

AGENDA
SPECIAL MEETING
TOWN OF WAYNESVILLE
TOWN HALL
MAY 10, 2007
THURSDAY - 7:00 P.M.

The Board of Aldermen held a special meeting on Thursday, May 10, 2007. Members present were Mayor Henry Foy, Aldermen Gavin Brown, Gary Caldwell, Libba Feichter and Kenneth Moore. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Town Attorney Woodrow Griffin, Assistant to the Town Manager Alison Melnikova, Purchasing Supervisor Julie Grasty, Public Works Director Fred Baker and Finance Director Eddie Caldwell. Mayor Foy called the meeting to order at 7:00 p.m.

Approval of Minutes of April 10 and April 24, 2007

Alderman Caldwell moved, seconded by Alderman Feichter, to approve the minutes of the April 10 and April 24, 2007 meetings as presented. The motion carried unanimously.

Public Hearing to Consider New Street Name of "Candler Street" for the Laurels Development at Lake Junaluska

The developers/owners of the Laurels at Lake Junaluska development have requested that the street entering their complex be named "Candler Street".

Section 46-66 of the Town Code specifies that the Planning officer is tasked with road naming in consultation with county addressing. Planning Director Paul Benson indicates that he has spoken with the County Addressing office and they find no problem with the name "Candler Street" and are not aware that it is a duplication or near duplication of any existing street name. Mr. Benson and Mr. Baker have no objection to the name "Candler Street".

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

Alderman Brown moved, seconded by Alderman Feichter, to name the street within the Laurels Development at Lake Junaluska "Candler Street" as requested. The motion carried unanimously. (Ord. No. 12-07)

Public Hearing to Consider a Financial Installment Contract to Expand the Lab at the Water Treatment Plant

Under Article 3 of Section 20, North Carolina Statutes, when a governmental unit is seeking an installment contract on an item which results in a pledge of real estate interest, a public hearing on the matter is required. The Town is seeking approval for an installment contract to expand the building at the Water Treatment Plant, primarily to enlarge the laboratory and the office area. The estimated amount of this work is \$350,000.

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

Finance Director Eddie Caldwell said this contract will be sent to the Local Government Commission for their review and approval at their meeting in July. Bids for construction will be opened on Thursday, May 17, and a resolution will be presented to the Board of Aldermen at their next meeting with a recommendation for award to the lowest bidder. Requests for proposals from various banks were opened on May 1, with good installment financing proposals received at that time. A public hearing will be held to get public input on the financing package and an application will be presented to the Local Government Commission to show that the Town follows good financial policies. Mr. Caldwell said the Town is in good financial shape and he sees no problems with the process. The loan for this project could be closed in mid July.

No action was necessary.

Public Art Commission - Dr. Mike Gillespie, Chairman

During the 2005-2006 fiscal year, the Town Board was asked to appoint a Public Art Commission to evaluate requests and oversee the placement of art objects on the sidewalks of Waynesville. Since their appointment, members of this Commission have been meeting and discussing their role.

Dr. Mike Gillespie, Chairman of the Public Art Commission, attended the meeting to acquaint the Board with this new Commission, explain how it is structured and revealed their current plans for public art in Waynesville. Dr. Gillespie read the objectives of the Public Art Commission. He said that Ron Huelster and Fred Baker serve as advisors to the Commission. The Commission has identified the area of the Miller Street/Main Street intersection for the location of their first art project. This area was felt to be an important focal point and they would like for the art piece at this location to be old time music emphasizing the Smoky Mountain Folk Festival. The Commission is ready to begin recruiting artists and begin promotional type activities. Dr. Gillespie said the Town supported StreetScapes, which was the ancestor of the Public Art Commission. The Commission requested \$1,500 from the Town for this project. The Board will consider including funds for this project in their next fiscal year budget.

Alderman Feichter said the Town is fortunate to have the NC Arts Council and HART, adding that art is a boost for Waynesville. The Board thanked the Public Art Commission for their contribution to the community. Alderman Brown added that art gives a roundness and depth to the community.

