

MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN

Regular Meeting

May 10, 2022

THE WAYNESVILLE BOARD OF ALDERMEN held a regular meeting on Tuesday May 10, 2022 at 6:00 pm. 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 6:05 pm with the following members present:

Mayor Gary Caldwell
Mayor Pro Tem Julia Freeman
Alderman Jon Feichter
Alderman Anthony Sutton

Alderman Chuck Dickson was absent

The following staff members were present:

Rob Hites, Town Manager
Jesse Fowler, Assistant Town Manager
Eddie Ward, Town Clerk
Martha Bradley, Town Attorney
David Adams, Police Chief
Fire Department members

The following media representative was present:

Becky Johnson, Mountaineer
Cory Valliancort, Smoky Mountain News

1. Welcome/Calendar/Announcements

Mayor Gary Caldwell welcomed everyone and reminded the Board of the upcoming Drug Awareness Walk on Main Street on Sunday May 15 starting at 2:00, and election Day on May 17th.

B. PUBLIC COMMENT

Courtney McEntire expressed his concerns about the proposed 16-unit complex on Preservation Way.

Dan Shultz spoke on behalf of the Parks and Recreation Department Advisory Commission and told the Board the Commission supported the Text Amendment to the Civic Space Ordinance. He asked the Board to consider establishing a fund for land acquisition in the future.

Sherry Morgan told the Board the citizens of Waynesville are upset at the uncontrolled development and talked about the quasi-judicial process in the Planning Board.

C. ADDITIONS OR DELETIONS TO THE AGENDA

There were no additions or deletions to the agenda.

D. CONSENT AGENDA

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

- i. Adoption of minutes of the April 6, 2022 special meeting (Board Retreat)
- ii. Adoption of April 26, 2022 regular meeting
- iii. Tuscola Band Day Special Event Application

A motion was made by Alderman Anthony Sutton, seconded by Alderwoman Julia Freeman, to approve the Consent Agenda as presented. The motion passed unanimously.

E. PRESENTATION

2. Promotion and New Hire Recognition
 - Fire Chief Joey Webb

Fire Chief Joey Webb and Assistant Fire Chief Chris Mehaffey introduced Mr. Doug Smith who has been promoted to Captain, and Mr. Hank Baker who was hired to replace Mr. Smith as Fire Engineer on B-Shift. Everyone congratulated both Firemen.

3. Smart Growth
 - Scott Cason

Mr. Scott Cason spoke to the Board concerning Waynesville's zoning Ordinances. He stated they are pro development and lacks protection for single-family neighborhoods. Mr. Cason also addressed the quasi-judicial process that has recently changed with the adoption of 160D in the Planning Board decisions. The Board was shown a power point developed by Mr. Cason indicating relationship between existing infrastructures and appropriate development, and infill development and its context to the Town.

E. PUBLIC HEARING

4. Public Hearing to consider the text amendment to Chapter 7 of the Land Development Standards (LDS), Civic Space.
 - Elizabeth Teague, Development Services Director

Town Attorney Martha Bradley asked if anyone wished to speak concerning the text amendment and opened the Public Hearing at 6:35 pm.

Ms. Elizabeth Teague, Development Services Director, presented the staff report and said this is a Planning Board initiated text Amendment to Chapter 7, Civic Space, of the Land Development Standards, related to the changes to 160D and the 2035 Comprehensive Plan. She said that currently the standards treat all subdivisions equally no matter how large. Maintenance and ownership responsibilities for civic spaces are also unclear as

written. The proposed Ordinance provide more options to create and maintain diverse and attractive communities and up the scale in the amount of civic space required to development size.

Ms. Teague told the Board that the subcommittee had researched the Ordinances of several other municipalities in North Carolina and out of State. She reviewed the cities of Asheville, Brevard, Hendersonville, Fletcher, Fayetteville, and Durham and said it was determined that Waynesville’s civic space standards are too low compared to these Towns. She referred the Board to the proposed Ordinance in their packet, and read through each of the changes, and explained how each change would be an improvement to 2035 Land Use Plan Goals and the Land Development Standards. The Planning Board’s recommendations include nine options for developers in choosing how to use civic space including:

- A natural preserve available for unstructured recreation (Park)
- An open space for unstructured recreation with landscape (Green)
- Natural preserves including any area of existing or restored open land (Preserve)
- Open space for unstructured recreation consisting of paths, lawns, and trees. (Square)
- And open space designed and equipped for the recreation of children (Playground)
- A grouping of garden plots available for small-scale cultivation (Community Garden)
- A linear parcel of land set aside to contain a trail for non-motorized transportation (Greenway)
- An off-leash dog area (Dog Park)
- Designated indoor or outdoor facility to support social and recreational activities of residents (Community Area)

Alderman Jon Feichter asked about the role in the Planning Department in assisting a developer to decide what option is best for their development. Ms. Teague said that they do recommend certain options and often consult the Parks and Recreation Department. She said what the Planning Board wanted to do with the creation of this Ordinance is to have more conversation, involvement, and more overlap with the Parks and Recreation Department.

Ms. Teague stated that the owner or lessee of the property designated for civic space is responsible for its maintenance. Landscaped areas must be maintained in good condition and the entire area will be kept clear of debris. All civic spaces require documentation recorded with the final plat that outlines the ongoing maintenance plans. If the civic space is dedicated to the Town and accepted for public use, the land will be maintained by the Town.

Attorney Bradley closed the Public Hearing at 7:02 pm.

A motion was made by Alderman Anthony Sutton, seconded by Alderwoman Julia Freeman, to adopt Ordinance O-16-22 because it continues to promote smart growth principles in land use planning and zoning, it creates a range of housing opportunities and choices, and it protects and enhances Waynesville’s natural resources. The motion passed unanimously.

5. Continuation of Public Hearing from March 22, 2022 to consider text amendments to the Land Development Standards (LDS) on revisions to LDS Section 6.10: Transportation Impact Analysis.
 - Development Services Director, Elizabeth Teague

Attorney Bradley re-opened the Public Hearing from March 22, 2022 at 7:04.

Ms. Teague presented the staff report and stated that with the assistance of Mark Teague of J. M. Teague Associates, the staff and Planning Board recommend a decrease in the traffic threshold for traffic analysis associated with new development. This Ordinance was presented to the Board of Alderman at the March 22, 2022 meeting, and the Board asked that the Ordinance be adjusted to have more understandable criteria for when a TIA could result in requirements for a developer to perform mitigation measures and to be more context oriented.

The proposed text amendments are based on lowering the TIA threshold from the current requirement of 3,000 cars per day. The proposed ordinance would trigger a TIA when:

- a development is anticipated to generate 500 trips per day,
- there is a school of greater than 250 students within 1 mile, or
- traffic safety concerns are triggered by a substandard road network accessing the development proposed or when there may be a school nearby.

The ordinance also requires a pre-submittal meeting to develop a scope for the area and focus of study which relates directly to the context and road system relevant to the property in question.

JM Teague also revised the ordinance to move the specifics of the TIA submission document to a guidance document as part of the ordinance, and amended the mitigation thresholds based on comments from the hearing.

Mr. Mark Teague from J. M. Teague Associates reviewed the proposed Ordinance and discussed changes with the Board.

Attorney Bradley closed the Public Hearing at 7:26 pm.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to find the Ordinance is consistent with the Comprehensive Plan and is reasonable and in the public interest, and continue to promote smart growth principles in land use planning and zoning, encourage in-fill, mixed use, and context-sensitive development. The motion passed unanimously.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Julia Freeman, to adopt Ordinance O-07-22 to create an attractive, safe, and multi-modal transportation system by providing interconnected transportation network of roadways, greenways, freight mobility, bicycle routes, and sidewalks that improve safety and strategic access for all users, and to coordinate with NCDOT on roadway improvement projects, particularly those along South Main Street, North Main, Russ Avenue, Pigeon Road, and Dellwood Road. The motion passed unanimously.

G. NEW BUSINESS

6. Budget Amendment to the Garage Internal Service Fund

- Misty Hagood, Finance Director

Ms. Misty Hagood, Finance Director told the Board that the increase in prices for gas, diesel, oil, and other supplies has caused a need to amend the Garage Budget. To cover expenses for the remainder of the fiscal year, she asked the Board to increase the Garage Budget by \$50,000.00. She added that all departments have enough to cover their increased portion of the budget, and there is no need to amend the departmental budgets.

A motion was made by Alderwoman Julia Freeman, seconded by Alderman Anthony Sutton, to approve Resolution R-08-22 amending the Financial Operating Plan for Garage Internal Service Fund. The motion passed unanimously.

7. Personnel Policy Update

- Jesse Fowler, Assistant Town Manager

Recently the Board approved several changes to the Town of Waynesville's Pay and Classification Table. Assistant Manager Jesse Fowler stated that as formality he requested the Board of Aldermen to adopt an amended Personnel Policy with the updated language that identifies the Pay and Classification Table. This language is located on page 11, Employment Relationship – Employee Pay and classification.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to adopt the amended Personal Policy as presented. The motion carried unanimously.

8. Presentation of 2022-23 Budget and scheduling public hearing.

- Rob Hites, Town Manager

Manager Rob Hites told the Board that Ms. Hagood is making changes that have been recommended by the concurrence of the Board, and staff has started working some of the analytical questions posed by members. Some of the questions regarding a redistribution of revenue within the electric fund, and it is important to remember that utility rates and general fund fees may be changed by the Board at any time during the budget year. The ad valorem tax rate must be set by midnight on June 30th.

Manager Hites read the Budget message (included in these minutes.) The budget proposal recommends a 3% increase in water rates across all rate schedules. Also recommended is a 10% increase to sewer rates to establish a fee schedule that will be able to fund the first year of debt service when the sewer plant is complete. This series of increases in the sewer rates are a requirement of our "State Revolving Loan Agreement." The proposed electric fund contains a 5% rate increase across all schedules. The rate increases do not impact the "base rates" of the customer classes. The Schedule of Rates and Fees contain a number of changed to individual fees in all funds, many of which have not increased in in over a decade.

The largest financial impact to the Town in the upcoming year is the funding of the Wastewater Treatment Plant, and a principal goal of the Board to design, fund, and construct, a new fire station in Hazelwood. While moving through the process of design, bidding, and borrowing, it is critical that the Board set a limit on the budget for the project, and it is imperative to retain approximately 42% of the operating budget of the General Fund.

A motion was made by Alderman Anthony Sutton, seconded by Alderwoman Julia Freeman, to call for a Public Hearing to be held on Tuesday, May 24, 2022 in the Town Hall Board Room at 6:00 pm or as closely thereafter as possible for the purpose of adopting the 2022/2023 FY Town of Waynesville Budget. The motion carried unanimously.

H. COMMUNICATION FROM STAFF

Manager's Report

- Rob Hites, Town Manager

Manager Hites said the County has the opportunity to apply for up to two million dollars from the Dogwood Trust Fund, and it is a one-to-one match. They are asking for the Towns to contribute to this fund for inside projects, in particular an affordable outreach for Pathways to place qualified candidates and set up a revolving trust fund within Habitat for Humanity for houses sold. He said that Alderman Chuck Dickson asked to allocate \$100,000.00 of the ARP money to match the Dogwood Trust Fund. This is solely an effort to provide funds for housing on a fifty-fifty basis by the Towns in Haywood County.

After much discussion, the consensus of the Board was to reject the offer to match funds for the housing projects.

I. Budget Amendment in the Finance Department to contract with DebtBook for software to assist with GASB 87 implementation.

- Misty Hagood, Finance Director

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87 Leases. There have been several delays to the effective date, but the lease standard must now be implemented for fiscal years ending June 30, 2022 and later.

The new lease standard changes the accounting and reporting model by removing the concept of operating vs. capital leases and replacing it with a single lease model based on the principle that all leases are financing of the right to use an underlying asset. Accounting and financial statements will be impacted with the new lease-related assets, receivables, liabilities, and deferred inflows of resourcing being reported on the statement of net position, as well as the effects of changes in those accounts on the statement of activities in the form of principal, interest, and amortization.

Implementing the new lease standard will require a significant amount of research and preparation. The Finance Director is requesting to contract with DebtBook for software that will track all the Town's debt and leases. The software tracks each debt issue and lease and will generate the necessary journal entries, supplements, and notes for the financial statements. DebtBook will do all the upfront work to import our

current debt and lease information into the software which saves a lot of staff time on the implementation.

A motion was made by Alderman Anthony Sutton , seconded by Alderwoman Julia Freeman, to approve Ordinance O-17-22 Amendment No. 23 in the amount of \$10,000.00 for DebtBook software. The motion carried unanimously.

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter to move \$10,000.00 from the General Fund to cover the DebtBook software. The motion passed unanimously.

Town Attorney Report

- Martha Bradley, Town Attorney

Attorney Bradley had nothing to report.

J. COMMUNICATIONS FROM THE MAYOR AND BOARD

The Mayor and Board had nothing to report.

K. CLOSED SESSION

A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to enter closed session under NCGS 143.318.11(a) for discussion with Town Attorney regarding potential litigation at 8:10 pm. The motion carried unanimously.

A motion was made by Alderman Anthony Sutton, seconded by Alderwoman Julia Freeman , to enter open session at 8:52 pm. The motion passed unanimously.

L. ADJOURN

With no further business, a motion was made by Alderwoman Julia Freeman, seconded by Alderman Anthony Sutton, to adjourn the meeting at 8:55 pm. The motion carried unanimously.

ATTEST:

Gary Caldwell, Mayor

Robert W. Hites, Jr. Town Manager

Eddie Ward, Town Clerk