



Town of Waynesville

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL - 9 SOUTH MAIN STREET
MARCH 23, 2010
TUESDAY - 7:00 P.M.

Call to Order

1. Approval of Minutes of January 29 and March 9, 2010
2. Request to Add \$2,500 Contingency for
Haywood County Chamber of Commerce
3. Municipal Environmental Assessment Coalition
4. Reappointment of Community Appearance Commission Members
5. Bids on Fire Truck
6. Adjournment

Additional information regarding this agenda is available at www.townofwaynesville.org

Town of Waynesville Board of Aldermen Retreat Notes
Friday, January 29, 2010
Waynesville Town Hall Board Room

The Board of Aldermen held their annual retreat on Friday, January 29, 2010.

Board Members Present: Mayor Gavin Brown, Aldermen Gary Caldwell, Libba Feichter, Wells Greeley and LeRoy Roberson.

Staff Present: Town Manager Lee Galloway, Assistant Town Manager Alison Melnikova, Public Works Director Fred Baker, Finance Director Eddie Caldwell, Planning Director Paul Benson, Town Attorney Woodrow Griffin, Police Chief Bill Hollingsed and Town Clerk Phyllis McClure.

Others Present: Facilitator Vickie Greene, Southwestern Commission.

Mayor Gavin Brown called the meeting to order at 8:07 a.m.

Comments of Elected Officials

Mayor Brown said the board sometimes has different opinions, but it is important to keep an open mind and good attitude. He complimented the board in the way they work together and town staff for providing good information and responding in a very efficient manner. Mayor Brown said Waynesville is probably the best town in North Carolina, adding the problems we have are not problems – they are opportunities. Mayor Brown said the bottom line is the professionalism of the board and staff.

Alderman Greeley said he knew this was a good board and it is a pleasure working with everyone since he began serving on the board. There are a lot of financial challenges that need to be addressed. He has been impressed with the board and staff, adding that this is a cohesive group of people with a good attitude, working together to do their job. He thanked the board for their help and for walking him through his questions.

Alderman Caldwell said he is excited and feels fortunate to be a part of this board. This board has seen a tremendous amount of growth with the Recreation, Fire and Police buildings and he complimented the board and town staff for their work. He thanked everyone for allowing him time to care for his daughter when needed and their belief that family comes first.

Alderman Feichter said it is very positive to listen to the interaction of the board and see the respect they have for each other. She is always impressed with and proud of the town's employees and recently had an opportunity to witness their positive interaction with the public when a neighbor's car became stuck in the snow. A police officer (not realizing she was a board member) apologized to her for the inconvenience, handling the situation in a very kind and gentle manner. It also says something about leadership and goes without saying – people notice.

Alderman Roberson said it is a pleasure serving on this board where issues are well thought out and taken care of. The public may think it is easy to run a town, but when you have professionals and they do an excellent job it just makes it look easy. He said even with all the snow storm devastation, town staff handled everything in a professional manner.

Overview of Retreat – Manager Galloway

Manager Galloway has said it before and means it – this is the finest board he has ever worked with. Two weeks ago he was asked to serve on a board to interview and select a Police Chief for Marion and was told that Waynesville's organization is one of the most respected organizations in this area. Waynesville has some of the greatest department heads to be found and the board members respect each other. The end of last week while in a meeting with other managers in this area, the topic of recycling was brought up. There is some discussion going on now with other areas regarding a proposal for Waynesville to pick up their recycling. When Superintendent Daryl Hannah was asked if this was a possibility his response was - we need to keep an open mind. It is important to keep an open mind, especially with all the changes going on. There are some issues with major challenges, we need to see where we can make improvements, save money and be more efficient. Manager Galloway commended the board, adding that they are not afraid of making these decisions and dealing with these issues.

Vickie Greene, Southwestern Commission and retreat facilitator, said she appreciated the opportunity to facilitate this retreat. She was unable to attend the last two retreats and Bill Gibson, Southwestern Commission, and Vickie Wade, WCU, could not be here this year.

Legal Matters - Town Attorney Woody Griffin

Current Activities – A federal magistrate has recommended that the lawsuit involving police officers brought by Denise Mathis be dismissed by a federal judge. Ms. Mathis had a very good attorney in Asheville handling the case and Waynesville was represented by their liability attorney. The federal court judge has not ruled yet, but it is rare for the judge to rule against the federal magistrate. This is currently the only case in which the town is the defendant and everything looks positive at this point.

There are some lawsuits in which Waynesville is the plaintiff. One, which will be a jury trial, involves properties on South Main Street and Pigeon Street (just beyond Thomas Park). The case has been ongoing for about two years and could be brought up again in May.

Eagle Nest water system - involved legal issues, including easements that needed to be taken care of first. Easements were obtained from 100% of the property owners and everyone participated in the financing of this project, allowing Waynesville to proceed.

Attorney Griffin commended Manager Galloway and Assistant Manager Melnikova for their work with him. They meet on Thursday mornings and Assistant Manager Melnikova has been a tremendous help, taking on projects and conducting research which saves the town money.

Code Enforcement Issues - Code Enforcement Officer Warren Putnam does everything he can to work with people. He has done a good job and takes pride in what he does, resolving 272 cases by using the power of persuasion. The Town Attorney only gets involved when legal action is required with an occasional letter or an action in district court. Mayor Brown suggested that a beginning date be included by Mr. Putnam to show the length of time it takes to resolve some of the code enforcement issues.

