

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
December 13, 2016

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Tuesday, December 13, 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:

Rob Hites, Town Manager
Woody Griffin, Town Attorney
Amie Owens, Assistant Town Manager/Town Clerk
Elizabeth Teague, Development Services Director
David Foster, Public Services Director
Eddie Caldwell, Finance Director

The following media representatives were present:

Allison Richmond, 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:

- December 14 – TDA Holiday Luncheon
- December 14 – Chamber Holiday Event
- December 17 – REACH Gala

Mayor Brown noted that there would not be a second regular meeting in December as it falls Just after the Christmas holiday; however, should the need arise, a special called meeting can be held.

2. Adoption of Minutes

Alderman Caldwell made a motion, seconded by Alderman Freeman, to approve the minutes of the November 8, 2016 regular meeting, as presented. The motion carried unanimously.

Mayor Brown changed the agenda order as there were approximately 30 individuals present who wished to speak or have a representative speak regarding the proposed NCDOT Russ Avenue project.

B. CALL ON THE AUDIENCE

Elizabeth Teague, Development Services Director provided information related to the proposed Russ Avenue project designs. She noted that this was a NCDOT project; designs were not generated by the town. The NCDOT held its first public meeting on December 6, 2016. Plans were discussed at that time and a second set of plans was forwarded after that point for Town use. Ms. Teague added that the public comment period is open until January 13, 2017 and she encouraged the public to look at the renderings.

Ms. Teague continued noting that the NCDOT had the option to provide design alternatives after the close of the public comment period. This would allow for addressing specific areas where changes or reconfigurations could be made. She added that a second public meeting would be set by the NCDOT for some time in mid-2017. Ms. Teague provided a brief timeline of events noting that right-of-way acquisition would be considered in 2020 with construction slated to begin in 2022. Ms. Teague again emphasized that the place to send comments is to the NCDOT. The Town will pass on comments to the NCDOT. She reiterated that the Board of Aldermen is not the decision making body for the project design.

Ms. Teague provided additional background as to the project development including the initial 2010 study that was completed by Wilbur Smith and Associates. The original scope of the study being, *"The Town of Waynesville, North Carolina has identified the need to improve the Russ Avenue Corridor from the Great Smoky Mountains Expressway (US 23-74) interchange to Walnut Street. The purpose of this study is to develop a feasible corridor plan which includes plans for future travel demand; intersection improvements; access configuration and management; median and edge landscaping; and pedestrian, bicycle, and public transportation facilities along the Russ Avenue corridor."* The end point of the study was Walnut Street.

Ms. Teague explained that several concerns with the current proposed design including: the impact to the Historic District properties and encroachment on several local landmark properties; and possible removal of trees and walls. Ms. Teague added that while there had not been any identified issues with Walnut Street and no perceived problem in this area and that staff agreed that they would like to see Russ Avenue be the focus, not Walnut Street. One possible theory for inclusion of Walnut Street is that the project would connect to Main Street and there would not be a midblock stoppage of the project. Walnut Street is not where the problem is, the original intention of the project was to solve traffic issues on Russ Avenue including traffic conflicts, land use decisions, solve interactions between properties along the roadway and the entrance and exiting of the Russ Avenue corridor.

Before Mayor Brown opened the floor for comment, he thanked Ms. Teague for her comments and citizens for coming to express their concerns. He added that Ms. Teague and her staff were happy to assist in getting comments to the NCDOT. Mayor Brown asked those individuals wishing to speak to raise their hand and be recognized before approaching the podium and to identify themselves for the record.

Jeff Norris, local attorney, representing Charles McDarris of 28 and 52 Walnut Street and several others spoke in opposition of the proposed changes to Walnut Street. He noted that the group agreed that the focus should be on Russ Avenue rather than on the historic district of Walnut Street. Mr. Norris expressed concern that the cultural importance of Walnut Street was not being considered in the existing plans. He added that Walnut Street does not need to be expanded to include another lane. Mr. Norris referenced the 2020 Comprehensive Plan noting that it talked about community values and historic preservation. He added that Walnut Street is of historical, architectural and cultural importance no one wants to see the historic district eviscerated when no changes are wanted or needed.

