

REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
FEBRUARY 22, 2005
TUESDAY - 7:00 P.M.
TOWN HALL

The Board of Aldermen held its regular meeting on Tuesday, February 22, 2005. Members present were Mayor Henry Foy, Aldermen Gavin Brown, Gary Caldwell, Libba Feichter and Kenneth Moore. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Finance Officer Eddie Caldwell and Town Attorney Woodrow Griffin. Mayor Foy called the meeting to order at 7:00 p.m.

Approval of Minutes of February 8, 2005

Alderman Brown moved, seconded by Alderman Caldwell, to approve the minutes of the February 8, 2005 meeting as presented. The motion carried unanimously.

Voluntary Petition for Annexation 2180 Dellwood Road Queen's Farm

At the Board meeting of February 8, 2005, a petition for voluntary annexation was received from Mrs. Lois Queen for the Queen's Farm. Ms. Queen did not want to annex the property but was merely submitting the petition to comply with the Town's Sewer Use Ordinance. That ordinance mandates that whenever an application is submitted for sewer service to a property located outside of the corporate limits, it must be accompanied by a petition for annexation.

At the meeting of February 8, it was noted that the portion of the property which would receive sewer service was only a small portion of the 133 acres being petitioned for annexation. It was suggested that Mrs. Queen might reduce the size of the property to be annexed rather than include property that was not developed at this time.

Alderman Brown and Town Attorney Woody Griffin both discussed the matter with Mr. Frank Queen, the son of Mrs. Queen, and also an attorney. No additional information was available at the meeting.

Alderman Brown moved, seconded by Alderman Feichter, to instruct Town Clerk Phyllis McClure to investigate the sufficiency of the petition. The motion carried unanimously. (Res. No. 1-05)

Historic Preservation Commission Appointments to Fill Vacancies

At the meeting of February 8, 2005, the Board received the applications for their review of five individuals who have expressed an interest in serving on the Historic Preservation Commission.

There are currently two vacancies on this Commission, the seats held by Mr. Bob Breese, who chose not to seek reappointment, and Mr. Earl Lanning, who resigned his post. The individual

selected to the slot held by Mr. Breese would be appointed for a full four year term which would expire on January 31, 2009. The individual selected for the post held by Mr. Lanning would be appointed to complete that term and serve through January 31, 2006.

Alderman Feichter said she was genuinely proud of the people who have volunteered to serve on the Town's commissions, adding that all those who applied would be a credit to the Historic Preservation Commission as well as to other commissions. Alderman Brown said he agreed with Alderman Feichter's comments and he was pleased to see that such qualified people apply for these positions.

Alderman Feichter moved, seconded by Alderman Brown, to appoint John Binford to fill the vacancy left by Bob Breese. This four year term will expire January 31, 2009 and to appoint Peter Sterling to fill the unexpired term of Earl Lanning. The remainder of this four year term expires January 31, 2006. The motion carried unanimously.

Presentation From Cemetery Committee Columbarium Units for Green Hill Cemetery

Several years ago, an interest was shown in having columbarium units located at the Green Hill Cemetery for the placement of cremation urns. It was learned that cremation is becoming a more popular alternative to a traditional funeral, with both local funeral homes reporting that cremations represent almost 30% of their funerals.

The Board named several people to serve on a committee to investigate the columbarium units. Representatives included Ted Ramsay, Don Eudy, Ken Bailey, Wells Greeley of Wells Funeral Home, Johnny Phillips of Garrett-Hillcrest Funeral Home and the Town Manager. Since appointment, the Committee has met a number of times, and there has been considerable research on the rules and regulations regarding columbarium units. The Committee also made two trips to Elberton, Georgia, the Granite Capitol of the World, to look at different columbarium units and gather information about the options available to the Town. These gentlemen have served with dedication and given a considerable amount of their time to this endeavor. Ted Ramsey and Wells Greeley attended the Board Meeting.

During the current fiscal year, the firm of John Broadbooks and Associates was hired to design an area for the placement of cremated remains. In addition to the columbarium units, the firm included an area at Green Hill Cemetery for underground vaults in which cremation urns could be placed. The area which has been chosen is that portion of land between Golden Drive and the rock wall on the east side of the newer Veterans Section. Mr. Daniel Hyatt of the John Broadbooks firm presented the design. This was presented to the Committee in October, 2004, and has met with its approval.

Mr. Hyatt said there were four elements of this design. 1) Above grade free standing columbarium units; 2) below grade vault type; 3) paved accessible area and 4) scattering garden. The scattering garden has been replaced with a seating area with landscaping. There is a paved walking area into a 15' circular area with a stone pedestal or podium. The below grade internments allow for 320 spaces. A ring of large maturing trees is proposed and small perennials

with three benches are proposed for the seating area. The entire project allows the possibility of 1,896 internments. This same area would allow for 120 traditional spaces.

Manager Galloway said the Veterans Section is approaching ½ full capacity and at some point the Town will need to consider expanding this section. The columbarium design could be extended to Shelton Street.

Wells Greeley said the Town may want to look long term in considering how much space is dedicated to the Veterans Section as well as other burials for families choosing cremations.

Manager Galloway presented a short video on the columbarium units offered by Everlasting Granite Company of Elberton, Georgia. A picture of the units being proposed for purchase for the Green Hill Cemetery was included in the Board's agenda package. Each unit is seven feet long, five feet high and three feet wide and weights approximately 5,500 pounds. There are 24 burial "niches" on each side of the columbarium unit, giving a total of 48 niches per unit. After considerable debate, it was the majority opinion of the Committee that the Town permit a maximum of two urns per niche and that the lettering on the door of the niches be sandblasted as opposed to the attachment of a bronze plaque. The Committee recommended to the Board that four columbarium units be purchased initially at a cost of \$6,480 per unit. The Town is receiving a 10% discount by purchasing four units at one time. A niche would sell for \$700, and the Town would have a fee which would cover the opening and closing of the niche and this fee would include the sandblasting of the date of death and the preparation for the last rites at the cemetery.

Wells Greeley said the sandblasting would include name, date of birth and date of death. When sandblasted into the black granite, the engraving would be a grey color.

Manager Galloway said the Committee will continue to work on the rules and regulations for the columbarium units over the next few months, to be finalized prior to the opening of the columbarium area, and these rules will be returned to the Town Board for approval during the spring.

Alderman Brown moved, seconded by Alderman Caldwell, to authorize Manager Galloway to proceed with Phase I and authorize Brookbooks to bid out the work for Phase I. The motion carried unanimously.

The Board expressed thanks to each member who has served on the Cemetery Committee.

Request of Frog Level Association to Close Commerce Street on May 6 and 7, 2005 for the "Whole Bloomin' Thing Festival"

A letter was received from Ms. Carol James, President, Frog Level Merchants' Association, in which she requests that Commerce Street be closed for the "Whole Bloomin' Thing Festival". The section involved would be between the intersection with Depot Street and the Panacea Coffee House. This would allow Giles Chemical to access their facilities as needed.

The festival will run from 9:00 a.m. until 3:00 p.m. on Saturday, May 7. Ms. James has requested that the street be closed at 9:00 p.m. on Friday, May 6, in order to set up the vendor booths, and that the street remain closed until 4:00 p.m. on Saturday, May 7.

This event was very well attended in May, 2004, and there were a good number of vendors on hand. Ms. James is concerned that there will be so many vendors on hand this year that they will not be able to accommodate them between Depot Street and the Panacea Coffee House. If that occurs, she has asked that the Town consider closing other nearby streets for the festival. Town Staff would be happy to work with Ms. James in that regard if the Board sees fit to grant the authority to close Commerce Street.

Alderman Feichter moved, seconded by Alderman Brown to approve the closing of Commerce Street on May 6 and 7, 2005 as requested by Ms. James. The motion carried unanimously.

Report on Fuel Adjustment Charges to Town by Progress Energy

In the Manager's Report of January 4, 2005, Manager Galloway reported that the Town is beginning to feel the impact of the higher costs of fuels for Progress Energy for their production of electricity. Last spring, in the budget document, it was mentioned that the price of natural gas had risen from \$1.80 to \$6.00 per decotherm (333% increase) and that the price of coal had risen from \$28 to \$52 per ton.

As noted last spring, when Progress Energy experiences higher costs for coal and natural gas, the costs are passed along to the customers. Progress Energy has raised their fuel adjustment charges for residential and commercial customers, and the Town has not escaped these increases. Manager Galloway also noted last spring that the Town may need to consider adding a fuel adjustment clause to its utility bills to help recover some of those costs which are assessed for higher fuel expenditures. He pointed out that if the Town's revenues erode, the Board may be forced to pass higher fuel costs on to its own electric customers. The Town has not had an increase in electric rates since 1988, and in fact, the rates have been reduced for business customers three times in that period; nevertheless, the Town seems to be at a point where rates must rise to recover these higher fuel costs.

