

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL - 9 SOUTH MAIN STREET
NOVEMBER 24, 2009
TUESDAY - 7:00 P.M.

The Board of Aldermen held a regular meeting on Tuesday, November 24, 2009. Members present were Mayor Pro Tempore Gary Caldwell, Libba Feichter, J. Wells Greeley and LeRoy Roberson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Assistant Town Manager Alison Melnikova, Finance Director Eddie Caldwell and Town Attorney Woodrow Griffin. Mayor Pro Tempore Caldwell called the meeting to order at 7:00 p.m.

Approval of Minutes of November 10, 2009

Alderman Greeley moved, seconded by Alderman Feichter, to approve the minutes of the November 10, 2009 meeting as presented. The motion carried unanimously.

Award of Financing Bids

The Town is in the process of seeking proposals on the purchase of five police cruisers, three detective vehicles, a small track-hoe and a sewer pressure washing truck. As a part of this process, Finance Director Eddie Caldwell solicited financing proposals on these vehicles and equipment and divided the package into two parts. The eight vehicles were placed in one Request for Proposals, with the total of that request being \$176,300 for a financing period of three years. The second Request for Proposals involved the small track-hoe and the sewer pressure washing truck, with the total of that request being \$238,500 for a financing period of five years.

The reason for the shorter financing of the police vehicles relates to the life expectancy of those cars. The 2006 Dodge Police Cruisers have given the Town three years of service, and town staff did not want to finance vehicles for longer than their life expectancy. The track-hoe and sewer pressure washing truck have life expectancies of more than three years and should even exceed the five years for which the Town is seeking financing; however, town staff does not want to extend the lease-purchase agreement beyond five years. There will be other vehicles and equipment that will likely need to be funded in the water and sewer maintenance department, and new debt will need to be incurred for those items. The tabulation of the bids that were offered on financing these two packages were as follows:

Police Cars and related equipment \$176,300

Sewer Jet Truck and Track Hoe \$238,500

<u>Financial Organization</u>	<u>Yrs</u>	<u>Interest Rate</u>	<u>Payment Amount</u>	<u>Cash Outflows</u>	<u>Yrs</u>	<u>Interest Rate</u>	<u>Payment Amount</u>	<u>Cash Outflows</u>	<u>Other Costs</u>	<u>Total Cash Outflows</u>
-										
Sun Trust (A)	3	2.725%	61,861.10	185,583.30	5	3.065%	52,044.96	260,224.80	250.00	446,058.10
BB &T	3	2.910%	62,219.58	186,658.64	5	3.130%	52,271.20	262,355.10	---	448,013.84
Sun Trust (B)	3	2.925%	62,090.16	186,270.48	5	3.265%	52,333.99	261,669.95	750.00	448,690.43
Wachovia	3	2.713%	61,983.99	185,951.97	5	3.392%	52,661.26	263,306.28	751.00	450,009.25
RBC	3	2.880%	62,183.66	186,550.98	5	3.520%	52,853.23	264,266.15	200.00	451,017.13
Home Trust	3	3.240%	62,615.21	187,845.63	5	3.430%	52,718.63	263,593.15	260.00	451,698.78
Cal. First	3	4.000%	63,529.45	190,588.35	5	4.350%	54,101.42	270,507.10	---	461,095.45

It was noted that the interest rates are less for the shorter, three year lease-purchase financing on the vehicles than on the five-year lease-purchase financing on the equipment. The financing has been split into two separate loans. It is the desire of town staff that the proposals should be combined and the award made to the lowest total bid. In assessing these proposals, the Finance Director calculated the total monetary outlay of the Town, the proposal from Sun Trust Bank, shown as Sun Trust (A) will result in the lowest outlay by the Town.

This was one of the most competitive groups of financing proposals seen recently. Sun Trust has a prepayment penalty of 3%, which is higher than the others; however, with the low interest rate proposed, it is felt to be highly unlikely that the Town would pay this off early. It was the recommendation of town staff that the two proposals of Sun Trust (A) be accepted in the total amount of \$446,058.10.

