

REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
APRIL 11, 2006
TUESDAY - 7:00 P.M.
TOWN HALL

The Board of Aldermen held a regular meeting on Tuesday, April 11, 2006. Members present were Mayor Henry Foy, Aldermen Gavin Brown, Gary Caldwell and Kenneth Moore. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Administrative Intern Alison Melnikova and Town Attorney Woodrow Griffin. Mayor Foy called the meeting to order at 7:00 p.m.

Approval of Minutes of March 28 and March 29, 2006

Alderman Caldwell moved, seconded by Alderman Moore, to approve the minutes of the March 28 and March 29, 2006 meetings as presented. The motion carried unanimously.

Resolution of Support of Capital Needs for Haywood Community College

Representatives of the Haywood Community College Foundation have approached the Town about endorsing the request of the Haywood County Commissioners for legislative approval for the creation of a one-half ($\frac{1}{2}$) cent sales tax option to fund the needed capital improvements at the college.

Dr. Rose Johnson, Haywood Community College President, attended the meeting to present the request. Dr. Johnson said that the Haywood County Commissioners have requested that Legislators pass a bill to give Haywood County the right to put forth a $\frac{1}{2}$ cent sales tax which would benefit Haywood Community College (HCC). This bill would have a sunset clause of six years and if it passes in the Senate would then come to the Haywood County citizens to vote on in the November election. During this six year period it is estimated that this one half cent sales tax would raise between fourteen million and nineteen million dollars to build additional needed facilities at HCC. Dr. Johnson said HCC currently has 336 full and part time staff, and studies have revealed that the income from these employees has an estimated forty-eight million dollar economic impact for Haywood County each year. She said this is extremely important for the citizens of Haywood County and she is requesting resolutions of support from each Town in Haywood County. These will be delivered to each Senator to show that there is a basis of support.

Alderman Moore moved, seconded by Alderman Brown, to adopt a resolution of support of capital needs for Haywood Community College. The motion carried unanimously. (Res. No. 12-06)

Public Hearing Amendment to Section 154.308(B)(2) Signs

Moss Sign Company has requested that the Town consider an amendment to the existing sign ordinance pertaining to internally illuminated signs to permit neon tubing and channel letter type signs. The amendment as recommended by the Planning Board and Town Staff is as follows: "Channel letter type signs may use neon tubing as an internal illumination source, provided that the light source is shielded by translucent faces, or that a silhouette type sign is used where the light source illuminates the sign background and the letters or symbols are opaque."

Attorney Griffin opened the public hearing. The following persons spoke:

Roscoe Wells, 85 East Marshall Street, asked why the Board needed this amendment since Waynesville has some of these signs now, such as the one at the Tool Shed. He asked why the Town would modify an existing sign ordinance when the signs currently in existence are basically grandfathered in. He thought the purpose of the Land Use Ordinance was to control growth and he did not think this amendment should be approved.

Philan Medford, 99 Pisgah Drive, said the original discussion about signage and lighting was directed at the light pollution which is why everyone wanted light to be directional and not light up the night sky. Ms. Medford said Black Mountain became concerned with light pollution and had their electric departments mitigate the light pollution. She agreed with Roscoe Wells in his assessment of what is happening. Ms. Medford said it took a great amount of time to talk about and write the Land Use Plan and there is no reason why a sign company can't make a living here with the ordinance the way it is. She asked the Board not to amend the ordinance.

Mike Herron with Moss Sign Company said he asked for this amendment, not for Moss Sign Company but for the business people in Waynesville. The Mexican Restaurant Los Amigos applied for a sign permit and thought it was fine, not knowing that the sign was neon. He said neon tubing is the only way this sign can be lit and that it would be distinctively and professionally done. Mr. Herron explained that neon tubing is used in the letters because this type of lighting can be shaped to fit inside the letters and fluorescent letters cannot because they are straight. This type of sign is used either on a store front or on a free standing sign and most developers require these channel type letters because they are very distinctive. He gave examples of businesses that use this type sign.

Alderman Caldwell moved to approve the amendment. The motion died for lack of a second.

Alderman Brown felt that more information was needed before making a decision. Alderman Brown said one of the biggest issues discussed in developing the Land Use Plan was signage. It was the consensus of the Board to delay action until a later meeting in order to obtain additional information regarding the proposed amendment.

Public Hearing - Annexation 9.4 Acres Located at 129 Lansing Road LMK Real Estate Co., LLC

At the meeting of March 14, the Board received a petition for annexation from LMK Real Estate and instructed Town Clerk Phyllis McClure to investigate the sufficiency of the petition. At the

meeting of March 28, the Board received a report from the Town Clerk indicating that the petition met the requirements of State law.

Attorney Griffin opened the public hearing. No one spoke; Attorney Griffin closed the public hearing.