In the past few years, the Town has absorbed these increases, but it now at the point where it is having a real impact and the Town is actually seeing the fund balance drop dramatically. Toward the end of 2004, Finance Director Eddie Caldwell began to express concern about the Electric Fund, noting the increasing cost per kilowatt hour that the Town was paying Progress Energy. These increases were driven by the fuel adjustments which Progress was passing along to the Town. The Town began working with Kevin O'Donnell, the Town's electric consultant, on these fuel charges and the impacts upon the Town's finances. Mr. O'Donnell analyzed Progress Energy records and researched their expenses and the charges being passed along to the Town. Those charges were all legitimate and tied directly to the increase in natural gas and coal prices.

A report was prepared and submitted by the Finance Director on the Health of the Electric Fund. The cash balance in this fund as of June 30, 2004, was \$1,215,959. Of that amount, \$213,300 was pledged to balance the 2004-2005 budget, and an unbudgeted \$216,000 was spent to

purchase a site for a new substation. In deducting those two appropriations from the fund balance on June 30, the Town would still expect to have \$786,659 if breaking even. Unfortunately, in the first seven months, there was \$361,983 in higher power costs, and if that is projected out to twelve months, it means a total of \$620,542 in higher costs. If that turns out to be the case and the appropriation to balance the budget and to purchase the substation site are included, the fund balance in one year will have dropped from \$1,215,959 to \$166,117.

On Wednesday, February 16, a considerable amount of information was received from Mr. O'Donnell, including his analysis of the increase in fuel charges as well as a recommendation on how the Town might go about recouping those costs. The Town may have absorbed increases in the past, but is simply not able to absorb increases of this magnitude.

Finance Director Caldwell asked that the Board take a few weeks to review the information, perhaps making a decision on a new rate at the first meeting of March. To do this would require a budget amendment, since the electric rates are established in the annual budget ordinance. In the future, to prevent a similar occurrence, the Board may need to include in the ordinance that there will be a review of the fuel charges annually. Any change could be based upon the actual fuel charges during the preceding calendar year and could take effect on all electric bills issued on and after March 1 of that year.

Progress Energy has seen increased costs for fuel and are simply passing those costs on to their customers. The Town has little choice but to do the same. There have been no electric rate increases since 1988, and rates have actually been reduced to business customers three times during the past 11 years. If the Town continues on the same path, and the price of natural gas and coal remain high, the fund balance could disappear totally by the end of this calendar year.

Report on Ordinance 10-158(D) Unsafe Buildings

Manager Galloway said in 1998, the Town was attempting to find every possible way to address the problem of substandard structures and unsafe buildings and to strengthen ordinances dealing with Minimum Housing Standards. In Eastern North Carolina, the City of Lumberton got special legislation passed to help deal with abandoned structures. Under State law at that time, an owner was only required to board up an abandoned building and make sure it was secure, and there was nothing else the local government could do. But the City of Lumberton got a local bill introduced that required more of the property owner than just boarding up the structure. The bill allowed Lumberton to give a property owner a period of one year to have the building boarded up and then they could begin proceedings to have the building demolished. The Town of Waynesville and a number of other localities contacted their legislators and had their names added to the local bill.

When the action passed in the General Assembly, about a dozen municipalities were authorized to incorporate this new legislation into their local ordinances. The Town of Waynesville began preparing an amendment, and it was passed by the Town Board on August 25, 1998. A problem has been encountered with what was done at that time.

The amendment that was authorized by the General Assembly would have allowed the Town to amend subsection 37 of chapter 152 of the Town Ordinances dealing with the Minimum Housing Standards. This amendment was prepared and as noted, it was passed by the Town Board on August 25, 1998. For some reason, the Town Staff and Town Attorney also included an amendment to subsection 37 of Chapter 150 of the Town Ordinances which deals with Unsafe Buildings. This was in error.

The Town is only authorized to do what the General Assembly allows it to do. The General Assembly did not authorize the Town Board to change the manner in which it dealt with Unsafe Buildings, only with how it dealt with Minimum Housing Standards. So, in passing the amendment dealing with Unsafe Buildings, the Town was actually doing something it was not authorized to do. Also, the Town would not want to have the hands of the Code Enforcement Officers tied by making them wait a year to deal with an Unsafe Building.

