

**MINUTES OF THE TOWN OF WAYNESVILLE BOARD OF ALDERMEN**  
**Regular Meeting**  
**April 25, 2023**

**THE WAYNESVILLE BOARD OF ALDERMEN** held a regular meeting on Tuesday, April 25, 2023, 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 6:03 pm with the following members present:

Mayor Gary Caldwell  
Alderman Julia Freeman  
Alderman Chuck Dickson  
Alderman Jon Feichter  
Alderman Anthony Sutton

The following staff members were present:

Rob Hites, Town Manager  
Jesse Fowler, Assistant Town Manager  
Candace Poolton, Town Clerk  
Martha Bradley, Town Attorney  
Police Chief, David Adams  
Assistant Police Chief, Brandon Gilmore  
Misty Hagood, Finance Director  
Jeff Stines, Director of Public Services  
Jay Entwistle, Interim Electric Superintendent  
Elizabeth Teague, Planning Director  
Olga Grooman, Land Use Administrator  
George Kenney, Chairman of Waynesville Public Art Commission

Members of the media:

Becky Johnson, The Mountaineer

Others present:

Karen Kiehna and Joel Storrow, McGill and Associates

1. Welcome/Calendar/Announcements

Mayor Gary Caldwell welcomed everyone and reminded everyone that we have an Art After Dark Stroll on May 5<sup>th</sup>, 6-9pm on Main Street, a Board of Aldermen Meeting on Tuesday, May 9<sup>th</sup>, and the Whole Bloomin Thing special event on May 13<sup>th</sup>. He invited everyone to attend the National Day of Prayer on May 4<sup>th</sup> at 12pm in front of the Courthouse on Main Street.

## B. PUBLIC COMMENT

**Dick Young- 191 Meadow Street, Waynesville:** Mr. Young asked the Board about progress on rerouting the truck route so big trucks don't drive on Main Street. Town Manager Rob Hites said that he has not started the process because the road that the trucks will have to take if re-routed will not bear the weight, and the Town of Waynesville will have to take over the costs of road maintenance and repair in perpetuity. Currently, the road being used is maintained by the NCDOT.

**Jared Lee- 100 Jujon Drive, Maggie Valley:** Mr. Lee thanked the Board for providing lights at the skate park. He said that now there is graffiti at the park because the lighting casts shadows. Mr. Lee requested that more lighting is provided that is brighter or more direct so there are less shadows casted.

## C. ADDITIONS OR DELETIONS TO THE AGENDA

***A motion was made by Alderman Anthony Sutton, seconded by Alderman Chuck Dickson to amend the agenda so that item number nine (Mountain Lion Art Donation) is moved to the top of the agenda. The motion passed unanimously.***

### 2. Mountain Lion Art Donation

- Jesse Fowler, Assistant Town Manager

Assistant Town Manager, Jesse Fowler, reported that at the Waynesville Public Art Commission's regular meeting on April 13th, David Blevins, a previous WPAC member, offered to donate an art piece to the Town of Waynesville. The piece is a bronze mountain lion made by nationally renowned wildlife artist, Jim Eppler. The WPAC agreed that they would like to accept the piece, given the history of mountain lions in Western North Carolina, Mr. Blevins' ties to the Waynesville community, and that the sculpture is large and stable enough that people could interact with it. Jeff Stines and Matthew Price said the Town has the capacity to move the piece.

Mr. David Blevins said he would like a vote in where the piece goes. He liked the space in front of the Municipal Building.

Alderwoman Julia Freeman thanked Mr. Blevins for his contribution to art in Haywood County.

Mr. George Kenney, WPAC Chairman, thanked Mr. Blevins for his donation and his involvement in public art. He added that this donation will make 18 pieces in the Public Art collection.

***A motion was made by Alderwoman Julia Freeman, seconded by Alderman Anthony Sutton, to accept the art donation from Mr. David Blevins. The motion passed unanimously.***

#### 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.*

3. a. Adoption of minutes of the April 11th, 2023 Regular meeting  
b. Power of Pink 5K Special Event Permit Application

***A motion was made by Alderman Anthony Sutton, seconded by Alderman Chuck Dickson, to approve the Consent Agenda as presented. The motion passed unanimously.***

#### E. CALL FOR PUBLIC HEARING

4. Call for a Public Hearing to consider a request for Annexation for two (2) parcels along Howell Mill Road, PINs 8616-94-1485 (2.87 acres) and 8616-94-1047 (7.54 acres).
  - Olga Grooman, Land Use Administrator

Land Use Administrator, Olga Grooman, reported that the Town received the attached “Petition for Annexation for a Non-Contiguous ‘Satellite’ Areas” from Herman E. Ratchford Jr., President of Southwood Realty Company that owns the properties. She said that the annexation request is for two unaddressed parcels along Howell Mill Road. The properties are the future site of a proposed multi-family development. The Planning Board granted the Special Use Permit for a 150-unit apartment complex for these properties on November 15, 2021. She added that the properties are within the Town’s extra-territorial jurisdiction, and they are zoned Racoon Creek Neighborhood Residential (RC-NR). Future action to annex these properties will allow these properties to receive Town municipal services and be subject to Town property tax.

