

AGENDA
REGULAR MEETING
BOARD OF ALDERMAN
TOWN OF WAYNESVILLE
TOWN HALL
JUNE 23, 2009
TUESDAY - 7:00 P.M.

The Board of Aldermen held a regular meeting on Tuesday, June 23, 2009. Members present were Mayor Gavin Brown, Aldermen Gary Caldwell, Libba Feichter, J. Wells Greeley and Leroy Roberson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Attorney Bill Cannon, Assistant Town Manager Alison Melnikova and Finance Director Eddie Caldwell. Mayor Brown called the meeting to order at 7:00 p.m.

Approval of Minutes of June 4 and June 9, 2009

Alderman Roberson moved, seconded by Alderman Caldwell to approve the minutes of the June 4 and June 9 meetings as presented. The motion carried unanimously.

Adoption of 2009-2010 Fiscal Year Budget Ordinance

The work sessions on the 2009-2010 fiscal year budget have been held and the public hearing on the document took place at the meeting of June 9. No one appeared to speak at that public hearing and no written or verbal comments have been received on the budget.

At the budget work session prior to the regular meeting on May 26, a revised listing of Special Appropriations for distribution to non-profit and other agencies was discussed. These ended up with a total budget of \$130,000, with the contribution to the Economic Development Commission reduced to \$15,000. FolkMoot's contribution was reduced to \$12,000 since the five-year commitment of \$30,000 annually on the building renovation cost was fulfilled in the 2008-2009 budget. The amount appropriated in 2008-2009 for Special Appropriations was \$155,300, so this has declined by \$25,300.

The property tax rate is scheduled to remain the same as the present 40 cents per \$100 of value. Garbage rates are set to rise for residential and commercial customers, but rental fees on dumpsters remain the same. Each cemetery lot and columbarium niche is scheduled to increase \$100, with half the price of a lot or niche going into the Perpetual Care Fund. Water rates and pumping fees for customers inside and outside the town are scheduled to increase 5% on August 1, but charges for sewer service will remain the same.

Electric rates are set to increase by 5.5% in the 2009-2010 budget due to the new Power Supply Agreement between the Town and Progress Energy. The Town purchases power at a wholesale rate from Progress Energy and resells that power to about 3,100 customers on our own electric system. The new agreement takes effect January 1, 2010, and will extend for six years, until December 31,

2015. To ease the impact upon our customers, we suggest making gradual increases over a three or four-month period rather than making a 5.5% increase at one time. We would like to begin implementing increases in October, with monthly hikes added until we reach the new rate in January. We are also recommending an increase in the charge for security lights to place them more in line with what Progress Energy charges their customers.

The issue of rates for Recreation Services has received a great deal of attention over the past few months. Recreation Director Rhett Langston has gathered information from many communities across the state and from private recreational/fitness facilities. Since the Waynesville Recreation Center opened in 2000, Haywood County has provided \$70,000 annually toward the expense of the facility, and that is roughly 3.5% of the budget. Faced with their own budget crisis, the County Commissioners voted to cease financial support of Waynesville Recreation, so we must make up for the loss of \$70,000. Rate increases were proposed to offset this loss of revenue.

Manager Galloway said the proposal recommended would increase all recreation fees 10%. Membership fees for residents inside corporate limits would increase 10% and membership fees for residents outside the corporate limits would increase 20%. Parks and Recreation Director Rhett Langston has been gathering information from other towns. Some towns charge double the regular amount for residents living outside the corporate limits and some towns charge one third more. In a lot of areas the recreation programs are operated by the county. These proposed increases can cover the money lost by Haywood County not contributing the financial support for recreation that they have in the past. Seventy percent of those persons using the recreation center are residents that live outside the corporate limits. A 16% increase would be necessary in order to generate this same amount of money for inside and outside residents if the increase stays the same for everyone.

Alderman Greeley asked if the loss of attendance had been factored in.

