

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
June 12, 2018

THE WAYNESVILLE BOARD OF ALDERMEN held its regular meeting on Tuesday, June 12, 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
Alderman Julia Freeman
Alderman Jon Feichter
Alderman LeRoy Roberson

The following Board Member was absent:

Mayor Pro Tem Gary Caldwell

The following staff members were present:

Rob Hites, Town Manager
Bill Cannon, Town Attorney
Amie Owens, Assistant Town Manager
Eddie Ward, Town Clerk
Elizabeth Teague, Development Services Director
Captain Brian Beck, Police Department
David Foster, Public Services Director
Eddie Caldwell, Finance Director

The following media representatives were present:

Cory Valliancort, Smoky Mountain News
Becky Johnson, The Mountaineer

1. Calendar/Announcements

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

Thursday June 14th – 4:00 – 5:00 pm – Learn the history of the Pigeon Community – Pigeon Community Center

Friday June 15th – 6:00 pm – Walk to End Elder Abuse – Historic Courthouse – Sponsored by Mountain Projects

Thursday June 21 – 3:00 – 7:00 pm – Drop in for community input for Comprehensive Plan – Waynesville Recreation Center. With presentation at 4:00 and 6:00 pm

Elizabeth Teague reminded everyone to go the Town website and take a short survey for the Waynesville Comprehensive Plan.

2. Adoption of Minutes

Alderman LeRoy Roberson made a motion, seconded by Alderman Julia Freeman, to approve the minutes of the May 17, 2018 special called meeting and the May 22, 2018 regular meeting as presented. The motion carried unanimously.

B. PRESENTATION

3. Capacity Use Study

- McGill and Associates

Mike Ballard, from McGill and Associates, provided information related to House Bill 436 (HB436) and what its passing meant for Waynesville. He alluded to the fees that could be charged under HB436 and explained that once an ordinance was passed adopting the capacity use fees, the fee must be revisited at least every five years. He added that the capacity use fees were specific to new development only and fees are collected at the time when commitment is made to receive water/sewer or when a plat is filed. These fees are used for infrastructure maintenance. Mr. Ballard asked Board members to follow in their report and highlighted the cost per gallon per day fee for water and sewer as recommended by McGill and Associates based on their review of Waynesville's information. The maximum water and sewer fees based on a per gallon per day that could be used for calculations was \$5.23 for water and \$7.83 for sewer.

Public Services Director David Foster used a power point presentation to highlight the background information related to HB436 and noted that Waynesville currently utilizes a calculation based on line size and gallons per day and has a differential rate for inside and outside of town limits. Mr. Foster gave examples of several current projects and how the change in capacity fee calculation would impact varying sizes of projects noting that some would see an increase in fees over the current structure, while others would see a reduction. He illustrated some pros and cons to moving to this new fee structure and concluded with a recommendation of fees for consideration. The recommended water capacity fee based on per gallon per day is \$2.62, with sewer at \$3.05 with a cap of \$100,000 for residential projects and no differential for inside and outside of the Town limits.

Mayor Brown noted that tonight's presentation was to begin to familiarize the Board with the requirements under HB436 and to give them time to ask questions about the report from McGill. He noted that the report had been posted on the website for the required public notice period and that the next step is to call for a public hearing to gain input from the public.

Alderman Julia Freeman made a motion, seconded by Alderman Jon Feichter to call for a public hearing to be held on Tuesday, June 26, 2018 at 6:30 p.m. or as closely thereafter as possible to consider the adoption of the new capacity use fees in accordance with HB436 and as recommended by McGill and Associates and Town of Waynesville staff. The motion carried unanimously.

C. PUBLIC HEARING

4. Call for Public Hearing for Amendment to Chapter 54, Article 1, of the Town Code, Motor Vehicles

- Manager Rob Hites

During the winter retreat, Manager Hites said several ideas for enhancing the Town's General Fund Balance were presented. One of the ideas was a motor vehicle tax, which is commonly used in neighboring communities. He said the North Carolina General Statute 160-A permits municipalities to adopt a motor vehicle tax of up to \$30.00 per vehicle. The first \$5.00 may be used for any governmental purpose, and any additional amount must be used to repair, maintain and replace municipal streets. Manager Hites recommended to the Board the approval of an Ordinance to establish a \$15.00 per vehicle fee to help fund these governmental functions. If approved, Manager Hites said a copy of the Ordinance to the County Assessor's Office. The Assessors Office would then send it to the NC Department of Revenue to be placed on the Motor Vehicle registration and tax bills. This tax would be collected at the Department of Motor Vehicles along with the personal property taxes.

A motion was made by Alderman Jon Feichter, seconded by Alderman Julia Freeman, to call for second Public Hearing to be held on Tuesday, June 26, 2018 at 6:30 p.m. or as closely there after as possible in the Board Room of Town Hall located at 9 South Main Street, Waynesville to consider the adoption of a new ordinance amending Chapter 54, Article 1 of the Town Code and for the first reading of the proposed ordinance. The motion passed unanimously.

5. Public Hearing to consider Adoption of FY 2018-2019 Annual Budget.

- Manager Rob Hites, Eddie Caldwell

Finance Director Eddie Caldwell provided an overview of the proposed Fiscal Year 2018-2019 budget. Board members were told that the bulk of information presented would be from section 3 of their budget books. He noted that there was an increase in the proposed General Fund Budget of 3.3%. This is attributed to the COLA, increase in benefit costs, additional staff, garage costs and new long term projects such as the Comprehensive Plan Update. He added that the Water Fund budget was proposed at \$3,934,870. There is no proposed water rate increase for the upcoming year. He explained that there were some major capital projects planned for this division in the coming year and would be covered by the Water Fund Balance. Mr. Caldwell called attention to the Sewer Fund where a 5% sewer increase was proposed. These funds would be used to repair and replace pumps at the Waste Water Treatment Plant and to remedy a specific problematic manhole issue that, in times of significant rainfall, causes a system overflow at the Haywood County Fairgrounds. The total Sewer budget proposed was \$3,292,230.

Finance Director Caldwell reminded the Board that the suggestion from the consulting firm UTEC was to have a 13% increase overall in Electric rates. He explained that in January there was a 5% increase and is proposing a 4% electric rate increase for a total of 9% rather than 13%. This increase would allow for the installation of voltage regulators at a substation. The budget recommendation for FY 18-19 was \$9,736,680.

The two additional internal funds, Asset Management and Garage, had budgets significantly lower than the other funds. The proposed Asset Management budget was \$1,960,250 which is a decrease of 2.41%. The Garage fund budget is recommended at \$679,740. Finance Director Caldwell added that fuel costs and number of vehicles to maintain contributed to the increase in costs.

Finance Director Caldwell added that personnel and fringe benefits are the largest expense for the Town. He complimented the department directors for continuing to monitor their expenditures and help to remain within their budgets.

Town Attorney Bill Cannon went over the process for speaking at the public hearing and opened the hearing at 7:30 p.m.

Dick Young
191 Meadow Street
Waynesville, NC 28786

Mr. Young stated that he felt that paving on Pigeon Street should be started. He said he did not agree with the \$15.00 vehicle tax. He said the Town should tighten their belt just like everyone else has to. He added that the tax would make it hard for people who are on a fixed income. He asked the Board to find a way to cut the budget.

Mary Roper
Waynesville, NC

Ms. Roper stated she was against the vehicle tax because the residents of Waynesville would be shouldering most of the cost, when everyone in the County traveled the streets. She suggested to the Board a tax increase for everyone to cover the cost of street repairs. She said that was the only fair way to do it.

Angie Schwab
Director of Folkmoot

Ms. Schwab gave a brief description of the Folkmoot Festival and the transformation it is currently going through. She said that this was the 35th festival for Folkmoot and it was her hope that the financial impact of having year round events would double in 2018. She encouraged the Board to keep in mind the tax revenues generated from Folkmoot and that Folkmoot is a worthwhile investment. Ms. Schwab gave a short summary of the things that have been accomplished with Folkmoot since 2014 which include \$600,000.00 in improvements in the building. She said she wanted to make Folkmoot something that people can participate in year round. Ms. Schwab asked the Board to please consider Folkmoot in their budget and thanked them for their contributions in the past.

Phillip Gibbs
59 Babb Street
Waynesville, NC

Mr. Gibbs stated he just wanted to reiterate again the Pigeon Street paving. He said the street was in bad shape and has been for a long time. He asked the Board to please put the paving on this street as a priority.

**Paula Botic – Precision Body
182 Richland Street
Waynesville, NC**

Ms. Botic said that Pigeon Street is a gateway into the Park, and it is an embarrassment for anyone who wants to visit the Park or Pisgah Mountain. She said she drove that street three or four times a day and it was very hard on her vehicle. The street has been in very bad shape for a long time and she would like to see the paving moved to the top of the list. She said that other streets in Waynesville have been paved recently and they were not nearly as bad.

Mayor Brown asked Public Services Director David Foster to give some background information on the paving of Pigeon Street. Mr. Foster stated that Pigeon Street was a North Carolina state road. He said that NCDOT had approached the Town about ten years ago about paving Pigeon Street, but stated that the sewer and water lines were too shallow. In order to pave the street they will need engineered plans and all the infrastructure will need to be upgraded, and ADA compliant. Mr. Foster said that in next year's budget, there will be system wide improvement plans drawn up and given to NCDOT. He said the actual paving is estimated to begin in 2020.

Mayor Brown stated he would not close the Public Hearing, but continue it until the June 26, 2018 regular meeting, and any other comments concerning the FY 2018-2019 budget would be heard at that time.

The hearing was recessed at 7:54 p.m.

6. Call for Public Hearing to consider Amendment to Chapter 46-4 and to direct staff to develop sidewalk encroachment agreement

- Elizabeth Teague, Development Services Director

Ms. Teague explained to the Board that within the Main Street Central Business District, the Town has allowed benches, tables, rocking chairs, planters, dog bowls and signage immediately against a business or restaurant frontage as long as long as they did not create an obstruction in passage on the sidewalk. A newly opened restaurant on Main Street has asked to be able to use one of the "bump out" areas of the sidewalk for outdoor seating. She said that currently the Town does not have a clear policy concerning the use of the public sidewalk, public areas, or "bulb out" areas for outdoor dining. Ms. Teague asked the Board for direction and Ordinance approval to implement a formal policy to allow limited outdoor encroachment into the public sidewalks.

Alderman Julia Freeman made a motion, seconded by Alderman LeRoy Roberson, to call for a Public Hearing to be held on Tuesday, June 26, 2018 at 6:30 p.m., or as soon thereafter as possible, in the Board Room of Town Hall, located at 9 South Main Street, to consider the attached Ordinance amendment to Chapter 46-4 and to direct staff to develop sidewalk encroachment agreement. The motion passed unanimously.

7. Public Hearing for Amendment to Chapter 14 Article IV Taxicabs

- Manager Rob Hites, Captain Brian Beck

Captain Beck told the Board that the Town of Waynesville has had an increase in the taxicab business from franchises based in Town, in the County, and other municipalities. Currently the Town's Ordinance does not provide an adequately regulated industry. The revised Ordinance will give the Town the power to have enforcement over, and fine the taxicabs to do not adhere to the inspection of the cars, background checks, and licenses to operate.

Town Attorney Bill Cannon opened the Public Hearing at 8:06 pm and asked if anyone wished to speak.

No one spoke.

Attorney Cannon closed the Public Hearing at 8:07 pm.

A motion was made by Alderman Jon Feichter, seconded by Alderman Julia Freeman, to the amendment of Chapter 14, Article IV Taxicabs. The motion passed unanimously.

D. **NEW BUSINESS**

8. Proposed Audit Contract 2018-2019

- Eddie Caldwell, Finance Director

Mr. Caldwell said the proposed audit fee for the 2017-2018 would be \$27,000.00 plus out of pocket costs. The fee for the preparation of the financial statements and data input sheet to the LGC will be based on the actual time spent at an hourly rate of \$95.00 per hour. This amount is based on the cooperation of the Town's personnel and the assumption that there will be no unexpected circumstances during the audit.

A motion was made by Alderman LeRoy Roberson, seconded by Alderman Jon Feichter to approve the audit proposal and authorized the Mayor to sign the Contract to Audit Accounts. The motion passed unanimously.

9. Amendment Number 11 to the 2018-2018 Budget Ordinance

- Eddie Caldwell, Finance Director

Mr. Caldwell explained to the Board that the engine had failed in a 2008 Ford F-150 on June 4, 2018. The vehicle is highly used for traffic control. After a repair assessment, the cost to replace the engine is approximately \$10,000.00. The vehicle is slated to be replaced in the next year or so. Public Services is asking to replace the vehicle instead of repairing the motor. The purchasing staff obtained quotes and bids in accordance with the Town's purchasing policy and the staff recommends purchasing a truck from Waynesville Automotive at a cost of \$29,391.00.

A motion was made by Alderman LeRoy Roberson, seconded by Alderman Jon Feichter to approve Amendment No. 11 to the FY 2018-2018 budget in the amount of \$29,400.00 for the purchase full size truck. The motion passed unanimously.

E. COMMUNICATIONS FROM STAFF

10. Manager's Report

Wayfinding Program Endorsement

- Town Manager Rob Hites

Manager Hites explained to the Board that the Haywood County Tourism Development Authority is sponsoring a wayfinding program for the entire County. Bizzell Design has been selected to design the signage and develop the program. Representatives from surrounding Towns, Lake Junaluska, and Downtown Waynesville Association met with Mr. Bizzell for consideration of the program. The TDA will fund the contract and purchase the signs. Local governments will be asked to fund the installation of the signs that are approved by the North Carolina Department of Transportation. Location of the signs has been reviewed, and they will direct people to points of interest within the Central Business Districts. For customized signs, Towns will be in direct contact with Mr. Bizzell. Manager Hites said the signs are approved by the NCDOT and Town crews will be handling the installation. Manager Hites said he estimates the cost of the base for the signs to be approximately \$800.00 per sign, and the Town will install sixteen bases for a total of \$12,000.00. He said the signs will take about six months to be processed, and installation should be set for April or May of next year.

A motion was made by Alderman Julia Freeman, seconded by Alderman Jon Feichter, to approve the design and Town's participation in installation of the signs. The motion passed unanimously.

11. Attorney's Report – Bill Cannon

Attorney Cannon explained to the Board that he is still waiting to get an estimate on 8 Hazel Street.

F. COMMUNICATIONS FROM THE MAYOR AND BOARD

12. Discussion of term limits for appointed Boards and Commissions

- Mayor Gavin Brown

Mayor Brown said that in 2013 the Board adopted a policy for term limits for appointed Boards and Commissions to be set at a two term limit or six years. The Waynesville Housing Authority was set at a 10 year term. Each year individuals whose term is expiring and are still eligible to serve, are offered the opportunity to be reappointed in their existing capacity by the Board of Aldermen. When terms are expired, a letter is sent to the individual informing them of their termination date of June 30 and thanking them for their service.

If an individual has served an extensive number of years, (greater than 20 years consecutively), they are offered an ex-officio status, and a one year required break until they are eligible to serve again.

Mayor Brown said there were individuals who were not happy with the ex-officio status and one year break had approached several Board members regarding a possible change in the policy. The issue is whether to uphold the two term limit, change the limit, or completely do away with the term limits.

A motion was made by Alderman LeRoy Roberson, seconded by Alderman Jon Feichter to extend the terms of the Boards and Commissions to three (3) three year terms, retroactive to 2013.

G. CALL ON THE AUDIENCE

There were no comments

H. ADJOURN

With no further business, it was the consensus of the Board to adjourn the meeting at 8:26 pm. The motion passed unanimously.

ATTEST:

Gavin Brown, Mayor

Eddie Ward, Town Clerk

Robert W. Hites, Jr., Town Manager