

AGENDA  
REGULAR MEETING  
BOARD OF ALDERMEN  
TOWN OF WAYNESVILLE  
TOWN HALL - 9 SOUTH MAIN STREET  
NOVEMBER 24, 2009  
TUESDAY - 7:00 P.M.

CALL TO ORDER

ITEM 1. APPROVAL OF MINUTES OF NOVEMBER 10, 2009

ITEM 2. AWARD OF BIDS

As indicated at the Board meeting of November 10, 2009, the Town was in the process of seeking proposals on the purchase of five police cruisers, three detective vehicles, a small track-hoe and a sewer pressure washing truck.

As a part of this process, Finance Director Eddie Caldwell solicited financing proposals on these vehicles and equipment and divided the package into two parts. The eight vehicles were placed in one Request for Proposals, with the total of that request being \$176,300 for a financing period of three years. The second Request for Proposals involved the small track-hoe and the sewer pressure washing truck, with the total of that request being \$238,500 for a financing period of five years.

We would note the reason for the shorter financing of the police vehicles relates to the life expectancy of those cars. The 2006 Dodge Police Cruisers have given the Town three years of service, and we did not want to finance vehicles for longer than their life expectancy. The track-hoe and sewer pressure washing truck have life expectancies of more than three years and should even exceed the five years for which we are seeking financing; however, we do not want to extend the lease-purchase agreement beyond five years. There will be other vehicles and equipment that will likely need to be funded in the water and sewer maintenance department, and we will need to incur new debt for those items.

On the attached form, you will see the tabulation of the bids that were offered on financing these two packages. You will note that the interest rates are less for the shorter, three year lease-purchase financing on the vehicles than on the five year lease-purchase financing on the equipment.

Although we have split the financing into two separate loans, it is our desire that the proposals should be combined and the award made to the lowest total bid. In assessing these proposals, the Finance Director calculated the total monetary outlay of the Town, and as you will see on the attached form, the proposal from Sun Trust Bank, shown as Sun Trust (A) will result in the lowest outlay by the Town.

This was one of the most competitive groups of financing proposals we have seen, and we are pleased with the results. We noted that Sun Trust has a prepayment penalty of 3%, which is higher than the others; however, with an interest rate as low as being proposed, we feel it is highly unlikely that the Town would pay this off early.

It is our recommendation that the two proposals of Sun Trust (A) be accepted in the total amount of \$446,058.10.

ITEM 3. DISCUSSION REGARDING APPOINTMENTS TO THE  
TOURISM DEVELOPMENT AUTHORITY'S SUBCOMMITTEE

The Town has received notification from Haywood County that the terms of the appointees to the Tourism Development Authority's Subcommittee would expire on December 31, 2009. When the new legislation was approved by the North Carolina General Assembly in 2007, there was an increase in the tourism tax, with the increase to be used to fund some of the local events in the separate zip code areas of the County. The legislation required that a special subcommittee be appointed to review applications and award funding to events and activities in the separate zip code areas.

The Waynesville Town Board was empowered to appoint three members to this subcommittee, with two being residents of the town and living in the 28786 zip code area and the third being a non-resident of the town living in the 28785 zip code area. At the present time, those serving on this Subcommittee who were appointed by the Town of Waynesville are Dorothy Pope and Buffy Messer from the 28786 zip code area and Betsy Boyd from the 28785 zip code area.

The Town Board would need to appoint or reappoint two people from the 28786 area who live inside the Town and one person from the 28785 zip code area who lives outside of the Town.