



Town of Waynesville, NC

Board of Aldermen – Regular Meeting

Town Hall, 9 South Main Street, Waynesville, NC 28786

Date: **July 26, 2016**

Time: **6:30 p.m.**

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A. CALL TO ORDER - Mayor Gavin Brown

1. Welcome/Calendar/Announcements
2. Adoption of Minutes

Motion: To approve the minutes of the July 12, 2016 regular meeting, as presented [or as corrected].

B. CONTINUED BUSINESS

3. Tourism Development Authority Board – Town of Waynesville representative (1) vacancy to fill remainder of term ending December 31, 2018)

Motion: To approve the appointment of Ragan McBride as the Town of Waynesville representative to the Tourism Development Authority Board, as presented.

C. CALLS FOR PUBLIC HEARING

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

Motion: To call for a public hearing to be held 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.

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

Motion: To call for a public hearing to be held 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 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

TOWN OF WAYNESVILLE – REGULAR SESSION AGENDA

July 26, 2016

- 2 -

D. NEW BUSINESS

6. Personnel Policy Revisions

Article IV – Sections 4 & 12 – Employment of Relatives (Nepotism); Minimum Age Requirement

Article VI – Sections 1 & 2 – Overtime Pay Provisions

Article X – Section 4 & 16 – Vacation Leave Accumulation; Authorized Absences with Pay Change throughout from Human Resources Manager to Human Resources Office

Motion: *To approve the revisions to Article IV, VI and X and comprehensive change from Human Resources Manager to Human Resources Office throughout the personnel policy manual, as presented [or as amended]*

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

Motion: *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.*

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

Motion: *To approve the intent to award contract for the Public Services Operations Center Renovation Project in accordance with NC General Statutes 143-129 to Kearey Builders, contingent upon financing 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

Motion: *To approve the award of contract to the Downtown Waynesville Association for services to be provided in the Municipal Service District and execution of the contract with the North Carolina Main Street Program, as presented.*

E. COMMUNICATIONS FROM STAFF

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

11. Attorney's Report – Town Attorney Woody Griffin

TOWN OF WAYNESVILLE – REGULAR SESSION AGENDA

July 26, 2016

- 3 -

F. COMMUNICATIONS FROM THE MAYOR AND BOARD

G. CALL ON THE AUDIENCE

H. CLOSED SESSION

Closed session for the purpose of discussing personnel matters (applicants for Town Manager position) as permitted under NCGS § 143.318.11(a)(6)

I. ADJOURN



TOWN OF WAYNESVILLE

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16 South Main Street
Waynesville, NC 28786
Phone (828) 452-2491 • Fax (828) 456-2000
www.waynesvillenc.gov

CALENDAR July 26, 2016

2016	
Tue, Jul 26 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Fri, Jul 29 6:30 PM Wells Events Center	Southwestern Commission Annual Dinner
Sat, Jul 30 10:00AM – 5:00 PM Main Street, Downtown	“Where the World Meets on Main Street” International Day Festival
Sun, Jul 31 10:00 AM Folkmoot Center	Folkmoot – Awards and Gifts Breakfast (Proclamations and gifts will be provided to participating groups) Mayor and Aldermen requested to participate
Fri, Aug 5 5:00 – 9:00 PM Downtown	Art After Dark – Waynesville Gallery Association
Fri, Aug 5 6:30 – 9:00 PM Historic Courthouse	Mountain Street Dance – DWA
Sat, Aug 6 9:00 AM – 1:00 PM Courthouse Lawn	Sarge’s Annual Downtown Dog Walk
Tue, Aug 9 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Mon, Aug 22 5:30 PM Location TBD	Haywood COG – Maggie Valley Hosting
Tue, Aug 23 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Fri, Aug 26 5:00 – 10:00 PM Main Street	Main Street Mile benefiting Shriner’s Children’s Hospital
Wed, Aug 31 6:00 PM Waynesville Inn Resort & Spa	Haywood Healthcare Foundation 2016 Annual Gala
Fri, Sep 2 5:00 – 9:00 PM Downtown	Art After Dark – Waynesville Gallery Association

Fr-Sa, Sep 2-3	47 th Annual Smoky Mountain Folk Festival Lake Junaluska
Mon, Sep 5	Labor Day Holiday Town Offices Closed
Tue, Sep 13 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Sat, Sep 17 6:00 – 9:00 PM Downtown	Block Party - DWA
Mon, Sep 26 6:30 PM Location TBD	Southwestern Commission Board Meeting
Fri, Oct 7 5:00 – 9:00 PM Downtown	Art After Dark – Waynesville Gallery Association
Sat, Oct 8 10:00 AM – 5:00 PM Main Street, Downtown	33 rd Annual Church Street Art & Craft Show
Tue, Oct 11 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Sat, Oct 15 10:00 AM – 5:00 PM Main Street, Downtown	28 th Annual Apple Harvest Festival – Haywood Chamber of Commerce
Su-Tu, Oct 23-25	NCLM Annual Conference CityVision 2016 Raleigh, NC
Mon, Oct 24 5:30 PM Location TBD	Haywood COG – Waynesville Hosting
Tue, Oct 25 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Fri, Nov 4 5:00 – 9:00 PM Downtown	Art After Dark – Waynesville Gallery Association
Tue, Nov 8 6:30 AM – 7:30 PM All voting precincts	Election Day - General Election
Tue, Nov 8 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Fri, Nov 11	Veterans' Day Holiday Town Offices Closed
Th-Fr, Nov 24-25	Thanksgiving Holiday Town Offices Closed
Mon, Nov 28 6:30 PM Location TBD	Southwestern Commission Board Meeting

Fri, Dec 2 5:00 – 9:00 PM Downtown	Art After Dark – Waynesville Gallery Association
Fr-Mo, Dec 2-5	Holly Days Downtown – seasonal events downtown throughout the weekend
Mon, Dec 5 6:00 PM Main Street, Downtown	Waynesville Holiday Parade Line-up begins at 4:30 PM at Walnut and Main Parade begins at 6:00 PM
Sat, Dec 10 5:00 PM Fire Station #1	Waynesville Fire Department Annual Holiday Family Dinner (tent)
Sat, Dec 10 6:00 – 9:00 PM Main Street, Downtown	A Night Before Christmas / Bethlehem Market Place – DWA & First Baptist Church
Tue, Dec 13 6:30 PM Board Room, Town Hall	Board of Aldermen Regular Meeting
Fr-Tu, Dec 23, 26-27	Christmas Holiday Town Offices Closed
2017	
	New Year Holiday Town Offices Closed
	Martin Luther King Jr Holiday Town Offices Closed

Board and Commission Meetings – July/August 2016

ABC Board	ABC Office – 52 Dayco Drive	August 16 3 rd Tuesdays 10:00 AM
Board of Adjustment	Town Hall – 9 S. Main Street	August 2 1 st Tuesdays 5:30 PM
Downtown Waynesville Association	UCB Board Room – 165 North Main	July 28 4 th Thursdays 12 Noon
Firefighters Relief Fund Board	Fire Station 1 – 1022 N. Main Street	Meets as needed; <i>No meeting currently scheduled</i>
Historic Preservation Commission	Town Hall – 9 S. Main Street	August 3 1 st Wednesdays 2:00 PM
Planning Board	Town Hall – 9 S. Main Street	August 15 3 rd Mondays 5:30 PM
Public Art Commission	Town Hall – 9 S. Main Street	August 11 2 nd Thursdays 4:00 PM
Recreation & Parks Advisory Commission	Rec Center Office – 550 Vance Street	August 17 3 rd Wednesdays 5:30 PM
Waynesville Housing Authority	Waynesville Towers – 65 Church Street	August 3 1 st Wednesdays 5:30 PM

BOARD/STAFF SCHEDULE

Th – Sa, Aug 4-6, 2016	Town Attorney	NC Association of Municipal Attorneys Summer Seminar Asheville, NC
Th – Sa, Aug 18-20, 2016	Admin Svc Dir & Deputy Clerk	NC Association of Municipal Clerks Summer Seminar Asheville, NC

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
July 12, 2016

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Tuesday, July 12, 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
Woodrow Griffin, 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:

- July 21 through July 31 – Folkmoot celebration. He noted that each of the Board members had tickets to the opening and closing ceremonies.

Mayor Brown added that the town would be hosting a very special guest on Monday, July 18. Eleven year old Dalton Austin would be visiting and would be “mayor for the day.”

2. Adoption of Minutes

Alderman Caldwell made a motion, seconded by Alderman Freeman, to approve the minutes of the June 22, 2016 special called meeting, and the minutes from the June 28, 2016 regular meeting, as presented. The motion carried unanimously.

B. PUBLIC HEARING

3. Public Hearing to consider a resolution naming a Town of Waynesville maintained road as “Wells Events Way.”

Mayor Brown reminded Board members that the public hearing had been continued from the previous meeting to allow Wells Greeley and Jonathan Key the opportunity to discuss concerns related to the naming of the road and any traffic concerns.

Town Attorney Woody Griffin reconvened the public hearing at 6:31 p.m. and reminded those in attendance that anyone who wished to speak should raise their hand, be recognized and approach the podium providing their name and address for the record and limiting comments to three (3) minutes.

No one addressed the Board.

Attorney Griffin closed the hearing at 6:32 p.m.

Alderman Caldwell made a motion, seconded by Alderman Feichter to approve the Resolution Naming at Town of Waynesville Maintained Road as “Wells Events Way”, as presented. The motion carried unanimously.

4. Public Hearing to solicit input from the residents and property owners as to the needs of the Municipal Service District (MSD)

Alderman Feichter requested a moment to clarify his comments from the previous meeting related to NC General Statute 536-537 related to Municipal Service Districts (MSD) and the solicitation of proposals. He explained that following a thorough reading of the statutes, he acknowledged understanding that the proposals were definitely a requirement and that any misunderstanding was his.

Attorney Griffin noted the purpose of the public hearing to solicit input from community (residents and property owners) related to the operation and management of the MSD. He reiterated that under statute, the Town is called upon to get the opinion from town at-large related to the needs of the MSD.

Attorney Griffin opened the public hearing at 6:35 p.m. Again reminding audience members that if any wished to speak they should raise their hand, be recognized and approach the podium providing their name and address for the record and limit comments to three (3) minutes.

John Keith, President of Downtown Waynesville Association (DWA) and owner of Twigs and Leaves. He expressed he was honored to represent the DWA organization and summarized the reasons why the DWA should continue as the entity providing services for the MSD including: a 30 year history of doing so, service provision cheaper than the city can do it and representation by business owners and citizens within the district itself. Mr. Keith concluded, commenting that “we all work together to provide a quality of life we have come to enjoy and hoped to continue the relationship as part of the award winning downtown area.”

Attorney Griffin asked if anyone else wished to address the Board. No one responded.

Attorney Griffin closed the public hearing at 6:39 p.m.

Mayor Brown noted that the Town has developed a symbiotic relationship with the DWA over the years and the DWA is providing a service to the Town. The community as a whole benefits from this relationship. No one doubts the work that the DWA does, but the statute was developed to address if there anything else that can be done. Mayor Brown commented that from the lack of comment that all was working well and that the DWA has always worked with Town staff on various endeavors.

Alderman Roberson added that he agreed with the description of a successful symbiotic relationship and hoped that would continue for many more years. Mayor Brown agreed that the DWA has done a good job.

Richard Miller, business owner, asked if he could speak. Mayor Brown allowed his comments. Mr. Miller inquired if the request for proposal (RFP) was available online and what the deadline for submission was for the proposals. Mayor Brown noted that the RFP must be completed by July 14th and that the bid documents were online. Mr. Miller asked if a hard copy could be provided. Ms. Owens provided Mr. Miller with a copy at the meeting.

Mayor Brown asked if there were any additional comments. There being none, he asked Interim Town Manager Mike Morgan to highlight the timeline for remainder of this process. Manager Morgan noted that bids are due July 14, 2016 no later than 4:00 p.m. Bids will be reviewed following receipt and a contract will be awarded at the July 26, 2016 regular meeting of the Board of Aldermen.

As there was no actionable item related to the public hearing due to the purpose of the public hearing was to solicit input from the residents and property owners related to the Municipal Service District, and that the timeline for the remainder process was highlighted, Mayor Brown moved to the next agenda item.

C. NEW BUSINESS

5. Street Closure Request – Ninevah Baptist Church Community Day Celebration – Saturday, July 23

Mayor Brown noted that a request was received from Rev. Mike Leslie regarding the closure of Country Club Drive at Victory Street and Williams Street on Saturday, July 23rd from 9:30 a.m. until 2:30 p.m. There will be music and activities for children and a car show. Alderman Caldwell noted that this event had been put on for several years with flyers put out in the neighborhood. He added that this was a day of games and food and bringing the community together.

Alderman Caldwell made a motion, seconded by Alderman Freeman to approve the street closure of Country Club Drive at Victory Street and Williams Street on Saturday, July 23rd for the Ninevah Baptist Church Community Day from 9:30 a.m. until 2:30 p.m., as presented. The motion carried unanimously.

6. Appointments to Boards and Commissions

By consensus, the Board agreed to use written ballots for their voting process and to appoint board and commission members based on those nominees receiving the highest number of votes for each open position.

Mayor Brown asked Town Clerk Amie Owens to tally the votes from the ballots completed and turned in by each Board member, requesting that the ballots remain on file for documentation purposes. The Clerk reported appointments as follows:

ABC Board - (1) vacancy (3-yr term ending June 30, 2019)

There were two (2) applicants – Earl Clark and Edwin Swanger
From the ballot tally, Mr. Clark received five (5) votes and is re-appointed to the ABC Board.

Historic Preservation Commission (HPC) – (3) vacancies (3-yr term ending June 30, 2019)

There were ten (10) applicants – Ann Melton, Sandra Owen, John Gernandt, Dragosh Negrea, John Ryder, Linda Self, Stephanie Strickland, Dona Stewart, Tanna Timbes, and Caroline Williamson

From the ballot tally Ms. Melton and Ms. Owen received five (5) votes. Due to the fact two individuals received three votes, a second vote utilizing show of hands was held between Ms. Timbes and Ms. Williamson. Ms. Timbes received five (5) votes and was appointed to serve on the Historic Preservation Commission.

Planning Board - (4) vacancies, (1) must represent ETJ (3-yr terms ending June 30, 2019)

There were six (6) applicants- L. Brooks Hale (ETJ representative); Ginger Hain (ETJ representative); Marty Prevost, Anthony Sutton, Joshua Morgan and Pratik Shah.

From the ballot tally, Mr. Hale received three (3) votes and Ms. Hain received three (3) votes which required an additional vote as there is only one opening for an ETJ representative. The remainder of the votes were recorded as follows: Marty Prevost – five (5) votes; Anthony Sutton – four (4) votes; Joshua Morgan - two (2) votes and Pratik Shah – three (3) votes. Ms. Prevost, Mr. Sutton and Mr. Shah were appointed to the Planning Board for a three-year term ending June 30, 2019.

In advance of the second vote for ETJ representative, Mayor Brown noted that Mr. Hale did not live within the ETJ of the town and was no longer eligible to serve as such representative. Board members voted by show of hands and Ms. Hain received five (5) votes for appointment to the Planning Board. Due to the fact that Ms. Hain is representing the ETJ, his appointment must be confirmed by the Haywood County Board of County Commissioners.

Public Art Commission – (3) vacancies (3-yr term ending June 30, 2019)

There were six (6) applicants – Dominick DePaolo, Ann Melton, Ralph Andrew, James Lyle, Stephanie Strickland and Caroline Williamson.

From the ballot tally, Mr. DePaolo and Ms. Melton received five (5) votes and were re-appointed to the Public Art Commission. Mr. Andrew received one (1) vote, Mr. Lyle received one (1) vote, Ms. Strickland received zero (0) votes and Ms. Williamson received three (3) votes and was appointed to serve on the Public Art Commission.

Recreation and Parks Advisory Board – (3) vacancies (3 yr-term ending June 30, 2019)

There were six (6) applicants – Don Frady, Sarah Massie, Linda O’Neill, Joshua Morgan, Stephanie Strickland and Caroline Williamson.

From the ballot tally – Mr. Frady, Ms. Massie and Ms. O’Neill received five (5) votes. All three (3) were re-appointed to the Recreation and Parks Advisory Board.

Zoning Board of Adjustment - (3) vacancies – (3-yr term ending June 30, 2019)

There were three (3) applicants – David Felmet, Stephanie Strickland and Joshua Morgan.

From the ballot tally, all three applicants received five (5) votes. Mr. Felmet and Ms. Strickland are re-appointed to serve on the Zoning Board of Adjustment; Mr. Morgan is appointed to his initial term on the Zoning Board of Adjustment.

Ms. Owens will formally notify these individuals and the chairs of each board or commission of these appointments. Ms. Owens added that there will be an appreciation reception planned for the fall for all of the members of these volunteer boards.

Mayor Brown thanked all who applied for appointment and encouraged individuals to continue to submit applications annually.

Mayor Brown noted that the Haywood County TDA 1% Subcommittee required an additional appointee from the Town of Waynesville. Reagan McBride was nominated by Mayor Brown and ***Board members indicated by show of hands election of Mr. McBride as the representative.***

D. COMMUNICATIONS FROM STAFF

9. Manager’s Report - Interim Town Manager Mike Morgan

Manager Morgan wished everyone a Happy New Year, indicating that the new fiscal year began on July 1, 2016. He noted that he, Ms. Owens and Fire Chief Joey Webb had met with Fire Marshal Johnny Glance to discuss the fire district maps and possible changes. This is an ongoing project which will require approval by the Board of County Commissioners.

Manager Morgan reported that the RFPs for financing for the Public Services Department Building Renovation had been sent out to 21 lending institutions including all in Haywood County. Such financing must be approved by the Local Government Commission (LGC).

10. Attorney’s Report - Town Attorney Woody Griffin

Town Attorney Woody Griffin had nothing to report.

E. COMMUNICATION FROM THE MAYOR AND BOARD

Alderman Feichter noted that there was a missing street sign on the corner of Mead and North Main Street. He asked what could be done about replacement. Ms. Owens will contact Haywood County Addressing as they are responsible for such replacement.

F. CALL ON THE AUDIENCE

Dick Young shared his appreciation to the police department for providing an escort to the cemetery for a recent funeral. He added that all Waynesville citizens as tax payers should be able to have that type of service when they pass away.

Mr. Young continued by asking why Pigeon Street could not be paved. Mayor Brown noted that it is a state road and the DOT is responsible for such paving. Mr. Young explained that he had met with Ed Green from the NC DOT and he said that it was due to be paved in 2017, but that until improvements were made to water and sewer lines, they would not do so. Mayor Brown commented that he would discuss with Public Services Director David Foster.

G. CLOSED SESSION

Alderman Feichter made a motion, seconded by Alderman Roberson 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 7:10 p.m.

The Board returned from closed session at 7:58 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 8:00 p.m. The motion carried unanimously.

ATTEST

Gavin A. Brown, Mayor

Michael J. Morgan, Interim Town Manager

Amanda W. Owens, Town Clerk

TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 26, 2016

SUBJECT: Call for a Public Hearing to be held on August 9 to consider a request to be voted on at two meetings of the Board of Aldermen, to remove 180 Legion Drive, PIN 8615-25-5741, from the Municipal Services District.

AGENDA INFORMATION:

Agenda Location: Call for Public Hearing
Item Number: 4-B
Department: Development Services
Contact: Elizabeth Teague, Development Services Director
Presenter: Elizabeth Teague, Development Services Director

BRIEF SUMMARY: The Town received a written request from property owner James Earley to remove his property from the MSD District. In his letter, Mr. Earley references new NC legislation (see attached) which was signed into law on June 1, 2016 which allows a property owner to request that their property be removed from the MSD. This request should “state with particularity the reasons why the tract or parcel is not in need of the services, facilities or functions of the proposed district.” The legislation goes on to say that, “if the city council finds that the tract or parcel is not in need of the services, facilities, or functions of the district to a demonstrably greater extent than the remainder of the city, the city council may, by ordinance, redefine the service district by removing therefrom the tract or parcel.”

MOTION FOR CONSIDERATION:

To call for a Public Hearing to be held on August 9, 2016 at the next Board of Aldermen Meeting at 6:30 pm, in order to consider a reduction in the Town of Waynesville’s Municipal Services District by the removal of one lot at the request of the owner.

FUNDING SOURCE/IMPACT: This action is a Call for Public Hearing only. Future action to remove this lot will take effect at the end of this fiscal year in accordance with the new legislation, reducing MSD revenue by \$692.20 which goes to support the Downtown Waynesville Association.

ATTACHMENTS:

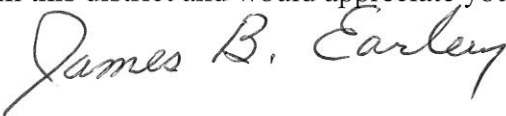
1. Letter of request and map
2. Copy of Legislation

MANAGER’S COMMENTS AND RECOMMENDATIONS: This is a call for public hearing only. Staff will work with Town attorney to prepare a resolution for your consideration on August 9.

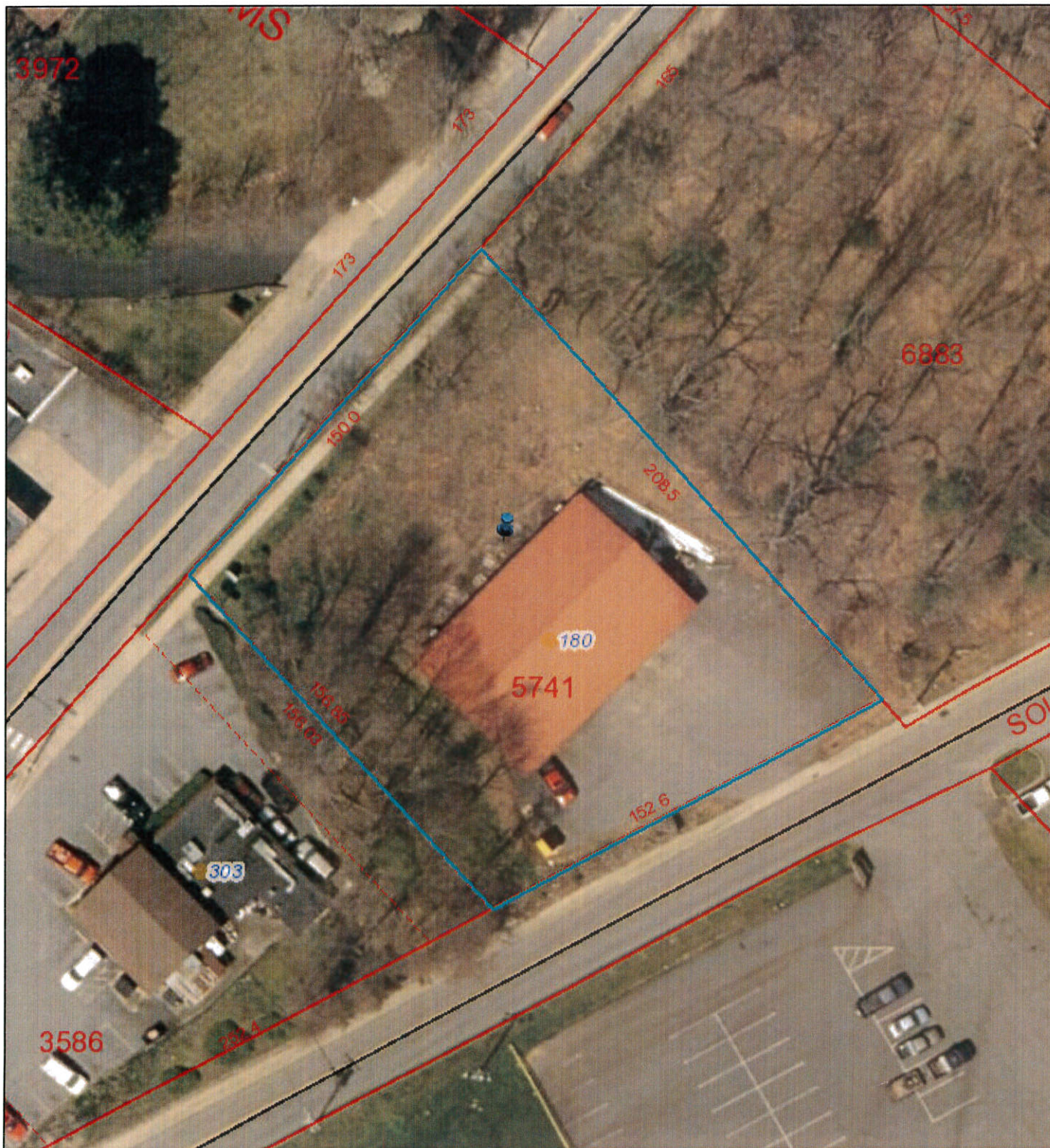
July 11, 2016

To Whom It May Concern:

I, James Earley, the owner of 180 Legion Drive, Waynesville NC 28786, am requesting to be removed from the MSD District in reference to Session Law 206-8. I am not in need of the services, facilities or functions of the proposed district. Our services are compatible to any of the other properties that are not within the MSD services. I anxiously await removal from this district and would appreciate your reply as soon as possible.

Sincerely, 

James B. Earley
329 Hunt Estates Drive
Waynesville, NC 28786
828-452-1952



Parcel Report For 8615-25-5741

EARLEY, JAMES B
329 HUNT ESTATES DR
WAYNESVILLE, NC 28786

Account Information

PIN: 8615-25-5741

Legal Ref: 465/525

Add Ref:

Site Information

STORE, RETAIL
COMMERCIAL USE
180 LEGION DR

Heated Area: 0
Year Built: 0
Total Acreage: 0.62 AC
Township: TOWN OF WAYNESVILLE

Site Value Information

Land Value: \$135,000
Building Value: \$211,100
Market Value: \$346,100
Deferred Value: \$0
Assessed Value: \$346,100
Sale Price: \$35,000
Sale Date: 05/07/1998
Tax Bill 1: \$1,959.27
Tax Bill 2: \$1,873.44



1 inch = 50 feet
July 12, 2016

Disclaimer: The maps on this site are not surveys. They are prepared from the inventory of real property found within this jurisdiction and are compiled from recorded deeds, plats and other public records and data. Users of this site are hereby notified that the aforementioned public primary information sources should be consulted for verification of any information contained on these maps. Haywood county and the website provider assume no legal responsibility for the information contained on these maps.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

SESSION LAW 2016-8
HOUSE BILL 1023*

AN ACT PROVIDING THAT (I) A MUNICIPAL SERVICE DISTRICT MAY BE DEFINED BY THE CITY COUNCIL UPON RECEIPT OF A PETITION FROM REAL PROPERTY OWNERS; (II) A CITY MAY EXCLUDE PROPERTY FROM A MUNICIPAL SERVICE DISTRICT PRIOR TO OR AFTER THE CREATION OF THE DISTRICT IF THE PROPERTY DOES NOT BENEFIT FROM THE SERVICES, FACILITIES, OR FUNCTIONS OF THE DISTRICT; (III) A MUNICIPAL SERVICE DISTRICT MAY BE DEFINED, EXTENDED, CONSOLIDATED, AND ABOLISHED ONLY BY ORDINANCE; AND (IV) A CONTRACT FOR SERVICES IN A MUNICIPAL SERVICE DISTRICT WITH A PRIVATE AGENCY SHALL INCLUDE A REQUIREMENT THAT THE AGENCY REPORT THE IDENTITY OF ANY SUBCONTRACTORS, AS RECOMMENDED BY THE LRC COMMITTEE ON MUNICIPAL SERVICE DISTRICTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-536 reads as rewritten:

"§ 160A-536. Purposes for which districts may be established.

...
(d) Contracts. – A city may provide services, facilities, functions, or promotional and developmental activities in a service district with its own forces, through a contract with another governmental agency, through a contract with a private agency, or by any combination thereof. Any contracts entered into pursuant to this subsection shall comply with all of the following criteria:

- (1) The contract shall specify the purposes for which city moneys are to be used for that service district.
- (2) The contract shall require an appropriate accounting for those moneys at the end of each fiscal year or other appropriate period. The appropriate accounting shall include the name, location, purpose, and amount paid to any person or persons with whom the private agency contracted to perform or complete any purpose for which the city moneys were used for that service district.

...."

SECTION 2. G.S. 160A-537 reads as rewritten:

"§ 160A-537. Definition of service districts.

(a) Standards. – The city council of any city may by ~~resolution~~ ordinance define a service district upon finding that a proposed district is in need of one or more of the services, facilities, or functions listed in G.S. 160A-536 to a demonstrably greater extent than the remainder of the city.

(a1) Petition to Define District. – The city council may also by ordinance define a service district if a petition submitted by a majority of the owners of real property in a defined area of the city establishes that the area is in need of one or more of the services, facilities, or functions listed in G.S. 160A-536 to a demonstrably greater extent than the remainder of the city. The petition shall contain the names, addresses, and signatures of the real property owners within the proposed district, describe the proposed district boundaries, and state in detail the services, facilities, or functions listed in G.S. 160A-536 which would serve as the basis for establishing the proposed district. The city council may establish a policy to hear all petitions submitted under this subsection at regular intervals, but no less than once per year.



(b) Report. – Before the public hearing required by subsection (c), the city council shall cause to be prepared a report containing:

- (1) A map of the proposed district, showing its proposed boundaries;
- (2) A statement showing that the proposed district meets the standards set out in subsection (a); and
- (3) A plan for providing in the district one or more of the services listed in G.S. 160A-536.

The report shall be available for public inspection in the office of the city clerk for at least four weeks before the date of the public hearing.

(c) Hearing and Notice. – The city council shall hold a public hearing before adopting any ~~resolution~~ ordinance defining a new service district under this section. Notice of the hearing shall state the date, hour, and place of the hearing and its subject, and shall include a map of the proposed district and a statement that the report required by subsection (b) is available for public inspection in the office of the city clerk. The notice shall be published at least once not less than one week before the date of the hearing. In addition, it shall be mailed at least four weeks before the date of the hearing by any class of U.S. mail which is fully prepaid to the owners as shown by the county tax records as of the preceding January 1 (and at the address shown thereon) of all property located within the proposed district. The person designated by the council to mail the notice shall certify to the council that the mailing has been completed and his certificate is conclusive in the absence of fraud.

(c1) Exclusion From District. – An owner of a tract or parcel of land located within the proposed district may, at the public hearing or no later than five days after the date of the public hearing required by subsection (c) of this section, submit a written request to the city council for the exclusion of the tract or parcel from the proposed district. The owner shall specify the tract or parcel, state with particularity the reasons why the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, and provide any other additional information the owner deems relevant. If the city council finds that the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, the city council may exclude the tract or parcel from the proposed district.

(d) Effective Date. – Except as otherwise provided in this subsection, the ~~resolution~~ ordinance defining a service district shall take effect at the beginning of a fiscal year commencing after its passage, as determined by the city council. If the governing body in the ~~resolution~~ ordinance states that general obligation bonds or special obligation bonds are anticipated to be authorized for the project, it may make the ~~resolution~~ ordinance effective immediately upon its adoption or as otherwise provided in the ~~resolution~~ ordinance. However, no ad valorem tax may be levied for a partial fiscal year.

(e) ~~In the case of a resolution defining a service district, which is adopted during the period beginning July 1, 1981, and ending July 31, 1981, and which district is for any purpose defined in G.S. 160A-536(1), the city council may make the resolution effective for the fiscal year beginning July 1, 1981. In any such case, the report under subsection (b) of this section need only have been available for public inspection for at least two weeks before the date of the public hearing, and the notice required by subsection (c) of this section need only have been mailed at least two weeks before the date of the hearing.~~

(f) Passage of Ordinance. – No ordinance defining a service district as provided for in this section shall be finally adopted until it has been passed at two meetings of the city council by majority vote of the voting members present, and no service district shall be defined except by ordinance.

SECTION 3. G.S. 160A-538 reads as rewritten:

"§ 160A-538. Extension of service districts.

(a) Standards. – The city council may by ~~resolution~~ ordinance annex territory to any service district upon finding that:

- (1) The area to be annexed is contiguous to the district, with at least one eighth of the area's aggregate external boundary coincident with the existing boundary of the district;
- (2) That the area to be annexed requires the services of the district.

(b) Annexation by Petition. – The city council may also by ~~resolution~~ ordinance extend by annexation the boundaries of any service district when one hundred percent (100%) of the

real property owners of the area to be annexed have petitioned the council for annexation to the service district.

(c) Report. – Before the public hearing required by subsection (d), the council shall cause to be prepared a report containing:

- (1) A map of the service district and the adjacent territory, showing the present and proposed boundaries of the district;
- (2) A statement showing that the area to be annexed meets the standards and requirements of subsections (a) or (b); and
- (3) A plan for extending services to the area to be annexed.

The report shall be available for public inspection in the office of the city clerk for at least two weeks before the date of the public hearing.

(d) Hearing and Notice. – The council shall hold a public hearing before adopting any ~~resolution-ordinance~~ extending the boundaries of a service district. Notice of the hearing shall state the date, hour and place of the hearing and its subject, and shall include a statement that the report required by subsection (c) is available for inspection in the office of the city clerk. The notice shall be published at least once not less than one week before the date of the hearing. In addition, the notice shall be mailed at least four weeks before the date of the hearing to the owners as shown by the county tax records as of the preceding January 1 of all property located within the area to be annexed. The notice may be mailed by any class of U.S. mail which is fully prepaid. The person designated by the council to mail the notice shall certify to the council that the mailing has been completed, and his certificate shall be conclusive in the absence of fraud.

(e) Effective Date. – The ~~resolution-ordinance~~ extending the boundaries of the district shall take effect at the beginning of a fiscal year commencing after its passage, as determined by the council.

(e1) Passage of Ordinance. – No ordinance annexing territory to a service district as provided for in this section shall be finally adopted until it has been passed at two meetings of the city council by majority vote of the voting members present, and no territory shall be annexed to a service district except by ordinance.

(f) Historic District Boundaries Extension. – A service district which at the time of its creation had the same boundaries as an historic district created under Part 3A of Article 19 of this Chapter may only have its boundaries extended to include territory which has been added to the historic district."

SECTION 4. G.S. 160A-538.1 reads as rewritten:

"§ 160A-538.1. Reduction of service districts.

(a) Reduction by City Council. – Upon finding that there is no longer a need to include within a particular service district any certain tract or parcel of land, the city council may by ~~resolution-ordinance~~ redefine a service district by removing therefrom any tract or parcel of land which it has determined need no longer be included in said district. The city council shall hold a public hearing before adopting a ~~resolution-an ordinance~~ removing any tract or parcel of land from a district. Notice of the hearing shall state the date, hour and place of the hearing, and its subject, and shall be published at least once not less than one week before the date of the hearing.

(a1) Request for Reduction by Owner. – A property owner may submit a written request to the city council to remove the owner's tract or parcel of land from a service district. The owner shall specify the tract or parcel, state with particularity the reasons why the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, and provide any other additional information the owner deems relevant. Upon receipt of the request, the city council shall hold a public hearing as required by subsection (a) of this section. If the city council finds that the tract or parcel is not in need of the services, facilities, or functions of the district to a demonstrably greater extent than the remainder of the city, the city council may, by ordinance, redefine the service district by removing therefrom the tract or parcel.

(b) Effective Date. – The removal of any tract or parcel of land from any service district shall take effect at the end of a fiscal year following passage of the ~~resolution, ordinance,~~ as determined by the city council.

(b1) Passage of Ordinance. – No ordinance reducing a service district as provided for in this section shall be finally adopted until it has been passed at two meetings of the city council

by majority vote of the voting members present, and no service district shall be reduced except by ordinance.

(c) Historic District Boundaries Reduction. – A service district which at the time of its creation had the same boundaries as an historic district created under Part 3A of Article 19 of this Chapter may only have its boundaries reduced to exclude territory which has been removed from the historic district."

SECTION 5. G.S. 160A-539 reads as rewritten:

"§ 160A-539. Consolidation of service districts.

(a) The city council may by ~~resolution~~ordinance consolidate two or more service districts upon finding that:

- (1) The districts are contiguous or are in a continuous boundary; and
- (2) The services provided in each of the districts are substantially the same; or
- (3) If the services provided are lower for one of the districts, there is a need to increase those services for that district to the level of that enjoyed by the other districts.

(b) Report. – Before the public hearing required by subsection (c), the city council shall cause to be prepared a report containing:

- (1) A map of the districts to be consolidated;
- (2) A statement showing the proposed consolidation meets the standards of subsection (a); and
- (3) If necessary, a plan for increasing the services for one or more of the districts so that they are substantially the same throughout the consolidated district.

The report shall be available in the office of the city clerk for at least two weeks before the public hearing.

(c) Hearing and Notice. – The city council shall hold a public hearing before adopting any ~~resolution~~ordinance consolidating service districts. Notice of the hearing shall state the date, hour, and place of the hearing and its subject, and shall include a statement that the report required by subsection (b) is available for inspection in the office of the city clerk. The notice shall be published at least once not less than one week before the date of the hearing. In addition, the notice shall be mailed at least four weeks before the hearing to the owners as shown by the county tax records as of the preceding January 1 of all property located within the consolidated district. The notice may be mailed by any class of U.S. mail which is fully prepaid. The person designated by the council to mail the notice shall certify to the council that the mailing has been completed, and his certificate shall be conclusive in the absence of fraud.

(d) Effective Date. – The consolidation of service districts shall take effect at the beginning of a fiscal year commencing after passage of the ~~resolution~~ordinance of consolidation, as determined by the council.

(e) Passage of Ordinance. – No ordinance consolidating two or more service districts as provided for in subsection (a) of this section shall be finally adopted until it has been passed at two meetings of the city council by majority vote of the voting members present, and no service districts shall be consolidated except by ordinance."

SECTION 6. G.S. 160A-541 reads as rewritten:

"§ 160A-541. Abolition of service districts.

Upon finding that there is no longer a need for a particular service district, the city council may by ~~resolution~~ordinance abolish that district. The council shall hold a public hearing before adopting ~~a resolution~~an ordinance abolishing a district. Notice of the hearing shall state the date, hour and place of the hearing, and its subject, and shall be published at least once not less than one week before the date of the hearing. The abolition of any service district shall take effect at the end of a fiscal year following passage of the ~~resolution~~ordinance, as determined by the council."

SECTION 7. Section 1 of this act is effective when it becomes law and applies only to contracts entered into on or after the effective date of this act. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 27th day of May, 2016.

s/ Kathy Harrington
Presiding Officer of the Senate

s/ Paul Stam
Presiding Officer of the House of Representatives

s/ Pat McCrory
Governor

Approved 4:07 p.m. this 1st day of June, 2016

TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 26, 2016

SUBJECT: Amendments to Articles IV, VI and X of the Town of Waynesville Personnel Policy Manual related to nepotism, minimum age requirement, overtime pay and leave

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 5-C
Department: Administrative Services-Human Resources
Contact: Amie Owens, Administrative Services Director
Presenter: Amie Owens, Administrative Services Director

BRIEF SUMMARY:

The proposed amendments to the personnel policies stem from situations that have repeatedly arisen where additional clarification in the policy has been required for clear direction and procedure.

- 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.

MOTIONS FOR CONSIDERATION: *To approve the revisions to Article IV, VI and X and comprehensive change from Human Resources Manager to Human Resources Office throughout the personnel policy manual, as presented [or as amended]*

FUNDING SOURCE/IMPACT: Reduction in overtime with the implementation of the 80 hour averaging

ATTACHMENTS: Revised policies – Articles IV, VI and X

MANAGER’S COMMENTS AND RECOMMENDATIONS: Approve as presented.

Section 4 Employment of Relatives (Nepotism) (Amended Board of Aldermen – ~~11-10-2015~~08-01-2016)

Overview:

It is the policy of the Town that persons considered for employment or promotion shall be evaluated on the basis of individual merit, including qualifications, experience and training, without reference to considerations of race, gender, color, religion, disability, age, sexual orientation, national origin, or any other factors not involving personal professional qualifications and performance. Notwithstanding this policy, the Town retains the right to refuse to appoint a person to any position wherein his/her relationship to another employee has the potential for creating adverse impact on supervision, safety, security or morale or involves a potential conflict of interest. The purpose of this Nepotism Policy is to prevent improper favoritism in employment based upon family or personal relationships within the Town.

Objectives:

- To promote fairness in employment, supervision, discipline, transfer, promotion, salary administration and other human resource management considerations.
- To prevent improper favoritism, real or perceived conflicts of interest, or undue influence based upon family or personal relationship.
- To enhance the overall internal control system and reduce the probability of placing public assets in jeopardy.

Policy:

A relative may not occupy a position which has influence over another related family member's employment, transfer or promotion, salary administration, or other human resource management consideration, including any position having responsibility for the direct supervision of the other related person.

If relatives are considered for employment, transfer, or promotion by the Town, it is necessary for the Human Resource office to certify that such action will not result in one family member supervising another member of the family, or in any other violation of this section.

Relatives of current employees (permanent or temporary) may not be employed within the same department, except as provided by exception below. A person related to an incumbent employee may not be employed if the professional qualifications of other candidates for the available position are demonstrably superior to those of the related person.

Definitions:

For the purpose of this policy, “Immediate Family” or relative is defined as:

- Spouse
- Parent
- Brother or Sister
- Son or Daughter
- Grandparent, grandchild
- Aunt or Uncle
- Niece, or Nephew
- ~~First Cousin~~
- Guardian or Ward
- Step-, half- and in-law relations of this same list
- Domestic partner, cohabitant, or person with whom a significant committed relationship exists

In addition, the Town also prohibits the employment of a person into any position who is relative of individuals holding the following positions: Mayor, Mayor Pro Tem, Alderman, Town Manager, or Town Attorney or any individual employed in the Finance, Human Resources or Administrative Services Departments.

Section 12 Minimum Age Requirement (Revised 08-01-2016)

The minimum age for employment with the Town is 18 for all regular positions. Exceptions to the minimum age are provided for under the law if the applicant procures an employment certificate from the Haywood County ~~Department of Social Services~~Health and Human Services Department and is hired in a part-time or seasonal capacity. For example: Life Guards. No individual under the age of 16 will be employed by the Town of Waynesville in any capacity.

HOURS OF WORK AND OVERTIME

ARTICLE VI

Section 1 Overtime Pay Provisions – Revised 08-01-2016

Employees of the Town may be required to work overtime hours as necessitated by the needs of the Town and determined by the Department Head. The Town will compensate non-exempt employees with pay at the rate of one and one-half times, the overtime hours worked in excess of ~~40~~ 80 hours within a ~~seven~~fourteen-day ~~work-week~~work period. (FLSA Exceptions) Fire fighters overtime will be paid when hours exceed 212 hours in a 28 day consecutive period. Law enforcement personnel overtime will be paid when hours exceed 171 in a 28 day consecutive period. ~~Compensatory leave requires approval by the Town Manager when creating a balance that exceeds 100 hours.~~

Department heads and supervisors will make every effort to see that work is accomplished within the established work week for their respective departments. However, the Town recognizes that weather conditions, required seasonal activities, emergencies and other situations may dictate the number of hours needed to provide Town services.

Whenever practicable, departments will schedule compensatory time off within the applicable work period for non-exempt employees.

~~Section 2~~ Compensatory Time

~~Compensatory time may be given in lieu of cash overtime compensation under the following FLSA guidelines (29.U.S.C 207(0)).~~

- ~~———— (1) ——— Compensatory time is provided at the rate of 1.5 hours for each hour of ——— overtime (special provisions for public safety employees);~~
- ~~———— (2) ——— Compensatory time must be provided in accordance with some agreement or ——— understanding with employees. Employees must agree to be compensated in ——— comp time hours in lieu of cash compensation;~~
- ~~———— (3) ——— FLSA comp time hours limits are 480 for public safety, emergency response, ——— and seasonal employees, and 240 hours for all other employees;~~
- ~~———— (4) ——— Employees may request the use of accumulated comp time as paid time off; ——— and~~
- ~~———— (5) ——— Employees must be compensated for any unused accumulated comp time if ——— employment is terminated.~~

Section 4 Vacation Leave – Accumulation (Amended ~~06-23-2015~~08-01-2016)

All full-time, regular and probational employees of the Town will earn vacation leave at the following rate:

Length of Service	Hours Earned Each Month	Days earned each month	Days Earned Each Year
0-5 years	6.67	.83	10
5-10 years	8.00	1.00	12
10- 15 years	10.00	1.25	15
15-20 years	11.33	1.41	17
20+ years	13.33	1.67	20

Vacation leave may accumulate to a maximum of thirty (30) days. When the maximum has been accumulated, all additional leave over thirty (30) days must be taken by December 31st. On January 1st the accumulated leave balance will be reduced back to the thirty (30) day maximum. Vacation days reduced in excess of 30 days on January 1, will be transferred to the employee's accrued sick leave benefits. Time taken off by employees using approved leave with pay, or receiving workers compensation benefits, will be counted as time worked for the purpose of earning vacation leave.

Persons hired on or before the 15th of the month will earn one-half day vacation leave for that month. Those hired after the 15th of the month begin earning vacation leave on the first of the following month.

Probationary employees will accrue vacation leave but are not entitled to take such leave until completion of the probationary period. Permanent part-time employees will accrue vacation on a prorated schedule based on hours worked.

Newly hired employees will receive credit for years of service in calculating annual leave for total years served in any unit of government which participates in NCLGERS. For example: if an individual has served for 10 years with another unit and transfers to Waynesville, they would accrue annual leave based on their 10 years of service, rather than that of an employee with no NCLGERS service (i.e. 10 hours per month rather than 6.67). An individual who has a break in service longer than six (6) months is ineligible to accrue at a rate different from a newly hired employee.

Section 16 Authorized Absences with Pay

An employee may be granted leave with pay, with the prior approval of the department head, for the following reasons:

- 1) Absence not to exceed three work days in the case of a death in the immediate family. Immediate family for authorized pay will be defined as spouse, child, mother, father, sister, brother, grandparent, grandchild, mother-in-law, and father-in-law; step or half-siblings.
- 2) Absence of one work day in the case of a death in the immediate family to attend the funeral of a brother-in-law, sister-in-law, aunt or uncle, niece or nephew.
- 23) Absence from the job for purposes of direct job-related training may be granted with the approval of the Town Manager.
- 34) Other such reasons that will be recommended by the Town Manager.

TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 26, 2016

SUBJECT: Approval of the amended and restated Welfare Benefit Plan effective July 1, 2016

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 6-C
Department: Administrative Services-Human Resources
Contact: Amie Owens, Administrative Services Director
Presenter: Amie Owens, Administrative Services Director

BRIEF SUMMARY:

Welfare benefit plans—commonly referred to as health and welfare plans—are described in Title I of the Employee Retirement Income Security Act of 1974 (ERISA) and include any plan, fund, or program that provides:

- Medical, dental, prescription drugs, vision, psychiatric, long term health-care, life insurance, or accidental death or dismemberment benefits
- Benefits for postemployment (benefits for former or inactive employees after employment has ended but before retirement), such as Consolidated Omnibus Budget Reconciliation Act (COBRA) benefits, severance, or long-term or short-term disability
- Other benefits such as sick leave, vacation, holiday, apprenticeship, tuition assistance, day care, dependent care, housing subsidies, or legal services
- Post-retirement benefits, such as medical, dental, prescription drugs, vision and life insurance
- Supplemental unemployment benefits

Plans may cover active employees, terminated employees, dependents, retirees, or beneficiaries.

The Town of Waynesville's representatives Health Equity and Flores and Associates who administer the health reimbursement functions on our 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.

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.

MOTIONS FOR CONSIDERATION: *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.*

FUNDING SOURCE/IMPACT: N/A

ATTACHMENTS: Certificate of Resolution
Amended and Restated Plan Document
Summary Plan Description

MANAGER'S COMMENTS AND RECOMMENDATIONS: Approve as presented.

CERTIFICATE OF RESOLUTION

The undersigned authorized representative of **Town of Waynesville** (the Employer) hereby certifies that the following resolutions were duly adopted by the governing body of the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended and restated Welfare Benefit Plan, effective July 01, 2016, presented to this meeting (and a copy of which is attached hereto) is hereby approved and adopted, and that the proper agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of said Plan one or more counterparts of the Plan.

RESOLVED, that the Administrator shall be instructed to take such actions that the Administrator deems necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures for the provision of benefits under the Plan.

RESOLVED, that the proper agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Plan and to deliver to each employee a copy of the Summary Plan Description of the Plan, which Summary Plan Description is attached hereto and is hereby approved.

The undersigned further certifies that attached hereto as Exhibits, are true copies of Town of Waynesville's Benefit Plan Document and Summary Plan Description approved and adopted at this meeting.

Town of Waynesville

By:

Name:

Title:

Town of Waynesville

16 South Main Street
Waynesville, NC 28786

Town of Waynesville HRA Plan

Amended and Restated July 01, 2016

TABLE OF CONTENTS

I. ARTICLE - DEFINITIONS

- | | |
|-----|-------------------------------|
| 01. | "ADMINISTRATOR" |
| 02. | "CODE" |
| 03. | "COVERAGE PERIOD" |
| 04. | "DEPENDENT" |
| 05. | "EFFECTIVE DATE" |
| 06. | "ELIGIBLE EMPLOYEE" |
| 07. | "EMPLOYEE" |
| 08. | "EMPLOYER" |
| 09. | "EMPLOYER CONTRIBUTION" |
| 10. | "ERISA" |
| 11. | "HRA" |
| 12. | "LEASED EMPLOYEE" |
| 13. | "PARTICIPANT" |
| 14. | "PREMIUMS" |
| 15. | "QUALIFYING MEDICAL EXPENSES" |

II. ARTICLE - PARTICIPATION

- | | |
|-----|---------------------------------|
| 01. | ELIGIBILITY |
| 02. | EFFECTIVE DATE OF PARTICIPATION |
| 03. | TERMINATION OF PARTICIPATION |

III. ARTICLE - BENEFITS

- | | |
|-----|---|
| 01. | ESTABLISHMENT OF HRA |
| 02. | NONDISCRIMINATION REQUIREMENTS |
| 03. | HEALTH REIMBURSEMENT ARRANGEMENT CLAIMS |

IV. ARTICLE - ERISA PROVISIONS

- | | |
|-----|------------------------------------|
| 01. | CLAIM FOR BENEFITS |
| 02. | NAMED FIDUCIARY |
| 03. | GENERAL FIDUCIARY RESPONSIBILITIES |
| 04. | NONASSIGNABILITY OF RIGHTS |

V. ARTICLE - ADMINISTRATION

- | | |
|-----|----------------------------------|
| 01. | HRA ADMINISTRATION |
| 02. | EXAMINATION OF RECORDS |
| 03. | INDEMNIFICATION OF ADMINISTRATOR |

VI. ARTICLE - AMENDMENT OR TERMINATION OF HRA

- | | |
|-----|-------------|
| 01. | AMENDMENT |
| 02. | TERMINATION |

VII. ARTICLE - MISCELLANEOUS

- | | |
|-----|---|
| 01. | ADOPTION BY OTHER EMPLOYERS |
| 02. | HRA INTERPRETATION |
| 03. | GENDER AND NUMBER |
| 04. | WRITTEN DOCUMENT |
| 05. | EXCLUSIVE BENEFIT |
| 06. | PARTICIPANT'S RIGHTS |
| 07. | ACTION BY THE EMPLOYER |
| 08. | NO GUARANTEE OF TAX CONSEQUENCES |
| 09. | INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS |

11.	GOVERNING LAW
12.	SEVERABILITY
13.	HEADINGS
14.	CONTINUATION OF COVERAGE
15.	HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
16.	UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT
17.	HIPAA PRIVACY STANDARDS
18.	HIPAA ELECTRONIC SECURITY STANDARDS

Town of Waynesville HRA Plan

INTRODUCTION

Town of Waynesville hereby amends and restates effective July 01, 2016, a health reimbursement arrangement, known as the Town of Waynesville HRA Plan (the "HRA") with an original effective date of July 01, 2015, the terms of which are set forth in this document. The HRA provides for the reimbursement of expenses as described in the Appendices of this document that have been incurred by Eligible Employees, their spouses and certain eligible Dependents of such Employees.

It is intended that the HRA meet the requirements for qualification under Code Section 105 with respect to Employees, and that benefits paid Employees hereunder be excludable from their gross incomes pursuant to Code Section 105(b).

I. ARTICLE - DEFINITIONS

As used in this HRA, the following words and phrases shall have the meanings set forth herein unless a different meaning is clearly required by the context:

01. **"Plan Administrator"** means the individual(s) or committee appointed by the Employer to carry out the administration of the HRA. In the event the Administrator has not been appointed, or resigns from an appointment, the Employer shall be deemed to be the Administrator.
02. **"Code"** means the Internal Revenue Code of 1986, as amended.
03. **"Coverage Period"** means the 12-month period beginning July 01 and ending June 30.
04. **"Dependent"** means any individual who qualifies as a dependent under Code Section 152 (as modified by Code Section 105(b)). Any child of a Participant who is an "alternate recipient" under a qualified medical child support order under ERISA Section 609 shall be considered a Dependent under this Arrangement.
05. **"Effective Date"** means July 01, 2015.
06. **"Eligible Employee"** means an Employee who is eligible to participate in the Employer's group medical plan. An individual shall not be an "Eligible Employee" if such individual is not eligible for the Employer's group medical plan.
07. **"Employee"** means any person who is employed by the Employer and is regularly scheduled to work a minimum of 30 hours per week. The term "Employee" shall also include any person who is a Leased Employee deemed to be an Employee as provided in Code Section 414(n) or (o).
08. **"Employer"** means Town of Waynesville, a Govt any successor which shall maintain this HRA and any predecessor which has maintained this HRA. In addition, unless the context requires otherwise, the term "Employer" shall include any Participating Employer which shall adopt this HRA.
09. **"Employer Contribution"** means the amounts contributed to the HRA by the Employer.
10. **"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended from time to time.
11. **"HRA"** means the Town of Waynesville HRA Plan as adopted by the Employer, including all amendments thereto.
12. **"Leased Employee"** means, effective with respect to Plan Years beginning on or after January 1, 1997, any person (other than an Employee of the Employer) who, pursuant to an agreement between the Employer and any other person or entity ("leasing organization"), has performed services for the Employer (or for the Employer and related persons determined in accordance with Code Section 414(n)(6)) on a substantially full time basis for a period of at least one year, and such services are performed under primary direction or control by the Employer. Contributions or benefits provided to a Leased Employee by the leasing organization which are attributable to services performed for the Employer shall be treated as provided by the Employer. Furthermore, compensation for a Leased Employee shall only include compensation from the leasing organization that is attributable to services performed for the Employer.

A Leased Employee shall not be considered an Employee of the Employer if:

1. such employee is covered by a money purchase pension plan providing:
 - i. a nonintegrated employer contribution rate of at least ten percent (10%) of compensation, as defined in Code Section 415(c)(3), but including amounts contributed pursuant to a salary reduction agreement which are excludable from the employee's gross income under Code Sections 125, 402(e)(3), 402(h) or 403(b),
 - ii. immediate participation, and
 - iii. full and immediate vesting; and

compensated workforce.

13. **"Participant"** means any Eligible Employee who has satisfied the requirements of the Section titled: "Eligibility" and has not for any reason become ineligible to participate further in the HRA.
14. **"Premiums"** mean the Participant's cost for any health plan coverage.
15. **"Qualifying Medical Expenses"** means any expenses as described in the Appendices of this document that meets the definition of "qualified medical expenses" (within the meaning of Code Section 213(d) and as allowed under Code Section 105 and the rulings and Treasury regulations thereunder) of the Participant, the Participant's spouse or a Dependent and that are not otherwise used by the Participant as a deduction in determining the Participant's tax liability under the Code or reimbursed under any other health coverage, including a health Flexible Spending Account. If the Employer provides Health Savings Accounts for Participants, Qualifying Medical Expenses reimbursed shall be limited to those allowed under Code Section 223.

II. ARTICLE - PARTICIPATION

01. Eligibility

Any Eligible Employee shall be eligible to participate hereunder on the date such Employee is enrolled in the Employer's group medical plan.

02. Effective Date of Participation

An Eligible Employee who has satisfied the conditions of eligibility pursuant to the Section titled: "Eligibility" shall become a Participant effective as of the date the Eligible Employee enters or re-enters the Employer's group medical plan.

03. Termination of Participation

Retired Employees and other terminated Employees may not continue to participate in the HRA, and any unused amounts shall be forfeited. In the case of the death of the Participant, any remaining balances may only be paid out as reimbursements for Qualifying Medical Expenses as stated in the Section titled: "Health Reimbursement Arrangement Claims" under the Article titled: "Benefits" and shall not constitute a death benefit to the Participant's estate and/or the Participant's beneficiaries. A Participant shall be permitted at least annually to opt out of the HRA and waive future reimbursements from the HRA. This Section shall be applied and administered consistent with any rights a Participant and the Participant's Dependents may be entitled to pursuant to Code Section 4980B or the Section of the HRA titled: "Continuation of Coverage".

III. ARTICLE - BENEFITS

01. Establishment of HRA

- a. The HRA is intended to qualify as a Health Reimbursement Arrangement under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder.
- b. Participants in this Health Reimbursement Arrangement will have claims submitted by the group Health Plan Carrier for Qualifying Medical Expenses as defined under the HRA.
- c. The Employer shall make available to Participant an Employer Contribution in the amounts listed the Appendices of this document
- d. This HRA shall not be coordinated or otherwise connected to the Employer's cafeteria plan (as defined in Code Section 125), except as permitted by the Code and the Treasury regulations thereunder in order for this HRA to be maintained as a Health Reimbursement Arrangement. No salary reduction contributions may be made to this Health Reimbursement Arrangement.
- e. If the Employer maintains Health Savings Accounts for Participants, this Arrangement shall be operated in accordance with the restrictions under Code Section 223.

02. Nondiscrimination Requirements

- a. It is the intent of this Health Reimbursement Arrangement to not discriminate in violation of the Code and the Treasury regulations thereunder.
- b. If the Administrator deems it necessary in order to avoid discrimination under this Health Reimbursement Arrangement, it may, but shall not be required to reduce benefits provided to "highly compensated individuals" (as defined in Code Section 105(h)) in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner.

03. Health Reimbursement Arrangement Claims

- a. The group Health Plan Carrier will submit all claims to the Claims Administrator for processing. The Claims Administrator will process your claims according to your Employer's HRA plan design then send your Provider a check for the amount that is eligible for reimbursement through this HRA. You are responsible to pay your Provider for billed amounts not covered by this HRA.
- b. Claims of Qualifying Medical Expenses incurred in any Coverage Period shall be paid as soon after a claim has been received as administratively practicable. If any claim is not submitted within 92 days immediately following the end of the Coverage Period (that is, by 09/30/2017), those Medical Expense claims shall not be eligible for reimbursement by the Administrator.
- c. Payments under this HRA shall be made directly to the Provider.

IV. ARTICLE - ERISA PROVISIONS

01. Claim for Benefits

Any claim for Benefits shall be made to the Administrator. The following time frames for claims and the rules below apply:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days

Insufficient information on the claim:

Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Administrator will provide written or electronic notification of all claim denials. The notice will state:

1. Information sufficient to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), the diagnosis code and its corresponding meaning, and the treatment code and its corresponding meaning.
2. The specific reason or reasons for the adverse determination.
3. Reference to the specific HRA provisions on which the determination is based.
4. A description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary.
5. A description of the HRA's internal review procedures and time limits applicable to such procedures, available external review procedures, as well as the claimant's right to bring a civil action under Section 502 of ERISA following a final appeal decision.
6. That upon request and free of charge, the following will be provided: a copy of any internal rule, guideline, protocol or other similar criterion that was relied upon in making the adverse determination regarding the claim, and an explanation of the scientific or clinical judgment for a determination that is based on a medical necessity, experimental treatment or other similar exclusion or limit.
7. In the case of a claim involving urgent care, a description of the expedited review process applicable to such claim.
8. The availability of and contact information for an applicable office of health insurance consumer assistance or ombudsman established under PHS Act Section 2793.

When the Participant receives a notice of a decision of denial, the Participant shall have 180 days following receipt of the notification within which to appeal the decision. The Participant may submit written comments, documents, records, and other information relating to the Claim. If the Participant requests, the Participant shall be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the HRA. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

1. was relied upon in making the claim determination;
2. was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;
3. demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with HRA documents and that HRA provisions have been applied consistently with respect to all claimants; or
4. constituted a statement of policy or guidance with respect to the HRA concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the HRA who is neither the individual who made the adverse determination nor a subordinate of that individual.

file with the HRA a request for an external review. A claimant may request from the Administrator additional information describing the HRA's external review procedure.

02. **Named Fiduciary**

The "named Fiduciaries" of this HRA are (1) the Employer and (2) the Administrator. The named Fiduciaries shall have only those specific powers, duties, responsibilities, and obligations as are specifically given them under the HRA including, but not limited to, any agreement allocating or delegating their responsibilities, the terms of which are incorporated herein by reference. In general, the Employer shall have the sole responsibility for providing benefits under the HRA; and shall have the sole authority to appoint and remove the Administrator; and to amend or terminate, in whole or in part, the HRA. The Administrator shall have the sole responsibility for the administration of the HRA, which responsibility is specifically described in the HRA. Furthermore, each named Fiduciary may rely upon any such direction, information or action of another named Fiduciary as being proper under the HRA, and is not required under the HRA to inquire into the propriety of any such direction, information or action. It is intended under the HRA that each named Fiduciary shall be responsible for the proper exercise of its own powers, duties, responsibilities and obligations under the HRA. Any person or group may serve in more than one Fiduciary capacity.

03. **General Fiduciary Responsibilities**

The Administrator and any other fiduciary under ERISA shall discharge their duties with respect to this HRA solely in the interest of the Participants and their beneficiaries and

- a. for the exclusive purpose of providing Benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the HRA;
- b. with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
- c. in accordance with ERISA and the documents and instruments governing the HRA, insofar as such documents and instruments are consistent with ERISA.

04. **Nonassignability of Rights**

The right of any Participant to receive any reimbursement under the HRA shall not be alienable by the Participant by assignment or any other method, and shall not be subject to the rights of creditors, and any attempt to cause such right to be so subjected shall not be recognized, except to such extent as may be required by law.

01. HRA Administration

The operation of the HRA shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the HRA is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the HRA. The Administrator shall have full power to administer the HRA in all of its details, subject, however, to the pertinent provisions of ERISA and the Code. The Administrator's powers shall include, but shall not be limited to the following authority, in addition to all other powers provided by this HRA:

- a. To make and enforce such rules and regulations as the Administrator deems necessary or proper for the efficient administration of the HRA;
- b. To interpret the HRA, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits under the HRA;
- c. To decide all questions concerning the HRA and the eligibility of any person to participate in the HRA and to receive benefits provided under the HRA;
- d. To limit benefits for certain highly compensated individuals if it deems such to be desirable in order to avoid discrimination under the HRA in violation of the applicable provisions of the Code;
- e. To approve reimbursement requests and to authorize the payment of benefits;
- f. To appoint such agents, counsel, accountants, consultants, and actuaries as may be required to assist in administering the HRA; and
- g. To establish and communicate procedures to determine whether a medical child support order is qualified under ERISA Section 609.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the HRA shall continue to comply with the terms of Code Section 105(h) and the Treasury regulations thereunder.

02. Examination of Records

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer, for examination at reasonable times during normal business hours, such records as pertain to that person's interest under the HRA.

03. Indemnification of Administrator

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the HRA, if such act or omission is or was in good faith.

VI. ARTICLE - AMENDMENT OR TERMINATION OF HRA

01. Amendment

The Employer, at any time or from time to time, may amend any or all of the provisions of the HRA without the consent of any Employee or Participant.

02. Termination

The Employer is establishing this HRA with the intent that it will be maintained for an indefinite period of time. Notwithstanding the foregoing, the Employer reserves the right to terminate the HRA, in whole or in part, at any time. In the event the HRA is terminated, no further reimbursements shall be made.

VII. ARTICLE - MISCELLANEOUS

01. Adoption by Other Employers

Notwithstanding anything herein to the contrary, and with the consent of the Employer, any other corporation or entity, whether an affiliate or subsidiary or not, may adopt this HRA and all of the provisions hereof, and participate herein and be known as a "Participating Employer", by a properly executed document evidencing said intent and will of such Participating Employer.

02. HRA Interpretation

All provisions of this HRA shall be interpreted and applied in a uniform, nondiscriminatory manner. This HRA shall be read in its entirety and not severed except as provided in the Section titled: "Severability".

03. Gender and Number

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

04. Written Document

This HRA, in conjunction with any separate written document which may be required by law, is intended to satisfy the written HRA requirement of Code Section 105 and any Treasury regulations thereunder.

05. Exclusive Benefit

This HRA shall be maintained for the exclusive benefit of the Employees who participate in the HRA.

06. Not Employment Contract

This HRA shall not be deemed to constitute an employment contract between the Employer and any Participant or Employee, or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this HRA shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this HRA.

07. Action by the Employer

Whenever the Employer under the terms of the HRA is permitted or required to do or perform any act or matter or thing, it shall be done and performed by an authorized representative of the Employer.

08. No Guarantee of Tax Consequences

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the HRA will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the HRA is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this HRA shall be legally enforceable.

09. Indemnification of Employer by Participants

If any Participant receives one or more payments or reimbursements under the HRA that are not for a permitted Medical Expense such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

10. Funding

Unless otherwise required by law, amounts made available by the Employer need not be placed in trust, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the HRA may be made.

This HRA and Trust shall be construed and enforced according to the Code, ERISA, and the laws of the state of North Carolina, other than its laws respecting choice of law, to the extent not pre-empted by ERISA.

12. **Severability**

If any provision of the HRA is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the HRA, and the HRA shall be construed and enforced as if such provision had not been included herein.

13. **Headings**

The headings and subheadings of this HRA have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

14. **Continuation of Coverage**

Notwithstanding anything in the HRA to the contrary, in the event any benefit under this HRA subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each qualified beneficiary (as defined in Code Section 4980B) will be entitled to continuation coverage as prescribed in Code Section 4980B.

15. **Health Insurance Portability and Accountability Act**

Notwithstanding anything in this HRA to the contrary, this HRA shall be operated in accordance with HIPAA and the regulations thereunder.

16. **Uniformed Services Employment and Reemployment Rights Act**

Notwithstanding any provision of this HRA to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with USERRA and the regulations thereunder.

17. **HIPAA Privacy Standards**

- a. If this HRA is subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.
- b. The HRA shall not disclose Protected Health Information to any member of Employer's workforce unless each of the conditions set out in this Section is met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.
- c. Protected Health Information disclosed to members of Employer's workforce shall be used or disclosed by them only for purposes of HRA administrative functions. The HRA's administrative functions shall include all HRA payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill HRA responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care.
- d. The HRA shall disclose Protected Health Information only to members of the Employer's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the HRA. "Members of the Employer's workforce" shall refer to all Employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.
 1. An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the HRA.
 2. In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the HRA's privacy officer. The privacy officer, or the Employer, shall take appropriate action, including:
 - i. investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
 - ii. appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
 - iii. mitigation of any harm caused by the breach, to the extent practicable; and
 - iv. documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

1. Not use or further disclose Protected Health Information other than as permitted or required by the HRA documents or as required by law;
2. Ensure that any agent or subcontractor to whom it provides Protected Health Information received from the HRA, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
3. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or Employee benefit plan of the Employer;
4. Report to the HRA any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
5. Make available Protected Health Information to individual HRA members in accordance with Section 164.524 of the Privacy Standards;
6. Make available Protected Health Information for amendment by individual HRA members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
7. Make available the Protected Health Information required to provide an accounting of disclosures to individual HRA members in accordance with Section 164.528 of the Privacy Standards;
8. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the HRA available to the Department of Health and Human Services for purposes of determining compliance by the HRA with the Privacy Standards;
9. If feasible, return or destroy all Protected Health Information received from the HRA that the Employer still maintains in any form, and retain no copies of such information, when no longer needed for the purpose for which disclosure was made, or, if and only if such return or destruction is not feasible, limit further uses and disclosures to those permitted purposes that make the return or destruction of the information infeasible; and
10. Ensure adequate separation between the HRA and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

18. **HIPAA Electronic Security Standards**

If this HRA is subject to the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"), then this Section shall apply as follows:

- a. The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the HRA. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- b. The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- c. The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in the Section titled: "HIPAA Privacy Standards".
- d. The HRA shall not disclose Protected Health Information to any member of Employer's workforce unless each of the conditions set out in this Section is met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.
- e. Protected Health Information disclosed to members of Employer's workforce shall be used or disclosed by them only for purposes of HRA administrative functions. The HRA's administrative functions shall include all HRA payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill HRA responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care.
- f. The HRA shall disclose Protected Health Information only to members of the Employer's workforce, who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the HRA. "Members of the Employer's workforce" shall refer to all Employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the HRA.