Attorney Griffin said this has been a good year. He has enjoyed his work with this board and looks forward to continuing.

Mayor Brown said sometimes the issue of whether Waynesville needs an in house attorney is brought up and Manager Galloway has always felt this was unnecessary. In years past, more time and fees were spent on legal matters than now. Some of the decrease could be because more research is being done by town staff.

Budget and Finance – Finance Director Eddie Caldwell

- Revenue Outlook

A report was presented of the total cash and investments held by the town. These reports, broken down by funds, are generated monthly and used as a tool to spot trends. The electric fund is watched very closely because it can change quickly due to large monthly payments to Progress Energy for wholesale power and the volatility of fuel costs passed along to the Town. The largest reduction in the Water Fund is due to miscellaneous line replacements, new water tank and new roof at the Water Treatment Plant. In two years, one loan of \$153,000 annually will be paid off and another loan with an annual payment of \$118,000 will be paid off in four years. Stimulus money has been obtained in the amount of \$904,000 with a loan of 2 ½% for 20 years.

Fred Baker said there is a need to spend some money for system upgrades. 500 water meters were recently replaced and 350 per year need to be replaced since most of these meters were installed during the 1980's. Stimulus money will allow the replacement of some meters with radio controlled meters and bids will be received for this project in two weeks. More efficient units are being used when items such as toilets are replaced, resulting in less water usage. Industrial water usage is down and will probably continue.

Eddie Caldwell said the Town has maintained a healthy fund balance for the past two years. This helps balance the budget, delay tax increases and makes layoffs and service cuts unnecessary. The recommended minimum fund balance for local governments in North Carolina is 8%. Mr. Caldwell explained the difference between reserved fund balance (such as Powell Bill funds to be used for streets and sidewalks) and unreserved.

Waynesville's budget is very comparable to last year's. Although water rates have increased, Water Fund revenues are somewhat low. People became more conscious of water consumption after the drought and older meters operate slower showing less consumption. Sewer fund shows an increase in revenues from last year. Electric fund shows remarkable turnaround from last year. The largest electric customer decreased operation, resulting in \$31,000 less in consumption for the month of January 2010. If this continues during 2010, it will result in more than

\$300,000 loss in electric sales. Property tax collections have increased for the current year, with almost 3.8 million collected through January 22, accounting for 95.75% of collections. Any additional taxes collected between now and June 30, 2010 will be above budget estimates.

Local Option Sales tax comparisons show some concern. For the months of July – October, 2009 total sales taxes budgeted were \$735,570 and Waynesville received \$699,729. This amount is down \$35,841 or approximately 4.87%. Franchise taxes are down approximately 5.18%.

There was some discussion regarding Alcoholic Beverage Control distribution and it appears that another site for a new ABC Store is being considered.

- Retirement System Contribution Increase

Employer contributions to the retirement system have increased 1.55% which will result in \$97,267.15 in additional costs for the Town.

- Electrical Rates

Electrical rates were increased 3.5% in July 2007 in order to pay for items such as the new substation. The \$200,759.46 in net sales is somewhat misleading. The fuel adjustment decreased enough so that it is felt that another increase will not be necessary at this time. The new contract removes approximately \$74,000 from that profit margin. If you subtract what should be taken out for the debt margin we are basically breaking even. It is recommended that rates remain the same until we know what the fuel adjustment costs will be. Eddie Caldwell provided some information on the electric rate history since 07/01/07.

- Project Costs: Fire Department & Police Station/Development Office

Final project costs for the Fire Station construction project show \$468,156.81 in excess funding. Final project costs for the Police/Development Office construction project are \$180,707.76 under budget. Totals for both projects combined are 7 ¼% under budget due to good planning and setting aside some contingencies for unknowns that can happen during construction.

Capital Reserve Fund and Facility Needs

- Hazelwood Office Options and Municipal Building

Manager Galloway spoke about the efficiency of the Hazelwood Facility, which currently houses Fire Station II and one customer service representative operating the drive thru (Monday - Friday until noon). There has been discussion of moving the entire Finance Department from its present location in the Municipal Building to the Hazelwood Facility.

ADW Architects prepared renovation plans for the Municipal Building. However, if the Finance Department moves to Hazelwood these renovations may no longer be needed or could be modified. Half of the financial business at the Municipal Building is done at the drive thru window. With heavy Main Street traffic, exiting the drive thru is sometimes difficult, especially when attempting to make a left turn. Delivery trucks parking on Church Street create additional traffic problems. There was discussion about how moving the Finance Department to Hazelwood might affect the close communications between the Finance Director and Town Manager, but it was felt that this would not create a problem.

Economically, moving the Finance Department to Hazelwood could result in a cost savings of \$40,000 annually since one position could be eliminated. Mayor Brown pointed out that this would create more traffic flow which could help businesses in the Hazelwood area and the other board members agreed. The addition of a second drive thru lane with a tube system may be needed. Alderman Roberson suggested the possibility of contracting with another financial institution to accept utility payments. Manager Galloway said bank draft payments could be encouraged.

This move would create vacant office space in the Municipal Building which could possibly be rented to non-profit organizations and would alleviate parking issues in downtown. Manager Galloway said there were some considerations regarding security between the Fire Station II area and the Finance area. The Hazelwood Facility is used as a polling place and accommodations will need to be made on those days (twice per year).

A night drop could be installed and a kiosk made available for those people making payments on line. Alderman Feichter pointed out that some banking institutions now print a copy of the check on the deposit slip, maybe this is something that can be added for those wishing to pay at the Municipal Building. Board members strongly supported and encouraged town staff to give serious consideration to moving the Finance Department from the Municipal Building to Hazelwood. Manager Galloway said it may be possible to complete this move by July 1, 2010. Alderman Greeley suggested that aesthetic improvements be included in the Hazelwood Facility to maintain the improvements that have been made in the Fire and Police Department buildings.

- Old Armory and Maintenance Building

There was discussion regarding ways to operate the Armory more efficiently and continue to offer the same level of services without duplicating those services. Manager Galloway said some activities are offered at the Armory at no charge and the same activities can be found at the Recreation Center, but there is a charge. Other activities offered at the Armory include Bridge, Square Dance, Ballroom Dance, etc. The Armory also serves as a meal site with a separate heating and air conditioned system.

The Maintenance Building at 128 W. Marshall Street is deteriorating because of dampness in this area. Alderman Caldwell said the restroom facility at this location has always been a problem, and suggested that this area be turned into a picnic area if these buildings are removed. Manager Galloway said one option is to move the Recreation Maintenance offices to the basement of the Municipal Building or to the Armory if that operation is discontinued. Some of the day activities at the Armory could be discontinued if they are also being offered at the Recreation Center. Evening activities could remain at the Armory, such as Karate and Judo. The basketball area is mainly used for practice.

Manager Galloway said the county-wide recreation study conducted in 2004-2005 recommended that the Armory be sold but he would not recommend this. Mayor Brown said selling the Armory could create a business opportunity for this area, although he did not want to abandon the building to some community use. It was the consensus of the Board to retain the building,

but look at improved uses. Alderman Feichter suggested designating the Armory as the Senior Recreation Center.

Manager Galloway said Purchasing Director Julie Grasty suggested creating office space for Horticulturalist Jonathan Yates at the Public Works Building. Filling in the front portion of this building could add office space, an employee lunch area and increased inventory storage areas. Purchasing an additional fuel tank as discussed at the last Board Meeting, and using this year's fuel savings to pay for the tank was also discussed. Mayor Brown said he would like for the Board to develop the philosophy that Waynesville doesn't do crisis management, but does more strategic planning to anticipate and prepare for events before they occur.

It was the consensus of the Board that the Armory should not be closed, but that they continue to look at various alternatives on ways to use the building more efficiently. They did not want to offer activities that could take away from activities at the Recreation Center. The Board wanted to remain open to consider all options.

Mayor Brown said Alderman Caldwell deserves a pat on the back for the Skate Board Park project he has worked on for the past ten years.

- Creation of Capital Projects Fund

Mayor Brown said there are always capital improvements to be made. Manager Galloway recommended the creation of a capital reserve fund, beginning with funds remaining from the Fire and Police Buildings, and perhaps adding additional funds equal to one cent of the tax base annually to deal with projects on an ongoing basis rather than just when they become necessary. This fund would allow future Boards, Managers and Finance Directors to deal with unanticipated repair or renovation items. It was the consensus of the Board to be proactive rather than reactive and supported the creation of this fund. Alderman Feichter expressed appreciation to Manager Galloway and Finance Director Caldwell for always making the Board aware of situations before they became emergencies

Land Development Standards Review – Planning Director Paul Benson

Paul Benson said substantial progress has been made since hiring the Lawrence Group to review the Land Development Standards. The consultant's work is 75% complete and 14 of the 18 chapters have been drafted. The steering committee has reviewed 6 of the 14 chapters to date. Mr. Benson complimented the work that this committee has done as well as the work that was done by the committee in 2003 when this document was originally created. The committee has met 16 times, currently meeting weekly on Wednesdays at 7:30 a.m. with good attendance. This painstaking process is time well spent to develop a better ordinance than we currently have and the consultant is very design oriented.

This document groups the 29 districts into 8 basic district groups, reducing the 541 page document to 190 pages with formatted text organized and easier to read and navigate. A more flexible approach has been taken with parking locations, allowing up to 50% of required parking in the front of buildings in some districts. All other districts continue to require all parking to the

side or rear. There was discussion regarding parking regulations for various districts in Waynesville and how this would affect those areas.

A flexible zoning technique called "conditional use districts" has been added, allowing rezoning based on additional restrictions and an approved site plan. Mr. Benson said zoning in larger cities is not done on a speculative basis anymore. Developers are being asked to present a specific design plan that ties the zoning request to a specific site plan. This has been legally tested, is well developed and would only allow the specific site plan submitted. Mr. Benson said this is a great tool. However, it could also politicize the process.

Alderman Feichter asked about the proposed expansion at the Ingles Shopping Center. Paul Benson said the major development plans presented by Ingles include a gasoline station but are not allowed as proposed. He is working with the developer to determine what could be allowed. Alderman Feichter said she would like to see a parking lot with restricted access.

The Board and Paul Benson agreed that the committee is to be commended for their work and time spent on this project. Mr. Benson feels that a draft may be available by summer. The board thanked Mr. Benson for the clarity in his report.

COPS Grant Requirement – Creation of Community Input Committee

Police Chief Bill Hollingsed presented information on the COPS Grant, awarded in July 2009 which included the addition of two officers. This is a very community oriented grant with a requirement to create things that are helpful to the community. Waynesville's idea is to create a committee with representatives willing to identify problems and work toward solutions within their communities. Help is being sought from the Board Members in seeking appointees to this committee. Members would include representatives from the Central Business District (Downtown Waynesville Association President), Frog Level (Frog Level Merchant's Association President), six members are to be appointed by the Board of Aldermen to represent an area within the Town, and six members are to be appointed by the Police Department. Appointments to this Committee can be made by the Board of Aldermen at one of their future meetings.

Toward the end of May another Civilian Police Academy begins and Chief Hollingsed invited the Board Members to attend this academy.

The Waynesville Police Department has invented a Face Book Account, to inform residents when alerts or updates are issued. 560 people have already signed on to this account.

Emergency Plans

- Snow Removal Policy

Town Manager Galloway said during the last storm there were questions about Waynesville's snow removal plan. Prior to 1994, there was an informal plan in place, but a written plan was needed. That plan was developed in 1994 and has been revised regularly. Public Works Director Fred Baker said the ability to share this plan was not as easy in the past. It is now published on the Town's web site and quarterly newsletter.

Baker said as snow continues and where distress is being experienced the Street/Sanitation Department Superintendent receives help from the Police Department. Water, sewer, electric and parks and recreation employees also help with snow removal. Mr. Baker said metal blades can be used for ice removal, but these can also damage the streets, so rubber blades are used. During times of heavy snows, contractors are hired to help with the snow removal, and this can sometimes be a twenty-four hour per day operation. Mr. Baker said some streets are so steep and dangerous town personnel may not be able to safely clear them, sometimes resulting in complaints. When streets are scraped the snow left along the edges of streets covers driveways which are not cleared by town personnel. Sidewalks are cleared in the central business district when help is available, but generally sidewalks are not cleared.

- Hazard Mitigation Plan

Alison Melnikova said longer snow events tie into the Hazard Mitigation Plan which is up for its five year revision and will come before the board at their next meeting for consideration of combining Waynesville's plan into one plan with Haywood County. The Towns of Canton, Clyde and Maggie Valley will also be considering this combined Hazard Mitigation Plan with Haywood County.

The January newsletter includes information for people to sign up for assistance through a special needs registry during an emergency event. There are plans to set up a system to electronically notify people similar to the one used by the Haywood County School System.

Electrical System Overview – Public Works Director Fred Baker

Mr. Baker presented a map showing the areas where electricity is served by Waynesville, including a limited area outside Waynesville's corporate limits. The new substation has three feeder lines. One serves Associated Packaging extending to the movie theater in the Waynesville Plaza. The second is the East Waynesville circuit and another serves the Waynesville Plaza area extending to Water Street. Plans were to serve 60% of the customers with the old substation and 40% with the new substation. During the spring, summer and fall these percentages were approximately 50% and 50%.

Mr. Baker explained the various electrical circuits serving Waynesville. He said the plan is not fully implemented and new sections of line are being built to add to other feeders. Three circuits could serve the entire town from the new substation. The entire town was served by the old substation before the new substation was built. Mr. Baker explained the work that has been done and how during times of downed trees on lines and other situations, electricity can be switched and distributed through another feeder. During the snow on December 18 one switch caught on fire and was destroyed. Another large circuit switch was obtained from Progress Energy. The following Sunday morning with extreme cold and increased heat demands the system was overloaded and another fire occurred at the substation. Some outages have occurred during the time required to make these electrical load switches. Work being done to increase the size of wires for the distribution of electricity sometimes requires pole replacements. It was noted that Waynesville is geographically limited in its ability to extend the electrical system.

Water Projects

- Eagle Nest

Construction on the project to extend water to serve the Eagle Nest subdivision began in June 2009. Manager Galloway said this project is complete except for some work on the pump station. The \$300,000 contributed by the homeowners has been invested in the Town's name and an agreement reached with the homeowners regarding the handling of that account. Beginning in April 2011 and each year in April until 2020, Waynesville will withdraw \$30,000 necessary to make the payment on the loan. Any interest earned up to the date of withdrawal, will be paid to the Homeowner's Association. Mr. Baker said there has been a delay with putting the system into operation because some parts that came in were not correct. Negotiations are continuing and it is hoped that this project can be completed by summer.

- Dayton Drive/Mauney Cove Road

Award of bids for this project will be made at a special meeting on February 15, 2010. Work could begin by the end of February, 2010 with completion within two months.

- Automatic Meter Read System

Mr. Baker said bids for this project will be required to be pre-qualified. It will cost approximately \$20,000 for the software and radio computer equipment to establish this automatic meter read system which could be used in problem areas. Manager Galloway said the stimulus grant for the Dayton Drive/Mauney Cove Road and Automatic Meter Read System Projects totals \$904,000, one half of this amount could be forgiven and the other half would be in a 20 year loan with a 2 ½% interest rate.

Board members asked about recent low water pressure in the East Waynesville area. Mr. Baker explained the problem caused by Evergreen and steps being taken to correct it.

Staggered Terms

Alderman Caldwell said he did not support staggered terms and there could be some unfairness with a smaller amount of voters during the off year elections.

Alderman Greeley said it was important to have a sense of continuity on the board. Staggered terms assure the public that some board members will remain on the board after an election.

Alderman Feichter said when she attended councilman's school in 1999 she sat at a table where representatives from Emerald Isle had recently lost their entire board during an election. When you lose the entire board you lose institutional memory.

Alderman Roberson said the positive side of staggered terms is that you have someone left on the board rather than an entire board change. The points brought out by Alderman Caldwell were also good points.

Mayor Brown pointed out that there could be four of the five members that decide not to run for reelection. It was the consensus of the Board that no action was necessary at this point.

Board of Aldermen Subcommittees

Mayor Brown suggested the creation of a subcommittee consisting of one or two board members, possibly set up as an interest group, with responsibility in certain areas of expertise to represent a particular department and ensure that the department is given needed attention. This also ties in with succession planning and the need to be prepared, especially when several staff members could retire close to the same time. Alderman Feichter pointed out that there could be a negative side if a board member became too involved in a particular department. Manager Galloway said this could have some good points, although he has experienced when board members became too involved in one department. He added that the current board has never tried to intrude in this area.

Alderman Roberson suggested a quarterly briefing as a means of distributing information rather than being directly involved. No formal comments were solicited on this issue. Manager Galloway was asked to gather opinions from department heads. Mayor Brown asked the Board Members to think about this for discussion at a later time. Alderman Feichter said she felt that the idea has merit.

Watershed Plan Implementation

Town Manager Galloway presented a draft Harvest Plan for White Pine Stands, prepared by staff from Forest Stewards, Inc., and designed to comply with conditions identified in Article II, Section H(v) of the Conservation Easement for the Waynesville Watershed. He explained that there are areas where the sunlight is blocked off and there is a need to thin out some sections to allow new tree growth. These White Pine trees were planted in the late 1970's or early 1980's and involve approximately 50 acres. These trees will mature and begin to die around the same time. It was recommended in the stewardship plan to adopt this plan to clear out a number of these pine trees in order to allow new tree growth. The last meeting of the Watershed Committee was December 2009 and it was recommended that the Town speak with Nichol Smith, an individual that develops contracts for logging based upon what is specified in the contract and what the logger would do in this area. The plan would need to be reviewed and approved by Southern Appalachian Highlands Conservancy and Conservation Trust of NC and the activities overseen by those organizations. There is interest in experimental tree plantings with species such as the Chestnut. If this plan is approved it may be possible to do these treatments in the fall of 2010. Mayor Brown said this Watershed Plan was approved and it is important that it be done as it was approved and be done correctly. Alderman Roberson added that it should be done with communication and education. Manager Galloway said the Watershed Committee will probably appear before the Board in March 2010.

Attorney Griffin said he would like to have a three week series on the Watershed with Rotary as part of the education process.

- **Succession Planning**

Manager Galloway said he has developed a form and plans to begin working with department heads to determine what their plans are in the future to help with succession planning.

- **IT Issues**

Manager Galloway said Waynesville has a contract with New Meridian Technologies at a cost of \$27,000 per year to handle their IT issues. A full time IT employee could cost \$70,000 per year and was felt to be unnecessary at this time.

- **Annexation**

Manager Galloway said the Phase I Annexation of the Asheville Highway was completed. Plans to continue with the Phase II were delayed due to the high costs to extend sewer along the area. Phase II could be brought up again at some point in the future, although there are no plans at this time to do so.

There was discussion about satellite annexations, several of which were done when sewer was extended into areas outside the corporate limits, including Russ Avenue. Use of annexation to control growth was discussed. However, there was not a strong sense of support for satellite annexations. Public Works Director Fred Baker pointed out that future growth can also be controlled within the one mile extraterritorial jurisdiction.

Adjournment

Due to declining weather conditions it was the consensus of the Board to adjourn the retreat at 3:38 p.m.

Board Retreat Notes Submitted by Town Clerk Phyllis R. McClure

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL - 9 SOUTH MAIN STREET
MARCH 9, 2010
TUESDAY - 7:00 P.M.

The Board of Aldermen held a regular meeting on Tuesday, March 9, 2010. Members present were Mayor Gavin Brown, Alderman Gary Caldwell, Libba Feichter, J. Wells Greeley and LeRoy Roberson. Also present were Town Manager A. Lee Galloway, Town Clerk Phyllis McClure and Town Attorney Woodrow Griffin. Mayor Brown called the meeting to order at 7:00 p.m.

Approval of Minutes of February 23, 2010

Alderman Feichter moved, seconded by Alderman Caldwell, to approve the minutes of the February 23, 2010 meeting as presented. The motion carried unanimously.

Downtown Waynesville Association Request for Street Closings for 2010
List of Sidewalk Sale Weekends

A list of the Street Closings requested by the Downtown Waynesville Association for 2010 was presented to the Board to review. In the past, it has been the policy of the Town that only the Mayor and Aldermen may call for the closing of streets for these events. In emergency situations, for wrecks or road conditions, utility work and street repairs or gas leaks, the town's department heads have the authority to close streets temporarily for the safety of the public.

Downtown Waynesville Association Director Buffy Messer attended the meeting to answer any questions regarding the requested street closings. Ms. Messer informed the board of a new event this year, proposed for June 5, that fits with the greater public interest in Heritage Tourism, the Appalachian Lifestyle Celebration. She said there is a total of \$6,000 available for this event, \$3,000 was received from the Tourism Development Authority and the Downtown Waynesville Association has \$3,000. Some of the suggested activities during this event include blacksmith, churning and pottery making demonstrations. David Holt has agreed to perform at the event and DWA is in negotiations for his attendance. Ms. Messer said plans are to stay as authentic as possible by offering items such as tea, lemonade and water rather than soft drinks, and to include as many non profits as possible in the event. There is one less event being proposed in 2010, as the Night Before Christmas event has been changed from two Saturday nights in December to one Saturday night, December 11.

In accordance with Town Ordinance 14-82, Ms. Messer submitted the list of dates for conducting Sidewalk Sales in downtown Waynesville. These sales give merchants an opportunity to display their merchandise on the sidewalks, something that is otherwise prohibited except during such designated Sidewalk Sales. This has not been a problem in the past and occurs during longer

weekends associated with Memorial Day, July 4th and Labor Day.

Ms. Messer said the N. C. Main Street Program's annual awards competition recognizes the outstanding achievements of participating communities in categories reflecting the four areas emphasized by Main Street: organization, design, economic restructuring and promotion. This year a local project was recognized for its excellence in the 2009 N. C. Main Street Awards competition. The Waynesville Police Department/Development Office and Town Hall won top honors, receiving an Award of presented an award presented to the Town on the new Town Hall/Police/Development Office building. Ms. Messer presented the award to the Mayor and Board of Aldermen.

Alderman Roberson moved, seconded by Alderman Greeley, to approve the list of street closings for 2010 as presented by the Downtown Waynesville Association and to approve the list of dates for Sidewalk Sales in downtown Waynesville. The motion carried unanimously.

FEMA Reimbursement for Storm Damage

Manager Galloway reported that Assistant Town Manager Alison Melnikova met with FEMA officials again today to finalize the paperwork involved with reimbursements for damage due to the recent snow storms. Waynesville qualifies for \$95,000 in reimbursements. This amount excludes the damage to the substation, except for the \$5,000 deductible which is reimbursable. Snow removal does not qualify. However, equipment used for debris removal does qualify. No action was necessary.

Ethics Training for Board Members

Alderman Wells Greeley recently attended a session for new board members with Assistant Town Manager Alison Melnikova. This session included the newly required ethics training for board members. Alderman Greeley said this was a good meeting and he was impressed with the number of people that attended.

Another ethics training session is being offered in Waynesville on April 13, 2010. Several board members plan to attend this training session. No action was necessary.

Miscellaneous Items

Manager Galloway said the Legislative Update is scheduled in Asheville on April 20, 2010.

Alderman Feichter said she will be attending the Finance and Administration Committee Meeting in Raleigh on March 26. One of the items being discussed is privatization of the ABC Boards. She asked that Board Members relay to her any information they would like for her to take to Raleigh for discussion.

Alderman Caldwell said he has been asked to serve on a committee at the request of the Public Arts Commission to help choose the artwork for the Mini Park.

Due to recent snow, the skate park design meeting was cancelled and rescheduled for Thursday,

March 18 at 7:00 p.m. at the Waynesville Recreation Center.

Closed Session Personnel Matter

The annual evaluation form for the Town Manager has been distributed to Board members by the Human Resources Director. All members have submitted their evaluations to Human Resources and the Town Manager has been provided a copy. The Town Manager has submitted his self-evaluation to the Board members. Mayor Brown has suggested that the Board enter closed session at the meeting of March 9 for discussion.

Alderman Greeley moved, seconded by Alderman Caldwell, to adjourn to closed session at 7:22 p.m.

After a period of discussion regarding the Town Manager's annual evaluation Alderman Greeley moved, seconded by Alderman Roberson to return to regular session at 8:07 p.m. Both motions carried unanimously. No action was necessary.

Alderman Greeley advised the Board that his wife's firm which does interior design had been contacted by Architect Randy Cunningham to work with him on the renovations to the Hazelwood Branch Office. This is the project that would involve the renovations to house the Finance Department when it relocates from the Municipal Building. Alderman Greeley advised that based upon the recent Ethics Training Session which he attended he did not feel that there would be a violation of the Conflict of Interest because of a family member working for a company that worked for the Town. He had discussed this with the Assistant Manager and the Town Manager who both noted that Waynesville would be covered by any small town exemption of up to \$40,000 and his wife's fee to Mr. Cunningham would certainly not be anywhere near that threshold. Alderman Greeley asked that this information be reflected in the minutes of the Board of Aldermen Meeting.

Mayor Brown informed the Board that he had been contacted by the Chairman of the ABC Board, Earl Clark, to work with them on the purchase of the lot in West Waynesville for a new ABC Store. The Mayor indicated that he had been advising the ABC Board and also talking with the lot owner on their behalf.

Adjournment

With no further business, Alderman Feichter moved, seconded by Alderman Roberson to adjourn the meeting at 8:15 p.m. The motion carried unanimously.

Phyllis R. McClure
Town Clerk

Gavin A. Brown
Mayor

ITEM 2. REQUEST TO ADD \$2,500 CONTINGENCY FOR
HAYWOOD COUNTY CHAMBER OF COMMERCE

When the budget for 2009-2010 was nearing completion, the Board made a decision to keep \$2,500 as a contingency in the account for donations to other agencies and non-profits. In recent years, after the budget was adopted, various organizations would approach the Board seeking an appropriation to assist that group in their work. This year, the board decided to set aside some funds for groups that appear to make a request of this nature.

Mayor Brown has asked that the matter of appropriating these funds for use by the Haywood County Chamber of Commerce be placed on the agenda for Tuesday's meeting.

ITEM 3. MUNICIPAL ENVIRONMENTAL ASSESSMENT COALITION

The State of North Carolina has proposed a review of the rules concerning surface water quality. There is concern that new rules could have a dramatic impact upon the wastewater treatment processes, require implementation of stormwater programs, mandate development rules such as riparian buffer zones and further regulate the land application of biosolids.

With this in mind, the Planning and Services Technical Advisory Committee of the League of Municipalities has reviewed the proposed rules and predicted that the cost to municipalities will be significant. They have recommended that an engineering analysis be conducted to assess the extent of the impact and provide some policy suggestions that can be used to inform and influence state regulators.

The League has prepared an agreement which is entitled the "NCLM Municipal Environmental Assessment Coalition Project Participation Agreement." Municipalities from across North Carolina have been invited to join in this effort since it will have a direct and possibly a significant impact upon each town and city. The cost to join the group is based upon population, and Waynesville's fee would be \$500.

This matter has been discussed with Public Works Director Fred Baker and Wastewater Plant Superintendent David Smith, and both agree with the assessment that Waynesville could be dramatically impacted.

It would be our recommendation that the Town Board approve entering this agreement with the League of Municipalities so that the matter may be assessed and recommendations developed in response to new rules and regulations. We would ask that the Board authorize Mayor Brown to sign the attached agreement on behalf of the Town.



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PRESIDENT: **Rodney W. Locks**
Council Member, Brevard
FIRST VICE PRESIDENT: **Chris D. Jones, III**
Council Member, Clemmons
SECOND VICE PRESIDENT: **Loretta Clawson**
Mayor, Boone
IMMEDIATE PAST PRESIDENT: **Gerald A. Jones, Jr.**
Mayor, Morehead City
EXECUTIVE DIRECTOR: **S. Ellis Hankins**

To: Managers, attorneys, clerks, water and wastewater operations managers

From: S. Ellis Hankins, Executive Director
Kelli Kukura, Director of Government Affairs

Re: Municipal Environmental Assessment Coalition – Project Participation Agreement

Date: March 15, 2010

Dear League Members,

In December, we corresponded with you regarding the formation of the Municipal Environmental Assessment Coalition (MEAC). You will remember that MEAC members will support an engineering analysis to examine the ramifications of the proposed “triennial review” surface water quality rules. This state regulatory proposal will likely affect wastewater treatment processes, require implementation of stormwater programs, mandate development rules such as riparian buffer zones, and further regulate the land application of biosolids. If the rules are enacted, no corner of the state will be untouched.

The League’s Planning & Services Technical Advisory Committee (P&S TAC) members have reviewed the proposed rules and predicted that the costs to cities and towns across the state will be significant and potentially debilitating. In response, the engineering analysis supported by MEAC members will assess the extent of that impact and provide policy suggestions that can be used to inform and influence state regulators.

With this letter, we have included two originals of the “NCLM Municipal Environmental Assessment Coalition Project Participation Agreement.” The agreement includes the cost of MEAC membership for your city or town. At the decision of members of the P&S TAC, participation costs are set based on population.

We urge you to consider this agreement and send in both signed copies along with the appropriate payment BY APRIL 1, 2010. Please remember to date the agreements on the first page as of the date you are signing. Once we receive these documents and payment, we will sign both documents and return one to you. Then, your municipality will be a MEAC member.

We hope you will see the importance of participating in this effort. If you have any further questions, please contact Erin Wynia, policy analyst, at ewynia@nclm.org or (919) 715-4126.

This instrument has been preaudited
in the manner required by the Local
Government Budget and Fiscal Control Act.

(Finance Officer)

**NCLM MUNICIPAL ENVIRONMENTAL ASSESSMENT COALITION
PROJECT PARTICIPATION AGREEMENT**

This Agreement is made and entered into this _____ day of _____, 2010, by and between the Town of Waynesville (sometimes hereinafter referred to as the "Town" and the North Carolina League of Municipalities (sometimes hereinafter referred to as the "League").

RECITALS

WHEREAS, in accordance with a mandate of the U.S. Environmental Protection Agency ("EPA"), the N.C. Department of Environment and Natural Resources Division of Water Quality ("DWQ") has initiated a review and modification of existing surface water quality standards, proposing to lower the standards for various metals and the nutrient chlorophyll-a; and,

WHEREAS, the DWQ proposed standards are extremely complex expressions of national scientific studies which will cause, when enacted, municipalities statewide to undertake expensive upgrades to wastewater treatment plants, implement stormwater programs, enact development regulations such as riparian buffers, and restrict further land application of biosolids practices; and,

WHEREAS, members of the League's Planning & Services Technical Advisory Committee recognized the potential burdens of the proposed standards and related rules and identified the need for a coordinated statewide analysis of the impacts of those rules in order to obtain accurate, science-based knowledge to be used in efforts to promote the adoption of rules that will protect water quality while having the least negative impact upon municipalities; and,

WHEREAS, the Committee further recognized that specialized professional expertise would be required to conduct the analysis and suggested that the League, as an additional service to its members, engage an engineering firm to perform that work with the costs thereof to be funded by members of the League desiring to participate; and,

WHEREAS, the League, through a subcommittee of the Planning & Services Technical Advisory Committee, will recommend that an engineering firm ("Consultant") be selected to conduct the analysis and perform the work desired; and,

WHEREAS, the League is prepared to move forward and contract with the Consultant, once selected, and the Town desires to participate in funding the costs of the work as herein specified.

