

REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL – 9 SOUTH MAIN STREET
JUNE 8, 2010
TUESDAY – 7:00 P.M.

The Board of Aldermen of the Town of Waynesville held a regular meeting on Tuesday, June 8, 2010. Members present were Mayor Gavin Brown, Aldermen Gary Caldwell, J. Wells Greeley, Libba Feichter and LeRoy Roberson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Finance Director Eddie Caldwell, Purchasing Supervisor Julie Grasty and Town Attorney Woodrow Griffin. Mayor Brown called the meeting to order at 7:00 p.m.

Approval of Minutes of May 3, May 17 and May 25, 2010

Alderman Roberson moved, seconded by Alderman Caldwell, to approve the minutes of the May 3, May 17 and May 25 meetings as presented. The motion carried unanimously.

Public Hearing – Fiscal Year 2010 – 2011 Budget

Under State law, at the same time the Town Board receives a copy of the proposed budget for the 2010-2011 fiscal year, an advertisement must be placed in the newspaper advising the public of the public hearing on the document and that a copy of the budget is available for public review at the Municipal Building. The budget was presented to the Town Board on April 25. Since the presentation, the Board held three budget work sessions on May 3, May 17 and May 25, and the Mountaineer has carried articles about the budget and the deliberations of the Board in these work sessions. Town staff is unaware of anyone that has appeared to review the proposed budget.

Traditionally, the Town Board has held the public hearing on the budget at the first meeting in June and waited until the second meeting to formally adopt the document. This gives management and staff the opportunity to make budget adjustments and changes which might result from the comments at the hearing or from new information that comes to light during June.

Manager Galloway said at the State level, there do not seem to be plans to take action which will have a direct impact upon the Town's revenues or expenditures. At the County level, the Commissioners continue in their discussions on solid waste costs, and some actions under consideration would have a very dramatic impact upon solid waste expenditures by the Town. Commissioners have indicated that some of their decisions may not occur until some point during the fiscal year. This could mean that the Town Board might have to consider implementing new solid waste fees during the fiscal year to pay for changes being discussed. The Town may be left with no other choice if the County Commissioners decide to change solid waste procedures during the fiscal year.

Board members felt that the solid waste issue should be brought up at the next Council of Government Meeting. Manager Galloway said he has spoken with representatives with the Town of Clyde and the Town of Maggie Valley. Maggie Valley's bidder bid the same amount whether they go to White Oak or to the Material Recovery Facility (MRF) in Clyde so they are not affected the same as Waynesville, Clyde and Canton. The Town of Clyde is discussing a 66% increase if they have to travel to White Oak to dispose of the solid waste. The Town of Canton is talking about the possibility that their vendor may take their solid waste to the Brevard Road facility in Buncombe County which may be cheaper for them. There is a possibility that Waynesville could install a transfer station which may be cheaper than traveling back and forth to the White Oak landfill. This would result in tipping fee loss to Haywood County of approximately \$200,000. At the present time, tipping fees are only paid on commercial solid waste, the County could at some point charge tipping fees for residential solid waste as well. Blue bags will still be accepted at the MRF and Haywood County will haul them to another location. If Waynesville has to purchase another truck and two additional employees, they might consider roll offs and hiring someone to pick up the items and haul them to White Oak.

The greatest challenge with the budget in 2010-2011 was dealing with the cost of health insurance, which was projected to increase 17.4% due to very large claims. At the meeting of May 25, following a presentation on options available through Blue Cross-Blue Shield, the Town Board voted to change the health insurance to an alternate that greatly increases the deductibles. The Town would absorb this increase so that the net impact upon the employees would be minimal. Even though the Town would be funding the difference in the deductibles, it is projected that the potential savings with the higher deductible would be significant. The Town would have a separate agreement with a company that handles the higher deductibles and would pay that firm directly.

No one spoke; Attorney Griffin closed the public hearing. Adoption of the Fiscal Year 2010-2011 Budget will be placed on the agenda of the June 22 meeting.

Amendment to Purchasing Requirements

Within the past two years, the Town Board adopted revised rules and policies for purchasing. In the implementation of these, Purchasing Supervisor Julie Grasty came to the realization that some further changes might be beneficial in smoothing the operation and making the policies easier for our employees to work with.

Ms. Grasty said in 2005, purchase orders were \$100 and in 2007 she asked that they be increased to \$250. Ms. Grasty requested that purchase orders be increased to \$500 beginning July 1. Finance Director Caldwell said this is comparable to what other communities are doing and will add to the efficiency of the operation. Manager Galloway said increasing the amount of purchase orders to \$500 will improve efficiency in the Town's operations. When crews are working on projects and need an item they can simply purchase the item and finish their work more quickly rather than travel to Public Works to get a purchase order number before they can purchase the item.

