BANNER ELK TOWN COUNCIL MEETING
June 8, 2026
MINUTES

The Banner Elk Town Council met on Monday, June 8, 2026, at 6:00 p.m.

Council Members present: Mayor Brenda Lyerly, David Lecka, Mike Dunn, Chuck Saunders, 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 June 8, 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.

Public Hearing for the 2026-2027 Budget
Council Member Dunn made a motion to open the Public Hearing for the Towns 2026-2027 Budget including the Tourism Development Authority as a component unit of the Town. Council Member VonCanon seconded the motion. The motion passed unanimously.

Manager Owen read the 2026-2027 Budget message included in the Council packet for this meeting. The message included an overview of the General Fund, Water and Sewer Fund, Historic Banner Elk School Project Fund, and Salaries and Benefits.

Council Member Lecka praised Manager Owen and the staff who support him for the work that they do and have done.

Donna Dicks spoke from the audience and thanked the Town for paying off the mortgage on the Historic Banner Elk School.

There were no further comments or questions.

Mayor Lyerly closed the Public Hearing for the 2026-2027 Budget.

Approval of Minutes
Council Member Lecka made a motion to approve the minutes for the regular Town Council meeting on May 11, 2026 and Council Member Dunn seconded the motion. The motion passed unanimously.

Public Comments
Chad Carpenter spoke to the Council about the Notting Hill project. He inquired about the status of the traffic study he had requested and he asked about the drainage ditches associated with the project.

Manager Owen stated that he is working with Chief Hodges on the traffic study request but since Chad had requested that the study take place when Lees-McRae is in session, it had not yet been determined how the town would proceed. He stated that the developer is waiting for the town to remove the two water meters that are in their way.

Mr. Carpenter expressed concern that the road be completed so that it doesn't wash away.

Approval of Stated Agenda
Council Member Saunders made a motion to approve this month's agenda as presented and Council Member VonCanon seconded the motion. The motion passed unanimously.

2024-2025 Audit Presentation - Misty Watson
Misty Watson presented the 2024-2025 audit report and overviewed each slide printed out for them. She stated that the Town received a clean opinion.

The Council had no questions for Ms. Watson.

Resolution of Acceptance, Lead Service Line Replacement Loan
Manager Owen stated that the Town has spent a lot of time working the process on many grants. He stated that the Council has worked through all the steps leading up to this final step that accepts the loan. He stated that this loan has fully paid principal forgiveness.

Council Member Lecka made a motion to approve the resolution to accept the Lead Service Line Replacement Loan and Council Member Saunders seconded the motion. The motion passed unanimously.

2026-2027 Budget
Manager Owen stated that The Town will have a further meeting on this budget next Wednesday, June 17.

Audit Contract Amendment for Fiscal Year 2024-2025
Manager Owen explained that this Amendment would allow the Town to acknowledge that the audit was late and further acknowledges the date that the audit was submitted. He stated that the LGC doesn't forgive the tardiness but does require a formal acknowledgment.

Council Member Saunders made a motion to approve the Audit Contract Amendment for Fiscal Year 2024-2025 and Council Member VonCanon seconded the motion. The motion passed unanimously.

Consider Audit Contract Amendment for Fiscal Year 2025-2026
Manager Owen stated there is a 25% increase from last year because of the change in the amount of work required and because a third party will prepare the financial statement. He stated that this will be for a third party beyond Manager Owen and auditor Misty Watson to prepare the financial statement. He explained that circumstances were such that neither he nor Misty made the deadline for this audit but that will not be repeated. He stated confidence in Misty as a good and quality auditor.

Council Member VonCanon made a motion to accept the Audit Contract for Fiscal Year 2025-2026 at $20,000 and Council Member Dunn seconded the motion. The motion passed unanimously.

Storm Recovery Update

Manager Owen highlighted updates on the dog park in the Town Park. He stated that the Town will be installing a black, plastic-coated, chain-link fence for the dog park at the cost of approximately $15,000. He stated that he will be meeting with the owner of the property this week in order to procure an agreement in lease or easement for the dog park to be re-established.

Manager Owen stated that the town is working with the PartF money to restore a bridge in the Town Park and a private donor has offered to match or support the money that is needed for the bridge. Manager Owen stated that he is still working with FEMA and the amount that will come from that source is as yet not finalized, so he will wait to pursue the private funding until he knows the shortfall.

Manager Owen stated that Penny Lane is waiting for an Army Corps of Engineers permit for a culvert before the project can go out for bid.

Manager Owen stated that the town is still working on the SCADA reparation. He stated that FEMA is circling back for proof of ownership of infrastructure before funding is provided for repairs. He stated that working the process in current time is important.

Manager Owen stated that the town is working on culvert projects. He stated that Lecka Lane plans are complete with its estimate of funding for repair completion and the engineering estimates have come in just over $1 million. He stated that the town hopes to have the Crooked Creek estimates secured by the end of the week.

Manager Owen shared that FEMA will provide funding to repair structures to restore to its original state but they will also provide funding up to 100% for mitigation to avoid having to pay again. He stated that in some cases it is not possible to restore to the original because the conditions have changed with the example of the widened creek beds necessitating different culverts.

Manager Owen stated that the estimates for Silver Springs are expected by the end of the month. He stated that both Crooked Creek and Silver Springs are designed to keep a lane of traffic open during the construction.

Manager Owen stated that insurance is going to cover the re-roofing of the Town Hall.

Manager Owen stated that the Greenway Trail may be rebuilt without having to resubmit plans and new surveys. He stated that the caution the town is exercising on projects like the Greenway Trail and for the bridge in the park needs to be understood as a balance of priorities and ensuring that funding is in place.

Council Member Saunders asked Manager Owen about the work on the Greenway Trail. Manager Owen clarified the scope of work and explained that the Town has been discussing the Boardwalk area with FEMA. He stated that the potential work that Lees-McRae will do on the Mill Pond will affect what will be possible and beneficial in that location.

Manager's Update & Staff Reports

Manager Owen stated that next Thursday will be the final budget meeting and Art On The Greene will take place on the Fourth of July weekend so it will happen in conjunction with the Town's parade.

Manager Owen shared that the Planning Board met with the Harris Teeter team and discussed the proposed project.

Manager Owen handed out copies of the Food Truck ordinance because there has been a lot of interest in Food Trucks in the last 30 days. He shared that there are pros and cons for Food Trucks in Town that

include traffic pattern issues, safety, and disruption for other businesses in town. Manager Owen stated that the town does not charge a fee for a food truck to set up and North Carolina does not allow the town to charge for a business license so there is no monetary benefit to the town as some people had suggested.

Attorney Eggers stated that part of the discussion might need to be Closed Session for legal advice on food trucks.

There were no questions or discussion about the reports in the meeting packet.

Closed Session

Council Member Saunders made a motion to move into closed session for Attorney Client Privilege and Council Member Lecka seconded the motion.

Council Member Dunn made a motion to move out of closed session and Council Member Saunders seconded the motion.

Adjourn

Council Member Dunn made a motion to recess this meeting until June 17, 2026 to re-adjourn at 6 p.m. and Council Member Lecka seconded the motion. The meeting was adjourned at 7:43 pm.

Approved: _____
Board Chair

Attested: _____