Alderman Caldwell felt that any increase should be equal across the board and that residents living outside the corporate limits should not be penalized. Alderman Caldwell said Parks and Recreation Director Rhett Langston has worked hard to build recreation programs and he felt like it would be a mistake to increase memberships more for some than others. This will make people angry.

Mayor Brown said Waynesville's entire recreation operating budget is \$2,200,000 and \$450,000 - \$500,000 was being subsidized before the recreation center was built. There are a number of arguments either way. Some discrimination exists in charging rates for one member, two member, family member, etc. There are people coming to Waynesville using the recreation center that shop, buy groceries and other things contributing to Waynesville's economy. Even before the center was built the Board discussed that this would always be a shortfall.

Manager Galloway said throughout the process the Town has found a way to pay for the building but not the operating costs.

Alderman Greeley said we are in a unique economic situation. If you keep costs reasonable it provides an outlet for people to come to the recreation center. It is a time that the Town of Waynesville can reach out a little to its community. He recommended that increases be the same for all residents.

Alderman Feichter said County residents have taken quite a hit emotionally recently. At one point she was in favor of differential fees but now she feels that it is sort of a kick to someone when they are down. Everyone is going to have to share equally. Waynesville should be paying into the welfare of its residents. Alderman Feichter said the town and the county have to work and continue to support each other.

Alderman Caldwell suggested that duplication of recreation services be discussed at one of the upcoming Council of Government meetings.

Alderman Roberson said government will never be run like a business. Although Waynesville paid for the recreation center building, we are all part of Haywood County. Alderman Roberson felt that increases should be equal across the board for all residents.

Alderman Greeley said he would like for it to be known that this Board seriously considered tiered rates but chose not to. Alderman Greeley thanked Manager Galloway and staff for putting all the budget information together.

Manager Galloway said raising all membership rates 10% would provide \$20,000 and another \$20,000 could be taken out of fund balance.

It was the consensus of the Board to implement the electric rate increase 3 percent in October; 2 percent in November and 1 ½ percent in December for a total of 5 ½ percent increase which becomes effective with the Progress Energy contract. The contract for Progress Energy begins in January 2010 and will continue for five years until 2015. Fuel adjustments will continue to be made as they are passed along to Waynesville by Progress Energy.

Alderman Feichter moved, seconded by Alderman Roberson to adopt the Fiscal Year 2009-2010 budget as presented. The motion carried unanimously. (Ord. No. 8-09)

Resolution on Financial Operating Plan Internal Service Funds

The Town operates two Service Funds which support the various Town departments by providing warehousing/storage space or by providing vehicle related services. The Public Works Fund and the Garage Fund receive operating funds from appropriations made by the General, Water, Sewer and Electric Funds, with each being charged what is estimated to be their fair share of the use of the public works facilities or of the vehicular services.

Alderman Caldwell moved, seconded by Alderman Roberson to adopt a Resolution on Financial Operating Plan for the Garage Operations in the amount of \$603,620 and the Public Works Building Operations in the amount of \$309,520. (Res. No. 11-09)

Approval of Contract Downtown Waynesville Association

Between 1986 and 1995, the Town of Waynesville and the Downtown Waynesville Association (DWA) had a formal contract for the conduct of revitalization, economic development and other activities in the Municipal Service District. Those contracts were in three year increments, but after

1995, the Town and DWA basically continued with a verbal rather than a written contract, with the Downtown Waynesville Association performing the same duties and carrying out the same responsibilities as had been done when a formal contract was in place. Each spring, the Board of Directors of DWA meets to discuss the property values in the Municipal Service District (MSD) and the revenues needed for DWA to carry out the terms of the contract. The DWA Board would then determine the revenues needed to meet those terms and accomplish their goals. The Executive Director of DWA would then advise the Finance Director and Town Manager of the amount of funds needed, and they in turn would calculate the tax rate needed. That tax rate for the MSD would then be presented as part of the budget ordinance.

It has been suggested that the Town and DWA need to again enter a formal, written agreement. Such an agreement would help assure that the two entities have a clear understanding of the work that is to be carried out in the municipal service district and the manner in which the Town will fund the tasks to be performed.

