

**MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN
REGULAR MEETING
March 12, 2019**

THE WAYNESVILLE BOARD OF ALDERMEN held its regular meeting on Tuesday, March 12, 2019, at 6:30 p.m. in the board room of Town Hall, 9 South Main Street, Waynesville, NC.

A. CALL TO ORDER

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

Mayor Gavin Brown
Mayor Pro Tem Gary Caldwell
Alderman Jon Feichter
Alderman LeRoy Roberson

Alderman Julia Freeman was absent due to illness.

The following staff members were present:

Rob Hites, Town Manager
Amie Owens, Assistant Town Manager
Eddie Ward, Town Clerk
Bill Cannon, Town Attorney

The following media representatives were present:

Cory Valliancort, Smoky Mountain News

1. Welcome /Calendar/Announcements

Mayor Brown reminded the Board of the following calendar events:

- Saturday March 16, 2019 – Big Brothers, Big Sisters - Bowl for Kid’s Sake – Sky Lanes, Asheville
- Saturday March 16, 2019- Luck of the Arts – Main Street 12:00 pm – 6:00 pm

2. Adoption of Minutes

A motion was made by Alderman Gary Caldwell, seconded by Alderman Jon Feichter, to approve the minutes of the February 12, 2019 regular meeting as presented. The motion passed unanimously.

B. PRESENTATION

3. Presentation from Dennie Martin on funding options for the waste water treatment plant renovation and approve a resolution requesting the State to set aside funds from the State Revolving Loan Program (SRF)

- Rob Hites, Town Manager & Dennie Martin, WR Martin

Mr. Dennie Martin from WR Martin explained to the Board that in looking at the proposed improvements to the Waste Water Treatment Plant (WWTP), it is necessary to secure financing as part of the SOC requirements. He noted that there were multiple ways to finance such a project under NC General Statutes, but the two best options would be borrowing via a public agency. The most advantageous programs to obtain funding for the renovation of the waste water treatment plant in 2021 is North Carolina's State Revolving Fund (SRF) program which is a 20 year loan at ½ the prevailing market rate which is just under 2%. The other option is via the United States Department of Agriculture (USDA) which is a 40 year loan with a rate of just under 4%. Mr. Martin explained that applying for both of these programs would help to provide the necessary funding estimated at \$16 million for the WWTP improvements.

Mr. Martin informed the board that the SRF loan application deadline is April 2019. The application can be resubmitted in September if the Town cannot get a loan commitment in April. If the Town is successful the State will "reserve" the funding for a period of six months, which would give time to complete the requirements for the USDA loan.

Keith Webb, McGill and Associates explained that the Preliminary Engineering Report (PER) and environmental report is a requirement of the USDA loan application. These are part of what is being completed as part of the SOC process. There is a meeting with NC DEQ on March 14th to discuss the terms of the SOC.

Mr. Martin continued by reminding the Board that an asset management plan for Water and Sewer had been completed several years ago as part of the proposed Junaluska Annexation and that those numbers would need to be updated in order to have the best chance of securing the funding. He suggested a plan update, new audit and new numbers including comparison of the Town's system and other municipalities.

Mayor Brown added that the SOC is an integral part of the SRF. Both Mr. Martin and Mr. Webb agreed noting that all funding via the SRF would go for renovations/improvements but not necessarily to increasing capacity. The funding should be used to fix problems.

Discussion continued related to potential ways to fund the project including some blended approaches with some potential grant availability. As part of this discussion, Mr. Webb alluded to the fact that it is hoped that the improvements could be done in phases based on the engineering report. Mayor Brown expressed concern that if the capacity could not be increased as part of the SOC, what could happen in the future? Mr. Webb noted that part of the engineering report would be whether or not additional capacity would be needed and there is a formula that takes into account population growth projections. One consideration is to fix the inflow problems that allows run off into the sewer system.

Mayor Brown asked how much influence the large customers – Junaluska Sanitary District, Lake Junaluska and Clyde – would have and should the Town request letters or resolutions of support moving forward? Mr. Webb explained that part of his job is to meet with each of these entities and gauge their flow projections for the next 20 years and ascertain their participation willingness. Mr. Martin added that it would not hurt the applications to have such documentation.

Mr. Martin noted that the steps to move forward tonight would be to pass the resolution for application to the SRF and/or USDA. Mr. Webb commented that related to timing of the project, it should be underway in 12 to 15 months as the PER would be completed and with Mr. Martin's assistance funding secured and the phase I engineering and bids ready.

Mayor Brown reminded the Board that we have an important face to face meeting with NC DEQ in Asheville on March 14th and the passage of the resolution will show our progress toward the goal of rehabilitating the plant.

A motion was made by Alderman LeRoy Roberson, seconded by Alderman Gary Caldwell, to approve Resolution R-06-19 regarding financing for Wastewater Treatment Plant improvements. The motion passed unanimously.

As part of the approval to move forward with the project, it is important to note that any preliminary expenditures such as for Mr. Martin's contract, the contract with McGill or other expenses that are incurred related to the project, should be reimbursed from any financing secured. A resolution approving such reimbursement is required.

A motion was made by Alderman Jon Feichter, seconded by Alderman Gary Caldwell, to approve Resolution R-07-19 Declaring the Intent to Reimburse Expenditures. The motion passed unanimously.

C. COMMUNICATIONS FROM STAFF

4. Manager's Report
 - Town Manager Rob Hites

Manager Hites had no additional report.

5. Attorney's Report
 - Town Attorney Bill Cannon

Attorney Cannon stated that the foreclosure has been filed for Hazel Street.

D. COMMUNICATIONS FROM THE MAYOR AND BOARD

Alderman Feichter asked about the Dogwood Trail slide on Eagles Nest. Manager Hites stated that the geotechnical firm is evaluating the area this week. He has spoken with the owner of the property and he has been very helpful. There is concern about how stable the soil is. Manager Hites gave an update on other slides in the Plott Heights area, and outlined the responsibilities of the property owners where slides have occurred.

E. CALL ON THE AUDIENCE

- Dick Young

Mr. Young expressed concerns about the number of homeless people that seem to be moving into the community.

F. ADJOURN

There being no further business to discuss, Alderman LeRoy Roberson made a motion, seconded by Alderman Jon Feichter to adjourn the meeting at 7:35 p.m. The motion carried unanimously.

ATTEST:

Gavin A. Brown, Mayor

Robert W. Hites, Jr., Town Manager

Eddie Ward, Town Clerk