

REGULAR MEETING
TOWN OF WAYNESVILLE
BOARD OF ALDERMEN
TOWN HALL – 9 SOUTH MAIN STREET
JULY 24, 2012
TUESDAY – 7:00 P.M.

The Board of Aldermen of the Town of Waynesville held a regular meeting on Tuesday, July 24, 2012. Members present were Mayor Gavin Brown, Aldermen Gary Caldwell, Julia Freeman, J. Wells Greeley and LeRoy Roberson. Others present were Town Manager Marcy Onieal, Assistant Town Manager Alison Melnikova, Town Clerk Phyllis McClure, Purchasing Supervisor Julie Grasty and Town Attorney Woodrow Griffin. Mayor Brown called the meeting to order at 7:00 p.m.

Upcoming Events

Town Manager Marcy Onieal reminded the Board about several upcoming events during the remainder of July and early August.

Approval of Minutes of July 10, 2012

Alderman Caldwell moved, seconded by Alderman Greeley, to approve the minutes of the July 10, 2012 meeting as presented. The motion carried unanimously.

Award of Bid for Purchase of Powell Bill Tractor & Boom Mower

The Fiscal Year 2012-2013 Budget provides for the purchase of a new tractor and boom mower, which will replace a New Holland 7610 Tractor that was purchased in 1996. A request for Proposals was distributed in early July and bids were opened on Thursday, July 19. Three bids were received as follows:

<u>Vendor</u>	<u>Unit Price</u>	<u>Alternate Trade-In Allowance</u>	<u>Delivery</u>
Greenville Tractor	\$100,240.00	\$ 6,000.00	120 days
James River Equipment	\$101,450.00	\$13,000.00	150 days
Parker Farm Service	\$102,925.00	\$ 9,500.00	2 days

Although three bids were received, based on staff evaluation, two of the three bids did not meet all specifications required, and were disqualified as a result.

Purchasing Supervisor Julie Grasty attended the meeting to present the bid results. Ms. Grasty said this tractor is considered a “show tractor”, used for demonstrations and is available immediately. The tractor has an enclosed cab with heat and air, and protects the driver from bee stings and flying objects.

Alderman Greeley moved, seconded by Alderman Roberson, to approve the bid for purchase of a tractor/mower in the amount of \$102,925 to the lowest responsive, responsible bidder, Parker Farm Service, Kings Mountain, NC. The motion carried unanimously.

Interlocal Agreement Establishing Cooperative Purchasing Between the Town of Waynesville and the Houston-Galveston Area Council (HGAC)

The HGAC is a regional council of governments that operates under the laws of the State of Texas and is governed by elected officials from a 13-county region. The HGAC engages in a bidding process which meets all requirements of NC General Statutes. Upon the award by the HGAC board of a group purchasing contract, the terms of that purchase can then be made available to local governments nationwide without further bidding requirements by local governments and with lower purchase prices, in a process similar to that of State Contract. An administrative fee is charged to the Town based on the item, quantity and scope of purchase. The Town would be informed of the fee in advance of entering into any purchase arrangement or order off their contract.

Purchasing Supervisor Julie Grasty presented the request. Manager Marcy Onieal explained that the process is not limited to the purchase of the fire truck. This would allow Waynesville to use the purchasing arrangement along with other local governments. The process would save Waynesville’s staff a great deal of time since the work has already been done. The agreement will be with the vendor of the fire truck, and this process simply guarantees a better price. More than 40 North Carolina local governments use this service.

Alderman Freeman moved, seconded by Alderman Caldwell, to authorize Mayor Brown and/or Manager Marcy Onieal to enter into a cooperative purchasing agreement with Houston-Galveston Area Council (HGAC) on behalf of the Town of Waynesville as presented. The motion carried unanimously. (Contract No. 12-12)

Approval of Purchase Order for Replacement of 1988 Ford Fire Engine #15-3 (Pumper Truck)

The purchase of a new fire engine was authorized in the Fiscal Year 2012-2013 budget, at an estimated cost of \$434,500 with delivery and payment expected in Fiscal Year 2013-2014. The new engine will replace the 1988 Ford Pumper Truck #15-3 which is 24 years old and recently has experienced mechanical problems. The new replacement engine will be located at Station 2.