Alderman Roberson moved, seconded by Alderman Greeley, to award the bid to Sun Trust Bank as recommended. Alderman Feichter moved, seconded by Alderman Greeley, to adopt the resolution regarding the bid award as requested by Sun Trust Bank. Both motions carried unanimously. (Res. No. 15-09)(Cont. No. 18-09)

Discussion Regarding Appointments to the Tourism Development Authority's Subcommittee

The Town received notification from Haywood County that the terms of the appointees to the Tourism Development Authority's Subcommittee will expire on December 31, 2009. When the new legislation was approved by the North Carolina General Assembly in 2007, there was an increase in the tourism tax, with the increase to be used to fund some of the local events in the separate zip code areas of the County. The legislation required that a special subcommittee be appointed to review applications and award funding to events and activities in the separate zip code areas.

The Waynesville Town Board was empowered to appoint three members to this subcommittee, with two being residents of the town and living in the 28786 zip code area and the third being a non-resident of the town living in the 28785 zip code area. At the present time, those serving on this Subcommittee who were appointed by the Town of Waynesville are Dorothy Pope and Buffy Messer from the 28786 zip code area and Betsy Boyd from the 28785 zip code area.

Alderman Feichter moved, seconded by Alderman Greeley, to recommend to the Haywood County Commissioners the reappointment of Dorothy Pope and Buffy Messer from the 28786 zip code area and Betsy Boyd from the 28785 zip code area. The motion carried unanimously.

Report by Town Manager Galloway

Manager Galloway said this past spring when the stimulus money was granted, the Maggie Valley Sanitary District was granted money for a pump station at Queen's Farm to help resolve a problem with the Dayton Drive water line. The Town of Waynesville submitted a funding request for the Dayton Drive water line, but the State decided not to fund this line. McGill Associates, Manager Galloway, and Assistant Manager Melnikova pointed this out to DEHNR. Two weeks ago it was discovered what had happened, the request was approved June 3 instead of June 30. This \$904,000 will also include the replacement of 1,000 water meters, a portion of which will be radio-controlled meters and some small water line replacements throughout town. The conversion to radio-controlled meters could reduce the number of meter readers needed to one or possibly one full time and one part time. These meters have a twenty-year guarantee, plus software and laptop.

Manager Galloway said McGill Associates has been working to put together the necessary bid documents to get this work under contract by February 17. No action was necessary.

Update on Eagle Nest Water Line Project

Manager Galloway said that Assistant Public Works Director Robert Hyatt visited the Eagle Nest Water Line project site today. A lot of blasting had to be done on this project which may make the contractor unable to meet the December 15 deadline, but they will be close to finishing at that time.

Upcoming Christmas Parades/Community Food Drive

The Canton parade is December 3; Maggie Valley parade is December 5; and the Town of Waynesville parade is December 7. Manager Galloway said part of Waynesville's Community Food Drive, will include a truck and trailer in Waynesville's parade collecting non perishable food items. He added that Assistant Finance Director Dean Trader included the students at Hazelwood Elementary School in the food drive. Grades four and five collected three (3) truck loads of food during the first week. Classes are competing for collection of the most food and the winning class from grades four and five; grades two and three and kindergarten and first will be given a pool party at Waynesville's Recreation Center. All food collected during this food drive will be delivered to Haywood Christian Ministry.

Report Regarding Recent Rock Slides

Ron Reid, a member of the Tourism Development Association, said with the recent rock slides, people think Western North Carolina ends at Asheville. \$100,000 has been received from the State of North Carolina to help inform the public that other areas are accessible. Billboards are being changed and information is being included on stations such as the Weather Channel. The TDA is working hard to make sure that the Western North Carolina area is not forgotten.

Adjournment

With no further business, Alderman Feichter moved, seconded by Alderman Roberson, to adjourn the meeting at 7:42 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor