

AGENDA
REGULAR MEETING
BOARD OF ALDERMEN
TOWN OF WAYNESVILLE
TOWN HALL – 9 SOUTH MAIN STREET
AUGUST 24, 2010
TUESDAY – 7:00 P.M.

CALL TO ORDER

ITEM 1. APPROVAL OF MINUTES OF JULY 27, 2010

ITEM 2. PUBLIC HEARING - AMENDMENT TO ADD SECTION 154.404
TREE REMOVAL

Attorney Jack Kersten, on behalf of his client, Dick McCotter, has requested an amendment to the Town's Land Development Standards which would allow some degree of tree and brush removal. The Planning Board debated this issue over the past few months and arrived at a proposed amendment which they have voted to recommend to the Mayor and Town Board.

I would refer you to the Planning Board minutes of July 19, 2010, at which time this matter was discussed and a proposal passed for presentation to the Town Board. You will find the wording of the proposed ordinance as well as the record of much of the discussion which took place at the Planning Board meeting.

The proposed amendment to the Land Development Standards requires a public hearing and that has been scheduled for the meeting of Tuesday, August 24.

ITEM 3. SKATE BOARD PARK DESIGN PRESENTATION
HAYS HITZING – SPOHN RANCH

During the early part of 2010, the Town Board approved a proposal from Spohn-Ranch to develop a Skate Board Park design for Waynesville at the site of the former horse ring on Vance Street. For the past several months, Town staff members and any interested citizen have been working with Mr. Hays Hitzing of Spohn-Ranch in selecting a design that would be desirable for this facility.

A proposed design has been developed, and Spohn-Ranch has worked with local individuals and firms such as Daniel Hyatt of Broadbrooks Associates on landscape design and Patrick Bradshaw of Civil Design Concepts on engineering of the site. The current plan is that Mr. Hitzing will meet with the general public on Monday, August 23

to present the preliminary design. Mr. Hitzing then plans to appear before the Town Board on Tuesday evening to make the presentation.

There is a general consensus that once a design is selected, a fund raising campaign can be organized to see the money necessary to construct such a facility. The thought at this point is that it would be easier to seek donations if a potential donor can actually see what their contribution will help construct.

This has been a very long process, one that began in the 1990s. The Board is now reaching the point of having a plan on the table. You deserve credit for having the determination to stick to the project through these many years until having a design in place and a plan to proceed.

ITEM 4. REQUEST TO CLOSE MAIN STREET FOR SEPTEMBER 11 MEMORIAL

There follows a letter from Ms. Beverly Elliot on behalf of the Haywood 912 Project seeking the Board's approval for the closing of Main Street on Saturday, September 11, between the hours of 6:00 and 9:00 p.m. The group is planning a memorial service in remembrance of those who were killed on September 11, 2001. The event is planned for the grounds of the Haywood County Courthouse, and Ms. Elliot is asking that Main Street be closed between Depot and Walnut Streets during that time.

Ms. Elliot is also requesting a rolling parade of emergency, fire and law enforcement vehicles coming down Main Street, approaching from the south before turning down Depot Street to return to their stations or remain for the ceremony. A request is also made that the United States flag be raised between two fire trucks positioned on Main Street in front of the courthouse.

Following the terrorist attacks on September 11, 2001, the Town has supported activities commemorating those sad events and the loss of lives. For several years, there were ceremonies at the American Legion grounds, and the Town played a role in those.

In recent years, we have turned down a number of requests seeking to close Main Street for a variety of reasons. I have noted previously my concerns about the Town simply closing Main Street which is a part of the highway system of the State. Thus far, the State has not objected to these street closings, but if the number of closings grows, I fear they will receive complaints about the hindrance to the motoring public. The State might then deny all street closings on roads they own and maintain unless the Town establishes a signed detour route around the Main Street area which is blocked. This is typically what is required in many DOT Districts throughout North Carolina.

There have been others making requests for street closings whom we have discouraged or turned down due to the expense for overtime that would be necessary for police, fire and street personnel to facilitate any event that requests the closure of Main Street. The overtime budgets of all departments have been reduced in view of the serious economic situation the Town has faced and is continuing to experience.

For other events at the courthouse, groups have used the steps and elevated entry in front of the historic courthouse as a stage placing them above the crowd on the lawn. I would recommend that this continue rather than the stage used for street dances or other events. We would be glad to have bleachers delivered to the courthouse lawn on Friday afternoon if the County gives permission for such an event to be held. But the event could be held so that no overtime or extra work is required of our personnel, thus helping the Town hold down costs and staying within our budget.

**ITEM 5. CONSIDERATION OF DONATION OF SURPLUS EQUIPMENT
 TO THE CANTON FIRE DEPARTMENT**

In 2009, the Waynesville Fire Department was fortunate to receive a grant which allowed the replacement of a number of radios, pagers and air packs. Since that time the old air packs have been retained but not used. We have more than a dozen of these older air packs on hand.

Fire Chief Joey Webb became aware that the Canton Fire Department is working on finding funds for a new fire truck and they are looking for equipment for the truck. With the extra Scott Air Packs that the Waynesville Fire Department has on hand, Chief Webb is recommending that we pick out the six best air packs and transfer them to the Town of Canton Fire Department for their new truck. Chief Webb would like to retain a few of the air packs for training purposes and then place the rest of the units on Gov-Deals for sale to anyone interested.

Chief Webb will be on hand Tuesday evening to answer questions about the recommendation to donate these Scott Air Packs and provide any information needed.

**ITEM 6. ALCOHOLIC BEVERAGE CONTROL
 AFFIRMATION OF ABC BOARD MEMBERS SALARIES**

With changes at the State level regarding the management and operation of ABC Stores in all communities across the State, there is a need to confirm the compensation of the ABC Board members as established by the Town Board on February 26, 2008. For your information, a copy of the minutes from the Town Board meeting on that date is attached. In the final paragraph on that page, you will note that the Chairman's compensation was increased to \$350 per month and the two members were increased to

\$250 per month. To fulfill State requirements, the Town Board must affirm the earnings that were approved in 2008.

**ITEM 7. RESOLUTION SUPPORTING CURRENT PUBLIC
ALCOHOLIC BEVERAGE CONTROL SYSTEM**

During the past year, there has been considerable discussion at the State level on changing the Alcoholic Beverage Control System in North Carolina. The possibilities have pretty much covered the spectrum, from a complete takeover by the State and the elimination of any local control or involvement to a privatization of the alcohol system with private individuals and companies able to sell alcohol at retail.

The Town of Waynesville will typically receive approximately \$100,000 from the proceeds of the local ABC Store, and Haywood County will receive around \$65,000. If the State were to take over the ABC Stores and system or to privatize the operation of these stores, it is quite possible that local governments throughout the State will lose the revenues provided by the stores.

It has been recommended that local governments throughout the State adopt resolutions, such as the one attached, seeking to continue the present ABC System in North Carolina, to oppose any privatization efforts, and to maintain local control of the operations and profits from sales at the stores.

**ITEM 8. REQUEST FOR CONTRIBUTIONS
DICKIE WOODY, HAYWOOD COUNTY VETERANS COUNCIL**

The Haywood County Veterans Council has presented a request for a donation from the Town of Waynesville to help support the construction of a marker for each of the 264 Haywood County natives who have died in action from World War I through Iraq and Afghanistan. The requested donation is for \$2,000. The request and the information about the organization are attached.

**ITEM 9. REQUEST FOR CONTRIBUTIONS
FRED UNDERWOOD, DISABLED AMERICAN VETERANS**

The Disabled American Veterans Chapter #89 has presented a request for a donation from the Town of Waynesville to help support the work of their organization. A letter has been submitted explaining the work that is done by the organization and the purpose for which the donation is requested.

ITEM 10. FIRE TRUCK LOAN SUMMARY OF QUOTES

During the spring of 2010, the Town Board approved the bids to supply the Fire Department with a new Pierce Fire Truck and the equipment for that truck having a combined total cost of \$397,600. This truck was ordered so that the present Unit 1501, a 1988 Ford Fire Truck, may be moved from a front line truck and become a back up unit. The Pierce truck is under construction and expected to be delivered in late September or early October.

Finance Director Eddie Caldwell has solicited proposals from financial institutions interested in funding the purchase of this fire truck, and these were opened on Tuesday, August 17 in the Municipal Building. We were most pleased to receive quotations from six financial institutions, and we were even more pleased with the rates which have been offered. As you will see from the following Summary of Proposals, with traditional Lease-Purchase financing, BB&T has offered the lowest interest rate for both a 7 year agreement and a 10 year agreement. The quote for a 7 year agreement was 2.25% and the quote for a 10 year agreement was 2.56%. This is probably the lowest rate quote in many years. We have seen some low interest rates offered on equipment for shorter, three year terms, but never for a ten year term. Under this type financing, because the agreement is with a governmental unit, which is tax exempt, the interest earnings of the bank on the loan are also tax exempt. That explains the lower interest rates.

There is another option offered by RBC Bank, and this is called the Build America Bonds Program. Under this program, as we understand it, the lending institution charges an interest rate which is higher and upon which the institution is taxed; however, the governmental unit may apply for a rebate from the Federal Government in an amount of 35% of the interest paid on the Bond. While the interest rate appears to be higher on the surface, by the time the rebate is deducted, the interest rate appears to have a lower "Net" cost to the Town due to the rebate. Based upon the calculations of the Finance Director, it appears that the total cash outlay for a ten year period would be \$450,852.29 with the Build America Bonds Program versus \$454,880.90 with the traditional financing offered by BB&T, a difference of \$4,028.61. There is a loan cost of \$750 charged by RBC Bank, none by BB&T, bringing the difference to \$3,278.61.

While the proposal from RBC Bank should have a lower total outlay, there is more work involved. Each year, the Town would make the \$47,952.66 annual payment on the loan and would then need to apply for a rebate of \$2,867.43 from the federal government. Sometimes, checks from the federal government are not quick turnarounds, and the Town may be in the position of waiting several weeks for the rebate check. We simply do not know how fast these rebate checks come.

At the present time, we have been into some water line projects with federal funds involved. The projects commenced in March and we have fronted the money from the onset and have yet to receive a reimbursement from the federal government. We have not been awaiting checks that entire time, we have been jumping through bureaucratic

hoops for several months before we could even make application for reimbursement. Will the Build America Bonds Program be the same?

In the case of the loan with BB&T, we are billed \$45,488.09, we make the payment, and that is the end of it until the next payment is due a year later. We do not have to tie a string around our finger to remind ourselves two or three weeks after making our payment to make an application for a rebate under a Bond Program and then to keep checking the mail until we are assured that the rebate has arrived or our bank account to see that a wire transfer has been made.

Finance Director Caldwell and I are a bit uncomfortable with the RBC proposal. It may save the Town \$3,278.61 cents over a ten year period, but it will also require some additional time and effort to complete the paperwork, make application for the rebate and to track the arrival of the rebate check or wire transfer. Will the program last? Could the U. S. Congress rescind this Build America Bond Program and the rebates available under that program? Who knows what Congress might do!

We have dealt with BB&T bank a number of times on lease-purchase agreements over the years, and the relationship has always been very good. I am not making any ill comments toward RBC Bank, for everything went smoothly in the single lease-purchase agreement we have had with that institution.

It would be our recommendation that the Town Board accept the proposed Lease-Purchase Agreement terms offered by BB&T, for a ten year period, with a 2.56% interest rate with a total Net Cash Outflow of \$454,880.90. While the seven year interest rate of 2.25% is indeed attractive, a fire truck is a piece of equipment that should last a minimum of 20 years. Financing it for half its life at such a favorable interest rate is a good use of the Town's resources.

If the Board agrees with our recommendation, BB&T asks that the attached resolution be adopted to enter the Lease-Purchase agreement on the fire truck.