Alderman Feichter thanked Purchasing Supervisor for the professional job that she does.

Alderman Greeley moved, seconded by Alderman Feichter, to approve the increase in Purchase Orders from \$250 to \$500 effective July 1, 2010. The motion carried unanimously.

Automatic Mutual Aid Agreement Waynesville and Saunook Fire Departments

Fire Chief Joey Webb has been looking at ways to reduce the fire ratings for the property protected by the Waynesville Fire Department. Fire Ratings are assigned by the State's Insurance Office after making an evaluation of several factors. Included with these are the equipment the department has, the personnel, full and part-time, and the training for those employees, the water system, the communications systems, just to name some of the major items which have an impact upon the ratings.

When Waynesville was last rated, the department saw a drop from a Class 6 to a Class 5 rating. For the most part, any further reduction in the rating will not affect the fire insurance premiums for residential properties, but commercial properties see a premium reduction when a department receives a Class 4 or Class 3 rating or even lower. Chief Webb and his department feel that the rating can be reduced from the present Class 5.

One way of doing this would be to have more equipment available to the department. This does not necessarily have to be equipment of the Town of Waynesville but could be owned by an adjacent department, such as Saunook. This year, the Saunook department received a new aerial truck, and by adopting a Automatic Mutual Aid Agreement, the Waynesville Department could be given credit for the equipment of the Saunook Department. The Saunook Department would also receive credit for the equipment and personnel of the Waynesville Department. That is the purpose of the proposed agreement.

Chief Webb attended the meeting on Tuesday evening to explain the agreement and the plans he has for the future of the department in moving toward an even better insurance rating. Chief Webb said it was discovered that Saunook had areas outside the five-mile area. All fire departments in Haywood County have a mutual aid agreement in which once a department is on the scene, another department can be dispatched. With the automatic mutual aid agreement being proposed this means that both departments are dispatched simultaneously. Saunook runs about ten structure fires per year. If a fire occurs in the Plott Creek area, Waynesville might be the first department on the scene.

Alderman Feichter moved, seconded by Alderman Caldwell, to authorize Mayor Brown to execute the Automatic Mutual Aid Agreement between the Waynesville and Saunook Fire Departments. The motion carried unanimously. (Cont No. 9-10)

Resolution Regarding Water Grant From North Carolina Rural Center

The Town of Waynesville recently received a grant of \$213,000 from the North Carolina Rural Center for water system improvements in the Dellwood Area. This money will be used to expand the improvements already underway with money from the American Reinvestment and Recovery Act (ARRA) running a new line on Dayton Drive and Route 19 from Russ Avenue to a crossing under Route 19 and on to Gateway Street. The additional funds will allow the new line

to extend to Queens Farm and possibly back to Russ Avenue where it intersects with Route 19 at Muckle Cove Road.

In order to proceed with receiving these grant funds, the Town's engineers indicate that the Town Board must adopt a resolution regarding the water rates. The Town's rates have been historically low compared to other communities, and Waynesville has often been ineligible for grants because its rates are too low. In this instance, the requirement is to compare Waynesville's rates to what the median household income was at the last census. Being as those numbers are 10 years old, we would be able to meet this requirement.

Alderman Roberson moved, seconded by Alderman Greeley, to approve the resolution as presented. The motion carried unanimously. (Res. No. 4-10)

Ms. Ann Featherston Honored

Manager Galloway said Ms. Ann Featherston was largely responsible for the Wal Mart project "taking wings and getting off the ground". Manager Galloway and Mayor Brown attended a ceremony at the Wal Mart site today honoring her work in making this project happen. Ms. Featherston passed away approximately two years ago. The project developer, investors and Ms. Featherston's family, including her five children, attended the ceremony. Mayor Brown said Ms. Featherston was working on a project near Lowe's for a development in 2000 or 2001. The deal fell through because the developer discovered how expensive it was to move dirt in Haywood County. Ms. Featherston saw the old Dayco plant building and was instrumental in making this project work for Waynesville and the developer.

Deputy Clerk Freida Rhinehart Will Retire July 1, 2010

Freida Rhinehart, Deputy Clerk for the Town of Waynesville will retire July 1, 2010 after ten years of service. A reception was held today to honor her service with the Town.

Adjournment

With no further business, Alderman Caldwell moved, seconded by Alderman Greeley, to adjourn the meeting at 7:46 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor