



MINUTES

**Town of Weaverville
State of North Carolina**

**Town Council Special-Called Meeting
Tuesday, May 21, 2019**

The Town Council for the Town of Weaverville met for a Special Called Meeting on Tuesday, May 21, 2019, at 6:00 p.m. in Council Chambers within Weaverville Town Hall at 30 South Main Street, Weaverville, North Carolina.

Council members present were: Mayor Al Root, Vice Mayor/Councilman Doug Jackson, Councilwoman Dottie Sherrill, Councilman Jeff McKenna, Councilman Andrew Nagle and Councilman Patrick Fitzsimmons.

Staff present was: Town Manager Selena Coffey, Town Attorney Jennifer Jackson, Town Clerk Derek Huninghake, Police Chief Ron Davis, Fire Chief Ted Williams, Town Planner James Eller, Finance Officer Tonya Dozier, Water Treatment Plant Supervisor Trent Duncan and Public Works Director Dale Pennell.

1. Call to Order

Mayor Root called the meeting to order at 6.00 p.m.

2. Continued Discussion on General Fund Budget

Councilman Nagle mentioned that he would prefer not to use the word “placeholders” for the \$25,000 for the sidewalks and would rather just allocate the funds to Public Works Director Dale Pennell to use in his discretion. Also, he wanted to cover the math on the raises for the part-time firefighters.

Town Manager Coffey mentioned that the word “placeholders” will be taken out. Also, she is happy to remove the \$25,000 from the budget because she believes that our Public Works Department can do this study.

Fire Chief Williams discussed the calculations used to come up with the amount of requested funds for the part-time firefighters raise. This explanation sheet is attached.

Vice Mayor/Councilman Jackson asked what the local area fire departments pay part-time firefighters. Councilwoman Sherrill wondered if there was a lot of turnover at the Fire Department. Fire Chief Williams noted one particular Fire Department, Reems Creek, who pays part-time firefighters \$15/hr and as for turnover, it is very minimal.

3. Review of Manager’s Proposed Water Fund Budget

Town Manager Selena Coffey covered the proposed FY 2019-2020 Water Fund Budget with Town Council from the PowerPoint handout that is attached. Revenue highlights include a proposed 5% water rate increase that is in accordance with the Withers-Ravenel study and an increase in system development fees (SDF), due to projected growth.

Councilman McKenna asked about the system development fees. Town Attorney Jackson mentioned that this was enacted last year by Council, after the required technical study was conducted by Withers-Ravenel. The water system development fees are calculated as the equity in the water system assets and is a buy-in figure, meaning a new users proportional cost for the infrastructure that has already been built.

Town Manager Coffey mentioned that the Water Fund Net Position is at \$2.9 million and covered the highlighted expenditures with the main one being an additional \$75,000 in match funding for the Town's main waterline running through North Buncombe Middle School to additional water customers off Dula Springs Road. Mayor Root mentioned that due to us having customers on the other side of the waterline, the replacement of an old Town water line, and the Board of Education asking for help for a school we have a stake in are reasons for the match funding. Councilman Nagle noted that we have to be careful, so that developers don't come to the Town wondering why we don't help fund their water lines. Town Attorney Jackson mentioned that a good outcome of the process would be that the Town's waterline is replaced and we get recorded easements and good locations of the waterlines.

4. Discussion of Water Treatment Plant Expansion

Mayor Root noted that there have been numerous conversations about it and Council is in line to move forward with the expansion. Council is ready to commit to it and should get it done. Town Manager Coffey mentioned that she would like to have Town Council take some action in that regard and the Land Comprehensive Plan is largely dependent on a decision to move forward with the expansion.

Councilman Nagle wondered where we were on the lengthy timeline that was discussed earlier, since Council has already committed to moving forward with the waterline on Ollie Weaver Road.

Councilman McKenna asked where the Town was on the percentage figures of utilization and water usage. Public Works Director Dale Pennell mentioned that according to the state, when the water usage is reaching 80% of capacity, the Town should be beginning the process or already begun the process to resolve this. However, when reaching 90% capacity, the plan should be in action. As of right now the Town is operating at 45%, but if the water commitments and future infill developments are accounted for, then we are around the 74% range. Director Pennell also mentioned that the Town had a 7 year agreement with the Town of Mars Hill for an emergency supply of 200,000 GPD that has expired, but that the previous Town Manager and current Town Manager of Mars Hill have expressed a desire to revisit the issue and possibly consider buying additional water.