Approval of Agreements With N. C. Department of Transportation Regarding Railroad Crossings at Scates Street and Depot Street

The North Carolina Department of Transportation handles a program which is funded by the federal government for improvements and upgrades to railroad crossings. The federal funds typically pay 90% of the cost of these upgrades which might include flashing signals or cross arms which close when a train approaches to block traffic from crossing the railroad tracks.

In recent months, letters were received from the DOT recommending that improvements be made at the Scates Street crossing and the Depot Street Crossing. These two crossings have been identified as having a need for new crossing signals and upgrades. Manager Galloway said with the federal

government covering 90% of the cost of these improvements, it is felt that the 10% which would fall to the Town of Waynesville is a worthwhile investment to improve traffic safety for the motoring public using these two streets.

Public Works Director Fred Baker said NCDOT will design and prepare cost estimates for the projects. Depot Street has lights at the present time and arms will probably be added at a cost between \$140,000 and \$150,000. Waynesville will pay about \$1,400 per year for operation and maintenance.

Alderman Moore moved, seconded by Alderman Caldwell, to adopt the two resolutions authorizing Mayor Foy to enter into agreements with the N. C. Department of Transportation on the upgrades to these two railroad crossings. The motion carried unanimously. (Res. No.8A-07/8B-07 and Cont. 10-07/11-07)

Sewer Use Ordinance

For several years, the Town of Waynesville has operated a wastewater collection system under the Sewer Use Ordinance, a document which was modeled after the State's Model Sewer Use Ordinance provided all municipalities. Mr. Fred Baker, Town Engineer and Public Works Director, administers the Town's Sewer Use Ordinance, attempting to assure that those connecting to the Town's system are in compliance with the requirements.

Mr. Baker has discovered a number of changes or revisions which need to be made to the Town's Sewer Use Ordinance. Mr. Baker attended the meeting to explain the changes and to answer questions. He said there was a total of 13 changes, mostly housekeeping items, such as a change in the definition regarding the person authorized to sign the permit. The last significant user of the Town of Waynesville was Holston Energy, a commercial business with a high strength surcharge.

Alderman Brown moved, seconded by Alderman Moore, to adopt the Sewer Use Ordinance to incorporate the changes as presented. The motion carried unanimously. (Ord. No. 13-07)

Purchasing Policy and Procedure Manual

Prior to the Board meeting of April 24, a new Town Purchasing Policy and Procedure Manual was distributed for the review of Board members. At the meeting on April 24, there was discussion about some of the wording of the policy and Board members offered input on the proposed document.

Town Staff has worked with the Town Attorney on revisions to the Town Purchasing Policy and Procedure Manual, particularly as it relates to the dollar threshold when town staff will seek three quotes on providing equipment and supplies or when repairs or construction to town facilities or infrastructure is needed.

Changes have now been made to the Policy, and a copy of the revised Policy was distributed for review. The Town Attorney and Town Staff recommended to the Town Board that the Policy be adopted. Ms. Julie Grasty, Purchasing Supervisor, and Ms. Alison Melnikova, Assistant to the Town Manager, attended the meeting to answer questions about the Policy.

Ms. Grasty said this procedure was already in place, but needed to be in the form of a policy for new department heads, employees and vendors. Changes in the policy include an increase for issuance of a purchase order from \$100 to \$250 and a new purchasing card program to be used for purchases. Alderman Brown said this protects the Town, purveyors and staff. Alderman Feichter said she especially liked the quick guide summary page, and appreciated the work of staff with this policy.

Alderman Brown moved, seconded by Alderman Feichter, to adopt the Purchasing and Procedure Manual as presented. The motion carried unanimously.

Appointment to Community Appearance Commission

For some time there has been a vacancy on the Community Appearance Commission, created when Roger Winge moved out of the area.

Alderman Moore moved, seconded by Alderman Caldwell, to appoint Lynn Sylvester to serve on the Community Appearance Commission. This term expires March 1, 2008. The motion carried unanimously.

Declaration of Surplus Property

Ms. Julie Grasty, Purchasing Supervisor, has requested that the Town Board declare a 1979 Hyster H80C Forklift (VIN# C5D13187T) to be surplus and to authorize her to dispose of the unit in a manner most favorable for the Town. Ms. Grasty indicated that when the Town purchased a newer, used forklift in 2004, the 1979 Hyster was kept as a backup; however, she reported that it is very seldom used and simply takes up space that other units need. Ms. Grasty also requested that a 1992 Ford Ranger two wheel drive be declared surplus. Finance Director Caldwell and Manager Galloway endorsed the request.

Alderman Moore moved, seconded by Alderman Caldwell, to declare the 1979 Hyster forklift and 1992 Ford Ranger as surplus equipment and authorized Purchasing Supervisor Julie Grasty to dispose of the property. The motion carried unanimously.

Presentation of 2007-2008 Fiscal Year Budget

Town Manager Galloway and Finance Director Eddie Caldwell distributed copies and gave an overview of the proposed, 2007-2008 fiscal year budget. Manager Galloway said this was one of the most time consuming budgets he has worked on, mainly in making the figures work because there are a lot of items in this budget, totaling almost twenty-five million dollars.

Manager Galloway said he is very pleased with the results from the 2006-2007 fiscal year budget. Although the Town is taking on a significant debt, they are in a good position to pay this debt. This Board has insisted on taking the time to plan the direction they want the Town to go in. If you look back at the past seven years you see in that a long range plan for the electric system was done in 2002, the Land Use Plan was completed in 2003, a Staffing Study in 2004, Facilities Study in 2005, Asset Management Plan for the water and sewer system in 2006 and this year things continue to happen. The Town is continuing with the upgrade of its electrical system, replacing 90 utility poles per year and construction will soon begin on a new electric substation. The new Fire Station will be

completed in January 2008. Once the Fire Station is complete, construction will begin on a new Police Station and one stop permitting station. Additional personnel are proposed in this budget. There will be more rehabilitation of the water distribution and sewer collection system, an expansion of the lab at the Water Treatment Plant. Manager Galloway commended the Board for sending the town staff in the direction of good planning, adding that everyone wants to get good use of the taxpayer's dollars and to have the utilities in the best shape possible.

The proposed tax rate remains the same at \$.40 per \$100 valuation, an increase is proposed for building permit fees, commercial sanitation fees and cemetery lot fees. There is a request for an additional building inspector. Haywood County is proposing a tipping fee increase for commercial customers, which will affect Waynesville. A 5% increase is proposed for water and sewer fees. A capacity fee is proposed for new customers as well as an increase in tap fees. Electric fees are proposed to increase 3 ½%, which will be the first across the board increase since 1988. For the first time in three years, the electric department has shown an increase in revenues over expenditures, with \$18,000 profit. The tax rate is subsidized by the profits from the electric system. A 3 ½% cost of living increase for employees is proposed. Medical insurance for employees will increase 9.7%, and employees will pay a higher percentage for their dependent's insurance.

The public hearing on the fiscal year 2007-2008 budget is scheduled for Tuesday, June 12. A copy of the budget is available in the lobby for public inspection.

Alderman Moore expressed appreciation to Manager Galloway and Finance Officer Eddie Caldwell and town staff for all their work, adding that they do a good job taking care of the budget and the Town's financial business. Manager Galloway said the Board has high expectations and town staff tries to do what the Board expects.

The first budget work session for the Town Board and Town Staff is scheduled for Monday, May 14, at 5:00 p.m. in the Town Board Meeting Room at Town Hall.

NCLM Town Hall Day - Raleigh

Manager Galloway said Town Hall Day was held on Wednesday, May 9 in Raleigh. Town Hall Day was attended by Mayor Foy, Alderman Feichter and Manager Galloway. This is a time for Municipal Leaders to meet and discuss issues with their Legislators. Manager Galloway reported that there is a lot of bad legislation at this time, including anti annexation bills, and discussion about growth issues all over the State of North Carolina and how these issues will be bad for local governments.

Adjournment

With no further business, Alderman Brown moved, seconded by Alderman Caldwell, to adjourn the meeting at 8:17 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Henry B. Foy
Mayor