



Town of Waynesville, NC

Town Council Regular Meeting

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

Date: August 26th, 2025

Time: 6:00 p.m.

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(828) 452-2491 cpoolton@waynesvillenc.gov

A. CALL TO ORDER - Mayor Gary Caldwell

1. Welcome/Calendar/Announcements

B. PUBLIC COMMENT

C. ADDITIONS OR DELETIONS TO THE AGENDA

D. CONSENT AGENDA

All items below are routine by the Town Council and will be enacted by one motion. There will be no separate discussion on these items unless a Councilmember so requests. In which event, the item will be removed from the Consent Agenda and considered with other items listed in the Regular Agenda.

2.
 - a. August 12, 2025 Regular Meeting Minutes
 - b. Call for a Public Hearing for September 23, 2025, to consider text amendments related to signage (LDS Chapters 4, 11, 17).
 - c. Approve Audit contract for Fiscal Year 2025 with Martin Starnes
 - d. RecJam Special Event Permit

Motion: To approve the consent agenda as presented.

E. PRESENTATIONS

3. Updates from the Development Services Department
 - Elizabeth Teague, Development Services Director
4. Quarterly & Annual Highlights Presentation
 - Luke Kinsland, Recreation Director

F. PUBLIC HEARNGS

5. Public Hearing to consider text amendments related to compliance requirements in the landscaping ordinance, Land Development Standards (LDS) Section 8.2.5.

- Olga Grooman, Assistant Director of Development Services

Motions:

1. ***Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.***
2. ***Motion to adopt the Ordinance as presented (or as amended).***

6. Public Hearing to consider text amendments to Stormwater Ordinance, Land Development Standards (LDS) section 12.5.

- Olga Grooman, Assistant Director of Development Services

Motions:

1. ***Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.***
2. ***Motion to adopt the Ordinance as presented (or as amended).***

7. Public Hearing to consider text amendments related to wireless communication facilities, Land Development Standards (LDS) section 3.10.

- Olga Grooman, Assistant Director of Development Services

Motions:

1. ***Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.***
2. ***Motion to adopt the Ordinance as presented (or as amended).***

G. OLD BUSINESS

8. Approval of Phase III cashflow loan application.

- Rob Hites, Town Manager

Motion: Approve the offer of \$298,671.71 for a Phase II Cashflow Loan.

H. NEW BUSINESS

9. Revised Special Order by Consent

- Rob Hites, Town Manager

Motion: Approve the revised Special Order by Consent (SOC).

TOWN OF WAYNESVILLE – REGULAR SESSION AGENDA

August 26, 2025

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I. COMMUNICATION FROM STAFF

10. Manager's Report

- Town Manager, Rob Hites

11. Town Attorney's Report

- Town Attorney, Martha Bradley

J. COMMUNICATIONS FROM THE MAYOR AND COUNCIL

K. ADJOURN



TOWN OF WAYNESVILLE

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2025 CALENDAR

ALL COUNCIL MEETINGS TO START AT 6:00 PM IN THE BOARD ROOM LOCATED
 AT
 9 SOUTH MAIN STREET UNLESS OTHERWISE NOTED

2025	
Mon. September 1	Town Offices Closed-Labor Day
Tues. September 9	Town Council Meeting – Regular Session
Sat. September 13	Rec Center 5K
Tues. September 23	Town Council Meeting – Regular Session
Sat. October 11	Church Street Festival 10am-5pm
Tues. October 14	Town Council Meeting – Regular Session
Saturday, October 18	Apple Harvest Festival
Tues. October 28	Town Council Meeting – Regular Session
Tues. November 11	NO COUNCIL MEETING-Veterans Day
Tues. November 25	Town Council Meeting – Regular Session
Thurs and Fri Nov 27, 28	Town Offices Closed-Thanksgiving
Tues. December 9	Town Council Meeting – Regular Session
Wed-Fri, Dec 24, 25, 26	Town Offices Closed-Christmas

Board and Commission Meetings – August 2025

ABC Board	ABC Office – 52 Dayco Drive	August 19th 3 rd Tuesday 10:00 AM
Board of Adjustment	Town Hall – 9 S. Main Street	August 5th 1 st Tuesday 5:30 PM
Cemetery Commission	Public Services Building	Every Other Month-September 16th 3 rd Tuesday 2:00 PM
Downtown Waynesville Commission	Town Hall – 9 South Main Street	August 19th 3 rd Tuesday 8:30 AM
Environmental Sustainability Board	Public Services-129 Legion Drive	August 7th 1 st Thursday 4:30pm
Historic Preservation Commission	Town Hall – 9 S. Main Street	August 6th 1 st Wednesday 2:00 PM
Planning Board	Town Hall – 9 S. Main Street	August 18th 3 rd Mondays 5:30 PM
Public Art Commission	Town Hall – 9 S. Main Street	August 14th 2 nd Thursdays 4:00 PM
Recreation & Parks Advisory Commission	Rec Center Office – 550 Vance Street	August 18th 3 rd Monday 5:30 PM
Waynesville Housing Authority	Main Office-48 Chestnut Park Drive	August 27th 4 th Wednesday 9:00 AM

MINUTES OF THE TOWN OF WAYNESVILLE TOWN COUNCIL
Regular Meeting
August 12, 2025

THE WAYNESVILLE TOWN COUNCIL held a regular meeting on Tuesday, August 12, 2025, at 6:00pm in the Town Hall Board Room located at 9 South Main Street Waynesville, NC.

A. CALL TO ORDER

Mayor Gary Caldwell called the meeting to order at 6:00 pm with the following members present:

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

The following staff members were present:

Rob Hites, Town Manager
Candace Poolton, Town Clerk
Martha Bradley, Town Attorney
Elizabeth Teague, Development Services Director
Ian Barrett, Finance Director
Luke Kinsland, Recreation Director
Ricky Bourne, Public Services Director
Assistant Chief of Police Josh Schick
Beth Gilmore, DWC Director
Page McCurry, Human Resources Director
Assistant Fire Chief Cody Parton

1. Welcome/Calendar/Announcements

Mayor Gary Caldwell welcomed everyone and announced that the next Council meeting is August 26th and Town Offices are closed September 1st for Labor Day.

B. PUBLIC COMMENT

There was no public comment.

C. ADDITIONS OR DELETIONS TO THE AGENDA

A motion was made by Councilmember Sutton, seconded by Councilmember Dickson, to add "Recognition of life-saving efforts performed by a team member" to the agenda. The motion passed unanimously

D. CONSENT AGENDA

All items below are routine by the Town Council and will be enacted by one motion. There will be no separate discussion on these items unless a Councilmember so requests. In which event, the item will be removed from the Consent Agenda and considered with other items listed in the Regular Agenda.

2.
 - a. Motion to approve the July 22, 2025 Regular Meeting Minutes
 - b. Motion to approve the July 31, 2025 Special Meeting Minutes
 - c. Motion to appoint Mitchell Bearden to the Waynesville Recreation Advisory Commission
 - d. Motion to approve the budget amendment for the Parks and Recreation Department for a \$1000 grant through NCRPA.
 - e. Rescind the appointments of Henry Kidder and Josh Morgan to the Zoning Board of Adjustment.
 - f. Appoint Mary Ford and Jessi Stone to the Zoning Board of adjustment

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

E. PRESENTATIONS

3. Recognition of life-saving efforts performed by a team member
 - Assistant Chief of Police Josh Schick

Assistant Chief of Police Josh Schick reported that on May 22, 2025, Aaleiah Cagle and Myles Chandler witnessed one of their co-workers fall forward onto the cement floor inside of the Public Works Garage. He said they sprang into action and called 911 and stayed with the employee until medical help arrived. He attributed their efforts and quick thinking to saving his life. Assistant Chief of Police Josh Schick presented Aaleiah Cagle the Live Saving Award.

4. Fourth of July Parade Presentation
 - Eva Hansen

Eva Hansen, in her capacity as a representative of the Kiwanis Club, presented a slide show of the 4th of July Kids Parade.

5. Presentation of FY24 Audit
 - Ian Barrett, Finance Director and Tanya Coffey with Martin & Starnes

Tanya Coffey presented the 2024 Fiscal Year Audit. Highlights included:

- Overall revenues increased \$568,648 (3%) from last year
- Overall expenditures decreased \$762,822 (5%) from last year

Positive performance indicators included:

- GF fund balance available %
- Stable property tax valuation & collection %

Areas of concerns included:

- Late audit submission
- Budget violations
- Finance officer was not bonded for 12 days
- segregation of duties
- deposits not being made daily

Ms. Coffey said the town's response to the audit concerns is due within 60 days of this presentation and must be signed by the majority of Council, the town manager, and the finance officer.

Councilmember Freeman pointed out that many of the small discretions found by the audit were already addressed. Mr. Barrett said a lot of the findings were already remedied. Mr. Hites suggested there was a daily deposit missed because of inclement weather and the bank may have been closed.

A motion was made by Councilmember Freeman, seconded by Councilmember Feichter, to accept the presentation for information and approve the FY24 audit. The motion passed unanimously.

F. NEW BUSINESS

6. Budget Amendment Request – \$15,000 Match for Dog Park Grant Application

- Luke Kinsland, Recreation Director

Recreation Director Luke Kinsland reported that Town Council previously authorized staff to apply for the dog park grant, with the potential to use other grant funds as the local match. Initially, he said that staff planned to apply without amending the budget, since \$15,000 in storm recovery funds had already been identified internally for this purpose. Mr. Kinsland said the TDA has indicated that these funds must be formally dedicated in the Town budget to satisfy the match requirement. He added that the amendment will not affect the overall budget but will reallocate already earmarked recovery funds to officially serve as the grant match. Staff will re-apply for the grant by August 20th.

A motion was made by Councilmember Sutton, seconded by Councilmember Dickson, to approve a budget amendment in the amount of \$15,000 to serve as the required 1:1 match for the Town's dog park grant application, with funds to be reallocated from previously earmarked storm recovery expenses. The motion passed unanimously.

7. Amendment to Town Ordinance to Permit Alcohol in Recreation Areas for Special Events

- Luke Kinsland, Recreation Director

Recreation Director Luke Kinsland reported that the Recreation Advisory Committee is requesting an amendment to the current ordinance prohibiting alcohol in public parks and recreation areas. He said the change is necessary to allow the sale and consumption of alcohol during special events, such as the upcoming 25th anniversary celebration of the Recreation Center, which plans to include a beer garden. Mr. Kinsland stated the proposed amendment would allow alcohol sale and consumption in areas managed by the Recreation Department only when a Town Council-approved special event permit has been granted. He said this change also aligns the ordinance with current practice, as special events have been permitted to include

alcohol with Council approval, despite existing ordinance language requiring a separate resolution. Mr. Kinsland reminded Council that events would still be required to obtain proper ABC permits from the State.

Mr. Kinsland said that a beer garden would make the event appeal to larger audiences and support local businesses. He emphasized the proposed ordinance change is not a blanket approval for alcohol in town parks and that special event permits and state permits would still be needed. He added that the Recreation Advisory Commission fully supported this amendment. Councilmember Freeman emphasized that this is not an unprecedented request, and there was an event at the park that happened in the past where alcohol was served.

A motion was made by Councilmember Dickson, seconded by Councilmember Feichter, to approve the proposed amendment to the Town ordinance to allow the sale and consumption of alcohol in areas managed by the Recreation Department, including parks, the Armory, and the Recreation Center, contingent upon the issuance of a special event permit approved by Town Council. Councilmembers Freeman, Feichter, Dickson, and Sutton voted in the affirmative. Mayor Caldwell voted against. The motion passed.

8. Public Works Department Reorganization

- Ricky Bourne, Public Services Director

Public Services Director Ricky Bourne reported that he completed a 90-day assessment, developed an action plan and is now proposing a comprehensive reorganization to enhance operational efficiency, strengthen field supervision, comply with increasing regulatory demands, and align staff duties with the department's needs. He outlined the reorganization as follows:

- A revised organizational structure with updated flow charts.
- Creation and reclassification of key supervisory positions to clarify reporting lines and enhance service delivery.
- Updated job descriptions to reflect responsibilities and grade assignment.

He said he worked closely with HR and upper management and this plan has been developed based on objective operational analysis and aligns with best practices in public works management, regulatory compliance, and workforce development.

Councilmember Sutton said there are more layers between him and the manager which would alleviate any allegations of micromanaging.

Councilmember Feichter said the reorganization will affect the staff and community at large and he asked how it will impact staff morale and the SOPs being developed. Mr. Bourne said that efficiency will greatly improve, the re-org will help with workflow, and it will empower staff to make decisions without having to go to multiple supervisors, which, he added, will ensure operational decisions are made quickly. He said the re-org will delegate more authority to the people who should have it. He reassured Council that staff will be properly trained on SOPs and he will be relying heavily on staff to write the SOPs, citing their institutional knowledge. Mr. Bourne suggested a formal review or sign off process so that staff feel that the SOPs are workable. Councilmember Feichter referenced the change in titles such as "manager" and "superintendent". Mr. Bourne said it depends on administrative experience vs. operational, and his goal is to promote internally when possible. Councilmember Feichter asked how Mr. Bourne would measure morale while the changes are being made. Mr. Bourne said he encourages staff feedback and there are weekly HR meetings where concerns

can be voiced. HR Director Page McCurry said that they will be re-conducting the employee satisfaction survey next June. Mr. Bourne said these things take time, and there may be some push back from staff at first. He said he is hoping to implement the re-org in the next 3-6 months with transformational change fully occurring in 3-5 years.

A motion was made by Councilmember Freeman, seconded by Councilmember Sutton, to approve the proposed Public Works Department reorganization and adopt the updated organizational chart. The motion passed unanimously.

A motion was made by Councilmember Dickson, seconded by Councilmember Feichter, to approve the associated reclassifications and job description updates as outlined in the attached proposal. The motion passed unanimously.

A motion was made by Councilmember Sutton, seconded by Councilmember Freeman, to acknowledge the budgetary impact and authorize implementation within the current fiscal year. The motion passed unanimously.

9. Special Events Cost Analysis

- Jesse Fowler, Assistant Town Manager

Assistant Town Manager Jesse Fowler reported that following Council direction, staff has prepared an analysis of costs incurred by the Town as a consequence of managing special events throughout the Town. Mr. Fowler said that each special event held within the Town of Waynesville requires considerable safety and logistics planning in cooperation with the Public Works Department, Police Department, Fire Department, and event organizers in order to ensure the safety of the public while providing the operational resources necessary to successfully host these events. Mr. Fowler presented the table of annual event costs, as well as the 2024 Civilian Police Annual Activity Report. He added that while the costs found on the table include all of the “day of” operational costs incurred by the Town of Waynesville during special events, it does not include costs incurred prior to the event, such as internal planning discussions or meetings with the event organizers.

Councilmember Sutton asked if the total cost included fringe? Mr. Fowler replied no, just hourly pay. Councilmember Sutton pointed out that the Civilian Police saved the town \$20,000 in staff hours by volunteering at special events. Councilmember Dickson asked if Mr. Fowler could look at other towns’ fees regarding renting out specific items, such as bleachers, barricades, or tents and how much they charge for closing the street, what towns charge schools for police presence at sporting events, and application fees. Councilmember Dickson also requested that Ian investigate how much money the town is investing in events for the DWC. Mr. Fowler said that races take a lot of staff time and money, and he said they’ve considered encouraging runners to have the races at the rec center. Mr. Hites added that when the Shulhoffer property is done, that could provide more space to hold 5K races.

G. COMMUNICATION FROM STAFF

9. Manager’s Report

- Town Manager, Rob Hites

Nothing to report.

10. Town Attorney's Report

- Town Attorney, Martha Bradley

Nothing to report.

H. COMMUNICATIONS FROM THE MAYOR AND COUNCIL

Councilmember Feichter thanked Mr. Hites for the weekly reports. He also pointed out that sales tax percentage was up 3% from last year. Councilmember Sutton, thanked Mr. Hites for his time meeting with Rep. Mark Pless and DEQ.

I. ADJOURN

A motion was made by Councilmember Dickson, seconded by Councilmember Feichter, to adjourn at 7:35pm. The motion passed unanimously.

ATTEST:

Gary Caldwell, Mayor

Robert W. Hites, Jr. Town Manager

Candace Poolton, Town Clerk

**TOWN OF WAYNESVILLE COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: August 26, 2025**

SUBJECT: Call for a Public Hearing for September 23, 2025, to consider text amendments related to signage (LDS Chapters 4, 11, 17).

AGENDA INFORMATION:

Agenda Location: Consent Agenda
Item Number:
Department: Development Services
Contact/Presenter: Alex Mumby

BRIEF SUMMARY:

Staff has been working with the Planning Board to update regulations related to signage. This included the clarification of definitions, eliminating duplication, and addressing issues raised by the public and recent signage applications. Additionally, the Planning Board recommends size allowances and approval procedures for neighborhood signs, reducing the scale ratio for attached signage on commercial and industrial storefronts, eliminating the prohibition for “facsimile signs,” and corrected the allowance for yard sale signs to be in compliance with State Statutes.

FUNDING SOURCE/IMPACT:

N/A

MOTION FOR CONSIDERATION:

Motion to schedule a public hearing on September 23rd 2025 to consider a text amendment related to signage (LDS Chapters 4, 11, and 17), as recommended by the Planning Board.

ATTACHMENTS:

- Draft Ordinance

MANAGER’S COMMENTS AND RECOMMENDATIONS:

This is a call for public hearing only.

DRAFT ORDINANCE FOR COUNCIL CONSIDERATION

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE TEXT OF THE
TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendments to the Land Development Standards (LDS) and recommends that they are consistent with the 2035 Comprehensive Plan and that they are reasonable and in the public interest because:

- Goal 1: Continue to promote smart growth principles in land use planning and zoning.
 - Create walkable and attractive neighborhoods and commercial centers.
 - Reinforce the unique character of Waynesville.
- Goal 5: Create opportunities for a sustainable economy
 - Promote Waynesville’s downtown districts, inns, restaurants, and reputation as the “Gateway to the Smokies”
 - Encourage creatively designed, mixed-use, walkable centers, and commercial districts that appeal to residents and visitors.

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendments for enactment by the Town Council; and

WHEREAS, the Town Council find this Ordinance is consistent with the Town’s 2035 Comprehensive Plan and that it is reasonable and in the public interest to “make decisions about resources and land use in accordance with North Carolina General Statutes.” and

WHEREAS, after notice duly given, a public hearing was held on August 18, 2025, at the regularly scheduled meeting of the Waynesville Planning Board, and on _____ 2025, at the regularly scheduled meeting of Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WAYNESVILLE, MEETING IN REGULAR SESSION ON _____, 2025 AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

That the Land Development Standards be amended as follows (in red):

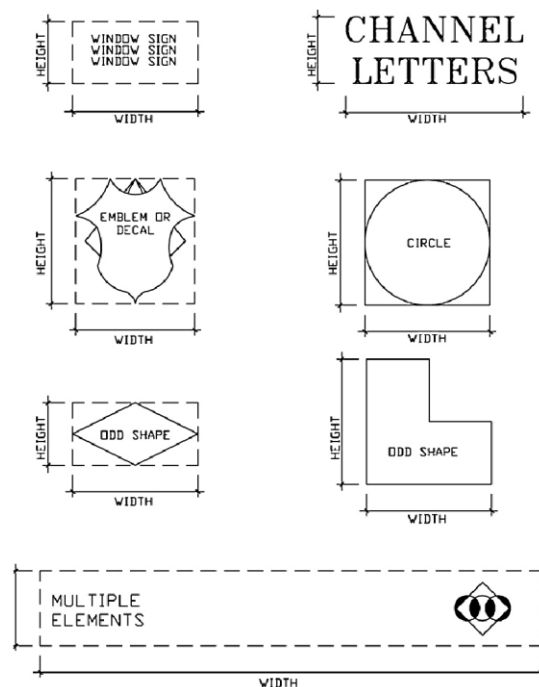
1. Amend Chapter 4: General Provisions for all Districts as follows:

4.4.3 Items Not Included in Height Calculations.

The height limitations of this Ordinance shall not apply to church spires, belfries, cupolas, and domes not intended for human occupancy, monuments, water towers, mechanical penthouses (provided they are set back 20 feet from the front elevation), observation towers, transmission towers, chimneys, smokestacks, conveyors, **flagpoles**, masts and antennas (provided evidence from appropriate authorities is submitted to the effect that such building or buildings will not interfere with any airport zones or flight patterns). See Chapter 3 Supplemental Standards related to communication towers and wireless communication facilities.

2. Amend Chapter 11: Signs as Follows:

11.3.1 Computation of Sign Face.



- A. The area of a sign face shall be deemed to be the entire area within the smallest square or rectangle that will encompass the extreme limits of the writing, representation, emblem, or other display on the sign.
- B. The area shall also include any material or color forming an integral part of the background of the display or used to differentiate the sign from the backdrop or structure against which it is placed.
- C. Frames or structural members not bearing informational or representational matter shall not be included in computation of the area of a sign face.
- D. Signs attached to walls (other than building walls) or fences shall be treated as ground signs and allowed only where ground signs are permitted. Only that portion of that wall or fence onto which the sign face or letters are placed shall be calculated in the sign area.
- E. **Air gaps between tenant name panels on a multi-tenant sign shall not be counted towards the total sign face area.**
- F. **For signage that is integrated into a mural, only that portion of the mural which the administrator determines to be the advertising sign in accordance with the computational guidance above, shall be counted towards the total sign face area.**

11.5 Signs Not Requiring a Permit.

11.5.1 Governmental Signs.

- A. Signs posted by various local, state and federal agencies in the performance of their duties such as, but not limited to, regulatory signs, welcome signs and traffic signs.
- B. Signs installed under governmental authority which note the donation of buildings, structures or streetscape materials (such as, but not limited to benches, ~~or~~ park facilities, ~~etc.~~).

11.5.2 Flags, ~~Etc.~~

Flags or insignia of any nation, organization of nations, state, county or municipality, any religious, civic or fraternal organization, or any educational or cultural facility, and ~~for~~ any one corporate flag, **are allowed** per lot provided the height of any pole shall not exceed ~~the maximum building height for the district~~ 25' in height.

11.5.11 Temporary Signs are allowed for uses permitted by Section 4.6 provided that the duration shall be the same as that of the specific, permitted temporary use and for the purpose of yard sales, real estate, mobile vendors, special events or other signage of a temporary nature not otherwise addressed elsewhere in this ordinance.

- A. General Requirements for temporary signs:
 - 1. Such signage shall be limited to the time period for the project or purpose it describes and must be installed no more than 10 days before an event and removed within ten (10) days upon completion of the project or event, unless otherwise permitted or as specified in this section.
 - 2. Such signage shall not be placed on any Town property or Park without the permission of the Town Manager.
 - 3. Off-premises signs are prohibited.
 - 4. Temporary signs that encroach in a public or private right-of-way shall not create a safety hazard or impediment to use of the right-of-way, including:
 - a) Such signs shall not be placed in a way as to interfere with pedestrians, cyclists, or motorists' access along rights-of-way, nor be placed so as to interfere with the line-of-sight of any motorist, or be placed in any way that creates a safety hazard for any mode of transportation.
 - b) Such signs shall be placed a minimum of three (3) feet from any curb or edge of pavement.
 - c) Such signs shall not be placed within a Town maintained sidewalk or greenway.
 - d) Such signs shall not be attached to trees or utility poles.
 - e) Such signs shall not be illuminated unless they are part of an existing billboard or compliant sign structure that is already illuminated.
 - f) Such signs shall be of break-away or flexible material unless they are part of an existing billboard or compliant sign structure.
 - g) Such signs shall be limited to six (6) square feet in area and four (4) feet in height, or the maximum of the District in which it is located, whichever is less.
 - 5. Regulations regarding temporary signs on private property shall comply with the dimensional requirements for a permanent sign of the same type in the district in which the sign is erected.
 - 6. One (1) per property per street frontage.

7. May be either a Ground Sign or Attached Sign.
 8. Moveable Signs are expressly prohibited.
 9. Banner type signs shall not be permitted within any district listed on the National Register of Historic Places.
- B. Window Signs: Temporary signs which are affixed to the inside of a window. Such signs shall not exceed 50% of the window area except within designated National Register Historic Districts where such signs shall not exceed 25% of the window area.
- C. Vehicular Signs: Temporary signs not prohibited under Section 11.8.11 displayed on vehicles and equipment which are being operated in the normal course of business, such as signs indicating the name of the owner or business and which are affixed or painted onto such vehicles or equipment, provided that when not being so operated, such vehicles are parked or stored in areas appropriate to their use as vehicles and in such a manner and location so as to minimize their visibility from any street to the greatest extent feasible.
- D. Ball Field Fence Signs: nonprofit organizations, i.e., local ball leagues, may attach signage to ball field fences providing the following requirements are met:
1. Sign panels must be of uniform size and weather durable material and cannot exceed three feet by five feet in dimension.
 2. Signage must be attached to the interior (ball field) of the chain link fencing, have advertising copy on only the interior (ball field) side of fencing and cannot be self-illuminated.
 3. Where adjacent properties are in residential use the back (exterior) side of the sign must be a dark solid color and be uniform in color with all the other signs.
 4. All signs must be kept clean and in good repair.
 5. Signage cannot exceed one per fence panel.
 6. Sign must be uniform in height.
 7. Signage can be erected two weeks prior to the beginning of the ball season and must be taken down within two weeks from the conclusion of the season.
 8. The organization or tenant leasing the property will be responsible for installing and removing the signs.
- E. Decorative Flags (except American Flags): ~~shall be counted towards the maximum signage square footage for Attached Signs permitted in the district.~~ Only one (1) flag for every 25 feet of linear building frontage is permitted. ~~All such flags on a single building face shall count as one of the three (3) permitted Attached Signs permitted on that building face.~~
- F. Yard Sale Signs:
1. Such signs may not be illuminated.
 2. Yard sale signs are limited to four (4) square feet in area and four (4) feet in height.
 3. Such signs may be displayed no more than one day in advance of the sale and be removed the day following the sale.
- G. Promotional/Special Event Signs:
1. Duration: it may be displayed on one (1) occasion in any three (3) month period for a maximum of fourteen (14) consecutive days or on one (1) occasion in any six (6) month period for a maximum of thirty (30) consecutive days.

H. Temporary Use Signs for uses permitted by Section 4.6 shall be the same as Promotional/Special Event Signs in subsection G. of this section provided that the duration shall be the same as that of the specific Temporary Use.

11.5.12 Political Signs ~~(rev. 9/11/12)~~ (rev. 9/23/25)

- A. ~~Compliant Political Signs are permitted in accordance with NC General Statutes 136-32.~~ Duration: such signs may be displayed during a period beginning thirty (30) days prior to the beginning date of "one-stop" early voting under ~~G.S. 163-227.2~~ G.S. 163-166.40 and concluding ten (10) days after the primary or election day immediately following.
- B. Placement:
1. No sign shall be permitted in the right-of-way of a fully controlled access highway.
 2. No sign shall be closer than three (3) feet from the edge of pavement of the road.
 3. No sign shall obscure motorist visibility at an intersection.
 4. No sign shall be higher than 42 inches above the edge of pavement of the closest road.
 5. No sign shall be larger than ~~865 square inches or six (6) sixteen (16)~~ square feet.
 6. No sign shall obscure or replace another sign.
 7. No sign shall be attached to a utility pole.
- C. Illumination: such signs may not be illuminated.

~~11.5.14 Temporary Signs.~~

~~A. ——— Window Signs: Temporary signs which are affixed to the inside of a window. Such signs shall not exceed 50% of the window area except within designated National Register Historic Districts where such signs shall not exceed 25% of the window area.~~

~~B. ——— Special Event Signs: Signs may be erected by public or non-profit organizations such as schools and churches for promoting special events as follows:~~

- ~~1. ——— Signs for public events such as fund drives, fairs, festivals, sporting events, etc. may be displayed for a period of thirty (30) days.~~
- ~~2. ——— The maximum size and height shall be the same as established for a permanent sign of the same type in the district in which the sign is erected.~~

~~C. ——— Yard Sale Signs:~~

- ~~1. ——— Such signs may be located on premises only and may not be located within a public right-of-way nor placed on a tree, street sign or utility pole.~~
- ~~2. ——— Such signs may not be illuminated.~~
- ~~3. ——— Yard sale signs are limited to four (4) square feet in area and four (4) feet in height.~~
- ~~4. ——— One (1) yard sale sign is allowed per street frontage.~~
- ~~5. ——— Such signs may be displayed no more than one day in advance of the sale and be removed the day following the sale.~~

~~D. ——— Vehicular Signs: Signs not prohibited under Section 11.8.11 displayed on vehicles and equipment which are being operated in the normal course of business, such as signs indicating the name of the owner or business and which are affixed or painted onto such vehicles or equipment, provided that when~~

~~not being so operated, such vehicles are parked or stored in areas appropriate to their use as vehicles and in such a manner and location so as to minimize their visibility from any street to the greatest extent feasible.~~

~~E. ——— Ball Field Fence Signs: Nonprofit organizations, i.e., local ball leagues, may attach signage to ball field fences providing the following requirements are met:~~

- ~~1. ——— Sign panels must be of uniform size and weather durable material and cannot exceed three feet by five feet in dimension.~~
- ~~2. ——— Signage must be attached to the interior (ball field) of the chain link fencing, have advertising copy on only the interior (ball field) side of fencing and cannot be self-illuminated.~~
- ~~3. ——— Where adjacent properties are in residential use the back (exterior) side of the sign must be a dark solid color and be uniform in color with all the other signs.~~
- ~~4. ——— All signs must be kept clean and in good repair.~~
- ~~5. ——— Signage cannot exceed one per fence panel.~~
- ~~6. ——— Sign must be uniform in height.~~
- ~~7. ——— Signage can be erected two weeks prior to the beginning of the ball season and must be taken down within two weeks from the conclusion of the season.~~
- ~~8. ——— The organization or tenant leasing the property will be responsible for installing and removing the signs.~~

~~F. ——— Decorative Flags (except American Flags) shall be counted towards the maximum signage square footage for Attached Signs permitted in the district. Only one (1) flag for every 25 feet of linear building frontage is permitted. All such flags on a single building face shall count as one of the three (3) permitted Attached Signs permitted on that building face.~~

~~G. ——— Promotional/Special Event Signs:~~

- ~~1. ——— One (1) per property per street frontage.~~
- ~~2. ——— May be either a Ground Sign, or Attached Sign.~~
- ~~3. ——— The maximum size and height shall be the same as established for a permanent sign of the same type in the district in which the sign is erected.~~
- ~~4. ——— Duration: may be displayed on one (1) occasion in any three (3) month period for a maximum of fourteen (14) consecutive days or on one (1) occasion in any six (6) month period for a maximum of thirty (30) consecutive days.~~
- ~~5. ——— Permit required: a permit application shall be submitted indicating the size, content, location and dates of erection and removal. The permit fee shall be the same as that for a corresponding permanent sign as established by the Schedule of Fees and Charges except there shall be no fee for public or non-profit organizations such as schools and churches for promoting special events such as fund drives, fairs, festivals, sporting events.~~
- ~~6. ——— Moveable Signs are expressly prohibited.~~
- ~~7. ——— Banner type Promotion/Special Event Signs shall not be permitted within any district listed on the National Register of Historic Places.~~

~~H. Temporary Uses Signs for uses permitted by Section 4.6 shall be the same as Promotional/Special Event Signs in subsection G. of this section provided that the duration shall be the same as that of the specific Temporary Use.~~

11.6 Permitted Signage by District.

11.6.1 Permitted Signage by District.

The following permanently mounted signs and their related maximum dimensions are allowed subject to the issuance of a sign permit.

District	Ground Sign	Attached Sign	Permitted Illumination	Other Standards
Residential-Low Density (RL)	16 sq. ft.—4 ft. tall	16 sq. ft.	None permitted	
Residential-Medium Density (RM)	16 sq. ft.—4 ft. tall	16 sq. ft.	External illumination only	
Neighborhood Residential (NR)/Urban Residential (UR)	16 sq. ft.—4 ft. tall	16 sq. ft.	External illumination only	
Neighborhood Center (NC)	24 sq. ft.—6 ft. tall	10% of wall	External illumination only	Pedestrian Sign - 1 per business
Business District (BD)	24 sq. ft.—6 ft. tall Exceptions: Ground signs are not permitted on Main Street from Church Street to Russ Avenue; Ground signs shall be limited to 16 ft.—4 ft. tall along Wall Street from East Street to Howell Street	1 sq. ft. for each 1 linear ft. of wall frontage - maximum of 100 sq. ft.	Internal illumination permitted except within a National Register Historic District	Pedestrian Sign - 1 per business Marquee Sign - 11.7.6
Regional Center (RC)	48 sq. ft.—8 ft. tall	15% 10% of wall	Internal illumination permitted	Pedestrian Sign - 1 per business
Commercial Industrial (CI)	48 sq. ft.—8 ft. tall	15% 10% of wall	Internal illumination permitted	

11.6.2 Other Permitted Signage.

Development Type	Standard
Home Occupations (All Residential Districts)	8 sq. ft.
Master Development Sign Shopping Center or multi-tenant commercial Development (For Development 5 acres or greater) within RC and CI districts	160 sq. ft.—25 ft. tall—1 permitted per major road frontage
Master Development Sign Shopping Center or multi-tenant commercial Development (For Development 2 acres or greater) within NC, BD, RC, and CI districts	48 sq. ft.—8 ft. tall—1 permitted per major road frontage
Neighborhood Entrance Signs	Subject to Planning Board design approval 16 sq ft – 6 ft. tall. Two (2) signs shall be allowed per entrance up to a maximum of four (4) signs total per neighborhood.

Elementary and Secondary Schools	32 sq. ft.—8 ft. tall—May be Electronic Changeable Face Sign (See Section 11.7.4)—Must be static between one hour after dusk and one hour before dawn except during special events
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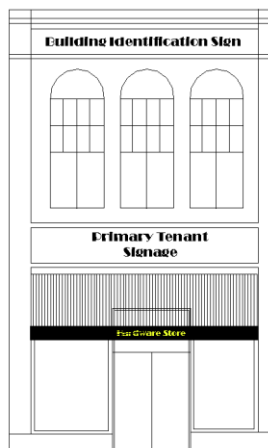
(Ord. No. O-15-13, 11-26-2013; Ord. No. O-21-21, § 1, 11-9-2021)

11.7. Signage Types

11.7.1 Ground Signs.

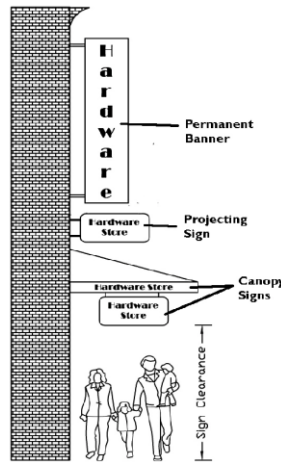
- A. All Ground Signs shall be located out of the street right-of-way or at least five (5) feet for [from] the edge of the Public Way whichever is greater.
- B. No Ground Sign shall be located in any required buffer yard, within a sight triangle as established by Sections 6.7.2 for streets and 9.8.3 for driveways or within 10 feet of a side property line.
- C. Ground signs shall include a base (min. 1 ft. in height) constructed of rock, brick, or other masonry material or permanent landscaping.
- D. Residential Neighborhood and Business District Entrance Signs shall be professionally designed and produced using high-quality materials. ~~and shall be appropriate in size, number and location for the neighborhood or district being identified as approved by the Planning Board following a public hearing.~~
- E. One (1) ground sign is permitted per building for and on each public street frontage provided that building directly fronts the public street, and no other principal building on the same property is situated between the building and the public street.

11.7.2 Attached (Includes Canopy, Projecting and Permanent Window Signs).



- A. The maximum permitted aggregate area of Attached Signs includes the area of any permanent Window Signs.
- B. Attached signage may not extend above the vertical wall to which the sign is attached or extend out into the street tree planting area or street side of the sidewalk.
- C. The preferred location for Attached Signs is between the first floor window and window sill of second floor, or on a sign frieze area of the building if original to the building. (Exception: Building identification which is an integral part of the building's design and architectural character shall not be considered a sign for the purposes of this standard.)

- D. Signs on Windows and Doors: Signage posted on windows and doors shall not exceed 25 percent of the window/door area.
- E. Maximum of 3 Signs Permitted: No more than three attached signs (excluding a single Pedestrian Sign where permitted) may be erected provided the total surface area permitted is not exceeded.
- F. Canopy/Awning Signs: Signs on awnings shall be considered Attached Signs. Maximum Awning Sign Area: 50 percent of awning area.
- G. Projecting Signs: Attached signs may not project more than four (4) feet from the façade of the building on which the sign is located.



- H. Clearance Required: The bottom of any attached sign, if extended from the façade of a building shall be at least eight (8) feet above any pedestrian walkway.
- I. Clearance from Curb/Street: Under no circumstance shall a sign or canopy/awning overhang any closer than 2 feet from the face of the existing curb.

11.7.3 Pedestrian.

- A. Pedestrian signs shall be hung perpendicular to the sidewalk and be generally centered between the edge of the building façade and the outside edge of the canopy or awning. In no case shall the sign project beyond the outside edge of the canopy or awning.
- B. The bottom of any pedestrian sign shall be at least eight (8) feet above any pedestrian walkway.

11.7.4 Electronic Changeable Face Signs (Permitted in RC and at Elementary and Secondary Schools Only).

Electronic changeable face signs are permitted as a component of otherwise permitted signage subject to the following standards.

- A. No electronic changeable face sign may change its message or copy, or any pictures or images that are part of the message, more frequently than once every minute.
- B. When the message of an electronic changeable face sign is changed mechanically, it shall be accomplished in three (3) seconds or less. When the message of an electronic changeable face sign is changed in an electronic manner, through the use of light emitting diodes, back lighting or other light source, the transition shall occur within two (2) seconds.
- C. The portion of the sign face of an electronic changeable face sign which accommodates multiple messages shall not exceed 50 percent (50%) of the total sign face area and may not

change its message or copy, or any pictures or images that are part of the message, more frequently than once every minute; the remaining portion shall be static.

- D. Electronic changeable face signs which are illuminated or which use electronic lighting to display message shall be subject to the restrictions and limitation applicable to illumination in this ordinance.
- E. There shall be located no more than one electronic changeable face sign per lot, and such sign shall be permitted only on a ground sign and not on any attached sign or window sign.

11.7.5 Portable Signs (Permitted in BD Only).

- A. A sign that is movable by a person without aid of a motor vehicle or other mechanical equipment
- B. Such signs shall be a minimum of 28 inches in height and a maximum of 48 inches in height. Such signs shall be a minimum of 18 inches in width and a maximum of 30 inches in width.
- C. Signs may be placed along the wall of the building or the curb in front of the building. The sign shall not encroach more than 3 feet into the public way and must allow a minimum of 3 feet of travel width. If there is on-street parking, the sign shall be placed parallel with the parking line to not impede passengers entering/exiting the vehicle.

11.8 Prohibited Signs

The following signs are prohibited:

11.8.2 Movable Signs.

A sign that may be moved from one location to another, is not permanently affixed to the ground, and is differentiated from a portable sign in that it may be equipped for transporting by motor vehicle or other mechanical means and includes sign referred to as trailer signs.

11.8.6 Signs on Roadside Appurtenances.

Signs attached to or painted on utility poles, telephone poles, trees, parking meters, bridges and overpasses, rocks, other signs, benches and refuse containers, ~~etc~~ or other public infrastructure are prohibited unless specifically allowed elsewhere in this chapter.

11.8.8 Pennants, Ribbons, Streamers, Ballons, ~~etc~~ and Feather Flags.

Signs containing or consisting of pennants, ribbons, streamers, balloons, greater than twelve (12) inches in diameter, spinners, feather flags or similar devices are prohibited. Signs which are intended to move, flap, or inflate either from the wind, air stream, or internal motor are prohibited.

~~11.8.10 Facsimile Signs~~

~~....No further changes to Chapter (Sections 11.9 Illumination or 11.10 Maintenance and Non-Conformities)~~

3. Amend Chapter 17 Definitions as follows:

17.4 Definitions, General

~~**Sign, Facsimile.** An over-sized, three-dimensional object, such as an automobile, human figure, etc. that may or may not contain advertising matter, and may or may not contain information about products sold on the premises, and is located in such a manner as to attract attention.~~

ADOPTED this _____ Day of _____, 2025.

TOWN OF WAYNESVILLE

J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM

Martha Bradley, Town Attorney

**TOWN OF WAYNESVILLE COUNCIL MEETING
REQUEST FOR BOARD ACTION
Meeting Date: 08.26.2025**

SUBJECT: Approve Audit contract for Fiscal Year 2025 with Martin Starnes

AGENDA INFORMATION:

Agenda Location: Consent Agenda

Item Number:

Department: Finance

Contact: Ian Barrett

Presenter: Ian Barrett

BRIEF SUMMARY: We have engaged Martin Starnes to perform our 2025 audit. They are extremely helpful and have proven to be a consistent and timely auditor. There is an increase in cost this year due to rising costs of labor, software, and the various programs the town is involved with, most notably FEMA for fiscal year 2025. We feel that the services that Martin Starnes provides justify the cost increase. This contract is a “not to exceed” and there is potential for the final cost to be lower.

MOTION FOR CONSIDERATION: Approve Fiscal Year 2025 audit contract

FUNDING SOURCE/IMPACT: Finance- Accounting Services



Ian Barrett, Finance Director

08.26.25

Date

ATTACHMENTS:

MANAGER’S COMMENTS AND RECOMMENDATIONS:

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

August 7, 2025

Ian Barrett, Finance Director
Town of Waynesville
PO Box 100
Waynesville, NC 28786

Martin Starnes & Associates, CPAs, P.A. ("we") are pleased to provide the Town of Waynesville (the "Town," "you" or "your") with the professional services described below. Please read this letter, and any other attachments incorporated herein (collectively, "Agreement"). This Agreement details the nature and limitations of the services we will provide, the terms of our engagement and each party's responsibilities.

Engagement Objective and Scope

We will audit the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Waynesville, NC, as of June 30, 2025, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Town of Waynesville's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal and state award programs for the period ended June 30, 2025. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal and state award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that certain supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Other Post-Employment Benefits' schedules
- Local Governmental Employees' Retirement System's schedules

Supplementary information other than RSI will accompany the Town of Waynesville's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and individual fund financial statements
- Budgetary schedules
- Other schedules
- Schedule of Expenditures of Federal and State Awards

Schedule of Expenditures of Federal and State Awards

We will subject the Schedule of Expenditures of Federal and State Awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the Schedule of Expenditures of Federal and State Awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form (if applicable)

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, Schedule of Expenditures of Federal and State Awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- May include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, financial institutions, and other third parties as part of our audit procedures. We also may request written representations from your attorneys on litigation, claims, and assessments as part of the engagement, and they may bill you for responding to our inquiries. At the conclusion of our audit, we also will require certain written representations from management made during the audit about the financial statements and related matters.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Waynesville's ability to continue as a going concern for a reasonable period of time.

We may advise management about appropriate accounting principles and their application, and we may assist in the assembly of your financial statements. However, management has the final responsibility for the selection and application of accounting policies and the fair presentation of financial statements that reflect the nature and operation of the Town of Waynesville.

We plan to obtain and place reliance on the report of other auditors for the Town of Waynesville ABC Board, a discretely presented component unit of the Town, assuming that our communications with the other auditors and review of their audit report and the financial statements of the Town of Waynesville

ABC Board provide sufficient and appropriate audit evidence on which to base our opinion on the discretely presented component unit.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Reporting

We will issue a written report upon completion of our audit of the Town of Waynesville's basic financial statements. Our report will be addressed to the governing body of the Town of Waynesville. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

We will provide copies of our reports to the Town. However, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

We also are responsible for communicating with the Town's management or those charged with governance our audit responsibility under GAAS, an overview of the planned scope and timing of the audit including significant risks identified by us, significant issues or findings from the audit, including our views about the qualitative aspects of the Town of Waynesville's significant accounting practices, significant unusual transactions, significant difficulties encountered during the audit, disagreements with management, difficult or contentious matters for which we consulted outside the engagement team and that are, in our professional judgement, relevant to those charged with governance, uncorrected and corrected misstatements, and other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

Audit of Major Program Compliance

Our audit of the Town of Waynesville's major federal and state award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended, the Uniform Guidance, and the State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and the State Single Audit Implementation Act and other procedures we consider necessary to enable us to express such an opinion on major federal and state award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the State Single Audit Implementation Act require that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal and state award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal or state programs as a whole.

As part of a compliance audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal and state programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Single Audit Implementation Act.

Also, as required by the Uniform Guidance and the State Single Audit Implementation Act, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal and state award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal and state award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For the prevention and detection of fraud, including the design and implementation of programs and controls to prevent and detect fraud;
4. For identifying, in its accounts, all federal and state awards received and expended during the period and the federal and State programs under which they were received;
5. For maintaining records that adequately identify the source and application of funds for federal and state funded activities;
6. For preparing the Schedule of Expenditures of Federal and State Awards (including notes and noncash assistance received) in accordance with the Uniform Guidance and State Single Audit Implementation Act;
7. For designing, implementing, and maintaining effective internal control over federal and state awards that provides reasonable assurance that the entity is managing federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of the federal and state awards;
8. For identifying and ensuring that the entity complies with federal and state laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal and state award programs, and implementing systems designed to achieve compliance with applicable federal and state statutes, regulations and the terms and conditions of federal and state award programs;
9. For disclosing accurately, currently and completely the financial results of each federal and state award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;
12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
14. For submitting the reporting package and data collection form to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
16. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal and state award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report (if applicable); and

- e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report (if applicable).
- 17. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year or period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- 18. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- 19. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- 20. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant roles in the system of internal control and others where fraud could have a material effect on compliance;
- 21. For the accuracy and completeness of all information provided;
- 22. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information, records and documentation;
- 23. For informing us of any events encountered subsequent to the period under audit that may require adjustment to or note disclosure in the financial statements; and
- 24. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

With regard to the Schedule of Expenditures of Federal and State Awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the Schedule of Expenditures of Federal and State Awards in accordance with the Uniform Guidance and the State Single Audit Implementation Act, (b) to provide us with the appropriate written representations regarding the Schedule of Expenditures of Federal and State Awards, (c) to include our report on the Schedule of Expenditures of Federal and State Awards in any document that contains the Schedule of Expenditures of Federal and State Awards and that indicates that we have reported on such schedule, and (d) to present the Schedule of Expenditures of Federal and State Awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited basic financial statements readily available to the intended users of the Schedule of Expenditures of Federal and State Awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

Limitations of the Audit Report

Should the Town wish to include or incorporate by reference these financial statements and our report thereon into any other document at some future date, we will consider granting permission to include our report into another such document at the time of the request. However, we may be required by generally accepted auditing standards (GAAS) to perform certain procedures before we can give our permission to include our report in another document such as an annual report, private placement, regulator filing, official statement, offering of debt securities, etc. You agree that the Town will not include or incorporate by reference these financial statements and our report thereon, or our report into any other document without our prior written permission. In addition, to avoid unnecessary delay or misunderstandings, it is important to provide us with timely notice of your intention to issue any such document.

Nonattest Services

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Preparation of auditor portions of Data Collection Form (if applicable)
- Preparation of LGC's data input worksheet
- Clerical services

We will not assume management responsibilities on behalf of the Town of Waynesville. However, we will provide advice and recommendations to assist management of the Town of Waynesville in performing its responsibilities.

The Town of Waynesville's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

You may request that we perform additional services not contemplated in this engagement letter. If this occurs, we will communicate with you regarding the scope and estimated cost of these additional services. Engagements for additional services may necessitate that we amend the Agreement or issue a separate agreement to reflect the obligations of all parties. In the absence of any other written communications from us documenting additional services, our services will be limited to and governed by the terms of this Agreement.

Electronic Transmittals

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

During the course of the engagement, a portal will be in place for information to be shared, but not stored. Our policy is to terminate access to this portal after one year. The Town is responsible for data backup for business continuity and disaster recovery, and our workpaper documentation is not to be used for these purposes.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal, you agree that we are not responsible for any liability, including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any loss arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.

Timing of Engagement

We expect to begin our services at a time mutually determined by you and Martin Starnes & Associates, CPAs, P.A. and after receipt of this executed Agreement and all documents requested by our office. The timing of our work is dependent upon the timely receipt of the information we request from you, including timely responses to any questions we may ask.

Our services under this Agreement will conclude at the earlier of:

- issuance of the deliverable outlined in this Agreement;
- written notification by either party that the Agreement is terminated

Provisions of Engagement Administration and Fees

Marcie Spivey is the engagement partner for the audit services specified in this letter. The engagement partner's responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or state agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or

regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Our fees for these services are as follows:

Audit Fee	\$ 53,355
Financial Statement Drafting	7,500
Single Audit Fees (up to 2 programs)	<u>4,250</u>
	<u>\$ 65,105</u>
Additional Fees:	
Charge per major program in excess of 2	<u>\$ 4,250</u>

Please note that the fees above include up to 2 major programs, as indicated. The "total amount not to exceed" listed on the audit contract includes up to 4 major programs. If the total number of major programs exceeds 4 and the "total amount not to exceed" needs to be increased, we will prepare an amended contract to include the fees necessary based on the per program amount listed as additional fees above.

Our invoices for these fees will be rendered in four installments as work progresses and are payable upon presentation. The Town agrees to pay all cost of collection (including reasonable attorney fees) that the Firm may incur in connection with the collection of unpaid invoices. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. In the event that work is discontinued, either temporarily or permanently, as a result of delinquent or non-payment, we shall not be liable for any loss you may incur as a result of the work stoppage, including penalties and interest. In such cases, you assume all risk associated with your failure to meet any governmental or other deadlines.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town of Waynesville's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

The estimated fees are based on auditing and accounting standards effective as of the date of this engagement letter and known to apply to the Town at this time. Unless otherwise indicated, estimated fees do not include any time related to the application of new auditing or accounting standards that impact the Town for the first time.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements. If, for any reason, the Town is unable to provide such schedules, information, and assistance, the Firm and the Town will mutually revise the fee to reflect additional services, if any, required of us to achieve these objectives.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff or accommodate the Town's requested scheduling change because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$85-\$410 per hour.

Non-Solicitation of Employees and Independent Contractors

During the term of this engagement and for a period of eighteen (18) months after the end of this engagement, for whatever reason, you agree that you shall not, directly or indirectly: (i) solicit or attempt to solicit for employment or for engagement as an independent contractor, any of our employees or independent contractors; or (ii) solicit, encourage, or induce, or attempt to solicit, encourage, or induce, any of our employees or independent contractors to leave the employment of Martin Starnes & Associates, CPAs, P.A. or terminate their relationship with Martin Starnes & Associates, CPAs, P.A. For the avoidance of doubt, general advertisements for employment shall not be deemed a violation of this paragraph.

You agree that we invest a large amount of capital and resources to ensure that our employees and independent contractors deliver the highest level of service in our industry. You also agree that the cost of recruiting and hiring qualified individuals to replace our employees or independent contractors would be a lengthy and expensive process. You therefore agree that your violation of the non-solicitation provision above will result in economic damages that are difficult to ascertain and that, in the event of a breach of the non-solicitation provision above, you will pay to Martin Starnes & Associates, CPAs, P.A. a fee equal to One Hundred Percent (100%) of the employee's or independent contractor's annual rate of compensation at the time their relationship with us ends.

You further agree that your breach or threatened breach of the non-solicitation provision above would result in irreparable loss and injury to us. You agree that, in addition to all other remedies provided at law or equity, we shall be entitled to a temporary restraining order and preliminary and permanent injunctive relief in the event of a breach or threatened breach of the non-solicitation provision above, and you hereby waive any requirement that we post any bond in connection with obtaining such restraining order and/or injunctive relief. We shall be entitled to a restraining order and/or injunctive relief without regard to whether we can demonstrate that we have suffered actual damages or economic loss as a result of the breach or threatened breach of the non-solicitation provision.

Termination and Withdrawal

Either party may terminate this Agreement at any time and for any reason. If this Agreement is terminated before services are completed, you agree to pay all fees and expenses we incur through the effective date of termination.

Proprietary Information

You acknowledge that proprietary information, documents, materials, management techniques and other intellectual property are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce or make available to anyone other than your personnel, any such documents. This provision will apply to all materials whether in digital, "hard copy" format or other medium.

Conflicts of Interest

If we, in our sole discretion, believe a conflict of interest has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to terminate our services without issuing our work product.

Third-Party Service Providers or Subcontractors

We may use third-party service providers, subcontractors, commercially available artificial intelligence, or software tools, some of which may utilize or offer artificial intelligence capabilities (collectively, "external party" or "external parties"), to assist us where necessary to help provide professional services to you or support the needs of our firm. You consent to our use of external parties. Our firm remains responsible for exercising reasonable care in providing our services, and our services and work product will be subjected to our firm's customary quality control procedures.

We may provide your confidential information to external parties in support of our services. You consent to the disclosure of your confidential information to those external parties. We take reasonably prudent business care consistent with our professional standards to prevent the unauthorized release of your confidential information.

In certain circumstances, we may require a separate, written consent from you before your information is transmitted to an external party or parties.

Records Management

We will return any original records and documents you provide to us. Our copies of your records and documents are solely for our documentation purposes and are not a substitute for your own record-keeping obligations under any applicable laws or regulations. You are responsible for maintaining complete and accurate books and records, which may include financial statements, schedules, tax returns and other deliverables provided to you by us. If we provide deliverables or other records to you via an information portal, you must download this information within 60 days. Professional standards may preclude us from being the sole repository of your original data, records, or information.

Workpapers and other items created by us to support the delivery of our services are our property and will remain in our control. We will consider requests for copies of workpapers and other items created by us in accordance with the AICPA Code of Professional Conduct. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report. Catastrophic events or physical deterioration may result in damage to or destruction of our firm's records, causing the records to be unavailable before the expiration of the retention period, as stated in our record retention policy.

Summons or Subpoenas

All information you provide to us in connection with this engagement will be maintained by us on a confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

Confidentiality

In providing services to you, we may require information that is considered confidential and may include Personally Identifiable Information (PII), i.e. information that can be used to distinguish or trace an individual's identity such as address, bank account and social security information. We will maintain all client information, including PII, on a confidential basis and have a duty to do so based on the standards promulgated by the American Institute of Certified Public Accountants as well as applicable laws and regulations. You assume the risk of loss if you provide us with information, including PII, which differs from the information we request in order to provide services to you in accordance with the Agreement.

Referrals

In the course of providing services to you, you may request referrals to products or professionals such as attorneys, brokers, or investment advisors. As a courtesy, we may identify professional(s) or product(s) for your consideration. However, you are responsible for evaluating, selecting, and retaining any professional

or product and determining if the professional or product meets your needs. You agree that we will not oversee the activities of and have no responsibility for the work product of any professional or suitability of any product we refer to you or that you separately retain.

Limitations on Oral and Email Communications

We may discuss with you our views regarding the treatment of certain items or decisions you may encounter. We may also provide you with information in an email. Any advice or information delivered orally or in an email (rather than through a memorandum delivered as an email attachment) will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect our analysis and conclusions.

Due to these limitations and the related risks, it may not be appropriate to proceed with a decision solely on the basis of any oral or email communication from us. You accept all responsibility for any liability, including but not limited to additional tax, penalties or interest resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to instead rely on an oral or email communication. The limitation in this paragraph will not apply to an item of written advice that is a deliverable of a separate engagement. If you wish to engage us to provide formal advice on a matter on which we have communicated orally or by email, we will confirm this service in a separate agreement.

Disclaimer of Legal and Investment Advice

Our services under this Agreement do not constitute investment advice unless specifically engaged in the *Engagement Objective and Scope* section of this Agreement. Our services under this Agreement do not constitute legal advice.

Electronic Data Communication and Storage

In the interest of facilitating our services to you, we may send data over the Internet, temporarily store electronic data via computer software applications hosted remotely on the Internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of these electronic devices and applications during this engagement.

Marketing and Educational Communications

If we send you newsletters, updates, explanations of technical developments or similar communications, it is strictly for marketing or general educational purposes and should not be construed as professional advice on which you may rely. These communications, by themselves, do not create a contractual relationship between us and you, a binding obligation for us to provide services to you, nor a requirement on our part to monitor issues for you.

Independent Contractor

When providing services to your company, we will function as an independent contractor and in no event will we or any of our employees be an officer of you, nor will our relationship be that of joint venturers,

partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to you.

Our obligations under this Agreement are solely obligations of Martin Starnes & Associates, CPAs, P.A., and no Martin Starnes & Associates, CPAs, P.A. stakeholder shall be subjected to any personal liability whatsoever to you or any person or entity.

Severability

If any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Survivability

The following sections of this Agreement shall survive termination of the Agreement: Limitation of Liability and Statute of Limitations.

Assignment, No Third-Party Beneficiaries

All parties acknowledge and agree that the obligations and responsibilities of this Agreement cannot be assigned to any third party except as agreed to in writing. This Agreement has been entered into solely between you and Martin Starnes & Associates, CPAs, P.A., and no third-party beneficiaries are created hereby.

Force Majeure

Neither party shall be held liable for any delays resulting from circumstances or causes beyond our reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, epidemics or pandemics as defined by The Centers for Disease Control and Prevention, or any law, order or requirement of any governmental agency or authority. However, no Force Majeure event shall excuse you of any obligation to pay any outstanding invoice or fee or from any indemnification obligation under this Agreement.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature intended to replicate a written signature, shall be presumed valid, and we may reasonably rely upon it. For purposes hereof, "electronic signature" includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. Documents may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

Entire Agreement

This Agreement, including the LGC-205 Contract to Audit Accounts, represents the entire agreement of the parties and supersedes all previous oral, written or other understandings and agreements between the parties. Any modification to the terms of this Agreement must be made in writing and signed by both parties.

Statute of Limitations

You agree that any claim or legal action arising out of or related to this contract and the services provided hereunder shall be commenced no more than one (1) year from the date of delivery of the work product to

You or the termination of the services described herein (whichever is earlier), regardless of any statute of limitations prescribing a longer period of time for commencing such a claim under law. This time limitation shall apply regardless of whether Martin Starnes & Associates, CPAs, P.A. performs other or subsequent services for You. A claim is understood to be a demand for money or services, demand for mediation, or the service of suit based on a breach of this contract or the acts or omissions of Martin Starnes & Associates, CPAs, P.A. in performing the services provided herein. This provision shall not apply if enforcement is disallowed by applicable law or professional standards.

Limitation of Liability

You agree that Martin Starnes & Associates, CPAs, P.A.'s liability, if any, arising out of or related to this contract and the services provided hereunder, shall be limited to the amount of the fees paid by You for services rendered under this contract. In no event shall Martin Starnes & Associates, CPAs, P.A. be liable to You or a third party for any indirect, special, consequential, punitive, or exemplary damages, including but not limited to lost profits, loss of revenue, interruption, loss of use, damage to goodwill or reputation, regardless of whether You were advised of the possibility of such damages, regardless of whether such damages were reasonably foreseeable, and regardless of whether such damages arise under a theory of contract, tort, strict liability, or otherwise. The foregoing limitations shall not apply to the extent it is finally, judicially determined that the liability resulted from gross negligence or fraud of Martin Starnes & Associates, CPAs, P.A. or if enforcement of this provision is disallowed by applicable law or professional standards.

Mediation

If a timely dispute arises out of or relates to this Agreement, including the scope of services contained herein, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under the *AAA Accounting and Related Services Arbitration Rules and Mediation Procedures* before resorting to arbitration, litigation, or any other dispute resolution procedure. The mediator will be selected by mutual agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. The mediation will be conducted in North Carolina.

The mediation will be treated as a settlement discussion and, therefore, all discussions during the mediation will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs of legal representation shall be borne by the hiring party.

This provision shall not apply to any dispute of fees owed, billed or due.

Arbitration Procedures

If a dispute has not been resolved within 90 days after the effective date of the written notice beginning the mediation process (or such longer period, if the parties so agree in writing), the mediation shall terminate and the dispute shall be settled by binding arbitration to be held at a mutually agreeable location. The arbitration shall be conducted in accordance with the CPR Rules for Non-Administered Arbitration that are in effect at the time of the commencement of the arbitration, except to the extent modified by this Dispute Resolution Provision (the rules). The arbitration shall be conducted before a panel of three arbitrators. Each of the Town and firm shall designate one arbitrator in accordance with the "screened" appointment procedure provided in the Rules, and the two party-designated arbitrators shall jointly select the third in accordance with the Rules. No arbitrator may serve on the panel unless he or she has agreed in writing to enforce the terms of the engagement letter and to abide by the terms of the Rules. Except with respect to the interpretation and enforcement of these arbitration procedures (which shall be governed by the Federal

Arbitration Act), the arbitrators shall apply the laws of the state of North Carolina (without giving effect to its choice of law principles) in connection with the dispute. The arbitrators may render a summary disposition relative to all or some of the issues, provided that the responding party has had an adequate opportunity to respond to any such application for such disposition. Any discovery shall be conducted in accordance with the Rules. The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

Costs

Each party shall bear its own costs in both the mediation and the arbitration; however, the parties shall share the fees and expenses of both the mediators and the arbitrators equally.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements and compliance over major federal and state award programs, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the Town of Waynesville by:

Signature: _____

Title: _____

Date: _____

The	Governing Board
of	Town Council
	Primary Government Unit
	Town of Waynesville, NC
and	Discretely Presented Component Unit (DPCU) (if applicable)
	N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name
	Martin Starnes & Associates, CPAs, P.A.
	Auditor Address
	730 13th Avenue Drive SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Date Audit Will Be Submitted to LGC
	06/30/25	12/31/25

Must be within six months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. If the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period, the Auditor shall perform the audit in accordance with *Government Auditing Standards* (GAGAS). The Governmental Unit is subject to federal single audit requirements in accordance with Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F (*Uniform Guidance*) and the State Single Audit Implementation Act. Currently the threshold is \$750,000 for a federal single audit and \$500,000 for a State Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501) the Auditor and Governmental Unit(s) should discuss, in advance of the execution of this contract, the responsibility for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512) to ensure proper submission.

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within six months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.
10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).
11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.
12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.
13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Preparing financial statements in their entirety shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☒ Auditor ☐ Governmental Unit ☐ Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:

Title and Unit / Company:

Email Address:

Ian Barrett

Finance Director, Town of Waynesville

ibarrett@waynesvillenc.gov

OR Not Applicable ☐ (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

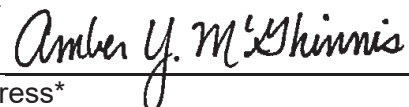
4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	Town of Waynesville, NC
Audit Fee (financial and compliance if applicable)	\$ 57,605 (\$53,355 audit + \$4,250 single audit for up to 2 programs)
Fee per Major Program (if not included above)	\$ 4,250 per major program in excess of 2
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$ 7,500
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$ 73,605 (includes 4 major programs)

Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)* Amber Y. McGhinnis	Signature* 
Date* 08/07/25	Email Address* amcghinnis@msa.cpa

GOVERNMENTAL UNIT

Governmental Unit*	
Town of Waynesville, NC	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)* Gary Caldwell, Mayor	Signature*
Date	Email Address* gcaldwell@waynesvillenc.gov

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	\$ 73,605 (includes 4 major programs)
Primary Governmental Unit Finance Officer* (typed or printed) Ian Barrett, Finance Director	Signature*
Date of Pre-Audit Certificate*	Email Address* ibarrett@waynesvillenc.gov

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU* N/A	
Date DPCU Governing Board Approved Audit Contract* (Enter date in box to right)	
DPCU Chairperson (typed or printed)* N/A	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)* N/A	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all
required signatures prior to submission.

PRINT

Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates, CPAs, P.A. and the
Peer Review Committee, Coastal Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of *pass*.

Dean Dorton Allen Ford, PLLC

Dean Dorton Allen Ford, PLLC

May 10, 2024



Application for Special Events Permit

I. General Information

EVENT NAME:	Rec Jam
EVENT DATE(S):	September 13, 2025
	Note: If event is more than three days in duration, and not in the public right-of-way, you will also need a temporary event permit. Contact the Waynesville Police Dept. at 828-456-5363 for more information.
LOCATION	Vance Park
IF THIS EVENT IS A PARADE OR ROAD RACE	Please provide a full route description and map. A 5k will be featured throughout the greenway trail system.
SET-UP TIME (START/END):	Friday, September 12, 4pm
EVENT HOURS:	Saturday, September 13, 9am-4pm
DISMANTLE HOURS (START/END):	Saturday, September 13, 4pm-6pm
ESTIMATED ATTENDANCE:	100
BASIS ON WHICH THIS ESTIMATE IS MADE:	based on vendors, food trucks, sponsors, disc golf tournament, and 5k registrations
COMPREHENSIVE GENERAL LIABILITY INSURANCE REQUIRED: \$1,000,000.	Please attach proof of insurance (or applicable rider).

II. Applicant and Sponsoring Organization Information

SPONSORING ORGANIZATION NAME:	Waynesville Parks and Recreation (event) Frog Level Brewing (beer garden)					
ARE YOU A NON PROFIT CORPORATION?	No X	Yes	If yes, are you	501c(3)	501c(6)	Place of Worship
APPLICANT NAME:	Luke Kinsland			TITLE:	Director	
ADDRESS:	550 Vance St		CITY :	Waynesville	STATE: NC	ZIP 28786
PHONE:	828-456-2030		FAX#:		EMAIL:	lkinsland@waynesvillenc.gov
ON-SITE CONTACT:	Luke Kinsland			TITLE:	Director	
ADDRESS:	550 Vance St Waynesville, NC 28786					
PHONE #:			CELL PHONE #:	828-335-6482	EMAIL:	lkinsland@waynesvillenc.gov

III. Brief Description of Event
Rec Jam is a free, family-friendly community festival hosted by the Waynesville Parks and Recreation Department. The event brings residents together in our parks to enjoy live music, food vendors, recreational activities, and entertainment for all ages. In addition to providing a fun and safe outdoor experience, Rec Jam serves as a fundraising event to support Recreation Department programs, facilities, and future community initiatives. The festival highlights the wide variety of recreation opportunities available while fostering community pride, healthy living, and togetherness.
IV. Street Closure Request (Attach map of the Street Closure)

List any street(s) (or lanes of streets) requiring temporary street closure as a result of this event.

Include street name(s) indicating beginning and endpoints of the closing, day, date and time of closing and reopening:

1. Vance St will not be closed. 5k will intersect here, WPD will provide crossing guards

2.

3.

V. Event Details

YES NO

☐X ☐ Does the event involve the sale or **use of alcoholic beverages**?

If yes, has the ABC permit been obtained? Yes ☐X No ☐ Please provide a graphic of the area where alcoholic beverages will be purchased or consumed (i.e. beer garden layout)

☐X ☐ Does the event involve the **sale of food**? _____

If "YES", has the health department been notified? ____YES____ Have you applied for a temporary permit? _____

Food trucks will have necessary permits

☐X ☐ Will there be **musical entertainment** at your event? IF "YES" provide the following information:

Number of Stages: 1 Number of Band(s): 2 Amplification? YES

Note: If amplification is used, you will be required to perform a pretest for compliance with the noise ordinance.

☐ ☐X Do you plan to use an existing **occupied building**? Address _____

☐ ☐X Do you plan to use an existing **vacant building**? Address _____

☐X ☐ Will there be any **tents or canopies** in the proposed event site? Please provide the following information:

Approx. Number of Tents: 1 Will any tent exceed 400 sq. feet in area? ☐ NO X ☐ YES

☐ ☐X Does the event involve the use of **pyrotechnics**? Explain _____

☐ ☐X Will you provide **portable toilets** for the general public attending your event? IF SO, how many and where will they be located? 3 Vance Park

☐X ☐ Will you require **electrical hookup** for the event? Generators? _____

☐ ☐X Will you require **access to water** for the event? Explain _____

☐ ☐X Will **admission fees** be charged to attend this event? If "YES", provide the amount(s) of all tickets. _____

☐X ☐ Will **fees be charged to vendors** to participate in this event? If "YES", please provide the amount(s). \$50

☐X ☐ Will **signs and/or banners** be displayed as part of the event? If "YES" have you applied for a sign permit? _____

☐ ☐X Will **inflatable parade balloons** be used for the event? Provide details if necessary.

VI. Additional Questions

How will **parking** be accommodated for this event?

Parking lots at Vance Park and the Rec Center

Notes:

1. Parking and buildings involved may be examined for ADA compliance.
2. You may be required to provide a shuttle if the event places undue demands on surrounding parking areas.

How will **trash** be contained and removed during and after the event?

Parks staff will ensure pickup.

Volunteers: Will you require Civilian Police Volunteers for your event? Yes

Apply for this permit at least 60 days prior to your special event. (30 days for a neighborhood street closing)

Return to:

**Beth Gilmore, Downtown Waynesville Director &
Jesse Fowler, Assistant Town Manager
Town of Waynesville
9 S. Main Street, P.O. Box 100, Waynesville, NC 28786
Telephone: (828) 456-3517
Fax No. : (828) 456-2000
Email Address: bethgilmore@waynesvillenc.gov
jfowler@waynesvillenc.gov**

VIII. Special Information for Applicants

- * Do not announce, advertise or promote your event until you have an approved and signed permit.
- * You will be required to notify property owners affected by the event at the time a special events permit is issued with a copy of any correspondence provided to the Town for the permit file.
- * **Only chalk may be used on streets – no permanent paint. No permanent alterations to the street will be permitted.**
- * The Town has an ordinance prohibiting the use of tobacco and e-cigarettes in the business districts and all parks of the Town. The Applicant is to communicate this information to all vendors and participants. Permanent signs are in place in these districts and parks.
- * The Town has an ordinance allowing animals at festivals. Any incidents should be reported to the Police Department.
- * The Applicant shall be responsible for hiring and paying off-duty law enforcement officers, or reimbursing the Town for the costs of providing on-duty law enforcement officers, to appropriately police street closures. For festivals, the Applicant shall be additionally responsible for hiring and paying off-duty law enforcement officers, or reimbursing the Town for the costs of providing city staff, including but not limited to: on-duty law enforcement officers, to provide internal festival security and for hiring and paying necessary emergency medical technicians.
- * The Assistant Town Manager, in consultation with the Waynesville Police Department, shall determine the number of officers needed to appropriately monitor street closures and for internal security, and with the Fire Department to determine the number of emergency medical technicians needed, and the time when such services shall commence and end.

FOR INTERNAL USE ONLY:

Application received:

Application approved:

Application denied:



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/19/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Stanberry Insurance Agency, Inc. 715 E. Main St. PO Box 577 Sylva NC 28779	CONTACT NAME: Jackie Fiorentini PHONE (A/C, No, Ext): (828) 452-1341 E-MAIL ADDRESS: certrequest@stanberry-ins.com FAX (A/C, No): (828) 452-2538
INSURED CCB Beverage LLC, DBA: Frog Level Brewing Company 56 American Way c/o Tonya Caldwell WAYNESVILLE NC 28785	INSURER(S) AFFORDING COVERAGE INSURER A: Erie Insurance Company INSURER B: Erie Insurance Exchange INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES**CERTIFICATE NUMBER:** 25-26**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			Q61 0378492	03/18/2025	03/18/2026	EACH OCCURRENCE \$ 1,000,000
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000				
			MED EXP (Any one person) \$ 10,000				
			PERSONAL & ADV INJURY \$ 1,000,000				
						GENERAL AGGREGATE \$ 2,000,000	
						PRODUCTS - COMP/OP AGG \$ 2,000,000	
						Non-owned and Hired \$ Included	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE			Q27-1870518	03/18/2025	03/18/2026	EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						AGGREGATE \$ 3,000,000
							\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input type="checkbox"/> N	N/A	Q87-1801034	03/18/2025	03/18/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
							E.L. EACH ACCIDENT \$ 500,000
							E.L. DISEASE - EA EMPLOYEE \$ 500,000
							E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Town of Waynesville 550 Vance St. Waynesville NC 28786	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Alicia Forvis</i>
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ABC

COMMISSION
NORTH CAROLINA

C C B Beverage LLC
Frog Level Brewing
56 Commerce Street
Waynesville, NC 28786

ISSUED: 12/15/2020
COUNTY: Haywood
TYPE: LLC Manager Managed

PERMIT NUMBER	ORIGINALLY ISSUED	DESCRIPTION
00288572AJ	12/15/2020	Malt Beverage On Premise
00288572AL	12/15/2020	Unfortified Wine On Premise

Permit(s) must be registered by **April 30th** every year.



FILE NUMBER:

00288572AJ-999

A.D. "Zander" Guy Jr.
Chairman

Pursuant to G.S. 18B-903, these permit(s) are valid only for the business listed at this address, are not transferable, and will automatically expire with an ownership change. See authorization(s) on the back.



C C B Beverage LLC
Frog Level Brewing
56 Commerce Street
Waynesville, NC 28786

ISSUED: 12/15/2020
COUNTY: Haywood
TYPE: LLC Manager Managed

PERMIT NUMBER	ORIGINALLY ISSUED	DESCRIPTION
00288577BM	12/15/2020	Brewery
00288577BW	12/15/2020	Malt Beverage Wholesaler
00288577DG	12/15/2020	Malt Beverage Special Event



FILE NUMBER

00288577CM-999

Permit(s) to G.S. 18B-903, these permit(s) are valid only for the business listed at this address, are not transferable, and will automatically expire with an ownership change. See authorization(s) on the **back**.

AS

A.D. "Zander" Guy Jr.
Chairman

TOWN OF WAYNESVILLE COUNCIL
REQUEST FOR ACTION
Meeting Date: 8/26/25

SUBJECT: Updates form the Development Services Department

AGENDA INFORMATION:

Agenda Location: Presentations
Item Number:
Department: Development Services
Contact: Elizabeth Teague, Development Services Director
Presenter: Elizabeth Teague, Development Services Director

BRIEF SUMMARY: This presentation for Council is to introduce the Development Services Department staff and their roles, to recognize individual members for their achievements, and to update Council on key work areas such as flood recovery and code enforcement.

MOTION FOR CONSIDERATION:

N/A

FUNDING SOURCE/IMPACT:

N/A

ATTACHMENTS:

Presentation will be provided at the meeting

MANAGER'S COMMENTS AND RECOMMENDATIONS:

N/A

**TOWN OF WAYNESVILLE TOWN COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: 8/26/2025**

SUBJECT: Quarterly & Annual Highlights Presentation

AGENDA INFORMATION:

Agenda Location: Presentation

Item Number:

Department: Recreation

Contact: Luke Kinsland

Presenter: Luke Kinsland

BRIEF SUMMARY:

This presentation provides the Town Council with an overview of the accomplishments, highlights, and challenges of the Waynesville Parks & Recreation Department over the past year.

Key areas covered include:

- Department recovery and growth since COVID-19, including increased revenues and participation
- Program highlights such as summer camps, afterschool care, youth athletics, aquatics, and fitness memberships
- Staff successes and recognition across childcare, programs, fitness, aquatics, and maintenance divisions
- Financial review of department revenues, expenditures, and General Fund contributions
- Current challenges including part-time staffing, facility upkeep, vandalism, aging equipment, and rising construction costs

MOTION FOR CONSIDERATION: none

FUNDING SOURCE/IMPACT: n/a

ATTACHMENTS: PowerPoint presentation

MANAGER'S COMMENTS AND RECOMMENDATIONS: See above

A scenic view of a park. In the foreground, a large, mature tree with green leaves and small red flowers stands on the right. A wooden picnic table is on the left. A grassy area leads to a calm lake. In the background, there are rolling green hills covered in dense forest under a blue sky with some clouds.

Waynesville Parks & Recreation

Building Community, Enriching Lives
Quarterly & Annual Highlights

Recovery & Growth

- Recovery from COVID with strong rebound

- Increase in Revenue: \$682,322 generated FY25

- Community value with thousands of visits

- Revenue growth shown in quarterly report

Waterpark Success

- Open 5 days/week (Tue–Sat) for the summer

- Welcomed large groups (50+ kids)

- Minimal closures (mostly weather)

- Staff endured a safe, fun, successful summer

Grants awarded (3). Certification grant, equipment, and a staff scholarship

Swim & Safety Programs

- Swim lessons for ~50 kids (6 months–10 yrs)
- Lifeguard training via grant – no cost
- Built essential water safety skills

Summer Camp Highlights

- \$115,000 revenue generated

- Weekly enrollment: 85–115 kids

- Staff of 16 part-timers exceeding ratios

Afterschool & Basecamp



- AFTERSCHOOL: 25–35 KIDS WEEKLY, 95% RETURN



- FIRST YEAR ALIGNED WITH SCHOOL CALENDAR



- BASECAMP EXPANDED NONPROFIT/SCHOOL OUTREACH. SPONSORSHIP OF CHILDREN AT BROYHILL HOME.

Base Camp Staffing & Retention

+

.

0



- 100% RETENTION OF PART-TIME SUMMER STAFF



- SUPERVISORS CONTINUING LEADERSHIP ROLES



- STRONG MOMENTUM GOING FORWARD

Programs & Athletics



- Youth Volleyball – top gym rental

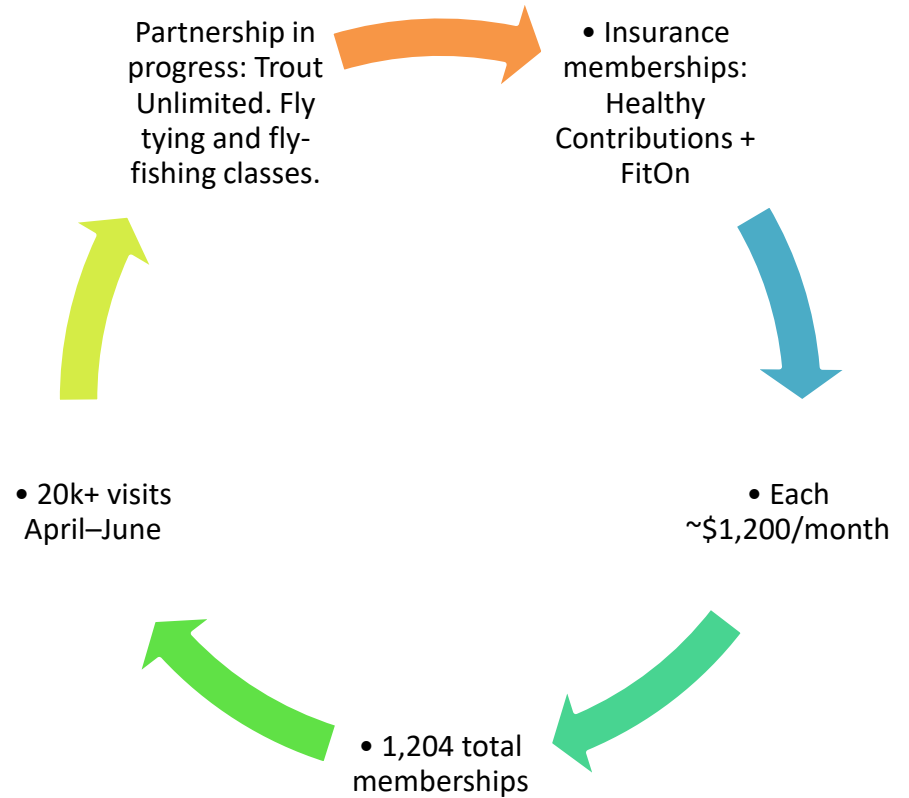
- AYSO Soccer – heavy green space use

- Healthy Kids Running Series strong turnout

- Adult Pickleball – top revenue generator

- Tennis strong: Tuscola + Senior groups

Fitness & Memberships



Outside Maintenance Division



Parks upkeep mowing, landscaping, trash removal across all sites



Seasonal beautification: flowers, mulch, tree care, and storm cleanup



Transition to **electric-powered equipment** for sustainability and reduced fuel costs



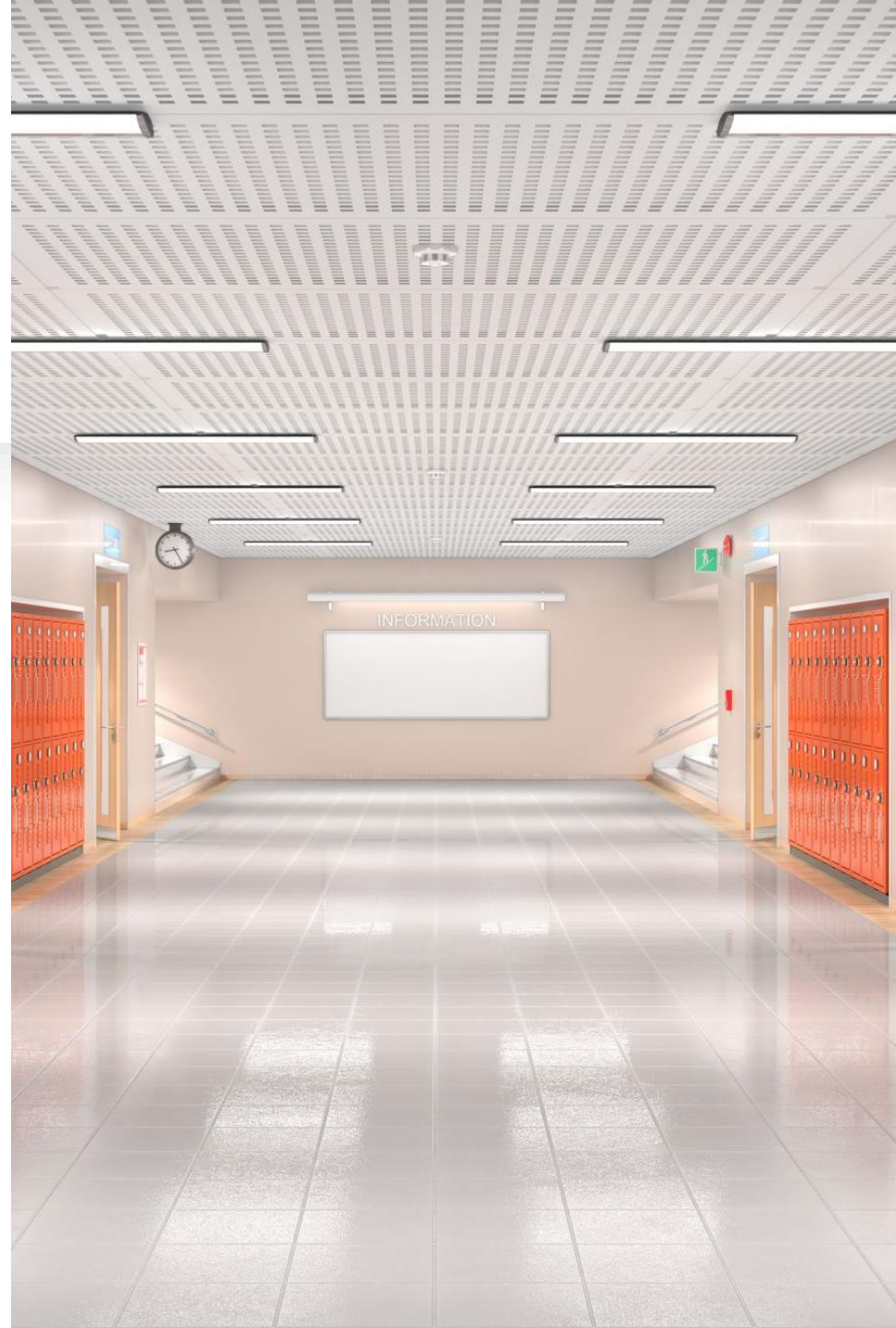
Athletic fields: preparation, repairs, lighting, and line painting for youth and adult leagues (once fields are rebuilt)



Event support: setup and tear-down for community events, ensuring smooth operations. Including downtown events.

Inside Maintenance Division

- Daily cleaning and sanitation of the Recreation Center & Old Armory
- Reliable operation of **HVAC, plumbing, and lighting systems**
- Quick response to work order requests, reducing program disruptions
- **Minimal closures** this summer due to proactive mechanical upkeep
- Ongoing safety inspections and **ADA accessibility improvements** in facilities



Front Desk Team Recognition



Keep memberships active and accurate, ensuring smooth operations



Manage financial reports and program adjustments with consistency



Serve as the **central hub of communication & intelligence** for the department



Provide smiling, welcoming faces that create a positive first impression for all members and guests



Essential in keeping the Recreation Center running seamlessly day to day

Upcoming Fall & Winter



New afterschool
Garden Club w/
Haywood Waterways



Winter & Holiday
camps, Halloween
event



Ballfield repairs for
improved leagues



Greenway repairs



New dog park
construction

Current Challenges

Part-Time Lifeguards –
Recruitment & retention remain difficult despite training opportunities

Skatepark Upkeep –
Ongoing repairs needed due to high use and weather exposure.
High litter volume.

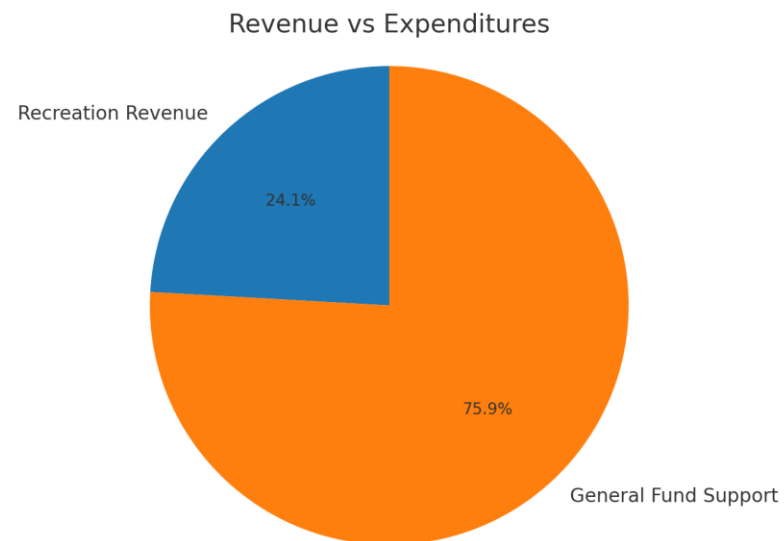
Vandalism – Public bathrooms across town frequently targeted, increasing maintenance costs

Aging Equipment –
Several cardio treadmills nearing end-of-life, requiring replacement

Capital Projects –
Rising construction costs challenge timely completion of planned park improvements

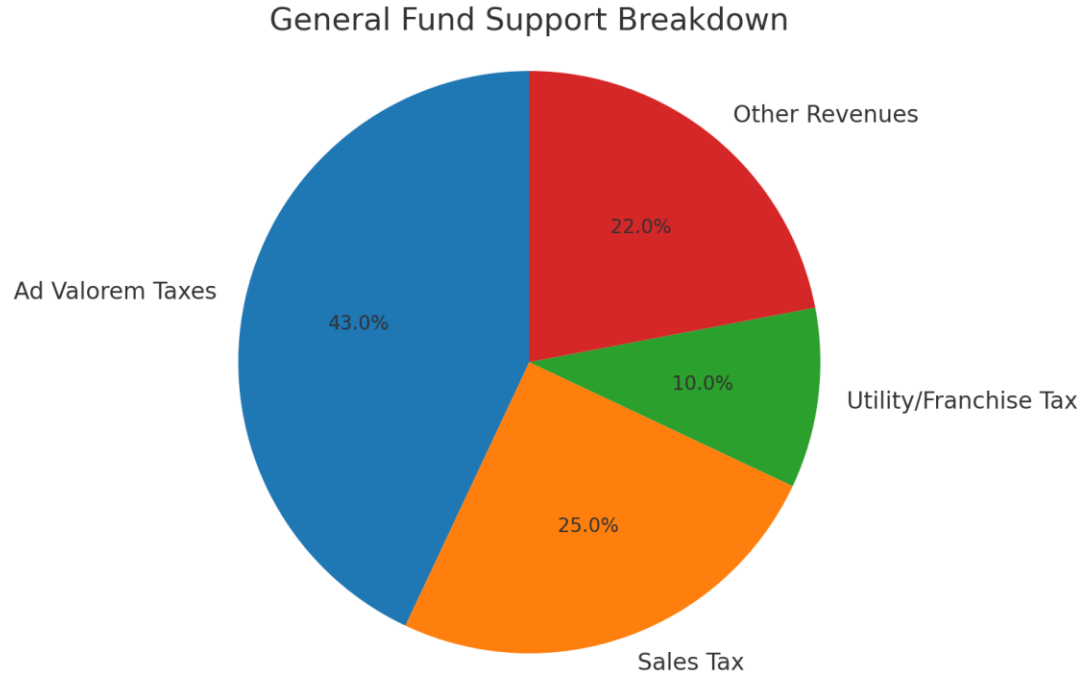
Department Revenues vs. Expenditures

- Expenditures: \$2,830,671
- Revenue: \$682,322
- General Fund Support: \$2,148,349



General Fund Breakdown (Taxpayer Support)

- Ad Valorem Taxes: \$923,790 (43%)
- Sales Tax: \$537,087 (25%)
- Utility/Franchise: \$214,834 (10%)
- Other Revenues: \$472,636 (22%)





GRATITUDE & VISION

This has been one of our strongest years post-COVID — thanks to staff, council, and community support.

Recognition of staff & community partners.

Vision: expanded programs, stronger partnerships, healthier community.

**TOWN OF WAYNESVILLE COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: August 26, 2025**

SUBJECT: Public Hearing to consider text amendments related to compliance requirements in the landscaping ordinance, Land Development Standards (LDS) Section 8.2.5.

AGENDA INFORMATION:

Agenda Location: New Business
Item Number:
Department: Development Services
Contact/Presenter: Olga Grooman

BRIEF SUMMARY:

The proposed text amendment aims to ensure compliance with the road frontage landscaping requirements and addresses unnecessary delays for the projects nearing completion that cannot plant required street trees due to ongoing road construction, especially along NCDOT-maintained roads like Russ Avenue.

The current landscape ordinance only allows a temporary Certificate of Occupancy (CO) with a bond or letter of credit, until landscaping is complete. However, the temporary CO expires after 180 days, leaving building permits for otherwise completed project open. Road construction timelines, especially for major NCDOT projects, often exceed 180 days.

On May 27, 2025, the Town Council voted to implement a temporary policy allowing developments impacted by NCDOT roadway projects to provide a fee-in-lieu of the required street tree plantings and directed staff to develop a text amendment to the Land Development Standards to address this issue. On June 16, 2025, the Planning Board recommended expanding the text amendment to allow a fee-in-lieu of landscaping option for all projects impacted by road construction, not just those affected by NCDOT work.

MOTIONS FOR CONSIDERATION:

1. Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.
2. Motion to adopt the Ordinance as presented (or as amended).

FUNDING SOURCE/IMPACT:

N/A

ATTACHMENTS:

- Staff Report
- Draft Ordinance
- Signed Planning Board Report
- Consistency Worksheet
- Public Notice

MANAGER'S COMMENTS AND RECOMMENDATIONS:

Town Council Staff Report

Subject: Text amendments related to compliance requirements in the landscaping ordinance
Ordinance Section: Land Development Standards (LDS) Section 8.2.5
Applicant: Staff initiated text amendment, Development Services Department
Meeting Date: August 26, 2025
Presenter: Olga Grooman, Assistant Development Services Director

Background:

LDS Chapter 8 encourages preservation of existing vegetation and requires street tree plantings for certain developments. It states that “it is the desire of the Town to maintain tree-lined, pedestrian-friendly streets throughout the community. Street trees shade the pedestrian realm of the street, encourage cars to move more slowly, improve pedestrian safety by creating a buffer between the moving cars and the sidewalk, absorb stormwater, absorb pollutants from tailpipe emissions, and add value to the fronting properties.” LDS Chapter 8 requires street tree plantings for new developments and certain redevelopments, including along NCDOT-maintained roads. However, several projects along Russ Avenue will be unable to plant the required street trees due to ongoing NCDOT roadway construction and associated easements.

Unlike the Town’s sidewalk requirements that offer a “fee-in-lieu” option, the current landscape ordinance only permits a temporary Certificate of Occupancy (CO) with a bond or letter of credit, until all landscaping is completed. The temporary CO expires in 180 days, leaving the building permits open, even if all other project requirements have been met.

To address this, on May 27, 2025, the Council adopted a temporary policy allowing developments affected by NCDOT roadway projects to pay a fee-in-lieu of street tree plantings and directed staff to work with the Planning Board to develop a text amendment. On June 16, 2025, the Planning Board recommended expanding the amendment to apply to developments impacted by any road construction.

Staff Recommended Text Changes:

The proposed change allows a payment-in-lieu option to cover all costs associated with the installation and materials of the required landscaping for developments affected by road construction, including NCDOT projects. These funds will be held in a Town-designated account, which has been created in coordination with the Finance Department. To the extent possible, the Town will use these funds to plant the required road frontage landscaping in the original project location once the road construction, repairs, or improvements are complete.

Consistency with the 2035 Comprehensive Land Use Plan:

Staff submits that the proposed text amendments to the LDS are consistent with the following 2035 Comprehensive Plan Goals:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.
- Create walkable and attractive neighborhoods and commercial centers.

Goal 3: Protect and enhance Waynesville’s natural resources.

- Protect and enhance water quality and forests.
- Protect rural lands, iconic views and mountain vistas.

The proposal is reasonable and in the public interest, as it allows the Town to ensure compliance with its landscaping ordinance, while enabling affected projects to proceed without delay and obtain a final Certificate of Occupancy.

Public Notice:

This hearing was duly advertised in the Mountaineer newspaper on 8/3/2025 and 8/10/2025. The notice was also submitted to local media contacts and posted on the Town's website on 8/4/2025.

Attachments:

- Cover Sheet
- Draft Ordinance
- Signed Planning Board Report
- Consistency Worksheet
- Public Notices

Recommended Motions:

1. Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.
2. Motion to adopt the Ordinance as presented (or as amended).

ORDINANCE NO. O-19-25

**AN ORDINANCE AMENDING THE TEXT OF THE
TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, Chapter 8 of the Town of Waynesville Land Development Standards (LDS) encourages the preservation of existing trees and vegetation and replenishment of removed vegetation to “improve the visual quality of the Town of Waynesville and minimize the potential impacts of development, such as noise, dust, and glare of lights.”

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendments to the Chapter 8: Tree Protection, Landscaping, and Screening of the Land Development Standards (LDS) and recommends that they are consistent with the 2035 Comprehensive Plan and that they are reasonable and in the public interest because:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.
- Create walkable and attractive neighborhoods and commercial centers.

Goal 3: Protect and enhance Waynesville’s natural resources.

- Protect and enhance water quality and forests.
- Protect rural lands, iconic views and mountain vistas.

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendments for enactment by the Town Council; and

WHEREAS, the Town Council find this Ordinance is consistent with the Town’s 2035 Comprehensive Plan and that it is reasonable and in the public interest to “make decisions about resources and land use in accordance with North Carolina General Statutes.” and

WHEREAS, after notice duly given, a public hearing was held **on June 16, 2025**, at the regular meeting of the Waynesville Planning Board, and on **August 26, 2025**, at the regularly scheduled meeting of the Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE WAYNESVILLE TOWN COUNCIL, MEETING IN REGULAR SESSION ON AUGUST 26, 2025, AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

Section 8.2.5- Tree Protection, Landscaping, and Screening of the Land Development Standards (LDS) be amended as follows:

8.2.5 Compliance and Maintenance.

- A. Landscaping must be installed prior to the issuance of a final certificate of occupancy. A temporary certificate of occupancy accompanied by a bond as noted in B below may be granted to permit installation of required landscaping subsequent to occupancy of the building.
- B. If the season or weather conditions prohibit planting, the developer may provide a bond, an irrevocable letter of credit, or other financial surety in an amount equal to one hundred twenty-five (125) percent of the cost of installing the required landscaping to guarantee the completion of the required planting. The financial surety shall be canceled and/or returned upon completion of the required landscaping.
- C. If a road project prevents the installation of required landscaping, the developer may request to provide a payment-in-lieu covering all costs associated with installation and materials. Upon approval of the payment-in-lieu by the Administrator and receipt of the full payment, the Town may issue a Final Certificate of Occupancy for the project. The payment-in-lieu funds will be held by the Town in a designated account and will be used to restore the required road frontage landscaping in the original or nearby project location, to the extent possible, once the road construction project is complete.
- D. The owner of the property where required landscaping is planted shall be responsible for the maintenance and protection of all plant and screening materials. Failure to maintain or replace dead, damaged, or diseased material or to repair a broken fence or wall shall constitute a violation of this chapter.
- E. If existing vegetation is to be used in complying with any part of this section, a plan for the protection of this vegetation during construction must be submitted to, and approved by the Administrator.

ADOPTED this 26th Day of August, 2025.

TOWN OF WAYNESVILLE

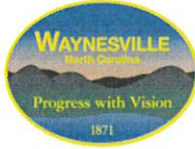
J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM:

Martha Bradley, Town Attorney



To: Waynesville Town Council
Meeting Date: June 16, 2025
From: Olga Grooman, Assistant Development Services Director
Subject: Planning Board Report and Statement of Consistency
Description: Text amendments related to compliance requirements in the landscaping ordinance
Ordinance Sections: Land Development Standards (LDS) Section 8.2.5

The Planning Board hereby adopts and recommends to the Town Council the following statement(s):

The Planning Board recommends one revision to the proposed text amendment to allow payment-in-lieu of landscaping option for projects impacted by road construction, not just those affected by NCDOT work.

A motion was made by board Chair Ginger Hain and seconded by board member Tommy Thomas that the proposed text amendments are **consistent** with the 2035 Comprehensive Land Use Plan and **reasonable and in the public interest** because they meet the following goals of the Comp. Plan:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.
- Create walkable and attractive neighborhoods and commercial centers.

Goal 3: Protect and enhance Waynesville's natural resources.

- Protect and enhance water quality and forests.
- Protect rural lands, iconic views and mountain vistas.

The proposal is also reasonable and in the public interest, as it allows the Town to ensure compliance with its landscaping ordinance while enabling affected projects to proceed without delay and obtain a final Certificate of Occupancy.

The motion carried unanimously, 7:0.

A second motion was made by board member Tommy Thomas and seconded by board member Stuart Bass to **recommend the revised text amendments to the Town Council**.

The motion carried unanimously, 7:0.

Ginger Hain 7/3/2025
Ginger Hain, Planning Board Chair Date

Esther Coulter 7-3-25
Esther Coulter, Administrative Assistant Date



To: Waynesville Town Council
From: Olga Grooman, Assistant Development Services Director
Date: August 26, 2025
Subject: Text Amendment Statement of Consistency
Description: Text amendments related to compliance requirements in the landscaping ordinance
Ordinance Section: Land Development Standards (LDS) Section 8.2.5
Address: Town of Waynesville Planning Department ("Development Services Department")

The Town Council hereby adopts the following statement(s):

☐

The zoning text amendment **is approved and is consistent with the Town's Comprehensive Land Use Plan** because: _____

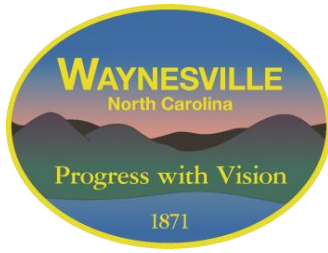
The zoning text amendment **is reasonable and in the public interest** because: _____

☐

The zoning text amendment **is rejected because it is inconsistent with the Town's Comprehensive Land Plan and is not reasonable and in public interest** because _____

☐

In addition to approving this zoning amendment, this approval is **also deemed an amendment to the Town's Comprehensive Land Use Plan**. The changes in conditions considered in amending the zoning ordinance to meet the development needs of the community and why this action is reasonable and in the public interest, are as follows: _____



TOWN OF WAYNESVILLE

Development Services Department

PO Box 100

9 South Main Street

Waynesville, NC 28786

Phone (828) 456-8647 • Fax (828) 452-1492

www.waynesvillenc.gov

FOR PUBLICATION IN THE MOUNTAINEER: August 3 and August 10 Sunday editions

Date: July 29, 2025

Contact: Olga Grooman, ogrooman@waynesvillenc.gov, (828) 356-1172

Notice of Three (3) Public Hearings Waynesville Town Council

Waynesville Town Council will hold three (3) public hearings on **Tuesday, August 26, 2025, at 6:00 pm** in the Town Hall Board Room, located at 9 South Main Street, Waynesville, NC 28786, to consider:

1. Text amendments to Land Development Standards Section 3.10 related to wireless communication facilities and monopole communication towers.
2. Text amendments to Land Development Standards Section 12.5 related to applicability and exemptions in the stormwater ordinance.
3. Text amendments to Land Development Standards Section 8.2.5 related to compliance requirements in the landscaping ordinance.

For more information, contact the Development Services Department at: (828) 456-8647; email: ogrooman@waynesvillenc.gov; mail: 9 South Main Street, Suite 110, Waynesville, NC 28786.

From: [Candace Poolton](#)
To: [Media Contacts](#)
Subject: Notice of Three (3) Public Hearings-Waynesville Town Council
Date: Monday, August 4, 2025 8:20:14 AM

Notice of Three (3) Public Hearings Waynesville Town Council

Waynesville Town Council will hold three (3) public hearings on **Tuesday, August 26, 2025, at 6:00 pm** in the Town Hall Board Room, located at 9 South Main Street, Waynesville, NC 28786, to consider:

1. Text amendments to Land Development Standards Section 3.10 related to wireless communication facilities and monopole communication towers.
2. Text amendments to Land Development Standards Section 12.5 related to applicability and exemptions in the stormwater ordinance.
3. Text amendments to Land Development Standards Section 8.2.5 related to compliance requirements in the landscaping ordinance.

For more information, contact the Development Services Department at: (828) 456-8647; email: ogrooman@waynesvillenc.gov; mail: 9 South Main Street, Suite 110, Waynesville, NC 28786.

**TOWN OF WAYNESVILLE COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: August 26, 2025**

SUBJECT: Public Hearing to consider text amendments to Stormwater Ordinance, Land Development Standards (LDS) section 12.5.

AGENDA INFORMATION:

Agenda Location: New Business
Item Number:
Department: Development Services
Contact/Presenter: Olga Grooman

BRIEF SUMMARY:

The Town of Waynesville holds a National Pollutant Discharge Elimination System (NPDES) permit, issued by NC DEQ on August 19, 2021, valid for five years. This permit requires the Town to maintain legal authority through ordinance (Permit Ref. 3.6.2) to manage stormwater and protect water quality. The Town achieves these goals through its Stormwater Ordinance and comprehensive Stormwater Management Plan.

During review of a minor site plan involving three pre-platted lots, the question arose whether the current exemption for single-family and two-family development applied to the project. Per suggestion of the Planning Board's attorney Ron Sneed, staff is bringing forward this text amendment to clarify the scope of the single-family and two-family exemption.

Additionally, the proposed amendments highlight stormwater permitting requirements in the ordinance's applicability section and refer to the relevant LDS sections for more detail. The amendment also removes a redundant sentence to improve clarity.

MOTIONS FOR CONSIDERATION:

1. Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.
2. Motion to adopt the Ordinance as presented (or as amended).

FUNDING SOURCE/IMPACT:

N/A

ATTACHMENTS:

- Staff Report
- Draft Ordinance
- Signed Planning Board Report
- Consistency Worksheet

MANAGER'S COMMENTS AND RECOMMENDATIONS:

Town Council Staff Report

Subject: Text amendments related to applicability and exemptions in the Stormwater Ordinance
Ordinance Section: Land Development Standards (LDS) Section 12.5
Applicant: Staff initiated text amendment, Development Services Department
Meeting Date: August 26, 2025
Presenter: Olga Grooman, Assistant Development Services Director

Background:

One of the NPDES permit requirements is to “maintain adequate legal authorities through ordinance” (permit reference 3.6.2). The Waynesville Stormwater Ordinance is based on the Phase II NCDEQ Stormwater Model Ordinance for North Carolina, with slight modifications.

In summary, projects that disturb one (1) acre or more or create 24,000 sf of impervious surface fall under the requirements of the Waynesville Stormwater Ordinance, regardless of the number of units/lots created, unless the development is exempt. Exempt projects are single-family and two-family developments on individual lots, all development in the Central Business District (CBD), redevelopment that results in no net increase in built-upon area and/or provides equal or greater stormwater control, development and redevelopment that cumulatively disturbs less than (1) one acre and is not part of a larger common plan, and certain farming and forestry activities as specified in the Code of Federal Regulations.

When projects are exempt from the stormwater ordinance, they are not subject to stormwater permitting requirements and are not required to prepare an engineered Stormwater Management Plan addressing post-development discharge, water quality, quantity, and related standards. However, general drainage overview still applies to smaller site plans, and it is reviewed by the Public Services Department.

During the review of a minor site involving three (3) pre-platted lots, the question arose whether the current exemption for single-family and two-family development applied to the project. Per suggestion of the Board’s attorney Ron Sneed, staff is bringing forward this text amendment to clarify the scope of the single-family and two-family exemption. The amendment also includes two additional updates, as outlined below.

Staff Recommended Text Changes:

The proposed text amendments to the Stormwater Ordinance are:

1. The current exemption reads “Single-family and two-family developments on individual lots,” which could be interpreted as to be applicable to larger subdivisions consisting of multiple individual lots, rather than applying solely to standalone development on a single lot. Staff proposes to clarify that a single-family dwelling on an individual lot or a two-family dwelling on an individual lot that is not a part of a larger site plan or subdivision is exempt from the requirements of the Stormwater Ordinance.
2. The second change is to highlight permitting requirements in the applicability section of the ordinance. This revision emphasizes that all developments and redevelopments must obtain a stormwater permit, unless they are specifically exempted by the ordinance. The permit includes the design and construction of stormwater management practices, review by the Town-contracted engineer, approval, and inspection. The stormwater permit is described in more detail in Chapter 15 of the LDS.

3. The third amendment removes a redundant part of the sentence that unnecessarily repeats the same information, as shown in the attached draft.

Consistency with the 2035 Comprehensive Land Use Plan:

Staff submits that the proposed text amendments to the LDS are consistent with the following 2035 Comprehensive Plan Goals:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.
- Promote conservation design to preserve important natural resources.

Goal 3: Protect and enhance Waynesville's natural resources.

- Protect and enhance water quality and forests.

The proposal is reasonable and in the public interest because it clarifies the applicability and exemptions of the stormwater ordinance, thereby strengthening the Town's legal authority through clear ordinance.

Public Notice:

This hearing was duly advertised in the Mountaineer newspaper on 8/3/2025 and 8/10/2025. The notice was also submitted to local media contacts and posted on the Town's website on 8/4/2025.

Attachments:

- Cover Sheet
- Draft Ordinance
- Signed Planning Board Report
- Consistency Worksheet

Recommended Motions:

1. Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.
2. Motion to adopt the Ordinance as presented (or as amended).

ORDINANCE NO. O-20-25

**AN ORDINANCE AMENDING THE TEXT OF THE
TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, the Town of Waynesville must comply with its National Pollutant Discharge Elimination System Permit issued by the North Carolina Department of Environmental Quality on August 19, 2021, and maintain legal authority to enforce the stormwater program through up-to-date ordinances.

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendments to the Stormwater Ordinance 12.5 of the Land Development Standards (LDS) and recommends that they are consistent with the 2035 Comprehensive Plan and that they are reasonable and in the public interest because:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.
- Promote conservation design to preserve important natural resources.

Goal 3: Protect and enhance Waynesville's natural resources.

- Protect and enhance water quality and forests.

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendments for enactment by the Town Council; and

WHEREAS, the Town Council find this Ordinance is consistent with the Town's 2035 Comprehensive Plan and that it is reasonable and in the public interest to "make decisions about resources and land use in accordance with North Carolina General Statutes." and

WHEREAS, after notice duly given, a public hearing was held **on June 16, 2025**, at the regular meeting of the Waynesville Planning Board, and on **August 26, 2025**, at the regularly scheduled meeting of the Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE WAYNESVILLE TOWN COUNCIL, MEETING IN REGULAR SESSION ON AUGUST 26, 2025, AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

Section 12.5- Stormwater Management of the Land Development Standards (LDS) be amended as follows:

12.5.2 Applicability.

- A. Commencement Date:** Beginning with and subsequent to its effective date, the requirements of this section are applicable to all development and redevelopment located within the Town Limits and Extraterritorial Jurisdiction of Waynesville including, but not limited to, site plan applications, subdivision applications, and grading applications unless exempt pursuant to this section.
- B. Required Conformity:** No building, structure, or land shall be used, occupied, or altered and no building, structure, or part thereof shall be erected, constructed, reconstructed, moved, enlarged, or structurally altered unless in conformity with all the provisions of this section and all other applicable regulations except as otherwise provided in this Section.
- C. Permit Required:** A stormwater permit is required for all development and redevelopment, unless exempt pursuant to this ordinance. No development for which a stormwater permit is required pursuant to this ordinance shall occur except in compliance with the provisions, conditions, and limitations of the permit. A stormwater permit shall govern the design, installation, and construction of stormwater management and control practices on the site, including structural BMPs and elements of site design for stormwater management other than structural BMPs. The permit is intended to provide a mechanism for the review, approval, and inspection of the approach to be used for the management and control of stormwater for the development or redevelopment site consistent with the requirements of this ordinance. Additional details regarding stormwater permit requirements and procedures can be found in Sections 15.2.3, 15.4, and 15.7.3
- D. Minimum Development Thresholds:** The standards of this section shall apply to all new development and redevelopment projects that:
- a) Cumulatively disturb one (1) acre or more.
 - b) Projects of less than one acre and that are a part of a larger common plan of development or sale, even though multiple, separate, or distinct activities take place at different times on different schedules.
 - c) Projects of less than one acre and that have a proposed increased impervious surface on completion of greater than 24,000 square feet.
- All development and redevelopment shall direct stormwater runoff to landscaped areas and other pervious surfaces to the maximum extent possible. All built-upon areas shall be designed and located to minimize stormwater runoff impact to the receiving waters, minimize concentrated stormwater flow, maximize the use of sheet flow through vegetated areas, and maximize the flow length through vegetated areas.
- E. Illicit Discharges Applicable to All Existing or New Development:** The non-stormwater discharge controls set forth in 12.5.9 of this section shall apply to all existing or proposed developments in the Town of Waynesville's jurisdiction.

12.5.3 Exemptions.

The following development applications are exempt from the standards of this section:

- ~~Single family and two family developments on individual lots.~~ A single-family dwelling on an individual lot or a two-family dwelling on an individual lot, provided the lot is not a part of a larger site plan or subdivision.
- All development in the Central Business District (CBD) zone.
- Development and redevelopment that cumulatively disturbs less than (1) one acre and is not part of a larger common plan of development, ~~or sale unless such activities are part of a larger common plan of~~

~~development or sale~~, even though multiple, separate, or distinct activities take place at different times on different schedules.

- Activities that are exempt from permit requirements of Section 404 of the Federal Clean Water Act as specified in 40 CFR 232 (primarily ongoing farming and forestry activities) are exempt from the provisions of this section.
- Redevelopment that results in no net increase in built-upon area and/or provides equal or greater stormwater control than the previous development is exempt from the provisions of this ordinance.

ADOPTED this 26th Day of August, 2025.

TOWN OF WAYNESVILLE

J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM:

Martha Bradley, Town Attorney



To: Waynesville Town Council
Meeting Date: June 16, 2025
From: Olga Grooman, Assistant Development Services Director
Subject: Planning Board Report and Statement of Consistency
Description: Text amendments related to applicability and exemptions in the Stormwater Ordinance
Ordinance Sections: Land Development Standards (LDS) Section 12.5

The Planning Board hereby adopts and recommends to the Town Council the following statement(s):

The Planning Board recommends one revision to the proposed text amendments to retain the language clarifying that phasing a project does not exempt it from stormwater regulations.

A motion was made by board member John Baus and seconded by board member Tommy Thomas that the proposed text amendments are **consistent** with the 2035 Comprehensive Land Use Plan and **reasonable and in the public interest** because they meet the following goals of the Comp. Plan:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.
- Promote conservation design to preserve important natural resources.

Goal 3: Protect and enhance Waynesville's natural resources.

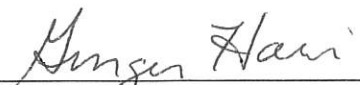
- Protect and enhance water quality and forests.


The proposal is also reasonable and in the public interest because it clarifies the applicability and exemptions of the stormwater ordinance, thereby strengthening the Town's legal authority through clear ordinance.

The motion carried unanimously, 7:0.

A second motion was made by board member John Baus and seconded by board Chair Ginger Hain to **recommend the revised text amendments to the Town Council**.

The motion carried unanimously, 7:0.


Ginger Hain, Planning Board Chair
7/13/2025
Date


Esther Coulter, Administrative Assistant
7-2-25
Date



To: Waynesville Town Council
From: Olga Grooman, Assistant Development Services Director
Date: August 26, 2025
Subject: Text Amendment Statement of Consistency
Description: Text amendments related to applicability and exemptions in the Stormwater Ordinance
Ordinance Section: Land Development Standards (LDS) Section 12.5.
Address: Town of Waynesville Planning Department ("Development Services Department")

The Town Council hereby adopts the following statement(s):

☐

The zoning text amendment **is approved and is consistent with the Town's Comprehensive Land Use Plan** because: _____

The zoning text amendment **is reasonable and in the public interest** because:

☐

The zoning text amendment **is rejected because it is inconsistent with the Town's Comprehensive Land Plan and is not reasonable and in public interest** because _____

☐

In addition to approving this zoning amendment, this approval is **also deemed an amendment to the Town's Comprehensive Land Use Plan**. The changes in conditions considered in amending the zoning ordinance to meet the development needs of the community and why this action is reasonable and in the public interest, are as follows: _____

**TOWN OF WAYNESVILLE COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: August 26, 2025**

SUBJECT: Public Hearing to consider text amendments related to wireless communication facilities, Land Development Standards (LDS) section 3.10.

AGENDA INFORMATION:

Agenda Location: New Business
Item Number:
Department: Development Services
Contact/Presenter: Olga Grooman

BRIEF SUMMARY:

Wireless communication facilities are infrastructure used to transmit and receive signals for wireless communications, such as cellular service, internet, TV and radio broadcasting, emergency services, utilities, etc. They include antennas, cables, structures like towers, equipment cabinets, etc.

Wireless communication facilities are generally considered an essential infrastructure under federal law. The Communications Act of 1996 preempts state and local regulations, including local authority to prohibit wireless service facilities, discriminate between providers of wireless service, or regulate proposed wireless communications facilities based on the potential health/environmental effects of radio frequency emissions. Additionally, wireless communication facilities comply with the Federal Communications Commission's (FCC) regulations related to radio frequency exposure limits, equipment authorization, construction of facilities, and mandatory collocation requirements.

The purpose of the proposed text amendments is to better align the Land Development Standards with the federal law and eliminate the Town's LDS provisions that imply a "use variance" from the Zoning Board of Adjustment, which is not permissible under North Carolina law. Additional updates remove the Zoning Board of Adjustment's responsibility to review lighting, add a requirement to submit FCC and FAA compliance documentation, allow installation of wireless facilities not only on existing but also new structures, and clarify that one monopole tower is allowed per full acre of a lot.

MOTIONS FOR CONSIDERATION:

1. Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.
2. Motion to adopt the Ordinance as presented (or as amended).

FUNDING SOURCE/IMPACT: N/A

ATTACHMENTS:

- Staff Report
- Draft Ordinance
- Signed Planning Board Report
- Consistency Worksheet

MANAGER'S COMMENTS AND RECOMMENDATIONS:

Town Council Staff Report

Subject: Text amendments related to wireless communication facilities
Ordinance Section: Land Development Standards (LDS) Section 3.10
Applicant: Staff initiated text amendment, Development Services Department
Meeting Date: August 26, 2025
Presenter: Olga Grooman, Assistant Development Services Director

Background:

The proposed text amendments aim to align the Town's Land Development Standards with federal law by updating regulations related to wireless communication facilities. Such facilities are critical infrastructure for services like cellular, internet, broadcasting, and emergency communications. They are governed by the Communications Act of 1996, which preempts state and local regulations, including local authority to prohibit wireless service facilities, discriminate between providers of wireless service, or regulate proposed wireless communications facilities based on the potential health/environmental effects of radio frequency emissions.

The amendments remove the LDS provisions that imply a "use variance," eliminate the Zoning Board of Adjustment's role in reviewing lighting, require FCC and FAA compliance documentation, allow installations of wireless facilities on both new and existing structures, and clarify that one monopole tower is permitted per full acre of a lot.

Staff Recommended Text Changes:

The proposed changes to the LDS are:

1. Wireless communication facilities:

Amend the supplemental standards to permit the installation of wireless communication facilities on new buildings, in addition to their placement on existing buildings or poles. All other standards- including but not limited to height and placement limitations, collocation, and design restrictions- will remain unchanged.

2. Monopole wireless communications tower:

- Allow new towers without requiring a variance from the Zoning Board of Adjustment. The current provision implies a "use variance," and use variances are not allowed under North Carolina state law. Additionally, FCC mandates the collocation requirements, and any new tower must be designed to accommodate multiple providers.
- Remove the Zoning Board of Adjustment's responsibility to review lighting. Monopole towers are allowed via a Special Use Permit (SUP) in 29 out of 30 Waynesville's zoning districts. During a quasi-judicial SUP hearing, the Planning Board reviews the tower's compliance with placement, design, height, setbacks, and buffering requirements, as well as its compatibility with the character of the neighborhood "to ensure that the use is appropriate at a particular location and to ensure protection of the public health, safety and welfare" (LDS 3.1.3).
- Require proof of regulatory compliance: written statements from the Federal Aviation Administration (FAA) and the Federal Communications Commission (FCC) showing that the proposed tower complies with all permit regulations administered by that agency.

- Clarify that one monopole tower is allowed per full acre of a lot (for example, a 2-ac lot can have 2 towers, and 1.5-ac lot can only have 1 tower).

Consistency with the 2035 Comprehensive Land Use Plan:

Staff submits that the proposed text amendments to the LDS are consistent with the following 2035 Comprehensive Plan Goals:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.

Goal 5: Create opportunities for a sustainable economy.

- Support 21st century technology and infrastructure by broadening the availability of high-speed internet, modernizing wireless communication facilities, and promoting green building and the use of solar and wind technologies.

And that the proposal is reasonable and in the public interest because it will better align the Town's ordinances with the Federal Communications Act of 1996 and applicable Federal Communication Commission's (FCC) regulations.

Public Notice:

This hearing was duly advertised in the Mountaineer newspaper on 8/3/2025 and 8/10/2025. The notice was also submitted to local media contacts and posted on the Town's website on 8/4/2025.

Attachments:

- Cover Sheet
- Draft Ordinance
- Signed Planning Board Report
- Consistency Worksheet

Recommended Motions:

1. Motion to find that the Ordinance is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest.
2. Motion to adopt the Ordinance as presented (or as amended).

ORDINANCE NO. O-21-25

**AN ORDINANCE AMENDING THE TEXT OF THE
TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, the Communications Act of 1996 preempts state and local regulations, including local authority to prohibit wireless service facilities, discriminate between providers of wireless service, or regulate proposed wireless communications facilities based on the potential health/environmental effects of radio frequency emissions; and

WHEREAS, wireless communication facilities must comply with the Federal Communications Commission's (FCC) regulations related to radio frequency exposure limits, equipment authorization, construction of facilities, and mandatory collocation requirements; and

WHEREAS, the Communications Act of 1996 allows local governments to restrict height/location, and regulate the construction, modification, and design of the proposed wireless communication facilities for safety or aesthetic reasons; and

WHEREAS, NGS 160D-930 ensures the safe and efficient integration of mobile broadband and wireless communication facilities as well as conformity with the Federal Communications Act in local government authority; and

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendments to the Land Development Standards (LDS) and recommends that they are consistent with the 2035 Comprehensive Plan and that they are reasonable and in the public interest because they reflect the following goals of the Comp. Plan:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.

Goal 5: Create opportunities for a sustainable economy.

- Support 21st century technology and infrastructure by broadening the availability of high-speed internet, modernizing wireless communication facilities, and promoting green building and the use of solar and wind technologies.

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendments for enactment by the Town Council; and

WHEREAS, updates to the Land Development Standards related to wireless communication facilities will better align the Town's ordinances with the Federal Communications Act of 1996 and applicable FCC regulations and promote reliable wireless service to the public, government agencies, and

first responders, with the intention of furthering the public safety and general welfare in accordance with 160D-930; and

WHEREAS, the Town Council find this Ordinance is consistent with the Town’s 2035 Comprehensive Plan and that it is reasonable and in the public interest to “make decisions about resources and land use in accordance with North Carolina General Statutes;” and

WHEREAS, after notice duly given, a public hearing was held on **June 16, 2025**, at the regularly scheduled meeting of the Waynesville Planning Board, and on **August 26, 2025**, at the regularly scheduled meeting of the Waynesville Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE WAYNESVILLE TOWN COUNCIL, MEETING IN REGULAR SESSION ON AUGUST 26, 2025, AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

That the Land Development Standards be amended as follows (in red):

3.10 Supplemental Use Standards—Infrastructure.

3.10.1 Wireless Communication Facility, Micro.

B. Development/Design Standards:

1. A micro wireless facility shall be located on ~~existing~~ buildings, poles, or other ~~existing~~ support structures.
2. A micro facility may be located on buildings and structures provided that the interior wall or ceiling immediately adjacent to the facility is not designated residential space.
3. A micro facility shall be the same color as the ~~existing~~ building, pole or support structure on which it is proposed to be located. Stealth facilities are required.
4. Micro facilities shall comply with the height limitation specified for all land development districts except that such facilities may exceed the height limitation by six (6) feet if placed on a ~~an existing~~ structure. Micro facilities may extend up to six (6) feet above a structure.
5. No lettering, symbols, images or trademarks large enough to be legible to occupants of vehicular traffic on any adjacent roadway shall be placed on or affixed to any part of a micro facility other than as required by FCC regulations regarding registration of communications devices or other applicable laws.
6. No micro facility shall have affixed or attached to it in any way except during time of repair or installation, any lights, reflectors, flashers, day-time strobes or steady night time light or other illumination devices, except as required by the FAA, FCC or the town.

3.10.2 Wireless Communication Facility, Mini.

B. Development/Design Standards:

1. A mini wireless facility shall be located on ~~existing~~ buildings, poles, or other ~~existing~~ support structures.
2. A mini facility may be located on buildings and structures provided that the interior wall or ceiling immediately adjacent to the facility is not designated residential space.
3. A mini facility shall be the same color as the ~~existing~~ building, pole or support structure on which it is proposed to be located. Stealth facilities are required.

4. Mini facilities shall comply with the height limitation specified for all land development districts except that such facilities may exceed the height limitation by six (6) feet if placed on a ~~an existing~~ structure. Mini facilities may extend up to six (6) feet above a structure.
5. No lettering, symbols, images or trademarks large enough to be legible to occupants of vehicular traffic on any adjacent roadway shall be placed on or affixed to any part of a mini facility other than as required by FCC regulations regarding registration of communications devices or other applicable laws.
6. No mini facility shall have affixed or attached to it in any way except during time of repair or installation, any lights, reflectors, flashers, day-time strobes or steady night time light or other illumination devices, except as required by the FAA, FCC or the town.

3.10.3 Wireless Communication Facility, Macro.

B. Development/Design Standards:

1. A macro wireless facility must have a minimum setback of twenty (20) feet from any adjacent residentially zoned parcel.
2. A macro facility may be located on buildings and structures provided that the immediate interior wall or ceiling adjacent to the facility is not a designated residential space.
3. A macro facility shall be the same color as the ~~existing~~ building, pole or support structure on which it is proposed to be located. Stealth facilities are required.
4. Macro facilities shall comply with the height limitation specified for all land development districts except that such facilities may exceed the height of ~~the existing~~ structures by as much as fifteen (15) feet above the ~~existing~~ structure. Macro facilities may not extend more than fifteen (15) feet above their supporting structure.
5. No lettering, symbols, images or trademarks large enough to be legible to occupants of vehicular traffic on any adjacent roadway shall be placed on or affixed to any part of a macro facility other than as required by FCC regulations regarding registration of communications devices or other applicable laws.
6. No macro facility shall have affixed or attached to it in any way except during time of repair or installation, any lights, reflectors, flashers, day-time strobes or steady night time light or other illumination devices, except as required by the FAA, FCC or the town.

3.10.4 Monopole Wireless Communication Tower.

B. Location/Site Design:

1. Monopole wireless communications towers may only be located above an elevation of three thousand five hundred (3,500) feet or on property owned by the Town of Waynesville or Haywood County.
2. ~~A~~ monopole wireless communications towers may only be located on a lot one (1) acre or greater in size, except within the CI District. ~~One tower is permitted per full acre of a lot (i.e., a 2-ac lot can have 2 towers, and 1.5 ac lot can have 1 tower).~~
3. ~~Proof of regulatory compliance is required. Written statements from the Federal Aviation Administration (FAA) and the Federal Communications Commission (FCC) showing that the proposed tower complies with all permit regulations administered by that agency or evidence that the proposed tower is exempt from those regulations.~~
4. Site location and development shall preserve the preexisting character of the surrounding buildings and land uses and the land development district to the extent consistent with the function of the

communications equipment. Monopole towers shall be integrated through location and design to blend in with the existing characteristics of the site to the extent practical.

5. Minimum yard requirements shall be in accordance with the yard requirements set forth in the development standards for the land development district in which the location of the tower is proposed, provided that all buffering requirements can be met. Additionally, monopole towers must set back from any property in a residentially zoned district a distance equivalent to the height of the tower being erected or one hundred (100) feet whichever is greater.
6. Monopole wireless communications towers shall be landscaped with a buffer of plant materials that effectively screens the view of tower compound from adjacent property. The standard buffer shall consist of a landscaped strip at least four (4) feet wide outside the perimeter of the compound.
7. Accessory equipment facilities used to house wireless communications equipment should be located within buildings or placed underground when possible. When they cannot be located within buildings, equipment shelters or cabinets shall be fenced, screened and landscaped to screen views from adjacent properties. Accessory equipment facilities located on the roof of buildings shall be enclosed so as to be shielded from view. Accessory equipment facilities may not be enclosed with exposed metal surfaces.
8. Security fencing, if used, shall be painted or coated with a non-reflective color.
9. Proposed ingress and egress to the tower shall produce the least disturbance for adjoining uses as is practicable.

C. Design of Tower:

6. Towers shall not be artificially lit unless required by the FAA or other applicable authority. ~~If lighting is required, the Board of Adjustment may review the available lighting alternatives and approve the design that will cause the least disturbance to surrounding views.~~

D. Collocation:

- ~~1. No new tower shall be permitted unless the applicant demonstrates to the reasonable satisfaction of the Board of Adjustment that no existing tower, structure or alternative technology, that does not require the use of towers or structures, can reasonably accommodate the applicant's proposed tower or antenna.~~
2. Applicants and permittees shall ~~make a good faith effort to~~ share wireless communications, structures, facilities and sites ~~where reasonable and appropriate, including~~ Such good faith shall include sharing technical information and application information to evaluate the feasibility of collocation. In the event a dispute arises as to whether a permittee has exercised good faith in accommodating other users, the ~~town~~ **Town** may require a third-party technical study at the expense of either or both the applicant and permittee.

ADOPTED this 26th Day of August, 2025.

TOWN OF WAYNESVILLE

J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM:

Martha Bradley, Town Attorney



To: Waynesville Town Council
Meeting Date: June 16, 2025
From: Olga Grooman, Assistant Development Services Director
Subject: Planning Board Report and Statement of Consistency
Description: Text amendments related to wireless communication facilities and monopole communications towers
Ordinance Sections: Land Development Standards (LDS) Section 3.10

The Planning Board hereby adopts and recommends to the Town Council the following statement(s):

The Planning Board recommends one revision to the proposed text amendment to clarify that one monopole communications tower is allowed per full acre of a lot.

A motion was made by board member John Baus and seconded by board member Jan Grossman that the proposed text amendments are **consistent** with the 2035 Comprehensive Land Use Plan and **reasonable and in the public interest** because they meet the following goals of the Comp. Plan:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage infill, mixed-use and context-sensitive development.

Goal 5: Create opportunities for a sustainable economy.

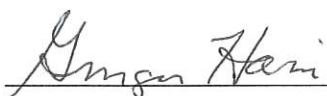
- Support 21st century technology and infrastructure by broadening the availability of high-speed internet, modernizing wireless communication facilities, and promoting green building and the use of solar and wind technologies.

And that the proposal is reasonable and in the public interest because it will better align the Town's ordinances with the Federal Communications Act of 1996 and applicable Federal Communication Commission's (FCC) regulations.

The motion carried unanimously, 7:0.

A second motion was made by board Chair Ginger Hain and seconded by board member John Baus to **recommend the revised text amendments to the Town Council.**

The motion carried unanimously, 7:0.


Ginger Hain, Planning Board Chair

7/3/2025
Date


Esther Coulter, Administrative Assistant

7-3-25
Date



To: Waynesville Town Council
From: Olga Grooman, Assistant Development Services Director
Date: August 26, 2025
Subject: Text Amendment Statement of Consistency
Description: Text amendments related to wireless communication facilities
Ordinance Section: Land Development Standards (LDS) Section 3.10
Address: Town of Waynesville Planning Department (“Development Services Department”)

The Town Council hereby adopts the following statement(s):

☐ The zoning text amendment **is approved and is consistent with the Town’s Comprehensive Land Use Plan** because: _____

The zoning text amendment **is reasonable and in the public interest** because:

☐ The zoning text amendment **is rejected because it is inconsistent with the Town’s Comprehensive Land Plan and is not reasonable and in public interest** because _____

☐ In addition to approving this zoning amendment, this approval is **also deemed an amendment to the Town’s Comprehensive Land Use Plan**. The changes in conditions considered in amending the zoning ordinance to meet the development needs of the community and why this action is reasonable and in the public interest, are as follows: _____

**TOWN OF WAYNESVILLE TOWN COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: 8/26/2025**

SUBJECT Approval of Phase III cashflow loan application.

AGENDA INFORMATION:

Agenda Location: Old Business

Item Number:

Department: Finance

Contact: Rob Hites

Presenter: Rob Hites

BRIEF SUMMARY The State Treasurer has offered the Town a "Phase III Cash Flow Loan" of \$298,671.71. The loan offered by the Treasurer is a "0%" percent loan for a five (5) year period. The Town has received loan proceeds for "Phase 1 and 2 Loans totaling \$ 803,482.76. This loan brings the total to \$1,105,154.47. The Town is eligible for \$2,657,300, our total estimated Helene related costs. The Loan repayment is as follows:

\$1	1 st anniversary of loan approval
10%	of loan by 6/30/2027
20%	of loan by 6/30/2028
30%	of loan by 6/30/2029
40%	less \$1 at earliest of 5 th anniversary or 6/30/3030

MOTION FOR CONSIDERATION: Approve the offer of \$298,671.71 for a Phase II Cashflow Loan.

FUNDING SOURCE/IMPACT All Funds

ATTACHMENTS: Application

MANAGER'S COMMENTS: See Above

Finance Officer

**STATE CASHFLOW LOANS FOR DISASTER RESPONSE ACTIVITIES TO LOCAL
GOVERNMENTS**

LOAN AGREEMENT (ROUND 3)

BETWEEN

**THE STATE OF NORTH CAROLINA (BY AND THROUGH THE DEPARTMENT OF STATE
TREASURER)**

AND

THE TOWN OF WAYNESVILLE, NORTH CAROLINA

Loan Round:	Round 3
Round 3 Loan Number:	Waynesville-Round3Loan-31311
Round 3 Loan Date:	_____
Round 3 Loan Amount:	\$298,671.71

REPAYMENT TERMS:

- **\$1 by the first anniversary of the Round 3 Loan Date**
- **10% of the Round 3 Loan Amount by June 30, 2027**
- **20% of the Round 3 Loan Amount by June 30, 2028**
- **30% of the Round 3 Loan Amount by June 30, 2029**
- **40% (less \$1) of the Round 3 Loan Amount by the earlier of the fifth anniversary of the Round 3 Loan Date or June 30, 2030.**

Recipient Tax ID/EIN: _____

PURPOSE:

For good and valuable consideration, the adequacy of which is hereby acknowledged, this loan agreement (“Agreement”) is hereby entered into by and between the State of North Carolina, by and through the North Carolina Department of State Treasurer (“NCDST”), and the **Town of Waynesville, North Carolina** (“RECIPIENT”) (referred to individually as Party and collectively as “Parties”) to provide NCDST cashflow loans for disaster response activities to local governments, in accordance with Section 4E.5. of North Carolina Session Law 2024-53, as modified by Section 1F.1 of North Carolina Session Law 2024-57 (together, as amended, the “Authorizing Act”).

1. EFFECTIVE TERM:

This Agreement shall be effective as of the latest date of signature below (“Effective Date”) and, subject to Section 15, shall terminate upon full repayment of the loan proceeds to NCDST, unless earlier terminated pursuant to Section 9.

2. NCDST’S DUTIES & PAYMENT PROVISIONS:

NCDST shall loan RECIPIENT a total of **\$298,671.71** to pay for RECIPIENT’S disaster response activities as set forth in FEMA Public Assistance Worksheets. This principal-only loan does not carry interest charges or administrative fees. Upon signature of this Agreement by the Parties, the funds will promptly be transferred to

RECIPIENT via wire/ACH transfer to the RECIPIENT'S account, pursuant to the written bank wiring instructions that RECIPIENT must submit to the NCDST as provided in Section 3.a. below.

3. RECIPIENT'S DUTIES AND REPRESENTATIONS:

- a. **As soon as reasonably practicable following its receipt of this Agreement, RECIPIENT shall provide each of the following to NCDST: (a) a certified copy of a resolution authoring execution of the Agreement and Promissory Note in the form set forth in Attachment A; (b) an executed copy of this Agreement; (c) an executed Promissory Note in the form set forth in Attachment B; and (d) the completed NCDST Hurricane Helene Cashflow Loan Program Wire Form enclosed as Attachment C, signed and certified by the appropriate official of RECIPIENT.**
- b. Before and during the term of this Agreement, RECIPIENT will use or has used loan proceeds to cover expenditures for disaster response activities, which may be expenditures that are eligible for reimbursement by the Federal Emergency Management Agency (FEMA) Public Assistance Program, National Flood Insurance Program, or other federal reimbursement program.
- c. Both NCDST and RECIPIENT agree that this Agreement shall be interpreted as to not diminish or impair RECIPIENT's eligibility to secure FEMA or related recovery funding support.
- d. RECIPIENT agrees to deliver repayment installments of the loan proceeds in the amounts and by the dates set forth in the Repayment Terms recited on Page 1 above, which are hereby incorporated by reference. Further, RECIPIENT understands and agrees that all loan proceeds provided to RECIPIENT under this Agreement must be repaid no later than the earlier of the following two dates: (i) the five-year anniversary of the Round 3 Loan Date; or (ii) June 30, 2030.
- e. RECIPIENT agrees that loan proceeds received through this Agreement shall be accounted for in a separate fund and accounting structure within RECIPIENT's central accounting system. RECIPIENT agrees to manage all accounts payable disbursements, check register disbursements, and related transactions in a detailed manner that supports fully transparent accounting of all financial transactions associated with loan funding allocations described in Section 2 of this Agreement. RECIPIENT understands and acknowledges the total direct loan funding level available under this Agreement is **\$298,671.71**.
- f. As provided in the Authorizing Act:
 - (i) RECIPIENT shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses or needs for which the loan proceeds are being provided, including funds from insurance policies in effect, available federal aid, and private donations. RECIPIENT understands and agrees that the loan proceeds paid to RECIPIENT pursuant to this Agreement are in excess of any funds received by RECIPIENT from any of the following: (a) settlement of a claim for loss or damage covered under RECIPIENT's applicable insurance policy in effect; (b) federal aid; or (c) private donations.
 - (ii) If RECIPIENT obtains alternative funds pursuant to subdivision (i) of this subsection f., RECIPIENT shall remit such funds to NCDST as soon as reasonably practicable thereafter, but no later than the earlier of the two dates established in subsection d. to this Section 3. Notwithstanding the preceding sentence, RECIPIENT shall not be required to repay to NCDST any amount in excess over the amount of loan proceeds provided under this Agreement.

4. AGREEMENT ADMINISTRATORS:

All notices permitted or required to be given by one Party to the other and all questions about the Agreement from one Party to the other shall be addressed and delivered to the other Party's Agreement Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Agreement Administrators are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Agreement Administrator by giving timely written notice to the other Party.

For NCDST	
IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Jeff Poley Director of Disaster Services and Rural Economic Development Office of the State Treasurer 3200 Atlantic Avenue Raleigh, North Carolina 27604 Phone: (919) 410-3044 Email: helenecashflowloans@nctreasurer.com	Jeff Poley Director of Disaster Services and Rural Economic Development Office of the State Treasurer 3200 Atlantic Avenue Raleigh, North Carolina 27604 Phone: (919) 410-3044 Email: helenecashflowloans@nctreasurer.com

For RECIPIENT	
IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Name	Name
Title	Title
Address	Address
Email	Email
Phone	Phone

5. MONITORING AND AUDITING:

RECIPIENT acknowledges and agrees that, commencing on the Effective Date of this Agreement and for a period of three (3) years following this Agreement's termination, RECIPIENT's books, records, documents and facilities with respect to the loan funds shall be open to NCDST for auditing, inspection and monitoring at all times during such period. Further, upon a request for access by NCDST (whether in writing or otherwise), RECIPIENT shall make all such books, records, documents, and facilities open to NCDST for inspection. To that end, RECIPIENT agrees to provide NCDST staff, any authorized agent or other designee of NCDST, and staff of the Office of State Auditor, as applicable, with access to financial and accounting records to support internal audit, financial reporting and related requirements.

RECIPIENT acknowledges and agrees that, with regard to the Loan funds, it will be subject to the audit and reporting requirements prescribed by N.C.G.S. § 159-34 (Annual independent audit; rules and regulations) within the Local Government Budget and Fiscal Control Act. Such audit and reporting requirements may vary depending upon the amount and source of Loan funding received by RECIPIENT and are subject to change.

RECIPIENT acknowledges and agrees that, with regard to the loan funds, it will be subject to the reporting requirements of both NCDST and the North Carolina Office of Budget and Management, as mandated by those agencies from time to time, as applicable.

6. SITUS AND EXCLUSIVE VENUE:

This Agreement shall be governed by the laws of North Carolina and any claim for breach or enforcement of this Agreement shall be filed in State court in Wake County, North Carolina.

7. COMPLIANCE WITH LAW:

RECIPIENT shall be wholly responsible for the loan terms and RECIPIENT's responsibilities described in this Agreement. RECIPIENT shall be responsible for supervision of any of its employees and contractors funded under this Agreement, and compliance with all laws, ordinances, codes, rules, regulations, licensing requirements and other regulatory matters that are applicable to the conduct of their loan performance under this Agreement, including those of Federal, State, and local agencies having appropriate jurisdiction. RECIPIENT is reminded that all funds are subject to the requirements of the Local Government Budget and Fiscal Control Act, including but not limited to all budgeting and pre-audit requirements.

8. CLAW-BACK; OFFSET:

- a. NCDST may also demand repayment of previously expended funds, and RECIPIENT must comply with such a demand, in the event NCDST determines that RECIPIENT has not spent loan funds on eligible uses set forth in the FEMA project worksheets used to determine the Round 3 Loan Amount, or if NCDST determines that RECIPIENT has not materially complied with any other requirements set forth in this Agreement concerning the loan funds (generally, "Non-Compliance"). Before making a formal demand for repayment as provided in this subsection, NCDST will provide RECIPIENT thirty (30) days' written notice to cure such Non-Compliance, and the Parties will make every reasonable effort to resolve the problem informally.
- b. In the event the Parties are unable to resolve RECIPIENT's Non-Compliance as provided in subsection a. above, RECIPIENT understands and agrees that, pursuant to N.C. Gen. Stat. § 147-71, the State Treasurer is authorized to demand, sue for, collect and receive all money and property of the State not held by some person under authority of law. In addition, RECIPIENT understands and agrees that NCDST shall have the right to recoup any funds for which repayment has been demanded through the Setoff Debt Collection Act (Chapter 105A of the North Carolina General Statutes) and any other provision of State law providing for setoff debt collection, as applicable.

9. TERMINATION OF AGREEMENT:

Subject to Section 15, this Agreement may be terminated:

- a. By mutual written consent of the Parties;
- b. By NCDST for cause, if: (i) RECIPIENT violates the terms of this Agreement and RECIPIENT fails to correct the violation(s) within thirty (30) days of written notice of violation from NCDST; (ii) NCDST determines RECIPIENT has made a misrepresentation in connection with this loan; or (iii) RECIPIENT abandons or otherwise ceases to make reasonable progress towards completion of the disaster response activities funded by this Agreement; or

- c. In the event that RECIPIENT repays the Round 3 Loan Amount in full prior to the earlier of the following two dates: (i) the five-year anniversary of the Round 3 Loan Date; or (ii) June 30, 2030.

In the event of termination, NCDST may require the return of unspent funds. NCDST may, in its sole discretion, allow RECIPIENT to retain or be reimbursed for costs reasonably incurred prior to termination that were not made in anticipation of termination and cannot be canceled, provided that said costs meet the provisions of this Agreement.

10. AMENDMENTS:

Subject to all applicable laws, this Agreement may be amended in writing, executed by both NCDST and RECIPIENT. If RECIPIENT requests revisions of Agreement terms, it shall provide to NCDST for review and approval a detailed written request that includes documented financial management reason(s) for amending the terms of this Agreement.

11. E-VERIFY:

If this Agreement is subject to N.C. Gen. Stat. § 143-133.3, RECIPIENT shall impose the obligations of Article 2 of Chapter 64 of the General Statutes on any contractor and its subcontractors funded by this Agreement.

12. LIMITATION OF LIABILITY; CONTRACTUAL RIGHTS:

RECIPIENT will hold NCDST harmless from any loss(es) or damage(s) arising in connection with the performance of this Agreement to the extent permitted by law, including the North Carolina Tort Claims Act (Article 31 of Chapter 143 of the North Carolina General Statutes). This Agreement is intended for the sole and exclusive benefit of the Parties. This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Agreement. Nothing herein shall be construed as a waiver of the sovereign immunity of the State of North Carolina.

13. SEVERABILITY:

- a. Generally. Nothing in this Agreement is intended to conflict with any law, or regulation, or rule of the United States, or the State of North Carolina, or NCDST. The Parties agree that if a term of this Agreement cannot be interpreted in a way to be consistent with such authority, then that term shall be deemed invalid, but the remaining terms and conditions of this Agreement shall remain in full force and effect.
- b. Federal Reimbursement. The Parties expressly agree that they intend for this Agreement to constitute and be construed as a loan agreement, toward the end that all loan proceeds provided to RECIPIENT hereunder would remain eligible for reimbursement under the FEMA Public Assistance Program, National Flood Insurance Program, or other federal reimbursement program (generally, for purposes of this subsection, the “Federal Funding Programs”). The Parties further agree that: (i) no provision of this Agreement shall be construed as creating or contemplating a current or future condition or circumstance that would in any way alleviate RECIPIENT of the repayment obligations set forth in this Agreement, or in the related Promissory Note; and (ii) to the extent that any word, phrase, clause, sentence, or term of this Agreement is deemed incongruous with any relevant provision(s) of federal law pertaining to RECIPIENT’s eligibility for reimbursement under the Federal Funding Program(s), then such word, phrase, clause, sentence or term shall be modified, deleted, or interpreted in such a manner as to make the loan funds provided to RECIPIENT hereunder fully reimbursable under the Federal Funding Program(s), or else reimbursable to the maximum extent allowable under such program(s).

14. ENTIRE AGREEMENT:

This Agreement and any annexes, exhibits, and amendments appended hereto, and any documents incorporated specifically by reference, represent the entire Agreement between the Parties and supersede all prior oral and written statements or Agreements.

15. SURVIVAL:

The following sections shall survive termination of this Agreement: 3.c., 5, 6, 7, 8, 12 and 13.

16. EXECUTION AND EFFECTIVE DATE:

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. One or more counterparts of this Agreement may be delivered by facsimile or in Adobe Portable Document Format (PDF) sent by electronic mail, with such delivery having the same effect as delivery of an original counterpart. Signatures provided by facsimile transmission, in PDF sent by electronic mail, or by electronic signature such as DocuSign, shall be deemed to be original signatures.

This Agreement shall become effective upon the Effective Date and NCDST's loan obligations shall commence upon NCDST's receipt of the items set forth in 3.a. above.

[signature page follows]

19. AUTHORIZED SIGNATURE WARRANTY:

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Agreement.

In Witness Whereof, RECIPIENT and the State of North Carolina, acting by and through the NCDST have executed this Agreement in duplicate originals, with one original being retained by each party.

TOWN OF WAYNESVILLE, NORTH CAROLINA

AUTHORIZING OFFICIAL

Date

Printed Name

Title

STATE OF NORTH CAROLINA, by:

NORTH CAROLINA DEPARTMENT OF STATE TREASURER

AUTHORIZING OFFICIAL

Date

Jeff Poley

Director of Disaster Services and Rural Economic Development

ATTACHMENT A

**RESOLUTION TO APPROVE ROUND 3 NORTH CAROLINA CASHFLOW LOAN AGREEMENT
AND PROMISSORY NOTE**

WITNESSETH:

WHEREAS, in connection with the State of North Carolina cashflow loan program (Loan Program) authorized by the Disaster Recovery Act of 2024, Session Law 2024-53 (as amended by Session Law 2024-57), the North Carolina Department of State Treasurer has been working with the North Carolina Department of Public Safety-Division of Emergency Management (NCEM), the North Carolina Association of County Commissioners (NCACC), and the North Carolina League of Municipalities (NCLM) to formulate a working plan for the disbursement of cashflow loans aimed at assisting local governments affected by Hurricane Helene; and

WHEREAS, local governments wishing to participate in Round 3 of the Loan Program are required to execute a Round 3 Cashflow Loan Agreement and Promissory Note with the State of North Carolina, by and through the North Carolina Department of the State Treasurer; and

NOW, THEREFORE BE IT RESOLVED BY THE TOWN OF WAYNESVILLE, NORTH CAROLINA:

1. That the Round 3 Cashflow Loan Agreement and Promissory Note provided by the North Carolina Department of the State Treasurer are hereby approved.
2. That the Manager, Clerk, or Authorized Representative of a Tribal Government is authorized to execute the attached agreements (or those substantially equivalent thereto) and such other agreements and actions as necessary to receive disaster recovery loan funding from the State of North Carolina.

Adopted, this the _____ day of _____

TOWN OF WAYNESVILLE, NORTH CAROLINA

By: _____
Mayor/Commissioner/Authorized Representative

Name: _____

Title: _____

ATTEST:

Town Clerk/Authorized Representative

Name: _____

Title: _____

ATTACHMENT B

This Promissory Note has been pre-audited as required by the
Local Government Budget and Fiscal Control Act

Finance Officer

PROMISSORY NOTE

Date: _____

Round 3 Loan Number: **Waynesville-Round3Loan-31311**

Round 3 Loan Amount: **\$298,671.71**

The **Town of WAYNESVILLE, North Carolina** (“BORROWER”) DOES HEREBY unconditionally promise to pay to the STATE OF NORTH CAROLINA (by and through the North Carolina Department of State Treasurer) (“State”) the following Round 3 Loan Amount: **\$298,671.71**. The promissory note is made in accordance with the related Loan Agreement, dated as of the date hereof (the “Agreement”), between the State and the BORROWER. As set forth in the Agreement, the BORROWER hereby promises to pay the Loan Amount in accordance to the following schedule:

- **\$1 by the first anniversary of the Round 3 Loan Date**
- **10% of the Round 3 Loan Amount by June 30, 2027**
- **20% of the Round 3 Loan Amount by June 30, 2028**
- **30% of the Round 3 Amount by June 30, 2029**
- **40% (less \$1) of the Round 3 Loan Amount by the earlier of the fifth anniversary of the Round 3 Loan Date recited in the Agreement or June 30, 2030.**

Payment instructions will follow from the State or its agent.

This Promissory Note and the Agreement were duly authorized by action of the BORROWER’s governing body at a meeting duly held on _____.

TOWN OF WAYNESVILLE, NORTH CAROLINA

Signature

[Name and Title]

[SEAL]

Attest:

Signature

[Name and Title—should be clerk]

ATTACHMENT C

Haywood County



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

FINANCIAL OPERATIONS DIVISION

Hurricane Helene Cash Flow Loan Program Wire Form

Questions concerning the completion of this form should be directed to 919-814-3902.

RECIPIENT INFORMATION

Recipient/Account Holder's Name:

Recipient's Address, City, State, Zip:

Information for the Recipient (optional):

BENEFICIARY BANK INFORMATION

Beneficiary Bank Name:

Beneficiary Bank Routing Transit Number (RTN):

Beneficiary Bank Account Number:

Bank's Address, City, State, Zip:

Information for the Beneficiary Bank, if applicable:

I certify the recipient information and beneficiary bank information provided above is true and correct. I am authorized to act in the capacity indicated and to transact business on the account listed above. Only original signatures accepted. No electronic signatures.

Recipient Official's Printed Name

Signature

Phone #

Date

FOR INTERNAL USE ONLY

Financial Operations Division

~~US Dollar Wire Amount:~~
~~\$298,671.71~~

~~Contract/Reference Number:~~
~~Waynesville Round3 Loan 31311~~

~~Date Wire Processed:~~

Source:
Tranche 2

3200 Atlantic Avenue • Raleigh, North Carolina 27604
Courier #56-20-45 • Telephone: (919) 814-4000 • Fax: (919) 855-5809 • www.NCTreasurer.gov

TOWN OF WAYNESVILLE TOWN COUNCIL
REQUEST FOR COUNCIL ACTION
Meeting Date: 8/26/2025

SUBJECT Revised Special Order by Consent

AGENDA INFORMATION:

Agenda Location: New Business

Item Number:

Department: Wastewater Treatment

Contact: Rob Hites

Presenter: Rob Hites

BRIEF SUMMARY On December 31, 2020, the Town and Department of Environmental Quality (DEQ) executed an agreement outlining the process for regulating the Town's wastewater treatment system while it reconstructed its 6 million gallon per day waste treatment plant. The agreement stipulated abatement of fines, lowered treatment limits, areas of the plant being reconstructed, the amount of waste permitted to be accepted and the termination date of the SOC, July 1, 2024. The agreement has terminated, and the plant has not been accepted for completion. A strict reading of the original SOC would place the Town in violation of several elements of the agreement including payment of considerable fines. The staff of the Western Division of DEQ has been working with us to renegotiate the SOC in light of our delays while the plant was redesigned to reduce the bid price and repairs of Helene storm damage. To their credit, the Western staff recognized the impact of the storm and the need to free the Town to accommodate future growth. They also recognized that the Town needs the fines more to pay for improvements than to pay the State for past fines they incurred before 2020.

We have redrafted the original SOC to exclude item 2 a. of the agreement stipulating fines and excludes items 2 b. (1)-(5) which no longer applies to the project. Section 8 has been redrafted to add an additional 56,000 gallons per day of flow during the final 3-6 months of the SOC. Section 9 has been redrafted to terminate the SOC upon completion of the plant. The plant must meet the limits set forth in its NPDES permit within 90 days of notice.

MOTION FOR CONSIDERATION: Approve the revised Special Order by Consent (SOC)

FUNDING SOURCE/IMPACT Sewer Fund

ATTACHMENTS: December 31, 2020 Special Order by Consent, Revised Special Order by Consent.

MANAGER'S COMMENTS: The Western Division of DEQ is to be commended for recognizing the needs of Waynesville and negotiating a revised SOC. The revised agreement eliminates a number of fines that the Town incurred before December of 202 and new fines for not meeting the construction dates set forth in the plan. It also provides the Town with an additional 56,000 gallons per day of flow to allocate to new projects that may wish to be located in Waynesville. The plant is substantially complete with only damage to the primary clarifiers and several smaller items to be complete. We anticipate the plant to be up and running within the next 4-6 months. Once it is running, the plant produces an effluent that meets the NPDES limits set forth in its original permit.

NORTH CAROLINA
ENVIRONMENTAL MANAGEMENT COMMISSION

COUNTY OF HAYWOOD

IN THE MATTER OF)	
NORTH CAROLINA)	SPECIAL ORDER BY CONSENT
NPDES PERMIT NC0025321)	
HELD BY)	EMC SOC WQ SI9-005
TOWN OF WAYNESVILLE)	
)	

Pursuant to provisions of North Carolina General Statutes (G.S.) 143-215.2 and 143-215.67, this Special Order by Consent is entered into by the Town of Waynesville, hereinafter referred to as the Town, and the North Carolina Environmental Management Commission, an agency of the State of North Carolina created by G.S. 143B-282, and hereinafter referred to as the Commission:

1. The Town and the Commission hereby stipulate the following:
 - (a) The Town holds North Carolina NPDES permit NC0025321 for operation of the Town of Waynesville wastewater treatment plant (WWTP) and for making an outlet therefrom for the discharge of treated wastewater to the Pigeon River, currently classified C waters of this State in the French Broad River Basin. The Town is unable to consistently comply with effluent limitations for Total Suspended Solids (TSS) and fecal coliform as set forth in NPDES Permit NC0025321. Compliance will require preparation of plans and specifications for construction and operation of an upgraded WWTP and continued reduction of inflow and infiltration (I&I) within the collection system.
 - (b) Noncompliance with final effluent limits constitutes causing and contributing to pollution of the waters of this State named above, and the Town is within the jurisdiction of the Commission as set forth in G.S. Chapter 143, Article 21.
 - (c) The Town has secured funding for the planning, design and construction of improvements to the current WWTP, which includes upgrade of the headworks, removal of primary clarifiers and replacement with primary drum filters, rehabilitation of the current aeration basins, installation of two new circular secondary clarifiers, improvements in solids management, conversion of the anaerobic digester to an aerated sludge holding tank and conversion from gas to liquid disinfection. Completion of the project will provide the Town with the ability to adequately treat incoming wastewater, properly manage solids and aid the facility in returning to compliance with NPDES Permit No. NC0025321.
 - (d) Since this Special Order is by Consent, neither party will file a petition for a contested case or for judicial review concerning its terms.
2. The Town, desiring to comply with the permit identified in paragraph 1(a) above, hereby agrees to do the following:
 - ~~(a) The Town has outstanding civil penalty assessments for NPDES permit NC0025321 that total \$20,645.48. The Town has violations that have not been assessed by the Division to date that approximate \$22,500. As settlement of all violations, including those assessed and pending, the~~

~~Town agrees to pay an upfront penalty of \$4,129.00, with the remaining amount of \$16,516.48 to be held in abeyance until the successful completion of this SOC. Upon the successful completion of this SOC, the remaining penalty amount held in abeyance (\$16,516.48 assessed) will be remitted in full and the assessment of pending violations waived. Should the Special Order of Consent not reach successful conclusion, the full remaining assessed penalty of \$16,516.48 will be due immediately by check payable to the North Carolina Department of Environmental Quality and forwarded to the Director. The Division retains the right to address those violations not assessed approximating \$22,500 if the SOC is not successfully completed.~~

(b) Undertake the following activities in accordance with the indicated time schedule:

- ~~(1) Within 60 days, following the issuance of the SOC, submit an update on current I&I reduction efforts and a copy of the Town's current collection system CIP.~~
- ~~(2) On or before April 15, 2021, submit approvable plans for an Authorization to Construct.~~
- ~~(3) On or before November 1, 2020, submit and/or make available online the flow measurements obtained from the meter installed downstream of the intermediate pump station.~~
- ~~(4) Four (4) months following issuance of the AtoC, advertise project, receive bids & receive authority to award for the construction of plant improvements.~~
- ~~(5) Three (3) months following receipt of authority to award the construction contract, begin construction of the plant improvements as outlined in the AtoC.~~
- (6) (1) Twenty-four (24) months after beginning construction, complete construction of the Waynesville WWTP improvements.
- (7) (2) Three (3) months following completion of construction, achieve compliance with the NPDES Permit NC0025321.
- (8) (3) Provide quarterly progress reports summarizing activities undertaken by the Town regarding the construction of the WWTP. Reports will also provide a summary of the performance of the Town's existing WWTP during the previous quarter, and detail efforts made to optimize the WWTP during that time.
- (9) (4) Provide semi-annual progress reports on the Town's concurrent efforts to address and remove significant sources of I&I. Additionally, updated copies of the Town's CS CIP shall be submitted as they become available. Reports may be provided by hard copy or electronic means and shall be received by the NC DEQ Asheville Regional Office and the DWR Central Office no later than the 10th day following the end of the quarter during the period of time the Order is in effect.

(c) During the time in which this Special Order by Consent is effective, comply with the interim

effluent limitations contained in Attachment A. Under this Special Order of Consent, only the parameters listed below have been modified from the most current NPDES Permit in effect. The following reflects only the limitations that have been modified from NPDES requirements by this Order:

Parameter	Units	Current Permit Limits		Modified Limits (SOC)	
		Monthly Average	Weekly Average	Monthly Average	Weekly Average
Total Suspended Solids (TSS)	mg/L	30	45	45	100
Fecal Coliform	mg/L	200	400	200	600

- (d) No later than thirty (30) calendar days after any date identified for accomplishment of any activity listed in paragraph 2. (b) (1) – (7) above, submit to the Director of DWR a written notice of compliance (including the date compliance was achieved along with supporting documentation if applicable) or noncompliance therewith. In the case of noncompliance, the notice shall include a statement of the reason(s) for noncompliance, remedial action(s) taken, and a statement identifying the extent to which subsequent dates or times for accomplishment of listed activities may be affected.

3. The Town agrees that unless excused under paragraph four (4), the Town will pay the Director of DWR, by check payable to the-North Carolina Department of Environmental Quality, stipulated penalties according to the following schedule for failure to meet the deadlines set out in paragraph 2.

SOC Violation	Stipulated Penalty
Failure to meet a schedule date listed in paragraphs 2.(b)(1) through 2.(b)(6).	\$1000 per missed schedule date within the first seven (7) days of tardiness; \$750 per day thereafter.
Failure to submit progress reports as required by paragraph 2.(b)(7&8).	\$1000 for the first violation; penalty doubles with each subsequent assessment for late reports.
Failure to maintain compliance with any modified limit contained in the SOC.	\$1000 for exceeding monthly average limits; \$500 for exceeding weekly average limits.,
Monitoring frequency violations for modified parameters	\$100.00 per omitted value per parameter

4. The Town and the Commission agree that the stipulated penalties are not due if the Town satisfies DWR that noncompliance was caused solely by:
- (a) An act of God;
 - (b) An act of war;
 - (c) An intentional act or omission of a third party, but this defense shall not be available if the act or omission is that of an employee or agent of the defendant or if the act or omission occurs in connection with a contractual relationship with the permittee;
 - (d) An extraordinary event beyond the permittee's control. Contractor delays or failure to obtain

funding will not be considered as events beyond the permittee's control; or

(e) Any combination of the above causes.

Failure within thirty (30) days of receipt of written demand to pay the penalties, or challenge them by a contested case petition pursuant to G.S. 150B-23, will be grounds for a collection action, which the Attorney General is hereby authorized to initiate. The only issue in such an action will be whether the thirty (30) days has elapsed.

5. This Special Order by Consent and any terms and/or conditions contained herein, hereby supersede any and all previous Special Orders, Enforcement Compliance Schedule Letters, terms, conditions, and limits contained therein issued in connection with NPDES permit NC0025321.
6. Failure to meet the schedule dates identified in section 2 may terminate this Special Order by Consent and require the Town to comply with the terms and conditions contained in permit NC0025321.
7. Noncompliance with the terms of this Special Order by Consent is subject to enforcement action in addition to the above stipulated penalties, including injunctive relief pursuant to G.S. 143-215.6.C.
8. In accordance with the provisions of G.S. 143-215.67(b) the Commission allows the Town of Waynesville to accept the additional waste specified below to its waste disposal system. The approval of additional flow will be in the form of an issued sewer extension permit.

Project	Gallons per y	Da
	155,000	
Total	155,000	

8. **The permittee, upon signature of this Special Order by Consent, will be expected to comply with all schedule dates, terms, and conditions of this document.**
9. ~~This Special Order by Consent shall expire July 1, 2024.~~

SOC WQ S19-005

For the Town of Waynesville:

Town Manager

Date

For the North Carolina Environmental Management Commission

Director, Division of Water Resources

Date

NORTH CAROLINA
ENVIRONMENTAL MANAGEMENT COMMISSION

COUNTY OF HAYWOOD

IN THE MATTER OF)	
NORTH CAROLINA)	SPECIAL ORDER BY CONSENT
NPDES PERMIT NC0025321)	
HELD BY)	EMC SOC WQ S24-004
TOWN OF WAYNESVILLE)	
)	

Pursuant to provisions of North Carolina General Statutes (G.S.) 143-215.2 and 143-215.67, this Special Order by Consent is entered into by the Town of Waynesville, hereinafter referred to as the Town, and the North Carolina Environmental Management Commission, an agency of the State of North Carolina created by G.S. 143B-282, and hereinafter referred to as the Commission:

1. The Town and the Commission hereby stipulate the following:

- (a) The Town holds North Carolina NPDES permit NC0025321 for operation of the Town of Waynesville wastewater treatment plant (WWTP) and for making an outlet therefrom for the discharge of treated wastewater to the Pigeon River, currently classified C waters of this State in the French Broad River Basin. The Town is unable to consistently comply with effluent limitations for Total Suspended Solids (TSS) and fecal coliform as set forth in NPDES Permit NC0025321. Compliance will require preparation of plans and specifications for construction and operation of an upgraded WWTP and continued reduction of inflow and infiltration (I&I) within the collection system.
- (b) Noncompliance with final effluent limits constitutes causing and contributing to pollution of the waters of this State named above, and the Town is within the jurisdiction of the Commission as set forth in G.S. Chapter 143, Article 21.
- (c) The Town has secured funding for the planning, design and construction of improvements to the current WWTP, which includes upgrade of the headworks, removal of primary clarifiers and replacement with primary drum filters, rehabilitation of the current aeration basins, installation of two new circular secondary clarifiers, improvements in solids management, conversion of the anaerobic digester to an aerated sludge holding tank and conversion from gas to liquid disinfection. Completion of the project will provide the Town with the ability to adequately treat incoming wastewater, properly manage solids and aid the facility in returning to compliance with NPDES Permit NC0025321.
- (d) Since this Special Order is by Consent, neither party will file a petition for a contested case or for judicial review concerning its terms.

2. The Town, desiring to comply with the permit identified in paragraph 1(a) above, hereby agrees to do the following:

- (a) Undertake the following activities in accordance with the indicated time schedule:

- (1) Twenty-four (24) months after beginning construction, complete construction of the Waynesville WWTP improvements.
 - (2) Three (3) months following completion of construction, achieve compliance with the NPDES Permit NC0025321.
 - (3) Provide quarterly progress reports summarizing activities undertaken by the Town regarding the construction of the WWTP. Reports will also provide a summary of the performance of the Town's existing WWTP during the previous quarter, and detail efforts made to optimize the WWTP during that time.
 - (4) Provide semi-annual progress reports on the Town's concurrent efforts to address and remove significant sources of I&I. Additionally, updated copies of the Town's CS CIP shall be submitted as they become available. Reports may be provided by hard copy or electronic means and shall be received by the NC DEQ Asheville Regional Office and the DWR Central Office no later than the 10th day following the end of the quarter during the period of time the Order is in effect.
- (b) During the time in which this Special Order by Consent is effective, comply with the interim effluent limitations contained in Attachment A. Under this Special Order of Consent, **only the parameters listed below have been modified from the most current NPDES Permit in effect.** The following reflects only the limitations that have been modified from NPDES requirements by this Order:

Parameter	Units	Current Permit Limits		Modified Limits (SOC)	
		Monthly Average	Weekly Average	Monthly Average	Weekly Average
Total Suspended Solids (TSS)	mg/L	30	45	45	100
Fecal Coliform	mg/L	200	400	200	600

- (c) No later than thirty (30) calendar days after any date identified for accomplishment of any activity listed in paragraph 2. (a) (1) – (4) above, submit to the Director of DWR a **written notice** of compliance (including the date compliance was achieved along with supporting documentation if applicable) or noncompliance therewith. In the case of noncompliance, the notice shall include a statement of the reason(s) for noncompliance, remedial action(s) taken, and a statement identifying the extent to which subsequent dates or times for accomplishment of listed activities may be affected.
3. The Town agrees that unless excused under paragraph four (4), the Town will pay the Director of DWR, by check payable to the North Carolina Department of Environmental Quality, stipulated penalties according to the following schedule for failure to meet the deadlines set out in paragraph 2.

SOC Violation	Stipulated Penalty
Failure to meet a schedule date listed in paragraphs 2.(b)(1) through 2.(b)(6).	\$1000 per missed schedule date within the first seven (7) days of tardiness; \$750 per day thereafter.
Failure to submit progress reports as required by paragraph 2.(b)(7&8).	\$1000 for the first violation; penalty doubles with each subsequent assessment for late reports.
Failure to maintain compliance with any modified limit contained in the SOC.	\$1000 for exceeding monthly average limit; \$500 for exceeding weekly average limits.,
Monitoring frequency violations for modified parameters	\$100.00 per omitted value per parameter

4. The Town and the Commission agree that the stipulated penalties are not due if the Town satisfies DWR that noncompliance was caused solely by:
- (a) An act of God;
 - (b) An act of war;
 - (c) An intentional act or omission of a third party, but this defense shall not be available if the act or omission is that of an employee or agent of the defendant or if the act or omission occurs in connection with a contractual relationship with the permittee;
 - (d) An extraordinary event beyond the permittee's control. Contractor delays or failure to obtain funding will not be considered as events beyond the permittee's control; or
 - (e) Any combination of the above causes.
- Failure within thirty (30) days of receipt of written demand to pay the penalties or challenge them by a contested case petition pursuant to G.S. 150B-23, will be grounds for a collection action, which the Attorney General is hereby authorized to initiate. The only issue in such an action will be whether the thirty (30) days has elapsed.
5. This Special Order by Consent and any terms and/or conditions contained herein, hereby supersede any and all previous Special Orders, Enforcement Compliance Schedule Letters, terms, conditions, and limits contained therein issued in connection with NPDES permit NC0025321.
6. Failure to meet the schedule dates identified in section 2 may terminate this Special Order by Consent and require the Town to comply with the terms and conditions contained in permit NC0025321.
7. Noncompliance with the terms of this Special Order by Consent is subject to enforcement action in addition to the above stipulated penalties, including injunctive relief pursuant to G.S. 143-215.6.C.
8. In accordance with the provisions of G.S. 143-215.67(b) the Commission allows the Town of Waynesville to accept the additional waste specified below to its waste disposal system. The approval of additional flow will be in the form of an issued sewer extension permit.

Project	Gallons per Day
Total Projected New Flow Over Term of SOC to Provide Minimum Reasonable Service	56,000
Total	56,000

8. **The permittee, upon signature of this Special Order by Consent, will be expected to comply with all schedule dates, terms, and conditions of this document.**
9. **This Special Order by Consent shall expire 90 days following written notice from the Town of completion of construction of the Waynesville WWTP improvements.**

For the Town of Waynesville:

Rob Hites
Town Manager

Date

For the North Carolina Environmental Management Commission

Richard E. Rogers, Jr
Director, Division of Water Resources

Date