

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

CALL TO ORDER

ITEM 1. APPROVAL OF MINUTES OF JUNE 4 AND JUNE 9, 2009

ITEM 2. 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. As you will recall, no one appeared to speak at that public hearing and we have not had contacts with written or verbal comments on the budget.

At the budget work session prior to the regular meeting on May 26, we discussed a revised listing of Special Appropriations for distribution to non-profit and other agencies. 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 are scheduled to rise \$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. We are proposing rate increases to offset this loss of revenue.

After resolving the time frame for the electric rate increase and the rates for fees and charges for the recreation services, we would recommend approval of the document.

ITEM 3. RESOLUTION ON FINANCIAL OPERATING PLAN
INTERNAL SERVICE FUNDS

As you are aware, 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.

There follows 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.

ITEM 4. 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.

It would be our recommendation that the Town Board authorize the execution of this agreement between the Town and DWA.

ITEM 5. REQUEST TO CLOSE OAK STREET

The Town has 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 we are not aware of any problems that have occurred; consequently, we have no problem with the approval of this request.

As with other requests of this nature, we would recommend 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. Our personnel will retrieve the barricades on Monday, July 20.

ITEM 6. REQUEST TO CLOSE BOUNDARY STREET

The Town has 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 we are not aware of any problems that have occurred; consequently, we have no problem with the approval of this request.

As with other requests of this nature, we would recommend 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. Our personnel will retrieve the barricades on Monday, July 6.