

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN

Regular Meeting November 22, 2022

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Tuesday, November 22, 2022 at 6:00 pm. in the Town Hall Board Room located at 9 South Main Street Waynesville, NC.

A. CALL TO ORDER

Mayor Gary Caldwell called the meeting to order at 6:05 pm with the following members present:

Mayor Gary Caldwell
Alderman Jon Feichter
Alderman Chuck Dickson
Alderman Anthony Sutton

The following members were absent:

Alderwoman Julia Freeman

The following staff members were present:

Rob Hites, Town Manager
Martha Bradley, Town Attorney
Esther Coulter, Administrative Assistant
Olga Grooman, Planner
Misty Hagood, Finance Director
David Adams, Police Chief
Brandon Gilmore, Assistant Police Chief
Beth Gilmore, DWAC Director

Members of the media:

Becky Johnson, The Mountaineer

1. Welcome/Calendar/Announcements

Mayor Gary Caldwell welcomed everyone and reminded everyone of the upcoming events in the next few weeks including the Christmas Tree Lighting and Art after Dark on Friday, December 2nd at 5pm, the Hazelwood Christmas Parade on Sunday, December 4th at 3pm, the Waynesville Christmas Parade on Main Street on Monday, December 5th at 6pm, the Employee Appreciation Luncheon on Friday December 9th at the Rec Center 11:30am-2pm, and Night Before Christmas on Saturday December 10th on Main Street, 6-9pm. He also reminded everyone that the Town will be closed for Thanksgiving on Thursday and Friday, November 24th and 25th.

Mayor Gary Caldwell announced that we lost one of our employees yesterday, Jeremy Bryant, a full-time lifeguard at the Rec Center, aged 29. He asked us to keep his family in our thoughts and prayers.

B. PUBLIC COMMENT

Bob Clark, 416 Park Drive, Waynesville, NC

Mr. Clark thanked the Town for considering building senior facilities. He suggested adding more senior facilities to our town. Mr. Clark also pleaded for the Board to encourage developers to consider safety regarding the Town's roads. Mr. Clark noted that we have many unsafe roads and asked the Board to modify zoning with objective safety standards when building roads.

C. ADDITIONS OR DELETIONS TO THE AGENDA

Alderman Anthony Sutton, and Mayor Gary Caldwell confirmed, to move item 7 under New Business-Recommendation to rename the Downtown Waynesville Advisory Committee (DWAC) to the Downtown Waynesville Commission (DWC), to before item 3-Audit Presentation.

D. CONSENT AGENDA

All items below are routine by the Board of Aldermen and will be enacted by one motion. There will be no separate discussion on these items unless a Board member so requests. In which event, the item will be removed from the Consent Agenda and considered with other items listed in the Regular Agenda.

2. a. Adoption of minutes of the November 8th, 2022 Regular meeting
b. Christmas tree lighting

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to approve the consent agenda as presented. Motion passed unanimously.

3. Recommendation to Rename the Downtown Waynesville Advisory Committee (DWAC) to the Downtown Waynesville Commission (DWC).
 - Beth Gilmore, Director of Downtown Waynesville Advisory Committee

Beth Gilmore, Director of Downtown Waynesville Advisory Committee, thanked the Board for their support. Director Gilmore wanted to present DWAC's new brand, but said they are one small edit away from being done. She requested to come back to a future meeting to present the Board with the updated brand. In the process of going through the new brand, Director Gilmore said because there are so many committees and subcommittees, the name for their committee has been causing confusion among their members as well as others. Director Gilmore asked the Board to consider that they change their name from Downtown Waynesville Advisory Committee to Downtown Waynesville Commission.

Alderman Jon Feichter commended DWAC for their incredible work and service and said he looks forward to seeing what they can accomplish in the future. He also commended Jesse Fowler, Assistant Town Manager, for his involvement with the commission.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Chuck Dickson, to change the official name of the downtown Waynesville Advisory Committee to the Downtown Waynesville Commission. Motion passed unanimously.

E. PRESENTATION

4. Presentation of the June 30, 2022 Audit Report and Financial Statements

- Tonya Thompson with Martin Starnes & Associates

Tonya Thompson with Martin Starnes & Associates stated that this was the first year Martin Starnes & Associates was the Town's auditor. Her opinion was that it went well, and the Town's financial statements are fairly presented. Ms. Thompson thanked Misty and Dean and the Town for their participation. The audit was timely filed with LGC, they are just waiting for their approval which usually takes a couple of weeks.

General Fund:

Revenue has increased by \$1.8 million which is a 14% increase from the prior year.

Expenditures increased 3.7 million which is a 26% increase. Total expenditures exceeded revenue by \$2.5 million, however, Ms. Thompson stated the figures do not include other financing sources and other financing uses. Ms. Thompson said that when financing sources and uses are factored in, the net increase to the fund balance is \$1.9 million.

Ms. Thompson reported that the top three revenue sources in our General Fund are Property Taxes at 46%, Other Taxes and Licenses at 28%, Sales and Services at 8% and everything else 18% (restricted and unrestricted inner governmental revenues, permits and fees, and other miscellaneous revenues).

Ms. Thompson continued to report that tax revenue topped \$7 million this year, which is an increase of 9% from last year. She stated that the tax collection percentage this year was 97.33% which is about the same as last year. Other Taxes and Licenses has seen a significant increase with trends leaning towards people shopping locally. Sales and Services increased very slightly, about 1%.

Expenditures:

Ms. Thompson stated that Public Safety spent \$1.2 million, an 18% increase from last year. She said this is due to increased salaries and wages and the purchase of land for a new fire station.

Transportation increased from \$421,000 last year to almost \$3 million this year, which is a 16% increase. The bulk of that increase was not operational, but in capital acquisitions.

Cultural and recreation expenses decreased from last year by \$230,000 which is 9%.

Ms. Thompson reported that the fund balance increased steadily by \$1.1 million. Ms. Thompson acknowledged that there is a discrepancy between the \$1.9 million she mentioned earlier. This is due to the accounting treatment of the inner fund loan between the electric fund and general fund. The available fund balance is \$9.7 million, a slight increase from last year. Ms. Thompson commented that the fund balance percentage is a percentage of our net expenditures. The minimum LGC recommends for a town our size is 25%, the average fund balance of our peer groups is 46%, and right now ours is 65.5%, which in Ms. Thompson's opinion means the Town is doing well.

Utilities:

Ms. Thompson reported there is a positive cash flow from operations of \$856,000, with the total net position of \$15.5 million. The portion that is considered unrestricted is \$3 million, and there was a \$573,000 positive change in net position. LGC also looks at the quick ratio, which is a comparison of current assets to current liabilities. They recommend a ratio of at least one. Water and sewer fund has a 14.54 quick ratio.

Ms. Thompson reported that the electric fund showed \$1.6 million in cash flows from operations. There is a total net position of a little over \$7 million. Of that \$7 million, there is an unrestricted net position of \$4.5 million with a positive increase in the net position of \$25,000. The quick ratio of the electric fund is 8.66.

Ms. Thompson stated that last year, the LGC introduced key performance indicators of concern. These are things that the auditor is required to present to the Board. The Board then has 60 days to write up a response. Ms. Thompson reported only one key performance indicator which was an adjustment that is required to the prior year of financial statements this year and that was how the loan between the electric and general fund was recorded in our books. It was recorded as if it was an external loan, but it should have been treated differently because it was actually an internal loan. Ms. Thompson stated that all other performance indicators were positive.

Motion: A motion was made by Alderman Jon Feichter, seconded by Alderman Chuck Dickson, to accept the financial statements and reports as presented. The motion passed unanimously.

5. Public Presentation on the Town of Waynesville's Stormwater Program, General Stormwater Issues, and Proper Waste Disposal (trash, pet waste).

- Olga Grooman, Planner, Development Services
- Christine O'Brien, Project Assistant, Haywood Waterways
- Caitlin Worsham, Project Manager, Haywood Waterways

Olga Grooman, Planner for Development Services, stated that Stormwater program will be highlighted in the Public Presentation as well as proper waste disposal and general stormwater issues. Planner Grooman stated our current permit was issued on August 19th, 2021, and it is valid for five years. Our current permit allows the Town to discharge stormwater from our municipal storm sewer system and we are required to maintain water quality and to review the discharge of pollutants in stormwater runoff. We collaborate with Haywood Waterways, Development Services and Public Works to complete the action items required of the permit. Our permit requirements include 6 major goals:

- Public Education and Outreach
- Public Participation and Involvement
- Illicit Discharge
- Construction Runoff
- Post Construction Stormwater Management
- Pollution Prevention and Good Housekeeping

Planner Grooman added that we have annual self-assessments and send reports to NCDEQ. Stormwater maps are made available to the public and updated monthly on the Town's Stormwater page. She mentioned that the Town got its illicit discharge plan approved in July 2022 for the first time by NCDEQ. That means that the

Town's illicit discharge program and standard operating procedures are good, and we should continue what we are doing. Planner Grooman also introduced the NCDEQ Stormwater Hotline and local resources to report illicit discharges and stormwater issues.

Christine O'Brien, Project Assistant with Haywood Waterways, reported on waste disposal. She encouraged everyone to recycle as often as possible to help lessen the burden on our landfills, to rinse containers, and not to bag recyclables to allow for ease of sorting. Oils and batteries can be disposed of at the Convenience Center or the Recovery Center on Jones Cove Road. Water based paint or latex paint can be dried out and disposed of with regular trash. Oil based paint will need to be collected during our hazardous household waste events. Ms. O'Brien mentioned that Haywood Waterways has been working with the Town to develop a pet waste disposal program. She warned not to dispose of pet waste in your garden, but it should be buried or bagged and thrown away.

Ms. O'Brien went into detail on how to prevent polluting our waterways, which involves throwing away trash in a proper and secure receptacle. Ms. O'Brien encouraged the community to volunteer with Haywood Waterways.

6. Public Presentation on Haywood Waterways Association's Shelton Branch Feasibility Study

- Preston Jacobsen, Executive Director, Haywood Waterways
- Caitlin Worsham, Project Manager, Haywood Waterways
- Zan Price, Jennings Environmental PLLC

Preston Jacobsen, Executive Director for Haywood Waterways stated they have been working on a watershed plan for Shelton Branch, which feeds into Richland Creek, and they have been working with Jennings Environmental to do the engineering work on this plan. Jennings Environmental identified 18 sites, four of which are high priority for improvement projects, because they have inadequate buffers, eroding stream banks, and are sources of non-point source pollution and sedimentation.

- Pigeon Community Park: The estimated cost of the project is \$260,000. This project includes a lot of partners Pigeon Community Development Center, Salvation Army, and the Hart Theatre Shelton House. Alderman Jon Feichter asked for clarification on where the work will be done because the Town has already designated money to put a bridge in that space. According to Mr. Jacobsen, that is the area, and they have in their plan that the bridge will be going in.
- Downstream of East Street: The estimated cost of the project is \$210,000. Bank erosion is more apparent in this area. There is also a noticeable lack of riparian vegetation.
- Welsh Street: The estimated cost of the project is \$220,000. Structures are in danger of bank erosion and flooding due to lack of riparian vegetation.
- Downstream of Howell Street: The estimated cost of the project is \$190,000. Multiple stormwater inputs and erosion of the bank as well as the closeness of structures to the bank is a cause for concern.

After Mr. Jacobsen disclosed the estimated cost of each project, Town Manager Rob Hites asked if Haywood

Waterways was going through a third party or if they would consider working with the Town to assist with these projects. Mr. Jacobsen said the estimated cost includes construction, design, and permitting costs through a third party and any help from the Town would be considered a match to any grants and would be appreciated.

F. CALL FOR PUBLIC HEARING

7. Call for Public Hearing: Maggie Valley Annexation Agreement Renewal
- Rob Hites, Town Manager

Town Manager, Rob Hites, stated that it is very common for towns to meet an annexation agreement when the municipal border is within three miles of each other. The border of the annexation follows Walela Trail. The Town’s jurisdiction ends at a pump station at Queen’s Farm. Town Manager Rob Hites stated that Maggie Valley has annexed to the annexation border on their side. Town Manager Rob Hites requested that the Board hold a Public Hearing at the next meeting to discuss renewing the annexation agreement for another 20 years, make changes if needed, or give Maggie Valley the five years advance notice to cancel the annexation agreement. Anthony Sutton requested that we provide information on who serves water and sewer in that area at the Public Hearing.

Motion: A motion was made by Alderman Chuck Dickson, seconded by Alderman Anthony Sutton, to hold a Public Hearing on Tuesday January 10, 2023 at 6pm or as closely thereafter as possible, in the Town Hall Board Room located at 9 South Main Street to consider renewal of the joint annexation agreement with Maggie Valley. The motion passed unanimously.

G. NEW BUSINESS

No new business to report.

H. COMMUNICATION FROM STAFF

8. Manager’s Report
- Town Manager, Rob Hites

Nothing to report.

9. Town Attorney Report
- Town Attorney, Martha Bradley

Nothing to report.

I. COMMUNICATIONS FROM THE MAYOR AND BOARD

10. Alderman Chuck Dickson mentioned he received notice of Grant Application Bootcamps and hoped to have time to participate in some of the workshops next year to create more opportunity to apply to more grants.

J. ADJOURN

A motion was made by Alderman Jon Feichter, seconded by Alderman Chuck Dickson to adjourn the meeting at 7:26pm. The motion carried unanimously..

ATTEST:

Gary Caldwell, Mayor

Robert W. Hites, Jr. Town Manager

Candace Poolton, Town Clerk