Alderman Brown moved, seconded by Alderman Moore, to adopt an ordinance annexing the 9.4 acres located at 129 Lansing Road as requested by LMK Real Estate Co. The motion carried unanimously. (Ord. No. 13-06)

Adoption of Ordinance Regarding Annexation of Asheville Road Phase I Area

At the meeting of March 28, the Board held a public hearing on the proposal to annex the Phase 1 area of the Asheville Road. At that time, Planning Director Paul Benson presented updates to the required annexation report and answered questions on the matter.

Alderman Moore moved, seconded by Alderman Brown, to annex the Phase 1 area of the Asheville Road effective June 30, 2006. The motion carried unanimously. (Ord. No. 14-06)

Special Information Meeting Fire Station Financing

At the direction of the Town Board, Finance Director Eddie Caldwell and Town Manager Lee Galloway have been investigating financing alternatives for construction of a new fire station on property owned by Home Trust Bank and located at 960-1022 North Main Street. In evaluating various financing sources, Caldwell and Galloway considered the desire of the Town Board to also make major renovations to the existing public safety building at 9 South Main Street, converting the entire facility into a police station. To do both the new fire station and the renovations and additions to the police station, it would be necessary for the Town to find financing for longer than the typical 20 year period.

The best alternative for this seems to be the Rural Development Division of the United States Department of Agriculture. That agency will finance projects for up to 40 years at very competitive interest rates. For the construction of the fire station, the Town is requesting a loan of \$3,000,000 for a period of 40 years. In addition, the Town will contribute an estimated \$955,000 toward the project. This will pay for the land, the demolition of the buildings, the preparation of the site and the construction of the fire station. Design of the station is already underway and in the hands of ADW Architects of Charlotte. Construction should start around October 1, 2006 and last for 60 weeks.

Based upon the present, estimated financing rates of four and one-half percent interest, a loan on the \$3,000,000 requested would have an annual repayment figure of \$163,050. It was the recommendation of the Finance Director and Manager that real estate property tax revenues be used to pay the debt on the new fire station. Based upon the most recent property revaluations, it has been indicated that a tax rate increase of two cents would be required in order to pay this debt.

The Finance Director has checked on financing through traditional banks and has secured quotes from Wachovia Bank and BB&T. Wachovia quoted an interest rate of 4.40% with a 20-year term, on a \$3,000,000 loan, and the annual debt payment would be \$228,635. With BB&T, the rate was 3.96% for a 15-year loan on \$3,000,000, meaning an annual payment of \$269,069. In order to do both the fire and the police stations, the 40-year financing is needed to make the debt payment affordable.

As part of the requirements of Rural Development, a public meeting is required when this information is presented publicly so that the citizens are more aware of the plans for the project. This does not override the requirement that a public hearing be held on the Town's budget normally held in June, and citizens would have an opportunity to comment on the tax rate at that time.

Roscoe Wells said since this is the year of property revaluation Haywood County has posted a neutral tax rate and he asked if Waynesville has posted one as well. Manager Galloway said a neutral tax rate for Waynesville would be 36 ½ cents. However, this is an estimate and cannot be determined until after the appeals are finished.

Roscoe Wells was concerned about having public hearings and taking action at the same meeting. Manager Galloway said the Board always conducts the public hearing on the budget at the first meeting in June and adopts the budget at the following meeting. Mr. Wells felt that the public should be more involved in the meetings and more information should be made available to the public. Manager Galloway said articles on Town issues have appeared in almost every quarterly newsletter mailed to the citizens in Waynesville. Mountaineer Reporter Jeff Schmercker said an article is scheduled to appear in Wednesday's edition of The Mountaineer regarding the new fire station.

Request to Close Commerce Street - May 13, 2006 Whole Bloomin' Thing Festival

The Historic Frog Level Merchants' Association has sponsored the "Whole Bloomin' Thing" Festival for several years, and it has had growing success during that time. This year's event is scheduled for Saturday, March 13, from 9:00 a.m. to 5:00 p.m. The Association has requested that Commerce Street be closed between Depot Street and Panacea Coffee House, beginning at 9:00 p.m. on Friday, May 12, so that they may begin setting up for the Festival, and that it remain closed until 6:00 p.m. on Saturday, May 13.

Alderman Moore moved, seconded by Alderman Caldwell, to approve the closing of Commerce Street as requested beginning at 9:00 p.m. Friday, May 12 until 6:00 p.m. on Saturday, May 13. The motion carried unanimously.

Appointment of Town Manager Galloway to Serve on County Manager Search Process Committee

Alderman Moore moved, seconded by Alderman Caldwell, to appoint Town Manager Galloway to serve on the panel for the County Manager Search Process. The motion carried unanimously. Manager Galloway said he would be glad to be involved in this process.

Adjournment

With no further business, Alderman Brown moved, seconded by Alderman Caldwell, to adjourn the meeting at 7:47 p.m. The motion carried unanimously.

Phyllis R. McClure, Town Clerk
Henry B. Foy, Mayor