

REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
JUNE 30, 1998
TUESDAY - 7:00 P.M.
TOWN HALL

The Board of Aldermen held a regular meeting on Tuesday, June 30, 1998. Members present were Mayor Henry Foy, Aldermen Gary Caldwell, Sam Wiggins and James Williamson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure and Town Attorney Michael Bonfoey. Mayor Foy called the meeting to order at 7:00 p.m. Mayor Foy announced that Alderman Kenneth Moore may be unable to attend several meetings due to his recent surgery.

Approval of Minutes of June 9, 1998

Alderman Williamson moved, seconded by Alderman Caldwell, to approve the minutes of the June 9, 1998 meeting as presented. The motion carried unanimously.

Adoption of Fiscal Year 1998-1999 Budget and Resolution Covering Service Funds

A public hearing was held on the proposed 1998-1999 fiscal year budget at the Board meeting of June 9. Since that time some additional budget work sessions have been held by the Board with some changes to the budgets for the various funds. The Board has made the necessary budget cuts and revised revenue forecasts to the General Fund to prevent a proposed increase in the property tax rate or the introduction of a residential garbage fee. Utility rates will increase by 5% for water and sewer usage by all customers inside the corporate limits and by customers on the industrial rate level located outside of the town. Other customers outside of the town will see a 10% increase in the water and sewer rates. This budget includes the new Pay Plan for town employees which will be implemented on the first full payroll period in the new fiscal year, along with a 2 1/2% cost of living increase.

Alderman Wiggins moved, seconded by Alderman Williamson, to reinstate the restrooms for the downtown area to be located in the basement of the Town Hall at an estimated cost of \$25,000. The motion carried unanimously.

Fiscal Year 1998-1999 Budget Ordinance

Alderman Williamson moved, seconded by Alderman Caldwell, to adopt the Budget Ordinance for Fiscal Year 1998-1999 Budget, totaling \$17,249,915. The motion carried unanimously. (Ord. No. 16-98)

Resolution on Financial Operating Plan for Two Internal Service Funds

A resolution is needed to establish the operation of the Public Works and Garage Operations. These operations are funded by transfers from the other funds.

Alderman Caldwell moved, seconded by Alderman Williamson, to adopt a resolution to establish the operation of the Garage and Public Works Building. The motion carried unanimously. (Res. No. 10-98)

Annexation Request for Lots 17-36 - Whispering Woods at Sanctuary Cove - Emil Massaro

A request for annexation has been received from Mr. Emil Massaro for Lots 17 - 36 in Whispering Woods at Sanctuary Cove. In 1997, Mr. Massaro began development of Lots 1 through 14 and had those annexed into the Town. A request for annexation of this property is necessary before final plat approval for Lots 17 - 36 can be given.

Alderman Williamson moved, seconded by Alderman Caldwell, to instruct the Town Clerk to investigate the sufficiency of the petition. The motion carried unanimously. (Res. No. 11-98)

Final Plat Approval - Lots 17 - 36 - Whispering Woods at Sanctuary Cove - Emil Massaro

The final plat of Lots 17 - 36 of Whispering Woods at Sanctuary Cove has been reviewed and found to be substantially in compliance with the Town's regulations for development. Town Staff has recommended that the final plat be approved with the following conditions:

- A surety bond be required in the amount of 125% of the estimated cost of the water, sewer, road and storm drainage improvements.
- A surety bond agreement must be submitted to the Board regarding the aforementioned improvements.
- A petition for annexation of the property into the Town be submitted to the Board.

Attorney Jack Kersten attended the meeting and said that the surety bond can be posted as soon as all the bids are in.

Alderman Wiggins moved, seconded by Alderman Williamson, to approve the final plat for lots 17 - 36 for Whispering Woods at Sanctuary Cove for Emil Massaro, contingent upon compliance with the conditions recommended by Town Staff. The motion carried unanimously.

Resolution Concerning Lake Logan

Mr. Wendell Lovingood of the staff of the Region A Southwestern Commission, has submitted a resolution for the consideration of the Mayor and Board of Aldermen, pertaining to the plans of Champion International to sell the approximately 5,000 acre tract known as the Lake Logan Property. The resolution petitions Champion International that if the corporation divests itself of the Lake Logan Tract(s), that it go into public ownership with the necessary safe guards being put into place as to ensure its environmental integrity for the enjoyment of future generations.

Alderman Williamson moved, seconded by Alderman Caldwell, to adopt the resolution. The motion carried unanimously. (Res. No. 12-98)

Consideration of Ordinances Delegating Authority to Purchase and Sell Apparatus, Supplies, Materials or Equipment for the Town.

Town Manager Galloway said that in the 1997 Session of the General Assembly, new regulations were adopted pertaining to purchasing by local governments. The new law allows the local governing board to adopt a local ordinance regulating purchases and the sale of apparatus, supplies, materials and equipment, including the delegation of that responsibility to the appropriate town staff member. As a result of these new state laws, Town Attorney Mike Bonfoey has prepared two ordinances, and presented them to the Board of Aldermen, which will implement these new state laws into the operations at the Town's level.

Alderman Caldwell moved, seconded by Alderman Williamson, to adopt an ordinance delegating authority to purchase apparatus, supplies, materials or equipment. The motion carried unanimously. (Ord. No. 17-98)

Alderman Williamson moved, seconded by Alderman Wiggins, to adopt an ordinance prescribing procedures for disposing of personal property valued at less than \$5,000. The motion carried unanimously. (Ord. No. 18-98)

Public Service Company of North Carolina - Request for an Easement for Gas Line Construction at Hazelwood Branch Office

Town Manager Galloway said that a representative of Public Service Company of North Carolina has approached the Town seeking an easement for the location and installation of a gas regulator at the Hazelwood Branch Office at the corner of Brown Avenue and Georgia Avenue. The easement would be 5 feet in width for the placement of the gas line. The company is also requesting one 20' x 20' section for the location of a gas regulator. This easement is not believed to be in conflict with any intended use of the property by the Town. Town Manager Galloway said that it is recommended that the easement be approved and that Town Attorney Bonfoey and Town Staff work out the easement with representatives of Public Service Company.

Alderman Wiggins moved, seconded by Alderman Williamson, to grant the easement as requested to Public Service Company of North Carolina, with the condition that the Town Attorney finds that it meets all legalities. The motion carried unanimously.

Cherokee Street Storm Drainage

Ms. Glenda Phillips, a resident of Chestnut Park Drive, attended the meeting to speak regarding storm drainage problems occurring on her property. These problems have occurred due to work that was performed on a lot on Cherokee Street which has been filled and upon which a mobile home has been placed. Town Manager Galloway said that in an effort to prevent damages to Ms. Phillips property, Robert Hyatt, Assistant Director of Public Works, has spoken to Ms. Phillips and offered to install a storm drainage pipe between Cherokee Street and Chestnut Park Drive to keep the storm water off of her property. However, in order to complete this work, an easement is needed from Ms. Phillips to cross her property with the drainage pipe. The maintenance of the pipe would then be the

responsibility of the Town, or, the Town can install the pipe without an easement and it would then be the responsibility of Ms. Phillips to maintain the pipe. Ms. Phillips said that she would need to decide which option to choose and that she would be back in touch with the Town to advise of her decision. No action was taken.

Thermal Products Request Regarding Bond Issue by WNC Finance Authority

Mayor Foy said that the Board has been to Raleigh and has spoken with Mr. Robert High with the North Carolina Local Government Commission (LGC) regarding the request of the WNC Finance Authority for endorsement of the \$10,000,000 bond issue on behalf of Thermal Products. Town Attorney Michael Bonfoey has also written a letter to the Local Government Commission and has received a response regarding that letter. Mayor Foy said that the LGC is knowledgeable about industrial bonds and that it was the decision of the Board of Aldermen to follow the advice of the LGC. Therefore, a letter was written to Thermal Products requesting that Thermal Products go back to the Haywood County Industrial Board through the Haywood County Economic Development Commission, since they were set up to deal with this type of matters, and begin the process where it had been left off by Thermal Products. Mayor Foy said that the Board did not feel that the Town should be involved in the endorsement of the \$10,000,000 bond issue when other processes are available.

Attorney Steve Lusk, representing Thermal Products, said that the letter to Thermal Products was dated today and that he has not had an opportunity to review the letter in order to respond to it. Attorney Lusk said that Federal Law authorizes municipalities such as the Town of Waynesville to endorse bonds. Attorney Lusk stated that it was important to get jobs into this area and that several thousand people attended a rally on the previous Saturday to support Thermal Products.