NOW, THEREFORE, in consideration of the mutual promises herein set forth, the League and the Town agree as follows:

1. Definitions

The following terms, except where the context clearly indicates otherwise, shall have within this Agreement the respective meanings set forth below.

(a) "Agreement" means this NCLM Municipal Environmental Assessment Coalition Project Participation Agreement.

(b) "Consulting Services Agreement" shall mean that agreement entered into between the League and the Consultant pursuant to which the Services will be performed.

(c) "MEAC" means the Municipal Environmental Assessment Coalition which is the group of League members that agree to participate in the Project Cost. A "MEAC Participant" is a member of the group.

(d) "Participant Cost" means the portion of the Project Cost paid to the League by an individual MEAC Participant.

(e) "Project Cost" means the cost for the Services as provided by the Consultant pursuant to the Consulting Services Agreement.

(f) "Project Fund" means the separate fund held by the League consisting of the total amount of Participant Costs received from MEAC Participants and applied in accordance with this Agreement.

(g) "Services" means the work to be performed by the Consultant to include conducting a fiscal analysis of the statewide impacts and benefits of the proposed DWQ rules; explaining the areas of state policy that affect implementation of the

proposed rules; and suggesting modifications or alternatives to those rules that will lessen the impacts or increase the benefits of the proposed rules.

2. Project Administration

The League, subject to the provisions of Section 5 below, shall enter into the Consulting Services Agreement. The League will administer the Consulting Services Agreement and, in consultation with members of the League's Planning & Services Technical Advisory Committee, supervise the work of the Consultant. The League shall pay sums due to the Consultant under the Consulting Services Agreement from the Project Fund.

3. Participant Cost

The amount of the Participant Cost to be paid by the Town is Five Hundred Dollars (\$500.00). The Participant Cost shall be paid in two installments due as follows: one-half at such time as this Agreement is executed by the Town and it is submitted to the League for execution; and, one-half on or before July 31, 2010 upon submission of an invoice by the League, such invoice to be submitted subsequent to July 1, 2010.

4. Use of Project Results

The results of the work performed by the Consultant will be available for use by the League and MEAC Participants.

5. Conditions Precedent to League's Performance

The League's obligation under this Agreement to enter into the Consulting Services Agreement is conditioned upon a sufficient number of municipalities entering into similar agreements with the League (obligating such municipalities to provide funds to pay the Project Cost) to fund the full amount of the Project Cost. The Town acknowledges that, in reliance upon this Agreement, the League will enter into the Consulting Services Agreement and thereby incur monetary obligations which will be paid, in part, by payment of the Participant Cost. In the event that the League does not enter into the Consulting Service Agreement, the League will refund to the Town the portion of the Participant Cost paid by it.

6. **Miscellaneous**

(a) This Agreement shall be dated as of the date it is executed by the Town.

(b) This Agreement shall be executed in two counterparts, each of which shall constitute an original. This Agreement and its counterpart shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Town of Waynesville

By: _____

(Title)

North Carolina League of Municipalities

By: _____

S. Ellis Hankins
Executive Director

ITEM 4. REAPPOINTMENT OF COMMUNITY APPEARANCE
COMMISSION MEMBERS

The Community Appearance Commission is a nine member board that reviews proposed projects in the community, considering ways in which the project might be made more attractive and functional. The Commission is arranged so that there are staggered terms, with each member serving three years.

The terms of Ron Muse, Don Norris and Buffy Messer expired on March 1, 2010. They have been contacted and each has indicated a desire to continue their service on the Community Appearance Commission. They have been good and faithful members of this group and their reappointment is recommended for a new three year term.

ITEM 5. BIDS ON FIRE TRUCK

On Tuesday, March 16, bids were opened on a new fire truck. This is on a 1,500 gallon per minute pumper truck which is needed to go on the front line. The 1988 Fire Pumper we have, known as Unit 1501, needs to be moved to a second line status and serve as a backup unit.

We received bids from six companies and the prices were relatively close, ranging from a low of \$342,543 for a Pierce model to a high of \$365,659 on a HME Fire Truck. We were pleased to see so many bidders and feel that with that many bidders and the bids as close as they are, the prices are competitive. The delivery time on the fire trucks ranged from a low of 180 days to a high of 330 days. Pierce estimated a delivery time of 7 to 8 months, so we would not anticipate seeing the truck before the fall.

Pierce has a long history of providing superior fire equipment. This is certainly a significant amount of money, but you have to consider that a fire truck will typically serve a community for a minimum of 20 years. In that regard, it must be viewed as a long term investment.

With the price of this truck, we will likely be financing the unit for a longer period than normal, perhaps as much as ten years. This summer, we will put the financing out to bid with the expectation that the first payment on the truck will not actually be due until Fall, 2011.

Fire Chief Joey Webb, Assistant Chief Shannon Morgan and others in the department have reviewed the specifications, and we join together to recommend the purchase of the Pierce Fire Pumper from Triad Fire Equipment at a price of \$342,543.

Fire Apparatus Bid Opening

March 16, 2010 2:00 pm

[illegible]