BANNER ELK TOWN COUNCIL MEETING
September 14, 2026
MINUTES

The Banner Elk Town Council met on Monday, September 14, 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, 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 September 14, 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 Dunn made a motion to approve the minutes for the regular Town Council meeting on August 10, 2026 and Council Member Saunders seconded the motion. The motion passed unanimously.

Public Comments
Patricia Willinsky from Crooked Creek expressed concern about the hotel project and wanted to know why Sugar Mountain had not annexed the hotel.

Fred Schmitt resident of Banner Elk and member of the Board of Adjustment. He wanted to share information about zoning ordinances in Banner Elk. He stated that Banner Elk had established a C3 zone for the development along Highway 184. He stated that there are several projects in various stages within Banner Elk and there will be a demand for water and sewer from the town. He stated that the town needs to be as proactive as possible in the areas of types of facilities permitted and plan strategically for ongoing development. He stated that the near decisions will impact the future.

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

Woolly Worm Festival – Victoria Bowman, Avery County Chamber of Commerce
Victoria Bowman shared and updated the Council on changes and upcoming plans for the Woolly Worm Festival.

She stated that they had met with Jesse Pope and his team on Grandfather Mountain. She stated that Grandfather Mountain would be involved in the education surrounding the festival. Ms. Bowman shared that a request had been made that they would begin the education in the local schools earlier this year and that it would include how to gather worms, store, and provide for them until the festival.

Ms. Bowman stated that habitats would be provided for all of the elementary school students. She stated that gathering for the habitats would be part of the curriculum. She stated that the mascots would visit each school and be part of conducting races. Ms. Bowman stated that there would be two winners per school that will be invited to race their worms at the Festival on Sunday and have VIP experiences. She stated that Grandfather will be providing support and funding and the Key Club at Avery County High School will continue to support the festival as well with sales on the festival site. She shared that follow-up education will include how to release the worms post festival and conduct responsible conservation throughout the process.

Ms. Bowman stated that Grandfather will move over by the stage to support care of worms and all handling and doctoring.

Ms. Bowman stated that safety, queuing of food trucks, and parking are all areas that have been examined and improved. She stated that the secondary area for vendors and children's activities has slightly lower fees.

Ms. Bowman expressed their pleasure in partnering with Grandfather Mountain and that Avery County Superintendent, Jamie Johnson, had worked with her at the administrative level.

Annexation Request (*parcels 1858-0072-5187, 1858-2072-8215, and 1858-1972-1213)*

Attorney Eggers introduced the annexation request for the three parcels in their use as a hotel development site. He explained that the petition to certify the request would be addressed today and the next step would be to call a public hearing if the Council was so inclined. He introduced Gray Wilson, attorney in Forsyth county representing the owner of these parcels.

Attorney Wilson brought copies of paperwork and delivered those to Manager Owen.

Attorney Eggers reviewed that this request had been made in the past and has come back. He explained that the annexation was declined and the development that is happening now is under the rules of the Village of Sugar Mountain because that is where the property lies. He stated that it is up to the Council to approve a voluntary annexation that would include allowing construction that does not meet the ordinances for Banner Elk but did meet those of the Village of Sugar Mountain. He stated that further issues for consideration are sewer capacity, water capacity, and emergency support.

Attorney Wilson stated that this owner is seeking sewer and water rights and that he would wish to have emergency services support. He stated that they have already met with the Banner Elk engineer about the rights they are seeking.

Council Member Saunders stated that he would like the Council to receive an economic analysis if the request goes to a Public Hearing.

Attorney Eggers advised Attorney Wilson that if the town of Banner Elk decided to proceed to a Public Hearing on this request, the town of Banner Elk would need to receive a copy of the approved plans, as approved by the Village of the Sugar Mountain and a detailing of the services that the owner is seeking to secure through the town of Banner Elk.

Patricia Willinski asked what the process was for this property and the annexation petition. Attorney Eggers explained that the Council requested staff to certify the petition and bring that back this month.

He stated that the next stage is for the Council to decide if they wish to hold a public hearing next month. If they do, they would hold the Public Hearing and then decide how they want to respond to the petition.

An audience member reviewed her understanding that this process has already been conducted and that the town had turned down the petition. She asked why this is happening again. Attorney Eggers explained that a petition can be repeatedly made as long as it is after a six-month interim period between petitions.

Manager Owen explained to the public that this owner had been to the town previously but had been working through zoning compliance with the town. The owner had to approach Banner Elk first because they are closest and the Council denied the petition at the owner's request so that the owner could go to the town of Sugar Mountain. The owner recognized that his plans met the zoning ordinances of Sugar Mountain and would best match their zoning ordinances.

Attorney Eggers asked Attorney Wilson for the time frame for getting plans to Manager Owen. Attorney Wilson stated that he could provide those this week.

Council Member Saunders thanked the public for attending this evening.

An audience member expressed concern that the meetings getting pushed from one month to the next means that residents of the town who don't stay in the winter won't be present. The process for the annexation was clarified to show that the meetings had to happen over a given period.