Town Attorney Woody Griffin and DWA Attorney Burt Smith have been involved in the preparation of this agreement, and the Board of Directors of DWA has voted its approval of the agreement.

Alderman Greeley moved, seconded by Alderman Feichter, to authorize Mayor Brown to execute the agreement between the Town and DWA as presented. The motion carried unanimously. (Cont. No. 9-09)

Request to Close Oak Street

The Town received a request from Ms. Shirley Grooms on behalf of the Free Methodist Church of Waynesville to close that portion of Oak Street between Assembly and Howell Streets on Saturday, July 18, for a neighborhood block party. The time for this closing will be from 11:00 a.m. until 3:00 p.m.

In the past, this portion of Oak Street has been closed for a similar neighborhood event, and town staff was not aware of any problems that have occurred; consequently, no problem was anticipated with the approval of this request.

It was recommended that the Street Department place barricades out on Friday, July 17. Ms. Grooms and others on the street could then put the barricades up at the appropriate time on Saturday when the street is to be closed and remove them when the block party ends. Town personnel will retrieve the barricades on Monday, July 20.

Alderman Roberson moved, seconded by Alderman Caldwell, to approve the closing of Oak Street as requested. The motion carried unanimously.

Request to Close Boundary Street

The Town received a request from the residents of Boundary Street and Mead Street to close the portion of Boundary Street between Walnut Street and Mead Street on Saturday, July 4, for a

neighborhood block party. The time for this closing will be from 2:00 p.m. until 10:00 p.m.

In the past, this portion of Boundary Street has been closed for a similar neighborhood event, and town staff was not aware of any problems that have occurred; consequently, no problems were anticipated with the approval of this request.

It was recommended that the Street Department place barricades out on Thursday, July 2. The residents on Boundary Street could then put the barricades up at the appropriate time on Saturday when the street is to be closed and remove them when the block party ends. Town personnel will retrieve the barricades on Monday, July 6.

Alderman Roberson moved, seconded by Alderman Caldwell, to approve the closing of Boundary Street as requested. The motion carried unanimously.

Update on Police/Development Office

Manager Galloway said construction on the Police/Development Office is still on schedule. A July 8 completion date was given. However, the construction superintendent says it will be the end of July. Furniture is scheduled for delivery beginning July 24. August 10 is the date planned to occupy the building. The Board could conduct their first meeting in the new building on August 11. However, the AV System is scheduled for installation the week of August 17. August 25 is planned for the first Board of Aldermen meeting in the new building. An open house may be held on the afternoon of August 25 from 4:00 p.m. until 6:00 p.m. prior to the meeting. Manager Galloway said the inside of the building will be beautiful; something the community can certainly be proud of.

Eagle Nest Water System

Manager Galloway said work was done on the Eagle Nest Water System last week, including drilling and blasting. The money from the homeowner's association has been received by the Town. The residents were pleased to learn that the new system will include larger fire hydrants. Plans are to have the road redone once the work is completed. Residents have requested the BST paving method so the roadway will not be as slick during the winter months.

July 2009 Newsletter

Alderman Feichter expressed compliments on the July 2009 newsletter, especially the Mayor's letter regarding Streets and Sanitation policies on various pickup schedules and the Town's new pinpoint system.

Sign Ordinance Discussion From Recent Meeting

There was some discussion regarding the sign ordinance and the number of illegal temporary signs in Waynesville. Mayor Brown said Planning Director Paul Benson and a group of residents appointed to serve on a committee to review the Land Development Standards will be making recommendations on this from their review. Alderman Feichter said she has been much more aware of temporary signs during the past couple of weeks. Manager Galloway said there are many

temporary signs put up on weekends when town staff is not working.

Hazelwood Office

There was discussion regarding the Hazelwood Office and its use after Building Inspections, Code Enforcement, Planning and Land Development Offices move into the new building. Discussions will continue on the future uses of this building.

Adjournment

With no further business, Alderman Caldwell moved, seconded by Alderman Greeley, to adjourn the meeting at 8:31 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor