

**MINUTES OF THE TOWN OF WAYNESVILLE TOWN COUNCIL**  
**Special Called Meeting-Council Retreat**  
**March 1, 2024**

**THE WAYNESVILLE TOWN COUNCIL** held a regular meeting on Friday, March 1, 2024, at 8:30 am in the Rec Center Conference Room located at 550 Vance Street Waynesville, NC.

**1. CALL TO ORDER**

Mayor Gary Caldwell called the meeting to order at 8:39am with the following members present:

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

The following staff members were present:

- Rob Hites, Town Manager
- Jesse Fowler, Assistant Town Manager
- Town Attorney Martha Bradley
- Candace Poolton, Town Clerk
- Luke Kinsland, Recreation Director
- Elizabeth Teague, Director of Development
- Olga Grooman, Land Use Administrator
- Misty Hagood, Finance Director
- Taylor Garland, Assistant Finance Director
- Fire Chief Joey Webb
- Assistant Fire Chief Chris Mehaffey
- Police Chief David Adams
- Assistant Police Chief Brandon Gilmore
- Jeff Stines, Public Services Director
- Charam Miller, Grants Administrator
- Page McCurry, Human Resources Director

Members of the Media:

- Cory Vaillancourt, Smoky Mountain News
- Paul Nielson, The Mountaineer

**2. SUSTAINABILITY BOARD REPORT**

Councilmember Dickson said the Environmental Sustainability Board was created a year ago. He said there is federal money available now to help with sustainability initiatives. For example, Councilmember Dickson said the government will pay the town \$7500 if they purchase an American made Electric Vehicle and reimburse

the town 40-60% of the cost of a solar facility. He said that the town needs to start solarizing town buildings and electrifying our fleets. He reminded Council of the goal to be carbon neutral by 2050.

Councilmember Dickson said the goal is to help residents save money and generate income because residents will buy more electricity from the town. He said the state administered program will pay families who make less than \$70,000 a year, up to \$14,000 for heat pumps, energy efficient window, etc. He outlined the Rural Energy Savings program which allows the town to borrow \$1 million with 0% interest and loan it out to low-income households so they can make energy saving improvements to their homes and charge up to 5% interest on the loan and 4% operating costs. He reiterated what Councilmember Feichter said at a previous meeting, that the town needs automatic meter reading infrastructure. Councilmember Dickson said that Mr. Hites applied for a grant to pay for those updates.

He said the Town also needs to protect itself from future increases in energy and interest costs by storing energy and creating our own. After looking at the energy report from Waste Reduction Partners, he said it looks like two town buildings can be much more energy efficient. He said that having a manager who has the knowledge of electric cities is vital.

Councilmember Dickson said it costs less than \$3.33 to fully charge a Mach E police car and would cost \$5 to charge a Ford F-150. He said that overall, there are far less maintenance costs associated with EV. He said the cost of a Mach E is slightly higher than a police car, roughly \$40,000. He said the electric F-150 can charge electric tools and can be plugged into the vehicle.

Councilmember Dickson said he recognizes that these things cost money, so we don't need to solarize right away, but the town should start. After this discussion of what needs to be done, he said that it is clear we need to hire an environmental sustainability manager, a staff member dedicated to these efforts who could also help with stormwater management.

### **3. PROJECTED REVENUES AND EXPENDITURES FOR FY 2024-25**

Finance Director Misty Hagood reported that that the town added to the general fund balance. She said that there is \$10.4 million available in the Fund Balance, which is 61% of the General Fund expenditures. She said that \$2.2 million of that is restricted and assigned to other things such as debt we are holding to pay for the new firetruck, unspent ARPA funds, etc. Ms. Hagood said that the total available that is not restricted or assigned is roughly \$8 million, or 48.1%. She said the average for our budget size and what is required for the best loan rates is 46%, so the town has 2.1% left to appropriate. Ms. Hagood said that Sales Tax Revenue was budgeted for \$4.5 million and we have \$1.9 million as of now, but it does tend to run behind. She said that there is a 3.5% increase which means the trend is going back to pre-covid numbers. She recommended that we don't go over a 3% increase for the budget next year. She said the tax collection rate is 99.17% , which is above the state average.

Ms. Hagood said that expenditures and enterprise funds are looking good. Councilmember Feichter asked what the trend is for outstanding balances. She said the majority are residential. Ms. .Hagood said she is very proud of staff as they've put up with a lot of abuse from customers.

She said they have \$15 million tied up in the new sewer plant because she is still waiting to hear from the state for reimbursement. She said the net change in revenue is \$284,000. Ms. Hagood said inflation is down, but still at 3.4% which will affect operating expenses.