Town Attorney Woody Griffin advised that the Town would have to repeal the amendment which was adopted in error, but he suggested to check with the League of Municipalities to determine the proper way to do that. Town Clerk Phyllis McClure checked with the General Counsel for the League of Municipalities Andy Romenet and he indicated that since the amendment was adopted after holding a public hearing the repeal of that amendment would also require a public hearing. Manager Galloway asked that the Town Board authorize a public hearing on the repeal of Section 10-158(d) which is the number in the recodified Town Code, the same as 150-37(D) in the old Town Code.

Alderman Brown moved, seconded by Alderman Moore, to set a public hearing to repeal the portion of Section 10-158(d) for Tuesday, March 8, 2005. The motion carried unanimously.

Depot Street Parking Time Limits

At the meeting of January 11, 2005, the Board received a request from two business owners on Depot Street that the parking limits be expanded from 30 minutes. There were three parking zones on Depot Street, three hours from Main to Montgomery, 30 minutes from Montgomery to Branner and one hour from Branner to Boundary. At the meeting, one shop owner requested two hours and the other had no specific recommendation. The Board agreed to a compromise time of one hour from Main Street to Boundary Street, and the two business owners present agreed to that time limit.

Following the staff meeting on the following day, Police Chief Bill Hollingsed and Manager Galloway discussed the change, and it was agreed that the one hour limit would not be well received by the owner of one shop on Depot and perhaps some others as well. In trying to come up with a compromise, the Chief approached Mr. Jim Keener of Jim's Sew and Vac to see if a loading zone in front of his business might alleviate some of his problems with a one hour time limit. Mr. Keener did not feel that the one hour limit was in the best interests of the businesses on Depot Street and he did not think that a loading zone would remedy his concerns with the new time limits.

Mr. Keener and Manager Galloway met on Friday, February 11, to discuss the parking situation. In this meeting, Manager Galloway pointed out that the character of Depot Street is changing. In the past, people needed fifteen minutes or so to pay a bill at Waynesville Gas, drop off shoes at the shoe shop, cleaning at Dover's Cleaners or a sewing machine or vacuum at Jim's shop. New businesses are now blending in, with two art galleries and a web site business open. In the near future, rehabilitation will be completed on what was an apartment building in the upper block and the former location of the Glass Giraffe will likely be rented. It is not known what the Town will do with the old Pancake House and what business might be generated from that structure.

The Town has not received the new signs indicating the parking limit on Depot Street. Information has been gathered about parking on that street and communications with most of the owners in the block between Branner Avenue and Main Street have been ongoing. Some business owners favor the one hour, some favor more and some favor the thirty minutes. No one seemed to support a loading zone for those businesses where customers might need to unload vacuum cleaners or sewing machines.

In meeting with Mr. Keener, Manager Galloway was hoping to arrive at a compromise to which everyone could agree, but it has not been possible. Manager Galloway felt that he should advise the Board of the dissatisfaction of some of the businesses. He did not have a solution to offer, as he felt that the Board made an attempt at a compromise in selecting the one hour limit as a middle ground between the present 30 minute limit and the two-hour limit requested. In time, the one hour limit may work out satisfactorily. Manager Galloway said he felt that the Board should be aware of the discontent in the event that they wished to reopen the issue.

It was the consensus of the Board that the parking on Depot Street should remain at one (1) hour.

Closed Session to Discuss Real Estate Matters

Alderman Moore moved, seconded by Alderman Brown, to adjourn to closed session at 8:32 p.m. to discuss two real estate matters.

Alderman Brown moved, seconded by Alderman Moore, to return to regular session at 9:20 p.m. Both motions carried unanimously.

Grant Easement for Bryson - Rocky Branch Road

Alderman Brown moved, seconded by Alderman Moore, that the Town grant a private 30 foot right-of-way easement to Stephen L. And Vanessa L. Bryson across Town property on Rocky Branch Road (N.C.S.R. 1219) so that they may access a 1.510 acre tract of land they plan to purchase from the Wilson family. The motion carried unanimously.

Adjournment

With no further business, Alderman Brown moved, seconded by Alderman Moore, to adjourn the meeting at 9:22 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Henry B. Foy
Mayor

Report by Manager Galloway

Dick Young - Comments Regarding Taxi Service in Waynesville

Alderman Brown - Chelsea Road and Epsom Street Area

Alderman Feichter - Speed Limit on Country Club Drive and Virginia Avenue

Speed Limit Recommendations

Eddie Caldwell, Finance Director - Discussion of Requirements of Non-Profits Requesting
Funding From the Town