The 1998 Freightliner Fire Engine currently operating at Station 2 will become the 3rd out engine at Station 1. The 1988 pumper will be sold as surplus. The new fire engine will be purchased in a group purchase contract through Houston-Galveston Area Council. The Town will enter into a lease-purchase agreement at an estimated purchase price of \$434,500, financed for a 10-year term with estimated annual payments of \$50,950.

Fire Chief Joey Webb said the truck will be customized and will have a flat roofed cab to fit the fire bay doors at Station 2. The truck will be the same as another purchased in 2010, which saves time for staff since the equipment will be in the same location on both trucks. Chief Webb said Waynesville is familiar with and has purchased other fire engines from Sutphen. The Sutphen Company has always offered excellent service.

Alderman Greeley moved, seconded by Alderman Caldwell, to authorize town staff to place the order for a new Sutphen fire engine through the HGAC group purchasing contract. The motion carried unanimously.

Resolution Approving Installment Financing Agreement for Purchase of Garbage Truck and Bucket Truck

Finance Officer Eddie Caldwell said the bids received for the bucket truck and garbage truck which was approved by the Board of Aldermen December 13, 2011 and April 10, 2012. The vehicles are expected to arrive by the end of September 2012. The Fiscal Year 2012-2013 budget calls for the Town to finance these purchases by bundling the cost of the two vehicles together through an installment purchase contract.

On June 26, 2012, the Finance Department issued a Request for Proposals for installment financing of the two vehicles. The garbage truck is a New Way Viper, 20 yard rear load residential refuse truck mounted on a 2013 International 7400 with lift axle and differential locks from Rush International. The bucket truck is an Altec AA55# articulating aerial device mounted on a 2012 Freightliner M2 106 Conventional Chassis 4 x 4.

The Town of Waynesville received and publicly opened financing proposals on July 17, 2012 with conditions as follows: \$326,000 principal, financed over four (4) years, with level annual payments in arrears, with first payment due August 2013.

Bids were received as follows:

PNC Equipment Finance LLC	1.980%	\$85,573.79	\$342,295.16	2% prepayment after two yrs. \$250 setup fee for escrow
SunTrust	1.739%	\$85,073.76	\$340,295.04	3% prepayment penalty on

				schedule date.
				\$100 Bank document fees.
				\$250 setup fee for escrow.
SunTrust	1.939%	\$85,488.64	\$341,954.56	No prepayment penalty on schedule date.
				\$100 Bank document fees.
				\$250 setup fee for escrow.
BB&T	1.670%	\$84,930.80	\$339,723.20	1.00% prepayment penalty on any payment date.
Old Town Bank	3.000%	\$87,791.68	\$351,166.72	Commitment Fee \$250

BB&T was the successful bidder offering an interest rate of 1.67%, which will result in a total cash outflow of \$339,723.20 over the four year period.

Alderman Roberson moved, seconded by Alderman Greeley, to adopt a resolution, accepting the financing proposal from BB&T to purchase two public works vehicles with a term of four years, an annual interest rate of 1.67% and total cash outflow of \$339,723.20. The motion carried unanimously. (Res. No. 12-12)

Master Concept and Design Plan for Recreation Park Restrooms, Tennis Courts, Pavilion, Parking and Site Amenities

In May of 2011, the restrooms at the Recreation Park were destroyed by fire, leaving the Marshall Street/Tennis Court side of the park with no nearby public restroom facilities. In November, 2011, the Board authorized the hiring of an architect to design a renovation to the old swimming pool bathhouse for year-round use as a restroom facility and to make use of additional existing space for other priority needs identified by the Parks and Recreation Commission in keeping with the Haywood County Comprehensive Recreation Master Plan. The immediate need to reconstruct public restrooms has provided the opportunity to draft a conceptual master site improvement plan for which staff is seeking board approval.

Initial funding for the project is limited to proceeds received from the insurance settlement in the amount of approximately \$97,000 and funds which have accumulated in the Capital Projects Reserve Fund, which is approximately \$130,000. Town staff seeks board approval of the longer range master site plan so that grant applications and private funding may be sought for future improvements, specifically in three phases:

- 1) Current Proposal – reconstruct existing restrooms at Recreation Park, including a new toilet/lavatory fixtures, plumbing, pitched roof, extended picnic shelter, concession stand,

food prep area and meeting room at a cost not to exceed \$182,000. Concession stand and meeting room will be available for rental to the general public.

- 2) Renovate six existing tennis courts which have severe cracks. The long term solution would be to completely reconstruct the courts in the same location at an estimated cost of \$200,000.
- 3) Construct two new courts in the location of the old pool, bringing the total to eight courts, which is the minimum number necessary to host tournaments. Parks and Recreation Advisory Commission and Waynesville Tennis Association members support the addition of the two new courts at an estimated cost of \$75,000.

Luis Quevado attended the meeting to present the project for the Town of Waynesville. He explained that the existing building will be renovated as much as possible by installing a sloped roof and adding a new pavilion area. The pavilion area is basically an outdoor area with an overhead door. There will be restrooms for men and women with two changing areas. There will be an area giving access to plumbing and a multi-purpose room directly connected to the concession stands. This is the only air conditioned space for the building with seating for fifty to sixty persons. In order to make the building more attractive it is proposed that some of the brick be removed from the upper portion and used for the base of the columns. Cement boarding with hardy planks will be used in the upper portion to make the building look newer. A new shingled roof will be installed and storm drainage around the building will be addressed. Pavers with names will be sold for fund raisers.

Alderman Caldwell moved, seconded by Alderman Roberson, to approve the conceptual master design for reconstruction of Recreation Park restrooms, tennis courts, picnic/concessions/meeting pavilion and parking as prepared and presented by LG Design/William M. Dechant, Architect; and to authorize staff to proceed with development of construction drawings followed by a solicitation of bids for Phase I construction in an amount not to exceed \$182,000. The motion carried unanimously.

Discussion to Re-consider the County/EDC Request to Extend Public Sewer Line (and ETJ) along US 23/74 to the Proposed NCDOT Rest Area at Balsam/Saunook at the request of the Haywood County Board of Commissioners

The Haywood County Board of Commissioners have requested the Town Board's support in studying the feasibility of extending the Town's public sewer system along US Hwy 23/74 in order to promote commercial & economic development along the highway corridor through an unincorporated section of Haywood County. The area involved is located outside the Town of Waynesville's corporate limits, Extraterritorial Jurisdiction and Urban Services District and lacks zoning or other enforceable development standards. The subject of extending water and sewer mains along this corridor has been raised by the county on several occasions since 2001, first in

connection with the Barber's Orchard Water Project and now, in relation to NCDOT's plans to construct a new rest area on the westbound side of the highway. Although willing to consider alternatives that might equally serve the interests of the County, the EDC and the Town, previous Town Boards have consistently opposed extension of public sewer through this corridor due to high cost of construction, lack of complementary development standards, and a specific proposal from the county which fails to provide optimum siting or adequate capacity for future growth.

NCDOT has signed a contract with McGill Engineering to conduct the necessary feasibility study and design work for extension of a private line, a proposal to which the Town has already agreed in concept to the connection between the proposed rest areas and the Town's sewer system via either forced main or gray water/septic system, which would exclude adjacent property owners from tying on, either now or at a later date. The County has expressed willingness to bear the cost of a feasibility study for extension of public sewer, but the County does not wish to waste money on a feasibility study if the Town is unwilling to amend, or grant exceptions to the principles of the 2020 Comprehensive Land Use Plan in order to accommodate the requested public extension.

The Town has already expressed its willingness to work directly with NCDOT for a private extension that would limit sewer service to the Rest Areas alone. The Town has also communicated the terms under which it might consider extending public sewer, but the current political climate in Raleigh suggests that the Town's chances of being granted zoning authority along this corridor via a local bill are unlikely.

Mayor Brown said he was approached as a member of the EDC Board by County Commissioners Sorrells and Ensley requesting that the Town Board discuss further. Haywood County would like to draft a special bill for the Legislature to consider in the coming Spring. Their discussion was that they would like to present a case of the way that the sewer line would be used, by use of extension of the Town's ETJ or what the county, town and general public would agree.

Alderman Roberson said one of his concerns was the incline needed for a gravity fed sewer line, which would need to be installed close to the creek. The contour of the land is still the same and so is the creek which could result in line maintenance problems.

Mayor Brown said the proposal of extension of sewer by NCDOT to the rest areas is by way of pumping. Haywood County would like to have a gravity fed line so that commercial areas along the highway would also have access to the sewer line. They would like to see this done in connection with the extension to the rest areas. If the sewer line is constructed for access by the majority of the public it would need to be installed along the creek, and it is his understanding

that the line as proposed by the County would be mainly for use of a handful of commercial businesses along the highway corridor.

Manager Marcy Onieal said the adopted 2020 Comprehensive Land Use Plan identifies an adopted urban services area, which does not extend the distance of this request and emphasizes leaving the proposed corridor in low density agricultural/natural/light commercial use. Therefore, approving the county request would require the Town to revisit & revise its 2020 Comprehensive Land Use Plan. She also noted the lack of extension of the Town's ETJ or county zoning controls in this area, whereby future growth could be managed in accordance with the existing 2020 Plan. There is some concern that with few prospects to add residential customers or any significant commercial or industrial water users in the area, the Town would be looking at a relatively high cost of installation over a long distance and maintenance for an extended period of time without accompanying revenue to support the project.

Alderman Caldwell said if it were possible for Waynesville to extend the ETJ along this four miles the Town Board could possibly consider it. Mayor Brown said this would be a hard sell in Raleigh and he does not see this concept being approved, even by the County.

Alderman Freeman said if the County is willing to fund a feasibility study and approach the Town Board with a specific proposal, the issue could be brought back for further discussion. Mayor Brown said NCDOT has already reached agreement with the Town and engaged McGill Engineering to design the project, which will run in NCDOT right-of-way along the roadway and does not include provision for allowing any private residential or commercial customers to connect. The County is meeting with NCDOT to see if there is any way to work with them to possibly extend the study to include the commercial areas. Alderman Greeley said a report would give the Board a lot of needed information. The Town would have the economic impact of sewer line maintenance and in today's climate the extra expense is not what the Board would want to be in right now.

Mayor Brown said there are a number of areas in Haywood County that already have public water and sewer and it is felt that extending public utilities into another area would be very speculative with no apparent benefit for a very long time. Mayor Brown will report to the Economic Development Commission Board that extension of the sewer line along US Hwy 23/74 is not an item that the Town Board wishes to proceed with at this time.

Discussion to Consider Voluntary Annexation of Lake Junaluska Area

Manager Marcy Onieal said Lake Junaluska has been engaged with considering options about the future of their community. Three meetings have been held to date and a presentation was made to the Town Board at a previous meeting regarding the four options currently being

considered by Lake Junaluska for its future. Town Staff has been asked to make a presentation on August 9 to provide an overview to Lake Junaluska residents of what services would be offered by the Town if a merger between the Town of Waynesville and Lake Junaluska occurs. Board members are invited to attend. There are many unknown costs for the Town regarding issues such as road maintenance, water and sewer line repairs. One of the issues to be considered by the board and the citizens is the maintenance of each community's unique character and identity.

Mayor Brown added this is no more than an exploratory discussion at this point in time. The impact on the town and community will be considered if these talks continue. The Board was supportive of making a presentation to the Lake Junaluska Assembly and its residents, providing general information about Town services and the process of annexation. No statements have been made that Waynesville or Lake Junaluska is headed in the direction of annexation. No action was necessary.

Communication From Staff

Surplus Property Disposition Report – Fourth Quarter, Fiscal Year 2011-2012

Purchasing Supervisor Julie Grasty attended the meeting to present the Fiscal Year 2011-2012 Fourth Quarter Surplus Property Disposition Report. The report of assets sold totaled \$12,464.10 and included a 2008 Dodge Charger SE to Haywood Community College in the amount of \$11,500, surplus computer lap top to Lee Galloway which was exchanged for unused vacation hours upon his retirement without the exchange of money, surplus material from the Electric Division and used motor oil from the Garage Division. Items sold through Gov Deals during the Fourth Quarter totaled \$5,880, including a 1993 Chevrolet 2500 4WD Utility Bed, 1996 Wood Chuck Chipper, Judo mat and chain link fence. No action was necessary.

Town Attorney Woodrow Griffin

Attorney Woodrow Griffin said there no items were pressing at this time. There are only some minor ongoing issues.

Town Manager Marcy Onieal

Manager Onieal alerted the Board that the request to sell alcohol during the Block Party this past Memorial Day weekend will be received again for the Labor Day Block Party.

Since the Town sent out bills for privilege licenses, a total of \$21,000 in fees has been collected for fifteen internet sweepstakes machines. Mr. Allister Lennox attended the meeting. Mr.

Lennox lives in Georgia and represents his business on South Main Street in Waynesville. He said the recent added charge of \$1,000 per machine and \$1,000 for business license would mean \$31,000 to begin his business. He did not plan to include this amount in his budget and he is not approaching the Board to dispute the fees, simply to negotiate a payment plan. Manager March Onieal said that any vendor that desires to have internet sweepstakes machines pays the fee to Waynesville's Tax Collector. As a practical matter, the Police Department inspects the machines and assigns a unique serial number to make sure the machines are accounted for and in compliance. Businesses have until July 31 to pay the privilege license fees. Copies of the ordinance were distributed to the Board Members for their information. According to the ordinance, Mr. Lennox would not be allowed to place his machines in service without paying the fees. Mayor Brown said the Board discussed adding this fee in February 2012 and other towns in North Carolina have also added the fees. Mayor Brown said the Town is not interested in getting into the finance operation of payment plans. Mr. Lennox said he would like to have fifty internet sweepstakes machines in place by December, but at the present time he would like to begin with thirty-five. To pay the fees all at one time would be a challenge.

Alderman Roberson said he did not want to have the internet sweepstakes machines in Waynesville, but since we have them a fee should be charged for the machines. Alderman Greeley felt that the Board should comply with what was adopted, especially with the uncertainty about the future of the machines. Alderman Caldwell agreed. Alderman Freeman said she did not want to set precedence for other businesses if the Board allowed a payment arrangement for one business. Mr. Lennox said this would simply be for cash flow purposes which would allow him approximately \$2,000 per month to use for other areas of the business. Mr. Lennox said his business is a social environment. Mayor Brown said Tax Collector Robertson deals with residents by allowing payment arrangements on property taxes, but this would be different because the property is not going anywhere and internet sweepstakes machines may not be here next year. With this being a new business, it was not felt that the Board should allow payment arrangements for the fees. Mayor Brown thanked Mr. Lennox for speaking with the Board and with Manager Marcy Onieal.

Adjournment

Alderman Caldwell moved, seconded by Alderman Greeley, to adjourn the meeting at 8:15 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor