

MINUTES OF THE TOWN OF WAYNESVILLE TOWN COUNCIL

Regular Meeting

June 13, 2023

THE WAYNESVILLE TOWN COUNCIL held a regular meeting on Tuesday, May 23, 2023, 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 6:03 pm with the following members present:

Mayor Gary Caldwell
Mayor Pro Tempore Julia Freeman
Councilmember Chuck Dickson
Councilmember Jon Feichter
Councilmember Anthony Sutton

The following staff members were present:

Rob Hites, Town Manager
Jesse Fowler, Assistant Town Manager
Martha Bradley, Town Attorney
Police Chief, David Adams
Assistant Police Chief, Brandon Gilmore
Misty Hagood, Finance Director
Elizabeth Teague, Planning Director
Beth Gilmore, Director of DWC
Jeff Stines, Public Services Director
Julie Grasty, Asset Services Manager
Lisa Burnett, Purchasing Supervisor

Members of the media:

Cory Vaillancourt, Smoky Mountain News
Becky Johnson, The Mountaineer
Payton Renegar, The Mountaineer

1. Welcome/Calendar/Announcements

Mayor Gary Caldwell welcomed everyone and reminded everyone that Saturday June 17th is Hazelwood's Hot Summer Nights car show, June 24th is the Main Street Mile, and June 27th is the regular scheduled Council meeting. Councilmember Chuck Dickson said that Saturday, June 17th, 4-7pm, First United Methodist Church is having a Juneteenth celebration.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to place item number three (Call for a Public Hearing: Social District Implementation Recommendations within the Downtown Municipal Service District) before the Public Comment section. The motion passed unanimously.

2. Call for a Public Hearing: Social District Implementation Recommendations within the Downtown Municipal Service District.

- Beth Gilmore, Director of the Downtown Waynesville Commission

Director Beth Gilmore reported that In September of 2021, Governor Cooper signed into law House Bill 280 – ABC Omnibus Legislation – giving municipalities the authority to establish “social districts” as designated areas permitting the possession and consumption of alcohol in public spaces, under certain conditions. In July of 2022, Director Gilmore stated that House Bill 211 – Social District/Common Area Clarifications – was signed into law providing more detail concerning how social districts should be regulated. Together, she said that House Bills 890 and 211 allow cities and counties to create (and eliminate) a social district by ordinance. She said that the statutes require that social districts be restricted to clearly defined boundaries and operate under certain conditions, but it affords municipalities the discretion to decide specific details such as boundary lines, hours of operation, and procedural logistics.

Director Gilmore said that The Downtown Waynesville Commission (DWC) has taken several steps to better understand the Municipal Service District’s (MSD) desires to either create or prohibit social districts within the MSD. Social district legislation was first introduced to the MSD during a public forum on May 25, 2022, and at a second public forum on September 15, 2022, where social districts were discussed as a primary agenda item. Since these two initial public forums, she reported that the DWC has distributed surveys throughout the MSD in order to hear more direct feedback from individuals who work, live, and own property and businesses within the district and received 100 responses in return. She added that the DWC has gathered anecdotal evidence from Municipalities across North Carolina to better understand the positive and negative effects of implementing social districts within their communities. Director Gilmore said that based on their findings through two public forums, district surveys, and communications with other social district communities, the Downtown Waynesville Commission voted at a special called meeting held on May 22, 2023, to recommend that the Town Council approve the implementation of a social district within the Downtown Municipal Service District along the following parameters:

1. Time: The DWC recommends that a social district within the MSD be permitted during the hours of 10:00a.m. to 10:00 p.m., Monday through Sunday.
1. Logistics: The DWC recommends that a social district within the MSD function allowing ABC permit holders to sell alcoholic beverage in their own disposable cups with their establishment clearly identified on the cup, with the name of the social district clearly designated on the same cup with a sticker that is provided by the Town of Waynesville.
2. Location: The DWC recommends that a social district within the MSD be permitted from the intersection of Pigeon Street and Main Street to the intersection of Walnut Street and Main Street, including Church Street, Miller Street, and Depot Street from their intersections with Main Street to their intersections with Montgomery Street, further including East Street from its intersection with Main Street to its intersection with Wall Street, and further including Wall Street from its intersection with East street to its intersection with Wells Event Way.

3. State statute affords municipalities the ability to either permit or prohibit the consumption of alcohol purchased from one ABC licensed establishment within another separate ABC licensed establishment. The DWC did not vote upon a recommendation for the Town Council on this issue.

Councilmember Sutton said that all Republicans in the Senate and House of Representatives voted for Social Districts.

Councilmember Dickson asked how long the Town of Sylva's social district has been operating, and what problems, if any, have they encountered? Director Gilmore said that they established the district sometime in 2021 and have no reported issues.

Councilmember Feichter asked if Director Gilmore spoke with Sylva's Police Chief about potential issues. Director Gilmore said that there were no changes or an increase in crime associated with the social district.

Town Manager Rob Hites asked who responded to the survey that DWC provided. Director Gilmore said property and business owners, some residents, and employees that work in the proposed social district were surveyed. She added that no Town employees were surveyed.

Councilmember Feichter said he recused himself from DWC's vote and was not present during the DWC meetings discussing Social Districts because he did not want to be influenced by their discussions.

Councilmember Freeman said that Buncombe County and Hendersonville denied social districts.

Mayor Caldwell cited his Christian faith and said he cannot support a social district. He then read a letter from Sherriff Wilke that said he did not support social districts.

A motion was made by Councilmember Anthony Sutton, seconded by Councilmember Chuck Dickson, to call for a public hearing on June 27, 2023, for the purpose of hearing the Downtown Waynesville Commission's recommendations for a social district within the Municipal Service District. Councilmembers Anthony Sutton, Julia Freeman, Jon Feichter, and Chuck Dickson voted in the affirmative. Mayor Gary Caldwell voted against. The motion passed.

B. PUBLIC COMMENT

Joe Lapari- 156 Johnson Hill Drive, Waynesville: Mr. Lapari spoke against social districts, citing his experience with alcohol in the Navy.

Lois Hollis- 156 Johnson Hill Drive, Waynesville: Ms. Hollis spoke against social districts saying that Waynesville already has an issue with drugs and crime.

Sharon Walls-147 Maple Street Way, Waynesville: Ms. Walls spoke against social districts and said that drinking is a lead problem in our country.

Sherry Morgan-437 Boundary Street, Waynesville: Ms. Morgan spoke against social districts and said that this will affect the legacy of Waynesville negatively. She said she thinks vagrants will go through the trash and drink discarded alcohol and re-use the cups.

Melinda Davis-264 Stamey Cove Road, Clyde: Ms. Davis spoke against social districts and said that she lost her sister to alcoholism.

Scott Wilson-107 Bramley Drive, Waynesville: Mr. Wilson spoke against social districts and said that police do a good job, but there is already a drug issue in Waynesville.

Roy Kilby- 441 Morgan Road, Candler: Mr. Kilby spoke against social districts, said that the ten commandments are being abandon.

Paula Eachus-700 Laurel Ridge Drive, Waynesville: Ms. Eachus spoke against social districts. She asked how many businesses there are in the proposed social district are. She asked who pays for the cups, law enforcement, damages, and cleaning up vomit off the street.

David Eachus-700 Laurel Ridge Drive, Waynesville: Mr. Eachus spoke against social districts and said he is astonished to think GOP voted for social districts.

C. ADDITIONS OR DELETIONS TO THE AGENDA

A motion was made by Councilmember Sutton, seconded by Councilmember Dickson, to add "Reimbursement from Governors Highway Safety for Overtime Traffic Enforcement within the Town of Waynesville" to the agenda. The motion passed unanimously.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to approve the agenda as amended. The motion passed unanimously.

3. Reimbursement from Governors Highway Safety for Overtime Traffic Enforcement within the Town of Waynesville
 - Brandon Gilmore, Assistant Police Chief

Assistant Police Chief Brandon Gilmore reported that the Waynesville Police Department has participated in the Governors Highway Safety Program for many years. He said that the department recently became aware of a grant opportunity that would reimburse agencies for overtime work that was directed towards traffic enforcement within their jurisdiction. He added that the Waynesville Police Department applied for this opportunity and was selected for this reimbursement program. The grant specifically will reimburse the Town of Waynesville for up to \$25,000 dollars to direct officers specifically for traffic enforcement efforts.

A motion was made by Councilmember Sutton, seconded by Councilmember Freeman, to approve the Resolution R-11-23 a "resolution of support of the Governor's Highway Safety Grant for Overtime Traffic Enforcement for the Town of Waynesville". The motion passed unanimously.

D. CONSENT AGENDA

All items below are routine by the Town Council 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.

4.
 - a. Adoption of minutes of the May 23rd, 2023 Regular meeting
 - b. Folkmoot Special Event Permit
 - c. FUMC Juneteenth Special Event Permit
 - d. Stars and Stripes Special Event Permit
 - e. Christmas Tree Lighting Special Event Permit

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to approve the consent agenda as presented. The motion passed unanimously.

E. CALL FOR PUBLIC HEARINGS

5. Call for a Public Hearing to be held on June 27, 2023, to consider an Application for Text Amendment to Land Development Standards Section 5.10.2, Mixed-Use/Commercial Building Design Guidelines, Façade Materials
 - Elizabeth Teague, Development Director

Development Director Elizabeth Teague reported that an applicant has proposed a text amendment to section 5.10.2 of the Land Development Standards to add the phrase “*metal panels and siding*” to this list of permitted materials. She added that the applicant asserts that the quality and appearance of metal siding has significantly improved since the adoption of the Land Development Standards and is now widely used in high quality applications and settings.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to call for a Public Hearing to be held on June 27, 2023, to consider an Application for a Text Amendment to Land Development Standards Section 5.10.2, Mixed-Use/Commercial Building Design Guidelines, Façade Materials. The motion passed unanimously.

F. OLD BUSINESS

6. 2023-2024 Annual Budget
 - Rob Hites, Town Manager

Town Manger Rob Hites said staff is presenting the final draft of the budget for approval.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to adopt the 2023-2024 Budget Ordinance as presented. The motion passed unanimously.

A motion was made by Councilmember Sutton, seconded by Councilmember Dickson, to approve the Resolution for the Garage Internal Service Fund Financial Operating Plan for 2023- 2024. The motion passed unanimously.

A motion was made by Councilmember Dickson, seconded by Councilmember Freeman, to approve the amended ARP Grant Project Ordinance. The motion passed unanimously.

G. NEW BUSINESS

7. Police Department Budget Amendment to use Forfeiture Funds for the purchase of patrol rifles.
- Police Chief David Adams

Mayor Caldwell asked Chief Adams about an update on speed control measures for Legion Drive. Chief Adams said that officers ran radar for a few days and issued citations and warnings. Assistant Police Chief Gilmore said that as the Town installs more speed bumps, people simply avoid those roads and speed on adjacent streets. Other potential methods of speed reduction were discussed.

Police Chief Adams reported that the Police Department is requesting Federal Forfeiture funds be made accessible for the purchase of five patrol rifles. With the addition of new officers, Chief Adams said the police department needs to purchase five additional patrol rifles for duty assignment. Adams Arms Holdings, LLC, contacted the police department with a very rare opportunity to purchase these rifles at less than half the normal price. He added that the funds being used to purchase the rifles are not from taxes, but money seized from drug dealers.

A motion was made by Councilmember Dickson, seconded by Councilmember Freeman, to approve the budget amendment to use Federal Forfeiture funds for the purchase of the above requested rifles. The motion passed unanimously.

8. Extend Janitorial Contract for Town Facilities.
- Julie Grasty, Asset Services Manager

Asset Services Manager, Julie Grasty, reported that the Reliable Facility Group has done the cleaning for the Town since 2021, and we are pleased with their service. She said that staff is recommending extending the contract for another year with an 8% price increase.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to extend the Janitorial Contract to Reliable Facility Group with the contract ending June 30th, 2024. The motion passed unanimously.

9. Street Paving Contract
- Lisa Burnett, Purchasing Supervisor

Purchasing Supervisor, Lisa Burnett, reported that the current contract with WNC Paving ends in June 30th, 2023. After receiving three bids, WNC Paving was once again the lowest bidder. Ms. Burnett said that staff is

recommending awarding the bid to WNC Paving. Ms. Burnett said that there is \$300,000 available for the upcoming fiscal year to be used for paving.

Town Manager Rob Hites requested that Town Council reviews the list of streets that are due for paving, and to let staff know if they would like to substitute any for another street or to re-order the list due to community needs.

Councilmember Feichter asked Manager Hites to investigate repairing a section of Sulphur Springs Road. Manager Hites said that he would investigate it and report back at the next meeting. Councilmember Sutton requested that Manager Hites look at Country Club Road as well.

A motion was made by Councilmember Sutton, seconded by Councilmember Dickson, to award the annual paving contract beginning July1, 2023-June 30, 2024, to WNC Paving Inc. in the amount of \$267,250 with the option for an additional two-year renewal. The motion passed unanimously.

10. Designation as a “Distressed Community” to leverage grant funds to cover the \$5 million dollar gap in Waynesville’s wastewater renovation funding.
 - Rob Hites, Town Manager

Town Manager Rob Hites reported that last year the Town submitted a profile of the wastewater renovation project in order to be designated a “distressed community”. After reviewing our materials, he said that DENR stated that the Town did NOT qualify for the status. By not being designated a “Distressed Community” the Town was not eligible for grant funding directed at Towns that were designated as “Distressed”. Manager Hite said that he received a letter on Monday (6/5/23) that invites the Town to request the designation of “Distressed “ based on the score of its original submission (last year). The State has allocated a billion dollars in ARP funding for “Distressed “ communities so we would be eligible for at least the \$5 million dollar we need to cover the gap between our SRF Loan of \$25 million and total project cost of \$29 million. As a “Distressed Community”, Manager Hites said the Town will have to carry out an asset assessment and rate study, participate in a training and education program (this is directed at the governments that are under “watch” by the Local Government Commission), Develop a short- and long-term action plan (we developed this for the SRF Loan) and develop a long-term financial management plan. While these are burdensome, he said we have already developed the majority of the plans and need only place them in the format required by DENR. He added that as to the rate study, the Council has directed the staff to initial such a study for all utility funds.

Councilmember Sutton asked if there is a benefit to a town being labeled “distressed”. Manager Hites said that the Town is now eligible for at least the \$5 million gap that the Town has not gone out to the market and got a loan on. He said that last year, they went for a \$15 million grant to cover construction, engineering fees, and more. He said that he will work with DENR staff to try to get as much money as they can to help close the gap in Waynesville’s wastewater renovation funding.

A motion was made by Councilmember Dickson, seconded by Councilmember Freeman, to adopt the attached resolution requesting that the Town be designated as “Distressed” based on its first assessment score above the designation threshold. The motion passed unanimously.

11. Annual renewal of terms for Board and Commissions Members

- Jesse Fowler, Assistant Town Manager

Assistant Town Manager Jesse Fowler reported that several advisory board and commission members have terms ending on June 30th. For those that are eligible, he said that Town Council must approve the reappointment of individuals interested in serving another term on their respective boards and commissions. He reported that staff also requests Town Council to decide whether they would like to re-interview renewing applicants for the following statutory advisory boards: Planning Board, Zoning Board of Adjustment, ABC Board, and Waynesville Housing Authority.

Councilmember Freeman said that she does not feel that for members who have already been interviewed do not need to be interviewed again.

Councilmember Dickson offered clarification that not everyone serving on regulatory boards has been interviewed yet, because the policy was just enacted a few years ago.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton to interview members who are currently serving on regulatory boards that are up for term renewal, and have not been interviewed yet. The motion was passed unanimously.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to appoint all renewing applicants serving on Cemetery Commission, Recreation and Parks Advisory Commission, Downtown Waynesville Commission, Historic Preservation Commission, and the Public Arts Commission to serve another three year term. The motion was passed unanimously.

12. Appointments to the Waynesville Public Art Commission and Waynesville Recreation Advisory Commission

- Jesse Fowler, Assistant Town Manager

Assistant Town Manager Jesse Fowler reported that the Waynesville Public Art Commission has one vacancy, and Ms. Virginia Moe applied to fill the vacancy. Her term would begin July 1st, 2023 and end June 30th, 2026. He said that the Waynesville Recreation Advisory Commission recently had three vacancies. If appointed, Mr. Fowler said that Mr. Tongen would fill one of these vacancies. His term would begin July 1st, 2023 and end June 30th, 2026.

A motion was made by Councilmember Chuck Dickson, seconded by Councilmember Julia Freeman, to appoint Virginia S. Moe to the Waynesville Public Art Commission. The motion passed unanimously.

A motion was made by Councilmember Chuck Dickson, seconded by Councilmember Julia Freeman, to appoint Mark Tongen to the Waynesville Recreation Advisory Commission. The motion passed unanimously.

H. COMMUNICATION FROM STAFF

13. Manager's Report

- Town Manager, Rob Hites

Town Manager Rob Hites reported that David Francis wanted to remind Council that on June 22nd at Haywood Community College in the Juniper Building, the Department of Environmental Quality is holding a conference on flood hazard mitigation.

Manager Hites said that the sewer plant construction is very much underway, and the construction site is very busy.

14. Town Attorney Report

- Town Attorney, Martha Bradley

Nothing to report.

I. COMMUNICATIONS FROM THE MAYOR AND BOARD

Mayor Gary Caldwell requested an update on the bathrooms to be built on Pigeon Street. Manager Hites said staff is ready to put the bid out if Council likes the design.

J. ADJOURN

A motion was made by Councilmember Julia Freeman, seconded by Councilmember Chuck Dickson, to adjourn at 7:15pm. The motion passed unanimously.

ATTEST:

Gary Caldwell, Mayor

Robert W. Hites, Jr. Town Manager

Candace Poolton, Town Clerk