

June 14th, 2018

At the Regularly Scheduled Meeting of the Mayor and Board of Aldermen of the Town of Canton held at the Walter Clark Board Chambers, June 14th, 2018 at 6:30pm with Mayor Smathers and Aldermen/women Mull, Hamlett, Smith, and Markey present, the following proceedings were held.

A. Call to Order

Mayor Smathers called the meeting to order at 6:30 p.m.

B. Roll Call

Mayor Smathers stated the Town Manager, Town Attorney and Town Finance Officer were present.

C. Invocation/Pledge of Allegiance

Pastor Voss gave the Invocation, Alderman Markey led those present in the reciting of the Pledge of Allegiance.

D. Approval of Minutes: May 24th, 2018

Alderwoman Mull made a motion to approve the May 24th minutes as presented. Alderman Hamlett seconded the motion with all members voting to approve the minutes as amended.

E. Mayor Comments

Mayor Smathers thanked the folks in attendance for coming to the meeting.

Mayor Smathers commented on the pool grand opening stating that this was a well-attended and organized event.

Mayor Smathers read a letter commending the beautification with regards to the plants and decorations of the Town from Susie and Skeeter Curtis. Mayor Smathers also read a letter from Paul Taylor and Teresa Mehaffey thanking and recognizing the Street and Sewer Departments for their expedient and professional services with a fallen tree and a backed-up sewer line at their home on Bailey Street. Mr. Taylor stated that this type of service could not be found anywhere else.

Mayor Smathers reported that the Canton Library had kicked off their summer programs for kids stating one of the exciting things was the Dolly Parton imagination book program that provides books to kids that may not be able to afford them otherwise.

Mayor Smathers congratulated Mason Fox on recently being drafted with the Padres baseball organization.

F. Aldermen/women Comments

Alderman Markey commented that it was nice to see the crowd in attendance and whether everyone agrees or not, that he felt confident that all wanted the betterment of Canton.

Alderman Hamlett thanked everyone for attending the meeting. Alderman Hamlett also reminded those in attendance that Pisgah's graduation was on the upcoming Saturday in the Ramsey Center at Western Carolina and students should be commended for this accomplishment.

Alderwoman Mull thanked everyone for their interest in Canton. Alderwoman Mull thanked the Pisgah FFA group for cleaning out and refurbishing the plants in the flower beds at the Local 507 Union Hall. Alderwoman Mull stated that this was an outstanding group of kids and they worked tirelessly to give back to their community.

Alderwoman Smith thanked Town staff for the pool opening stating that it was well organized, attended event, and has been packed since. Alderwoman Smith stated that all the compliments from Citizens regarding the Town was due to the staff doing a great job and that if you are out and see staff working to just stop and thank them for the job that they do.

Mayor Smathers asked to move new business item proposed budget to this part of the meeting.

G. New Business

1. Proposed 2018-2019 budget presentation

Manager Burrell went over the schedule of revenues commenting that Wanda Lurvey was doing a great job with tax collections. Manager Burrell explained the revenue from the ABC Board. Manager Burrell explained that the addition of the SRO officer would be refunded by Haywood County except for the Town of Canton providing a police car. Manager Burrell stated that the Water and Sewer was the largest source of revenue with the utility billing. Manager Burrell stated that Recreation was a big transfer from the general fund, however stating that new avenues of revenue were being explored as well as partnering with Haywood County to help with IP Sports Complex programming. Manager Burrell explained the proposed \$30.00 motor vehicle fee

and the allocation of funds had to be \$5.00 to the general fund, \$5.00 to the public transportation systems if you had one, and the remainder for street improvements. Manager Burrell stated that the reasoning is because street improvements are what we hear comments about daily and this revenue would allow us to accomplish more work regarding these issues. Manager Burrell explained the breakdown of the different departments expenditures. Manager Burrell stated that the General Government section included salaries, insurance, etc. The Public Safety was Police, Fire, School Resource Officer, and training simulator. The Street Department was lights, dump truck, sidewalks, street sweeping machine and a new Horticulture Department. The Powell Bill Fund was state funds that would be used for Newfound Street, 19/23 Project, and other larger projects. The Museum would be historical markers, building plaques, and non-department debt. The Water and Sewer Department would be Filter Plant upgrades, Spruce Street Project which would be offset by \$110,000 due to rate increases. The Recreation Department would be the pool payment, Camp Hope improvements, Colonial roof repair, Armory roof repair, International Paper complex, boat launch, or possibilities at Rough Creek. Manager Burrell stated that he would like to discuss a cost of living and/or merit raises for employees during the discussion with the Board. This concludes the summarization of the 2018-2019 proposed budget.

2. Public Hearing on the 2018-2019 proposed budget

Alderman Hamlett made the motion to enter the Public hearing at 7:26 p.m. Alderwoman Mull seconded the motion with all members in favor to open the public hearing. Mayor Smathers stated that each person has 3 minutes to speak and to please give your name and address before speaking. After all public comments were heard the Board would have discussions with the Manager and Finance Officer regarding the 2018-2019 proposed budget.

- Ms. Anita Churm asked where the Powell Bill money came from what it could be used for? Manager Burrell explained that the State provide a monetary amount based on population and number of roadways that you have within a municipality. Manager Burrell also explained that this could only be used for such things as street repair, sidewalks, etc., however, was usually earmarked for large projects that would not have to be pulled from the general fund. Manager Burrell also stated that it had been discussed to eliminate the Powell Bill funding in the future.
- Pastor Voss of 139 Newfound Street stated that the motor vehicle fee would affect the citizens on a fixed income

making it harder for them as they have no way to increase their income amount. Also, being the Chaplain of the Canton Police Department and riding with some of the officers you see a lot of citizens that are underemployed that work but have a hard time making it on their income. Pastor Voss also stated that he was in agreement with employees receiving a raise in this proposed budget.

- Steve Pressley of 115 Pisgah Drive inquired about the roundabout project and if the Town had any expenses in this project. Manager Burrell stated that this project was started around 2007 with the Town being responsible for acquiring the right-of-way properties around the \$60,000-dollar range. The North Carolina Department of Transportation (NCDOT) pushed back this project to fund other projects based on priority and safety. About a year ago the North Carolina Department of Transportation decided to proceed with this project and at this point no monies have been spent since 2007 on this project. Mr. Pressley expressed the safety concerns in this area. Mr. Pressley also stated that he would like for more to be done enforcing the compression brake "jake brake" usage within city limits on Pisgah Drive. The final request from Mr. Pressley was that Town employees mow or weed eat up to his property line instead of leaving a foot or so not mowed.
- Carl and Tiffany Cortright of 15 Allen Street stated that a lot of folks would be talking about the motor vehicle fee but he wanted to start with stating that there were some good things in this proposed budget such as the planning and zoning fees to help with the revenue side of things. Mr. Cortright stated that he has questions regarding the motor vehicle fee and where this money would be going? What would the \$5.00 transportation money be used for?

Mr. Cortright stated that the sidewalks on Newfound Street are being parked on and why is law enforcement not ticketing these folks to keep them from damaging the new sidewalks? Mrs. Cortright stated that this was a problem on North Main Street, as well. Mr. Cortright stated that the recreation facilities operate in a deficit every year. Mr. Cortright asked why the kitchen could not be utilized to help with the rental of the Armory? Mr. Cortright stated that Pickin' in the Park money should be used for concerts downtown to attract a more diverse crowd and generate foot traffic for the businesses. Mrs. Cortright asked why the Town does not sell alcohol in the Theatre at events to help to generate revenue. Mrs. Cortright stated that we needed to be bolder. Mr. Cortright stated that the back and forth on facebook he was sorry for some of that but

that could be alleviated if they knew what was going on. Mr. Cortright stated that Alderwoman Smith and Alderman Markey both had facebook pages and why could they not give information about ideas or discussion on what was going on? Alderman Markey stated that the work-sessions were open to the public. Manager Burrell responded with regards to the Theatre, Armory, and Annex relaying that what most people don't realize is that we pay a lot of money for flood insurance for these facilities. Mr. Burrell stated that he and this Board agreed to seek different ideas on how to better market and utilize these facilities but now they are seeking what would be the best uses so that we don't throw good money after bad money. Manager Burrell stated that several conversations had taken place with Mountain Projects, as well as this Board to see how the kitchen could be utilized for rentals. Mayor Smathers stated that the Manager scared them during the work-session stating that all the ideas that this Board wanted to see would have to be either funded by tax increases or the general fund. Mayor Smathers stated that discussions with the County to help with booking the IP Sports Complex were underway and that a lot of different avenues were being explored to try and offset the recreation deficit. Manager Burrell stated that he would also address the question regarding the \$5.00 for the transit from the motor vehicle fee stating that only applied if you had a transit system. For example: if the motor vehicle fee were \$15.00 then \$5.00 dollars would go to the general fund and \$10.00 would go to streets because we do not have a transit system.

- Neal McCracken 108 Newfound Street inquired how much the Town paid for Pickin' in the Park? Manager Burrell stated it was roughly \$10,000 per year. Mr. McCracken stated that if you cut Pickin' in the Park a lot of citizens would be very upset. Mr. McCracken stated that you have to have a business and a product to drive walking traffic.
- Roy Taylor 48 Elizabeth Street inquired who would have to pay this motor vehicle fee? Would it be businesses, car lots, or just residents? Manager Burrell stated that it would be any registered vehicles unless you have exclusions such as vehicles that are exempt from registration, trailers, campers, car dealerships, and government. Mr. Taylor wants to know who would be collecting this fee? Manager Burrell stated that it would be collected by the DMV when you register and/or renew your vehicle tag.
- Lynn Pressley stated that they have kids so they have several vehicles and this would be expensive especially with all the other fees that are due with them being in high

school and other activities. This would be detrimental to their budget that they live on.

- Terry Trull 46 Liberty Drive stated that he was against the fee because he has a private drive and he would then be paying basically to park on his driveway he paid to have paved because the Town refused to help him with runoff water from other Town streets. Mr. Trull also stated that when the ABC Store was voted on that it was promised then that this would take care of all the potholes and he would like to know where that money was being used?
- Mr. Troy Mann of 24 Rhoda Street inquired as to how many vehicles would pay this fee? Manager Burrell stated around 3200. Finance Officer Walker stated that she spoke with the County earlier in the day and it would be an estimate as they have data including trailers and other exempt vehicles so until it is passed and submitted the number will be an estimate. Manager Burrell stated that around 3,000 was a good estimate. Mr. Mann asked if this would go into Powell Bill? Manager Burrell stated that it would come into the Street Department and would be dispersed to street paving. Mr. Mann inquired where the money would come from to do the bicycle path on 19/23? Manager Burrell stated that it would either come from Powell Bill or the general fund. Mr. Mann stated that he would hope that the Town could find the \$90,000 somewhere else and not implement the motor vehicle fee.

Mr. Mann stated the second question he had was regarding Recreation deficit, confirming it was around \$600,000 and he understands the struggle with Recreation and that he feels it would be foolish to ask the County for help to offset this deficit as they retracted offers when I was a Board member.

- Mr. Phil Smathers of 4 Autumn Street stated that he pays a lot of taxes on his vehicles and where does this money go? Manager Burrell stated that this money goes into the general fund. Mr. Smathers agrees that the streets need to be repaired.
- Debbie Trull of Orchard Street stated that she is not in favor of the \$30 motor vehicle fee and asked the Board to consider a lower amount. Ms. Trull stated that the weed eating at the walking trail was not good enough.
- Kelly Johnson of Boydston Street feels that if the motor vehicle fee is implemented then residents are being double taxed on their vehicles. Mr. Johnson asked if sidewalks

were really needed on 19/23?

- Mr. David Cutshaw of High Street inquired if a sales tax could be implemented, that way it would be everyone paying that drives on the roads. Manager Burrell stated that he does not feel that a sales tax would work but would check into this feasibility but also stating that he believes it would have to be more of a bond type implementation.
- Jimmy Flynn of 30 Johnson Drive stated that he was against the \$30 motor vehicle fee stating this was the most unfair fee to the residential citizens of Canton. Mr. Flynn stated that Powell Bill funds are not well spent when you do the speed deterrents downtown with all the sidewalks to make the downtown look better and it does but this only benefits the businesses not the residents. Powell Bill money should be used on the streets. The paving of the lot across from Bethel Christian Academy was not necessary and certainly not the sidewalks down 19/23. This is outside the corporate limits and tax dollars should not be spent for this. Mr. Flynn stated that why are we running pumps all year at the swimming pool? Manager Burrell stated that it is heated and the water must circulate all year round as it was engineered. Mr. Burrell applauds the raises for the employees. Mr. Flynn stated that the second recreation position and the Assistant Manager position are not needed. The Manager and his assistant are doing a great job. Mr. Flynn stated that he applauds not funding the broadcast of Pickin' in the Park, however, thinks that this is a good event and staff should figure out how to pass the hat or receive some type of funds for the event since the venue is free. Mr. Flynn stated that the Board should do what the people want and they don't want the vehicle fee. Manager Burrell stated that the fund balance had been much lower in the past and one of the biggest problems was in the past fees were never raised and everything was offered for free. Manager Burrell stated that he disagrees with doing nothing with economic development that it is important not to be stagnant. Mr. Flynn stated that he agrees with moving forward but what about a downtown association where they pay a tax that helps the downtown businesses or add a 1 cent in the ad-valorem tax and spread it to everyone.
- Mr. Phil Smathers what about the cars that are registered in other states?
- Mrs. Kate Brown of High Street stated that she is against the budget for the horticulturist. Mrs. Brown stated that the Appearance Committee was never paid for decorating and doing plantings all over Town on a \$10,000 budget.

- Mr. Ed Underwood of 20 Hampton Heights stated that the streets and sidewalks need repair. Mr. Underwood asked why is the Powell Bill Fund so high? Can we not spend the Powell Bill Fund down before we start implementing other taxes?

Board Comments:

- Alderwoman Smith thanked everyone for coming to voice their opinions and they will be taken to heart. Alderwoman Smith stated that it is a privilege to be on the Board. Alderwoman Smith stated that Manager Burrell shattered all of their new ideas during the budget work-session for what they would like to implement. Alderwoman Smith stated that Canton has made a lot of progress because we have focused and now we have the opportunity to focus on sustainability of that success which is a part of their responsibility.
- Alderwoman Mull thanked everyone for coming and voicing their thoughts stating that it is okay to disagree but not be disagreeable and the Board would take all the comments into consideration and she appreciates everyone for not being disagreeable.
- Alderman Hamlett thanked all in attendance for coming. Alderman Hamlett stated that he has not made up his mind and will take all the comments into consideration. Alderman Hamlett stated that the prior Board and the previous Board opted to decline a salary because they do not want to be self-serving and do what is best for Canton and that taxpayers get the biggest bang for their buck.
- Alderman Markey stated that he is grateful for being elected to this position. Alderman Markey stated for example that the Board could save money by making a donation to the Senior Center, however, that's not really what it is about. The important issue is what it does for the community as a good event that the people enjoy. Recreation is a losing proposition money wise but the value comes when you have recreation for the families and providing them a good life, which makes people want to work and raise their families in the community. Alderman Markey agreed that we need to find ways to cut costs where we can. Alderman Markey stated that his first reaction to the motor vehicle fee was not to be in favor of the fee at the highest point right out of the gate, however, if it serves the people and helps to improve the infrastructure then I would be for it. Alderman Markey commented that with that said I don't feel like we

presented a compelling argument as to why the fee should be imposed. Alderman Markey stated that he is not sure that we have a sure plan.

- Mayor Smathers stated that the one thing that he is proud of in this proposed budget is the Spruce Street improvements. Mayor Smathers said he was proud of the economic development push and the incentive grants that state that the Town of Canton is open for business as well. Mayor Smathers stated that we have a major street and pothole repair problem all over Town. The Board will have to discuss and decide what the plan of action will be if we decide to implement the fee or not. Mayor Smathers commended this Board on being able to think outside the box and try new things.

Alderman Hamlett made a motion to close the public hearing at 9:02 p.m. Alderwoman Mull seconded the motion with all members voting in favor of the motion.

The Board took a 5-minute break.

H. Reports from the Manager

Manager Burrell presented the cash report.

Manager Burrell updated the Board on the status of the Canton Bicycle and Pedestrian Plan. Manager Burrell stated that the proposed bike and pedestrian plan will be brought to the Board within the next month.

Manager Burrell reminded the Board the Shawn Blanton Remembrance motorcycle ride would be Saturday June 19th ending at the Southern Porch around 3pm.

Manager Burrell reminded the Board that Saturday Bearwaters would be celebrating their 1-year anniversary and they would have tubing and other activities at the brewery all day.

I. New Business

1. Proposed 2018-2019 Schedule of Fees

Manager Burrell presented a schedule of fees. The fees are water rates, tap fees, planning and zoning fees, etc. The generated revenues are included in the proposed 2018-2019 budget.

2. Budget Amendments

Manager Burrell presented the Board with year-end budget amendments. After a brief discussion, Alderman Hamlett made a motion to approve the budget amendments. Alderwoman Mull seconded the motion. All members voted in favor of the motion.

3. Haywood County Hazardous Weather Communication Plan

Manager Burrell presented the Board with the Haywood County Hazardous Weather Communication Plan. Manager Burrell made the Board aware that he had reviewed the plan and it met with his approval. After a brief discussion, Alderwoman Mull made the motion to endorse the Haywood County Hazardous Weather Communication Plan as presented. Alderwoman Smith seconded the motion. All members voted in favor of the motion.

4. Set a Public Hearing Date

Manager Burrell made the Board aware that they would need to set a public hearing regarding the proposed motor vehicle fee and the consideration of the adoption of the ordinance if they chose to at that time. Alderman Hamlett made a motion to set a public hearing and consider the adoption of the motor vehicle fee ordinance for June 28th at 6:30 pm. Alderwoman Mull seconded the motion. Alderwoman Smith asked the Manager to prioritize a list to have them for the next meeting. Manager Burrell explained that this would be difficult until we have a definite amount of revenue. Alderman Markey stated that he disagreed with this stating that the \$30 dollars is being proposed and he does not feel like we proved our case because it was too general. Manager Burrell stated that he can give you a list of top 10 streets but more revenue information would be needed to be more specific. Alderman Markey stated he respectfully disagrees. Alderman Hamlett, Alderwoman Mull, and Alderwoman Smith voted in favor of the motion. Alderman Markey voted against the motion. Motion carried 3 to 1.

Alderman Markey inquired if raising the water rates was for a specific reason? Manager Burrell stated it is based on the Spruce Street project and requirement for the loan on that project.

Alderwoman Mull inquired about the cola and merit raises for employees and how the Board would like to see it broken out. Manager Burrell recommended that everyone get a 1% cost of living and the possibility of up to 2% merit raises. Alderman Hamlett made a motion to approve the 1% cost of living raise and up to 2% merit based raise for the employees. Alderwoman Mull

seconded the motion. All members voted in favor of the motion.

The next Regularly Scheduled meeting will be held on June 28th at 6:30 p.m. in the Walter Clark Board Chambers.

J. Adjournment

There being no additional business, Mayor Smathers adjourned the Meeting at 9:49 p.m.

Melisa Stinnett, Town Clerk