCanon seconded the motion. The motion passed unanimously.

Contract Amendment, McGill - SRF Wastewater Project

Manager Owen explained that this Amendment would allow the Town to pay for additional work beyond the contract already in place using State Revolving funds that have been received. He asked the Council to consider an amendment to the agreement for engineering services with McGill to allow them to perform additional design services related to this new funding.

Attorney Eggers told Mayor Lyerly that she could continue with the same engineering firm if they waive the RFQ. He stated that it could be done this way since they have already been working on this project and been through that process. Mayor Lyerly agreed and stated that the motion needed to be made.

Council Member Saunders made a motion to approve the change order to the Contract as Amendment #2 for the SRF Wastewater Project and waive the RFQ Council Member Dunn seconded the motion. The motion passed unanimously.

Resolution of Acceptance - SRFWWTP Resiliency Improvements

Manager Owen stated The Town has received a Clean Water State Revolving Fund loan in the amount of \$4,331,267. This funding is coming from Helene Recovery Funds and comes with 100% loan forgiveness. These funds are to be allocated to the Town's wastewater treatment plant resiliency improvements. This includes additional costs related to our secondary clarifier project and the addition of a mechanical bar screen.

Council Member Dunn made a motion to adopt the Resolution of Acceptance for the SRFWWTP Resiliency Improvements and Council Member VonCanon seconded the motion. The motion passed unanimously.

Proclamation Declaring May National Bike Month - Ted Silver

Ted Silver spoke to the Council about May as National Bike Month all over the country. He stated that this would be the 16th year for the ride of silence. Mr. Silver read the Proclamation declaring May as National Bike Month which detailed all the significant events and their purposes that happen during the month.

Council Member Dunn made a motion to accept the Proclamation Declaring May National Bike Month and Council Member Saunders seconded the motion. The motion passed unanimously.

Storm Recovery Update

Mike Healy, consultant for support and recovery from Hurricane Helene. He stated that the town now has a fixed number of projects - forty-two in total. He stated that about eighteen projects have been funded and many have been completed. Mr. Healy stated that about ten projects totaling about \$3 million are in the queue for funding.

He stated that all of the insurance has been resolved for SCADA which covers a large number of insurable damages. Mr. Healy stated that this resolution allows the Town then to return to FEMA so that they see what has been covered and clears up what is left to be funded.

Shawneehaw Creek is a large project that will be FEMA funded and it's going to have to wait for a while.

Mr. Healy stated that the Town is looking at between \$8 and \$9 million dollars worth of total damages that FEMA will be reimbursing.

Mr. Healy stated that Attorney Eggers has provided contract templates which will be needed moving forward. He stated that FEMA will be funding town wide jetting, town wide small road damage, and town wide culvert repair.

He stated that Lecka Lane and Crooked Creek projects are ready to go. For both Crooked Creek and Silver Springs it appears that a lane can remain opened throughout the project and detour routes will not be necessary. He stated that the Greenway Trail is up for repair and repair on the boardwalk area needs to wait on the Mill Pond Dam plans. He stated that he was hoping that the that the bid will go out for Silver Springs and that work will be done before winter.

He stated that FEMA has been taking a lot of the Town's estimates and increased the allowed funding in some projects.

Manager's Update & Staff Reports

Manager Owen highlighted the reports in the packet and on the desks before the Council.

Thursday, May 22 is the next budget meeting.

Art On The Greene will happen this month on May 23rd and May 24th.

Manager Owen shared the progress of the Harris Teeter project and the Planning Board meeting last week and explained that the Fuel Station part of the project will go before the Board of Adjustments next. He highlighted that the biggest project for the building of the grocery store was the elevation of the front of the building. He explained that they adjusted it and it will continue to be reviewed by the Planning Board.

Manager Owen reviewed that BE Scooped has moved over to the Pharmacy building and has requested a Special Use Permit.

Manager Owen highlighted the permit requested for Apple Hill Outpost in a designation as a Convenience Store and explained the designation as products offered conveniently as opposed to the more typical understanding of a convenience store being like the Kangaroo across the street from her location.

Manager Owen explained that WaterBean has a permit to serve food that will go to the Board of Adjustment this month.

Manager Owen affirmed that coffee as an accessory use has been approved for Mountain Huggers photography business.

He stated that First Fruits, the acai business, has also been approved.

Council Member Saunders asked if there has been information from DOT regarding the traffic flow patterns at the hotel and progress at Dobbins Road. Manager Owen stated that DOT had extended a proposed traffic safety study from Hickory Nut Gap Road to Dobbins Road so that it would go to Banner Creek Road but there is no further information on that.

Manager Owen stated that the traffic light for the Lowe's Hardware and potential Harris Teeter intersection was approved by DOT. He explained that the traffic study was narrowly focused on just that area and the Planning Board requested that a broader study be conducted.

Returning to Council Member Saunder's original question, Manager Owen stated that the traffic lane closures at the new hotel site are held up by site issues and the DOT culvert work at Dobbins is still held up at this time waiting on the natural gas lines and he is waiting to hear a new timeline.

Adjourn

With no further business, Council Member VonCanon motioned to adjourn and was seconded by Council Member Saunders. The motion passed and the meeting was adjourned at 6:54 pm.

Brenda Lyerly, Mayor

Attested