Beth Johnson, Maggie Valley, looked at purchase and renovation of historic home on Walnut Street. Ms. Johnson noted that previous studies did not take the Russ Avenue improvements to Main Street and questioned why this study did so. With the comment period stopping in January, she encouraged the Town to make a formal position related to Walnut Street and speak out against the project going all the way to Main Street.

David Foster, Public Services Director, Town of Waynesville, explained that representatives who were at the initial meeting with the NCDOT specifically asked that Walnut Street not be included in the plans.

Mrs. Porter, resident of Walnut Street, commented that she agreed with everything that has been said about the need to leave Walnut Street alone. She referenced the 4-lane that dumping into a 2-lane street on the Old Asheville Highway and added that if the focus was on Russ Avenue and the improvements, then the project would not have to go into Walnut Street. Mrs. Porter added that Waynesville has a reputation as a great small town and we need to maintain that to keep the image of an inviting small town. The focus should be on improving the sidewalks and curbing and traffic islands rather than changing Walnut Street.

Ron Morrow, Chairman, First Presbyterian Church, Buildings and Grounds Committee explained that the location of the church at the corner of Walnut and North Main would be impacted by the plans. The Church is greatly concerned about the project as they have recently made \$800,000 in improvements to their building which would be encroached upon if the intersection modifications were made. Mr. Morrow added that the original study did not include Walnut Street and such change would impact the church in a negative manner. The NCDOT does not understand the needs of the Town by moving forward with such a plan as outlined in the TIP.

Bill Jones, 89 Walnut Street, explained that he attended the public meeting by the NCDOT and questioned why the sidewalks would need to be widened as part of the project. He was told by NCDOT representatives that it was a Town of Waynesville requirement. He noted that he walks through town on Walnut Street and has never seen too many pedestrians warranting widening of sidewalks and never witnessed backed up traffic going toward Main Street. Mr. Jones added that when reviewing the plans with the NCDOT, the reason for the project going through Walnut Street was the intersection of Walnut and Boundary Streets and Branner Avenue. He continued requesting that anything that can be done to keep Walnut Street from being impacted is appreciated. These changes would make it to where it will not remotely resemble the Walnut Street that we are used to. He wanted the public to know that even though it was not the Town's decision, it was being laid on the town.

Sandra Owen, Chairperson, Historic Preservation Commission spoke to the board relating that many of the homes on Walnut Street were categorized as historic and part of the designated Historic

District in Town. She explained that there were several on the National Register. Ms. Owen added that these properties are contributing to the economy of Waynesville being used as office buildings. If the slated improvements were to follow Walnut Street, the widening would take away yards and leave the street up to the steps of these historic homes. She added that the Historic Preservation Commission as a whole is not in favor of this project as it would impact the personality and historic character that people recognize when visiting or moving to Waynesville.

Lawrence Braxton, 66 Walnut Street spoke in opposition to the proposed changes to Walnut Street. He noted that he loves the neighborhood and restored his home and chose colors to fit with the 1920's color pallet to keep its historic charm. Walnut Street is important to the vision of the town and he was in agreement with those who spoke previously to stop any changes to Walnut Street.

Former NC Representative Jane Hipps, 90 Walnut Street, spoke as a 40-year resident of Waynesville noting that in looking at traffic patterns, as it moves forward, it dissipates; the traffic is not heavy at Main Street coming from Walnut Street. There is no reason to tear up a historic neighborhood for this NCDOT project and urged the Board to stand with the neighbors on Walnut Street and keep the current historic atmosphere and condition.

Alex McKay, representing the Haywood County Historical Society, Historic Preservation Commission and Waynesville Archives noted that there are 16 historic homes on Walnut Street and provided information to the Board outlining each's history. He encouraged everyone to take a stand against changes to Walnut Street. Mayor Brown expressed his appreciation for Mr. McKay's interest in this for the future showing the torch pass to another generation.

