

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
January 9, 2018

THE WAYNESVILLE BOARD OF ALDERMEN held its regular meeting on Tuesday, January 9, 2018, at 6:30 p.m. in the board room of Town Hall, 9 South Main Street, Waynesville, NC.

A. CALL TO ORDER

Mayor Gavin Brown called the meeting to order at 6:30 p.m. with the following members present:

Mayor Gavin Brown
Mayor Pro Tem Gary Caldwell
Alderman Julia Freeman
Alderman Jon Feichter
Alderman LeRoy Roberson

The following staff members were present:

Rob Hites, Town Manager
Bill Cannon, Town Attorney
Amie Owens, Assistant Town Manager
Eddie Ward, Town Clerk
Eddie Caldwell, Finance Director
Dean Trader, Assistant Finance Director
Elizabeth Teague, Development Services Director

Police Officers in attendance:

Chief Bill Hollingsed	Officer Jason Reynolds
Captain Brian Beck	Officer Tyler Howell
Master Officer Billy Benhart	Officer Nick Hefner
Sergeant Brandon Gilmore	Officer Michael Whitley
Detective Bryan Reeves	Officer Matthew Cogburn

The following media representatives were present:

Cory Vaillancort – Smoky Mountain News
Becky Johnson – The Mountaineer

1. Welcome /Calendar/Announcements

Mayor Gavin Brown welcomed everyone and reminded them of the following events on the calendar:

- Sat. Jan. 13th – MLK Pride March – 10:30 am – Justice Center
- Mon. Jan. 15th – MLK Breakfast – 8:00 am – The Terrace, Lake Junaluska
- Mon. Jan. 15th - Martin Luther King Day – Town Offices Closed
- Mon. Jan. 22nd – Council of Government Meeting – 5:30 pm Dinner 6:00 Meeting - Town of Canton

Mayor Brown expressed appreciation for the work of Town employees during the week of extremely cold weather.

2. Adoption of Minutes

Alderman Julia Freeman made a motion, seconded by Alderman Gary Caldwell to approve the minutes of the December 12, 2017 meeting as presented. The motion carried unanimously.

B. PRESENTATION/REPORT

3. Recognition of Police Officers - Sergeant Kenny Aldridge and Master Officer Billy Benhart

Chief Bill Hollingsed presented the excellence award to Master Office Billy Benhart for the third quarter of 2017. Chief Hollingsed read the Canine Case of the Quarter article that described the actions that were taken by Master Officer Benhart, and his canine Valor. Chief Hollingsed commended him for his efforts in confiscating a considerable amount of illegal drugs.

Resolution 01-18 awarding badge and service sidearm to retiring Police Sergeant Kenny Aldridge

Mayor Brown read a resolution recognizing the retirement of Sergeant Kenny Aldridge after 23 years of service to the Town of Waynesville Police Department. The badge worn by Sergeant Aldridge, along with his service side arm, will be transferred to him by Chief Hollingsed.

4. Resolution for National Park Service – Elizabeth Teague

Development Services Director Elizabeth Teague said that in December the Town was approached by the Pew Charitable Trust, working on behalf of the National Parks Campaign, to consider a resolution of support to urge Congress to address the growing backlog of maintenance and repair needs. The National Park Service Legacy Act would provide dedicated annual federal funding to address national park deferred maintenance needs. The proposed resolution is in support of this bill to address the backlog of maintenance and repair needs and to provide on-going support for maintenance into the future for National Parks. Ms. Teague said there are several other localities that have adopted similar resolutions, and Haywood County is also considering a similar resolution.

A motion was made by Alderman Jon Feichter, seconded by Alderman LeRoy Roberson to approve the adoption of Resolution 02-18 to encourage Congress to address deferred maintenance needs in Americas National Parks. The motion passed unanimously.

5. Fiscal Year 2016 – 2017 Audit Report

- Bruce Kingshill and Nancy Lux –_Auditors; Ray, Bumgarner, Kingshill & Associates
- Eddie Caldwell, Finance Director

Bruce Kingshill and Nancy Lux of Ray, Bumgarner, Kingshill and Associates attended the meeting to present highlights and an overview of the Town’s financial condition and audit report for the year ended June 30, 2017. Mr. Kingshill explained that there were two audits completed, the first was a financial

audit and the second a yellow book audit looking specifically at Powell Bill funds. The report noted that no deficiency in internal controls, compliance or financial reporting was identified and the auditors issued an unqualified opinion. He explained that the firm has been doing Waynesville's audits since 1986 and thanked the Board for the opportunity to present. He noted that in advance of the meeting, the board packet contained graphs of revenues and expenditures for the current and prior year for comparison. Mr. Kingshill commented that Ms. Nancy Lux will go over the details of the audit in her presentation. He added that the audit report was provided to the Local Government Commission (LGC) prior to the October 31, 2017 deadline and the LGC found nothing wrong with the audit report.

Ms. Lux called attention to the overall financial report as well as supplemental data related to the revenues and expenditures for 2016/2017. A fluctuation analysis of the revenues and expenditures was presented, which provided information explaining the increases or decreases to the various accounts.

Ms. Lux reminded the Board of reporting of the statutory change related to pension liabilities. As a result, the Town of Waynesville reported approximately \$600,000 as an additional asset. The NC Local Government Employees Retirement System (LGERS) is well managed and the Town has always funded the pension liability adequately, and it is now reported on the balance sheet. Now the unfunded portion will be reported as an asset.

Ms. Lux again announced that the opinion from the audit was an unqualified opinion which reflects excellent financial management practices are in place and with no deficiencies.

Mr. Kingshill thanked Mr. Caldwell and his staff and Manager Hites for their cooperation during the audit.

Mayor Brown commented that having no issues with management indicates that the job is being done correctly and is very important to the Town. The expectation is that the auditors will tell us if something is being done incorrectly and to date, we have never had that disagreement. The Mayor added that the Town has a healthy fund balance, debt is down and the Town made approximately \$27,000 last year. All in all, the Town is in good shape.

C. CONTINUED BUSINESS

6. Local Purchasing Policy – Manager Rob Hites

Manager Hites said that during the December 12, 2017 meeting, the Board approved amending the Town's purchasing policy to include a provision for "Local Preference Purchasing." Manager Hites developed a resolution defining "Eligible Local Bidder" and "Non Local Bidder" and how the process would be carried out. He said an "Eligible Local Bidder" is defined as one that resides in Haywood County and has its corporate headquarters within the County. It must have a physical presence in the County, pay taxes in the Town or County, and manage the business from that location. Purchases that range from \$501.00 - \$29,999.00, bids will be solicited from "Eligible Local Bidders" and "Non Local Bidders." If the bids are within 5% of each other, and the "Eligible Local Bidder" is not the low bidder, the bid may be awarded at their bid price.

Manager Hites said the resolution establishes the program as an amendment to the Town's Purchasing Policy, and told the Board that classes would be held internally with supervisors in all departments to make sure they understand how the policy works.

Alderman Feichter asked a question concerning the wording in Section 6 of the resolution concerning multiple local bidders. Manager Hites explained that if there are multiple local bidders and one non local bidder, and they are all within 5% of each other, the bid will be awarded to the low bid of the local bidders.

Manager Hites said a report on the results of the amendment to the policy would be presented at the Board Retreat in 2019 after sufficient data is collected.

Alderman Gary Caldwell made a motion, seconded by Alderman Julia Freeman, to approve the adoption of Resolution 03-18 regarding Local Purchasing Policy. The motion passed unanimously.

D. COMMUNICATIONS FROM STAFF

Manager's Report – Manager Rob Hites

7. Hospital Support Resolution

Manager Hites explained to the Board that Haywood County is partnering with Landmark, Inc. to draft and submit an application for housing tax credits to the North Carolina Housing Finance Agency in order to convert the old hospital on North Main Street to low to moderate income housing. He said that the Board has long supported the adaptive reuse of the old hospital. The General Statutes permit Towns to make grant in aide for affordable housing projects. Landmark and Haywood County staff has requested the Town to offer this grant as a sign of support for the project. The grant would be paid at the time of permitting and installation of water taps and meters, and be made from the General Fund Balance. This grant will give the application for tax credits a higher score in the competitive process.

Alderman LeRoy Roberson made a motion, seconded by Alderman Jon Feichter to approve the adoption of the Resolution 04-18 of support for the Old Haywood County Hospital to low to moderate income housing. The motion passed unanimously.

Manager Hites said it had been brought to his attention that a merchant in Hazelwood has requested that lights be placed in front of the Mattress Company. He said that if lights are placed there, it would be appropriate to place them on the other side of the street in front of the Urgent Care as well. This would include three on the Urgent Care side and two on the south side. Easements will have to be obtained, and islands will need to be built for the lights on the Mattress Company side of the street. He said the Town would have to rent another meter base from Duke Power and place it in the right-of-way. Manager Hites said he anticipated the cost of the lights, meter base, and curbing would be about \$25,000.00.

The consensus of the Board was to proceed with the project.

8. Attorney's Report – Town Attorney Bill Cannon

Attorney Cannon had nothing to report.

E. COMMUNICATIONS FROM THE MAYOR AND BOARD

Mayor Brown said that during the Holidays, Mr. Earl Clark, Chairman of the ABC Board, passed away. He said the Board needed to appoint someone as Chairman for the purpose of running the business, and a new member will be appointed at the first Board meeting in February, 2018. Mr. Jack Swanger is the longest serving member of the ABC Board, and Mayor Brown said it was only appropriate to appoint him as Chairman.

A motion was made by Alderman Gary Caldwell, seconded by Alderman Jon Feichter, to appoint Mr. Jack Swanger as Chairman of the ABC Board. The motion passed unanimously.

Mayor Brown asked the Board to decide on a date for the Board Retreat. The consensus was to have the retreat on February 23, 2018, and be held in the training room of the new Public Services Building.

F. CALL ON THE AUDIENCE

No one spoke

G. ADJOURN

With no further business, the consensus of the Board was to adjourn the meeting at 7:54 pm.

ATTEST

Gavin Brown, Mayor

Eddie Ward, Town Clerk

Rob Hites, Town Manager