

REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
JUNE 10, 2003
TUESDAY - 7:00 P.M.
TOWN HALL

The Board of Aldermen held a regular meeting on Tuesday, June 10, 2003. Members present were Mayor Henry Foy, Aldermen Gavin Brown, Gary Caldwell and Libba Feichter. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Interim Town Attorney Woodrow Griffin, Finance Director Eddie Caldwell and Planner Andrew Powell. Mayor Foy called the meeting to order at 7:00 p.m.

Approval of Minutes of May 19 and May 27, 2003

Alderman Caldwell moved, seconded by Alderman Moore, to approve the minutes of the May 19 and May 27, 2003 meetings as presented. The motion carried unanimously.

Public Hearing - Annual Budget for 2003-2004

State Law requires that a public hearing be held each year on the proposed annual budget. After the preliminary budget was presented to the Board of Aldermen, an advertisement appeared in the newspaper giving notice of the public hearing, giving citizens an opportunity to express their opinions on the proposed financial plan.

Attorney Griffin opened the public hearing. No one spoke; Attorney Griffin closed the public hearing.

Alderman Brown reported that Haywood County is looking at the Economic Development functions and would like for more participation by the Towns, which may include contributions. He advised the Board that this is something they may want to consider and he was bringing this to their attention as a matter of information. The goal of the Economic Development Commission is to bring more and better jobs to Haywood County. A work session will be conducted by Haywood County at 8:30 a.m. on June 11, 2003.

Manager Galloway presented an overview of the proposed budget including the following issues:

During the past two years, the Town has been dealing with the outfall of the economic problems encountered by the State. That outfall included the Governor taking \$320,000 of money designated for the Town. To replace those funds on a permanent basis, the General Assembly passed an additional half-cent sales tax, and in the upcoming budget, the Town has a full year's income from this source. This has made budgeting much easier for the 2003-2004 fiscal year than it was last year.

A 2% - 3% growth rate in property valuations is usually projected in preparing the budget, an increase of between \$10 and \$20 million dollars in values and \$40,000 to \$85,000 in revenues. In 2002-2003, the County erred in assessing property values in Waynesville, granting extra value to homes and water wells and septic tanks when those homes were on public water and sewer. When this error is corrected, Waynesville will lose approximately \$10,500,000 in values, which is equal to 1.5% of the total values or \$47,000.

In 2003-2004, the Town will begin making payments to the County on a share of the parking deck cost. The decision was made to assist with this as a means of keeping the courthouse in downtown. \$227,000 is set aside for this purpose.

It is recommended that the budget include \$175,000 for sidewalks. In addition, the construction of the greenway from the recreation park to Lake Junaluska will begin in September. This will tie in with sidewalks to be constructed on the Asheville Road which will lead back toward town and to the High Tech Center.

Capital outlay expenditures were cut back considerably last spring. This year, funds are included in the budget to assure that the Town's personnel are supplied with good equipment to do their work.

It is proposed that all full time employees receive a 2% pay increase effective January 1, 2004. In addition, it is recommended that all non-law enforcement personnel begin receiving a contribution of 3% to a 401(k) retirement account beginning January 1, 2004. In 1985, the General Assembly passed legislation mandating that all municipal and county governments provide a 5% contribution to a 401(k) individual retirement account for each sworn law enforcement officer. In an effort toward equal treatment, a number of towns and counties began providing a 401(k) contribution to other employees as well as the sworn law enforcement officers. Waynesville was never in a position to do this. On January 1, 2005, an additional 2% might be contributed to the 401(k) accounts, with all of the Town's employees then receiving the 5% contribution.

Significant appropriations in the utilities are being made to upgrade the infrastructure in the water, sewer and electric system. It is proposed that a 5% increase in water and sewer rates effective January 1, 2004 be included. Expenditures for improvements to the electric system to replace a number of deteriorated poles and beginning the plans for a second point of service are also included.

The tax rate is proposed to remain at the present 43 cents per \$100, and the fee will remain at \$3.00 for garbage collection.

It was also noted that even with these increases in charges, it is still necessary to use \$1,376,990 from reserves in order to balance the proposed budget as follows: General Fund \$495,640, Water Fund \$183,000, Electric Fund \$385,130, Powell Bill \$141,200 and Sewer Fund \$172,020.

It is recommended that \$297,000 be frozen in the 2003-2004 fiscal year with the uncertainties about the economic situation of the State.

No action was taken regarding the budget. This will be placed on the agenda of the June 24, 2003

Board Meeting.

Public Hearings - Planning and Zoning Related Items

On April 22, 2003, the new Land Development Standards were adopted and went into effect. During those hearings and in the weeks that followed some problems were discovered that were in need of correction. Also there were have been property owners who have specific uses planned for property but now find that the new Land Development Standards prohibit or limit their plans.

Amendment to Sect. 154.129(C) Permitted Uses in the Raccoon Creek Neighborhood District

Dr. Landon McGary, a dentist, wishes to relocate his practice from Sylva to a site at the former Seay Motor Court on the Asheville Road. The Raccoon Creek Neighborhood District does not permit dental offices. Dr. McGary is requesting an amendment to the regulations on this district to allow "Business, Professional and Personal Services" everywhere within this district.

Although the Planning Board declined to recommend the amendment to this section, Dr. McGary, along with the owners of the land, Betty Jo Crocker and Ms. Buchanan, have the right to request a public hearing before the Mayor and Board of Aldermen and have done so. The property involves a 4.787 acre tract which Dr. McGary wishes to purchase from Ms. Crocker and Ms. Buchanan.

Attorney Griffin opened the public hearing. The following persons spoke:

Dr. Landon McGary, 940 Haynes Cove in Clyde, said he has been working in Sylva and is interested in purchasing the property on the Asheville Road so that he can be working closer to home. There are several dilapidated buildings on the property and he plans to renovate one and tear the others down which would be an improvement to the property. Dr. McGary said he has spoken to other Dentists who have told him there was a shortage of Dentists and felt that good health care attracts people to the area. Dr. McGary said he could build on the back 2/3 of the property but not the front 1/3. (This is because the back 2/3 is located outside Waynesville's jurisdiction) He pointed out that this property functioned in a commercial fashion before.

Ms. Braxton Buchanan, a resident of Huntersville and one of the owners of the property, said she would like to have this property zoned the same as the Industrial Park because the entire area is businesses. She said this property has been used commercially for over 50 years.

Attorney Griffin closed the public hearing.

Alderman Moore said he did not feel that the Board should vote against the Planning Board's recommendation. Mayor Foy said the Land Use Planning Committee has worked for the past two and one half years on this plan and the Board has adopted the plan. It is felt that the regulations for this area are good and will benefit everyone and should remain as they were adopted.

Alderman Brown moved, seconded by Alderman Caldwell, to deny the proposed amendment and uphold the recommendation made by the Planning Board. The motion carried unanimously.

Amendment to Section 154.233(C) - Inns in Residential Districts

The Planning Board recommended that the following section be amended. After discussion the following amendment was proposed:

Section 154.233(C): Each inn in a residential district shall be on a lot which is no less than five (5) acres in size. The size limit is waived if the building/buildings are on the National Register of Historic Buildings; or on the Local Landmark Listing of Historic Properties; or the building is at least 60 years of age or older.

Attorney Griffin opened the public hearing. No one spoke; Attorney Griffin closed the public hearing.

Alderman Brown moved, seconded by Alderman Moore, to adopt an ordinance amending Section 154.233(C) - Inns in Residential Districts as proposed. The motion carried unanimously. (Ord. No. 12-03)

Amendment to Add Section 154.131 and 154.030(C) - Plott Creek Neighborhood District

After the various districts were approved, the Land Standards Review Committee and then the Planning Board realized that there was a need for another district, separating the Eagles Nest District and the Hyatt Creek District. As a result, it was recommended that the Plott Creek Neighborhood District be added. Regulations showing the standards and permitted uses would need to be adopted.

Attorney Griffin opened the public hearing. No one spoke; Attorney Griffin closed the public hearing.

Alderman Brown pointed out that the minimum square footage for lots is 7,000 which seems small. Planner Andrew Powell said in the development of this district the area around the Hazelwood School was considered and this type of development should be able to support the school and fits well into what the Board is considering.

Once the Plott Creek Neighborhood District has been added, a change is needed to add the "Plott Creek Neighborhood District" to the list of 28 districts currently recognized in the Land Development Standards.

Alderman Caldwell moved, seconded by Alderman Feichter, to amend Sections 154.131 and 154.030(C) to add the Plott Creek Neighborhood District as recommended. The motion carried unanimously. (Ord. No. 13-03)

Rezoning Portions of Plott Creek Area From the Eagles Nest Rural District to the Plott Creek Neighborhood District

Some areas in the Eagles Nest Rural District have been recommended by the Planning Board to be

removed from that district and rezoned to be in the Plott Creek Neighborhood District. Those areas are identified as follows:

Parcel Identification Numbers:

8605-61-1729 8605-61-0714 8605-51-9637 8605-51-8640 8605-51-9843 8605-51-9943
8605-52-9032 8605-52-9133 8605-62-0054 8605-62-0148 8605-52-9214 8605-51-8714
8605-51-6799 8605-51-6991 8605-52-6083 8605-52-6183 8605-52-7205 8605-52-8765
8605-53-8017 8605-53-7352 8605-53-6326 8605-51-7541 8605-52-2566 8605-53-1102
8605-51-3288 8605-40-6411 8605-42-6106 8605-43-7406 8605-53-1102 8605-42-0093

Attorney Griffin opened the public hearing. No one spoke; Attorney Griffin closed the public hearing.

Alderman Brown moved, seconded by Alderman Moore, to rezone portion of the Plott Creek area from the Eagles Nest Rural District to the Plott Creek Neighborhood District. The motion carried unanimously. (Ord. No. 14-03)

Rezoning Portion of Hyatt Creek Road Area From the Eagles Nest Rural District to Hyatt Creek Area Center

The Planning Board has recommended that some properties be removed from the Eagles Nest Rural District and rezoned to be in the Hyatt Creek Area Center. Those areas are identified as follows:

Parcel Identification Numbers:

8604-48-3549	8604-37-9819	8604-48-7954	8604-59-1143	8604-59-3433
8605-50-3008	8604-47-8645	8604-57-2919	8605-40-6411	8605-50-4714
8605-50-7772	8604-69-1610	8604-58-2933		

Attorney Griffin opened the public hearing. No one spoke; Attorney Griffin closed the public hearing.

Alderman Feichter moved, seconded by Alderman Moore, to rezone the properties from the Eagles Nest Rural District to be in the Hyatt Creek Area Center as recommended. The motion carried unanimously. (Ord. No. 15-03)

Alderman Brown moved, seconded by Alderman Moore, to amend the motion to also amend the zoning map to show that the Hyatt Creek Area Center is shown to be a high density area in the Land Use Plan. The motion carried unanimously.

Town Clerk's Report Regarding Annexation - 38 Hall Top Road - 5.5 Acres - Plemmons/Joseph

Town Clerk Phyllis McClure has investigated the sufficiency of the petition for annexation of a 5.5 acre tract of land at 38 Hall Top Road by Doyle and Susie Plemmons and Winton and Jo Ann

Joseph. She has submitted a certificate of sufficiency that the petition meets the requirements of the State.

Alderman Caldwell moved, seconded by Alderman Moore, to adopt a resolution scheduling the date of a public hearing for Tuesday, June 24, 2003. The motion carried unanimously. (Res. No. 9-03)

Haywood County Solid Waste Management

Under State Law, each local government in the State must have a Solid Waste Management Plan. If a municipality wishes, it may be included within a County Plan. This plan must be reviewed and revised every three years. Public Works Director Fred Baker has been working with Haywood County personnel in the development of this plan and in the revisions which have been made to the plan.

Manager Galloway added that there have been some problems with the recycling program in its present condition. With changes in the economy, the markets available for recycled goods have declined and in some cases, disappeared all together. Much of the newspaper turned in for recycling is in a "contaminated" state, and must be buried at the landfill. Haywood County has made some suggestions that the blue bag program will have to be reconsidered and revised. This will be discussed further later in the year.

Alderman Moore moved, seconded by Alderman Feichter, to adopt a resolution endorsing the Haywood County Solid Waste Management Plan. The motion carried unanimously. (Res. No. 10-03)

Amendment No. 2 to the 2002-2003 Budget Ordinance

Manager Galloway said at the conclusion of each fiscal year, there are budget amendments to cover accounts which have been overspent or underspent at the end of the fiscal year. Finance Director Eddie Caldwell explained the amendment and reported that the Town is in good financial shape. On 5-31-03 the cash reserves for the Town were 7.6 million. On 05-31-02 the cash reserves were 7.5 million and on 05-31-01 they were 7.7 million. Manager Galloway added that the cash reserves have remained at a good level even with the \$650,000 contributed for the purchase of the Dayco property, and the \$320,000 kept by the State. The cash reserve is still \$82,000 ahead of this time last year. Manager Galloway said this shows good stewardship and management by Finance Director Eddie Caldwell and the Town's Department Heads. Mayor Foy said the Board appreciates all the work and efforts of the Town Manager, Finance Director Eddie Caldwell and all the Town's Department Heads.

Alderman Moore moved, seconded by Alderman Caldwell, to adopt an ordinance amending the 2002-2003 Budget Ordinance. The motion carried unanimously. (Ord. No. 16-03)

Release of Frozen Funds

Manager Galloway said as the Town entered the 2002-2003 fiscal year, a decision was made to

freeze approximately \$510,000 in expenditures. This was done to protect the Town from any further “taking” of funds by the State in an attempt to deal with their budget problems. On two occasions during the fiscal year, after receiving distributions from the State, certain expenditures were unfrozen by the Board.

It is now requested that \$94,175 of the \$175,775 still frozen be released. Manager Galloway said he did not know the precise amount of the bills for concrete work in Hazelwood and Frog Level, but feels that it will be around \$35,000 to \$40,000. By releasing the entire amount the Town will be covered in case those estimates are off. Whatever is left will go into the General Fund reserves and can be appropriated in the future.

A list of items to be unfrozen was presented and recommended for approval.

Alderman Brown moved, seconded by Alderman Moore, to release \$94,175 as recommended. The motion carried unanimously.

Alderman Feichter added that the procedure used to freeze funds has been a remarkably efficient way to handle this and commended the Town Manager and Finance Director. Finance Director Caldwell said this was Town Manager Galloway’s idea. Manager Galloway said it is recommended that the Board go into next year’s budget with \$300,000 frozen.

Appointment to Historic Preservation Commission

There are some vacancies on the Historic Preservation Commission, and one requirement is that members have an interest or some significant experience in this particular field. One name that has been recommended to fill one of the vacancies is Ms. Laura Soltis. Ms. Soltis meets the needs of the Commission and has agreed to serve. It is recommended that Ms. Soltis be appointed to a four-year term on the Historic Preservation Commission, and that term expires January 1, 2007.

Alderman Feichter moved, seconded by Alderman Caldwell, to appoint Ms. Laura Soltis to serve a four-year term to expire January 1, 2007 on the Historic Preservation Commission. The motion carried unanimously.

Increase Planning Board Membership/Appoint Planning Board Member

Members of the Planning Board have discussed the present number of members, noting that with eight members, it is possible to have a tie vote. The Board has recommended that the Town Board consider amending the regulations to increase the membership to nine members.

Alderman Brown moved, seconded by Alderman Feichter, to amend Section 154.051(B) to increase the membership of the Planning Board to nine (9) members as recommended by the Planning Board. The motion carried unanimously. (Ord. No. 17-03)

Alderman Caldwell moved, seconded by Alderman Moore, to appoint Warren Gresham to serve as the ninth Planning Board Member. Mr. Gresham’s three year term will expire May 31, 2006. The

motion carried unanimously.

September Board Meetings

The regular Town Board meetings scheduled for the month of September are on September 9 and 23. Town Manager Galloway said in looking at his schedule there are conflicts with both of those meeting dates. Following his wedding on August 30, tentative plans have been made to be out of town from August 31 until September 11. In addition, the International City and County Managers' Conference will be held on September 20 to 24th in Charlotte, North Carolina. Manager Galloway asked that the Board consider combining those two meetings into one and that meeting be scheduled for Tuesday, September 16, 2003.

Alderman Moore moved, seconded by Alderman Brown, to cancel the regular meetings scheduled for September 9 and September 23 and schedule one special meeting for Tuesday, September 16, 2003. The motion carried unanimously.

Haywood County Justice Center Parking Garage Financing

Manager Galloway reported that Haywood County has agreed to a 15-year level payment schedule for the Town for the Haywood County Justice Center Parking Garage Financing. No action was necessary.

Refinancing of the Town's Recreation Center

Manager Galloway said the Town has received a 3.99% interest rate with Clyde Savings for the refinancing of the Town's Recreation Center. This will save more than \$450,000 in interest charges over the period of the loan which was originally at a rate of 5.1%. No action was necessary.

Adjournment

With no further business, Alderman Caldwell moved, seconded by Alderman Brown, to adjourn the meeting at 8:07 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Henry B. Foy
Mayor