Charles McDarris, Walnut Street, explained he was emotionally wrapped up in this, and could not fully address the sentimental nature of this. He took the opportunity to thank Ms. Teague for her assistance and contribution to the town. He noted that there are 8 trees that are 100+ years old which would be taken as part of this project. He asked the NCDOT if any property would be taken. The initial response was no, but in review of the plans, a wall and a total of 12 maple trees could be taken. Mr. McDarris made it clear that he and those speaking tonight were not upset with the Board of Aldermen and appreciate their support. When he spoke with NCDOT, he alluded to the fact that they would pay some deference to the Town as to what would be done on Walnut Street. But, if no one comments, the plans would remain the same. Mr. McDarris encouraged the public to comment and provided copies of forms that could be submitted to the NCDOT.

Mayor Brown noted that the discussion here tonight was good, but is not this Board was not a controlling factor. He reminded everyone that they need to tell DOT and the consulting group what the problems and issues and concerns are.

Ms. Teague asked to speak to clarify the question related to sidewalk width. She noted that the town does require an 8 foot sidewalk off of a four-lane road. For a three-lane it is a 5 foot sidewalk; Walnut would remain a 3-lane and sidewalks could be 5 feet. Ms. Teague added that when staff were talking to NCDOT, they did not talk about Walnut Street as part of the project.

Kent Plemmons, resident of Walnut Street, spoke noting that he appreciated the Board allowing the citizens to comment about their discontent. He explained that it is not the widening of streets that is the issue, it is the changing of the character of Walnut Street; it's a sense of place. It

would forever be changed from a quaint historic district to just another thoroughfare. Mr. Plemmons added that the trees and the layout of the land are important to Waynesville's image.

Mayor Brown asked for any additional comments; there being none, he explained that this issue had not been discussed by the Board in advance of this meeting. He ascertained that it may be that the NCDOT and consultants just got ahead of themselves in this plan. At the upcoming January 10 regular meeting, the board will fully look at this issue from the town's perspective and that the Town takes a position that is consistent with the land development standards and comprehensive plan, and that is consistent with the citizens and concerns.

Mayor Brown concluded by noting that in the past, the NCDOT has been amenable to discussion and accommodation based on citizen input. In the period between now and January 13, citizens were once again encouraged to get comments submitted to the NCDOT or to Ms. Teague who will forward on the citizens' behalf. Those in attendance indicated approval of this plan of action by a round of applause.

C. REPORT/PRESENTATION

4. Fiscal Year 2015-2016 Annual Audit Report

Bruce Kingshill and Nancy Lux of Ray, Bumgarner, Kingshill and Associates attended the meeting to present highlights and an overview of the Town's financial condition and audit report for the year ended June 30, 2016. Mr. Kingshill explained that there were two audits completed, the first was a financial audit and the second a yellow book audit looking specifically at Powell Bill funds. The report noted that no deficiency in internal controls, compliance or financial reporting was identified and the auditors issued an unqualified opinion. He explained that the firm has been doing Waynesville's audits since 1986 and thanked the Board for the opportunity to present. He noted that in advance of the meeting, the board packet contained graphs of revenues and expenditures for the current and prior year for comparison. Mr. Kingshill commented that Ms. Nancy Lux will go over the details of the audit in her presentation. He added that the audit report was provided to the Local Government Commission (LGC) prior to the October 31, 2016 deadline and the LGC found nothing wrong with the audit report.

Ms. Lux called attention to the overall financial report as well as supplemental data related to the revenues and expenditures for 2015/2016. A fluctuation analysis of the revenues and expenditures was presented, which provided information explaining the increases or decreases to the various accounts.

Ms. Lux reminded the Board of reporting of the statutory change related to pension liabilities. As a result, the Town of Waynesville reported approximately \$600,000 as an additional asset. The NC Local Government Employees Retirement System (LGERS) is well managed and the Town has always funded the pension liability adequately, and it is now reported on the balance sheet. Now the unfunded portion will be reported as an asset.

Ms. Lux again announced that the opinion from the audit was an unqualified opinion which reflects excellent financial management practices are in place and with no deficiencies.

Mr. Kingshill thanked Mr. Caldwell and his staff and Manager Hites for their cooperation during the audit.

