

AGENDA  
REGULAR MEETING  
BOARD OF ALDERMEN  
TOWN OF WAYNESVILLE  
TOWN HALL  
AUGUST 25, 2009  
TUESDAY - 7:00 P.M.

The Board of Aldermen held a regular meeting on Tuesday, August 25, 2009. This was the first meeting in the newly renovated Police Station/Development Office located at 9 South Main Street. A Dedication and Grand Opening of the new facility was held from 4:00 p.m. until 6:30 p.m. prior to the meeting. Refreshments were served by members of the Civilian Police Academy and employees provided guided tours of the building. Comments were made by Mayor Gavin Brown, Town Manager A. Lee Galloway and former Mayor Henry Foy. During the dedication ceremony two plaques were unveiled by Mayor Brown. The first plaque recognized those involved with the construction and renovation of the building. The second plaque designated the Police Department Evidence Area in memory of deceased Alderman J. Kenneth Moore. Mr. Moore was instrumental in bringing to the Board's attention the need for improvements, especially in the evidence area of the Police Department. This led to a Facilities Need Study confirming the need for additional space, and leading to construction of a much needed facility for the Waynesville Police Department and other offices.

Members present at the regular meeting were Mayor Gavin Brown, Aldermen Gary Caldwell, Libba Feichter, J. Wells Greeley and LeRoy Roberson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure, Assistant Town Manager Alison Melnikova and Town Attorney Woodrow Griffin. Mayor Brown welcomed everyone to the first meeting in the new Board Room and called the meeting to order at 7:00 p.m.

Approval of Minutes of August 11, 2009

Alderman Caldwell moved, seconded by Alderman Feichter, to approve the minutes of the August 11, 2009 meeting as presented. The motion carried unanimously.

Proclamation - 2009 State Champions Mountaineer 8 Year Old All-Star Baseball Team

The Mountaineer Little League All Star Team won the North Carolina Little League State Title for eight year olds. This group of players, referred to as "Waynesville's Wonder Boys," defeated their District 5 rival, Henderson County, to come away with the State Championship.

In recognition of this excellent accomplishment, the players and coaches of this all star team were invited to attend the Board meeting to allow the Board of Aldermen an opportunity to honor them. Mayor Brown read a proclamation to honor the players, coaches, instructors, parents and Mountaineer Little League Officials for the contributions they have made to this effort. Copies of the proclamation were distributed to each player. Players on this team

included Patrick Broom, Hunter Bryson, Andrew Hammel, Jaxson Langston, Travis Nelson, Sam Schulhofer, Scout Schulhofer, Slade Schulhofer, Jack Sutton, Jarred Swanger, Stirling Thomas and Robert Wolff. The team was coached by Manager Heath Sutton, Coach Scotty Schulhofer and Coach Trent Thomas.

Coach Scotty Schulhofer said there were 175 teams in the State of North Carolina that competed for this championship. The team was undefeated in Bryson City and the west end of North Carolina. They were defeated in Hendersonville, then traveled to Durham and won the State Championship. This is the third time in history that the State Championship was won by a team from Haywood County. Mr. Schulhofer said this is the youngest group of kids in history that has won the State Championship.

The team presented the Board with an autographed baseball and team photograph. Mayor Brown congratulated the team, presented a proclamation to each team member and told them that Waynesville was very proud of them.

#### Renewable Energy and Energy Efficiency Portfolio Standards Agreement

At the meeting of August 11, 2009, electrical consultant Kevin O'Donnell discussed the Power Supply Agreement between the Town and Progress Energy for the period of January 1, 2010 to December 31, 2015. The Power Supply Agreement had been negotiated during 2006 and 2007, but the agreement was never submitted to the Federal Energy Regulatory Agency which must approve the agreement. Since that time, there have been some changes to federal regulations and Progress Energy requested that the Town allow these to be incorporated into the Agreement prior to submission to FERC. The Board agreed to those and gave approval to the Power Supply Agreement.

As Mr. O'Donnell explained during his presentation to the Board, there is a separate agreement between the Town and Progress Energy which covers the Renewable Energy and Efficiency Portfolio Standards (REPS). When he appeared on August 11, Mr. O'Donnell explained Senate Bill 3 adopted by the North Carolina General Assembly in 2007. This legislation requires utility companies to develop an increasing supply of alternative energy resources, with 3% of their total supply coming from renewables by 2013 and 12% from renewables by 2021. Utility companies may charge their customers to recover the cost of the renewable energy they purchase. Under the Power Supply Agreement with Progress Energy, Progress will cover the renewable resources for which the Town of Waynesville is responsible, and the Town must pay for that cost. In turn, the Town may pass along the cost to its own customers.

The REPS agreement was nearly completed when Mr. O'Donnell was present for the August 11 Board meeting, and the Board had the opportunity to review the draft of the document. Manager Galloway distributed the final REPS agreement to the Board before the meeting.

Alderman Feichter moved, seconded by Alderman Greeley, to authorize Mayor Brown to sign the agreement. The motion carried unanimously. (Cont. No. 12-09)

## Resolution - Haywood Vocational Opportunities North Carolina Rural Economic Development Center Grant Application

When Wellco Industries announced that they were closing their boot manufacturing operation on Westwood Circle, it meant the loss of 45 jobs to the community. It was fortunate that at the same time, Haywood Vocational Opportunities was in search of a new manufacturing location to allow them to take on some new contracts for the manufacture of medical kits for operating rooms. So HVO, Inc. made a tentative offer to purchase the Wellco property and hopes to close on the purchase in October.

At the conclusion of the meeting on August 11, Manager Galloway explained to the Board that he had been working with Haywood Vocational Opportunities on a grant application to the North Carolina Rural Economic Development Center. The grant is in the amount of \$480,000 and comes in the form of a "forgiveness loan," with the Town receiving the grant and lending the funds to HVO. The amount of money is based upon HVO receiving \$12,000 for each of the 40 jobs they commit to create. If HVO maintains those 40 jobs for two years, the loan is forgiven. If they do not maintain the 40 jobs for the two-year period, HVO would have to repay \$12,000 to the Town for each job less than 40 and the Town would then forward that money to the Rural Center to repay the grant.

The Mayor and Town Staff met with representatives of HVO on Tuesday, August 25, to review the grant application. Under the terms of this grant, the local government would contribute 3% of the grant amount or \$14,400 in cash or in-kind match. It was felt that the majority and perhaps this entire amount can be recovered with cost of staff which is eligible for an in-kind match. In exchange for a \$480,000 grant, the Board felt that \$14,400 would be an excellent investment. According to the information from the Rural Center, the Town may require HVO to collateralize the \$480,000 forgiveness loan so that no Town money is at risk.

HVO and their consultant have requested that the Town consider adoption of a resolution in support of the application of HVO for funding by the Rural Economic Center through the Town of Waynesville.

Alderman Roberson moved, seconded by Alderman Caldwell, to adopt the resolution in support of the application of HVO for funding by the Rural Economic Center through the Town of Waynesville as presented. The motion carried unanimously. (Res. No. 12-09)

## Resolution Designating the Town of Waynesville as a Preserve America Community

The Town's Historic Preservation Commission has worked on several historic districts within the Town. Through their efforts, Commission members and Town Staff have learned of the Preserve America designation that is granted to communities which work to preserve items of historical significance.

Preserve America is a White House initiative developed in cooperation with the Advisory Council on Historic Preservation, the U. S. Department of Interior and the U. S. Department of

Commerce. By applying to become a Preserve America Community, it is believed that such designation will improve the community's ability to protect and promote its historic resources.

Assistant Town Manager Alison Melnikova said Administrative Assistant Ginny Boyer has been gathering information to be submitted for this designation, including the Civil War Trail Markers, historic districts and work in the Frog Level area. Part of the package includes a resolution. Ms. Melnikova further explained that this program is new and does not have name recognition yet, but could in the future. She said if Waynesville can get some dollars for this it will be worth it.

Alderman Feichter moved, seconded by Alderman Greeley, to adopt the resolution designating the Town of Waynesville as a Preserve America Community. The motion carried unanimously. (Res. No. 13-09)

#### Great Smoky Mountains National Park 75<sup>th</sup> Anniversary Celebration

Manager Galloway said the Great Smoky Mountains National Park is celebrating their 75<sup>th</sup> anniversary this year. A rededication ceremony is scheduled Wednesday, September 2 at Newfound Gap by invitation only. The Town of Waynesville has two banners displayed, one on the front of the Municipal Building and one at Depot Street. These banners were printed in a design similar to a banner that once hung over the entrance to Main Street. Manager Galloway said those Board members planning to attend the rededication ceremony will leave Waynesville around 8:00 a.m. and will be bussed from a parking area in Cherokee to Newfound Gap.

#### Report by Representative Ray Rapp

Representative Ray Rapp attended the Dedication/Open House Ceremony and Board of Aldermen meeting. Representative Rapp complimented the Board on such a magnificent facility and for the vision they have for this community by building it. He thanked the Board for allowing him to be a part of this celebration.

Representative Rapp spoke to the Board about the 4.5 billion dollar shortfall in the State's budget and some of the challenges experienced during this period to develop a balanced budget. He said approximately 2.2 billion in services was cut from the budget and one billion in stimulus money was used to fill in that gap. This left the State with a one billion-dollar shortage. A one cent temporary sales tax was added for two years which should bring around 800 million dollars into the budget. An extra 10 percent cigarette tax was added. A surcharge tax was added that will affect about 13 percent of the population. This is how they came up with the budget. The Governor has asked all State Agencies, except education, to set aside 5 percent of their budgets. Representative Rapp added that revenue numbers for the months of July and August do not look good.

Representative Rapp said the N. C. Department of Corrections facility in Waynesville will remain open, and one of the reasons they were able to do this is because the Town Manager informed him of the services provided to the community by the prison system. He expressed appreciation to Manager Galloway for enlightening him on this. The High Tech Center was also

targeted to be closed this year, but it will remain. Project CARE was introduced and will provide \$500,000 next year for the nineteen counties in Western North Carolina for respite for caregivers of Alzheimer's patients, so that someone can take care of the patient while the caregivers are allowed to take time away to run errands, go shopping, etc.

As part of the new ethics requirements, beginning with the next election, all financial contributions to campaigns must be reported by political candidates, eliminating the \$3,000 limit.

Mayor Brown said when history is written one hundred years from now, it should be written for projects such as CARE, because one of the most important things we can do in this life is take care of those less fortunate than us.

Board members thanked Representative Ray Rapp for his work and for all that has been done for this area.

#### Report of Appointments - Town Manager Galloway

Manager Galloway reported to the Board that he was elected chairman of the Pigeon River Fund Board.

Manager Galloway was also appointed to the Local Government Environmental Roundtable for the Department of Environment and Natural Resources. This appointment will require travel to Raleigh four times annually.

#### Adjournment

With no further business Alderman Roberson moved, seconded by Alderman Greeley, to adjourn the meeting at 7:50 p.m. The motion carried unanimously.

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Phyllis R. McClure  
Town Clerk

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Gavin A. Brown  
Mayor