

MINUTES OF THE TOWN OF WAYNESVILLE TOWN COUNCIL

Special Meeting

July 31, 2025

THE WAYNESVILLE TOWN COUNCIL held a special called meeting on Thursday, July 31, 2025, at 10:00am in the Town Hall Board Room located at 9 South Main Street Waynesville, NC.

1. CALL TO ORDER

Mayor Gary Caldwell called the meeting to order at 10:00 am with the following members present:

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

The following staff members were present:

Rob Hites, Town Manager
Jesse Fowler, Assistant Town Manager
Candace Poolton, Town Clerk
Martha Bradley, Town Attorney
Ian Barrett, Finance Director
Olga Grooman, Assistant Development Services Director

Members of the Media:

Paul Nielsen, The Mountaineer

2. Consider adopting a resolution authorizing the submission of a bridge loan from the Department of Environmental Quality.

- Town Manager Rob Hites

Town Manager Rob Hites reported that he and the Finance Director attended a training program on Tuesday for the bridge loan application. He reminded Council that they've already applied for two other bridge loans through the State Treasurer's office in the amount of \$835,000, and the loan they are going to apply for is through the DEQ for \$5 million. If approved, Mr. Hites said the town would get 50 bonus points towards other DEQ grant applications. Mr. Hites said at the training, they stated they set aside the loan program because the General Assembly reduced the budget amount, and they ran out of money for that loan program. Mr. Hites recommended that Council approve the resolution anyway and bank it in case they decide to accept the application after all. He added that the Bridge Loan program is on hold, but the town's application has been retained in case the General Assembly adds more money to the program. He mentioned that regardless, he is asking that they honor awarding the town the 50 bonus points to be used towards the other DEQ grants.

A motion was made by Councilmember Dickson, seconded by Councilmember Sutton, to adopt the Resolution R-20-25 authorizing submission of the bridge loan from the DEQ. The motion passed unanimously.

3. Consider rejecting an \$8.5 million dollar State Revolving Loan in order to apply for a \$5 million dollar DEQ grant.
 - Town Manager Rob Hites

Town Manager Rob Hites reported that at the training class in April for the loan that the town applied for previously, staff were told that the State Revolving Loan offers 0% interest and distressed communities would get 100% principal forgiveness, which means the town would not have to pay it back. He said that staff were notified last week that they were offered a loan for \$8.7 million at 0% interest for 20 years, but were not granted principal forgiveness because the town's "water and sewer rates are too low". He stated that when McGill staff worked on \$5 million grant, they were told they wouldn't accept the grant application if they were offered any funding through DEQ. Mr. Hites said in order to be eligible for the \$5 million grant, they have to reject the \$8.7 million loan offer. He reminded Council that these funds are for the Little Champion junction box/pump station. The options Mr. Hites outlined were: Council could accept the \$8.7 million dollar loan, with an annual payment of \$435,000 and it would result in a rate increase for sewer customers, or, they could turn down the loan for the time being, apply for the \$5 million dollar DEQ grant and then only borrow \$3 million at 4% interest over 20 years to cover the cost, which would be roughly a \$200,000 payment a year. Mr. Hites said if Council were to turn down the loan, they could apply for it again in the winter cycle. Councilmember Dickson asked Mr. Hites what he recommends. Mr. Hites suggested turning down the loan in order to apply for the grant. He emphasized there are no guarantees they will get the grant, but they have a strong application.

A motion was made by Councilmember Dickson, seconded by Councilmember Feichter, reject the \$8.5 million loan in order to apply for the \$5 million DEQ grant. The motion passed unanimously.

Mayor Caldwell reported that the Walmart manager has placed trash cans near the cart returns and Councilmember Feichter said the amount of trash in the parking lot has already noticeably decreased.

4. Consider Discussion of Appointments to Boards and Commissions
 - Town Manager Rob Hites

Councilmember Sutton said there are two new applicants for the ZBA and requested the clerk schedule interviews. Councilmembers Sutton and Feichter offered to interview the applicants.

A motion was made by Councilmember Freeman, seconded by Councilmember Dickson, to adjourn at 10:24am. The motion passed unanimously.

ATTEST:

Gary Caldwell, Mayor

Robert W. Hites, Jr. Town Manager

Candace Poolton, Town Clerk