2. In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the HRA's privacy officer. The privacy officer, or the Employer, shall take appropriate action, including:
 - i. investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
 - ii. appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
 - iii. mitigation of any harm caused by the breach, to the extent practicable; and
 - iv. documentation of the incident and all actions taken to resolve the issue and mitigate any damages.
- g. The Employer must provide certification to the HRA that it agrees to:
 1. Not use or further disclose Personal Health Information other than as permitted or required by the HRA documents or as required by law;
 2. Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the HRA, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
 3. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or Employee benefit plan of the Employer;
 4. Report to the HRA any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
 5. Make available Protected Health Information to individual HRA members in accordance with Section 164.524 of the Privacy Standards;
 6. Make available Protected Health Information for amendment by individual HRA members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
 7. Make available the Protected Health Information required to provide an accounting of disclosures to individual HRA members in accordance with Section 164.528 of the Privacy Standards;
 8. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the HRA available to the Department of Health and Human Services for purposes of determining compliance by the HRA with the Privacy Standards;
 9. If feasible, return or destroy all Protected Health Information received from the HRA that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, or, if and only if such return or destruction is not feasible, limit further uses and disclosures to those permitted purposes that make the return or destruction of the information infeasible; and
 10. Ensure the adequate separation between the HRA and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

APPENDIX A

Employee Class: Individual

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$500.00 of qualifying expenses.
- Last, the HRA will pay \$4500.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Employee Class: Employee Plus Spouse

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Employee Class: Employee Plus Child

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Employee Class: Employee Plus Children

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Employee Class: Family

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Execution Agreement

IN WITNESS WHEREOF, Town of Waynesville has caused its authorized officer to execute this amended and restated Plan document as of _____, the same to be effective **July 01, 2016**, unless otherwise indicated herein.

Town of Waynesville

By:

Name:

Title:

Town of Waynesville

16 South Main Street
Waynesville, NC 28786

Town of Waynesville HRA Plan

Summary Plan Description

Amended and Restated July 01, 2016

TABLE OF CONTENTS

INTRODUCTION

I. ARTICLE - ELIGIBILITY

1. What Are the Eligibility Requirements for Our HRA?
2. When is My Entry Date?
3. Are There Any Employees Who Are Not Eligible?

II. ARTICLE - BENEFITS

1. What Benefits Are Available?
2. When Must Expenses Be Incurred?
3. How are payments made from the HRA?
4. What Happens If I Terminate Employment?
5. Family and Medical Leave Act (FMLA)
6. Uniformed Services Employment and Reemployment Rights Act (USERRA)
7. Newborn and Mothers Health Protection Act
8. Qualified Medical Child Support Order

III. ARTICLE - GENERAL INFORMATION ABOUT OUR HRA

1. General HRA Information
2. Employer Information
3. Claims Administrator Information
4. HRA Administrator Information
5. Service of Legal Process
6. Type of Administration

IV. ARTICLE - ADDITIONAL HRA INFORMATION

1. Your Rights Under ERISA
2. How Claims Are Submitted

V. ARTICLE - CONTINUATION COVERAGE RIGHTS UNDER COBRA

1. What is COBRA Continuation Coverage?
2. Are there other coverage options?
3. Who Can Become a Qualified Beneficiary?
4. What is a Qualifying Event?
5. What Factors Should Be Considered When Determining to Elect COBRA Continuation Coverage?
6. What is the Procedure for Obtaining COBRA Continuation Coverage?

8. Is a Covered Employee or Qualified Beneficiary Responsible for Informing the HRA Administrator of the Occurrence of a Qualifying Event?
9. Is a Waiver Before the End of the Election Period Effective to End a Qualified Beneficiary's Election Rights?
10. Is COBRA Coverage Available If a Qualified Beneficiary Has Other Group Health HRA Coverage or Medicare?
11. When May a Qualified Beneficiary's COBRA Continuation Coverage Be Terminated?
12. What Are the Maximum Coverage Periods for COBRA Continuation Coverage?
13. Under What Circumstances Can the Maximum Coverage Period Be Expanded?
14. How Does a Qualified Beneficiary Become Entitled to a Disability Extension?
15. Does the Arrangement Require Payment for COBRA Continuation Coverage?
16. Must the Arrangement Allow Payment for COBRA Continuation Coverage to Be Made in Monthly Installments?
17. What is Timely Payment for Payment for COBRA Continuation Coverage?
18. Must a Qualified Beneficiary Be Given the Right to Enroll in a Conversion Health HRA at the End of the Maximum Coverage Period for COBRA Continuation Coverage?

INTRODUCTION

This is the Summary Plan Description (the "SPD") for the Town of Waynesville HRA Plan, a Health Reimbursement Arrangement (the "HRA"). This SPD summarizes your rights and obligations as a participant (or beneficiary) in the HRA.

Read this SPD carefully so that you understand the provisions of our HRA and the benefits you will receive. You should direct any questions you have to the Plan Administrator. There is a plan document on file, which you may review if you desire. In the event there is a conflict between this SPD and the plan document, the plan document will control.

I. ARTICLE - ELIGIBILITY

01. What Are the Eligibility Requirements for this HRA?

You will be automatically enrolled in the HRA when you enroll in the Employer's group medical plan, unless you have opted out of the HRA.

02. When is My Entry Date?

Your entry date is the date you satisfy the eligibility requirements of and enroll in the Employer's group medical plan.

03. Are There Any Employees Who Are Not Eligible?

Yes, employees who are not eligible to receive medical benefits under the group medical plan, or who are not enrolled in that plan, are not eligible to join the HRA.

II. ARTICLE - BENEFITS

01. What Benefits Are Available?

The HRA allows for reimbursement for expenses as described in the Appendices of this document. The expenses that qualify are those permitted by Section 213(d) of the Internal Revenue Code.

The amounts provided to the HRA by your employer will be made available on the first day of the plan year.

Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. Any amounts reimbursed under the HRA may not be claimed as a deduction on your personal income tax return or reimbursed by other health plan coverage.

If the maximum amount available for reimbursement for a Coverage Period is not utilized in its entirety, refer to Appendix A for information on how these funds will be handled.

02. What is the "Coverage Period"?

The "Coverage Period" begins July 01 and ends June 30 (the "Plan Year").

03. How are payments made from the HRA?

The group Health Plan Carrier will submit requests for reimbursement of expenses you have incurred during the course of a Coverage Period for Qualified Medical Expenses as described in Appendix A. All claims need to be submitted for reimbursements no later than 92 days after the end of the Coverage Period (that is, no later than 09/30/2017). If the request qualifies as a benefit or expense that the HRA has agreed to pay, the claims processor will pay your Provider direct. You are responsible to pay your Provider for any expenses not covered by this HRA.

Remember, reimbursements made from the HRA are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes.

04. What Happens If I Terminate Employment?

If your employment is terminated during the Plan Year for any reason, your participation in the HRA will cease on the date of your termination, and you will not be eligible to be reimbursed for any expenses incurred past that date. You must submit claims for any expenses incurred prior to your termination of employment within 60 days after you terminate employment. Any unused amounts will be forfeited.

05. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance. If your coverage under these benefits terminates, due to your revocation of the benefits or non-payment of contributions while on leave, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return.

06. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, the Uniformed Services Employment and Reemployment Rights Act of 1994 may give you special rights to health care coverage under the HRA. These rights can include extended health care coverage. USERRA continuation coverage is concurrent with COBRA continuation coverage. If you may be affected by this law, ask your Plan Administrator for further details.

07. Newborn and Mothers Health Protection Act

Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the HRA or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

08. Qualified Medical Child Support Order

A medical child support order is a judgment, decree or order (including approval of a property settlement) made under state law that provides for child support or health coverage for the child of a participant. The child becomes an "alternate recipient" and can receive benefits under the health plans of the Employer, if the order is determined to be "qualified." You may obtain, without charge, a copy of the procedures governing the determination of qualified medical child support orders from the Plan Administrator.

III. ARTICLE - GENERAL INFORMATION ABOUT OUR HRA

This Section contains certain general information, which you may need to know about the HRA.

01. General HRA Information

"Town of Waynesville HRA Plan" is the name of the Plan.

This HRA is integrated with a group health plan entitled the "Town of Waynesville Health Plan", which has been assigned policy number 058181.

The company amends and restates this Plan as of July 01, 2016 with an original effective date of July 01, 2015.

Your Plan's records are maintained on the basis of a period of time known as the "Plan Year." The Plan Year begins on July 01, 2016 and ends June 30, 2017 (the "Plan Year").

02. Employer Information

Your Employer's name, address, and identification number are:

Town of Waynesville
16 South Main Street
Waynesville, NC 28786
EIN: 56-6001367

03. Plan Administrator Information

The name, address, and business telephone number of your Plan Administrator are:

Town of Waynesville
16 South Main Street
Waynesville, NC 28786

The Plan Administrator will also answer any questions you may have about our HRA. The Plan Administrator has the exclusive right to interpret the appropriate HRA provisions. Decisions of the Plan Administrator are conclusive and binding. You may contact the Plan Administrator for any further information about the HRA.

04. Agent for Service of Legal Process

Should it ever be necessary, you or your personal representative may serve legal process on the agent for service of legal process for the HRA. The HRA Agent of Service is:

Town of Waynesville
16 South Main Street
Waynesville, NC 28786

Legal process may also be served on the Plan Administrator.

05. Type of Administration

The HRA is a health reimbursement arrangement. The HRA is not funded or insured. Benefits are paid from the general assets of the Employer.

06. Claims Administrator Information

The name and address of your Claims Administrator are:

HealthEquity Inc.
15 W Scenic Pointe Drive, Suite 100
Draper, UT 84020

The Claims Administrator keeps the claims records for the HRA and is responsible for the claims administration of the HRA. The Claims Administrator will also answer any claims-related questions you may have about the HRA.

IV. ARTICLE - ADDITIONAL HRA INFORMATION

01. Your Rights Under ERISA

HRA Participants, eligible employees and all other employees of the Employer may be entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. These laws provide that Participants, eligible employees and all other employees are entitled to:

- a. Examine, without charge, at the Plan Administrator's office, all HRA documents, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the HRA with the U.S. Department of Labor (also, available at the Public Disclosure Room of the Employee Benefits Security Administration).
- b. Obtain copies of all HRA documents and other HRA information upon written request to the Plan Administrator. The Plan Administrator may charge a reasonable fee for the copies.
- c. Continue health care coverage for a HRA Participant, Spouse, or other dependents if there is a loss of coverage under the HRA as a result of a qualifying event. Employees and dependents may have to pay for such coverage.
- d. Review this Summary Plan Description and the documents governing the HRA on the rules governing COBRA continuation coverage rights.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time frames.

If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or Federal court; provided, such suit may be filed only after the plan's review procedures described herein have been exhausted and only if filed within 90 days after the final decision on review is provided, or, if a later date is specified in a booklet, certificate or other documentation for a particular Welfare Program, only if filed by such later date.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request materials from the HRA and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may request the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

In addition, if a HRA Participant disagrees with the HRA's decision or lack thereof concerning the qualified status of a medical child support order, he or she may file suit in federal court.

In addition to creating rights for HRA Participants, ERISA imposes obligations upon the individuals who are responsible for the operation of the HRA. The individuals who operate the HRA, called "fiduciaries" of the HRA, have a duty to do so prudently and in the interests of the HRA Participants and their beneficiaries. No one, including the Employer or any other person, may fire a HRA Participant or otherwise discriminate against a HRA Participant in any way to prevent the HRA Participant from obtaining benefits under the HRA or from exercising his or her rights under ERISA.

If it should happen that HRA fiduciaries misuse the HRA's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

If you have any questions about the HRA, you should contact the Plan Administrator. If you have any questions about your rights under ERISA or the Health Insurance Portability and Accountability Act (HIPAA), or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

02. How claims are submitted

Your group Health Plan Carrier will submit all claims to the Claims Processor for processing. All claims will be processed in accordance with the HRA plan design contained in Appendix A of this document.

A Claim is defined as any request for a HRA benefit, made by a claimant or by a representative of a claimant that complies with the HRA's reasonable procedure for making benefit Claims. The times listed are maximum times only. A period of time begins at the time the Claim is filed. Unless otherwise specified, decisions will be made within a reasonable period of time appropriate to the circumstances. "Days" means calendar days.

Notification of whether Claim is accepted or denied 30 days

Insufficient information on the claim:

Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Claims Administrator will provide written or electronic notification of any Claim denial. The notice will state:

1. Information sufficient to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), the diagnosis code and its corresponding meaning, and the treatment code and its corresponding meaning.
2. The specific reason or reasons for the adverse determination.
3. Reference to the specific HRA or Welfare Program provisions on which the determination is based.
4. A description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary.
5. A description of the HRA's internal review procedures and time limits applicable to such procedures, available external review procedures, as well as the claimant's right to bring a civil action under Section 502 of ERISA following a final appeal.
6. Upon request and free of charge, a copy of any internal rule, guideline, protocol or other similar criterion that was relied upon in making the adverse determination regarding the claim, and an explanation of the scientific or clinical judgment for a determination that is based on a medical necessity, experimental treatment or other similar exclusion or limit.
7. In the case of a claim involving urgent care, a description of the expedited review process applicable to such claim.
8. The availability of and contact information for an applicable office of health insurance consumer assistance or ombudsman established under PHS Act Section 2793.

When you receive a denial, you will have 180 days following receipt of the notification in which to appeal the decision to the Claims Administrator. You may submit written comments, documents, records, and other information relating to the Claim. If you request, you will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the HRA. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

1. was relied upon in making the Claim determination;
2. was submitted, considered, or generated in the course of making the Claim determination, without regard to whether it was relied upon in making the Claim determination;
3. demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that Claim determinations are made in accordance with HRA documents and HRA provisions have been applied consistently with respect to all claimants;
4. or constituted a statement of policy or guidance with respect to the HRA concerning the denied Claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial Claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the HRA who is neither the individual who made the adverse determination nor a subordinate of that individual.

After receiving notice of an adverse benefit determination or a final internal adverse benefit determination, a claimant may file with the HRA a request for an external review. A claimant may request from the Plan Administrator additional information describing the HRA's external review procedure.

V. ARTICLE - CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under this HRA will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the HRA would otherwise end. This notice is intended to inform Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Participants who become Qualified Beneficiaries under COBRA. The HRA itself can provide group health benefits and may also be used to provide health benefits through insurance.

01. What is COBRA Continuation Coverage?

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Arrangement (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries). When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

02. Are there other coverage options?

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace, which coverage began effective January 1, 2014. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. You may be eligible for Medicaid. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a Spouse's plan), even if that plan generally doesn't accept late enrollees. For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit www.HealthCare.gov.

03. Who Can Become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

1. Any individual who, on the day before a Qualifying Event, is covered under the HRA by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the HRA under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.
2. Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the HRA as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the HRA under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the HRA due to his or her performance of services for the employer sponsoring the HRA. However, this provision does not establish eligibility of these individuals. Eligibility for HRA coverage shall be determined in accordance with HRA Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

04. What is a Qualifying Event?

A Qualifying Event is any of the following if the Arrangement provided that the participant would lose coverage (i.e., cease

of COBRA continuation coverage:

1. The death of a covered Employee.
2. The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.
3. The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's HRA coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.
4. A covered Employee's enrollment in any part of the Medicare program.
5. A Dependent child's ceasing to satisfy the HRA's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Arrangement).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the HRA under the same terms and conditions as in effect immediately before the Qualifying Event (or in the case of the bankruptcy of the Employer, any substantial elimination of coverage under the HRA occurring within 12 months before or after the date the bankruptcy proceeding commences), the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the HRA that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993 ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the HRA provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the HRA during the FMLA leave.

05. What Factors Should Be Considered When Determining to Elect COBRA Continuation Coverage?

Pre-existing Conditions. If there is more than a 63 day gap in health coverage you can lose the right to have pre-existing condition exclusions waived by other group health plans, and election of COBRA continuation coverage may help you avoid such a gap. If you do not elect COBRA continuation coverage and pay the appropriate premiums for the maximum time available to you, you will lose the right to convert to an individual health insurance policy that does not impose such pre-existing condition exclusions. These pre-existing condition exclusions will only apply during Plan Years that begin before January 1, 2014.

Enrolling in another Group Health Plan. You should take into account that you have special enrollment rights under federal law (HIPAA). You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your Spouse's employer) within 30 days after HRA coverage ends due to a Qualifying Event listed above. You will also have the same special right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

COBRA vs. Marketplace. Other factors to consider when weighing your coverage options include: premium costs, whether a change in coverage will affect your access to certain providers, service areas or drug formularies and whether the coverage change will affect your cost sharing (i.e., new deductibles, etc.). See the discussion above under "Are there other coverage options?" for more information on your options for Marketplace coverage.

06. Election for Obtaining COBRA Continuation Coverage?

The HRA has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

07. What is the Election Period and How Long Does It Last?

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the HRA. The election period must begin not later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and must not end before the date that is 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage.

Note: If a covered employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, and the employee and his or her covered dependents have not elected COBRA coverage within the normal election period, a

a limited period of 60 days or less and only during the six months immediately after their group health plan coverage ended. Any person who qualifies or thinks that he or she and/or his or her family members may qualify for assistance under this special provision should contact the Plan Administrator or its designee for further information. More information about the Trade Act is also available at [www.doleta.gov/tradeact/2002act index.asp](http://www.doleta.gov/tradeact/2002act%20index.asp).

08. **Is a Covered Employee or Qualified Beneficiary Responsible for Informing the Plan Administrator of the Occurrence of a Qualifying Event?**

The HRA will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

1. the end of employment or reduction of hours of employment,
2. the death of the employee,
3. commencement of a proceeding in bankruptcy with respect to the Employer, or enrollment of the employee in any part of Medicare.

IMPORTANT:

For the other Qualifying Events (divorce or legal separation of the employee and Spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any Spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

NOTICE PROCEDURES:

Any notice that you provide must be **in writing**. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Flores & Associates
PO Box 31397
Charlotte, NC 28231

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the **name of the plan or plans** under which you lost or are losing coverage,
- the **name and address of the employee** covered under the plan,
- the **name(s) and address(es) of the Qualified Beneficiary(ies)**, and
- the **Qualifying Event** and the **date** it happened.

If the Qualifying Event is a **divorce or legal separation**, your notice must include **a copy of the divorce decree or the legal separation agreement**.

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives timely notice that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their Spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date of the Qualifying event that coverage would otherwise have been lost. The COBRA period begins on the date of the Qualifying Event, even though coverage actually ends at the end of the month. If you or your Spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

09. **Is a Waiver Before the End of the Election Period Effective to End a Qualified Beneficiary's Election Rights?**

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage.

11. When May a Qualified Beneficiary's COBRA Continuation Coverage Be Terminated?

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

1. The last day of the applicable maximum coverage period.
2. The first day for which Timely Payment is not made to the Arrangement with respect to the Qualified Beneficiary.
3. The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.
4. The date, after the date of the election, that the Qualified Beneficiary first becomes covered under any other HRA that does not contain any exclusion or limitation with respect to any pre-existing condition, other than such an exclusion or limitation that does not apply to, or is satisfied by, the Qualified Beneficiary.
5. The date, after the date of the election that the Qualified Beneficiary first enrolls in the Medicare program (either part A or part B, whichever occurs earlier).
6. In the case of a Qualified Beneficiary entitled to a disability extension, the later of:
 - a. (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or
 - b. the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The HRA can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the HRA can terminate for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the HRA solely because of the individual's relationship to a Qualified Beneficiary, if the HRA's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the HRA is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

12. What Are the Maximum Coverage Periods for COBRA Continuation Coverage?

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

1. In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.
2. In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries other than the covered Employee ends on the later of:
 - a. 36 months after the date the covered Employee becomes enrolled in the Medicare program; or
 - b. 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.
3. In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.
4. In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is extended to 36-months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be extended to more than 36-months after the date of the first Qualifying Event.

The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Plan Administrator or its designee and in accordance with the procedures above.

14. How Does a Qualified Beneficiary Become Entitled to a Disability Extension?

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the HRA Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee and in accordance with the procedures above.

15. Does the HRA Require Payment for COBRA Continuation Coverage?

For any period of COBRA continuation coverage under the HRA, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any extended period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of any costs. The Arrangement will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

16. Must the HRA Allow Payment for COBRA Continuation Coverage to Be Made in Monthly Installments?

Yes. The health coverage is also permitted to allow for payment at other intervals.

17. What is Timely Payment for COBRA Continuation Coverage?

"Timely Payment" means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the HRA on a later date is also considered Timely Payment if either (i) under the terms of the HRA covered employees or Qualified Beneficiaries are allowed to pay for their coverage for the period on that later date, or (ii) under the terms of an arrangement between the Employer and the entity that provides benefits on the Employer's behalf the Employer is allowed to pay for coverage of similarly situated non-COBRA beneficiaries for the period on that later date.

Notwithstanding the above paragraph, the HRA does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the HRA.

If Timely Payment is made to the HRA in an amount that is not significantly less than the amount the HRA requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the HRA's requirement for the amount to be paid, unless the HRA notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of \$50 or 10% of the required amount.

18. Must a Qualified Beneficiary Be Given the Right to Enroll in a Conversion Health HRA at the End of the Maximum Coverage Period for COBRA Continuation Coverage?

If a Qualified Beneficiary's COBRA continuation coverage under a group health plan ends as a result of the expiration of the applicable maximum coverage period, the HRA will, during the 180 day period that ends on that expiration date, provide the Qualified Beneficiary with the option of enrolling under a conversion health plan if such an option is otherwise generally available to similarly situated non-COBRA beneficiaries under the HRA. If such a conversion option is not otherwise generally available, it need not be made available to Qualified Beneficiaries.

IF YOU HAVE QUESTIONS

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee.

For more information about your rights under the Employee Retirement Income Security Act of 1974 (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at www.dol.gov/ebsa or call their toll-free number at 1-866-444-3272.

For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit www.HealthCare.gov.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

Appendix A

Employee Class: Individual

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$500.00 of qualifying expenses.
- Last, the HRA will pay \$4500.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Employee Class: Employee Plus Spouse

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Employee Class: Employee Plus Child

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Employee Class: Employee Plus Children

Qualified benefits are defined as:

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

Plan Coverage

- Medical

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Employee Class: Family

Plan Coverage

- Deductible for medical plan

Reimbursement Schedule:

- First, the Employee will pay \$1000.00 of qualifying expenses.
- Last, the HRA will pay \$9000.00 of qualifying expenses.

Embedded Minimums

At least 1 participant must have paid \$500.00 towards the individual deductible before the plan benefits become available.

Unused HRA Funds:

- Unused benefits at the end of the coverage period shall be forfeited.

TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 26, 2016

SUBJECT: Intent to Award Contract for Waynesville Public Services Operations Center (PSOC)

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 7-C
Department: Public Services Department
Contact: David Foster, Preston Gregg, Julie Grasty
Presenter: Preston Gregg, Town Engineer and Julie Grasty, Asset Services Manager

BRIEF SUMMARY:

The Public Services Department held a bid opening for the new PSOC (Public Services Operations Center) on June 21, 2016, in which only two bidders were present. North Carolina G.S. 143-132 requires a minimum of three bids for the first bid opening; therefore, the project was re-advertised for an additional two weeks with a new bid opening of July 6, 2016. Attached are the bid results along with the Public Services Department's recommendation.

MOTION FOR CONSIDERATION: *To approve the intent to award contract for the Public Services Operations Center Renovation Project in accordance with NC General Statutes 143-129 to H & M Constructors, contingent upon financing approval by the Local Government Commission on September 13, 2016, as presented.*

FUNDING SOURCE/IMPACT:

Total cost of project ~1.3M
Town to contribute \$400,000 +/- from revenues generated from Town General, Water, Sewer and Electric Funds
Remaining balance to be financed by winning bank (Proposals due back by August 5, 2016)

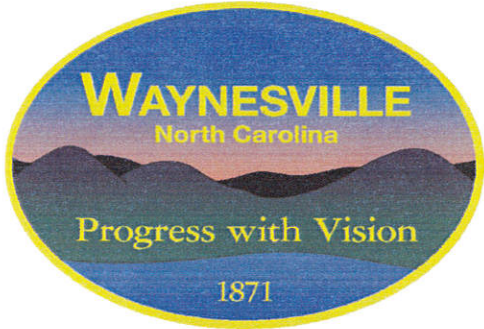
ATTACHMENTS:

- Bib Tabulation Sheet
- Requested information from contractors to include: references, construction schedule and how each contractor proposed accommodating three members of the Town's Purchasing Department during construction.

MANAGER'S COMMENTS AND RECOMMENDATIONS:

Bank approval in August and Local Government Commission approval in September will allow for a loan closing date in mid-September. This will allow for construction to begin in early fall with a construction window of 6-7 months, hopefully concluding by May 2017.

BID TABULATION		
Project No.:	2015025	Date: 7/6/2016
Project Name:	Town of Waynesville Public Services Operation Center	
Location:	Waynesville, NC	
Engineer:	Drye-McGlamery Engineering, PLLC	
Bid Due Date:	7/6/2016, 3:00 PM	



			Clark and Leatherwood, Inc.			
					Total Amount	BID
BID QUANTITIES						
Ref #	Bid Item #	Item Description	Unit Price	UNIT		
1	1.001	Lump Sum Bid	\$ 1,256,000.00	LS	1	\$ 1,256,000.00
TOTAL BID AMOUNT			\$ 1,256,000.00			
BID DEDUCT ALTERNATES						
Ref #	Bid Item #	Item Description	Unit Price	UNIT		
2	2.001	TOW Perform all work on sheets C200, C201, C300, C400, C500, & C600	\$ 47,600.00	LS	1	\$ 47,600.00
2	2.002	TOW Peform all work shown on sheets P100, P101, P102, and P201	\$ 60,000.00	LS	1	\$ 60,000.00
2	2.003	TOW Dismantle existing pre-engineered structure on Sheet A100.	\$ 18,480.00	LS	1	\$ 18,480.00
TOTAL DEDUCT ALTERNATE AMOUNT			\$ 126,080.00			
TOTAL AMOUNT INCLUDING DEDUCT			\$ 1,129,920.00			

H&M Constructors, Division of M.B. Haynes Corporation			
		Total Amount	BID
Unit Price	UNIT		
\$ 1,181,500.00	LS	1	\$ 1,181,500.00
\$ 1,181,500.00			
Unit Price	UNIT		
\$ 80,000.00	LS	1	\$ 80,000.00
\$ 65,000.00	LS	1	\$ 65,000.00
\$ 5,000.00	LS	1	\$ 5,000.00
\$ 150,000.00			
\$ 1,031,500.00			

Kearey Builder, Inc.			
		Total Amount	BID
Unit Price	UNIT		
\$ 1,162,500.00	LS	1	\$ 1,162,500.00
\$ 1,162,500.00			
Unit Price	UNIT		
\$ 67,805.00	LS	1	\$ 67,805.00
\$ 64,710.00	LS	1	\$ 64,710.00
\$ 3,500.00	LS	1	\$ 3,500.00
\$ 136,015.00			
\$ 1,026,485.00			

TOTAL COST

(LOWEST BID BY \$7,746.53)

CLARK & LEATHERWOOD, INC.

LUMP SUM BID:	\$1,256,000.00
DEDUCT BID ITEM #2.003:	-\$18,480.00
TEMP. OFFICE:	NO RESPONSE
TOTAL COST:	\$1,237,520.00

H&M CONSTRUCTORS.

\$1,181,500.00
-\$5,000.00
-\$22,800.00
\$1,153,700.00

KEAREY BUILDERS, INC.

\$1,162,500.00
-\$3,500.00
+\$2,446.53
\$1,161,446.53

July 8, 2016

Preston Gregg, PE PMP
Town Engineer
Electrical Engineer

RE: Town of Waynesville – Public Services Operations Center
129 Legion Drive
Waynesville, NC 28786

Mr. Gregg,

Thank you for the opportunity to present our references and a schedule for this project.

H&M is a division of M.B. HAYNES Corporation. We have been in business since 1921. We are an Employee Owned Business and are proud to say 114 of these shareowners live in Haywood County.

I have looked into the temporary office for your three (3) employees that will need to remain on site during the construction process. We have included in our bid and in the deductive alternate #2.001 the items depicted on sheet C300, including a double-wide mobile office and a temporary restroom building. The cost of this type of setup is very expensive and we have included \$30,000 in our bid for this item. We are proposing using a single-wide mobile office with a restroom (see attached floor plan). If this proposed change is accepted, you may **deduct \$22,800** from our base bid, provided the Town furnishes the water and sewer to the mobile office as shown on page C300.

References:

- Dale Burris, Director, Haywood County Facilities and Maintenance; (828) 226-2501
- David Melton, Assistant Director, City of Asheville Water Resources Department; (828) 230-0723
- Randy Cunningham, AIA, Mountain Design; (828) 342-8617
- Scott Donald, AIA, PFA Architects; (828) 254-1963
- Mike Adams, Owner, MOOG Music; (828) 254-6233

H&M Constructors looks forward to the prospect of working with you on this important and exciting project.

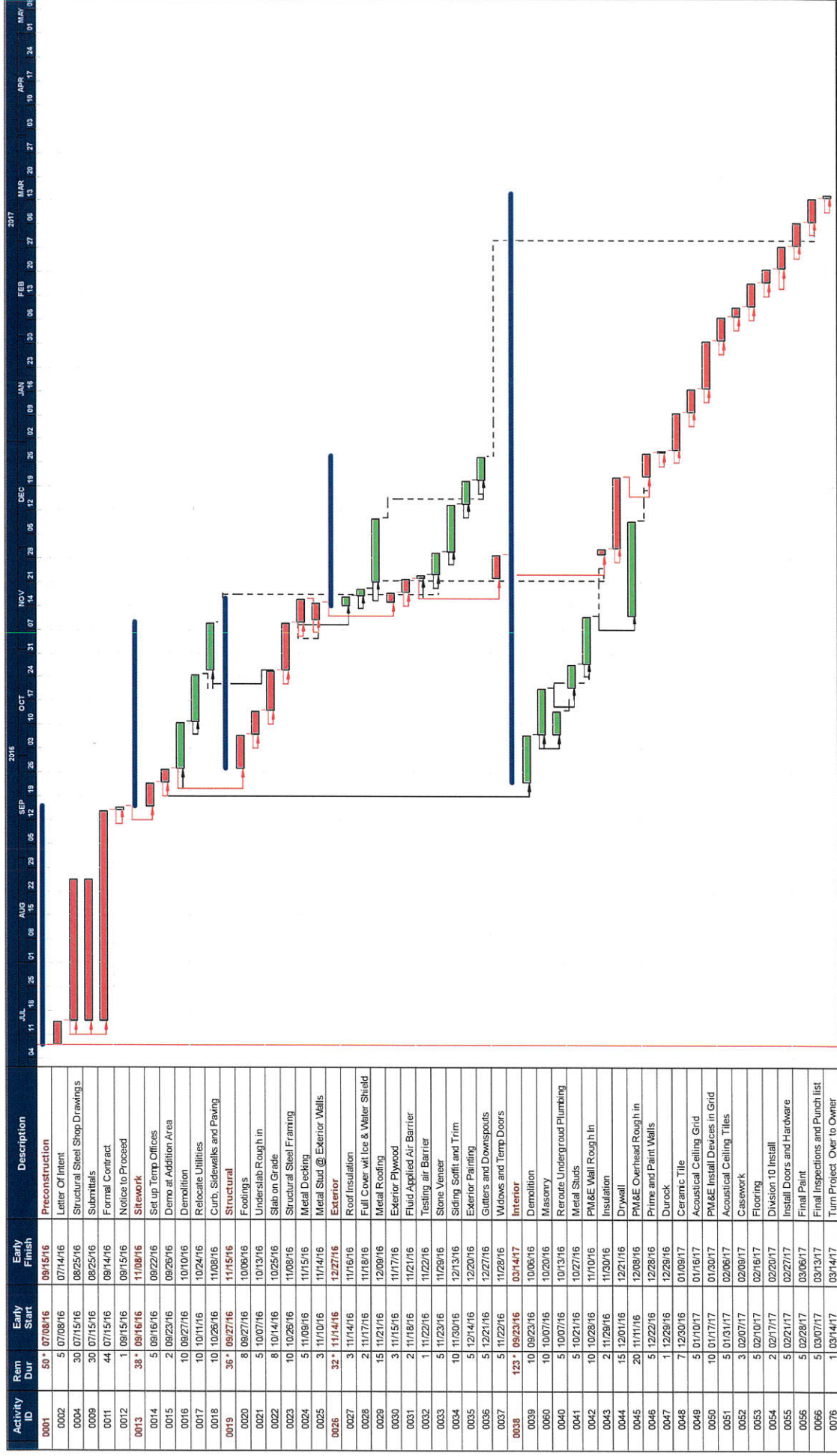
Sincerely,



Bob Garren, Project Manager
H&M Constructors

Quality Commitment Character

Proudly Employee-Owned

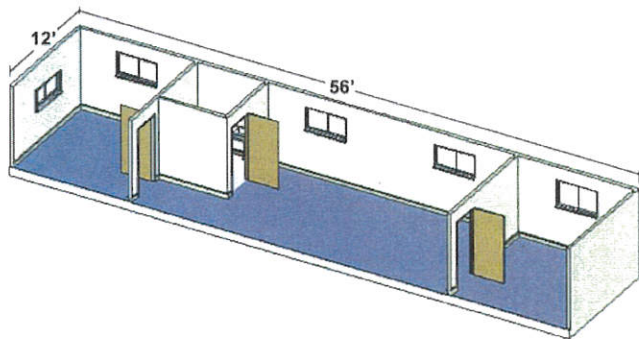




Mobile Office: GS-1256 (12' x 56' – 672 sq. ft.)



* Overall length and width may exceed box size. All dimensions are nominal



Specifications

- 12' x 56' building size;
12' x 60' overall size (w/towing hitch)
- (2) 12' x 12' private office;
(1) 12' x 32' main office
- 672 square feet of interior floor space
- Electric, plumbing, heat and air conditioning
- 50 lbs. per square foot allowable floor load

Features

- Insulated walls, ceilings and floors
- 1/8" vinyl floor tile
- .019 deluxe aluminum siding or decorative siding
- Paneled walls
- Sliding windows
- 120V electrical outlets
- (2) 36" x 80" lockable exterior door
- (2) 36" x 80" interior doors
(3 with half bath model)
- Fluorescent lighting
- 8' ceiling height
- Central heating and air conditioning

Floor plans may vary. Other sizes, floor plans, configurations and specifications are available. Wood, vinyl and metal exteriors, skirting and other customization of features, options and finishes are available upon request.

A wide variety of code compliant steps are available, such as: OSHA 2 & 3 step models, CAL OSHA 3 & 4 step models and General Code 3 & 4 step models.

All features noted are ModSpace standards. Specifications may vary by region. Contact your local ModSpace representative for details on unit specifications available in your area.

Preston Gregg

From: Ryan Kearey <ryan@keareybuilders.com>
Sent: Friday, July 08, 2016 9:17 AM
To: Preston Gregg
Subject: TOW PSOC
Attachments: TOW Operations Center References.pdf

Good morning Preston,

Thank you for the call yesterday.

We are ready to start on September 14th, after LGC approval.

If by chance you get approval before then, we can start as soon as a week from today.

We expect to complete the project in 6 - 7 months, depending on weather.

We can build the construction schedule before September 14th and discuss this with you.

Please see a partial list of our recent State & Local Government projects attached.

We have highlighted 5 projects as similar references, but feel free to call any of the owners or architects on the page.

Don't hesitate to give us a call with any questions.

We look forward to hopefully working with you soon.

Kind regards,

Ryan Kearey
Kearey Builders Inc.
704-880-0884 (Cell)
704-883-9811 (Office)
704-883-9924 (Fax)

Confidentiality Notice:

The information transmitted is intended only for the person or entity to which it is addressed and may contain material which is confidential, proprietary, privileged and/or otherwise legally exempt from disclosure. If you are not the intended recipient, any review, retention, copying, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by person or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material and any attachments from your computer and network. There is no intent on the part of the sender to waive any privilege.

Similar	Kearey Builders, Inc				
Reference	Recent Projects	Contract			Scheduled
Project	Project Name	Amount	Owner	Architect	Completion
	State Employees Credit Union	\$ 2,438,900.00	State Employees	O'Brien Atkins	8/15/2016
	Concord Location		Credit Union - Corporate Headquarters	Randy Bell (919) 941-9000	
1	Union Academy High School, Franklin, NC	\$ 1,424,608.00	Macon County Government Ph: (828) 349-2000	Novus BEW Emily Kite Ph: (828) 236-9992	12/18/2015
	Edison Square - Building "C" (2) Story Retail Shell	\$ 1,119,400.00	HCC Edison Square, LLC. Bruce Nager (954) 644-2845	ADW Architects PLLC Jonathan Koricke Ph: (704) 749-5588	8/1/2015
2	Moravian Falls Elementary School	\$ 2,866,000.00	Wilkes County School System Bergie Speaks Ph: (336) 902-2903	Pinnacle Architecture Randy Bell Ph: (704) 847-9851	10/30/2015
	ISS CATS School Building	\$ 545,000.00	Iredell County Schools Rob Jackson Ph: (704) 873-3755	Adams and Associates P.A. Larry Shaeffer Ph: (704) 664-1311	15/06/2014
3	New Town Hall for the Town of Maiden	\$ 2,093,790.00	Town of Maiden, NC Town Manager - Todd Helms Ph: (828) 428-5020	CBSA Architecture, PA. Architect - Marty Beal Ph: (828) 322-3403	2/15/2013
	Morrow Mountain State Park Boat House and Shoreline Improvements	\$ 1,118,659.89	NC State Department of Environment and Natural Resources David Bateman Ph: (919) 218-8676	Smith Sinnett Architecture PA. Fred Jernigan Ph: (919) 815-0491	10/17/2011
4	Transylvania County Animal Shelter	\$ 1,011,900.00	Transylvania County Government Larry Reid Ph: (828) 553-9239	Dagget and Grigg Architecture, PA. Arthur C. Wilson Jr. (828) 884-3194 (owner administered)	2/15/2013
	McLeansville Elementary School Additions and Renovations	\$ 2,847,569.16	Guilford County Schools (BOE) Lynette Roester (919) 806-5522	MacRae-Joyce, Architects, P.C. Archer Joyce Ph: (336) 780-1073	11/30/2011
	Moravian Falls Elementary School New Classrooms and Offices	\$ 1,498,275.00	Wilkes County Schools Bergie Speaks Ph: (336) 902-2903	Pinnical Architecture PA. Randy Baker (704) 517-0172	10/30/2012
5	Rosman High School Career-Technical Education (CTE) Renovations	\$ 1,223,500.00	Architectural Design Studios P.A. Mike Cox Ph: (828) 252-0355	Transylvania County Government Norris Barger Ph: (828) 884-6173	1/30/2012
	New Government Center: Town Offices & Conference Room	\$ 1,250,000.00	Town of Jonesville, NC Owner's Rep: Scott Buffkin Ph: (336) 835-4426	ADW Architects, P.A. Fred Kirolos Ph: (704) 379-1919 (To be Confirmed)	04/07/08
	Applied Technology Center Addition for Wilkes Community College	\$ 1,300,000.00	Wilkes Community College Owners Rep: John Hauser P.O. Box 120 Wilkesboro, NC 28697 Ph: (336) 838-6472	Little Diversified Architectural Consulting 5815 Westpark Dr Charlotte, NC 28217 Bronald Johnson Ph: (704) 525-6350	06/26/09
	Beacon Building Renovation for Wilkes Community College	\$ 450,000.00	Wilkes Community College Owners Rep: John Houser P.O. Box 120 Wilkesboro, NC 28697 Ph: (336) 838-6472	Little Diversified Architectural Consulting 5815 Westpark Dr. Charlotte, NC 28217 Bronald Johnson Ph: (704) 525-6350	08/06/10
	Gouge Primary School Exceptional Children's Addition	\$ 750,000.00	Mitchell County Schools Owner's Rep: Dr. Richard Spurling 72 Ledger School Road Bakersville, NC 28705	MBAJ Architecture 1230 W. Morehead St., Ste 400 Charlotte, NC 28208 Ph: (704) 731-7000	01/14/10

Preston Gregg

From: Ryan Kearey <ryan@keareybuilders.com>
Sent: Friday, July 15, 2016 4:14 PM
To: Preston Gregg
Cc: Marita Kearey
Subject: Temp Office
Attachments: William Scotsman Proposal - Waynesville Ops.pdf

Hello Preston,

I hope you are well.

Attached is a quote for a temporary office building and restroom for 6 months.

The restroom is built into the office building.

This give us a good idea of the scope of the costs we are talking about.

William Scotsman is a decent company and we have used them before on projects.

We will continue to look for better pricing but wanted to keep you updated.

Have a good weekend,

Ryan Kearey
Kearey Builders Inc.
704-880-0884 (Cell)
704-883-9811 (Office)
704-883-9924 (Fax)

Confidentiality Notice:

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Williams Scotsman, Inc.
3925 Trailer Drive
Charlotte, NC 28269-4755

Your Williams Scotsman Representative
Richard Hall
Phone: (704)921-2313 Ext. 43521
Fax: 704-921-0282
Email: rwhall@willscot.com
Toll Free: 800-782-1500

Contract Number: 664079
Revision: 1
Date: July 15, 2016

Lease Agreement

Lessee:
Kearey Builders, Inc.
1210 Davie Ave
Statesville, North Carolina, 28677

Contact:
Rick Travis
1210 Davie Ave
Statesville, NC, 28677
Phone: 828-507-0446
Fax:

Ship To Address:

CLYDE, NC, 28721

Delivery Date(on or about):
7/27/2016

E-mail: rick@keareybuilders.com

Rental Pricing Per Month		Quantity	Price	Extended
32x8 Mobile Office (28x8 Box)	Unit Number:	1	\$149.00	\$149.00
Steps - OSHA Aluminum Rental		2	\$28.00	\$56.00
Minimum Lease Term: 6 Months		Total Monthly Building Charges:		\$149.00
		Other Monthly Charges:		\$56.00
		Total Rental Charges Per Month:		\$205.00
Delivery & Installation				
Block and Level		1	\$238.19	\$238.19
Delivery Freight		1	\$426.67	\$426.67
Teardown		1	\$125.00	\$125.00
Return Freight		1	\$426.67	\$426.67
		Total Delivery & Installation Charges:		\$1,216.53
Final Return Charges*				
			Due On Final Invoice*:	\$0.00
Total Charges Including (6) Month Rental, Delivery, Installation & Return**:				\$2,446.53

Summary of Charges			
Model: MO328	QUANTITY: 1	Total Charges for (1) Building(s):	\$2,446.53

Additional Services: For your convenience, we also recommend the following items (not included in this Agreement)

Recommended Items	Billing Frequency	Qty	Price	Extended
Prop Damage Waiver (8)	Monthly	1	\$35.00	\$35.00
General Liability - Allen Insurance	Monthly	1	\$22.00	\$22.00
Premium Office/Conf Package	Monthly	1	\$150.00	\$150.00
Planning Table	Monthly	1	\$25.00	\$25.00



An ALGECO SCOTSMAN Company

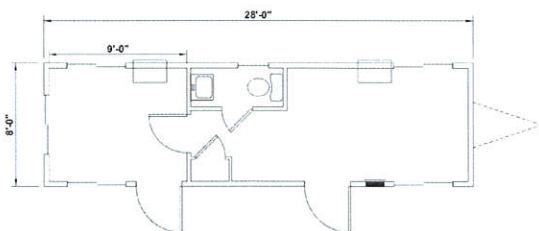
Williams Scotsman, Inc.
3925 Trailer Drive
Charlotte, NC 28269-4755

Your Williams Scotsman Representative
Richard Hall
Phone: (704)921-2313 Ext. 43521
Fax: 704-921-0282
Email: rwhall@willscot.com
Toll Free: 800-782-1500

Contract Number: 664079
Revision: 1
Date: July 15, 2016

Floorplan

32' x 8' Mobile Office



Dimensions

- 32' Long (including hitch)
- 28' Box size
- 8' Wide
- 7' Ceiling height

Exterior Finish

- Aluminum siding
- I-Beam frame
- Standard drip rail gutters

Interior Finish

- Paneled walls
- Vinyl tile floor
- Gypsum ceiling

Electric

- Fluorescent ceiling lights
- Breaker panel

Heating/Cooling

- Electric baseboard heat and thru-wall AC unit or combination heat/AC unit

Windows/Doors

- Horizontal slider windows
- (2) Vision panel door with standard lock or (2) steel door with dead bolt lock

Other

- Private office(s)
- Optional restroom

* Photos are representational; actual products vary. Additional floor plans and specifications may vary from those shown and are subject to in-stock availability.

800.782.1500 | willscot.com

**SERVICES AGREEMENT BETWEEN THE TOWN OF WAYNESVILLE AND
DOWNTOWN WAYNESVILLE ASSOCIATION, INC.**

Part I – STATEMENT OF AGREEMENT

THIS AGREEMENT, entered into this 26th day of July , 2016, by and between the TOWN OF WAYNESVILLE, North Carolina (hereinafter referred to as “Town”) and DOWNTOWN WAYNESVILLE ASSOCIATION, INC., a nonprofit corporation organized and existing under the laws of the State of North Carolina (hereinafter referred to as “DWA”);

WITNESSETH THAT;

WHEREAS, the Town has previously, pursuant to provisions of Article 23, chapter 160A of the North Carolina General Statutes, defined and established a municipal services district consisting of all property within an area designed as Exhibit “A” to this agreement; and

WHEREAS, the Town solicited input from the residents and property owners as to the needs of the Municipal Service district; and

WHEREAS, the Town used a bid process to select a private entity to provide services, facilities, functions, or promotional and development activities in the Municipal Service District; and

WHEREAS, the Downtown Waynesville Association, INC (DWA) submitted a proposal to the Town to provide these services; and

WHEREAS, the DWA was incorporated and organized to promote, encourage and assist the revitalization and economic health and stability of the above-mentioned municipal services district; and

WHEREAS, Town and DWA have maintained an ongoing relationship for those purposes as set forth under North General Statutes 160A-536; and

WHEREAS, Town desires to continue to utilize the DWA to stimulate and promote capital investment in all types of development in the municipal services district, including, but not limited to, residential, commercial, office, retail, and industrial land uses; and

WHEREAS, Town wishes to compensate the DWA for its services in furtherance of these development purposes from the municipal services district tax levied pursuant to North Carolina General Statutes 160A-542.

NOW, THEREFORE, the parties hereto do mutually agree to the requirements and provisions of the contract as follows:

PART II – SCOPE OF SERVICES

The services of the DWA shall be directed to the following goals:

- 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.

PART III – SCHEDULE OF PERFORMANCE

The services of DWA, as outlined in PART II – SCOPE OF SERVICES, are to continue for a period of five years, beginning July 1st, 2016 and ending on June 30, 2021, or until the termination of this contract as provided under PART V of this contract.

PART IV – ACHIEVEMENT AND PERFORMANCE MONITORING

The DWA shall prepare and submit an annual progress report no later than April 1st from its Executive Director on its principal developmental activities under the program as outlined in the SCOPE OF SERVICES. This report shall accurately and comprehensively reflect the DWA’s progress in fulfilling requirements set forth in the SCOPE OF SERVICES and the extent to which achievement objectives have been met. This progress report shall provide both qualitative and quantitative information and be provided in a form suitable for reproduction.

PART V – COMPENSATION AND METHOD OF PAYMENT, AND TERMINATION

The DWA shall present to Town, in writing, its request for annual funding no later than April 1st of each calendar year. Town may then consider funding for DWA for the next fiscal year, beginning July 1st. Provided DWA has submitted it’s funding request as set forth herein, and Town has approved funding for DWA as set forth herein, this contract shall continue for another one year period.

Failure of DWA to present its written request for funding by April 1st of any year may result, at Town’s option, in termination of this contract effective at 12:00 p.m. June 30th of the then current year of this

contract. Town's determination to cease providing funds for DWA for any upcoming fiscal year, shall result in termination of this contract effective at 12:00 p.m. June 30th of the then current year of this contract.

For services rendered under this contract DWA shall be paid from those monies actually collected from the municipal services district tax levy as determined annually by Town. A detailed budget reflecting the total dollar amount of funding requested shall be submitted to Town as set forth herein. Upon approval, the Director of Finance will disburse the first installment of monies as contemplated by that budget. Provided that the Town's payment obligation to DWA under this contract shall not exceed that amount actually received by Town from said district tax levy.

Either party may terminate this agreement earlier than June 30, 2021 by giving notice of termination by January 1, and will become effective June 30th at 12:00 pm of the then current year of this contract.

PART VI – TERMS AND CONDITIONS

It is understood that the accounting and fiscal management procedures applicable to this contract shall be prescribed by the Director of Finance of the Town of Waynesville.

IN WITNESS WHEREOF, the Town of Waynesville and Downtown Waynesville Association, Inc. have entered into this contract as of the date first above written.

TOWN OF WAYNESVILLE

By: _____
Gavin A. Brown, Mayor

ATTEST:

Amanda W. Owens, Town Clerk

DOWNTOWN WAYNESVILLE ASSOCIATION, INC.

By _____
President

ATTEST:

By _____
Secretary



Main Street &
Rural Planning Center
COMMERCE

Name of City/Town _____

2016-2017 ANNUAL AGREEMENT **NORTH CAROLINA MAIN STREET® DESIGNATION**

Designated Main Street communities (Main Street Director and Main Street Board Chair or City/Town Manager) must sign this document and return to the NC Main Street & Rural Planning Center no later than June 30, 2016 in order to remain active in the program. A signed document confirms that the local Main Street program has a thorough understanding of the benefits and requirements of active participation in the N.C. Main Street program. As a means of communication, the NC Main Street & Rural Planning Center will send a signed copy back to the local government in July 2016 so that they too understand the benefits and requirements.

Retain a signed copy for your records and return a signed copy of the entire document by mail no later than June 30, 2016:

To: Liz Parham, CMSM
Director
NC Main Street & Rural Planning Center
4346 Mail Service Center
Raleigh, NC 27699-4346

BACKGROUND

Nationally:

Main Street America™ has been helping revitalize older and historic commercial districts for more than 35 years. Today it is a network of more than 1,600 neighborhoods and communities, rural and urban, who share both a commitment to place and to building stronger communities through preservation-based economic development. Main Street America is a program of the nonprofit National Main Street Center, a subsidiary of the National Trust for Historic Preservation.

Main Street America™ is a movement. Main Street America has been helping revitalize older and historic commercial districts for more than 35 years. It is the leading voice for preservation-based economic development and community revitalization across the country. Made up of small towns, mid-sized communities, and urban commercial districts, Main Street America represents the broad diversity that makes this country so unique. Working together, the programs that make up the Main Street America network help to breathe new life into the places people call home.

Main Street America is a mark of distinction. It is a seal, recognizing that participating programs, organizations, and communities are part of a national movement with a proven track record for celebrating community character, preserving local history, and generating impressive economic returns. Since 1980, over 2,000 communities have been part of Main Street, bringing renewed energy and activity to America's downtowns and commercial districts,

securing \$61 billion in new investment creating more than 525,000 net new jobs and rehabilitating 251,000 buildings.

Main Street America is a time-tested strategy. Main Street America communities are encouraged to make use of a time-tested approach, known as the Main Street Approach. The Main Street Approach is rooted in a commitment to broad-based community engagement, a holistic understanding of the factors that impact the quality of life in a community, and strategic focus on the core principles of downtown and neighborhood revitalization: Economic Vitality, Quality Design, Effective Promotion, and Sustainable Organization.

In North Carolina:

The NC Main Street & Rural Planning Center within the N.C. Department of Commerce, is the licensed agency that is charged with administering the Main Street program throughout the state. The Center is committed to following the program guidelines and licensing agreement as outlined by the National Main Street Center and signed by the N.C. Department of Commerce.

The N.C. Department of Commerce designates communities as a “North Carolina Main Street community”. When designated, the local city or town government, and specifically the chief elected official, is notified of the designation. The city or town government determines who will administer the Main Street program at the local level and the city or town manager communicates that information to the N.C. Main Street & Rural Planning Center. From time-to-time, that administration may change. This document outlines the steps that must be followed for a change in local administration to occur.

Since 1980, over 111 communities have directly benefitted from the North Carolina Main Street program, bringing economic strength to North Carolina’s downtown commercial districts, securing \$2.3 billion in new investment creating more than 19,800 net new jobs and rehabilitating 5,500 buildings.

BENEFITS FOR N.C. MAIN STREET COMMUNITIES

North Carolina Main Street communities benefit from the following:

- **Partnership:**
 - Communities selected to participate in the Main Street program become ***partners with the North Carolina Department of Commerce***, NC Main Street & Rural Planning Center in a long-term, asset-based economic development effort that has proven to have a positive impact on investment and job creation.
 - Main Street communities are limited in number and therefore ***receive focused and personal attention*** from NC Street staff.
 - North Carolina cities are selected through a competitive process and only a few communities are designated; therefore, ***Main Street designation is an honor bestowed upon only a few special communities.***
 - In the first three years of a local Main Street program, the state of North Carolina invests approximately \$100,000 in on-site visits, ***training and technical assistance.*** After the initial start-up phase, the state

annually invests approximately \$5,000 in each Main Street community in the form of ongoing town-specific technical assistance, and statewide and on-site training for managers and volunteers.

- **Training:**
 - Main Street communities are eligible to attend and participate in the ***Main Street Conference, Main Street Basic Training, Board and Committee Training, Main Street Managers' Meetings, Biannual Regional Meetings, and subject specific workshops.***
 - Designated North Carolina Main Street communities receive ***two free registrations to the North Carolina Main Street conference*** held in March.
- **Technical Assistance:**
 - The North Carolina Main Street program staff ***guides designated communities through a strategic planning process*** which helps communities create vision, develop strategies and produce action plans so that limited resources are focused and results are magnified.
 - The North Carolina Main Street staff ***guide participating communities through board development, volunteer development and downtown manager training.***
 - The North Carolina Main Street staff ***provides guidance and support to communities on ways to find and develop financial resources.***
 - Property and business owners in Main Street cities ***receive free building exterior design*** recommendations from design specialists at the UNC-Greensboro School of Interior Architecture, in collaboration with the NC Main Street & Rural Planning Center staff.
 - North Carolina Main Street ***staff has extensive experience*** in organizational development and nonprofit management, architecture, landscape architecture, historic preservation, building rehabilitation, investment tax credits, incentive programs, tourism development, marketing, image, and special event development, communications, and a range of other pertinent areas.
 - The North Carolina Main Street ***staff is among the nation's leading authorities on downtown development*** with collectively more than 90 years of experience helping North Carolina towns with revitalization challenges.
 - The North Carolina Main Street staff assists communities with Main Street ***Manager recruitment and selection.***
 - The North Carolina Main Street staff ***conducts an annual program assessment and review*** of each Main Street program.
 - The North Carolina Main Street staff ***conducts an annual budget and salary analysis*** of Main Street programs.
 - The North Carolina Main Street staff ***conducts an annual statistical data collection and analysis.***
- **Network:**
 - North Carolina Main Street communities ***may use the Main Street trademarks on materials*** designed to promote the work of their program in collaborate with the state of North Carolina and the National Main Street Center.
 - The North Carolina Main Street network possesses ***some of the most experienced downtown development professionals*** in the country.
 - Main Street communities are able to take advantage of and participate in ***a special network*** of Main Street cities statewide and nationally, with over 1600 communities across the nation that participate in the Main

Street program from which *they learn best practices, techniques and strategies for downtown development.*

- **Funding:**
 - When available, Main Street communities are *eligible to apply for Main Street Solutions Funds* to assist small business development and *Downtown Redevelopment Funds* to rehabilitate slum and blighted downtown commercial buildings.
 - The NC Main Street & Rural Planning Center maintains and distributes a *funding guide of federal, state, corporate and foundation sources* commonly used for funding downtown projects.
- **Resources:**
 - Through the North Carolina Main Street program, *communities are able to identify resource people, consultants and specialists on topics of interest to the community.*
- **Economic Impact:**
 - Since 1980 when the program began, Main Street communities in North Carolina have had over \$2.3 billion in new investment in their downtowns, a net gain of over 5,200 new businesses and a net gain of over 19,800 new jobs. *This is serious economic development!*
 - The North Carolina Main Street staff *facilitates statewide economic impact studies and collects data* to determine trends in Main Street communities.
- **Recognition:**
 - Designated North Carolina Main Street communities are eligible to receive *statewide recognition through the North Carolina Main Street Awards and Main Street Champions* programs.
 - In addition, designated communities are eligible for *recognition by the National Main Street Center as a Nationally Accredited Main Street community.*
 - Designated North Carolina Main Street communities are eligible to apply for *national recognition from the National Main Street Center through the Great American Main Street Awards® (GAMSA)* program.
 - North Carolina Main Street communities *receive publicity about their programs* through press releases distributed through the N.C. Department of Commerce, NC Main Street & Rural Planning Center newsletters and annual reports, Main Street presentations and the NC Main Street Center social media sites.

REQUIREMENTS OF DESIGNATED N.C. MAIN STREET COMMUNITIES

Requirements of Designated North Carolina Main Street communities:

Main Street communities are 50,000 and under in population at the time of designation.

1. **Participate in all services provided to the local community by the NC Main Street & Rural Planning Center.**
2. **Employ a full-time - 40 hours/week paid professional Main Street Manager as required, that is dedicated to downtown and that will coordinate and facilitate the work of the program.** Communities with a population of 5,001- 9,999 MAY employ two or more persons that equal one or more full-time equivalent position(s), as long

as one position is a designated manager. Communities with a population of 5,000 or less MAY employ a part-time - 20+ hours/week position paid professional Main Street Manager.

- The Main Street executive director should be paid a salary consistent with those of other community development professionals within the city, state, or region in which the program operates.
- The executive director should be adequately trained — and should continue learning about revitalization techniques and about issues affecting traditional commercial districts.
- The executive director has a written job description that correlates with the roles and responsibilities of a Main Street director.
- There is a formal system in place for evaluating the performance of the executive director on an annual basis.
- Adequate staff management policies and procedures are in place.

3. Obtain a 501(c) 3, 4, or 6 nonprofit designation OR be designated as a department of the local municipal government.

4. Establish broad-based support for the commercial district revitalization process, with strong support from both the public and private sectors.

- The Main Street organization should have the active participation of various stakeholders at the committee and board levels.
- Participants should contribute financial, in-kind, and volunteer support for the revitalization program.
- Participants should also look for, and act on, opportunities to make connections between other programs with which they are involved and the Main Street revitalization effort so that, by doing their own work a little smarter, or in a more integrated way, other programs help further the revitalization process.
- The program should include an ongoing process for volunteer recruitment, orientation, and recognition, constantly refreshing its pool of volunteers and involving new people each year.
- The revitalization program has broad-based philosophical support from the community.
- Municipal government demonstrates a philosophical commitment to commercial district revitalization.

5. Establish and maintain an active Board of Directors and Committees using the Main Street Four-Point Approach® and develop a comprehensive Main Street Work Plan using the Main Street Four-Point Approach®.

Main Street revitalization by nature is a community-driven process. Therefore, community members must take an active role in leading and implementing positive change. While the director is responsible for facilitating the work of volunteers, this staff member is not tasked with single-handedly revitalizing the commercial district. The direct involvement of an active board of directors and committees are keys to success.

If a Main Street organization is housed within another entity (e.g., a community development corporation), it is still important to have its own board of directors and committee structure.

- The board is a working, functional board that understands its roles and responsibilities and is willing to put forth the effort to make the program succeed.
- Committee members assume responsibility for the implementation of the work plan.
- The program has a dedicated governing body, its own rules of operation, its own budget, and its own bylaws, and is empowered to carry out Main Street's mission, even if the Main Street program is a part of a larger organization.
- The board has well-managed, regular monthly meetings, with an advance agenda and regular distribution of minutes.

- Committees have regularly scheduled monthly meetings with an advance agenda that addresses the committee work plan.

6. Establish an annual work plan/planning process for downtown.

A comprehensive annual work plan provides a detailed blueprint for the Main Street program's activities; reinforces the program's accountability both within the organization and also in the broader community; and provides measurable objectives by which the program can track its progress.

- The work plan should contain a balance of activities in each of the four broad program areas that comprise the Main Street approach — Economic Vitality, Quality Design, Effective Promotion, and Sustainable Organization.
- The work plan should contain measurable objectives, including timelines, budgets, desired outcomes, and specific responsibilities.
- The work plan should be reviewed, and a new one should be developed annually.
- Ideally, the full board and committees will be involved in developing the annual work plan. At a minimum, the full board should adopt/approve the annual work plan.
- The work plan should distribute work activities and tasks to a broad range of volunteers and program participants.
- There has been significant progress in each of the four points based on the work plan submitted for the previous year.

7. Adopt and exhibit a Historic Preservation Ethic and design management program.

Historic preservation is central to the Main Street program's purpose and is what makes historic and traditional commercial districts authentic places. Historic preservation involves saving, rehabilitating, and finding new uses for existing buildings, as well as intensifying the uses of the existing buildings, through building improvement projects and policy and regulatory changes that make it easier to develop property within the commercial district.

- The program has, or is working toward putting in place, an active and effective design management program (which may include financial incentives, design assistance, regulatory relief, design review, education, and other forms of management).
- The program encourages appropriate building renovation, restoration, and rehabilitation projects.
- When faced with a potential demolition or substantial structural alteration of a significant, historic, or traditional building in the Main Street district, the program actively works to prevent the demolition or alteration, including working with appropriate partners at the state, local, or national level to attempt to stay or alter the proposed activity; developing alternative strategies for the building's use; and/or educating local leaders about the importance of retaining existing buildings and maintaining their architectural integrity.
- The program works to find creative adaptive use, financing, and physical rehabilitation solutions for preserving old buildings.
- The program recognizes the importance of planning and land-use policies that support the revitalization of existing commercial centers and works toward putting planning and land-use policies in place that make it as easy (if not easier) to develop property within the commercial district as it is outside the commercial district. Similarly, it ensures that financing, technical assistance, and other incentives are available to facilitate the process of attracting investment to the historic commercial district.
- The program builds public awareness for the commercial district's historic buildings and for good design.

8. **Demonstrate an established vision for downtown and a mission that defines the role of the organization that will manage the downtown initiative.**
 - The organization has an appropriate written mission statement.
 - The mission statement is reviewed annually and updated as appropriate.
 - The organization has an appropriate written vision statement for downtown that is reviewed annually and updated as appropriate. The vision statement should define the economic potential of downtown.
9. **New Main Street Director attendance at Main Street Orientation, held each month in Raleigh, within three months of start date (if not previously attended).**
10. **Main Street Director attendance at Main Street Basic Training each time there is a change in management (if not previously attended).**
11. **Fund the local Main Street program through both public and private partnerships at a level allowing for full implementation of the program based on the Four-Point Approach® and the adopted annual work plan.**

The Main Street program's budget should be adequate to achieve the program's goals. The dollar amount that is "adequate" for a program budget may vary.

 - The budget should be specifically dedicated for the purpose of revitalizing the commercial district.
 - The Main Street program's budget should contain funds adequate to cover the salary and benefits of staff; office expenses; travel; professional development; and committee activities.
 - Revenue sources are varied and broad-based, including appropriate support from the municipal government.
 - There is a strategy in place to help maintain stable funding.
 - There is a process in place for financial oversight and management.
 - Regular monthly financial reports are made by the treasurer to the board.
12. **Main Street Director's attendance at Main Street Managers' Meetings held once a year in August.**
13. **Main Street Director (or Volunteer if Director cannot) attendance at a minimum of One of Two Bi-annual Regional Meetings each year. (Held in July and October.)** *It is recommended that the director attends both meetings, not just one.
14. **Main Street Director and a minimum of one volunteer attendance at the annual N.C. Main Street Conference - (NCMS provides each designated MS community with two complimentary registrations).**
15. **Submit annual Statistical data in July and Budget & Salary information and Program Assessment Survey in January as requested to the NCMS Center.**
16. **Maintain an annual membership with the National Main Street Center at a \$350 designated level.**
17. **Reimbursement of NCMS Center's travel expenses, when traveling to the local community, at the IRS state rate plus meals at the state per diem rate and lodging in accordance to the NC Main Street & Rural Planning Center Travel Policy.**

18. **Main Street Program must also sign and be in compliance with the attached National Main Street sublicense agreement and must comply with all Accredited or Affiliate community requirements.** Logos and Website language will be sent following receipt of signed agreements.

Requirements are in part from: <http://www.preservationnation.org/main-street/about-main-street/the-programs/performance-standards.html#1>

Documents needed for a change in Administration of the local Main Street Program:

- The City/Town Council has the authority to designate another agency/entity to administer the Main Street program.
 - North Carolina Main Street Center requires:
 - A resolution from the City/Town Council that authorizes this change.
 - Minutes of the City/Town Council Meeting clearly demonstrating the majority vote.
 - Documentation demonstrating how the entity that will be administering the Main Street Program will address the items listed under the requirements section of this document.

BENEFITS OF MEMBERSHIP WITH THE NATIONAL MAIN STREET CENTER

Designated Main Street Member

(Required for all active, designated N.C. Main Street and Small Town Main Street communities)

As a Designated Main Street Member, your program is a recognized leader among the largest network of commercial district organizations in the world. Tap into the expertise of our large network of Main Street Programs, BIDs, CDC's, planners, local government agencies, consultants, and others to learn, research and share useful experience with each other. This guide explains the benefits of membership and how to access these tools.

We want you to get as much out of your membership as possible! Please contact us if you require any assistance with your benefits.

Your benefits include:

- *Main Street Now* - the digital journal of the National Main Street Center
- Access to our digital library of must-read revitalization publications
- Free online training opportunities
- Full access to the Main Street Solution Center with sample documents, articles, reports, and more from your peers and experts in the field - all at your finger-tips
- Access to the Main Street Listserv
- Exclusive eligibility for national accreditation
- Eligibility to apply for the Great American Main Street Awards and other special programs
- Discounts on conferences and workshops produced by the National Main Street Center
- The National Trust's volunteer opportunities web page
- National Trust membership List Exchanges
- Access to unique insurance products from the National Trust Insurance Services, LLC.
- Membership in the National Trust for Historic Preservation, which includes *Preservation* magazine
- A voice for your issues
- Eligibility to use the Main Street name
- And much more!

Annual Dues: \$350

Information from:

http://www.preservationnation.org/main-street/join/designated-member-benefits.html#.VO9t5_nF874

SIGNATURE PAGE

Designate Main Street City/Town: (Please Print) Waynesville

Name of Main Street Organization: (Please Print) Downtown Waynesville Association

Date: June 6, 2016

Name of Main Street Director: (Please Print) Buffy Phillips

Title: (Please Print) Executive Director

Signature of Main Street Director: Buffy Phillips

Date: _____

Name of Main Street Board Chair: (Please Print) _____

Title: (Please Print) _____

Signature of Main Street Board Chair: _____

OR

Date: _____

Name of City/Town Manager: (Please Print) _____

Title: (Please Print) _____

Signature of City/Town Manager: _____

Retain a signed copy for your records and return a signed copy of the entire document by mail no later than June 30, 2016:

To: Liz Parham, CMSM
Director
NC Main Street & Rural Planning Center
4346 Mail Service Center
Raleigh, NC 27699-4346



Downtown Waynesville
Municipal Service District