Mayor Brown commented that having no issues with management indicates that the job is being done correctly and is very important to the Town. The expectation is that the auditors will tell us if something is being done incorrectly and to date, we have never had that disagreement. The Mayor added that the Town has a healthy fund balance, debt is down and the Town made approximately \$27,000 last year. All in all, the Town is in good shape.

Alderman Caldwell made a motion, seconded by Alderman Feichter to approve the Fiscal Year 2015/2016 Annual Audit Report. The motion carried unanimously.

Finance Director Eddie Caldwell provided a summary of the inflows, outflows and balances of usable resources. He noted that at the end of the fiscal year, the available general fund balance was \$5,575,977 with total fund balance at \$7,111,084. The LGC requires that a minimum of 8% be kept in the general fund balance at all times. Currently, the Town's rate is 42.67% of the general fund and 54.40% overall. This is equivocal with other peer municipalities, if not slightly below.

D. PUBLIC HEARING

5. Public Hearing to consider the Amendment of the Town of Waynesville Cemetery Ordinance

David Foster, Public Services Director, informed the board that these revisions have been in the works for several years. The need to update is to clarify policies and procedures in the cemetery, standardize what can be placed in the cemetery, outline what is grandfathered in and provide for continued maintenance and upkeep of the cemetery.

Mr. Foster noted that revisions were made to ensure consistency with state law, liability standards and board standards related to the purchase of lots. Additional provisions to the ordinance will help to preserve the cemetery into the future by creating operational procedures and some latitude related to trimming and removal of plants.

Mayor Brown asked if any board members had received any comments related to this issue. No comments had been received.

Attorney Griffin reconvened the public hearing from November 8, 2016 at 7:58 p.m. and reminded those who wished to speak to raise their hand, be recognized and once at the podium provide their name and address for the minutes.

No one addressed the board.

Attorney Griffin closed the hearing at 7:59 p.m.

Alderman Caldwell made a motion, seconded by Alderman Feichter to approve the amendment of the Town of Waynesville Cemetery Ordinance as presented with amendments to become effective January 1, 2017. The motion carried unanimously.

E. NEW BUSINESS

6. Request Approval of the 2017 Board of Aldermen Regular Meeting Schedule

Mayor Brown noted that the proposed schedule had been included in the board packet with the schedule slated to remain as the 2nd and 4th Tuesdays of each month except for November and December where there would be only one regularly scheduled meeting.

Alderman Freeman made a motion, seconded by Alderman Roberson to approve the 2017 Board of Aldermen Regular Meeting Schedule, as presented. The motion carried unanimously.

F. COMMUNICATION FROM STAFF

7. Manager's Report – Town Manager Rob Hites

Emergency Response Plan

Manager Hites was part of the discussion of emergency response plan for providing water to Haywood County Municipalities. In recent weeks, both Maggie Valley and Canton requested assistance from the Town of Waynesville to supply water in times of emergency. Manager Hites asked how much each would need. Maggie Valley reportedly needed 750,000 gallons per day and Canton 990,000 per day. If this supply were to be utilized, it would cause the citizens of Waynesville to have to reduce their consumption in order to supply others.

At a second meeting among the County and Municipalities, representatives from McGill and Associates and a regional engineer from NCDENR, it was determined that Waynesville could not provide water to Maggie Valley or Canton without exceeding the maximum safe load. The group reviewed existing interconnects and determined that Junaluska Sanitary District (JSD) could not provide water to Canton as the push to get the water over Radio Hill would drain the tank at Tuscola. Clyde could receive water through its existing interconnect and Maggie Valley could be provided water via the interconnect at Queens Farm.

The representative from McGill recommended applying for a grant to determine the maximum load for the region with an inventory of the watersheds and streams and look at alternative sources for water. Manager Hites added that water cannot be provided to the county on a long-term basis, but could be a tremendous aid in catastrophic fire event. Manager Hites recommended looking at a draft contract that will allow fire water or emergency water for 30 days, but Waynesville will not be in a position to provide long-term assistance. Currently there is no agreement with Maggie Valley although there is an existing interconnect.

Manager Hites requested permission to work on a draft water agreement with Maggie Valley to ensure that something is in place before this becomes an issue again. A second phase to this project would be to look at an interconnect for Canton in the future.

Mr. Foster added that as part of this process, revision of the Waynesville Water Shortage Plan could occur. He has learned that under the existing dam permit, the required flow into Allens Creek could be limited under certain conditions, and the maximum reservoir level possibly increased from 600 million to 1 billion gallons. If there was no rain – the reservoir could last for 491 days.

Manager Hites noted that the existing Water Shortage Response Plan is excellent and that under the plan the Mayor is authorized to enact a conservation plan. There are varying levels of restriction based on water levels. The first level of water conservation occurs when the water level is at 72" below normal level and restrictions increase in magnitude as the water level goes down.

Mayor Brown thanked Manager Hites and Mr. Foster for their continued monitoring and work to ensure that Waynesville continues to have viable water resources. The board agreed by consensus that Manager Hites should pursue an agreement with Maggie Valley.

8. Attorney's Report – Town Attorney Woody Griffin

Town Attorney Griffin had nothing to report.

G. COMMUNICATION FROM THE MAYOR AND BOARD

9. WestNGN Update

Alderman Feichter provided an update on the WestNGN Broadband project. A meeting was held at UNC-Asheville with a report from the project manager. He reminded the Board that the participating municipalities and UNC-A had allocated funds for this project several months ago and WestNGN steering committee hired Magellan Partners, the same consultant used by Haywood County.

Alderman Feichter explained that the scope of services for the consultant was to advise the steering committee regarding infrastructure needs, code requirements and administration. The next step is to develop a template for each community profile to determine the assets and resources we can bring to the table, including any right of way and pole attachment agreements. Alderman Feichter added that once such an assessment is completed, a consolidated request for proposals (RFP) would be sent out by April 15, 2017.

The second phase of the project is to select a contractor/provider for the infrastructure and cabling to be completed by June 30, 2017. Alderman Feichter noted that the Triangle NGN (in the central/eastern part of the state) has selected AT&T as their contractor/provider. Alderman Feichter commented that one of the key considerations related to this project is what to do with the services once they are available. For example: if no one utilizes the resources available, was it a waste of time and energy? The steering committee has spent much time and has worked with the project manager to develop a plan to ensure that this project remains relevant and viable in the region as part of economic development efforts. Alderman Feichter is pleased with how the program is moving forward and expects that mid-year 2017 there will be many exciting things to bring back to the Board.

Mayor Brown added that Haywood County and the Haywood Advancement Foundation while on a parallel path to WestNGN related to broadband; both groups are working to achieve the best possible broadband access in the region. He added that the spirit of collaboration is gratifying and that such undertakings are critical to economic development in the future.

H. CLOSED SESSION

10. Enter into Closed Session for the purpose of discussion of property acquisition under North Carolina General Statute § 143.318.11(a)(5)

Prior to entering into closed session, Mayor Brown wished those in attendance a happy holiday season and a Merry Christmas. He indicated that there may be action taken following the closed session.

Alderman Caldwell made a motion, seconded by Alderman Freeman to enter into closed session for the purpose of discussion of property acquisition under North Carolina General Statute § 143.318.11(a)(5). The motion carried unanimously.

The Board entered into closed session at 8:21 p.m.

The Board returned from closed session at 8:40 p.m.

Mayor Brown noted that following discussion in closed session, Manager Hites and Ms. Teague have been directed to continue meeting with a property owner for the purpose of potential greenway alignment and to begin negotiation for a potential purchase contract.

Alderman Feichter made a motion, seconded by Alderman Caldwell to direct staff to continue negotiation with property owner and begin negotiation for a potential purchase contract. The motion carried unanimously.

I. ADJOURN

There being no further business to discuss, Alderman Feichter made a motion, seconded by Alderman Freeman to adjourn the meeting at 8:44 p.m. The motion carried unanimously.

ATTEST

Gavin A. Brown, Mayor

Robert W. Hites, Jr., Town Manager

Amanda W. Owens, Town Clerk