***A motion was made by Alderman Chuck Dickson, seconded by Alderman Anthony Sutton, to adopt the attached resolution and schedule a public hearing on May 23<sup>rd</sup> to consider an Annexation Petition. The motion passed unanimously.***

#### F. OLD BUSINESS

5. Consideration of approval for a Community Development Block Grant (CDBG) application for utility infrastructure improvements in South Waynesville.
  - Karen Kiehna, McGill and Associates

As required by the CBDG Grant application, Karen Kiehna of McGill and Associates read the following Resolutions verbatim, to be recorded in the minutes:

## RESOLUTION BY GOVERNING BODY OF TOWN OF WAYNESVILLE

WHEREAS, Title I of the Federal Housing and Community Development Act of 1974, as amended, has established the U.S. Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program, and has authorized the making of grants to aid eligible units of government in funding the cost of construction, replacement, or rehabilitation of water and wastewater infrastructure, and that the North Carolina Department of Environmental Quality (NCDEQ) Division of Water Infrastructure (DWI) was delegated the authority by the state legislature to administer the water and wastewater infrastructure portion of the state grant monies received from the U.S. HUD Small Cities, North Carolina CDBG program by Session Law 2013-360, Section 15.15(a) as amended by Section 5.3 of Session Law 2013-363, and

WHEREAS, The Town of Waynesville has need for and intends to implement a construction project described as South Waynesville Public Water System Improvements Project. Proposed activities include extending public water lines including hydrants, and residential taps. The project area includes Explorer Street, and Sawyer Street, and

WHEREAS, The Town of Waynesville intends to request State grant assistance for the project,

### **NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF WAYNESVILLE:**

That Town of Waynesville, the **Applicant**, will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Rob Hites, Town Manager the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the April 25, 2023 at Town Hall, Waynesville, North Carolina.

## RESOLUTION BY GOVERNING BODY OF TOWN OF WAYNESVILLE

WHEREAS, Title I of the Federal Housing and Community Development Act of 1974, as amended, has established the U.S. Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program, and has authorized the making of grants to aid eligible units of government in funding the cost of construction, replacement, or rehabilitation of water and wastewater infrastructure, and that the North Carolina Department of Environmental Quality (NCDEQ) Division of Water Infrastructure (DWI) was delegated the authority by the state legislature to administer the water and wastewater infrastructure portion of the state grant monies received from the U.S. HUD Small Cities, North Carolina CDBG program by Session Law 2013-360, Section 15.15(a) as amended by Section 5.3 of Session Law 2013-363, and

WHEREAS, The Town of Waynesville has need for and intends to implement a construction project described as South Waynesville Sanitary Sewer System Improvements Project Proposed activities include replacing deteriorated sewer lines and appurtenances for purposes of eliminating infiltration and inflow and extend sanitary sewer lines including residential connections. The project area includes Franklin Street, Hendrix Street, Muse Street, Explorer Street, and Sawyer Street, and

WHEREAS, The Town of Waynesville intends to request State grant assistance for the project,

### **NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF WAYNESVILLE:**

That Town of Waynesville, the **Applicant**, will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Rob Hites, Town Manager the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the April 25, 2023 at Town Hall, Waynesville, North Carolina.

***A motion was made by Alderman Chuck Dickson, seconded by Alderman Anthony Sutton, to approve the application to the Community Block Grant Program for water and sewer infrastructure improvements. The motion passed unanimously.***

Joel Storrow of McGill and Associates said that both Sewer and Water Capital Improvements Plan would need to be adopted by the Board. He said these projects are not set in stone, but they are needs that the Town has. The plan does show the Wastewater Treatment Plant improvement project.

Alderman Anthony Sutton said there has been a misunderstanding in the community about the cost of the Wastewater Treatment Plant that he wanted to clarify. The total cost for the 10-year Capital Improvement Plan is \$38,233,975. The Wastewater Treatment Plant improvements will cost \$29,723,150.

***A motion was made by Alderman Chuck Dickson, seconded by Alderman Anthony Sutton, to approve the 10-year plans for water and sewer for the Town of Waynesville as presented. The motion passed unanimously.***

6. Consider amending Sections 2.1 and 2.3 of the Town’s Charter to Change the name of the Governing Board to that of “Town Council” and Change the Method of Election to that of “Staggered Terms”.
  - Rob Hites, Town Manager

Town Manager Rob Hites reported that during the 3/28/23 meeting, the Board of Aldermen adopted a “Resolution on Intent” to amend section 2.1 Governing Body and Section 2.3 Board of Aldermen Term of Office. He added that the amendments would change the name of the Governing Body from “Board of Aldermen” to “Town Council” and change the “Term of office from electing four Board members every four years to electing two Board members every two years for four-year terms. During their 4/11/23 meeting, Mr. Hites said the Board conducted a public hearing in accordance with NC GS 160A- 102 to receive public input on the charter amendments. Mr. Hites said that no earlier than the next regular meeting of the Board they may consider amending the Town Charter through adoption of the attached ordinance. (Reference in State statute is GS 160A-101 (3) and (4)). He said that at tonight’s meeting, the Board may approve the ordinance if they wish to do so.

***After considering input from its 4/11/23 Public Hearing, a motion was made by Alderman Anthony Sutton, seconded by Alderman Chuck Dickson, to amend Article 2, Sections 2.1 and 2.3 of the Town’s Charter to change the name of the Governing Board to that of “Town Council” and change the Term of Office to electing two members every two odd numbered years for four-year terms. The motion passed unanimously.***

***“Board of Aldermen”, “Alderman” and “Alderwomen” will now be referred to as “Town Council” and “Councilmember”, as per the previous motion.***

## **G. NEW BUSINESS**

7. Application for “Clean Energy Fellowship”
  - Councilmember Chuck Dickson & Town Manager Rob Hites

Councilmember Chuck Dickson reported that the “Fellowship” is a Federal Program that compensates an employee \$50,000 per year for up to two years, to “conduct energy audits of Town properties, researching how to achieve the carbon-neutral goal for 2050, planning for energy efficient buildings and municipal fleet and researching grant opportunities”. The focus of Waynesville’s program will be on energy efficiency, saving money, and planning for the move to electrification of the whole Town operation. Town Manager Rob Hites clarified that the position will be an employee of the Federal Government, but the Town will get to hire the employee. Councilmember Dickson said that the employee would be working on energy retrofits for low-income homes in Waynesville.

***A motion was made by Councilmember Chuck Dickson, seconded by Councilmember Anthony Sutton, to approve the Town applying for the Fellowship. The motion passed unanimously.***

8. Phase I Electrical Relocation for Russ Avenue Widening Project U-5839
  - Jeff Stines, Public Services Director

Public Services Director, Jeff Stines, reported that The Russ Avenue Widening Project is set to begin in August 2023. He said the Phase I electrical relocation portion of the project begins at the intersection of Walnut Street/Russ Avenue and extends to the intersection of Russ Avenue/Howell Mill Road. Mr. Stines said it also includes installation of numerous new poles, cabinets, and other appurtenances to include directional bores.

***A motion was made by Councilmember Anthony Sutton, seconded by Councilmember Chuck Dickson, to award the Phase 1 electrical construction portion of the Russ Avenue widening project U-5839 to Haynes Electric in the amount of \$705,830.00. The motion passed unanimously.***

9. Oakdale Road Property Upset Bid
  - Jesse Fowler, Assistant Town Manager

Assistant Town Manager, Jesse Fowler, reported that at the January 10, 2023 meeting, the Town Council received an offer by Mr. Nelson Amsler to purchase from the Town of Waynesville a property located on Oakdale Road identified as parcel PIN #8615-33-9978. The Town has followed the appropriate procedures as mandated in North Carolina General Statutes 160A-269 in order to sell this property via the upset bidding process. A final upset bid of \$69,615.13 has been received by the Town Clerk for this property being .83 acres in size. Mr. Roger King, on behalf of Jeff Powell, deposited 5% (\$3,480.76) of this bid on April 4th, 2023. This property exists currently with public water, sewer, and electrical infrastructure on site. The Town will require easements for all such utilities prior to accepting a winning bid. Mr. Fowler reminded the Board that the Town has received an appropriate bid for this property, but the Town reserves the right to deny any bid.

***A motion was made by Councilmember Chuck Dickson, seconded by Councilmember Anthony Sutton, to approve staff to move forward with procuring utility easements on parcel PIN #8615-33-9978 and to accept the final bid in the amount of \$69,615.13. The motion passed unanimously.***

10. Review of Proposed 23-24 Budget
  - Misty Hagood, Finance Director

Finance Director Misty Hagood reviewed the proposed General Fund Budget for fiscal year 2023-2024, totaling \$17,266,050. That is an increase of \$186,000 from the current year's budget. She said there will be no property tax increase in the proposed budget, and she suggested a 5% sales tax increase. Ms. Hagood would like to see the Fund Balance remain where it is; the Town should not spend any more of it. Expenditures included increases in supplies, gas, tires, and electricity. The Town also added a Human Resources position, a Grants Manager position, and a part time Downtown Waynesville Commission position. She reminded the Council that ARP funds are being used this year and no more will be available after this year. Ms. Hagood said that the General Fund Capital Requests total \$3.5 million.

Councilmember Anthony Sutton said Town Council made a commitment to get body and vehicle cameras for the Police Department, so he wants to keep that \$88,000 in the budget for those cameras. Councilmember Freeman agreed and said that cameras provide transparency and safety. Chief Adams added that he has applied for a grant for \$30,000 for body cameras, which should help.

Ms. Hagood said that there were plans for renovating spaces to accommodate the new Grant Manager and provide bunk space for the Fire Department.

Ms. Hagood presented proposed rate increases: 7% Water, 10% Sewer, 10% Electric (the Town is still waiting on the Cost of Service study results to finalize). Councilmember Sutton pointed out that that rate is still lower than Duke Energy.

Ms. Hagood reported that some of the Capital Requests from the Enterprise Fund and Garage Fund include a bed for the garage utility truck, which has been ordered in the current fiscal year, and \$400,000 for Allison Acres subdivision, and \$600,000 for the Walnut/Russ Avenue project. Capital Requests from the Water Fund include pump station upgrades and equipment needs. Capital Requests from the Sewer Fund include a Sewer Vac truck.

Ms. Hagood reported that the Town has spent \$3,231,911 in ARP Funds, with only \$609 left to spend.

Ms. Hagood reported on proposed salary increases:

- Employment Cost Index for state & local government employees calendar year 2023 is 4.6%
- CPI for last 12 months ended March 2023 is 5%
- Included 2.5% Career Track for all employees and 5% (every 2 years) for Police total cost = \$136,300
- Included 2% COLA = \$109,054
- Included \$2 per hour increase for all part-time employees

Assistant Town Manager, Jesse Fowler, reported that they have been looking at pay inequities in the Town. Recently, he had a meeting with the Town's insurance providers and there will be almost a 0% increase in cost of benefits. He added that as of now, the Town covers 75% of dependent insurance, which is extremely rare for Towns to do (usually they pay 0-50%). Pay has been an issue with the rising cost of living. Mr. Fowler reported that with the Town paying for 65% of dependent insurance, that would provide about \$93,000 to be used toward raises. Mr. Fowler said it's up to the Council to make that decision. He said that currently, for the family insurance plan, the employee pays \$148.26 per paycheck. If the Council approved the insurance adjustment, employees would then pay \$207.57 per paycheck. Mr. Fowler said that if the Town were to



increase the electric rate another 0.5%, that could help fund pay increases to the Electric Department, which is currently grossly under market.

Councilmember Feichter said he would prefer not to see a decrease in the amount the Town pays for dependent insurance. Mr. Fowler said 35 employees would have to pay more for insurance out of 210 employees total. He said that staff is struggling to find a way to give much need raises to staff without reducing how much the Town pays for dependent insurance.

Councilmember Sutton asked if the Town could increase the sales tax another 0.5%. Ms. Hagood said it's hard to predict trends, and all signs point to a recession, which would negatively impact sales tax revenue.

Councilmember Dickson said it is not fair to single employees who are paying for benefits for employees who have dependents.

Mr. Fowler said during the listening sessions, employees acknowledged the benefits are good, but what they really need is more money.

Town Manager Rob Hites said that he had suggested a 2-cent increase on the tax rate in the past, and because taxes were never raised, the Town is not able to give raises unless cuts are made in other places.

Mr. Fowler said he could present a 5% reduction in insurance benefits at the next meeting. Council asked for staff to come back at a later meeting and see where they could get money for raises without decreasing how much the Town pays for dependent benefits.

## **H. COMMUNICATION FROM STAFF**

### **11. Manager's Report**

- Town Manager, Rob Hites

Town Manager Rob Hites reported that the Town has broken ground on the Wastewater Treatment Plant. He recommended an official groundbreaking to which the Councilmembers agreed. A date will be announced shortly.

### **12. Town Attorney Report**

- Town Attorney, Martha Bradley

Nothing to report.

## **I. COMMUNICATIONS FROM THE MAYOR AND BOARD**

Councilmember Feichter said the Local Government Committee meeting in Raleigh went well, despite Representative Pless not showing. He said that the Committee still allowed him and the other Councilmembers to speak on their opposition to HB264.

Mayor Gary Caldwell reminded the Council that there will be a Special Called Meeting on Friday, April 26<sup>th</sup> in the Public Services Training Room located 129 Legion Drive at 11:30am.

**J. ADJOURN**

***A motion was made by Alderwoman Julia Freeman, seconded by Alderman Chuck Dickson, to adjourn at 7:43pm. The motion passed unanimously.***

ATTEST:

\_\_\_\_\_  
Gary Caldwell, Mayor

\_\_\_\_\_  
Robert W. Hites, Jr. Town Manager

\_\_\_\_\_  
Candace Poolton, Town Clerk