#### **4. REPORT ON STORMWATER PROGRAM-WHAT IS REQUIRED**

Development Director Elizabeth Teague reported that the National Pollutant Discharge Elimination Permit (NPDES), has been in the works since 2004. She said that part of the Federal Clean Water Act Phase II Requirement was cracking down on non-point run off, which is when rain hits surfaces and washes the run off into storm drains which then go into rivers. She said the biggest pollutant is sediment. Ms. Teague said that the unfunded mandate was passed onto urbanized municipalities which requires them to manage stormwater. She said the Town then implemented a plan, then didn't hear from the state in over 10 years. Ms. Teague said that in 2018, the state stormwater program needed to work on compliance and every community was audited. She said that Waynesville received a notice of violation that said the town can do more to fulfill the NPDES permit. The Town updated our workplan which covers the six minimum measures of the permit:

1. Public Education and Outreach
2. Public Participation and Involvement
3. Illicit Discharge Detection and Elimination
4. Construction Site run-off control
5. Post Construction Run-off Control
6. Pollution Prevention and Good Housekeeping

She said the work includes an on-going contract of \$30,000 with Haywood Waterways to assist with compliance, particularly in public education and outreach, and public education and involvement. While the Town Departments and Haywood Waterways have worked together to achieve compliance, Ms. Teague said the maintenance of the program is challenging and costly and that currently all of the costs for the program come out of the general fund.

Ms. Teague recommended using the average impervious unit on a lot to create a fee on stormwater runoff that could go toward the stormwater program. These funds could go towards street cleaning, a new staff person, retention ponds around town, and stormwater other infrastructure. She said this fee can be used to improve and maintain the town's compliance with the State Stormwater permit, provide better service to citizens, and protect the Richland Creek watershed. Ms. Teague noted that, in the past, a stormwater fee was resisted as a "rain tax," however, a stormwater fee should really be considered as a fee based on impact, or the amount of impervious surface that creates run-off that the Town stormwater infrastructure and street system has to manage. She said that people who cause the most runoff should pay more, and that she would like to implement a fee in a way that is fair, but that does not impact low-income residents. She requested that Council approve the concept and allow staff to develop a fee structure.

Councilmember Sutton said that commercial businesses have their own engineer-certified stormwater management systems that keep their runoff on site and asked if they should be exempt from the fees. He mentioned that the town would still have to pay someone to inspect those systems. Councilmember Dickson,

shared a stormwater fee from a bill issued in Charlotte. Councilmember Feichter expressed an interest about exempting lower income people in smaller homes.

Mr. Hites explained the methodology that is accepted for implementing a stormwater fee and explained how the “equivalent residential unit” or ERU for Waynesville was already developed based on a survey of impervious surface in the Town’s jurisdiction. He explained that the 2018 study could be updated with a recommendation that came back to the Council.

Ms. Teague said the fee could start small and be structured simply and be added onto the water and sewer bill. She said it was also important to keep it simple from a Munis management point of view. Councilmember Sutton requested that the fee structure be as equitable as possible.

It was the consensus of Council to support the Development Services team in working on developing a stormwater fee program.

## **5. DIVERSITY, EQUITY, BELONGING COMMITTEE**

Councilmember Sutton said something that came to light during the election was diversity, equity, and belonging in the community. He said this is not just for the LGBTQ community. He said that they would like to have a committee that analyzes ordinances and makes sure they are equitable to everyone. He said that most municipalities already have a similar committee in place. Ms. McCurry said it’s also helpful to staff and the community and it’s good for business. She said the committee helps ensure that all employees are heard and respected. Ms. McCurry said that they should first conduct research to identify the need for a DEIB Committee by gathering data on the demographics of the workforce and any past or current issues relating to diversity and belonging. Survey for current workforce related to diversity and belonging. Ms. McCurry said when employees see diversity reflected in their workplace, it can enhance job satisfaction and sense of belonging, leading to higher retention rates. She said once the need has been identified, they would then define the purpose of the committee, which should be in line with the Town’s vision statement. Ms. McCurry said she would like the town to be an employer of choice within the next five years. She said the committee should be made up of a diverse group of individuals from each department, as well as the community. She said the committee could act upon any employee surveys given. Ms. McCurry said that their action plan should have goals that are measurable and actionable. She added that they could establish partnerships with non-profits and businesses in the community to help promote diversity, equity, and belonging. She said these partnerships could lead to sponsorships. Ms. McCurry stated that a diverse workforce has stronger financial performance, better risk management, and alignment with ethical and social responsibility goals. Councilmember Sutton said we can build this committee based on other successful communities’ DEB Committees and their charters.

It was the general consensus of Council to instruct staff to start working on forming a Diversity, Equity, and Belonging Committee.

## **6. BUSINESS INCENTIVES/FAÇADE GRANTS and 7. INCLUDE HAZELWOOD/FROG LEVEL AS MUNICIPAL SERVICE DISTRICTS**

Councilmember Sutton said that he's been noticing a lot of façades that are not up to par, including areas in Frog Level that have broken window. Chief Adams mentioned that when things look nicer, it helps deter crime. Councilmember Sutton asked if there is anything they can do to help businesses improve their building's facades. Mr. Hites said he and Jesse have been thinking about this for about a year, so they created a façade grant policy and program modeled after Burlington and Rocky Mount and it's about ready to be brought to Council. Mr. Hites said the Town would pay for the removal of the façade, and the property owner would pay for putting it back up in line with historic requirements.

Mr. Hites said the town uses code enforcement and redevelopment statutes to force property owners to repair facades because they're on the public sidewalk, and glass, old windows, and pieces of brick can fall and injure somebody. Mr. Hites asked Council to think about how strict they want to be, and how much money can they award property owners with façade grants. He said that the property has to be in a historic district, but UNCG will provide free design for the façade. Mr. Hites said they would have no problem claiming Frog Level as a rehabilitation district, just as they did with the hospital. He also reminded Council that they can have more than one MSD.

***A motion was made by Councilmember Feichter, seconded by Councilmember Sutton to direct staff to look into the possibility of making Frog Level and Hazelwood an Economic Development Zone, similar to east Waynesville. The motion passed unanimously.***

Councilmember Dickson asked Chief Adams how the crime level is in Waynesville. Chief Adams said there is a decrease in violent crime and Assistant Police Chief Gilmore said there are no noticeable statistics standing out quarterly. Chief Adams said they are fully staffed and there is more proactive enforcement. Because of the increased enforcement, statistics show an increase in drug crime, but the overdose rate has decreased. He also said that "failure to appear" have decreased. AC Gilmore said that repeat offenders stay in jail which has helped with homelessness. He said that their social work intern is putting together a manual that assists homeless people with finding resources to help them.

## **8. REPORT ON PRELIMINARY DESIGN PLANS FOR SOUTH MAIN STREET**

Councilmember Sutton reported that NCDOT had to make changes to the plans because of elevation and flood plains, which meant they had to raise the sidewalks on the corridor. He said the sidewalks would be the same width, or they can have slimmer sidewalks. Ms. Teague said the portion near Hyatt Creek Road shows that they didn't bring the sidewalks down past Hyatt Creek down Old Balsam. Councilmember Sutton said the biggest change will be the turn into Walmart. Ms. Bradley asked when the project is going to start. Councilmember Sutton said acquisition of land and construction easements will start in 2025. He said 2029 is when construction will start. He said Dayco Drive going into Walmart will have a turn lane, and there will be a turn lane going into the bank. Ms. Teague said the road width is increasing tremendously. Councilmember Sutton said it will improve the entrance and exit to Walmart. Ms. Teague said an important part of the project is bridge replacement. Councilmember Sutton said the cost of the S. Main Street renovations will cost \$54 million in today's dollars, and the Russ Avenue project will cost \$44 million. Councilmember said Main Street will have two lanes going one way and four the other. Ms. Teague said the street will gain sidewalks and stormwater drains. Ms. Teague said she asked FEMA to redo their floodplain map. She said they agreed but it would take 5-6 years to complete. She said the maps were done in 2012 and there have been a lot of land changes and there are differences in weather patterns as well. Ms. Teague said her department can put

together a resolution to send to the state floodplain mapping department to ask them to speed up the process. Ms. Teague said residents can do a letter of map revision, but it costs money. Councilmember Sutton said the NCDOT plans for South Main Street were just made public.

The consensus of Council was to keep the sidewalks the same width and to ask the NCDOT to carry the sidewalk further down Old Balsam and Ninevah.

#### **9. REQUEST THAT THE TOWN UPDATE ITS “ROAD CONDITIONS STUDY”**

Councilmember Feichter said that in 2023, the Town did a pavement condition survey. He said every four years or so they do the study. He said he’d like to redo it this year because it’s been about 5 years since the last one. He acknowledged they’ve done a lot of good work on the streets and made some progress. Councilmember Sutton asked how much it costs. Mr. Stines said he will look into it, and it may be covered by Pell Grants.

***Councilmember Sutton made a motion, seconded by Councilmember Feichter, to update the maps in 2024 for the PCR. The motion passed unanimously.***

Councilmember Feichter asked if staff could post the full report on the website as well as the projects that staff are currently working on during this fiscal year, and why the town is doing it. Councilmember Sutton asked staff to post the link from NCDOT’s Russ and South Main projects.

#### **10. CONDUCT A “SEMI-ANNUAL EMPLOYEE SATISFACTION SURVEY”**

Councilmember Feichter said there appears to be a possible morale issue among some Town staff. He and several other Councilmembers received an anonymous letter in August that made serious allegations about employee morale and how some employees are being treated differently than others. He requested that Ms. McCurry put together a survey for employees. She said that once they get the survey out, they need to take action, then survey several months later to see if actions are changing morale. She said they can do a survey in house, or go through UNC School of Government to do employee satisfaction surveys. Council requested that Ms. McCurry look into conducting the employee satisfaction survey.

#### **11. REQUEST TO FUND “PLACER”, A LOCATIONAL DATA SOFTWARE FOR THE USE OF DOWNTOWN MERCHANTS TO CALCULATE “FOOT TRAFFIC”**

Councilmember Feichter said that at the DWC meeting, they were discussing the possibility of obtaining some data from the TDA. He said the data is acquired using Locational Analysis Data, which uses cell phones that have an app that tracks people. He said that information could be useful to merchants. He said they could even set up a geofence around the rec park to gather information about who is using the facility, where they are from and where they go afterwards.

Ms. Gilmore said the data could be used for Grant leverage and reporting. Mr. Hites said Corrina with the TDA offered to the town a log in to their system, but merchants will have to get their own licenses to look at the

data. Councilmember Feichter said the most important thing is that anyone in the town can immediately access the data without having to rely on the TDA. Ms. Bradley added that she'd be interested in reviewing the contract. Councilmember Feichter said that it costs \$14,000 a year and includes unlimited log ins. He suggested splitting the cost with the DWC, and the rec center. Assistant Fire Chief Mehaffey said they could use it to collect valuable data during festivals. Councilmember Dickson said Zardica was a better system than Placer but more expensive.

Council directed staff to reach out to TDA and follow up on the conversation about what the Town's access would be to their Placer app. Mr. Hites said they will report back to see if Council is satisfied. If not, he said they will look at the Placer and Zardica systems. Councilmember Feichter said he will get a contract from Placer to Ms. Bradley so she can review it.

## **12. RECEIVE AN UPDATE ON DESIGN, CONSTRUCTION, FINANCING SCHEDULE FOR THE FIRE STATION #2**

Mr. Hites said that he spoke with several architects to get some estimates for square footage of fire station #2. He said a very rough estimate of a three bay fire station that serves between six and 16 employees is a \$4 million project, which is 2.5 cents on the tax rate. He reminded Council that Fire Station #1 only has two bunks, making it essentially a volunteer station. Mr. Hites said the original plan was to have six bunks, but they cut them out due to cost constraints. Fire Chief Webb is asking that the town build Fire Station #2 and add the bunk rooms that were originally cut out of #1. Mr. Hites said the most expensive way to add them is to build a 1500 sq. ft. addition and two restrooms, or they could make changes in the existing station. He said they will budget for the architecture engineering in the upcoming budget. It will take 8-12 months. He said that if they hold the architect fast to the budget and do a lump sum contract so the fees won't go up as cost to build goes up. Mr. Hites said in 2025-26, he sees the town moving toward a loan at 4.2% over 15 years. Ms. Hagood said they would take the money out of the Fund Balance to use for the architect, then reimburse ourselves when we get the loan, Council would just pass reimbursement resolution. Chief Webb said #2 is the busiest station, but development is increasing on the south end of Waynesville, so station #1 needs to expand. Councilmember Dickson said they requested financial assistance from congressman, state senator, and state representative. Chief Webb reported that calls have increased this past year, so there is an increasing need. AC Mehaffey asked if Council could reach out to federal representatives to refund the FEMA assistance firefighter grant.

## **13. PURCHASE DECORATIVE STREET AND STOP SIGNS IN DOWNTOWN, FROG LEVEL, HAZELWOOD**

Mayor Gary Caldwell said that he saw some nice looking street and stop signs in downtown Canton. He requested that staff look into the cost of the signs. Mr. Hites said the signs help delineate between the historic area, the downtown area, and the and rest of town. Councilmember Sutton said the banners are considered beautification and could be grant funded. Ms. Teague said the Historic Preservation Commission is interested. Councilmember Sutton asked the DWC and the HPC to start looking into the signs.

**14. CLOSING COMMENTS BY MAYOR AND COUNCIL**

Mayor Caldwell and Council thanked staff for all their hard work.

***A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to adjourn at 2:09pm. The motion passed unanimously.***

ATTEST:

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Gary Caldwell, Mayor

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Robert W. Hites, Jr. Town Manager

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Candace Poolton, Town Clerk