Alderman Williamson told Attorney Lusk that he should contact the Local Government Commission, answer the necessary questions which they have asked and get the operations of Thermal Products underway. Alderman Williamson said that the Town is willing to help in any way possible, however, Thermal Products should first get the necessary approval.

Mr. Richard Heagy, Senior Vice-President of Transcon Financial Group, thanked the Board for their help, adding that the Town has treated him with the upmost courtesy. Mr. Heagy said that he would do everything that he could to keep this process going and that he would do his best to comply with the requirements of the letter.

Several people were present at the meeting requesting that the Board of Aldermen endorse the bonds for Thermal Products in order to create jobs for the people in this area. One individual asked if Dayco left because the Town did not want to get natural gas to this area. Town Manager Galloway said that in 1994 the Board was willing to incur six million dollars in debt to get natural gas to this area. Alderman Williamson added that this was not the reason that Dayco left, that the Board of Aldermen has always supported natural gas. Alderman Wiggins added that Dayco was shut down on a corporate level and that competition created the situation at Mark IV.

Alderman Wiggins said that Thermal Product's procedure for bond endorsement was sought more

than one year ago. During that time Haywood County approved a bond authority for that purpose. The State asked Thermal Products a lot of questions, and as far as he knew Thermal Products has not answered any of those questions. Alderman Wiggins said that a letter was on record from Janice Burke with the State outlining what was needed regarding the approval of the bond issue, and it was the recommendation of the Board of Aldermen that Thermal Products go back to the process which was first begun so that the State can act on the bonds.

Attorney Lusk said that Thermal Products was not asking the Town for any money. Attorney Lusk said that things broke down in Raleigh when they started making demands of Thermal Products, and that the demand for a Letter of Credit would have been cost prohibitive for Thermal Products, by costing them one million dollars.

Alderman Wiggins said that he had a hard time understanding why some of the information which was asked for was never provided by Thermal Products, Transcon and a parent company. Alderman Wiggins said that he had a hard time understanding why a company with so many orders on hand did not provide the necessary information to Raleigh as requested. Alderman Wiggins said that Thermal Products should continue this process through Raleigh and that Raleigh would begin where the process was left off.

Richard Heagy said that the reason Thermal Products approached the Town with this request is because they thought that the process through the Town of Waynesville would be an easier, less expensive way to approach the bond issue.

Ordinance to Demolish Property - 206 Howell Street

Several complaints have been received over the past several months about the condition of a structure located at 206 Howell Street. The house has been vacant for some time and is in a deteriorated state. Code Enforcement Officer Jack Morgan has followed the required procedures concerning notification and hearings, and receipt of notices were acknowledged by the Heirs of this property. An Ordinance can be adopted directing the Building Inspector to post the property as unfit for habitation and to proceed with the removal/demolition of this property. All costs related to this process and the demolition will be attached as a lien against the property and may be collected in the same manner as unpaid taxes.

Alderman Caldwell moved, seconded by Alderman Wiggins, to adopt an ordinance directing the Building Inspector to proceed with the removal/demolition of the property located at 206 Howell Street. The motion carried unanimously. (Ord. No. 19-98)

Minor Subdivision - Ron & Troy Muse - Lots 701-705 - Eagles Nest Road

Attorney Jack Kersten said that Troy and Ron Muse are creating a five (5) lot subdivision along the south side of fairway #2 at Laurel Ridge Golf Course. The subdivision plat meets or exceeds Town standards and Town Staff recommends the approval with the following conditions:

- 1) Need a state permit for the proposed 6" sewer line;

- 2) Revise plat to show an adequate storm drainage system;
- 3) Provide a “T” or “Y” cul-de-sac between Lots 702 and 703 for turn around space for service vehicles;
- 4) Provide adequate surety bond for street system, storm drainage system and sewer system;
- 5) Provide surety bond agreement for the aforementioned improvements.

Alderman Williamson moved, seconded by Alderman Wiggins, to approve the minor subdivision for lots 701-705 located at 705 Eagle Nest Road for Ron and Troy Muse, subject to the recommended conditions. The motion carried unanimously.

Closed Session - Legal Matter

Alderman Williamson moved, seconded by Alderman Caldwell, to adjourn to closed session at 8:39 p.m.

Alderman Williamson moved, seconded by Alderman Caldwell, to return to regular session at 9:15 p.m. Both motions carried unanimously.

Adjournment

With no further business, Alderman Williamson moved, seconded by Alderman Wiggins, to adjourn the meeting at 9:16 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Henry B. Foy
Mayor