

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
July 26, 2016

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Tuesday, July 26, 2016 at 6:30 p.m. in the board room of Town Hall, 9 South Main Street, Waynesville, NC.

A. CALL TO ORDER

Mayor Gavin Brown called the meeting to order at 6:30 p.m. with the following members present:

Mayor Gavin Brown
Alderman Gary Caldwell
Alderman Jon Feichter
Alderman Julia Freeman
Alderman LeRoy Roberson

The following staff members were present:

Mike Morgan, Interim Town Manager
Chase Wells, Acting Town Attorney
Amie Owens, Town Clerk

The following media representatives were present:

Mary Ann Enloe, the Mountaineer
Cory Vaillancourt, Smoky Mountain News

1. Welcome /Calendar/Announcements

Mayor Gavin Brown welcomed everyone to the meeting and noted the following calendar events including:

- Friday, July 29 – Southwestern Commission Annual Dinner at Wells Events Center
- Saturday, July 30 – Folkmoot International Day celebration downtown from 10:00 a.m. to 5:00 p.m.
- Sunday, July 31 – Closing ceremonies for Folkmoot at Lake Junaluska
- Monday, August 1 – Community-wide Dinner hosted at the Pigeon Community Center beginning at 5:30 p.m.
- Friday, August 5 - Soccer Match between the Waynesville Police Department and youth from the Pigeon Community Center – 10:00 a.m. at the PCC field

Mayor Brown added his thanks to the press for covering Dalton Carver's visit and role as Mayor for the Day. Dalton had fun and the staff enjoyed being able to share the day with him. Mayor Brown thanked the staff for their participation.

2. Adoption of Minutes

Alderman Caldwell made a motion, seconded by Alderman Freeman, to approve the minutes of the July 12, 2016 regular meeting, as presented. The motion carried unanimously.

B. CONTINUED BUSINESS

3. Tourism Development Authority Board – Town of Waynesville representative (1) vacancy to fill remainder of term ending December 31, 2017

Mayor Brown noted that at the previous meeting on Tuesday, July 12, 2016, Ragan McBride was listed as an appointee to the 1% Zip Code Subcommittee; the position that was to be filled was for the Tourism Development Authority Board. Mr. McBride's appointment would be to serve a remainder of a term that ends on December 31, 2017 as the Town of Waynesville's representative.

Due to the fact that Mr. McBride would be a member of the Haywood County Tourism Development Authority, his appointment must be confirmed by the Haywood County Board of County Commissioners.

Alderman Roberson made a motion, seconded by Alderman Caldwell to approve the appointment of Ragan McBride as the Town of Waynesville representative to the Tourism Development Authority Board, as presented. The motion carried unanimously.

C. CALLS FOR PUBLIC HEARING

4. Call for Public Hearing to consider the withdrawal of a parcel from the Municipal Service District

Mayor Brown noted that a request had been received to withdraw a parcel from the Municipal Service District. Under the new statutes that became effective in October 2015, there is a procedure that must be followed including the discussion of the matter at two meetings prior to a decision being reached. The first step in this process is to hold a public hearing to allow for input from citizens.

5. Call for Public Hearing to consider the adoption of a Resolution Authorizing the Town of _____ Waynesville to Enter into an Installment Purchase Contract of Approximately \$1,300,000.00 to finance the cost of the Public Works Building Improvements

Interim Town Manager Mike Morgan noted that financing will be required for the cost of the Public Works Building Improvements. Requests for proposals have been sent out and should be returned by August 5. An analysis will be completed by August 8, with a resolution presented at the August 9 regular meeting. As part of the presentation, a public hearing is required to allow for input related to the financing agreement.

Mayor Brown noted that as these two public hearings were requested for the same date, that the motion should include both hearings.

Alderman Caldwell made a motion, seconded by Alderman Freeman to call for two public hearings to be held consecutively on Tuesday, August 9, 2016 at 6:30 p.m. or as closely thereafter as possible in the Town Hall Board Room located at 9 South Main Street, Waynesville, to consider a reduction in the Town of Waynesville's Municipal Services District and to consider adoption of a resolution authorizing the Town of Waynesville to enter into an installment purchase contract of approximately \$1,300,000.00 to finance the cost of the Public Works Building improvements. The motion carried unanimously.

D. NEW BUSINESS

5. Personnel Policy Revisions

Administrative Services Director/Town Clerk Amie Owens explained that there were several personnel policy revisions that were proposed in an effort to clarify existing policies. All policy revisions would be effective on August 1, 2016. Ms. Owens highlighted the revisions as follows:

a. Conditions of Employment Article IV – Section 4 – Employment of Relatives (Nepotism) Removal of the relationship of First Cousin under “Immediate Family.” In order to properly reference immediate family in other areas of the personnel policy manual, this relationship is being eliminated as it is not an immediate family relationship.

b. Article IV – Section 12 – Minimum Age Requirement This is a clarification that was needed in order to allow for the hiring of part-time and seasonal positions for summer camps and aquatics. Due diligence shows that the YMCA, Camp Association and American Red Cross support 16 year olds as life guards and junior counselors. Having the ability to hire 16 year olds for these part-time and seasonal positions will eliminate overtime for full-time lifeguards and provide a more stable pool of workers from which to draw.

c. Article VI – Sections 1 & 2 – Overtime Pay Provisions The FLSA allows for averaging across a pay period (i.e. 80 hours in two weeks). The current policy states 40 hours in seven days which has lead to overtime being paid to individuals who in the entirety of the pay period did not work 80 hours. Departments were polled and have been utilizing this 80 hour rule before overtime was paid already. Elimination of comp time for all employees as this was effectively causing double the pay to be expended.

d. Article X – Section 4 & 16 – Vacation Leave Accumulation; Authorized Absences with Pay Clarification of section 4 was needed since individuals were challenging the fact that they had previous work experience with a local government entity and felt they should accrue vacation at a higher rate. The clarification is that breaks in service must be less than six (6) months for accrual at a different rate.

Clarification of section 16 to outline the relationships where up to three days would be granted for bereavement time and the addition of one day of bereavement leave for other relationships to attend a funeral.

e. Change throughout from Human Resources Manager to Human Resources Office As the position of Human Resources Manager was eliminated as part of the budget process for this FY and due to the fact that there may be other individuals assisting with supplying of information to

employees, the change from HR Manager to HR office is being made through out the personnel policy manual.

Alderman Feichter made a motion, seconded by Alderman Freeman to approve the revisions to Articles IV, VI and X and comprehensive change from Human Resources to Human Resources Office throughout the personnel policy manual, to be effective August 1, 2016, as presented. The motion carried unanimously.

Mayor Brown noted that Ms. Owens had been given a title change to Assistant Town Manager. Manager Morgan noted that in her current position she was already performing the duties of an Assistant Town Manager and that minimal update was required for the job description. Mayor Brown congratulated Ms. Owens on her new title.

7. Approval of Certificate of Resolution related to the Town of Waynesville Health Reimbursement Arrangement

Ms. Owens explained that the Town of Waynesville has a welfare benefit plan for its employees – commonly referred to as insurance (medical, dental, prescriptions, life insurance, etc.) and other benefits (sick leave, vacation, COBRA, etc.). The Town of Waynesville’s representatives Health Equity and Flores and Associates who administer the health reimbursement functions on the Town’s behalf require that the Board certify that they have been made aware of the Town’s responsibilities to comply with all IRS regulations related to such plan offerings. The proper filing of form 5500 is completed by our vendors as part of our service agreements and included in the Town audit documents. Ms. Owens added that all accounting and administrative procedures have been set up to ensure compliance not only with the IRS but with the HIPAA standards related to protected health information.

Alderman Roberson made a motion, seconded by Alderman Freeman to approve the Certificate of Resolution as required under the Internal Revenue Code and to instruct the Town Manager to execute the Amended and Restated Plan Document, as presented. The motion carried unanimously.

8. Intent to award contract for the Public Services Operations Center Renovation Project

Manager Morgan explained that proposals for the renovation of the Public Services Operations Center were advertised through formal bidding process via newspaper and electronic advertising. Per state statute, a minimum of three bids is required. Only two were received. The bids received remained sealed and the proposal was re-advertised for two additional weeks. Manager Morgan noted that after the second advertising period, three bidders responded - Clark and Leatherwood, H&M Constructors and Kearey Builders. Kearey was the lowest responsive responsible bidder from this process.

Manager Morgan indicated that the contract cannot be awarded without pre-audit certification stating that the Town has the funds in hand. In order for the contractor to hold the bids until the Local Government Commission (LGC) approves and until financing is secured, a resolution of intent is required. Manager Morgan noted that the contract amount was \$1,159,000.00. Mayor Brown added that any time a project is estimated to be over \$500,000 the formal bid process is required in order to ensure that the public knows that we are properly following the process and not awarding a contract without due diligence and equity.

