



Town of Waynesville, NC Board of Aldermen – Regular Meeting

Town Hall, 9 South Main Street, Waynesville, NC 28786

Date: **July 28, 2015** Time: **6:30 p.m.**

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(828) 452-2491

aowens@waynesvillenc.gov

A. CALL TO ORDER - *Mayor Gavin Brown*

1. Welcome/Calendar/Announcements
2. Adoption of Minutes

Motion: To approve the minutes of the June 22, 2015 special called meeting (budget workshop) and the minutes of the June 23, 2013 regular meeting as presented [or as corrected].

B. REPORTS/PRESENTATION

3. Fiscal Year End Reports, as of June 30, 2015
 - a. Sale of Fixed Assets Report – Julie Grasty, Asset Services Manager
 - b. Disclosure of Payments – Amie Owens, Town Clerk
4. Intern Activity Report to the Board
 - Catherine Hughes, MPA Intern
 - Joey Webb, Fire Chief

C. NEW BUSINESS

5. Award of Three-Year Contract for Independent Financial Reporting and Auditing Services for the Town of Waynesville for Fiscal Years 15-17

Motion: To approve the proposal to provide independent financial reporting and auditing services for the Town of Waynesville for fiscal years FY15-17 as presented by Ray Bumgarner Kingshill & Associates, PA, and authorizing the mayor and/or town manager to execute the contract on behalf of the Town, as presented.

TOWN OF WAYNESVILLE – REGULAR SESSION AGENDA

July 28, 2015

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6. Street Closure Request - Waynesville First Methodist Church
Hog Wars - a fundraiser for the Kory Wawanaca Children's Home in Bolivia, South America on Saturday, September 19 beginning at 4pm and ending at 7pm

Motion: *To approve the requested street closure of Academy Street from Haywood Street to Tate Street on Saturday, September 19, from 4:00 p.m. through 7:00 p.m., as presented.*

7. Lease Option and Agreement between PrimeTower and Town of Waynesville
(request of John Behnke, Site Acquisition Services on behalf of PrimeTower)

Motion: *To approve the Lease Option and Agreement between Prime Tower and Town of Waynesville, and authorizing the mayor and/or town manager to execute the agreement on behalf of the town, as presented.*

8. Appointments to Boards & Commissions

Public Art Commission – (2) vacancies (3-yr term ending June 30, 2018)

2 Applicants: Teri Siewart

Libba Feichter

Motion: *To appoint [candidate's name] to Waynesville Public Art Commission for a three-year term ending on June 30, 2018*

D. COMMUNICATIONS FROM STAFF

9. Town Manager – Marcy Onieal

10. Town Attorney – Woody Griffin

E. COMMUNICATIONS FROM MAYOR & BOARD OF ALDERMEN

F. CALL ON THE AUDIENCE

G. CLOSED SESSION

Motion: *To go into closed session to discuss litigation matters, in the case of Shuler v. Town of Waynesville, as permitted in NCGS §143-318.11(a)(3).*

H. ADJOURN



TOWN OF WAYNESVILLE

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CALENDAR July 28, 2015

2015	
Fri, Jul 24 6:30 PM – 9:00 PM Historic Courthouse Lawn	Mountain Street Dance – Downtown Waynesville Association sponsored event
Sun, Jul 26 7:00 PM Stuart Auditorium, Lake Junaluska	Folkmoot USA Candlelight Closing
Tue, July 28 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Fri, Jul 31 6:30 PM McGuire’s Millrace Farm, Murphy	Southwestern Commission Region A Annual Dinner <i>(Date changed from regular schedule)</i>
Sat, Aug 1 9:30 AM – 1:00 PM Historic Courthouse Lawn	Downtown Dog Walk – Sarge’s Street Closure – Main Street
Wed, Aug 5 8:00 – 9:00 AM Laurel Ridge Country Club	Issues & Eggs - Chamber of Commerce Joe Stewart, Executive Director, NC Free Enterprise Foundation: NC’s Emerging Political Landscape for the 2016 Election Cycle (Tix required – available on Chamber website or contact Mgr/Clerk)
Fri, Aug 7 5:00 PM – 9:00 PM Main Street & Frog Level	Art After Dark – Waynesville Gallery Association
Fri, Aug 7 6:30 PM – 9:00 PM Historic Courthouse Lawn	Mountain Street Dance – Downtown Waynesville Association sponsored event
Sat, Aug 8 9:00 AM	Commission for a Clean County – Haywood County Clean Up Day – Radio Hill in Canton to Clyde Town Limits
Tues, Aug 11 6:30 PM Board Room, 9 S. Main Street	Board of Aldermen Meeting – Regular Session
Sat, Aug 15 Bethea Welcome Center Lake Junaluska	6 th Annual Blue Ridge Breakaway Cycling Event Packet pick-up: August 14, 4-8 PM Registration: August 15, 6-7 AM
Sat, Aug 15 Noon – 5:00 PM American Legion Field	Waynesville Beer Faire
Tue, Aug 18 5:30 PM Waynesville Rec Center	Boards and Commissions Overview (all board and commission members invited to attend)

Fri, Aug 21 6:30 PM Main Street	5 th Annual Main Street Mile – Benefitting Shriner’s Hospital for Children Street Closure – Main Street
Mon, Aug 24 5:30 PM Haywood County – location TBD	Haywood County Council of Governments (COG) meeting Haywood County Hosting
Tues, Aug 25 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Fr-Sa, Sep 4-5 Stuart Auditorium, Lake Junaluska	45 th Annual Smoky Mountain Folk Festival, Lake Junaluska
Fri, Sep 4 5:00 PM – 9:00 PM Main Street & Frog Level	Art After Dark – Waynesville Gallery Association
Mon, Sep 7	Labor Day Holiday Town Offices Closed
Mon, Sep 7 10:00 AM Champion Drive, Canton	Canton Labor Day Parade – elected officials have been asked to participate; need to decide by August 15th
Tues, Sep 8 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Sat, Sep 12 9:00 AM	Commission for a Clean County – Maggie Valley Clean Up Day
Sat, Sep 19 10:00 AM to 2:00 PM Lake Junaluska Open Air Gym	Communities Rallying for Recovery – sponsored by Drugs in Our Midst
Sat, Sep 19 5:00 PM Main Street	Block Party – Downtown Waynesville Association sponsored event (NOTE: Date changed from Sept 5)
Tues, Sep 22 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Fr-Sun, Sep 25-27 Waynesville Recreation Center	2015 Cycle North Carolina Mountains-to-the-Coast Ride Waynesville serving as Host Start City Cyclists depart 8:00 AM Sunday morning
Sa-Sa, Sep 26-Oct 3	Waynesville Recreation Center Closed to the Public for one week - Annual Facility Maintenance
Mon, Sep 28 6:30 PM Location TBD	Southwestern Commission Region A Regular Meeting
Fri, Oct 2 5:00 PM – 9:00 PM Main Street & Frog Level	Art After Dark – Waynesville Gallery Association
Sat, Oct 10 10:00 AM – 5:00 PM Church Street	32 nd Annual Church Street Art and Craft Show Street Closure – Church Street

Tues, Oct 13 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Su-Tu, Oct 11-13	NCLM Annual Conference: City Vision 2015 Winston-Salem
Sat, Oct 17 10:00 AM – 5:00 PM Main Street	27 th Annual Apple Harvest Festival – Chamber of Commerce Street Closure – Main Street
Thu, Oct 22 8:30 AM 63 Elmwood Way, Suite A	One Stop Voting Begins – Municipal Elections Haywood County Board of Elections
Tues, Oct 27 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Mon, Oct 26 5:30 PM Waynesville – location TBD	Haywood County Council of Governments (COG) meeting Town of Waynesville Hosting
Sat, Oct 31 1:00 PM 63 Elmwood Way, Suite A	One Stop Voting Ends – Municipal Elections, Haywood County
Sat, Oct 31 5:00 PM – 7:00 PM Main Street	Treats on the Street – Downtown Waynesville Merchants
Tue, Nov 3 6:30 AM – 7:30 PM	Election Day – Haywood County Municipal Elections (All municipal precincts)
We-Sa, Nov 4-7	National League of Cities Annual Congress of Cities & Exposition Nashville, TN
Fri, Nov 6 5:00 PM – 9:00 PM Main Street & Frog Level	Art After Dark – Waynesville Gallery Association
Tues, Nov 10 11:00 AM 63 Elmwood Way, Suite A	Canvass of Election – Haywood County Board of Elections
Tue, Nov 10 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Wed, Nov 11	Veterans Day Holiday Town Offices Closed
Mon, Nov 23 6:30 PM Location TBD	Southwestern Commission Region A Regular Meeting
Tue, Nov 24 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
Thur – Fri, Nov 26-27	Thanksgiving Holiday Town Offices Closed

Th-Fr, Dec 3-11 One-Day Training Workshops Locations TBD	NCLM New Mayors' Orientation Training One Day Workshops - Various locations across the state
Fr-Mo, Dec 4-7 Downtown Waynesville	Holly Days Seasonal Events in Downtown Waynesville throughout the weekend, beginning with Art after Dark on Friday evening, culminating with the Holiday Parade on Monday evening
Fri, Dec 4 5:00 PM – 9:00 PM Main Street & Frog Level	Art After Dark – Waynesville Gallery Association
Mon, Dec 7 6:00 PM Main Street	Waynesville Christmas Parade – Downtown Waynesville Association sponsored event Street Closure – Main Street
Tues, Dec 8 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – ORGANIZATIONAL MEETING
Sat, Dec 12 6:00 PM – 9:00 PM Main Street	A Night Before Christmas – Downtown Waynesville Association sponsored event
Su-Th, Dec 13-24	Twelve Days of Christmas – Downtown Waynesville Association Holiday Sales & Event Promotions
Tues, Dec 22 6:30 PM Board Room, 9 S. Main	Board of Aldermen Meeting – Regular Session
We – Fri, Dec 23-25	Christmas Holiday Town Offices Closed

2016

Fri, Jan 1	New Years Day Holiday Town Offices Closed
Fr-Sa, Jan 8-9 2 full days Hickory, NC	Essentials of Municipal Government, sponsored jointly by the NC League of Municipalities & UNC School of Government Training for Newly Elected Officials – various locations
Mon, Jan 18	Martin Luther King Jr Holiday Town Offices Closed
We-Th, Jan 20-21 2 full days Chapel Hill, NC	Essentials of Municipal Government, sponsored jointly by the NC League of Municipalities & UNC School of Government Training for Newly Elected Officials – various locations
Tu-We, Feb 9-10 2 full days Sunset Beach, NC	Essentials of Municipal Government, sponsored jointly by the NC League of Municipalities & UNC School of Government Training for Newly Elected Officials – various locations
We-Th, Feb 17-18 2 full days Asheville, NC	Essentials of Municipal Government, sponsored jointly by the NC League of Municipalities & UNC School of Government Training for Newly Elected Officials – various locations
Fr-Sa, Mar 4-5 2 full days New Bern, NC	Essentials of Municipal Government, sponsored jointly by the NC League of Municipalities & UNC School of Government Training for Newly Elected Officials – various locations

We-Fr, Mar 16-18	NC Main Street Conference Goldsboro, NC
Fri, Mar 25	Good Friday Holiday Town Offices Closed
Mon, May 30	Memorial Day Holiday Town Offices Closed
Mon, Jul 4	Independence Day Holiday Town Offices Closed
Mon, Sep 5	Labor Day Holiday Town Offices Closed
Fri, Nov 11	Veterans' Day Holiday Town Offices Closed
Th-Fr, Nov 24-25	Thanksgiving Holiday Town Offices Closed
Fr-Tu, Dec 23, 26-27	Christmas Holiday Town Offices Closed

Board and Commission Meetings – August 2015

ABC Board	ABC Office – 52 Dayco Drive	August 20 3 rd Tuesdays 10:00 AM
Board of Adjustment	Town Hall – 9 S. Main Street	August 4 1 st Tuesdays 5:30 PM
Community Action Forum	Police Department Training Room – 9 S. Main Street	Meets Quarterly or as called; <i>No meeting currently scheduled</i>
Downtown Waynesville Association	UCB Board Room – 165 North Main	August 27 4 th Thursdays 12 Noon
Firefighter’s Relief Fund Board	Fire Station 1 – 1022 N. Main Street	Meets as needed; <i>No meeting currently scheduled</i>
Historic Preservation Commission	Town Hall – 9 S. Main Street	August 5 1 st Wednesdays 2:00 PM
Planning Board	Town Hall – 9 S. Main Street	August 17 3 rd Mondays 5:30 PM
Public Art Commission	Town Hall – 9 S. Main Street	August 13 2 nd Thursdays 4:00 PM
Recreation & Parks Advisory Commission	Rec Center Office – 550 Vance Street	August 18 3 rd Tuesdays 5:30 PM
Waynesville Housing Authority	Waynesville Towers – 65 Church Street	August 5 1 st Wednesdays 5:30 PM

BOARD/STAFF SCHEDULE

Th-Sa, Aug 6-8	Town Attorney (?)	NC Assn of Municipal Attorneys Summer Conference Atlantic Beach
Su – Tu, Oct 11-13	Mayor & Aldermen Manager & Clerk	NCLM Annual Conference: CityVision 2015 Winston – Salem, NC
Sa-Sa, Oct 17-24	Town Manager	Vacation
We-Fr, Feb 3-5, 2016	Town Manager	NCCCMA Manager’s Continuing Ed - Winter Seminar
Th-Sa, Jun 23-25, 2016	Town Manager	NCCCMA Manager’s Continuing Ed - Summer Seminar

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
SPECIAL CALLED MEETING
June 22, 2015

THE WAYNESVILLE BOARD OF ALDERMEN held a special called meeting on Monday, June 22, 2015 at 7:00 p.m. in the conference room of Municipal Building, 16 South Main Street, Waynesville, NC.

A. CALL TO ORDER

Mayor Brown called the meeting to order at 7:05 p.m. with the following members present:

Mayor Gavin Brown
Alderman Gary Caldwell
Alderman Julia Freeman
Alderman J. Wells Greeley
Alderman LeRoy Roberson

The following staff members were present:

Marcy Onieal, Town Manager
Amie Owens, Town Clerk
Eddie Caldwell, Finance Director
Rhett Langston, Recreation and Parks Director
Margaret Langston, Human Resources Manager
David Foster, Public Services Director
Joey Webb, Fire Chief
Bill Hollingsed, Police Chief

The following members were not present:

Woodrow Griffin, Town Attorney

The following individuals were also present:

Louis Davis, Utility Technologies & Electrical Consulting, Inc.
Ted Orell, Utility Technologies & Electrical Consulting, Inc.

1. Welcome

Mayor Gavin Brown welcomed everyone to the meeting and noted that this was a special called meeting to address two specific FY15/16 budget issues.

B. NEW BUSINESS

2. Budget Discussion

UTEC

Manager Onieal explained that the Mayor had requested this meeting so that staff might provide additional information related to two budget related questions that had recently been brought forward by two board members. Manager Onieal began the discussion around the UTEC consulting

projects, by introducing Louis Davis and Ted Orell, two of the company's engineers, who had previously met with the Board during a day-long board retreat on March 28, 2015..

Mayor Brown commented that the board may not have understood the depth and breadth of the projects with UTEC. As the UTEC contract has generated much expense, it is important to discuss the appropriation of funds, and which projects are being completed as part of the contract.

Manager Onieal reminded members that in December 2014 and January 2015, during the wholesale power discussions, UTEC was engaged to assist Nova Energy Consultants with the review and evaluation of the proposals submitted for energy services and then to conduct an operational and technical assessment of the electric division for the Town. Manager Onieal provided members a copy of excerpts from those meetings and the UTEC contract. She noted that the contract was an open-ended contract for service specifying terms and rates that was subject to specific project proposals that were to occur over an 18 month period on an as-needed basis, a listing of which was provided to the board at their retreat in March. Manager Onieal reminded members that at the budget workshop in March UTEC provided an update and highlighted the various projects that were being undertaken as part of their lengthy presentation. She also provided a copy of the budget amendment approved by the Board on March 28, 2015 which transferred \$555,000 from the Sewer Fund as repayment to the Electric Fund, for a previous loan, and was specifically allocated to consulting services to pay for the UTEC contract.

The March presentation provided an overview of all the projects planned, but did not provide a break down of costs per project or work detail per project. Manager Onieal provided a spreadsheet broken down by individual project and the projected costs. She noted that the upper fee limits were noted as a maximum amount based on the best estimate at the time of the proposal from UTEC. Manager Onieal reiterated that this does not mean that all of these funds will be used, or that all of these projects would be pursued. She explained that the cost estimate as of June 30 was \$139,600, with actual expenditures as of June 16 being \$96,650.

Manager Onieal reported that she, the Finance Director, and Public Services Director have talked at length about the power system over an extended period of time with both sets of consultants and that we all would provide an update to the board regarding specific activities within the project areas and answer any questions the board may have at any time. She noted that a full one-third of the Town's revenue is generated by the Town's electric system and that the importance of maintaining the profitability, reducing liability, maintaining service reliability, and ensuring safety for our employees and the public were all paramount considerations in entering into this contract with UTEC at a critical time of transition for our electric system, and that is precisely what the Board had emphasized in unanimously supporting the proposal back in March. She emphasized again that the project estimates were "not-to-exceed" cost estimates and that ultimately, it may be determined that not all projects would be necessary or that some projects could be done at a lower cost than originally anticipated, in which case, the funds would not be expended. The contract with UTEC, does not tie the Town to expending any particular amount with UTEC or any other vendor, for that matter, but simply identifies the professional support necessary to meet necessary performance benchmarks and standards.

Mr. Orell noted again that the UTEC agreement was a general services contract with nothing specific identified, and projects would be added as need are identified or arise. The first project that UTEC did was the evaluation of power supply proposals from Duke Energy, Southern Power and Santee Cooper. Mr. Orell added that the first project was capped at \$25,000, which was knowingly not an

adequate amount, as a courtesy and to show UTEC's commitment to working with the Town. The actual costs would have been \$46,000.

Mr. Orell explained that the contract allows for multiple types of work to be done under this contract without establishing a specific fee or scope and having to have additional contract signings and reviews by legal counsel, etc. This contract prevents unnecessary waiting if an issue is discovered, or if an estimate or a proposal is required, UTEC would submit the information for approval, but could not move forward without approval. He also noted that there is no payment for a service until it is needed. While there have been estimates set and recommendations made, the actual cost of projects will not be billed until the service is rendered.

Mr. Orell updated the board on the major project initiatives and noted that due to the relationship that UTEC has with Santee Cooper having recently completed another negotiation for a municipality, the contract negotiation for Waynesville has been fairly simplified. The majority of the details have been hammered out and a conference call is scheduled for June 23 to address any concerns. He added that while there is no fixed fee for contract negotiation based on the various required legal reviews, the current costs are at \$4,600, with contract closure expected soon.

Mr. Orell went on to explain that the next project was to evaluate the entire electric system, with Mr. Davis providing oversight, to determine what condition the system is in, how the system operates and what needs to be done to improve operations. He noted that the result of this assessment was provided to the Board at their March 27 meeting including a list of projects recommended for completion. Mr. Orell called specific attention to the lack of documented distribution standards. While he noted that the system is well constructed and well maintained, no standards related to the system were available in a centralized location and specific to the Town of Waynesville. There is no such documentation at present.

Alderman Roberson commented that in speaking with employees, they have used the Duke Energy standards and Haywood EMC standards and should have a manual for that. Mr. Davis answered that the Town has no current manual itself and the most recent construction standards manual available is one from the 1990's from ElectricCities and none has ever been formally adopted as standard by the Town's Electric Division. He added that the standards are going to be different from organization to organization. For example: one standard may have clearance recommendation of 48 inches, another may have 60 inches. Alderman Freeman noted that while the electric division had been using other standards in the past, they were not specific for the Town of Waynesville which is what UTEC is working with the staff to create. Alderman Roberson asked, wouldn't the staff be meeting the standards in the manual they had been using? Mr. Davis noted that that may have been true, but without documentation and no manual to use to build new lines or replace lines, this sets the town up for huge liability and risk and it is certainly a problem if the standards are changing depending on which company's construction manual you happen to be using at any given time.

Mr. Davis explained that there will be Town of Waynesville specific distribution standards that will be presented for adoption. Mr. Davis and the crew are painstakingly going over the standards in an effort to try and save money by not having to purchase new poles and place them if they meet the current standard. By having the town specific standards and having them readily available, they can be updated by staff as necessary.

Mr. Orell added that UTEC is helping to identify the resources available for the Town. UTEC has made recommendations about key projects. Mr. Orell commented that he hoped that the board has a clearer picture of what UTEC has done and what benefit they are to the Town. He added that the areas identified needed to be addressed by someone – UTEC or otherwise.

Another project Mr. Orell addressed was the GIS mapping. The electric system has GIS mapping that has not been used and is outdated. This project utilizes one technician to go to each structure and get the current updated location including what is on each pole and where it is located. Again he noted that the upper fee limit was included for this project. In the event that there was a chance of exceeding this limit, UTEC would notify the manager and get approval before any further action is taken. Mr. Davis is managing operations of the electric division and implementing certain objectives on site, but he has other project work he is doing for UTEC and although he can work from any location, the Town of Waynesville is only charged for what he does for the town – whether on or off site. Mr. Orell added that the intent of UTEC is not to have employees here long term, but rather to get processes in place, get individuals trained and then turn over those processes and systems to the staff. UTEC may remain the Town's consulting electrical engineers of record, but most things, after this initial project work could be done in-house with our permanent staff.

Alderman Roberson noted that at the retreat that the electric division did not have a formal safety program. He explained that Haywood EMC provides monthly training and safety programs for staff and that there was information in personnel files regarding such training. Mr. Orell noted that the safety program should identify specific training that all personnel should be doing and a schedule for training. Manager Onieal added that the senior linemen have been well trained over time – but newer groundsmen's training has been haphazard at best and that the turnover of employees in the electric division over the last decade has been unusually high. Our goal is to ensure that all our staff receive all of the training they need to be safe and to be properly trained to back each other up and to be promoted from within the organization. That is especially crucial to a division that functions with only six full-time employees.

Mr. Orell added that when UTEC made the initial report in March, it was based almost entirely on the information that they gleaned from meetings, primarily with Mr. Baker and the Electric Services staff, in addition to site visits made to inspect the system's physical assets. Manager Onieal added that if the Town does not need to spend money in training or on specific projects, then the money will not be spent, but we have paid professional consultants to evaluate the condition and capacity of our system and based on my experience with other electric systems the advice is sound. The identified projects we need to undertake are important whether UTEC assists us or we have someone else assist us.

Mayor Brown asked if the GIS mapping is something that needs to be done and if there was a listing based on necessity or priority. Mr. Davis answered that the electric mapping is a key piece that will be used for other projects. It will be used for proactive tree trimming and right of way procedures. Mr. Davis noted that mapping is critical for switching between substations. Mr. Orell added that the coordination of fuses and what sizes and how they should be set is part of the mapping. When there is a fault, the portion of the system without power can be minimized if the mapping is current. The switching procedures, in order to isolate or serve from a different circuit, the opening and closing and loads on the system are all tied to the GIS system.

Mr. Orell explained that the cost of service study needs to be completed in order to have appropriate and correct rates in place before the change over to Santee Cooper. This study tells how

customers are creating costs on the system taking into account all of the fixed and variable costs as well as demand costs. Once this process is completed, there will be appropriate rates for the Town which can be used to determine how to bill the customers and making rates equitable. Mr. Orell added that as time moves on and costs change, the study can be adjusted to see what the new rates should be. He reiterated that this needs to be done before the move to Santee Cooper, ideally to be completed by the early fall. The board will vote to approve the rates from the study.

Manager Onieal noted that the priorities on the spreadsheet were indicated by the start date for the project. The projects for meter testing and substation maintenance contracts will not be a duplication of costs as those contracts had been allowed to expire quite some time ago and will need to be renegotiated regardless of what vendor is ultimately selected; all functions and projects on the list will need to be completed, whether they are handled in house by staff, handled by UTEC or another third-party vendor.

Mr. Orell noted that UTEC had recently completed specifications for a project for substation maintenance and he proposed that those specifications be tweaked for Waynesville and get quotes from those who can provide these services. Regarding the meter testing, the town should eventually do their own meter testing. Mr. Davis is working with other meter programs and will recommend a program and equipment to use to test. Any adjustment or re-sets of equipment can be done by the Town which will result in more revenue.

Mayor Brown asked how the board wished to proceed. If additional information was required or if there were any other issues to discuss. Alderman Roberson asked if the Finance Officer had to approve or co-sign contracts over a certain threshold. Manager Onieal explained that once the budget is approved, contracts are paid from that budget via the activities of the department or operational costs. Only if a threshold is exceeded would a budget amendment be required.

Mr. Orell asked to highlight one additional project – the electric load growth plan. What UTEC has found is that Town has become somewhat landlocked by Duke Energy and Haywood EMC with a number of customers inside the city limits who could be served by Town, but are not. Mr. Davis noted that this effort is where the Town can make money and to be in position to serve new customers and new load. As the electric utility system provides 34% of town-wide revenue, having the ability to expand could increase and improve the bottom line. Mr. Davis reiterated that Waynesville has a very good electric utility system with two substations that are in good shape, with no falling wires or poles. The goal is to assist the town in using the capital asset to generate more revenue for the town.

Mayor Brown asked the board again if this provided the information that they needed and if there were any further questions.

Alderman Greeley Wells commented that since there was an existing relationship with Electricities, were there any projects that could be done under that agreement for free, rather than under the UTEC contract. Manager Onieal explained that Electricities did have safety and training programs available that were quite good, but that generally Electricities is a professional association for municipal electrical systems with opportunities for economic development, lobbying capabilities and some shared services, much like the League of Municipalities is for towns as a whole. She explained that they do not provide technical engineering services or hands-on consulting or professional on-site management support for the types of projects for which we have engaged UTEC. Manager Onieal did acknowledge that one piece that may overlap is the safety program and training. However, UTEC is

making sure that we have a systematic safety program in place and the tracking of training would be done internally. Manager Onieal assured the board that there would be nothing duplicative and all costs would be carefully monitored. She noted that the previous administration had severed the Town's relationship with Electricities a number of years ago, and that based on her good experience with Electricities in Eastern North Carolina she had renewed the Town's relationship with Electricities last fall specifically to take advantage of the Training and Safety program for our employees. Alderman Greeley thanked Manager Onieal and the UTEC representatives for their thorough presentations.

2. Career Track

Manager Onieal provided copies of a notebook containing all of the preliminary departmental career track proposals that have been submitted by department directors to HR Manager Margaret Langston for review since last fall. She noted that there was a lot of information in the books to digest and that while some departments had submitted as early as August, some had only come in within the last couple weeks and that even the manager was just seeing the submittals for the first time this week. Manager Onieal acknowledged that there had been some concerns about the delay in getting the career track program implemented, but she explained if this had been an easy thing to do, you would see more municipalities with career track in place. There is no perfect pay plan, and trying to craft a customized department-by-department plan that is also fair and equitable and transparent is an extremely difficult thing to do and perhaps we were overly ambitious when we said we could get it done in six months time. She explained that the career track was intended to do several things: to ensure that employees are paid fairly within market and allow the Town to be competitive in attracting talent. There are a number of factors involved with pay studies and development of equitable pay scales such as the scope of responsibilities, skills of employee, liability assumed, number supervised, job difficulty, current market comparisons, etc... Manager Onieal also noted that there are internal equity issues such as paying someone who is doing the same job, the same as someone else doing that job.

Manager Onieal explained that the existing pay plan structure was created with the best of intentions, but is outdated. Steps were included in positions – one-per-year for thirty years. Realistically, no one today takes and stays in the same job for 30 years. She commented that over the past ten years, the town has kept up fairly well with the cost of living adjustment (COLA) but the pay plan has been skewed and has not kept up with the surrounding market. This has caused certain classes of employees to be prone to turn-over and movement to other local governments based on pay. Manager Onieal noted that Waynesville has to be careful that we are not a training ground for other areas.

Manager Onieal clarified that development of the career track program had two specific goals: the first to address succession issues and to provide appropriate training, education and certification opportunities for staff to be prepared to take on succeedingly more responsible roles within the organization. The second goal is to open opportunities for employees to within their existing jobs and departments encouraging stability and minimizing turnover and to take out the mystery of employee compensation, recognition and reward. Manager Onieal explained that when you do something like this it means customizing an approach for each department. There were great intentions at this time

last year to make this happen by January 1. She noted that the Police Department was the first to get their career track progression in place with their plan encompassing all positions from entry level to the Chief. The Police Department career track provides the requirements for training, time within a particular grade and how to get to the next level through a combination of training, certification and time in grade.

Manager Onieal noted that it takes much work to create a career track program from scratch and create equity across departments. She provided an illustration of how difficult it is to make these schedules equitable between departments. Manager Onieal asked Ms. Langston to speak about the issues across departments and Mr. Caldwell to explain about the computer programming and payroll system. Mr. Caldwell noted that the payroll system did not currently have capabilities to individually grant raises outside of the pre-programmed steps. Assistance will be required from the payroll provider to re-program the system. Manager Onieal clarified that the payroll system has the capability to be programmed any way we desire to program it, but that the dilemma is with our staff finding the time to train and actually get the work done in a train environment and then get the live re-programming done in between biweekly payroll runs. Finance Director Eddie Caldwell provided a detailed memo included in the notebooks explaining this technical matter in more detail in the notebooks distributed

Manager Onieal was encouraged by the amount of time that department managers had put in and the inclusion of staff in developing the career track progressions. She acknowledged that career track would not be viable by July 1 due to the support work that is still necessary from HR and Finance to support the systemic changes necessary to make a career track program work town-wide. There was no ill intent behind leaving the 2% that was budgeted in FY15 for career track unallocated. The deadlines we set for ourselves simply could not be met despite the best efforts of the Leadership Team to make it happen. The funds that were budgeted for salary adjustments in FY15 were allocated to COLA and reorganization adjustments and the career track monies simply reverted to fund balance at June 30, therefore the manager has proposed re-allocating career track funds in the FY16 budget for adjustments as soon as the career track program can be implemented. In addition, there is a budget proposal to go ahead and make other salary adjustments effective with the first pay period in July, because the manager does not feel it is appropriate to hold off employees any longer with the promise of a program that is not yet ready to implement.

Alderman Roberson asked if the 2% would have covered all staff. Manager Onieal noted that since there was no program in place there were no career track advancements possible; the police department was the only one ready for such increases. Alderman Roberson asked if the police could be given the adjustments as theirs was ready.

Alderman Freeman inquired how the police department could be singled out. Everyone is not on the same page. Alderman Roberson noted that all employees were given a 1% COLA raise last year and that the piece reserved for career track did not get allocated.

Manager Onieal reported that all career track information has been turned in to Human Resources. Alderman Freeman asked where did career track stand as of today? Ms. Langston noted

that there was still work to be done and would take some time. She agreed that if there were funds available, employees should get something. Manager Onieal passed out a revised proposal for increases in July.

Alderman Greeley inquired if you look at career track and decide that this is not the route to take, what do you do then? Manager Onieal answered that the town would make the most of the 5% that is plugged into the budget and use for employee increases. She added that some departments were able to model career tracks after those already provided by state apprenticeship or certification programs, but that it is very difficult to model for some departments such as recreation and administrative functions. She acknowledged that there may even be some job classes or areas that simply don't lend themselves well to career track, but that the majority of departments could include a career track overlay. Most departments have turned in a proposal for a career track progression but at this point no department other than police has turned in a budgetary formula for what might be considered a reasonable monetary reward based on market for each step. The step that will need to follow those monetary proposals will be a cross-department comparison to ensure that the monetary rewards are equitable across departments.

Alderman Roberson asked if employees could be provided with raises now while still working to finalize the career track programs. Manager Onieal expressed that she had revised a proposal relating to salary and benefit adjustments for the upcoming fiscal year 2015-16. The original proposal included in the budget was:

- 1.5% COLA = \$100,000 (at 1.5% of salary)
- 1.5% equity adjustments = \$100,000 to be applied in July on a case by case basis for positions most out of line with market rate, in comparison with 2014-15 regional and NCLM studies; to be adjusted by 08-01-2015
- 2% Career Track Reserved = conduct pay plan study and reserve \$125,000 to be implemented January 1, 2016 for completed career track program in all departments

The Manager's Revised Proposal:

- Implement new pay chart for Police Department, based on market and career track study at a cost of \$107,000, effective 07-16-15
- 1.5% COLA = \$100,000 for all non-Police personnel (at \$715/employee), effective 07-16-15
- 1% equity adjustments = \$65,000 to be applied 07/30/15 on a case by case basis for positions remaining out of line with market rates, after above adjustments
- Remaining \$53,000 to be available January 1, 2016 for initial career track adjustments in other departments as standards are fine-tuned over the coming six months.

Manager Onieal explained that the reason that the police department could implement these changes is that they have completed their career track and they are on a different pay chart in the payroll system. They will not receive the COLA adjustment if their career track is implemented at July 1. The fire department is also on a different pay plan. This is because both public safety departments work

different shifts and total number of hours during their pay period than regular employees, and thus are on completely separate pay plans.

Mayor Brown asked if it was possible to do these adjustments in the existing system. Mr. Caldwell answered that it is possible to change the grade and step to a new table. Manager Onieal added that by having a flat rate COLA adjustment per employee rather than a percentage, this would benefit those employees with lower salaries the most.

Manager Onieal commented that the goal is to have career track fully implemented by Jan 1, 2016 and look more toward a more transparent pay plan. The idea is to complete a true pay and classification study before the next fiscal year to assist in providing the best compensation plan.

Alderman Freeman asked who was performing the pay study. Manager Onieal answered that Western Carolina University was completing a brief study of our existing pay plan and would provide a simple analysis of where our employees sit in regard to minimum, mid-range and maximum for all positions with some recommendations how to move employees closer to market rate, but that no consultant had been selected for a comprehensive market study of all positions.

Alderman Roberson asked if all of the police department members were paid members. They are all paid employees and included on the listing in the career track plan. Ms. Langston added that the chief should be included in the adjustments.

Chief Hollingsed thanked her for the consideration, but making the adjustment available for the other officers was the goal. He noted that there were some individuals who had a zero increase indicated. This is due to the fact they had not been with the department for the requisite two year period for career track progression.

Mayor Brown commented that this seemed like a good proposal and a good compromise that benefits everyone. Alderman Roberson agreed that if everyone got the flat raise for COLA this was an appropriate thing.

Mayor Brown asked if the board wanted to pursue the career track program. He acknowledged that this development does take a lot of time. Alderman Roberson added that with the amount of time spent so far and considering it is still difficult to accomplish, it would be beneficial to keep it and look at it for the future. He acknowledged that it had merit, but he wanted assurance that the program was ready before implementation. Mayor Brown asked Alderman Caldwell to comment. Alderman Caldwell noted that if the program gets off the ground, it could be beneficial.

Department managers were asked to weigh in on their experiences during development of the career tracks. Mr. Foster explained that the Public Services career track was based on the Department of Labor and Department of Commerce standards in all five divisions. There are approximately 180 tracks in chart form. Mr. Foster noted that this puts the responsibility of career development on the employee.

Fire Chief Webb noted that while there was some difficulty initially in beginning the process, he had worked to develop the steps. He explained that there are firefighters who have been working for many years who are on the same level as those who are just starting out. By developing the career track and having education requirements and various positions illustrated, there is the potential for additional succession planning.

Mayor Brown asked Mr. Langston and Mr. Caldwell if this is something that we should be aiming ourselves to in the future. Their departments are small (13 FTE in Recreation, 10 in Finance), but Mr. Caldwell explained that the focus is on cross training in finance to ensure that operations are continuous. Mr. Langston noted that in his department, the career tracks are more experience driven rather than dependent upon educational or certification hours. The same applies for the Administrative jobs throughout the organization.

Alderman Freeman noted that career track seemed to work well with personnel evaluations and added that just because someone has a degree, does not mean they are performing to job level.

Ms. Langston added that she thinks the career track is valuable for employees. Mr. Caldwell confirmed that 45-50% of the budget goes to employees; they are the biggest asset. Mayor Brown asked if there were any issues for individuals down the road. Could they still transfer to other departments? Manager Onieal noted that career track supports those who wished to stay within their departments to be recognized and rewarded with salary adjustments without having to wait for vacancies to open up to be formally promoted. She noted that this gives employees a defined path from entry level to department director level if they have the ambition and drive. She reminded that department directors are not actually on career track and that at that level compensation is still a matter of COLA and/or merit based on annual work plans.

Chief Hollingsed noted that the career track was designed so that employees earn their position; it is not handed to them based on how long they have been with the department. The track is set up with the potential for movement every two years and employees are the ones who put the motivation into it.

Mayor Brown asked how the board would like to proceed. Merit pay went away in the early 2000's and was abandoned due to issues such as inequity in distribution. Mayor Brown asked Mr. Caldwell about longevity pay and the current amount for the town. Mr. Caldwell noted that the current amount is \$41,000.

Mayor Brown commented that the contribution of 5% to employees for 401(k) was generous and that this was one of the things that the town tries to do for employees. Ms. Langston added that she provides information to all employees outlining what the town pays on their behalf for salary and benefits and it is anywhere from 30 – 50% more. She noted that employees really do appreciate these benefits.

Mayor Brown asked if there were any further questions from the board and if all could agree that the revised proposal was appropriate for the upcoming year. Alderman Roberson commented that this was real money going to employees.

Based on a suggestion by Alderman Greeley, by consensus, the Board agreed that if career track cannot be implemented by the end of FY16, then any remaining funds set aside for that purpose in FY16 should be shared with employees.

C. CLOSED SESSION

Mayor Brown requested that due to the late hour that the closed session for the manager's performance review be postponed until the regular meeting of June 23. Members agreed by consensus.

D. ADJOURN

There being no further business to discuss, Alderman Roberson made a motion, seconded by Alderman Greeley, to adjourn the meeting at 8:48 p.m. The motion carried unanimously.

ATTEST

Gavin A. Brown, Mayor

Marcia D. Onieal, Town Manager

Amanda W. Owens, Town Clerk

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
June 23, 2015

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Monday, June 23, 2015 at 6:30 p.m. in the board room of Town Hall, 9 South Main Street, Waynesville, NC.

A. CALL TO ORDER

Mayor Brown called the meeting to order at 6:30 p.m. with the following members present:

Mayor Gavin Brown
Alderman Gary Caldwell
Alderman Julia Freeman
Alderman J. Wells Greeley
Alderman LeRoy Roberson

The following staff members were present:

Marcy Onieal, Town Manager
Woodrow Griffin, Town Attorney
Amie Owens, Town Clerk
Eddie Caldwell, Finance Director
David Foster, Public Services Director
Preston Gregg, Town Engineer
Catherine Hughes, MPA Intern

The following media representatives were present:

Mary Ann Enloe, the Mountaineer

1. Welcome /Calendar/Announcements

Mayor Gavin Brown welcomed everyone to the meeting. He noted that he and his wife were celebrating his 25th anniversary today and Alderman Freeman will be celebrating the 26th anniversary with her husband tomorrow.

Mayor Brown noted that the following calendar events:

- June 26th - Street Dance – downtown Waynesville
- July 4th – Children’s Parade – downtown Waynesville – the Mayor leads this parade
- July 17th – Folkmoot Parade – downtown Waynesville – Noon
- July 16 – July 26 – Folkmoot – various venues

2. Adoption of Minutes

Alderman Caldwell made a motion, seconded by Alderman Greeley, to approve the minutes of the June 9, 2015 regular meeting, as presented. The motion carried unanimously.

B. PUBLIC HEARING

3. Public Hearing to Consider FY 2015/2016 Proposed Budget (continued from regular meeting of June 9, 2015)

Town Attorney Griffin called the public hearing to order at 6:32 p.m. He noted that the public hearing was being continued from the previous regular meeting. Attorney Griffin reminded attendees that they should raise their hands and be recognized, approach the lectern and provide name and address, and limit comments to three (3) minutes. He asked if anyone wished to address the board.

Tony Beamon, representing Mountain Mediation Services, explained that the organization serves the seven western-most counties. They provide training in schools regarding bullying and conflict resolution. Mr. Beamon provided some statistics related to Waynesville/Haywood County. There were 426 mediations in 2014 with 77% resolved never having to go to court, saving both time and money. He highlighted the fact that approximately 1,000 students are provided with training with 660 being at Waynesville Middle School. Mr. Beamon asked that while the board was considering the budget this year to remember Mountain Mediation and the services provided. He added that the administrative costs for services are low and there are many volunteers who serve the organization. Mr. Beamon thanked the board for their continued financial support of Mountain Mediation.

No one else addressed the board, and Attorney Griffin closed the public hearing at 6:35 p.m.

C. NEW BUSINESS

4. Adoption of the FY 15-16 Annual Operating Budget Ordinance - #O-06-15

Alderman Freeman made a motion, seconded by Alderman Greeley, to adopt Budget Ordinance #O-06-15 establishing the Fiscal Year 2015-16 annual operating budget for the Town of Waynesville as presented.

Discussion was held regarding several budget items prior to approval including:

Special Appropriations

Mayor Brown opened discussion related to the budget by noting that there were some changes made to the special appropriations at the last meeting including the addition of funds for the Shelton House and the SHIP program. Other additions necessary include \$10,000 for the Cycle North Carolina Event in September as well as a contribution to Mountaineer Little League. Alderman Caldwell added that Manager Onieal had called attention to the fact that due to the confusion surrounding Mountain Projects' application and use of different titles for the multiple programs under which they had applied for funding over the years, if the board wished to provide the same amount of funding for Mountain Projects as had been provided last year, the total amount of funding to Mountain Projects should be adjusted to \$11,500. Manager Onieal confirmed that \$11,500 was budgeted for Mountain Projects, but that Alderman Caldwell's recommended worksheet had only shown \$6,500.

Personnel/Benefits

Manager Onieal explained that there had been discussion at the special called meeting on June 22 regarding some personnel items. Manager Onieal submitted a revised proposal noting that the

funding amount (5%) was not changed, but she provided additional detail as to the allocation of the 5%. The following was proposed (all amounts are approximate and rounded off for simplicity of presentation purposes):

- Implement new pay chart for Police Department, based on market and career track study at a cost of \$107,000, effective 07-16-15
- 1.5% COLA = \$100,000 for all other employees and non-sworn Police personnel (at \$715/employee), effective 07-16-15
- 1% equity adjustments = \$65,000 to be applied by 8/30/15 on a case by case basis for positions remaining significantly out of line with market rates, after above adjustments
- Remaining \$53,000 to be available January 1, 2016 for initial career track adjustments in other departments as standards are fine-tuned over the coming six months.

Mayor Brown reminded members that a motion and second had been received and asked members to vote related to approval of the budget.

Alderman Freeman made a motion, seconded by Alderman Greeley to adopt Budget Ordinance #O-06-15 establishing the Fiscal Year 2015-16 annual operating budget for the Town of Waynesville as presented. The motion carried unanimously.

Mayor Brown thanked Manager Onieal and Finance Director Caldwell and staff for their work on this budget. He noted that this was a continuation budget with emphasis on employees. Mayor Brown thanked the board for their careful consideration of the budget as well. Manager Onieal added that the staff has held the line on budget and worked hard to implement a number of efficiency and effectiveness measures to allow for improvements while maintaining scope of services and programs, while still spending 2.4% less than last year. This highlights the high performance, creativity and productivity of our employees.

5. Adoption of FY 15-16 Financial Operating Plan for Two Internal Service Funds #R-07-15

Mayor Brown explained that the two internal service funds were developed as a way to properly allocate the full cost of shared services and more accurately allocates costs back to individual departments.

Alderman Caldwell made a motion, seconded by Alderman Roberson, to adopt the Resolution on Financial Operating Plan for Two Internal Service Funds (#R-07-15), Asset Services Management and Garage Operations, as presented. The motion carried unanimously.

6. Adoption of FY 15-16 Fee Schedule

Manager Onieal noted that the only fee that increased was the water rate (by 5%) per the 2006 Asset Management plan and a reduction in commercial solid waste collection fees. Manager Onieal reminded members that the business privilege license was eliminated by the legislature effective July 1, 2015. Manager Onieal added that there is a business registration fee in this budget; however, it is still subject to adjustment by the legislature. The proposed rate is \$25.00 per business which will generate

approximately \$16,000 to cover costs of routine inspections and zoning enforcement directly associated with business services, as compared to the approximate \$150,000 that would have been generated annually by the business privilege license fees.

Alderman Greeley made a motion, seconded by Alderman Roberson, to adopt the FY15-16 Fee Schedule, as presented. The motion carried unanimously.

7. Special Appropriations

Discussion was held earlier in the meeting related to the special appropriations and amendments made.

Alderman Caldwell made a motion, seconded by Alderman Roberson, to approve the FY15-16 Special Appropriations Schedule, as amended. The motion carried unanimously.

8. Resolution (#R-08-15) approving a stipend adjustment for future Mayor and Board of Aldermen Members

Mayor Brown explained that the resolution was to increase the stipend for future board members. He noted that a sitting board cannot raise its own pay. This stipend increase was discussed and approved in the budget workshops last spring. Manager Onieal added that the stipend would not go into effect until a new board is seated, and that the proposal also provides that any time a cost of living increase is provided across the board for all employees on a percentage basis, a similar cost of living adjustment will be made to the board stipend, without requiring additional board action.

Alderman Roberson inquired as to how the Waynesville alderman stipend compares to other municipalities. Manager Onieal responded that it is somewhat higher than neighboring municipalities, particularly considering that the Town also provides health insurance to board members as well, but that regionally board salaries seem to range anywhere from \$2,500 and \$9,000 per board member per year, with some board members choosing to forgo their allocated stipend altogether and some larger areas having additional perks such as insurance or technology or travel stipends. She indicated she would be happy to provide actual survey data at the next available opportunity.

Alderman Caldwell made a motion, seconded by Alderman Greeley, to adopt the Resolution (R-08-15) approving the stipend adjustment for Future Mayor and Board of Aldermen members, as presented.

9. Personnel Policy Updates

Manager Onieal explained that during budget discussion for the previous fiscal year, several changes were approved by the board for inclusion in the coming year budget process to be added to employee benefit package, some of which are just budgetary and are incorporated as part of the manager's proposed budget and others which will appear as amendments to the Town's existing benefit plan policies. The specific areas were:

- Term Life Insurance will equal 1 x annual salary (with a \$25,000 minimum)
- 401K Benefit (town contribution) which should be effective with first day of employment
- Board member's stipends will be increased (Res. 08-15) any time a percentage cost-of-living adjustment is provided across the board to all employees
- Newly hired employees who are transferring from another unit of local or state government may transfer unused sick leave if their former unit participated in the NC Local Government Employee Retirement System and proper documentation is provided from the previous employer.
- Newly hired employees will receive credit for years of service in calculating annual leave for total years served in any unit of government which participates in NCLGERS. For example: if an individual has served for 10 years with another unit and transfers to Waynesville, they would accrue annual leave based on their 10 years of service, rather than that of an employee with no NCLGERS service.
- Paid Holiday schedule matching the State Employees' holiday schedule

Alderman Roberson expressed that he felt that employees should have to serve their probationary period to allow for training and assessment time to best assess the contribution and willingness to remain with the Town. Discussion followed and examples provided regarding those who had been serving in local or state government versus those individuals who were coming in with little to no experience as well as those who may have served, but had taken a hiatus between positions. Manager Onieal noted that this benefit would help to illustrate Waynesville's commitment to the employees and serve as a gesture of good will for new hires.

Mayor Brown clarified that if someone was transferring from a municipal or county system within six months of previous service that the probation period should be exempted. Members agreed that the new language in the policy should read as follows:

Newly hired employees shall be entitled to receive an employer contribution of 5% of gross earnings into the Town-sponsored 401(k) account effective from first day of employment provided that: a) the individual transfers from another municipal, county or state position to the Town of Waynesville and b) there has been less than six (6) months break in service. Employees who have no employment history with local or state government or whose break in government service is greater than six (6) months will be subject to the probationary period before employer 401(k) contributions may begin.

Alderman Roberson made a motion, seconded by Alderman Caldwell, to approve the change in language relating to the employer contribution to the 401(k) account as indicated above. The motion carried unanimously.

Alderman Roberson made a motion, seconded by Alderman Greeley, to approve the personnel policy revisions to Article IX sections 4 & 7, and Article X sections 5 & 11, as presented. The motion carried unanimously.

10. Appointments to Boards and Commissions

By consensus, the Board agreed to use written ballots for their voting process and to appoint board and commission members based on those nominees receiving the highest number of votes for each open position.

Mayor Brown asked Town Clerk Amie Owens to tally the votes from the ballots completed and turned in by each Board member, requesting that the ballots remain on file for documentation purposes. The Clerk reported appointments as follows:

ABC Board - (1) vacancy (3-yr term ending June 30, 2018)

There were two (2) applicants – Raymond Ezell and Danny Wingate.
From the ballot tally, Mr. Ezell received five (5) votes and is re-appointed to the ABC Board.

Historic Preservation Commission – (3) vacancies (3-yr term ending June 30, 2018)

There were two (2) applicants – Coley Bartholomew and Bette Sprecher.

From the ballot tally Ms. Sprecher received five (5) votes and Ms. Bartholomew received three (3) votes. Both applicants are appointed to this commission. There still remains one vacancy on the Historic Preservation Commission

Planning Board – (3) vacancies, (3-yr terms ending June 30, 2018)

There were three (3) applicants – H.P. Dykes, Jr., Shell Isenberg and Danny Wingate. All three applicants were incumbents on the Planning Board with no further applications received.

From the ballot tally, Mr. Dykes, Mr. Isenberg and Mr. Wingate all received five (5) votes and are re-appointed to the Planning Board.

Public Art Commission – (3) vacancies (3-yr term ending June 30, 2018)

There was one (1) applicant – Jan Griffin. From the ballot tally, Ms. Griffin received five (5) votes and Ms. Griffin is reappointed to the Public Art Commission. There are still two (2) vacancies on the Public Art Commission.

Recreation and Parks Advisory Board – (3) vacancies (3 yr-term ending June 30, 2018)

There were four (4) applicants – Andrew Bowen, J. Wallace Messer, Lee Starnes and Heath Sutton.

From the ballot tally – Mr. Messer and Mr. Starnes received five (5) votes; Mr. Sutton received four (4) votes. Mr. Messer and Mr. Starnes are re-appointed to the Recreation and Parks Advisory Board and Mr. Sutton is appointed for his initial term.

Waynesville Housing Authority – (1) vacancy (5-yr term ending June 30, 2020)

There were two (2) applicants – Alfred Earl Caldwell and Melanie Holmes.

From the ballot tally, Mr. Caldwell received three (3) votes; Ms. Holmes two (2) votes. Mr. Caldwell is appointed for his initial term to the Waynesville Housing Authority.

Zoning Board of Adjustment - (2) vacancies – one is an ETJ representative (3-yr term ending June 30, 2018)

There were two (2) applicants – Neal Ensley and Henry Kidder. From the ballot tally, Mr. Ensley received five (5) votes and Mr. Kidder received four (4) votes. Mr. Ensley is re-appointed to serve on the Zoning Board of Adjustment following confirmation from the Haywood County Board of County Commissioners. Mr. Kidder is appointed to his initial term on the Zoning Board of Adjustment.

Ms. Owens will formally notify these individuals and the chairs of each board or commission of these appointments. Ms. Owens added that there will be an appreciation reception planned for July or August for all of the members of these volunteer boards. An orientation will be provided to all members at the time of the reception.

D. COMMUNICATIONS FROM STAFF

11. Town Manager – Marcy Onieal

Manager Onieal had no additional information to report.

12. Town Attorney – Woody Griffin

Attorney Griffin had no business to discuss.

E. COMMUNICATIONS FROM MAYOR & BOARD OF ALDERMEN

Alderman Caldwell received a call about Locust Drive near Smoky Mountain Cycles. There is no speed limit sign and the road is being used for speed testing. He requested that the Police Department do a traffic study and post the appropriate speed limit signage.

Alderman Greeley added that if there was more police presence in that area, it may help and to have some assistance in cleaning up the ditches.

F. CALL ON THE AUDIENCE

No one addressed the board.

G. CLOSED SESSION

Mayor Brown noted that the board would be going into closed session to discuss personnel matters (the manager's annual performance review) as permitted under NCGS § 143.318.11 (a)(6).

Alderman Greeley made a motion, seconded by Alderman Caldwell to enter into closed session. The motion carried unanimously.

The board entered closed session at 7:07 p.m.

The board returned from closed session at 8:50 p.m.

H. ADJOURN

There being no further business to discuss, Alderman Greeley made a motion, seconded by Alderman Roberson, to adjourn the meeting at 8:51 p.m. The motion carried unanimously.

ATTEST

Gavin A. Brown, Mayor

Marcia D. Onieal, Town Manager

Amanda W. Owens, Town Clerk

TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 28, 2015

SUBJECT: Report of sold assets through Gov Deals and assets sold through other means.

AGENDA INFORMATION:

Agenda Location: Presentations
Item Number: 3a-B
Department: Purchasing
Contact: Julie Grasty, Asset Services Manager
Presenter: Julie Grasty, Asset Services Manager

BRIEF SUMMARY: Surplus Property Ordinance 9-09 requires that the Purchasing Supervisor make reports to the Town Board on the surplus equipment sold by the Town during the fiscal year.

MOTION FOR CONSIDERATION: No motion, report is for informational purposes only.

FUNDING SOURCE/IMPACT: The Town pays an administrative fee of 7.5% of the winning bid amount for the use of the on-line auction. There is also the Purchasing Supervisor time to prepare items for auction and answer questions from prospective bidders.

ATTACHMENTS:

- Report of assets sold through Gov Deals and other means

MANAGER'S COMMENTS AND RECOMMENDATIONS:

Town of Waynesville

Report of Assets Sold

FYE 2015

Date	Department	Asset #	Description	Sold Amount
GENERAL FUND				
9/15/2014	Police Department		German Shepherd Police Dog	\$ 1.00
11/21/2014	Street Department		Scrap Metal-Steel	\$ 159.00
1/29/2015	Street Department		Scrap Metal-Steel	\$ 480.00
2/12/2015	Administration	503	1998 Ford F-150 -Vin#7429	\$ 2,155.00
2/12/2015	Powell Bill	815	1995 Ford F800 -Vin#5579	\$ 5,955.00
3/6/2015	Street Department		Scrap Metal-Steel	\$ 467.65
3/17/2015	Planning Dept.	741	1996 Jeep Cherokee	\$ 4,255.00
5/7/2015	Street Department		Scrap Metal-Steel	\$ 375.00
			Total Assets Sold General Fund	\$ 13,847.65
Date	Department	Asset #	Description	Sold Amount
Water Fund				
7/1/2014	Water Maintenance		Scrap Metal-Iron	\$ 309.00
9/26/2014	Water Maintenance		Scrap Metal-Steel	\$ 2,680.20
10/10/2014	Water Maintenance		Scrap Metal-Steel	\$ 738.00
2/12/2015	Water Treatment	383	1997 Ford F-150 -Vin#2690	\$ 3,190.00
2/16/2015	Water Maintenance		Brass Water Meters & Water Materials	\$ 13,015.00
			Total Assets Sold Water Fund	\$ 19,932.20
Sewer Fund				
			Total Assets Sold Sewer Fund	\$ -
Electric Fund				
10/10/2014	Electric Maintenance		Scrap Metal-Aluminum	\$ 255.00
12/3/2014	Electric Maintenance		Scrap Metal-Iron	\$ 279.00
3/25/2015	Electric Maintenance		Scrap-Copper	\$ 6,610.70
4/17/2015	Electric Maintenance		Scrap Metal-Aluminum	\$ 225.00
			Total Assets Sold Electric Fund	\$ 7,369.70
Asset Management				
2/12/2015	Purchasing	28	1998 Ford F-150 2WD -Vin#2244	\$ 2,505.00
			Total Assets Sold Asset Management	\$ 2,505.00
Garage Fund				
Various	Garage Department		Used Motor Oil	\$ 35.00
			Total Assets Sold Garage Fund	\$ 35.00

**TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 28, 2015**

SUBJECT: Fiscal Year ending report - Disclosure of Payments

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 3-B
Department: Administrative Services
Contact: Amie Owens, Town Clerk
Presenter: Marcy Onieal, Town Manager

BRIEF SUMMARY: A unit of Local Government is legally able to enter into a contract with a member of its governing board, it must do so according to the strict procedural requirements of G.S. 14-234(d1).

To be able to enter into a contract with a member of its governing board, the town's population (based on the most recent federal census) must be less than 15,000, and the payment (or series of payments) must be less than \$40,000 during a 12-month period. A requirement is that the town posts a list on its official notice board the following information: name of the official, brief description of the service or undertaking for which he was paid, and total amount of payments (this notice must be kept posted for 12 months).

The following is a report to disclose the total amount paid for use of the Wells Event Center for two meetings in FY 2014-15 totaling \$650.00.

- October 27, 2014 – The Haywood County Council of Governments meeting was hosted by the Town of Waynesville and the charge for the room was \$150.00.
- March 27, 2015 – Town of Waynesville Annual Board Retreat – the charge for the room was \$500.00.

MOTION FOR CONSIDERATION: No motion required, this is an acknowledgement and disclosure of payments for use of a facility that is owned and operated by a currently seated Board member.

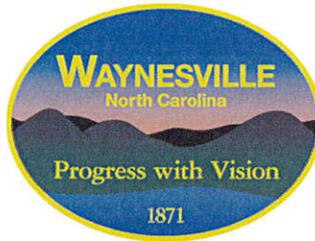
FUNDING SOURCE/IMPACT: \$650.00 was paid from the Administrative Services budget for these two meetings – line item 104120 – 532920 Materials and Supplies.

ATTACHMENTS:

- Invoices from Wells Event Center
- NCGS 14-234 (d1)

MANAGER'S COMMENTS AND RECOMMENDATIONS: N/A

Gavin Brown, Mayor
J. Wells Greeley, Mayor Pro Tem
Gary Caldwell, Alderman
Julia Freeman, Alderman
LeRoy Roberson, Alderman



Marcia D. Onieal, Town Manager
Woody Griffin, Town Attorney

Annual Disclosure of Payment Fiscal Year 2014-2015

J. Wells Greeley – Mayor Pro Tempore

Service or Activity – Wells Event Center was paid for use of meeting space. While there was no direct payment to Alderman Greeley, as the owner of the establishment, he could have benefitted from such payment and therefore, disclosure of the payment is required in accordance with NCGS § 14-234 (d1).

- October 27, 2014 – The Haywood County Council of Governments meeting was hosted by the Town of Waynesville and the charge for the room was \$150.00.
- March 27, 2015 – Town of Waynesville Annual Board Retreat – the charge for the room was \$500.00.

Total Amount of Payment - \$650.00

This document has been certified by Amanda W. Owens, Town Clerk

Amanda W. Owens



§ 14•234. Public officers or employees benefiting from public contracts; exceptions.

(a) (1) No public officer or employee who is involved in making or administering a contract on behalf of a public agency may derive a direct benefit from the contract except as provided in this section, or as otherwise allowed by law.

(2) A public officer or employee who will derive a direct benefit from a contract with the public agency he or she serves, but who is not involved in making or administering the contract, shall not attempt to influence any other person who is involved in making or administering the contract.

(3) No public officer or employee may solicit or receive any gift, reward, or promise of reward in exchange for recommending, influencing, or attempting to influence the award of a contract by the public agency he or she serves.

(a1) For purposes of this section:

(1) As used in this section, the term "public officer" means an individual who is elected or appointed to serve or represent a public agency, other than an employee or independent contractor of a public agency.

(2) A public officer or employee is involved in administering a contract if he or she oversees the performance of the contract or has authority to make decisions regarding the contract or to interpret the contract.

(3) A public officer or employee is involved in making a contract if he or she participates in the development of specifications or terms or in the preparation or award of the contract. A public officer is also involved in making a contract if the board, commission, or other body of which he or she is a member takes action on the contract, whether or not the public officer actually participates in that action, unless the contract is approved under an exception to this section under which the public officer is allowed to benefit and is prohibited from voting.

(4) A public officer or employee derives a direct benefit from a contract if the person or his or her spouse: (i) has more than a ten percent (10%) ownership or other interest in an entity that is a party to the contract; (ii) derives any income or commission directly from the contract; or (iii) acquires property under the contract.

(5) A public officer or employee is not involved in making or administering a contract solely because of the performance of ministerial duties related to the contract.

- (b) Subdivision (a)(1) of this section does not apply to any of the following:
- (1) Any contract between a public agency and a bank, banking institution, savings and loan association, or with a public utility regulated under the provisions of Chapter 62 of the General Statutes.
 - (2) An interest in property conveyed by an officer or employee of a public agency under a judgment, including a consent judgment, entered by a superior court judge in a condemnation proceeding initiated by the public agency.
 - (3) Any employment relationship between a public agency and the spouse of a public officer of the agency.
 - (4) Remuneration from a public agency for services, facilities, or supplies furnished directly to needy individuals by a public officer or employee of the agency under any program of direct public assistance being rendered under the laws of this State or the United States to needy persons administered in whole or in part by the agency if: (i) the programs of public assistance to needy persons are open to general participation on a nondiscriminatory basis to the practitioners of any given profession, professions or occupation; (ii) neither the agency nor any of its employees or agents, have control over who, among licensed or qualified providers, shall be selected by the beneficiaries of the assistance; (iii) the remuneration for the services, facilities or supplies are in the same amount as would be paid to any other provider; and (iv) although the public officer or employee may participate in making determinations of eligibility of needy persons to receive the assistance, he or she takes no part in approving his or her own bill or claim for remuneration.
- (b1) No public officer who will derive a direct benefit from a contract entered into under subsection (b) of this section may deliberate or vote on the contract or attempt to influence any other person who is involved in making or administering the contract.
- (c) through (d) Repealed by Session Laws 2001•409, s. 1, effective July 1, 2002.
- (d1) Subdivision (a)(1) of this section does not apply to (i) any elected official or person appointed to fill an elective office of a village, town, or city having a population of no more than 15,000 according to the most recent official federal census, (ii) any elected official or person appointed to fill an elective office of a county within which there is located no village, town, or city with a population of more than 15,000 according to the most recent official federal census, (iii) any elected official or person appointed to fill an elective office on a city board of education in a city having a population of no more than 15,000 according to the most recent official federal census, (iv) any elected official or

person appointed to fill an elective office as a member of a county board of education in a county within which there is located no village, town or city with a population of more than 15,000 according to the most recent official federal census, (v) any physician, pharmacist, dentist, optometrist, veterinarian, or nurse appointed to a county social services board, local health board, or area mental health, developmental disabilities, and substance abuse board serving one or more counties within which there is located no village, town, or city with a population of more than 15,000 according to the most recent official federal census, and (vi) any member of the board of directors of a public hospital if all of the following apply:

- (1) The undertaking or contract or series of undertakings or contracts between the village, town, city, county, county social services board, county or city board of education, local health board or area mental health, developmental disabilities, and substance abuse board, or public hospital and one of its officials is approved by specific resolution of the governing body adopted in an open and public meeting, and recorded in its minutes and the amount does not exceed twelve thousand five hundred dollars (\$12,500) for medically related services and twenty-five thousand dollars (\$25,000) for other goods or services within a 12-month period.
- (2) The official entering into the contract with the unit or agency does not participate in any way or vote.
- (3) The total annual amount of contracts with each official, shall be specifically noted in the audited annual financial statement of the village, town, city, or county.
- (4) The governing board of any village, town, city, county, county social services board, county or city board of education, local health board, area mental health, developmental disabilities, and substance abuse board, or public hospital which contracts with any of the officials of their governmental unit shall post in a conspicuous place in its village, town, or city hall, or courthouse, as the case may be, a list of all such officials with whom such contracts have been made, briefly describing the subject matter of the undertakings or contracts and showing their total amounts; this list shall cover the preceding 12 months and shall be brought up-to-date at least quarterly.

(d2) Subsection (d1) of this section does not apply to contracts that are subject to Article 8 of Chapter 143 of the General Statutes, Public Building Contracts.

(d3) Subsection (a) of this section does not apply to an application for or the receipt of a grant under the Agriculture Cost Share Program for Nonpoint Source Pollution Control

created pursuant to G.S. 143•215.74 by a member of the Soil and Water Conservation Commission if the requirements of G.S. 139•4(e) are met, and does not apply to a district supervisor of a soil and water conservation district if the requirements of G.S. 139•8(b) are met.

(d4) Subsection (a) of this section does not apply to an application for, or the receipt of a grant or other financial assistance from, the Tobacco Trust Fund created under Article 75 of Chapter 143 of the General Statutes by a member of the Tobacco Trust Fund Commission or an entity in which a member of the Commission has an interest provided that the requirements of G.S. 143•717(h) are met.

(d5) This section does not apply to a public hospital subject to G.S. 131E•14.2 or a public hospital authority subject to G.S. 131E•21.

(e) Anyone violating this section shall be guilty of a Class 1 misdemeanor.

(f) A contract entered into in violation of this section is void. A contract that is void under this section may continue in effect until an alternative can be arranged when: (i) immediate termination would result in harm to the public health or welfare, and (ii) the continuation is approved as provided in this subsection. A public agency that is a party to the contract may request approval to continue contracts under this subsection as follows:

(1) Local governments, as defined in G.S. 159•7(15), public authorities, as defined in G.S. 159•7(10), local school administrative units, and community colleges may request approval from the chair of the Local Government Commission.

(2) All other public agencies may request approval from the State Director of the Budget.

Approval of continuation of contracts under this subsection shall be given for the minimum period necessary to protect the public health or welfare. (1825, c. 1269, P.R.; 1826, c. 29; R.C., c. 34, s. 38; Code, s. 1011; Rev., s. 3572; C.S., s. 4388; 1929, c. 19, s. 1; 1969, c. 1027; 1975, c. 409; 1977, cc. 240, 761; 1979, c. 720; 1981, c. 103, ss. 1, 2, 5; 1983, c. 544, ss. 1, 2; 1985, c. 190; 1987, c. 570; 1989, c. 231; 1991 (Reg. Sess., 1992), c. 1030, s. 5; 1993, c. 539, s. 145; 1994, Ex. Sess., c. 24, s. 14(c); 1995, c. 519, s. 4; 2000•147, s. 6; 2001•409, s. 1; 2001•487, ss. 44(a), 44(b), 45; 2002•159, s. 28.)

2015 MUNICIPAL GOVERNMENT SUMMER INTERNSHIP

Presented by Catherine Hughes, MPA Intern
July 28, 2015



PRIMARY PROJECTS

- Emergency Action Plans
- NIMS Training
- Table Top and Full Scale Exercise

Emergency Action Plans (EAPs)

- Plans for all Town buildings that outline standard operating procedures for physical, cyber, and procedural security to protect the safety of the general public and employees of the Town of Waynesville.
- All plans have been finalized and employee trainings have begun



Sample Cover Page & Contents



Municipal Building- 16 South Main Street

Emergency Action Plan

Effective July 2015

- Purpose
- General Statement
- Site and Facility Management
- Safety Inspections
- Emergency Operations Plan
 - Armed Robbery
 - Bomb Threat
 - Building Evacuation
 - Fire
 - Hazardous Materials Spill
 - Health Emergencies
 - Theft
 - Tornado
 - Dealing with Combative People
 - Active Shooter
 - Media
 - Information Technology/Cyber Attack
- In-Service Training
- Public Relations
- Periodic Review



National Incident Management System (NIMS)

- The nation's standardized approach to incident management. It is intended to be used by all levels of government, as well as the private and non-profit sectors.
- Housed within NIMS is the Incident Command System (ICS), the structure used for all-hazards incident management.
- Certain classes offered by FEMA must be taken in order to be NIMS compliant. Preparedness grant funding from the Department of Homeland security is contingent on NIMS compliance.



NIMS compliance

- Created a compliance tracking and training program for non-public safety departments. The Police and Fire Departments are already NIMS compliant.
- The required trainings are based on what Haywood County requires of its non-public safety departments, with a few modifications



Required NIMS Courses for Non-Public Safety Employees

	Introduction to the Incident Command System	Introduction to the Incident Command System for Public Works	Basic Incident Command System	National Incident Management System	Multi-agency coordination system	Public Information Systems	Resource Management	Intrastate Mutual Aid	National Response Framework
Position	IS-100	IS-100.PWb	IS-200	IS-700	IS-701	IS-702	IS-703	IS-706	IS-800
All staff	X			X					
Town Manager & Town Clerk	X		X	X	X	X	X	X	X
Public Services employees**	X	X		X					
Public services director**	X	X	X	X		X			
Purchasing supervisor**	X	X		X			X		
Finance Director	X		X	X		X	X		
Deputy Finance Director	X		X	X			X		
Department Directors	X		X	X		X			
Water & Wastewater Treatment Plant Superintendent**	X	X	X	X					
Aldermen and Mayor*				X					

* We cannot require the Aldermen and the Mayor to take this course, but I recommend that you strongly suggest it.

** IS-100 and IS-100.PWb are the same course, but IS-100 PWb has additional information specific to Public Works. Taking IS-100.PWb fulfills the IS-100 requirement.



Table Top and Full Scale Exercise

- The scenario was a fire at Massie Furniture Company
- The Table Top took place at the police department the afternoon of May 26th
- This was a verbal walk through of the different stages of the response
- I represented administration and discussed with other social service/support agencies what we could best do to support the responding agencies and the possible need for a declaration of disaster by the Mayor



Full Scale Exercise

- Took place on June 5th and 6th from 11:00 p.m. (staging) until around 4 a.m. (debriefing)
- Command post was the Training Room of the Police Department
- Played the role of Town Manager in the scenario
- Assisted by calling other departments to help with traffic control and obtaining vans for evacuation
- Jointly decided with the Mayor and Emergency Management Coordinator that a declaration of a state of emergency was not needed



Other Projects

- Helped to craft a communication plan for the tobacco ordinance and researched signage options and pricing
- Arranged the ordering of laptops for training and an ID card printer
- Researched new hire pay rates for part-time employees in other North Carolina towns of similar size
- Compiled articles on the Lake Junaluska merger
- Researched and composed several Throwback Thursday excerpts for social media sites



What I've Learned...

- Glimpsed how much work and preparation goes into the budget process
- Understand the different and various ways that what happens in Raleigh can have an immediate and large impact here – for example: the business privilege license tax and the Lake Junaluska merger
- Seeing the collaboration between different departments working together during an emergency response, from the Public Services to Parks and Recreation.
- Conducting full-scale exercises is a vital part of successful emergency response and management
- Realization of how fast-paced and quick-changing local government can be



TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 28, 2015

SUBJECT: Audit Proposal

AGENDA INFORMATION:

Agenda Location: New Business
Item Number:
Department: Finance
Contact: Eddie Caldwell, Finance Director / Marcy Onieal Town Manager
Presenter: Eddie Caldwell, Finance Director / Marcy Onieal Town Manager

BRIEF SUMMARY: Ray, Bumgarner, Kingshill, and Associates have proposed a three year audit contract. The audit fees for the three years are as follows and the preparation of annual financial statements is \$95.00 per hour:

Year Ended June 30, 2015	\$27,500
Year Ended June 30, 2016	\$27,500
Year Ended June 30, 2017	\$27,500
TOTAL	\$82,500

The fees are the same as those paid over the past three years.

MOTION FOR CONSIDERATION: *To approve the three year audit proposal and authorize the Mayor to sign the Contract to Audit Accounts.*

FUNDING SOURCE/IMPACT:

ATTACHMENTS:

- Audit Proposal

MANAGER'S COMMENTS AND RECOMMENDATIONS: Approve as presented.

AUDIT PROPOSAL

June 15, 2015

Mr. Eddie Caldwell
Finance Officer
Town of Waynesville
280 Georgia Avenue
Waynesville, NC 28786

Dear Mr. Caldwell:

This letter sets forth our proposal for the audit of the financial statements for the Town of Waynesville for the years ended June 30, 2015 through June 30, 2017. The audit will be conducted under generally accepted auditing standards, the Governmental Auditing Standards, provisions of the OMB Circular A-133 and the State Single Audit Implementation Act.

As you know, our firm has been the auditor for the Town of Waynesville for over thirty years.

Our firm's auditing practice consists mainly of six nonprofit and four municipal audit engagements. Our municipal audits consist of the Town of Waynesville, Waynesville Housing Authority, Town of Woodfin, Woodfin ABC Board, Town of Robbinsville and Robbinsville Tourism Authority. Four of our audit engagements are conducted under OMB Circular A-133. They are Mountain Projects, Inc., Mountain View Housing, Town of Robbinsville, and Waynesville Housing Authority. The firm's three partners have over ninety years of combined auditing experience. The partner-in-charge of the Town of Waynesville audit has forty years of auditing experience, with over thirty years of auditing experience under OMB A-133. The auditor-in-charge of the Town of Waynesville audit has fifteen years of auditing experience under OMB A-133.

The fee for the three fiscal years beginning with the year ended June 30, 2015 through the year ended June 30, 2017 is estimated as follows:

Year Ended June 30, 2015:	\$27,500
Year Ended June 30, 2016:	\$27,500
Year Ended June 30, 2017:	<u>\$27,500</u>
Cumulative Total:	\$82,500

These fees are contingent on the finance officer providing us with the same assistance and information as he has in the prior fiscal year audits. The fees are also contingent upon no change in the finance officer and consistency in spending within federal and state expenditure programs. We will be available for consultation concerning financial and accounting matters at our regular standard hourly rates.

We will also prepare the financial statements under the GASB Statement No. 34 reporting model for the above three years. Our fee will be based on the actual time spent at our standard audit hourly rate of \$95.00 per man-hour.

It is also important to remind you that as the partner-in-charge of this audit, I have made myself available to answer questions and to consult with management without management having to wait any length of time for a reply. Also, the auditor-in-charge has been involved in your audit for the past eleven years and has a thorough knowledge of your organization. Our firm has undergone seven peer reviews of our quality control system. Our latest peer review was a pass report. This is the highest standard that a firm can achieve.

If you have any questions, please let us know. If you agree with the terms of this proposal, please sign the enclosed copy and return it to us. It has been a pleasure working with you, and the Town of Waynesville's staff during these past years.

Sincerely yours,



Bruce A. Kingshill
Certified Public Accountant

By: _____

Title: _____

Date: _____

**TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 28, 2015**

SUBJECT: Special Event – Request Temporary Street Closure – First United Methodist Church Event:
Hog Wars Fundraiser

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 6-C
Department: Public Services
Contact: Marcy Onieal, Town Manager
Presenter: Marcy Onieal, Town Manager

BRIEF SUMMARY:

A request was received from First United Methodist Church of Waynesville to close down Academy Street for a church event. The closure request includes street barricades at the intersection of Haywood Street and Academy Street as well as the intersection of Academy Street and Tate Street. No police escort or security needed. The event is:

Hog Wars - a fundraiser for the Kory Wawanaca Children's Home in Bolivia, South America on Saturday, September 19 beginning at 4pm and ending at 7pm. **Please close street by 2pm on Saturday, September 19.

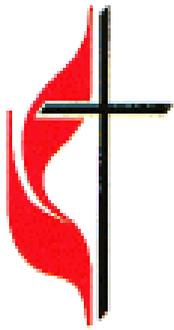
MOTION FOR CONSIDERATION: To approve the requested street closure of Academy Street from Haywood Street to Tate Street on Saturday, September 19 beginning at 2:00 p.m. through the event ending at 7:00 p.m., as presented.

FUNDING SOURCE/IMPACT: No direct costs for these events – just in-kind service

ATTACHMENTS:

- FUMC of Waynesville request letter

MANAGER'S COMMENTS AND RECOMMENDATIONS: Manager recommends approval



First United Methodist Church

P.O. Box 838 - 566 S. Haywood Street
Waynesville, NC 28786 (828) 456-9475

July 8, 2015

Dear Mayor Brown and Board of Alderman:

We would like to request a street closure for an event at First United Methodist Church of Waynesville. The street closure request is Academy Street that runs in between the church property and the church parking lot. We wish to barricade Academy Street in between the intersections of Haywood Street and Tate Street. The times of closure requested are included below. For this event at the church, we are expecting crowds ranging from 200 - 500 including many small children and elderly people. We hope that the street closure will provide safety for all people attending the events as they move between the church parking lot and church property.

“Hog Wars” - Saturday, September 19 from 4-7pm. This event is a fund raiser for the Kory Wawanaca Children’s Home in Bolivia, South America. This home was founded and is funded by individuals from WNC. This event is open to the community. We request street closure to begin at 2pm on September 19 to allow sufficient time for set up for the event.

Please let us know if you have any questions about the request for street closure. We appreciate your cooperation and know that you are invited to attend any of these events at FUMC. Our church welcomes ALL and is blessed by all who are present.

Sincerely,

Rev. Becky Brown

Minister of Discipleship and Evangelism, FUMC

Resolution - R-09-15

RESOLUTION ACCEPTING PROPOSAL FOR OPTION AND LEASE AND AUTHORIZING UPSET BID PROCESS

WHEREAS, the Town of Waynesville has an option to acquire a parcel of land which is a portion of that property described in Deed Book 391 at Page 966, Haywood County Registry; and

WHEREAS, an acceptable proposal has been received by the Town for a long term lease of a portion of that property for a term of five years with a provision allowing up to ten five year extensions, with an initial payment for the option to lease the property of \$50,000.00 with monthly rent of \$1,500.00 per month beginning when the lease begins, with a rent abatement of \$1,000.00 per month for 50 months; and

WHEREAS, such lease, with extensions, will exceed ten years in length; and

WHEREAS, leases of town owned property exceeding ten years in length must be treated the same as a sale of town owned property; and

WHEREAS, N.C.G.S. Section 160A-269 allows the Town to sell or lease its property under a long term lease by upset bid, after receipt of an offer or a proposal to lease the property.

NOW, THEREFORE, be it resolved by the Board of Aldermen of the Town of Waynesville, that:

1. The Board of Aldermen does hereby authorize the lease of the property described above through the upset bid procedure of North Carolina General Statute §160A-269.
2. The Town Clerk shall cause a notice of the proposed lease to be published. The notice shall describe the property and the amount of the offer, and shall state the terms under which the offer may be upset.
3. Persons wishing to upset the offer that has been received shall submit a sealed bid with their offer to the Town Clerk within ten (10) days after the notice of the proposed lease is published. At the conclusion of the ten (10) day period, the Town Clerk shall open the bids, if any, and the highest bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.
4. If a qualifying higher bid is received, the Town Clerk shall cause a new notice of upset bid to be published, and shall continue to do so until a ten day period has passed without any qualifying upset bid having been received. At that time, the amount of the high bid shall be reported to the Board of Aldermen.
5. A qualifying higher bidder is one that raises the existing offer of the proposed monthly rent by not less than ten percent (10%) of the first \$1,000.00 of that prior offer total rental

amount for 60 months plus five percent (5%) of the remainder of that offered rent.

6. A qualifying higher bid must also be accompanied by a deposit in the amount of five percent (5%) of the amount of the first term lease payments (60 months) as established by the lease, or by successive upset bids; the deposit may be made in cash, cashier's check or certified check. The Town will return the deposit on any bid not accepted, and will return the deposit on any offer subject to upset if a qualifying higher bid is received. The Town will return the deposit to the final high bidder at the time the lease is executed by all parties and fully in effect.

7. The terms of the lease require the final high bidder to pay to the Town the \$50,000.00 option price hereinabove described, and to pay monthly rent in advance each month once the final lease is executed.

8. If no qualifying upset bid is received after the initial public notice, the offer set forth above is hereby accepted. The Town Manager is authorized to execute the instruments necessary to convey the option and to enter into the lease.

READ, APPROVED AND ADOPTED, the 28th day of July, 2015.

Gavin A. Brown
Mayor

ATTEST:

Marcia D. Onieal
Town Manager

Amanda W. Owens
Town Clerk

OPTION AND GROUND LEASE AGREEMENT

THIS OPTION AND GROUND LEASE AGREEMENT (“Agreement”) is made this _____ day of _____, 2015 (the “Effective Date”) by and between the Town of Waynesville, North Carolina as Lessor, hereinafter sometimes called Optionor and Prime Tower Development, LLC, a Georgia limited liability company, as Lessee, hereinafter sometimes called Optionee (the “Parties” or each individually as a “Party”).

For good and valuable consideration, the receipt of which is hereby acknowledged, Lessor and Lessee desire to enter into this Agreement upon the terms and conditions contained herein.

ARTICLE I. QUIT CLAIM

1. Land Contract. Lessee is a party to that certain Offer to Purchase and Contract – Vacant Land Lot dated February 9, 2015 and annexed hereto as Exhibit “A” (the “Land Contract”). Pursuant to the Land Contract, Lessee was the buyer of a parcel of real property located at 0 Mosaic Place (a ½ acre portion thereof – aka APN 8605 72 2833) in the Town of Waynesville, County of Haywood, State of North Carolina, as more particularly described in Exhibit “B” annexed hereto (the “Parent Parcel”). Lessee has assigned this Land Contract to the Lessor.

2. Closing of Parent Parcel. Pursuant to the Land Contract, closing for the Parent Parcel (the “Closing”) on or about December 6, 2015 (the “Closing Date”). All expenses of due diligence and closing will be paid by Lessee, which agrees to complete all title work and Phase I environmental work prior to the Closing Date, and to provide a title insurance commitment prior to the Closing Date. Upon Closing, Lessor will receive a deed for the Parent Parcel, which will be paid with the Option Consideration as provided below.

3. Option Start Date. The Parties agree that the Option Initial Term (as defined in Article II, Section 2) will begin upon the recording of the deed to the Lessor (the “Option Start Date”).

ARTICLE II. OPTION TO LEASE

1. Grant of Option. Beginning on the Option Start Date, the terms of this Article II of the Agreement applying to the option to lease the Premises shall immediately govern the relationship of the Parties. Optionor hereby gives and grants unto Optionee and its assigns, an exclusive and irrevocable option (the “Option”) to lease a certain portion or portions of the Parent Parcel (the “Property”), together with the easements for ingress, egress, and utilities hereinafter described for the duration of this Agreement (collectively, the “Easement”). The Property together with the Easement are collectively the “Premises” and are more particularly described and/or depicted on Exhibit “C” attached hereto. Optionor agrees and acknowledges that Optionee may at Optionee’s sole cost and expense have a survey or site plan prepared of the Premises and that the legal description of the Premises as shown on the survey shall thereafter become the legal description of the Premises.

2. Option Initial Term. The initial term of this Option shall be for twelve (12) months beginning on the Option Start Date (“Option Initial Term”).

3. Consideration for Option. Consideration for the Option Initial Term shall be Fifty Thousand and No/100 Dollars (\$50,000.00) ("Option Consideration"), payable on or before the date of closing on the purchase of the described real property by the Lessor.

4. Extension of Option. This Option may be extended at the discretion of Optionee for two (2) additional period(s) of one (1) year each ("Option Renewal Term(s)") by Optionee paying to Optionor the additional consideration of One Hundred and No/100 Dollars (\$100.00) ("Option Extension Consideration") prior to the expiration of the then existing term of this Option.

5. Optionor's Representations and Warranties. As an inducement for Optionee to enter into and be bound by the terms of this Agreement, Optionor represents and warrants to Optionee and Optionee's successors and assigns that as of the Option Start Date and at all times prior to termination of this Agreement:

(a) Optionor has the power and authority to execute, deliver and be bound by each and every term of this Agreement and neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated herein, will conflict with, constitute and event of default under, or result in a breach of any term, condition or provision of (i) Optionor's certificate of incorporation, by-laws, partnership agreement or operating agreement, as applicable, or (ii) any other agreement to which Optionor is a party or by which Optionor is bound; PROVIDED, HOWEVER, that the Lease hereinafter described and herein agreed to is subject to the legal obligation of the Lessor to publish notice of this option and lease to afford others the opportunity to enter upset bids for this interest in real property; and

(b) There are no pending or threatened legal, regulatory or administrative actions including bankruptcy or insolvency proceedings under any state or federal law, or any other suits, claims or causes of action against Optionor which may adversely affect Optionor's ability to perform under this agreement, or which may otherwise affect the Premises; and

(c) Optionor covenants and agrees that Optionor shall not grant an option or enter into any contract which will affect the Premises until this Option expires or is terminated by Optionee; and

(d) Optionor has not dealt with any broker, agent or other person that may be entitled to any commission or compensation in connection with the transactions contemplated herein, except as has been disclosed to the Optionee prior to the Option Start Date; and

(e) Neither this Agreement nor any statement, report or other document furnished or to be furnished by Optionor pursuant to this Agreement or in connection with the transactions contemplated hereby contains any untrue statement of fact or omits to state a fact necessary to make the statements contained therein not misleading.

6. Taxes. All ad valorem real property taxes and other special assessment taxes attributable to the Premises during the Option Initial Term and any Option Renewal Term of the Option shall be solely the responsibility of the Optionor, and the same shall be paid by Optionor as and when due.

7. Liquidated Damages. In the event this Agreement is terminated prior to the lease Commencement Date (as defined below) due to a default or breach of this Option by Optionee, Optionor's damages shall be fixed and liquidated to the sums paid by Optionee to Optionor as consideration for this Option. It is understood and agreed by Optionor and Optionee that such amounts are in the nature of liquidated damages and not a penalty and that such sums are reasonable in light of the

anticipated or actual harm caused by the default or breach, the difficulties of the proof of loss, and the inconvenience or nonfeasibility of otherwise obtaining an adequate remedy. The liquidated damages set forth above shall be Optionor's exclusive remedy of for breach of this Agreement prior to the lease Commencement Date, and Optionor hereby expressly waives any other remedies it may have for a breach of this Option by Optionee including specific performance and damages for breach of contract.

8. Inspections and Investigations. Optionor agrees to grant to Optionee, its officers, agents, employees, independent contractors, and prospective licensee(s) and sublessee(s) the right and privilege to enter upon the Premises at any time after the date Optionor takes title to the described real property, to perform or cause to be performed test borings of the soil, environmental audits, and engineering studies, and to conduct a survey of the Premises. Optionor shall provide Optionee with all necessary keys and access codes to the Premises if needed for ingress and egress, and Optionee shall not unreasonably interfere with Optionor's use of the Premises in conducting these activities.

9. Further Acts. Optionor shall cooperate with Optionee in executing all documents necessary to protect Optionee's rights under this Option or Optionee's use of the Premises and shall take such action as Optionee may reasonably require to effect the intent of this Option. Optionor hereby appoints Optionee or Optionee's agent as Optionor's agent to file applications on behalf of Optionor with federal, state, and local governmental authorities which applications relate to Optionee's intended use of the Premises including, but not limited to, land use and zoning applications. Optionor agrees to cooperate with Optionee in obtaining, at Optionee's expense, all licenses, permits and other regulatory authorizations ("Government Approvals") associated with Optionee's Intended Use (as defined below) of the Premises.

ARTICLE III. GROUND LEASE AGREEMENT

1. Exercise of Option. Upon the tender of written notice of Optionee's election to exercise the Option, the terms of this Article III of the Agreement applying to the lease of the Premises shall immediately govern the relationship of the Parties, and this Agreement shall thereafter constitute a lease of the Premises from the Optionor (hereinafter, the "Lease"), as lessor (hereinafter, the "Lessor") and Optionee, as lessee (hereinafter, the "Lessee"). The date of the written notice of the election to exercise the Option shall constitute the commencement date of the Lease ("Commencement Date").

2. Use. The Premises may be used by Lessee for any lawful purpose, including the transmission and receipt of wireless communication signals in any and all frequencies and the construction and maintenance of towers, antennas, or buildings, and related facilities and activities ("Intended Use"). Lessor agrees to cooperate with Lessee in obtaining, at Lessee's expense, all Governmental Approvals associated with Optionee's Intended Use of the Premises. Lessee may construct additional improvements, demolish and reconstruct improvements, and restore, replace, and reconfigure improvements at any time and from time to time during the Initial Term and any Renewal Term of this Lease.

3. Initial Term. The term of this Lease shall be five (5) years commencing on the Commencement Date and terminating on the fifth anniversary of the Commencement Date ("Initial Term").

4. Renewal Terms. Lessee shall have the right to extend this Lease for ten (10) additional five (5) year terms ("Renewal Terms"). Each Renewal Term shall be on the same terms **and conditions** as set forth in this Lease except that Rent shall increase as provided in Paragraph 5 © of this Article III. This Lease shall automatically be renewed for each successive Renewal Term unless Lessee notifies

Lessor in writing of Lessee's intention not to renew the Lease at least thirty (30) days prior to the expiration of the Initial Term or the Renewal Term which is then in effect.

5. Consideration.

(a) During the Initial Term, Lessee shall pay Lessor the sum of Eighteen Thousand and 00/100 Dollars (\$18,000.00) per annum to be paid in equal monthly installments of One Thousand Five Hundred and 00/100 Dollars (\$1500.00) as rental ("Rent"). Rent shall be payable on the first day of each month in advance to Lessor at Lessor's address as specified in Paragraph 19 of this Article III below;

(b) If this Lease is terminated at a time other than on the anniversary of the Commencement Date, Rent shall be prorated as of the date of termination ("Termination Date"), and in the event of termination, all Rents paid in advance of the Termination Date for the period after the Termination Date shall be refunded to Lessee; and

(c) In the event that this Lease is renewed as provided in Paragraph 4 of this Article III, Rent during each Renewal Term shall increase by fifteen percent (15%) over the Rent payable during the immediately preceding term.

(d) The parties agree to a rent abatement in the total amount of Fifty Thousand Dollars and 00/100 (\$50,000.00), at a rate of One Thousand Dollars and 00/100 (\$1,000.00) per month. The rent abatement will begin on the Commencement Date and will continue for the first fifty (50) monthly Rent payments.

6. Lessor's Representations and Warranties. In addition to Lessor's representations and warranties set forth in Paragraph 5 of Article II, Lessor represents and warrants that on the Commencement Date and at all times during the Initial Term or any Renewal Term Lessor shall take no action that will impact: (I) Lessee's Intended Use of the Premises as a site for the transmission and receipt of wireless communication signals, and for the construction and maintenance of towers, antennas or buildings and related facilities (ii) which will interfere with or constructively prohibit Lessee's Intended Use of the Premises.

7. Conditions Subsequent. In the event that Lessee's Intended Use of the Premises is actually or constructively prohibited through no fault of Lessee then, without limiting any other remedy in law or equity, Lessee shall have the option to terminate this Lease and Lessee shall be entitled to a refund from Lessor of Rent paid in advance to Lessor which sums were paid prior to the date upon which Lessee gives Lessor notice of its intent to terminate this Lease pursuant to this paragraph.

8. Interference. Lessor shall not use, nor shall Lessor permit its lessees, licensees, invitees, or agents to use any portion of adjacent real property owned by Lessor in any way which interferes with Lessee's Intended Use of the Premises. Such interference shall be deemed a material breach of this Lease by Lessor, and Lessor shall have the responsibility to promptly terminate said interference. In the event any such interference does not cease or is not promptly rectified, Lessor acknowledges that continuing interference will cause irreparable injury to Lessee, and Lessee shall have the right, in addition to any other rights that it may have at law or in equity, to bring an action to enjoin such interference or to terminate this Lease immediately upon notice to Lessor. Additionally, Lessor agrees that during the Initial Term and any Renewal Terms, Lessor will not lease any other portion of the Parent Parcel to another tower company or wireless carrier.

9. Improvements; Utilities; Access.

(a) Lessee shall have the right, at Lessee's sole cost and expense, to erect, maintain, demolish and reconstruct, and restore, replace, and reconfigure on the Premises improvements, personal property, and facilities, including without limitation, towers, structural tower base(s), radio transmitting and receiving antennas, communications equipment, equipment cabinets and shelters, and related facilities (collectively, the "Tower Facilities"). The Tower Facilities shall remain the exclusive property of the Lessee, its successors and assigns, throughout the term and upon termination of this Lease. Lessee shall remove all of the above-ground portions of the Tower Facilities following any termination of this Lease. Lessor grants Lessee the right to clear all trees, undergrowth, and other obstructions, and to trim, cut, and keep trimmed and cut all tree limbs which may interfere with or fall upon the Tower Facilities or Premises during the Initial Term or any Renewal Term. Lessor grants Lessee a non-exclusive easement in, over, across and through other real property owned by Lessor as reasonably required for construction, installation, maintenance, and operation of the Tower Facilities. In the event that the tower to be constructed by Lessee on the Premises is a guyed tower, Lessor also grants Lessee an easement in, over, across, and through Lessor's real property during the Initial Term and any Renewal Term of this Lease for the installation and maintenance of and reasonable access to the guy wires and guy wire anchors.

(b) Lessee shall have the right to install utilities, at Lessee's expense, and to improve present utilities on the Premises (including but not limited to the installation of emergency power generators). Lessee shall have the right to permanently place utilities on (or to bring utilities across or under) the Premises and the Tower Facilities. In the event that utilities necessary to serve the equipment of Lessee or the equipment of Lessee's licensee(s) or sublessee(s) cannot be located within the Premises, Lessor (I) agrees to cooperate with Lessee and to act reasonably in allowing the location of such utilities on the Parent Parcel or other real property owned by Lessor without requiring additional compensation from Lessee or Lessee's licensee(s) or sublessee(s), and (ii) shall, upon Lessee's request, execute a separate written easement to the utility company providing the service or to Lessee in a form which may be filed of record evidencing this right.

© Lessor represents that Lessee shall at all times during the term of this lease have access for ingress and egress to the Premises over such easements as are included in that deed to Lessor as set forth in ARTICLE I of this agreement or otherwise exist and run with the land. To the degree that access to the leased premises is across other property owned by Lessor, Lessor shall execute an easement evidencing this right, and Lessor shall maintain access to the easement as it crosses the property of the Lessor in a free and open condition so that no interference is caused to Lessee, or Lessee's licensee(s) or sublessee(s) and assigns by other lessees, licensees, invitees, or agents of the Lessor which may utilize the easement. Any and all maintenance and repairs to any access road to the leased premises shall be the sole responsibility of Lessee. In the event there is no such easement for access to the property and an adequate easement cannot be granted over other property owned by the Lessor, Lessor shall be under no obligation to obtain an easement to the property.

10. Termination. Except as otherwise provided herein, this Lease may be terminated, without any penalty or further liability upon written notice as follows:

(a) By either party upon a default of any covenant or term hereof by the other party which default is not cured within sixty (60) days of receipt of written notice of default (without, however, limiting any other rights available to the Parties pursuant to any other provisions hereof); provided, that if the defaulting party commences efforts to cure the default within such period the non-defaulting party shall no longer be entitled to declare a default;

(b) Upon thirty (30) days' written notice by Lessee to Lessor if Lessee is unable to obtain or maintain through no fault of Lessee any license, permit, or other Governmental Approval necessary to the construction and operation of the Tower Facilities or Lessee's business; or

© Immediately, by Lessee, in the circumstances set forth in Paragraph 8, Paragraph 13 or Paragraph 16 of this Article III; or

(d) By Lessee for any reason upon written notice from Lessee to Lessor.

11. Subleases. Lessee at its sole discretion shall have the right, without any need to obtain the consent of Lessor, to license or sublease all or a portion of the Premises and the Tower Facilities to others whose business includes the provision of wireless communication services and to governmental agencies. Lessee's licensee(s) and sublessee(s) shall be entitled to modify the Tower and to erect additional improvements on the Premises including but not limited to antennas, dishes, cabling, additional storage buildings, and equipment shelters as are reasonably required for the operation and maintenance of the communications equipment to be installed on the Premises by said licensee(s) and sublessee(s). Lessee's licensee(s) and sublessee(s) shall be entitled to all rights of ingress and egress to the Premises and the right to install utilities on the Premises as if said licensee or sublessee were the Lessee under this Lease.

12. Taxes. Lessee shall pay all personal property taxes assessed on, or any portion of such taxes attributable to, the Tower Facilities. All ad valorem real property taxes and other special assessment taxes attributable to the Premises, other than personal property taxes related to the Tower Facilities, during the Initial Term and any Renewal Term of the Lease shall be solely the responsibility of the Lessor, and the same shall be paid by Lessor as and when due; *provided, however*, that Lessee shall pay as additional Rent any increase in real property taxes levied against Premises which are directly attributable to Lessee's use of the Premises (but not, however, taxes attributable to periods prior to the Commencement Date such as roll-back or greenbelt assessments) if Lessor furnishes written evidence of such to Lessee. In the event that Lessor fails to pay when due any taxes affecting the Premises or the Easement, Lessee shall have the right, but not the obligation, to pay such taxes and deduct the full amount of the taxes paid by Lessee on Lessor's behalf from future installments of Rent.

13. Damage or Destruction. If the Premises or the Tower Facilities are destroyed or damaged so as to hinder the effective use of the Tower Facilities in Lessee's judgment, Lessee may elect to terminate this Lease as of the date of the damage or destruction by so notifying the Lessor. In such event, all rights and obligations of Lessee to Lessor shall cease as of the date of the damage or destruction and Lessee shall be entitled to the reimbursement of any Rent prepaid by Lessee.

14. Condemnation. If a condemning authority takes all of the Premises, or a portion sufficient in Lessee's determination, to render the Premises in the opinion of Lessee unsuitable for the use which Lessee was then making of the Premises, this Lease shall terminate as of the date the title vests in the condemning authority. Lessor and Lessee shall share in the condemnation proceeds in proportion to the values of their respective interests in the Premises (which for Lessee shall include, where applicable, the value of its Tower Facilities, moving expenses, prepaid rent, and business dislocation expenses). A sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the exercise of eminent domain power shall be treated as a taking by condemnation for the purposes of this paragraph.

15. Insurance. Lessee shall purchase and maintain in full force and effect throughout the Initial Term and any Renewal Term such public liability and property damage policies as Lessee may deem necessary. Said policy of general liability insurance shall provide a combined single limit of One Million and No/100 Dollars (\$1,000,000).

16. Environmental Compliance. Lessor agrees that Lessor will not, and will not permit any third party to use, generate, store, or dispose of any contaminants, oils, asbestos, PCB's, hazardous substances, or wastes as defined by federal, state, or local environmental laws, regulations, or

administrative orders, or other materials the removal of which is required or the maintenance of which is prohibited, regulated, or penalized by any federal, state, or local government authority (“Hazardous Materials”) on, under, about, or within the Parent Parcel in violation of any law or regulation. Lessee agrees that it will not use, generate, store, or dispose of any Hazardous Material on, under, about, or within the Premises in violation of any law or regulation.

17. Indemnification.

(a) *General.* Lessor, its heirs, personal representative, successors, successors-in-title, and assigns shall exonerate, hold harmless, indemnify, and defend Lessee from any claims, obligations, liabilities, costs, demands, damages, expenses, suits, and causes of action, including costs and reasonable attorneys’ fees, which may arise out of (I) any injury to or death of any person; or (ii) any damage to property, if such injury, death, or damage arises out of or is attributable to or results from the acts or omissions of Lessor, or Lessor’s principals, employees, agents, or independent contractors. Lessee shall exonerate, hold harmless, indemnify, and defend Lessor from any claims, obligations, liabilities, costs, demands, damages, expenses, suits, and causes of action, including costs and reasonable attorneys’ fees, (collectively, “Losses”) which may arise out of (I) any injury to or death of any person; or (ii) any damage to property, if such injury, death, or damage arises out of or is attributable to or results from the acts or omissions of Lessee.

(b) *Breach or Default.* Lessor hereby agrees to indemnify, defend and hold harmless Lessee against and in respect of all Losses resulting from or incident to any breach of this Agreement or any representation or warranty made by the Lessor/Optionor in Article II or Article III hereof.

© *Taxes.* Except with respect to any personal property taxes related to the Tower Facility, Lessor hereby agrees to indemnify, defend and hold harmless Lessee for any and all ad valorem real property taxes or other taxes assessed by governmental authorities which are related to the Premises and any Losses associated therewith;

(d) *Survival.* The provisions of this Paragraph 17 of Article III shall continue in full force and effect following any termination of this Agreement and shall survive any sale or assignment of the Property by Lessor.

18. Right of First Refusal. During the Initial Term and any Renewal Terms of this Lease, Lessor shall, prior to selling the Premises or any real property of which the Premises is a part, notify Lessee in writing of the sale price and terms offered by a third party, together with a copy of the third party’s offer. Lessee shall have the right of first refusal to purchase the real property being sold by Lessor on the same terms and conditions. Lessee shall give Lessor notice of its intention to purchase the same within thirty (30) days of receipt of Lessor’s notice. If Lessee gives no such notice of its intention to purchase the real property, Lessor may sell the real property to the third party on the stated terms and price, as long as such sale is made subject to the terms of this Lease.

19. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed given if personally delivered or mailed, certified mail, return receipt requested, or via a nationally recognized overnight delivery service to the following addresses or to such other addresses as may be specified in writing at any time during the term of this Lease:

If to Lessor, to:

Name: Town of Waynesville North Carolina

Address: 16 South Main Street
Waynesville, NC 28786

Attention: Marcy Onieal, Town Manager
Phone: 828-452-2491
Fax: 828-456-2000
Federal I.D.: _____

If to Lessee, to:

Name: Prime Tower Development, LLC
Address: 5755 North Point Parkway, Suite 37
Alpharetta, Georgia 30022
Attention: Steven Handmaker
Phone: (770) 512-7346
Federal I.D.: 26-3992997

With a copy to:

Jeffrey B. Sladkus, Esq.
1827 Powers Ferry Road
Building 6, Suite 200
Atlanta, Georgia 30339
Phone: (404) 252-0900
Fax: (404) 252-0970

20. Title and Quiet Enjoyment. Lessor covenants that Lessee shall have the quiet enjoyment of the Premises during the term of this Lease. This Lease shall be an estate for years and not a usufruct. Lessor shall not use, nor shall Lessor permit its lessees, licensees, invitees, or agents to use any portion of the Property in a manner that interferes with operations of the Lessee. In the event that Lessor fails keep the Premises free and clear of any liens and encumbrances which might affect the Lessee's interest in or right to use the property, Lessee shall have the right, but not the obligation, to satisfy such lien or encumbrance and deduct the full amount paid by Lessee on Lessor's behalf from future installments of Rent.

21. Assignment. Every sublease, license, and assignment of this Lease that is entered into by Lessor or Lessee shall be subject to the provisions of this Lease. Lessee may assign this Lease and the Tower Facilities without the consent of Lessor. Additionally, Lessee may mortgage or grant a security interest in this Lease and the Tower Facilities, and may assign this Lease and the Tower Facilities to any such mortgagees or holders of security interests including their successors and assigns (hereinafter collectively referred to as "Secured Parties"). If requested, Lessor shall execute such consent to leasehold financing as may reasonably be required by Secured Parties. Lessor agrees to notify Lessee and Lessee's Secured Parties simultaneously of any default by Lessee and to give Secured Parties the same right to cure any default as Lessee except that the cure period for any Secured Party shall not be less than sixty (60) days after the receipt of the default notice. If a termination, disaffirmance, or rejection of the Lease pursuant to any laws (including any bankruptcy or insolvency laws) by Lessee shall occur, or if Lessor shall terminate this Lease for any reason, Lessor will give to the Secured Parties prompt notice thereof and Lessor will give the Secured Parties the right to enter upon the Premises during a thirty (30)-day period commencing upon the Secured Party's receipt of such notice for the purpose of removing any Tower Facilities. Lessor acknowledges that the Secured Parties shall be third-party beneficiaries of this

Lease. Lessor shall not assign or transfer this Lease, or any of its rights hereunder, without the prior written consent of Lessee, which shall not be unreasonably withheld.

22. Successors and Assigns. This Lease shall run with the Premises and shall be binding upon and inure to the benefit of the Parties, their respective heirs, personal representatives, successors, successors-in-title, and assigns.

23. Waiver of Lessor's Lien. Lessor hereby waives any and all lien rights it may have, statutory or otherwise, in and to the Tower Facilities or any portion thereof, regardless of whether or not same is deemed real or personal property under applicable laws.

24. Waiver of Incidental and Consequential Damages. Lessor will not assert any claim whatsoever against Lessee for loss of anticipatory profits or any other indirect, special, incidental, or consequential damages incurred by Lessor as a result of the construction, maintenance, operation, or use of the Premises by Lessee or its agents, licensees, or sublessees.

ARTICLE IV MISCELLANEOUS

1. Attorney's Fees. If any Party hereto shall bring a proceeding against the other as a result of any alleged breach or failure by the other Party to fulfill or perform any covenants or obligations under this Agreement, then the prevailing Party obtaining a final award in such action shall be entitled to receive from the non-prevailing Party reasonable attorneys' fees incurred by reason of such action and all costs of such proceeding and preparation thereof.

2. Estoppel Information. Each Party agrees to furnish to the other, within ten (10) days after request, such truthful estoppel information as the other may reasonably request.

3. Merger/Amendment. This Agreement constitutes the entire agreement and understanding of the Parties with respect to the subject matter set forth herein, and this Agreement supersedes all offers, negotiations, and other agreements. There are no representations or understandings of any kind between the Parties not set forth herein. Any amendments to this Agreement must be in writing and executed by Parties.

4. Broker Fees. If any Party is represented by a real estate broker in this transaction, that party shall be fully responsible for any fees due such broker and shall indemnify, defend and hold the other Party harmless from any claims for commission by such broker.

5. Further Assurances. Lessor agrees to cooperate with Lessee in executing any documents necessary to protect Lessee's rights under this Lease or Lessee's use of the Premises, including, but not limited to, affidavits relating to title curative measures and subordination and non-disturbance agreements, and to take all further action which Lessee may reasonably require as to effect the intent of this Lease.

6. Governing Law. This Agreement shall be construed in accordance with the laws of the state in which the Premises are situated.

7. Mediation. In the event of any dispute or claim arising out of or relating to the interpretation of this Agreement, or breach hereof (a "Claim"), prior to filing any claims in a court of law, the Parties shall then submit such Claim to non-binding mediation. The mediation may be initiated by the written request of either Party and shall commence within thirty (30) days of the receipt of such notice

and shall be conducted in Waynesville, North Carolina, in accordance with such mediation procedures established by the mediator, unless otherwise agreed to by each of the Parties. The Parties agree to cooperate in good faith to agree upon the selection of a mediator and commence the mediation within the 30-day period following receipt of the request for mediation. The mediation shall not exceed a period of ten (10) days. Each Party shall bear its own expenses in connection with such mediation. The fees and expenses of the mediator shall be borne equally by the parties.

8. Jurisdiction and Venue. In the event that the Parties are not able resolve a Claim by mediation or in the event that such Claim is not resolved within thirty (30) days of the commencement of the mediation, any Party may seek to resolve the Claim in any state or federal court of competent jurisdiction in Haywood County, North Carolina. The parties agree that Haywood County, North Carolina, shall be the venue and exclusive forum in which to adjudicate any case or controversy arising from or relating to this Agreement and each of the Parties irrevocably submits to the jurisdiction of such courts and waives any objections to either the jurisdiction of or venue in such courts.

9. Severability. If any term of this Lease is found to be void or invalid, such invalidity shall not affect the remaining terms of this Lease, which shall continue in full force and effect.

10. Memorandum of Lease. Simultaneous with the execution of this Lease, upon request of the Lessee, Lessor shall execute and deliver to Lessee a Memorandum of Lease, which Lessee may file of record in the property records in the county in which the Premises are located, which sets forth the names and addresses of Lessor and Lessee, the legal description of the Parent Parcel and the Premises, the duration of the Initial Term and the quantity and duration of the Renewal Terms.

11. Non-Disturbance and Attornment. In the event the Premises is encumbered by a mortgage or deed of trust, Lessor agrees to obtain and furnish, within thirty (30) days after written request by Lessee, a non-disturbance and attornment agreement, in form and content acceptable to Lessee, to the effect that Lessee and Lessee's sublessees or licensees will not be disturbed in the occupancy of the Premises by any foreclosure; provided that the rights and interests of Lessee under this Lease shall be subject and subordinate to such mortgage or deed of trust.

12. Title Insurance. Lessee may obtain title insurance on its interest in the Premises and shall obtain an owner's policy of title insurance on the interest of the Lessor, and Lessor shall cooperate by executing all documentation required by Lessee's title insurance company.

13. Appointment for Government Approvals. Lessor hereby appoints Lessee or Lessee's agent as Lessor's agent to file applications on behalf of Lessor with federal, state, and local governmental authorities which applications relate to Lessee's intended use of the Premises including, but not limited to, land use and zoning applications, to the extent allowed by law.

14. Counterparts. This Agreement may be executed in two or more counterparts, including email and facsimile counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by the each of the Parties, it being understood that all Parties need not sign the same counterpart.

15. Other Leases. Lessor will not, during the term of this Lease together with any extensions thereof, enter into any other lease, license, or other agreement for a similar purpose as set forth herein, on or adjacent to the Property.

16. Time of Essence. Time is of the essence of each and every provision of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Option and Ground Lease Agreement as of the Effective Date.

OPTIONOR/LESSOR:

TOWN OF WAYNESVILLE, NORTH CAROLINA

By: _____

Name: MARCY ONIEAL
Title: TOWN MANAGER

ACKNOWLEDGMENT

**STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD**

BEFORE ME, the undersigned authority, on this day personally appeared Marcy Onieal, as Town Manager of Town of Waynesville North Carolina, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said entity, and that (s)he executed the same as the act of such entity for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2015.

Notary Public

My Commission Expires: _____

[AFFIX NOTARY SEAL]

OPTIONEE/LESSEE:

Prime Tower Development, LLC

By: _____

Name: Steven Handmaker

Title: Manager

ACKNOWLEDGMENT

STATE OF GEORGIA
COUNTY OF FULTON

BEFORE ME, the undersigned authority, on this day personally appeared Steven Handmaker, Manager of Prime Tower Development, LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said entity, and that he executed the same as the act of such entity for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2015.

Notary Public

My Commission Expires: _____

[AFFIX NOTARY SEAL]

EXHIBIT "A"

Land Contract

[continued on the next fourteen (14) pages]

EXHIBIT "B"

DESCRIPTION OF PARENT PARCEL

The Parent Parcel is described and/or depicted as follows:

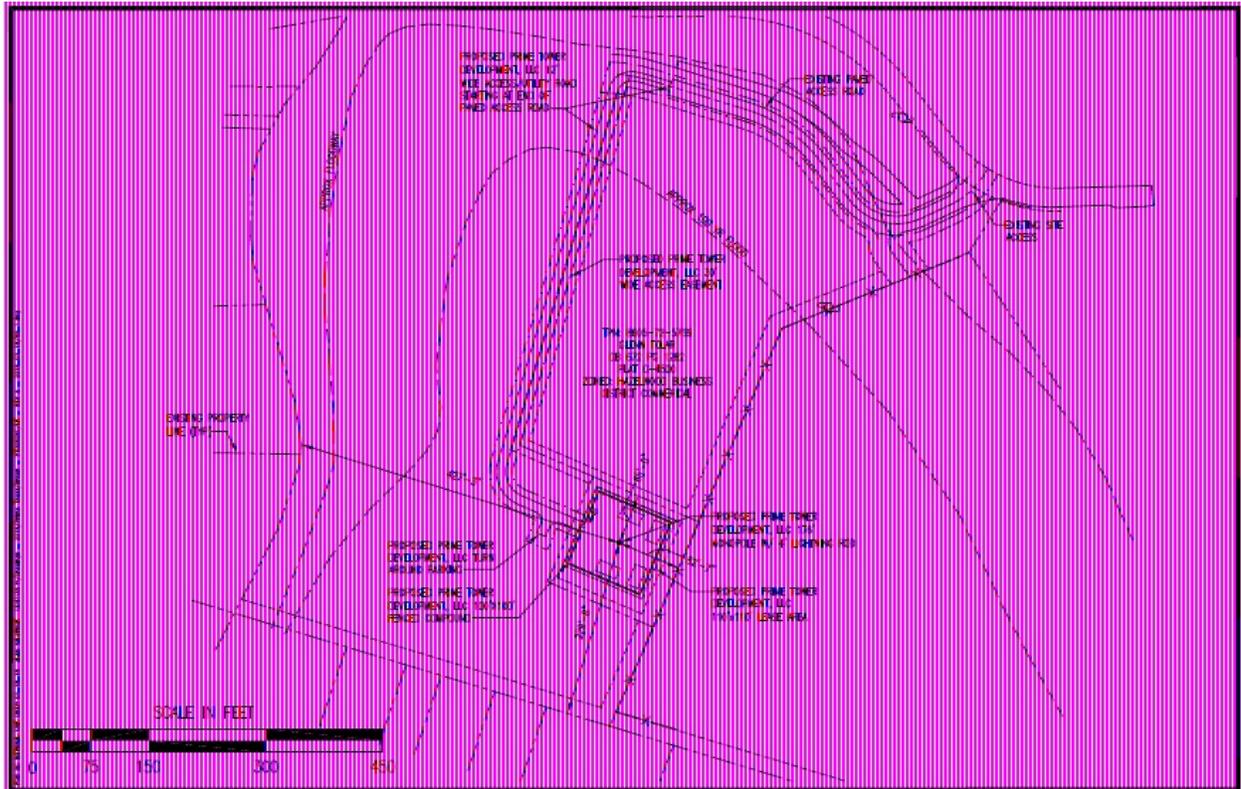


BEGINNING AT NC DOT TRAVERSE POINT BL-12 THENCE N12°15'37"W FOR A DISTANCE OF 5.09 TO A COTTON SPINDAL SET IN HE ROAD, RHENCE S31°46'59"W FOR A DISTANCE OIF 82.53 TO A POINT IN BROWNING CREEK THENCE S67°49'44"W FOR A DISTANCE OF 10.67 TO A # 5 REBAR WITH A CAP, THENCE S67°38'51"W FOR A DISTANCE OF 140.68 TO A # 5 REBAR WITH A CAP, THENCE S68°03'59"W FOR A DISTANCE OF 107.49 TO A # 4 REBAR, THENCE S23°16'26"W FOR A DISTANCE OF 271.25 TO A # 5 REBAR WITH A CAP, SAID POINT BEING THE POINT OF BEGINNING FOR THE ONE-HALF ACRE OUT PARCEL, THENCE S23°19'07"W FOR A DISTANCE OF 147.58 TO A # 5 REBAR SET, THENCE N66°40'53"W FOA DISTANCE OF 147.58 TO A # 5 REBAR SET, THENCE N23°19'07"E FOR A DISTANCE OF 147.58 TO A # 5 REBAR SET, THENCE S66°40'53"E FOR A DISTANCE OF 147.58 TO A # 5 REBAR FOUND WITH A CAP, SAID POINT BEING THE POINT OF BEGINNJNG FOR THE ONE-HALF ACRE OUT PARCEL.

EXHIBIT "C"

DESCRIPTION OR DEPICTION OF PREMISES

An approx. 110' x 110' tract of land, together with easements for ingress/egress and utilities described or depicted as follows:



Lessor Initials: _____

Lessee Initials: _____

Notes:

1. This Exhibit may be replaced by a land survey of the Premises once it is received by Lessee.
2. Width and locality of access road shall be the width required by the applicable governmental authorities and utility providers, including police and fire departments.

STATE OF NORTH CAROLINA
COUNTY OF HAYWOOD

The undersigned buyer, PRIME TOWER DEVELOPMENT, LLC, hereby assigns that certain Offer to Purchase and Contract - Vacant Lot/Land, executed by Buyer on February 2, 2015, and by Seller on February 9, 2015, for 0.50 acres, a portion of that tract of land described in that deed recorded in Deed Book 391 at Page 966, Haywood County Registry, which said 0.50 acre parcel is shown on a diagram attached to Offer to Purchase and Contract as Exhibit A, to the Town of Waynesville, North Carolina.

This the 24th day of July, 2015.

PRIME TOWER DEVELOPMENT, LLC

By: _____


Steve Handmaker, Manager / Co-Owner

The Town of Waynesville, acting through its Town Manager who is duly authorized to accept this assignment on behalf of the Town of Waynesville, North Carolina, does accept assignment of the described Offer to Purchase and Contract - Vacant Lot/Land, together with all the terms and conditions set out in such Offer to Purchase and Contract.

This the 22nd day of July, 2015.

TOWN OF WAYNESVILLE

By: _____


Marcy Onieal, Town Manager

The undersigned seller, Hazelwood Investment Properties, LLC, hereby consents to the assignment of the above described Offer to Purchase and Contract.

This the 20th day of July, 2015.

HAZELWOOD INVESTMENT PROPERTIES, LLC

By: _____


James T. Welch, Manager

TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION
Meeting Date: July 28, 2015

SUBJECT: Waynesville Public Art Commission Board Applications

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 8-C
Department: Administrative Services
Contact: Amie Owens, Town Clerk
Presenter: Marcy Onieal, Town Manager

BRIEF SUMMARY: At the June 23, 2015 regular meeting, appointments to the various boards and commissions were completed. There were three vacancies that remained for the Waynesville Public Art Commission. Two applications have been received – Elizabeth “Libba” Feichter and Teri Siewert.

MOTION FOR CONSIDERATION: *To appoint [candidate’s name] to Waynesville Public Art Commission for a three-year term ending on June 30, 2018*

FUNDING SOURCE/IMPACT: n/a

ATTACHMENTS:

- Applications from Feichter and Siewert

MANAGER’S COMMENTS AND RECOMMENDATIONS: Recommend approval of applicants.



TOWN OF WAYNESVILLE, NORTH CAROLINA

Application for Appointment to Boards/Commissions

Please return to the Town Clerk's office.

16 South Main Street, P.O. Box 100, Waynesville, NC 28786

(828) 452-2491

aowens@waynesvillenc.gov

Additional Pages and/or a resume may be attached but is not required

NAME: Elizabeth Feichter
STREET ADDRESS 251 Lenoir Circle
MAILING ADDRESS same
PHONE 828-456-6918
E-MAIL esfeichter

Please consider me for appointment to the following board(s) or commission(s):

- Alcoholic Beverage Control Board
Community Action Forum
Board of Adjustment
Firemen's Relief Fund Board
Historic Preservation Commission
Planning Board
Public Art Commission
Recreation & Parks Advisory Commission
Waynesville Housing Authority

I am interested in serving on this board or commission because: I believe that I can bring energy, enthusiasm, and commitment to this board. I am passionate about enhancing the experience of citizens and visitors who visit our community.

I have experience/expertise in the following areas and/or have served on the following board or commission:

I have traveled around the world and this country and am convinced that things like public art greatly influence the kind of community we are.

I feel that I can contribute the following to this board or commission I do not have an "ART Degree", but I know its value. I can/will bring enthusiasm and commitment.

Tell us about yourself and your background: I taught in Haywood Co. Schools for 30 years. After retiring I was elected to the town board and served for 12 years. I now serve on the Mountain Projects Board and am a founding and emeritus member of the HART Board.

If a vacancy exists and I qualify for appointment, I will be contacted for my permission to the appointment. If I am chosen, I will faithfully execute my duty on the selected board or commission.

Signature Elizabeth Feichter

29 June 2015
Date



TOWN OF WAYNESVILLE, NORTH CAROLINA

Application for Appointment to Boards/Commissions

Please return to the Town Clerk's office.

16 South Main Street, P.O. Box 100, Waynesville, NC 28786

(828) 452-2491

aowens@waynesvillenc.gov

Additional Pages and/or a resume may be attached but is not required

NAME Seri Siewert
STREET ADDRESS 2130 Maurey Cove Rd.
MAILING ADDRESS same
PHONE (401) 484-9576
E-MAIL tsiewert@yahoo.com

Please consider me for appointment to the following board(s) or commission(s):

- Alcoholic Beverage Control Board
- Community Action Forum
- Board of Adjustment
- Firemen's Relief Fund Board
- Historic Preservation Commission
- Planning Board
- Public Art Commission
- Recreation & Parks Advisory Commission
- Waynesville Housing Authority

I am interested in serving on this board or commission because: I am a FT artist + involved in the arts in this community. (own a gallery, member of the Arts Council)

I have experience/expertise in the following areas and/or have served on the following board or commission:
Past secretary of WGA, HFLMA 2013-2014.
International Encaustic Artists member 2013-2015.

I feel that I can contribute the following to this board or commission by my involvement in choosing arts and venues - my experience w/ many groups (IEA, EAI, HFLMA, WGA, HCAC) will be helpful as well.

Tell us about yourself and your background: 27 yr. old that retired and spends all my time creating art + mentoring other artists. I have a large family, I enjoy when I can.

If a vacancy exists and I qualify for appointment, I will be contacted for my permission to the appointment. If I am chosen, I will faithfully execute my duty on the selected board or commission.

Seri E. Siewert