

**MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR SESSION MEETING
FEBRUARY 12, 2013**

THE WAYNESVILLE BOARD OF ALDERMEN held its regular meeting and public hearing on Tuesday, February 12, 2013 at 7:00 p.m. in the board room of Town Hall, 9 South Main Street, Waynesville, NC

A. CALL TO ORDER

Mayor Brown called the meeting to order at 7:00 p.m. with the following members present:

Mayor Gavin A. Brown
Alderman Gary Caldwell
Alderman Julia Freeman
Alderman Wells Greeley
Alderman LeRoy Roberson

The following staff members were present:

Marcy Onieal, Town Manager
Woodrow Griffin, Town Attorney
Alison Melnikova, Assistant Town Manager/Deputy Town Clerk
Ginny Boyer, Administrative Assistant
Eddie Caldwell, Finance Director

Representing the media:

Mary Ann Enloe, The Mountaineer
Caitlin Bowling, Smoky Mountain News

1. Welcome/Calendar/Announcements

Alderman Greeley welcomed Ryker Wines from Boy Scout Troop 318, who attended the Board meeting to meet merit badge requirements.

Mayor Brown recently attended a ribbon cutting at Haywood County Transit. Commission for a Clean County is holding their Community Pride Awards which the Mayor plans to attend. Friday, February 22nd will be the Board of Aldermen Retreat.

Town Manager Onieal mentioned several upcoming events on the board calendar, including the NCLM Town Hall Day on Wednesday, March 27 and a working dinner with Duke Energy Officials tentatively set for April 29th or 30th.

2. Minutes of January 22, 2013

Alderman Caldwell made a motion, seconded by Alderman Greeley, to approve the minutes of the January 22, 2013 meeting as presented, noting the need to correct reference on page 11, paragraph 4, from concrete “basis” repairs, to concrete “basin” repairs. The motion passed unanimously.

B. NEW BUSINESS

3. Resolution Approving Installment Financing for Purchase of a New Fire Truck and Related Equipment

Finance Director Eddie Caldwell reported approval in the current budget to finance a new fire truck. On February 4, 2013 a public opening of the quotes revealed SunTrust as the lowest bidder: \$48,721.79 a year over ten years at 1.835% interest (below what had been planned to be put in the budget) with a 1% prepay penalty and closing fee of \$100. The truck is on order with the first payment due next year. The Town has previously secured financing through SunTrust, including eight police cars, which have been paid off and three trucks in Public Works, Street Division, with two years left on the note.

Alderman Roberson made a motion, seconded by Alderman Greeley to adopt Resolution R-04-13, accepting the proposal from SunTrust, as lowest responsible, responsive bidder, offering a term of ten (10) years, at 1.835% interest and annual payment of \$48,721.79, for financing the purchase of a new fire truck and related equipment with the total amount financed being \$441,450. The motion passed unanimously.

4. Amendment to Code of Ordinances Regarding Solid Waste and Weed Management

Town Manager Onieal presented a staff request to amend the code of ordinances regarding solid waste and weed management in response to an increasing number of violations of the existing ordinance, particularly in regard to the disposal of bulky items and large volumes of trash and debris. Also, staff is attempting to clarify ambiguous language in the current

ordinance, and bring the ordinance into consistency with current actual collection and recycling practices.

In addition, the revision reduces the maximum container size from 45 to 32 gallons in an effort to reduce injuries. This revision should not affect most residents as a majority of residents are currently in compliance with the new standard.

A definition was added for *buildings and site cleanouts* as “any accumulated refuse, garbage, or debris, contained or uncontained, in excess of four (4) thirty-two (32) gallon receptacles and/or weighing in excess of thirty (30) pounds per receptacle, or more than four (4) bulky items deposited at one time”. This was necessitated by problems from excessive construction debris and landlords cleaning after departure of tenants.

Under *dumpster containers* the language now recognizes that in-Town dumpster collection can either be contracted with the Town or contracted with a private commercial hauler.

The amendment also clarifies how commingled recyclables are to be secured for curbside collection.

Clarification was needed under *Tree limbs, cuttings, shrubbery; leaves; removal of tree stumps*: “on a regular basis, as set forth by the town pick-up schedule” replaced “on a weekly basis” to allow for changes in scheduling without having to change the ordinance. Also, “four (4) cubic yards” replaced “one truckload”.

Alderman Freeman made a motion, seconded by Alderman Caldwell, to adopt Ordinance O-02-13 as presented, amending Chapter 44 (Sections 1 and 41-46) of the Town of Waynesville Code of Ordinances, regarding Solid Waste and Weed Management. The motion passed unanimously.

5. Appointment to Haywood County Local Emergency Planning Committee

The Haywood County Local Emergency Planning Committee is a group which operates under the jurisdiction of County Emergency Management Coordinator Greg Shuping. The Town of Waynesville is a constituent agency of that committee and must recommend for appointment an individual who can speak and act on behalf of the Town with regard to emergency operations.

Upon recommendation of the Town Manager, Alderman Greeley made a motion, seconded by Alderman Roberson, to appoint Police Chief Bill Hollingsed as the Town’s representative to the Haywood County LEPC, with Fire Chief Joey Webb and Town Manager Marcy Onieal serving as alternates. The manager noted that Chief Hollingsed has served on the Committee since its inception and Chief Webb will continue serving as representative for all Fire Departments in the western half of Haywood County. The motion carried unanimously.

C. PRESENTATION & PUBLIC HEARING

6. Lake Junaluska Merger Update

Town Manager Onieal reported key dates and background information regarding the potential for a Lake Junaluska and Waynesville merger, noting that while many public meetings of the board and of various governing and advisory bodies of Lake Junaluska Assembly have addressed this topic over the course of the past year, this is the first of two formal public hearings by the Board of Aldermen on the potential merger between Lake Junaluska and Waynesville.

Beginning in April, 2012, the LJA Board initiated a deliberate and open process of exploration, public discussion, and discernment regarding the future financial viability and governance of Lake Junaluska Assembly and requested that the Town consider possible annexation of Lake Junaluska as one of four options under study and consideration by the Lake Junaluska Board of Directors. This process has been an open, participatory and thorough one, with many bodies having either legal authority or serving in advisory capacity, having taken part in regular public deliberations for nearly a full year, including: LJ Municipal Study Task Force, LJ Community Council, LJ Public Works Committee, LJ Board of Directors, LJ Property Owners' Organization, the Southeastern Jurisdiction of the United Methodist Church, the Town of Waynesville Planning Board and Board of Aldermen. Minutes of all these public meetings and various publications, reports and studies associated with this effort are available on the Lake Junaluska and/or Town of Waynesville websites.

Ultimately Lake Junaluska's goal has been for its Municipal Study Task Force to bring forward a recommendation to the Board of Directors about the future governance of Lake Junaluska. The NC Rural Center, Lake Junaluska Assembly and the Town entered into a partnership study with Martin-McGill Associates, to jointly fund a \$65,000 Water/Sewer/Infrastructure assessment and merger feasibility study, which is currently underway, with a preliminary report due on February 22, 2013 and a final report by the end of April, 2013.

A second public hearing is scheduled before the Board of Aldermen on February 22 following a presentation of the Martin-McGill preliminary report, sometime after which, both the Town Board of Aldermen LJA Board of Directors will vote as to their desire to move forward with annexation. The manager noted several critical deadlines including March 5th to get the local bill to the Senate Drafting Office with March 13th being the deadline for introduction of the local bill in the Senate.

Since December 18, Town leadership has been working closely with Lake Junaluska staff on finalizing issues such as which properties, roads and public infrastructure will be transferred and what will be left to LJA to manage. Public roads that LJ currently maintains as public roads will be considered Town of Waynesville public roads; driveways that cut through parking lots or access private property will not be considered roads under a merger; the dam and bridge over the dam will be maintained by LJA; the LJ Conference Center itself is expected to make annual payment-in-lieu of taxes, as it will be considered tax exempt as a religious organization under a merger. The Town would guarantee employment of all twelve full-time LJA employees and

would provide the full range of municipal services tentatively effective August 31, 2013. Other minor details remain to be negotiated between the two corporate entities.

The manager provided a preview of expected findings from the McGill study: Lake Junaluska has done a great job providing studies of infrastructure, identifying future operational and capital needs and needs of a critical nature in water/sewer/streets. McGill Associates has identified those same needs. With the benefit of engineers on the ground, the Town is aware the initial estimate for critical needs in repairs to water/sewer/streets is more than originally estimated, at just over \$3 million, rather than the \$1.5 million estimated in an earlier LJA study. However, the ten year capital plan of critical projects is less than originally anticipated: \$3.4M in capital needs for water, \$2.5M for sewer and \$3.8M for streets with the total critical capital program under \$10M.

Powell Bill funding for street maintenance is still an issue, but staff is looking for opportunities to bring LJA streets up to Powell Bill standard. It is doubtful however, that additional revenue gained from Powell Bill funding could justify the exorbitant cost associated with upgrading street standards, which is expected to be somewhere in excess of \$1.3 million in order to realize an annual gain in Powell Bill revenue of approximately \$3500, which would equate to a payback period of approximately 300 years.

Looking at cash flow projections for a ten year period, the revenue gain to the General Fund from additional taxes will offset virtually dollar-for-dollar the additional costs anticipated in operating a combined water/sewer system over the same period. Under merger, Lake Junaluska capital projects would simply become part of the Town's capital improvement program and be financed and scheduled in keeping with overall community priorities, needs and resource availability. It appears that the study will confirm that the financial implications represent roughly a break-even proposition for the Town of Waynesville, with considerable intangible gains, and a financial benefit to the residents of Lake Junaluska, coming at no additional cost to the taxpayers of the Town of Waynesville.

Town Manager Onieal introduced Lake Junaluska Staff: Jack Ewing, Executive Director, Lake Junaluska Assembly; Buddy Young, Public Works Director, Lake Junaluska Assembly; Ron Clauser, Chair, Lake Junaluska Municipal Study Task Force (MSTF); and Lee Galloway, former Town of Waynesville manager, TOW representative to the Lake Junaluska MSTF.

Executive Director Jack Ewing thanked the Board of Aldermen for the opportunity to make comments at the public hearing, expressing gratitude for the Town's willingness to not only explore the possibility of merger but to invest its financial and staff resources toward that end. He thanked Town Manager Onieal for her hard work and leadership in exploring this possibility. Mr. Ewing noted the LJ Board of Directors will meet March 7 and 8 and it is anticipated they will act on recommendation from Junaluska Community Council (a body elected by property owners given authority by the Board of Directors). The Task Force has been meeting regularly since the summer, and the meeting on February 28th will be the 11th time. A final task for the LJA Board of Directors is to process the results of a public opinion survey of all LJA property owners, eight percent of which were returned on the first day after surveys were distributed. Mr. Ewing does not anticipate making the results of the survey available until

February 28th, the next meeting of the Task Force. The Task Force will then most likely make a recommendation to the Community Council which will in turn make a recommendation to the LJ Board of Directors. Mr. Ewing added the Town of Waynesville and Lake Junaluska are “inextricably linked”—Lake Junaluska would not have been formed without the Town of Waynesville and would not have survived without the Town, financially or otherwise over the years.

7. Public Hearing-Lake Junaluska Merger

Town Attorney Woody Griffin opened the public hearing.

Ron Clauser, 172 Liberty Road, expressed his personal appreciation and gratitude to Marcy Onieal and Lee Galloway for their input which has been so important to the process.

George Kenney, 280 Kilgore Road, new to the Lake Junaluska community, expressed his pride in Lake Junaluska’s conscientious leadership.

Bryant Lindsey, 595 Golf Course Road (and PO Box 1831, Morganton, NC) was recognized. Mayor Brown thanked Mr. Lindsey for his keen interest and appreciates the authenticity of his comments. Mr. Lindsey distributed a handout (*attached and made part of these minutes*) citing historical details from 100 years ago regarding the merger of Winston and Salem. Both cities had to vote and there were some contentious issues. Mr. Lindsey supports annexation very strongly and hopes the Board of Trustees at Lake Junaluska will support annexation. Mr. Lindsey added “the State in its wisdom has placed much more oversight on incorporation than it has placed on annexation. I am in agreement with the State in not having requirements for annexation that are nearly as high as they are for incorporation.” Mr. Lindsey added, “trying to pursue incorporation will be “the shallows and the miseries” (*see attachment*).

Lee Galloway, 150 Azalea Road, indicated that as a former Town of Waynesville manager and political science major, he found the concept of merging a municipality with a religious entity “fascinating”. Having spent almost a year with Jack Ewing and Buddy Young, Mr. Galloway “cannot see how it would hurt in any way to become one community”. He noted that much more work and research has gone into this process than what the Town ever did in preparation for the Hazelwood merger back in the early 90’s. As for the social aspect of it, Mr. Galloway believes the similarities between people will provide a good blend between communities.

Clifton Metcalf, recently retired from Western Carolina University and a Long Leaf Pine Award recipient, said he has been resident of both communities, seeing them as one for many years.

Former Mayor Henry Foy, 88 Welch Street, considers the merger from the standpoint of a former businessman and lifelong citizen of Waynesville, recognizing the hidden financial assets annexation will bring. Mr. Foy wants the best for Lake Junaluska, not wanting Lake Junaluska to relocate, as has been rumored in years past. Mr. Foy remembers a time around 1960 when Dayco was at its peak and expanding much like Wellco. Around the same time, Lake

Junaluska decided to become a year-round operation. This was a tremendous boost for Waynesville. And while Dayco and Wellco are gone, Lake Junaluska remains. Mr. Foy appreciates what Lake Junaluska has meant to Waynesville all these years.

The Board of Aldermen expressed their appreciation for what has proven thus far to be a thorough process, one that is educational, deliberate, positive and democratic.

There being no further comment from the public, Mayor Brown closed the public hearing.

Mayor Brown noted that Senator Davis and Representative Queen have pledged their support for any arrangement both boards and communities support in agreement with unanimous or strong majority support, and the next step is to authorize staff to submit a local legislative bill proposing annexation of Lake Junaluska by the Town of Waynesville.

Alderman Caldwell made a motion, seconded by Alderman Greeley, to authorize the Town Manager to submit as soon as possible in coordination with Lake Junaluska Assembly staff, a draft bill to the NC General Assembly's Legislative Drafting Office, proposing merger between the Town of Waynesville and the Lake Junaluska service area, in anticipation of the March 13, 2013 deadline to introduce local bills in the Senate. The motion carried unanimously.

Manager Onieal distributed a map showing the planned boundaries of the annexation area, noting that with the exception of four parcels, the annexation boundary is comprised solely of all properties historically considered part of Lake Junaluska Assembly – both taxable and exempt – including residential, commercial and undeveloped tracts formerly owned by the Southeast Jurisdiction. The four additional parcels which have been added to the annexation are one commercial tract recently purchased by Lake Junaluska Assembly (Granny's Chicken House) and three tracts owned or operated by the Town, which have not heretofore been included within the Town's corporate boundaries, including the Town's mulch yard (two parcels) and law enforcement firing range (one parcel). (*See attached map, made a part of these minutes*).

D. COMMUNICATIONS FROM STAFF

8. Assistant Town Manager Alison Melnikova

Ms. Onieal introduced Assistant Town Manager Alison Melnikova who represented the Town of Waynesville at the NCLM Municipal Advocacy Goals Conference and NCCCMA Managers Conference, both held in February. Ms. Melnikova reported the League held its biennial municipal advocacy goals conference at which fifty-seven goals were voted on by members, the top fifteen of which constitute the League's goals for the next two years. At the NCCCMA Managers Conference League staff gave legislative updates and a feel for how the newly constituted General Assembly will operate. There may be tax reform packages ahead;

Town Manager Marcy Onieal and Finance Director Eddie Caldwell will see what impact these may have upon the Town.

9. Town Manager Marcy Onieal

Ms. Onieal thanked the Board of Aldermen for their understanding and concern during her recent brief absence, which was due to arrangements and care for her mother who was hospitalized with two broken hips and stress fractures down both femurs. Ms. Onieal's mother had back-to-back emergency surgeries while vacationing in Florida and is currently receiving rehabilitation.

TDA Legislative Request—Tourism Development Authority (TDA) is seeking special legislation to increase the occupancy tax an additional two cents. Haywood County Commissioners will send this forward to legislature and they seek the Board of Aldermen's support to raise funds for additional support of tourism development. This will be on the next Board of Aldermen meeting's agenda.

Bolin Property Easement Request—Attorney Jack Kersten, representing Cliff Bolin who owns a commercial property at the corner of Main and Miller Streets, has contacted the manager about extending the easement the Town granted Mr. Bolin to allow construction of accessible ingress/egress from his building across public property onto Miller Street. The easement provides for construction of access within 25 years and is scheduled to sunset in 2015. As it stands, Mr. Bolin would prefer an indefinite extension of the existing easement rather than begin work to construct access in compliance with ADA standards, as provided for by the easement, because the building is currently for sale. The manager recommends the board honor the original terms of the easement, and to negotiate new terms as may be mutually desirable at the time the easement is scheduled to expire.

Boart Retreat Proposed Agenda—The meeting will be at 9 South Main Street at 10 am on Friday, February 22nd. The first hour will be an executive session to discuss personnel issues (manager expectations/evaluation), followed at 11:00 a.m. by presentation of the Junaluska merger feasibility report from McGill Associates and the public hearing on proposed merger. After a brief break for lunch, consultants from VC3 will present the IT assessment and master plan. The consultant's presentation and board discussion will likely take the remainder of the afternoon, but the manager encouraged board members to contact her if there were other topics anyone wished to include on the retreat agenda.

Video Sweepstakes Update—Video sweepstakes machines have been confiscated in the Town of Waynesville that are not legal. A number of organization and clubs continue to start up, close down and start up again. The video gaming industry desires this issue to go back to court

and several sweepstakes operators in Waynesville have indicated their desire to make Waynesville a test case for law enforcement and the courts.

Projects Update—Skatepark bid documents are being prepared and will go out for proposals in early March. Construction plans for the recreation park restroom are finally in hand after lengthy delays by the architect/designer. Staff has considered delaying construction in order to schedule the project in tandem with tennis court renovation so that this section of the park will be torn up only once. Although the architect was originally contracted to provide project administration during the construction phase, due to poor performance and inexplicable delays during the design phase, the Town is hesitant to proceed in this manner, and will likely handle project management in-house or recommend hiring an outside project manager.

Town Clerk/Employee Updates—nearly seventy applications were received for Town Clerk position. The second assessment has not yet been scheduled, but once this is complete and a Town Clerk is hired, former Town Clerk Phyllis McClure has agreed to be available to assist in orienting the new clerk.

10. Town Attorney Woody Griffin

No report at this time.

E. COMMUNICATIONS FROM THE MAYOR AND BOARD

Southwestern Commission – Mayor Brown recently attended the Southwestern Commission meeting alongside Senator Davis and Congressman Queen.

Main Street Champion Award – Mayor Brown recognized Alderman Roberson for having been honored with the Main Street Champion Award along with wife Gayle Roberson. Through the North Carolina Main Street Program, this statewide honor recognized contributions over several years in advocacy, volunteerism, education and philanthropy. Alderman Roberson indicated that the program prepared by Downtown Waynesville Association and presented by Executive Director Buffy Phillips was very well received by her state peers and colleagues and that Waynesville, particularly downtown and DWA itself were reflected in a very positive light.

02-12-13

F. ADJOURN

There being no further business, Alderman Caldwell made a motion, seconded by Mayor Brown, to adjourn the meeting at 8:17 p.m. The motion passed unanimously.

ATTEST

Gavin A. Brown, Mayor

Marcia D. Onieal, Town Manager

Alison Melnikova, Deputy Town Clerk

Prepared by:

Ginny Boyer, Administrative Assistant

