

**TO: Mayor and Board of Aldermen
Town Staff Members
Candidates for Town Offices**
FROM: Lee Galloway, Town Manager
SUBJECT: Status Report through September 17, 2007
DATE: September 17, 2007

I am pleased to be able to present an update on the most recent events involving municipal government. The Police Department and the Recreation and Parks Department do a separate departmental report each month detailing their activities. The Fire Department does a monthly report on their responses, showing types of fires and/or false alarms. For those who might be interested in reviewing them, the Manager's Status Reports for the past several years are posted on the Town's web site at www.townofwaynesville.org.

FIRE STATION UPDATE

Construction is well underway at the new fire station on North Main Street. Under the contract with Construction Logic, the completion date is set for March, 2008. During the first few months of work, the running ahead of schedule, but there was a delay with mason, and the anticipated completion time slipped March. A new block mason was bought in and the Contractor has made considerable progress in August, estimated completion date is now in late February. We with the progress being made and our fire personnel look forward to relocating to this fine new facility as soon as possible.



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Meanwhile, the Town's street department personnel have begun work on a realignment of Broadview Street. This has always been an unsafe intersection, with four different streets (Broadview, Summit, Leatherwood and Keller Heights) feeding into North Main Street at close to the same point. Our goal is to improve the safety for the motoring public by trying to square up Broadview and Summit with North Main Street.

There are still plans for a special Firefighters' Memorial area at the west end of the site of the new fire station. This area will be set aside to honor those fire personnel who have died in the line of duty, and there are two Waynesville fire fighters who have made that sacrifice. In the next quarterly newsletter, there will be news about a fund raising campaign to help pay for the Firefighters' Memorial, and we hope that many of you will want to participate.

POLICE STATION UPDATE

At the end of September, Town Staff is scheduled to meet with ADW Architects to review what is referred to as the 30% Plans, meaning that the plans should be about 30% complete. In reality, the plans presented will likely be well over 30%, and there is not that much difference between those plans and the final product which goes out to review by the State Department of Insurance and our own Inspections Department. There will also be an updated cost prepared at that point based upon the most recent comparable construction costs in the region. This matter should be coming back to the Town Board in late October or early November.

The Town Board has approved the plan to lease the former office of Dr. Boyd Owens on North Main Street as a temporary location for the Police Department. The terms of the lease have been



hammered out, with the Town being given access to the building on October 1, 2007, so that renovations to the building may begin. At some point after January 1, 2008, the building should be suitable for the Police Department to being making the transition from their present location to the temporary location. Work on the renovation and expansion of the existing police facility will not likely begin until April or May of 2008, with a completion date of one year. The initial lease period is for 19 months, ending in April, 2009 however, we will be able to extend our lease on

the building for a six month period until October 1, 2009.

As discussed with the Board, the Town will be making some repairs to the Owens' Building to accommodate the Police Department and to be in compliance with the State Building Codes. The trade off for this will be a very reasonable rental rate on the building which is roughly 3,300 square feet. We were pleased to be able to find a location for the Police Department which is convenient and provides a reasonable amount of space for them to continue operations.

PUBLIC WORKS FACILITY IMPROVEMENTS

For those of you who have not visited Public Works facility in recent months, you will find that the first set of equipment sheds have been installed across the rear of the property. The second set is on order and should be installed in the next thirty days. These sheds allow a much greater number of vehicles and equipment to be under cover and out of the weather, hopefully adding to the life expectancy of that equipment. There is also storage for items that we could not store previously.

At the present time, a project is underway to relocate the point where vehicles are filled with regular gas or diesel fuel. New underground lines will be installed from the existing tanks to the site of the new gas pumps on the south side of the building. In addition, we will be adding a canopy over the gas pumps to offer employees some protection from the elements as they fuel the vehicles.

These along with some other improvements are part of the recommendations made by ADW Architects when that firm performed the Space Needs Analysis of Town facilities in 2004. With the new fire station and perhaps with the police department, we are borrowing funds to pay construction costs. With the public works facility, we have been approaching it on a 'pay as you go' basis, doing a little bit each year in hopes of relieving some of the overcrowding problems.



WATER PLANT EXPANSION

Western Builders, Inc. of Sylva has begun the work to expand the laboratory at the Water Treatment Plant. This facility has been operating with much too little space for many years, but that will not be a problem for much longer. The expansion will provide treatment plant employees with the space necessary to conduct the required tests and experiments on water quality issues, and I know they will be pleased with the improved working conditions.

WATER SUPPLY

Several people have asked about the Town's water supply during the severe drought which our region and most of the state have been experiencing. I am pleased to report that Waynesville's water supply remains as productive as ever. During the heat of August, the water level had dropped to 11 inches below the primary overflow, the end of the month, it had dropped to 15 inches below the overflow. To put that in a more understandable perspective, the Town's water conservation policy states that we will not implement "voluntary" standards until the water level has dropped 48 inches below the primary overflow. So we had a long way to go before the Town asked for even voluntary restrictions. While many of our neighbors have experienced challenges in meeting water demand, our reservoir has done well.



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Last Friday, Superintendent Kyle Cook reported that there was 4.2 inches of measurable rainfall at the water plant. As a result, the lake level began climbing, and on Saturday, it was up to 6 inches **over** the primary overflow. Of course, unless we see continual rainfall and a break in the recent patterns, the groundwater and stream levels will drop again. We are indeed blessed with an abundant supply of water.

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WATERSHED COMMITTEE ORGANIZES

During the first week of September, members of the Town's Watershed Advisory Committee held their first meeting. This was primarily an organizational meeting, and there was a discussion about the purposes of the Committee. There was also a review and discussion on the contents of the Report that was developed after the two workshops led by the Manomet Center in Maine and held during the summer of 2006. Committee members had questions about their role in responding to the concerns of citizens. The documents establishing the Committee spoke of it being the community's liaison with Dr. Pete Bates and Western Carolina University in the development of the Forestry Management Plan. It was also indicated that the Committee would review and approve the proposed Plan for consideration by the Town Board which would have the final say-so on adoption of the Plan. The Committee plans to meet again on the first Thursday in October and November to consider the information which has been generated by the work of Western Carolina in analyzing both stream quality and the presence of both animal and plant life. The Forestry Management Plan is supposed to be completed in April, 2008.

EAGLE NEST WATER SYSTEM

At the Board meeting on September 11, approval was given to make application for a loan and grant to replace the Eagle Nest Water System. The applications must be submitted by September 30, but we are not sure of the potential award date. The application requests a grant of \$1,000,000 which is available to correct deficient private water systems, and it also asks for a no interest loan of \$300,000 which is the anticipated local share of the project estimated to cost \$1.3 million. The local share of the project would be repaid by those connecting to the Eagle Nest Water System now and in the future, but many details still must be worked out in terms of loan paybacks and the length of time for the loan.

The engineer on the project is projecting a construction start date of April, 2008, with completion by December, 2008. Much of that schedule will probably depend upon the amount of subsurface rock encountered during installation of the line and tanks.

COMMERCIAL GARBAGE COLLECTION

When we were working through the budget this past summer, there was a discussion about the future direction of commercial garbage collection for the Town. We are at the point where we need to replace or do major work on the two commercial garbage trucks, both of which pick up the dumpsters on the side of the truck. The trouble with this system is that the lifting capacity of a side loader limits you to a 4 cubic yard dumpster and even that is a strain for the unit at times. It is also being phased out by most garbage body manufacturers, and there are only a few companies left that still offer the side loading units. We are concerned that at some point, even those companies will drop the side loaders and we will find ourselves in a bind.



The outcome of our discussions during budget season was for Town Staff to do some research on making a switch to front loading trucks. We wanted to investigate the matter more and come back with a recommendation to the Town Board. On July 23, several of us visited the City of Pigeon Forge to discuss their conversion from side loaders to front loaders, a process in which they have been involved for a few years. We gained a great deal of valuable information from them, and they were very anxious to help us. We hope to continue gathering information and have a recommendation for the Town Board to consider in early November.

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

Over the past few years, the NC DOT has been working on plans for the reconstruction of Howell Mill Road. Town personnel have had several meetings with DOT officials to discuss the highway design and to seek information on locating pedestrian pathways along the road. These paths might be in the form of sidewalks, but they could just as easily be asphalt or gravel or woodchip greenways close to the road. The DOT is close to the point of a final design for the road and they will likely be having public meetings in November to discuss the design and seek public input.

GREENWAYS

Speaking of pedestrians, I am pleased to report that a Preconstruction Conference was held last Friday morning with Brad Allen Construction Company. This firm has been given the Notice to Proceed with construction of the Greenway between Lake Junaluska and the Howell Mill Road area. This project has taken many years to reach this point, and we are pleased to see it get one step closer to being completed. The final leg of this Greenway will have to wait until the reconstruction of Howell Mill Road. The plans for Howell Mill Road show a sidewalk as part of the bridge over Richland Creek and the Norfolk-Southern Railway line, and that will connect to a pathway at the recreation center on the south end and to the sidewalk on the Asheville Road on the north end.

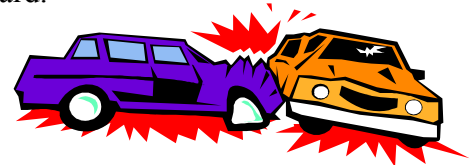
TRAFFIC SAFETY

In recent years, there have been an excessive number of traffic accidents on Russ Avenue, with the majority occurring in the area between Barber Boulevard and Frazier Street. A great many of these accidents were related to vehicular movements in and out of the driveways at McDonalds Restaurant. Over a two year period, there were 86 accidents on Russ Avenue between Barber Boulevard and Frazier Street. No other area of Waynesville came close to matching this number of accidents.

When McDonalds proposed to remodel their restaurant, they agreed to meet the Town's requirements which only allow driveways with right turns in and right turns out. This would eliminate the left hand turns into and out of McDonalds which were the cause of so many accidents. McDonalds joined CVS Drug Store and Home Trust Bank which had also installed right turn in- right turn out islands at the driveways to their businesses. Although left hand turns were prohibited, we knew that many drivers would attempt to violate the new rules; consequently, we recommended to the DOT that the traffic island be placed in the median of Russ Avenue to discourage the left turns.

We believe these changes along with the concrete median have resulted in a considerable reduction in vehicular accidents. During the first seven months of 2006, there were 25 accidents in the area between Barber Boulevard and Frazier Street. Of those 25 accidents, 11 involved unsafe turning movements at McDonalds. During the first seven months of 2007, there were 9 accidents in the area between Barber Boulevard and Frazier Street. Of those 9 accidents, only 1 was at McDonalds, and that was a rear end collision when someone was turning into the restaurant. Of course, McDonalds was closed for a goodly portion of those seven months, but in the three months since they reopened, there have only been 5 accidents in this one block area, and only 1 was at McDonalds. Most accidents now seem to be rear end collisions at the traffic light at Barbers Boulevard.

While the concrete median generated several letters to the newspaper objecting to the installation, we believe that the results show that the median is achieving its desire affect. Traffic accidents are down substantially, and the safety of the motoring public is what we were trying to achieve.



ADMINISTRATION MATTERS

During 2009, the Great Smoky Mountain National Park will be celebrating its 75th anniversary. The Park Service, along with the Friends of the Smokies and the Smoky Mountain Association, has been involved in planning ways to celebrate this event. The Park has a tremendous impact upon Waynesville, Haywood County and the entire region, whether in North Carolina or Tennessee, and certainly our tourism economy is driven by having the Park so close by. Assistant to the Manager Alison Melnikova and I have been attending the planning and organizational meetings which are alternating between locations in North Carolina and Tennessee. A variety of activities are being discussed and considered for 2008 and 2009, leading up to a grand celebration in September, 2009.

In approving the 2007-2008 budget, funds were provided so that Alison Melnikova could attend the Municipal and County Administration Course at the School of Government in Chapel Hill. This is a very prestigious program, one of the very best training programs available to those interested in government, management careers. It is demanding, requiring six weeks of classroom work and a good deal of homework between September, 2007 and April, 2008, and Alison has just completed her first week's session. Gaining admittance is not easy, and we felt fortunate that Alison was selected to attend. We are confident that the knowledge she gains as a result will be of great benefit to our organization and to the community as a whole.

On Tuesday, August 21, the North Carolina League of Municipalities held a breakfast meeting for municipal officials in Western North Carolina. One purpose of the meeting was to provide an update of actions in the recently completed session of the General Assembly. Another purpose was to allow municipal officials an opportunity to meet with Congressman Heath Shuler, hearing his report on his work in Washington and expressing municipal opinions on issues of importance.

Earlier in September, I met with representatives of the Junaluska Fire Department to discuss the Town's plans for future annexations and expansions, particularly as those actions might impact the Junaluska Fire Department. When a Town annexes into the Fire District of another Fire Department, the Town's must compensate the Fire Department for the loss of taxable property. But the Department still loses that portion of their tax base. The JFD had heard rumors that Waynesville was planning to annex out to Lowe's and the present Wal-Mart Shopping Center, but I assured them that the Town had no intention of annexing that far out. We also had some good discussion on the areas outside of the current fire districts which are exempt from a fire district tax, even though those areas receive fire service from one of the volunteer or municipal departments. The JFD has approached the Haywood County Commissioners on this matter, and the Commissioners have called for a study of all areas of the county that fall within this situation.

As you are aware, I am serving on the Community Energy Advisory Council which has been established by Progress Energy. This Council was created in the aftermath of the denial of Progress Energy's request to build a peaking facility in Woodfin to help the utility meet the energy demands on the system when they were experiencing peak demands. The Council's role is to review the present situation, consider future demand upon the capacity of Progress Energy and to help determine how to meet that demand. This might be through conservation measures or through increased production, but that conclusion will not be reached until a variety of issues and options are weighed.

MANAGER'S TRAVEL NEWS

I will be in Chapel Hill on Friday, September 28, to attend a meeting of the Program Committee for the North Carolina City and County Management Association. The Committee will be planning the programs and training sessions for the Managers' Winter Conference which will be held in early February, 2008. I have served on this Committee for the past 13 years and have held the Chairman's position three years during that time frame.

The International City Management Conference will be held in Pittsburgh, Pennsylvania on October 6-10, 2007. I will be leaving Waynesville on October 5th, planning to drive to Pittsburgh, and I will drive back here on Thursday, October 11th.

The North Carolina League of Municipalities will be holding its 99th annual conference on October 14-16 and this year's meetings will be in Fayetteville. Alderman Feichter and I are registered to attend that meeting. Alderman Feichter serves on the League's Finance and Administration Policy Action Committee, and she also has served on the League's Long Range Planning Committee. I serve as the Chairman of the Technical Advisory Committee for the Finance and Administration matters.

