

**TOWN OF SEVEN DEVILS  
TOWN COUNCIL ANNUAL RETREAT  
Thursday, April 8, 2021  
10:00pm – 5:00pm**

The Seven Devils Town Council met for the Annual Retreat with the format of this meeting being dual Electronic – Go To Meeting #180025557 and In-Person at Town Hall on Thursday, April 8, 2021. Attendance In-Person included Mayor Larry Fontaine, Mayor Pro Tem Brad Lambert & Member Wayne Bonomo. Members Jeffrey Williams & Leigh Sasse attended remotely with visible video display. A quorum was met. Also, present In-Person Town Manager Debbie Powers; the minutes were recorded by Town Clerk Hillary Gropp.

**PRAYER/INVOCATION**

Mayor Fontaine gave the Invocation for the Annual Retreat.

**PLEDGE OF ALLEGIANCE**

Council members & staff recited the Pledge of Allegiance.

**CALL TO ORDER**

Mayor Fontaine called the Annual Retreat to order at 1:01pm.

Each member of Town Council stated their name & announced their presence for Roll Call.

**ADOPT AGENDA**

Member Williams made a motion to adopt the agenda; Member Bonomo seconded the motion. All members agreed.

**REVIEW COUNCIL ACHIEVEMENTS 2019 & 2020**

Town Council reviewed achievements of 2019 & 2020. Highlights included:

**2019** - New Police Chief Jonathan Harris, Purchase of Skyline Building for New Town Hall, Improved Fire Rating, Final SafetyFest, Town Audit/Tax Collection 99.36%, Town Council changes with Elections/Appointed Member, Annexation-Grandview Restaurant, New Parks & Rec Tech Jewel McKinney, Recognition of David Ehmig, outgoing Council Member.

**2020** – Guest speaker Rep. Ray Russell, Town Council Resignations/Appointed Member, COVID19 Financial Impacts/Remote Meetings, ABC Manager Retirement /New, Annexation-Clevon Woods/Clements, Food Drive-Feeding Avery Families, Mid-year Budget Review.

**COUNCIL GOALS 2021** – None discussed

**DISCUSSION ITEMS**

**Condition of Seven Devils Road**

A letter signed Mayor Fontaine, dated March 17, 2021, was mailed to NCDOT-Watauga County. Summary of the letter express concern and request a meeting with NCDOT about deteriorating culverts, possible erosion & sinkhole repair, with this scope of work being neglected, and delayed repair by the NCDOT. Lack of maintenance of Seven Devils Road presents an increased safety hazard to the citizens & tourists as the only route in/out of the Town. To date, the Town has not received a reply from NCDOT. Mayor Fontaine asked for continued follow up by staff.

**Municipal Elections 2021 – November 2, 2021**

Candidate filing begins on July 2<sup>nd</sup> until July 16<sup>th</sup>.

Town Clerk Gropp provided a review of current terms/expiration for Town Council.

Seven Devils will have 3 Town Council seats open for election and 1 special ballot to fill the final two years of unexpired term due to resignation of former Council Member Ehlinger, currently held by Member Sasse. A candidate forum will be scheduled prior to elections.

NAME	TERM EXPIRES
<b>Town Council: (top two – 4-year term; bottom two – 2-year term)</b>	
Larry Fontaine - Mayor	12/2023
Brad Lambert – Mayor Pro Tem	12/2021
<del>Tina Bailey</del> Wayne Bonomo	<del>12/2021</del> 12/2021
<del>Kay Ehlinger</del> Leigh Sasse	<del>12/2023</del> 12/2021
Jeff Williams	12/2021

**Lawsuit Costs**

The Town of Boone vs. Watauga County lawsuit concerning local sales tax distribution was dismissed in Superior Court. Town Attorney Angle has submitted an invoice for legal costs. The Town is also responsible for 8% of legal services with an attorney who represented Beech Mountain, Blowing Rock and Seven Devils collectively.

**Cottom Update**

Mayor Fontaine has been in discussion with Lenny Cottom, owner of Hawksnest about the possibility of donating a portion of his land to the Town. In exchange of the donation to the Town, dialogue has occurred about rezoning to HDR & MDR density for development of his remaining property. The property to be donated is located next to Hanging Rock Villas access road and continues to Otter Creek and is adjacent to existing Town property. It will be used for overflow parking at Otter Falls Trail, as well as parking for Peak Mountain Trail. A survey will be done, to help determine what % land the Town will gain.

The subject property has been viewed in person with Owner, Lenny Cottom and Mayor Fontaine, Public Works Director Aldridge, Town Engineer Poore, Town Manager Powers, Mayor Pro Tem Lambert, and citizen Jack Byrnes, who serves on the Board of Adjustment, Planning Board & Public Works Committee. Town Engineer Poore estimates 40 additional parking spaces can be developed on the identified area of the vacant parcel.

Mayor Fontaine stated he does not want development of the Peak Mountain Trail until extra parking can be figured for Otter Falls Trail. This is a solution to the problem.

However, Peak Mountain Trail is a goal of the Town, and future parking will be planned at the top of Skiview Road, when trail building begins. The Skiview parking will be ADA compliant, allowing for handicap access, as well as 1<sup>st</sup> Responder access. This was an agreed upon requirement in the RTP Grant process.

Future steps include: Survey, Donation, Rezoning, Tax Credits to Hawksnest/Cottom, Town meetings to include Planning Board, Public Hearings & Town Council.

**New Town Hall property & 180 Shelby Street**

**New Town Hall** - Town Engineer Poore has submitted a soil & erosion permit with NCDEMLR, in preparation of development of the additional 6.526 acreage, that is part of the New Town Hall parcel. Deadline for reply is soon, and if no response, grading can resume on the land.