Council Member Lecka made a motion to call for a Public Hearing on this annexation request and Council Member Dunn seconded the motion. The motion passed unanimously.

Robert Tufts spoke from the audience and explained that the public who are unable to be present can send in comments to be considered in their absence and Attorney Eggers explained that they would be distributed to Council members in advance of a hearing so that they can be read and considered.

Manager Owen provided hand outs for the Council to read and consider before this matter comes for a Public Hearing.

Resolution, Lead and Copper Service Line Replacement Project

Manager Owen explained that the town had submitted a grant to support lead and copper service line replacement and that the town had found an additional grant that would support this project. He stated that the adoption of this resolution would allow them to apply for that.

Patricia Willinski asked if the town had lead in its water and Manager Owen explained that the lines being discussed were those lines that allowed property owners to access town lines.

Council Member VonCanon made a motion to approve the Resolution for the Lead and Copper Service Line Replacement Project and Council Member Dunn seconded the motion. The motion passed unanimously.

Resolution, Utility Asset Assessment Projects

Manager Owen explained that this is a grant opportunity for assessment projects of utility assets and the resolution will allow the town to apply.

Council Member Dunn made a motion to approve the Resolution for Utility Asset Assessment Projects and Council Member Lecka seconded the motion. The motion passed unanimously.

Short Term Rental Ordinance Amendment

Manager Owen presented the background on the revised Short Term Rental Ordinance Amendment. He stated that the Planning Board had reviewed the issues surrounding this ordinance and are working through them. He asked the Council to table this item again this month.

Attorney Eggers provided more information about the work to be done to address the areas of concern in the current amendment, including identifying the best way to address the number of occupants in a short term rental. Manager Owen explained that seven advertised properties have advertised occupancies that exceed the terms in the proposed short term rental ordinance. Attorney Eggers explained that the Schroeder versus Wilmington case provides a legal precedent with which the town must comply.

Council Member Saunders made a motion to table approval of the Short Term Rental Amendment and Council Member VonCanon seconded the motion. The motion passed unanimously.

Storm Recovery Update

Manager Owen provided a handout with a list of all the current projects the town is conducting with FEMA's support. He highlighted the amount of money received for the completed projects, the projects that are still waiting for approval, and particularly noted the items highlighted in green and the significant amount of monetary expenditure that they represent. He explained that at this time he feels that they will be funded. He stated that the Crooked Creek Culvert project has been approved by FEMA and that it is currently pending state review.

Manager Owen stated that the Silver Springs Culvert project is pending EHP review. He stated that the Lecka Lane Bridge project is also pending review. He stated that Orchard Lane Culverts is pending applicant review and that the town believes that the funding will not be sufficient as currently proposed so they are working with the engineers to prompt greater funding.

Manager Owen stated that there were two projects that were bid out - culvert repair and culvert jetting and cleaning. He stated that one is almost complete and the other has been awarded but has started.

Manager Owen stated that the park bridge project and the sidewalk project are in the midst of plan development.

Fred Schmitt asked Mayor Lyerly about the work started today on the upper stretch of Puddingstone Parkway and Crooked Creek. He stated that there are a lot of catchment basins in disrepair around town and asked if they were noted for repair. Manager Owen stated that the town was aware and is approaching each area for review for development as repair projects.

Council Member Saunders asked Manager Owen if the money were to come in tomorrow, what would the town get started on. Manager Owen stated that at this point projects are being bid on and lined up for the spring.

Manager's Update & Staff Reports

Manager Owen highlighted staff reports in the packet.

Manager Owen stated that the Board of Adjustment does not have a meeting this month. He stated that the Planning Board is discussing the Short Term Rental Ordinance and the Noise Ordinance.

Public Services Director Hodges to report on the clarifier project at the treatment plan. He stated that prep and excavation has been completed and installed the sludge drain and fortified it with concrete. He stated that they are on track for a concrete pour in October. He stated that the plan would be to pull out and wait for the spring for the next phases of the project.

Chief Hodges shared that he and Manager Owen had met with the architect for the police department project and has received plans that show that all of the necessary space is available in the area behind the Historic Banner Elk School and that the building is structurally sound to be rated as a Class IV facility. Manager Owen stated that there will be information available to the public along the process and the public will be able to view most of the areas when completed. Chief Hodges projected that the whole project should be completed by the end of 2029. He stated that it could go faster. Manager Owen stated that the architect's timeline was encouraging that it might be sooner. Chief Hodges stated that the building being used is out-of-date with current building code and the architect has stated that it can be feasibly updated.

Manager Owen stated that the Board Of Elections has requested an alternate, back up, location in town should the Town Hall not be available. He stated that the Historic Banner Elk School was suggested for that purpose. The Board agreed that it would be an acceptable backup.

Closed Session
There was no closed session at this meeting.

Other Business
There was no other business at this meeting.

Adjourn
Council Member VonCanon made a motion to adjourn at 6:57 p.m. and Council Member Lecka seconded the motion. The meeting was adjourned.

Approved: _____
Mayor

Attested: _____