Vice Mayor Jackson noted that instead of just paying a water bill, the Town of Mars Hill might want to help with the cost of expanding the water treatment plant. Councilman Fitzsimmons noted that there are grants available for regionalizing water resources as well.

Mayor Root asked what the Town was committed to at this time and how can we get to where this can't be undone by new Councilmembers who are elected and come in trying to drop this expansion. Town Attorney Jackson mentioned that the only project that has been approved by Town Council is the waterline extension project, so in order to go forward with the water treatment expansion project Council would need to have a vote giving authority for staff to enter into contracts on engineering for the expansion.

Councilman Nagle noted that the loan has been approved for the waterline extension project, but how can we get it so that it can't be undone. Town Attorney Jackson mentioned that it is tricky, but staff can draft a resolution that shows Council is approving the expansion of the plant, adopt a capital project ordinance that sets out a rough budget, and staff can start seeking engineering contracts to get it started. However, until Town Council is under contractual obligation it can be brought back. The Town Attorney and Town Planner James Eller have included this in the comprehensive plan assuming it is going to happen, but if it isn't then they need to walk some zoning regulations back to slow development.

There was consensus for staff to bring back a resolution approving the expansion of the water treatment plant at an upcoming meeting.

5. Next Steps

Town Manager Selena Coffey mentioned that the next step on the budget will be to hold the Public Hearing on the Tuesday, June 11, 2019 at 6 pm at the Town Hall. She plans to briefly cover a Power Point that will include the additional vehicle for the Police Department, the removal of the \$25,000 for sidewalks, and the balance of the Fund Balance.

6. Adjournment

Vice Mayor/Councilman Jackson made the motion to adjourn; Councilwoman Sherrill seconded and all voted to adjourn the Council's meeting at 7:20 p.m.



Derek K. Hunninghake, Town Clerk



APPROVED

FY 2019-2020 Proposed Budget

May 21, 2019 Budget Workshop

Water Fund Revenue

Description	FY 2019 Amended Budget	FY 2020 Proposed Budget	% Variance
Water Revenue	\$1,845,000	\$1,968,750	6.7%
Miscellaneous Revenue	\$17,000	\$15,000	-11.8%
Water Taps	\$35,000	\$42,000	20.0%
System Development Fes	\$130,000	\$270,000	107.7%
Fees for MSD Collection	\$50,000	\$55,000	10.0%
Interest Water Revenue	\$38,000	\$50,500	32.9%
Appropriated Fund Balance	\$144,128	\$0	-100.0%
TOTAL	\$2,259,128	\$2,401,250	6.3%

Highlights:

- **5% water rate increase proposed in accordance with Withers-Ravenel study**
- Increase in system development fees due to projected growth

Water Fund: Fund Balance

Water Fund

Unrestricted Net Position as of 6/31/2018	\$2,899,609
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Water Fund Expenditures

Description	FY 2019 Amended Budget	FY 2020 Proposed Budget	% Variance
Personnel	\$1,004,634	\$1,041,653	3.7%
Operational	\$614,125	\$598,300	-2.6%
Capital	\$40,000	\$213,000	432.5%
Capital Improvements	\$381,100	\$180,000	-52.8%
Contingency	\$15,000	\$15,000	0.0%
Debt Service	\$204,270	\$203,974	-0.1%
Transfer to Capital Reserve	\$0	\$149,323	100.0%
TOTAL	\$2,259,129	\$2,401,250	6.3%

Highlights:

- Includes \$80,000 for 2 pump rebuilds, \$104,500 for truck and dump truck replacement, \$28,500 for an air compressor replacement, \$40,000 for radio read meters, \$65,000 for the replacement of waterlines at Coleman Street and Shuford Road, as well as the abandonment of an asbestos waterline
- Includes \$75,000 in match funding for the main waterline running through North Buncombe Middle School to additional water customers off Dula Springs Road

Any questions?

- Public Hearing on Budget on Tuesday, June 11 at 6:00pm
- Adoption of Budget on Monday, June 17