**Shelby Street** - A 2.44 acres that is adjacent to the New Town Hall property and bordered by Woodwinds to the other side, is under contract for purchase by Seven Devils TDA for \$70,000. Town Attorney Angle is working on the documents for closing, and Town Manager stated she will sign the contract on behalf of the Town.

Mayor Pro Tem Lambert asked for specific details about the Shelby Street 2.44 acre parcel. "Should Town Council approve the purchase of this parcel?"

Manager Powers stated the TDA is purchasing the parcel and will donate it to the Town. Officially, the TDA is component unit of the Town, with their own Board members, but operates under the umbrella of the Town. TDA has separate funds & audit from the Town of Seven Devils, TDA can choose how to spend the funds, TDA can own property, however, TDA cannot take out a loan. Everything the TDA does, is to benefit the Town.

Mayor Fontaine explained the TDA is required to spend 2/3 on tourism related expenses and limited to 1/3 on capital improvements from Occupancy Tax.

Mayor Fontaine stated since the TDA has exceeded the expenditures on capital improvements, a possible lease agreement might be written between the Town and the TDA for the use of Old Town Hall. This will help to reverse the percentages for an audit.

Mayor Pro Tem Lambert raised concerns because as a Town Council member, he is unaware of the purchase of the Shelby Street 2.44 acre parcel and the lease agreement with TDA as it has never come before the Town Council. His additional concerns are the expenses the Town of Seven Devils will be obligated for in the future, when the initial decision of purchase originated with the TDA, but never presented to the Town Council for approval. The Town Council should be able to ask questions for some of these decisions.

Mayor Fontaine agreed that many decisions are made with the TDA or the Parks & Recreation Committee, but should filter up to the Town Council for approval. Major action on decisions by these Boards/Committee should be made known to Town Council prior to large expenses that will become the Town's obligation or long term responsibility.

Member Bonomo agreed. Member Williams agreed, and stated that as a Town Council member he does not know all the actions of the Boards/Committees. Mayor Fontaine stated that all Boards/Committees have open meetings, with their own minutes.

Mayor Fontaine was in agreement, that ultimately the Town Council is responsible for the Town and has to answer to any questions by the Local Government Commission (LGC).

Additionally, Mayor Fontaine spoke on the topic of New Town Hall land. Parks & Recreation Committee & Citizens Surveys, with TDA funding have resulted in plans to build walking paths, dog park, outdoor music venue and additional parking on the Town Hall land. Further discussion occurred among Town Council about the intended scope of work and tree clearance on the New Town Hall for a future park. Numerous citizens have expressed concern to some Town Council members about the extensive tree removal to allow for 80 parking spaces. Discussion continued as to who's responsibility, who's decision, who's authority allowed this, as well as who designed the plan for the Town Hall land. Although, many decisions have been made with different Boards/Committees and Staff, the plan design has never been presented to or approved by Town Council. Mayor Fontaine stated all work has ceased on Town Hall property until it is filtered up by the proper Board/Committee for Town Council review. Town Council should have knowledge with final approval for all major projects, purchases, expenses, and this becomes effective immediately. All Council members agreed. Mayor Fontaine will personally communicate this update with the TDA and Parks & Recreation Committee. *No motion – No Action Taken.*

**BREAK for Town Council & Staff – 5 Minutes – *Meeting not recessed.***

### **MANAGER ITEMS**

**Manager Powers gave an updates on the following:**

- Skyline Loan – Current balance owed = \$946,875
- Snowcloud Loan – Current balance owed = \$102,801
- Cash position 03/31/21 = 1,709,657 compared to 03/31/2020 = 1,176,990
- Sales Tax Recap
- Real Estate Sales – 2020=61            2019=65            2018=48            2017=42

- Revaluations in 2020 for both Avery & Watauga County
- Short Term Rentals in 7D = 82 total

**FY22 Budget Items**

**Personnel**

- Proposed 2% COLA and 2% Merit Increase
- NC Retirement 1.2% Increase for All; General Employees = 11.35% & LEO = 12.10%
- State Retirement Penalty remains until 2026 - 4.98%
- All employees, except 1 enrolled with 5% 401(K) match
- State Health Insurance Plan Increase 4% - January 2022
- Deductible Reimbursement remain the same for employee - Estimated 4
- MedCost Supplemental Insurance - Increase 4%

**CIP**

- Peak Mountain Trail - RTP Grant to be funded in FY23
- New Town Hall Park delayed to FY23
- Otter Falls Parking delayed to FY23
- New Town Hall Payments - FY22 = \$136,605
- Police Vehicle - Replace 2015 Taurus with SUV 2022 - \$40,000
- Public Works:
  - Snowplow - \$7,000
  - New Chipper - \$51,000 & sell old for appx. \$5 - \$10K
  - Insulate Maintenance Building - 3 Bay doors - \$14,000
  - Water Meters - \$12,000
  - PRV#4 - Grandfather Circle - \$38,000
- Water Department - Repair well house & Booster stations (6) - \$42,000
- Public Works - Streets - Paved/Gravel = \$90,000 - Powell Bill Funds \$30,000


**COUNCIL COMMENTS**

Member Williams thanked the staff for the efforts of today's Annual Retreat.

Member Sasse asked for an updated about the recent Clewon Woods Annexation. Manager Powers reported, to date, no permit applications have been submitted to the Town.

**RECESS**

Member Bonomo made a motion to recess until the Town Council meeting on Tuesday, April 13<sup>th</sup>; Mayor Pro Tem Lambert seconded the motion. All members agreed. The Town Council Annual Retreat recessed at 4:07pm.

  
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 Brad Lambert, Mayor Pro Tem

  
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 Hillary Gropp, Town Clerk