Manager Morgan noted that the Town is scheduled to appear before the LGC in September with construction to begin shortly after. Construction is estimated to take 6 to 7 months. He added that eight (8) staff members would be relocating to the Municipal Building with three individuals remaining on site in a trailer so that inventory can still be monitored.

Alderman Feichter made a motion, seconded by Alderman Roberson to approve the Resolution of Intent to enter into an Agreement with Kearey Builders, Inc. in accordance with North Carolina General Statutes 143-129, contingent upon financing and approval by the Local Government Commission on September 13, 2016, as presented.

9. Award of Contract for Services to be provided in the Municipal Service District

Manager Morgan explained that the NC General Statutes related to Municipal Service Districts were revised in October 2015 making it necessary to develop a new agreement for service provision. He noted that in accordance with statutes, bids were advertised and solicited bids. The Downtown Waynesville Association (DWA) was the only bidder.

Manager Morgan added that the proposed agreement is a five (5) year contract with the following scope of services:

1) DWA shall continue to promote, encourage, and assist the revitalization and economic health and stability of the above mentioned municipal services district of Waynesville, including engaging in or assisting any "downtown revitalization project" as defined in Section 160A-536 of the North Carolina General Statutes.

2) DWA shall promote, encourage or assist any community development, urban development, planning, historic preservation or other similar public enterprise in or directly related to the municipal district.

3) DWA will provide and perform all services, facilities, functions and activities, within the reasonable bounds defined by its resources and budgetary considerations, necessary to the economic development of the municipal services district.

4) DWA will serve as the Town's agent to the North Carolina Main Street Program.

Manager Morgan continued noting that the DWA and Waynesville had received high recognition from NC Main Street Program. The contract termination date is June 30, 2021. Mayor Brown added that there was a provision allowing for termination by either party with a six month notification. He explained that the statute was designed to allow for competition to assist municipalities in gaining the best services for the taxes collected.

Buffy Phillips, Executive Director, Downtown Waynesville Association commented that the DWA had been successful for 30 years with a solid relationship between property owners and businesses and hopes this model will continue to be successful.

Alderman Feichter commented that citizens and visitors alike do not have to go far to see the benefits for MSD provided by the DWA. He added that people come from across the nation to enjoy the downtown area and some of the reasons are directly attributable to the DWA.

Ms. Phillips reported that less than 2% of the spaces are empty on Main Street, with individuals making inquiries daily for retail and living space.

Alderman Roberson commented that the impact of the Main Street affects the entire town, it is not unto itself, but it brings people in and makes them aware of the town.

Ms. Phillips added that families don't go to the mall to make memories; they go downtown, to the restaurants and galleries and return year after year for generations.

Alderman Roberson made a motion, seconded by Alderman Feichter to approve the award of the contract to the Downtown Waynesville Association for services to be provided in the Municipal Service District. The motion carried unanimously.

Manager Morgan noted that as the agreement had now been approved, the 2016-2017 Annual Agreement for North Carolina Main Street Designation could be executed.

Alderman Roberson made a motion, seconded by Alderman Feichter to instruct the Town Manager to execute the contract with the North Carolina Main Street Designation, as presented. The motion carried unanimously.

E. COMMUNICATIONS FROM STAFF

10. Manager's Report - Interim Town Manager Mike Morgan

Manager Morgan had no additional report.

11. Attorney's Report – Acting Town Attorney Chase Wells

Acting Town Attorney Chase Wells had nothing to report.

E. COMMUNICATION FROM THE MAYOR AND BOARD

F. CALL ON THE AUDIENCE

No one addressed the Board.

G. CLOSED SESSION

Alderman Caldwell made a motion, seconded by Alderman Feichter to enter into closed session for the purpose of discussion of personnel matters (applicants for the Town Manager position) as permitted under NCGS §143.318.11(a)(6). The motion carried unanimously.

The Board entered into closed session at 7:13 p.m.

The Board returned from closed session at 8:11 p.m.

There was nothing to report from the closed session.

H. ADJOURN

There being no further business to discuss, Alderman Caldwell made a motion, seconded by Alderman Feichter to adjourn the meeting at 8:13 p.m. The motion carried unanimously.

ATTEST

Gavin A. Brown, Mayor

Michael J. Morgan, Interim Town Manager

Amanda W. Owens, Town Clerk