

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS**  
**December 8, 2008 – REGULAR MEETING**

The Board of Commissioners of Transylvania County met in regular session on Monday, December 8, 2008 at 7:00 p.m. in the large courtroom of the Transylvania County Courthouse.

Commissioners present were Lynn Bullock, Chairman Jason Chappell, Mike Hawkins, Daryle Hogsed (late arrival) and Vice-Chairman Kelvin Phillips. Also present were County Manager Artie Wilson, County Attorney David Neumann and Clerk to the Board Trisha McLeod.

Media: *Transylvania Times* – Mark Todd

There were approximately 13 people in the audience.

**CALL TO ORDER**

Chairman Jason Chappell presiding called the meeting to order at 7:20 p.m.

**WELCOME**

Chairman Chappell welcomed everyone to the meeting and thanked everyone for their patience as the meeting was running behind.

**PUBLIC HEARING**

**PROPOSED RELOCATION OF THREE UNIDENTIFIED GRAVES POSSIBLY BELONGING TO THE WILLIAM A. BATSON FAMILY**

The Manager reported that three unidentified graves are located on property owned by Mark and Judith Mullins in Connestee Falls. The Mullins would like to plan for the disinterment, removal and respectful reinterment of the graves to a local cemetery. The abandoned and unidentified graves are marked with crude head and foot stones bearing no identifying characteristics as to the possible identity of their origin. Through consultation with the Transylvania County Cemetery Board and a local historian, the most likely but uncertain identity of the graves are those of William Asbury Batson and family, who moved to the Connestee Falls area some time after the Civil War. Three of the closest known relatives to the Batson family have responded to a letter sent out by Neumann and Associates Law Firm and all have agreed to the proposed reinterment of the three graves to Pisgah Gardens Cemetery in Brevard.

Attorney Curtis Potter spoke on behalf of the Mullins. He explained that this process began with the Mullins' desire to build an addition to their home. They discovered that the addition would be encroaching upon what they were unsure of at the time to be graves. The Connestee Falls Architectural Review Committee tentatively approved their

home addition as long as they could deal with the graves in some way. After unsuccessfully redesigning their home addition plans, they decided upon relocating the graves, although they were not positive if in fact they were graves. The Mullins began researching the matter by first hiring an archaeological consultant from Warren Wilson College to help determine if the sites were graves. The consultant's conclusions were inconclusive although the stones were consistent with the type of head and foot stones used as grave markers during that period. At that point, the Mullins decided to treat the sites as graves and move forward with the legal process to have them relocated which entails coming before the Board of Commissioners and requesting permission to move the graves.

The Mullins and Mr. Potter have also been consulting with Jill Chapman, Chairman of the Transylvania County Cemetery Board, and Mr. Ed Comer, a local historian, who both visited the site and documented their findings. Mr. Potter noted there were no identifying characteristics on the head stones at all making it impossible to determine who they belonged to. Conclusions were based on the research available to the involved parties. Mr. Comer identified the three closest living descendants to William Asbury Batson. All three were contacted individually and each agreed with the process of relocating the graves. Mr. Potter noted that the public hearing was posted and advertised for four consecutive weeks.

Further, Mr. Potter explained the process would entail first securing the approval of the Board of Commissioners. The Mullins would then file a certificate with the Register of Deeds office that would allow them to begin the relocation process. The graves will be relocated to Pisgah Gardens Cemetery at the consent of Pisgah Gardens and the Batson family descendants. Moody Connolly Funeral Home will perform the breaking of ground. Mr. Potter asked Commissioners to appoint someone to represent the County's interest in this matter. He recommended Ms. Chapman to represent the County's interest.

**Chairman Chappell declared the Public Hearing open at 7:30 p.m.**

Ms. Jill Chapman, Chairman of the Transylvania County Cemetery Board, said she is pleased that the Mullins family has chosen to treat the site as graves. She indicated that the Batson family owned and lived on the same property. The Mullins have followed the rules and regulations required for the removal of graves.

There being no further comments, **Chairman Chappell declared the Public Hearing closed at 7:33 p.m.**

#### **PUBLIC COMMENT**

There were no public comments.

#### **AGENDA MODIFICATIONS**

The Manager requested to add Item G Revaluation, under New Business, and to move the Manager's Report to Item H. Chairman Chappell requested to delay the hotel/operator/owner appointment to the Tourism Development Authority to the first meeting in January.

**Commissioner Phillips moved to approve the revised Agenda, seconded by Commissioner Bullock and unanimously approved.**

### **CONSENT AGENDA**

**Commissioner Bullock moved to approve the Consent Agenda as submitted, seconded by Commissioner Phillips and unanimously approved.**

The following items were approved:

#### MINUTES

The Minutes of the November 24, 2008 Regular Meeting and sealed Closed Session and the December 1, 2008 Oath of Office Ceremony and Organizational Meeting were approved.

#### CANCELLATION OF THE DECEMBER 22, 2008 BOARD OF COMMISSIONERS' MEETING

The Board approved the cancellation of the December 22, 2008 Board of Commissioners' meeting.

#### CLOSING OF OFFICES FOR EMPLOYEE CHRISTMAS LUNCHEON

The Board allowed the County offices to close from 12:15 p.m. to 3:15 p.m. on Friday, December 19, 2008 in order for County employees to attend the Christmas Luncheon.

### **APPOINTMENTS**

#### COMMISSIONER APPOINTMENTS TO BOARDS AND COMMITTEES

Recent former County Commissioner David Guice served on the following Boards:

- Tourism Development Authority
- Transylvania County Personnel Board
- Gorges State Park Advisory Board
- Brevard/Transylvania Chamber of Commerce

New County Commissioner Mike Hawkins already serves on the Tourism Development Authority as an interested individual. **Chairman Chappell moved to change Commissioner Hawkins' position on the Tourism Development Authority to that of Commissioner, leaving the interested individual position available for appointment, seconded by Commissioner Phillips and unanimously approved.**

Commissioner Hawkins noted that the TDA does not meet again until late January so postponing the interested individual position, along with the hotel/operator/owner to the

January meeting would not affect the TDA. Commissioners agreed to delay the TDA appointments to January.

**Commissioner Hawkins moved to appoint Chairman Chappell to the Transylvania County Personnel Board, seconded by Commissioner Bullock and unanimously approved.**

**Commissioner Bullock moved to recommend that Chairman Chappell serve on the Gorges State Park Advisory Committee, seconded by Commissioner Phillips and unanimously approved.**

Commissioner Hogsed has asked to be replaced on the Board of Health and Rural Transportation Advisory Committee on which he serves as a Commissioner and the County Transportation Committee on which he serves as a citizen.

**Chairman Chappell moved to appoint Commissioner Phillips to serve on the Board of Health, seconded by Commissioner Hawkins and unanimously approved.**

**Chairman Chappell moved to appoint Commissioner Bullock to serve on the Rural Transportation Advisory Committee, seconded by Commissioner Phillips and unanimously approved.**

**Commissioner Bullock nominated and moved to appoint David Carter to serve on the Transylvania County Transportation Committee, seconded by Chairman Chappell and unanimously approved.**

#### BREVARD/TRANSYLVANIA CHAMBER OF COMMERCE

The County will have one seat on the Chamber of Commerce. The position can be held by a Commissioner or designee.

**Commissioner Hawkins nominated and moved to appoint Planning and Economic Development Director Mark Burrows to serve on the Brevard/Transylvania Chamber of Commerce as a Commissioner designee, seconded by Commissioner Hogsed and unanimously approved.**

#### ECONOMIC DEVELOPMENT ADVISORY BOARD

Current EDAB Chairman Tad Fogel has requested to resign his position as Chairman at the end of December. He will be taking over as Chairman of the Brevard/Transylvania Chamber of Commerce.

**Chairman Chappell nominated and moved to appoint Tony Morrow to serve as EDAB Chairman for 2009, seconded by Commissioner Phillips and unanimously approved.**

#### TOURISM DEVELOPMENT AUTHORITY

Gregory Gorgone was appointed as an innkeeper/hotel operator on October 13, 2008. He no longer works in that capacity and therefore should be replaced on the TDA. Commissioner Hawkins' position was changed to Commissioner, leaving the position of interested individual vacant. Both appointments were tabled until the first meeting in January.

## **NEW BUSINESS**

### FY 2007-08 AUDIT

Mr. Terry Andersen of Carland and Andersen, Inc. presented the Audit Report for FY 2008. He showed a Power Point presentation reviewing the County's finances and noted the following:

- The audit found that the County has complied with all the specific rules and regulations that were chosen for testing relating to the expenditure of the County's \$39.25 million of federal and State awards.
- General Fund revenues for FY 2008 were \$43.03 million, a 3.34% increase from FY 2007.
- More than 87% of revenue comes from property taxes, sales taxes and intergovernmental revenues.
- Total property valuation for FY 2008 was \$3.99 billion, an increase of 4.42%.
- The current tax collection rate is 99.50%.
- Revenues in the General Fund have gradually increased each of the last three fiscal years, with an increase of \$1.39 million, or 3.34%, compared to FY 2007. Special Revenue funds increased slightly in 2008 compared to FY 2007. The decrease in FY 2006 was due to the close out of the Emergency Watershed Project. Capital Project revenues have decreased from FY 2006 due to the completion of the new Library. The Public Safety Facility is being funded by transfers from the General Fund. The Enterprise revenues increased approximately \$88,000 from the prior year.
- Revenues from ad valorem taxes, local option sales taxes, and other taxes and licenses represent the majority of the General Fund at 72.3%. Another 16.3% comes from intergovernmental revenues, both restricted and unrestricted. The remaining 11.4% is generated by fees, services, investment earnings, and miscellaneous revenues.
- General Fund expenditures total \$39.9 million, an increase of 6.7% compared to FY 2007. More than 78% of total General Fund expenditures are represented in Public Safety, Human Services and Education.
- General Fund expenditures have gradually increased over the past three years. Special Revenue expenditures were slightly higher in FY 2008 compared to FY 2007 and approximately \$2 million less than FY 2006 due to the close out of the Emergency Watershed Project. Capital Project expenditures were lower than FY 2006 due to the completion of the construction of the new Library, but higher than in FY 2007 due to the ongoing progress of the Public Safety Facility. Enterprise expenditures reflect a decrease in operating expenses compared to prior years mostly due to the completion of Cell #5 at the Landfill.

- The largest expenditure, which is typical of any county in North Carolina, is Education, which accounts for more than 34% of the total General Fund expenditures. The area of Human Services, expenditures related to Social Services and Health, accounts for 23.6%. The General Government area accounts for 12.9%. Public Safety accounts for a little more than 21%. The remaining 8% comes from Transportation, Economic and Physical Development, and Culture and Recreation.
- All County departments stayed within their budgeted amounts.
- In Revenues, the General Fund finished almost \$550,000 greater than budgeted. The most significant areas where actual results were better than budgeted were with ad valorem taxes and investment earnings.
- In Expenditures, the total for the year was almost \$2.35 million below budget. Several of the most significant areas where spending was under budget were in General Government particularly with savings generated in Administration and in the Register of Deeds departments. In Public Safety, the most significant areas under budget were in Emergency Communications. In Human Services, expenditures less than budgeted were in Health Administration and Social Services. In Culture and Recreation, the largest area of savings was with the Library.
- Total Fund Balance in General Fund as of June 30, 2008 was \$17.1 million, a decrease of \$13.5 million compared to the Fund Balance as of June 30, 2007. Over the course of the year \$16.8 million of transfers to other funds were authorized, including \$16.4 million for the Public Safety Facility.
- As of June 30, 2008, the Fund Balance amounted to \$8.6 million in Unreserved and Undesignated funds which was equivalent to 21.5% of the General Fund expenditures. The Local Government Commission recommends that a county have a minimum of 8% of expenditures as undesignated, which is the equivalent of \$3.2 million.
- No significant audit adjustments were encountered by the auditors. The County's financial statements are a fair representation of the financial standing of the County. Suggestions for minor improvements from last year's audit were included in the current audit report. The auditors fully expect the County to receive the GFOA Certificate for 2008.

Mr. Andersen stated that Commissioners and staff have done an excellent job in implementing his recommendations from previous audits. This year his recommendation includes changes regarding the method of budget amendments and to enforce compliance control procedures and be consistent in following these procedures in all departments. Mr. Andersen thanked Commissioners for allowing his office to provide this service to the County. He also thanked the Manager, the Finance Director, Administration and Finance staff for their cooperation throughout this process.

Commissioners thanked Mr. Andersen for the audit report and recognized the Finance Director and Manager for the tremendous job they do.

**Commissioner Phillips moved to accept the FY 2007-08 Audit, seconded by Commissioner Bullock and unanimously approved.**

Chairman Chappell asked the Manager to forward a copy of the audit report to former Commissioner and new NC House Representative David Guice.

PROPOSED RELOCATION OF THREE UNIDENTIFIED GRAVES POSSIBLY BELONGING TO WILLIAM A. BATSON AND FAMILY

A Public Hearing was held earlier in the meeting on this matter. No one was opposed to the reinterment of the three abandoned grave sites.

**Commissioner Phillips moved to approve the reinterment of the three abandoned and unidentified graves to Pisgah Gardens Cemetery as recommended and to appoint Jill Chapman to supervise and direct the reinterment process on behalf of the Board of Commissioners, seconded by Commissioner Bullock.** Chairman Chappell thanked the Mullins family for their diligence throughout this process to ensure it was done appropriately. Commissioner Phillips also thanked all those who were involved in this process and for handling it with such respect. Commissioner Hogsed thanked the Mullins family for the respect they have shown for the grave sites and thanked Ms. Chapman for her help. Commissioner Bullock expressed his appreciation to the Batson family descendants for their support of moving the grave sites. **The motion passed unanimously.**

MEMORANDUM OF UNDERSTANDING BETWEEN THE EDUCATION AND RESEARCH CONSORTIUM OF THE WESTERN CAROLINAS, INC. D/B/A ERC BROADBAND AND TRANSYLVANIA COUNTY

The Manager reported that the Education and Research Consortium of the Western Carolinas, Inc. (ERC) is willing to exchange 5 megabits per second of bandwidth with Transylvania County in exchange for allowing them to collocate some of its equipment in the County Data Center. Currently the County purchases 3 megabits from Comporium at a rate of \$900 per month. The arrangement with ERC will save the County \$900 per month until the new Public Safety Facility is complete. Information Technology Director Dean Landreth has indicated that the County will need to purchase an additional 5 megabits of bandwidth when the new Public Safety Facility is complete. With the purchase of an additional 5 megabits of bandwidth, the County will save \$440 per month over the previous carrier. The County will realize an annual savings of \$23,500 per year with ERC with the purchase of 10 megabits of bandwidth.

The Manager noted that ERC currently provides bandwidth services to Brevard College and PARI. ERC is a project that former US Congressman Charles Taylor started. By moving forward with the agreement with ERC, the County will receive more bandwidth and save money. There will be some loss of revenue to Comporium, but the County has entered into an agreement with Comporium to increase fiber capabilities when the new Public Safety Facility is complete. Staff is working with both carriers. Staff will make the transition to ERC within the next couple of months and will give Comporium adequate notice.

Commissioner Hawkins asked how long staff anticipated the agreement. The Manager said he hopes the agreement will be long term. ERC is also working with the schools and hospital.

After further comments, **Commissioner Hawkins moved to authorize the County Manager to sign the Memorandum of Agreement with ERC Broadband, seconded by Commissioner Hogsed and unanimously approved.**

CHANGE ORDERS FOR PUBLIC SAFETY FACILITY

The Manager presented and explained the following change orders for the Board's review and approval.

No. 8	Domestic Water Line	\$ 576.00
No. 14	Revise Glass to meet fire rating	5,136.00
No. 19	Revise Glass to meet fire rating	4,945.00
No. 22	Delete Garbage Disposal LEED	(-)2,211.00
No. 23	Delete 15 Fire Dampers	(-)1,356.50
No. 25	Misc. Electrical Credits	(-)2,448.25
No. 28	Adding 6 inch storm line	1,833.00
No. 29	Five items	2,091.70
Total Change Orders		8,565.95

*Domestic Water Line*

Changed the water line to copper inside the building.

*Revised Glass to meet fire rating (2)*

The fire rating on the glass part of the doors was omitted from the drawings.

*Delete Garbage Disposal LEED*

Not needed for LEED. Received credit.

*Delete 15 Fire Dampers*

Not needed. Received credit.

*Misc. Electrical Credits*

Received credits.

*Adding 6 inch storm line*

The storm lines were not properly dumping into another line so the lines had to be connected.

*Five Items*

These included rearrangement of some security duress buttons, the deletion of an additional touch screen computer, a fence which was required by Duke Power to have access to their facilities, and a credit for fire smoke dampers.



The total amount of these change orders is \$8,565.95. The Manager reported that three change orders are still being reviewed totaling \$10,139.50. All pending change orders total \$117,275.65 or 1.7% of the amount paid through November which is \$6,773,754.09. The change orders are approximately 12.7% of the budget for items listed in contingency. The contingency amount is \$850,000. In November the County will have spent 48% of the total construction costs. The Manager reported there are other items forthcoming, but with the project nearing 50% completion, he expects to be favorable in this area. He will provide more detail at the next meeting in January.

Commissioner Phillips asked for further clarification on these change orders. He said the documentation does not indicate whose expertise was used in determining if the change orders were necessary. He suggested that more information should be provided to Commissioners so they can clearly understand why these change orders were made. The Manager spoke specifically about the fire rated doors which were omitted from the plans. He spoke with the architects about the issue and it was simply their omission. Commissioner Phillips asked if the architect would be responsible for the cost. The Manager said if the correct doors were included in the project, it would have added value to the project. The doors are necessary to meet building codes and pass inspection. The Manager noted that he and staff continually work with the architect and contractor on all items throughout the project. When it is found that items are not needed, they are deleted from the project resulting in a credit; however if an error or omission is found that is clearly the responsibility of the architect or contractor, staff will work with them to ensure the County does not foot the bill.

Commissioner Phillips said the architect should understand fire codes and what is needed to meet the requirements. He asked if the County paid for a set of plans that were 90% accurate or rather a set of plans that were 100% accurate with the possibility of errors. The Manager responded that the County accepted that the plans were not 100% accurate. More accurate plans would have been much more costly to the County. He added that no architecture firm will guarantee their plans are perfect. Commissioner Phillips stated that architecture firms have insurance to cover their errors and omissions. He said he understands that some changes can not be perceived, but the omission of the fire rated doors is an error on the part of the architect and the Board has an obligation to protect the County's interests.

Commissioner Bullock asked if the County would receive a credit if the wrong doors have already been ordered. The Manager said the doors have not been ordered and the change order takes that into consideration. Staff continues to negotiate with the architect and contractor on the dollar amount. Staff also continues to work with the architect to find ways to reduce costs to help offset the change orders. He asked Commissioners to approve the change orders so the correct doors can be ordered as to not delay the project. Commissioner Phillips said he has no intentions of holding up the project but he is concerned about who should pay for these errors since they are not the County's fault.

Chairman Chappell shared Commissioner Phillips' concerns. He encouraged the Manager to continue to work with the architect on the costs and asked that he provide

more detailed information in the future to help Commissioners better understand the change orders.

Commissioner Hawkins commented that he is impressed that the project is 50% complete and only 13% of contingency has been used which indicates staff is working hard to keep the costs down.

Commissioner Bullock also expressed his concern about the omission of the correct fire rated doors. He further expressed his concern about offsetting the cost of the change orders with the deletion of items that may be a safety concern. The Manager stated throughout the project staff has worked with the architect to determine items that are not necessary. Staff did not remove items purposefully to offset the change orders. For example, the garbage disposal was removed in order to gain points to earn LEED certification. He further stated that staff is also trying to be good stewards of taxpayers' dollars and if an item is not needed, then it is removed from the project.

Commissioner Bullock said he is uncomfortable with the deletion of 15 fire dampers. Project Manager Larry Reece responded that although these were required when the County went through the bidding process, it was determined later by the Department of Insurance that the fire dampers were not needed. He also noted that the Department of Insurance reviewed the drawings and overlooked the omission of the fire rated doors. He noted, however, if the correct doors were included in the specifications, the drawings could have cost considerably more. The County's intent is to build a secure facility that meets all codes.

After further discussion, Commissioner Phillips asked staff to clearly document every change order throughout the project and indicate why each change order was made and who made the determination.

**Commissioner Hawkins moved to approve the Change Orders, seconded by Commissioner Hogsed and unanimously approved.**

**RESOLUTION AUTHORIZING APPLICATION FOR GRANT FUNDING FROM THE NC DIVISION OF WATER RESOURCES**

The County has been working with Carolina Mountain Land Conservancy to purchase and develop a County park on 2.6 acres surrounding Connestee Falls. The County has received a \$325,650 matching grant from the North Carolina Parks and Recreation Trust Fund (PARTF). The Manager reported that he just received notification that the County was denied grant funding from the North Carolina Department of Environment and Natural Resources, Division of Water Resources; however the State has encouraged the County to reapply. Staff is working on a presentation for the Board in January 2009; however the deadline to resubmit the application to the Division of Water Resources is December 31, 2008. The Manager asked Commissioners to authorize the resubmission of the grant application to the State.

**Commissioner Hogsed moved to approve Resolution 48-08 and authorize the letter to the NC Division of Water Resources requesting reconsideration of the County's Grant Application for the acquisition of 2.6 acres surrounding Connestee Falls and the development of a County park. The motion was seconded by Commissioner Hawkins.** Commissioner Hogsed asked why the County's original application was rejected. The Manager responded that only one third of the applications were funded. The property already has a conservation easement; however the County's request is for funds to help preserve the property and convert it into a park. From that aspect, this project may not have been a priority for the State. The County did not receive a documented reason for the rejection. **The motion was unanimously approved.**

Resolution 48-08 Authorizing Application for Grant Funding from the NC Division of Water Resources is hereby incorporated by reference and made a part of these minutes.

#### LEGISLATIVE GOALS CONFERENCE

Chairman Chappell reported that the North Carolina Association of County Commissioners will hold its 2009 Legislative Goals Conference on January 15-16, 2009 in Raleigh. The purpose of the conference is to bring together county officials from across the State to vote on proposed legislative goals for the 2009 and 2010 sessions of the General Assembly. The packet of goals to be voted on at the conference will be sent to Commissioners in mid-December, after they are approved by the NCACC Board of Directors at its meeting on December 10. Each county will select a voting delegate to vote on goals and/or proposed changes. The selection of the voting delegate is very important as the Delegate will have to represent his/her county as changes are considered during the conference. Commissioner Bullock attended the conference and represented the County as a voting delegate in 2007.

**Chairman Chappell moved to select Commissioner Bullock to attend the NCACC Legislative Goals Conference on January 15-16, 2009 in Raleigh, seconded by Commissioner Phillips and unanimously carried.**

Chairman Chappell asked the Manager to place an item of discussion on the first meeting in January to discuss the legislative goals.

#### DISCUSSION OF 2009 REVALUATION

Commissioner Hogsed requested to discuss the postponement of the 2009 Revaluation. The Manager reported that the Machinery Act requires all counties to revalue all real property every eight years. The County is on target to revalue property in the seventh year and the project is nearing completion. If the revaluation is delayed, staff would have to redo the entire project. Commissioner Hogsed has expressed concern over the timing of the revaluation and the current state of the economy. The Manager asked Commissioners to understand that the assessed value of real property is only one of the elements that determine the amount of taxes a citizen pays. The budget and the tax rate, set forth by the Board of Commissioners, is the major element in determining the amount of taxes a citizen pays. The Manager noted that the State requires counties to post the revenue neutral tax rate in their budgets.

The Manager discussed the pros and cons of postponing the revaluation. The timing, given the current state of the economy, and the effect on property values, is a valid reason to delay the revaluation. The State requires counties to determine equity in personal and real property. Personal property is appraised each year at 100% of its value. Real property value remains the same until the next revaluation. The last sales assessment ratio the County received was 76%. As a result of delaying the revaluation, Tax Administrator David Reid reported that the County stands to lose \$50,000 to \$120,000 in utility costs which will have to be considered in the budget projections. He stated the main reason for revaluations is to determine equity. An increase in the tax value of a piece of property does not mean taxes will increase correspondingly. The tax rate will determine that factor. Mr. Reid also reported on appeals process, noting that 10%, or 3,000 people will typically appeal their revaluation. Although, he understands Commissioner Hogsed's concerns, he recommended moving forward with the revaluation.

Commissioner Hogsed expressed that his main concern is the timing of the revaluation given the downturn in the economy. In times of revaluations, there is a perceived tax increase by the public. He commented about the high unemployment rate and loss of jobs and said that in economic hardships people tend to expect their governments to find more ways to tax them. Commissioner Hogsed said he is not sure whether the delay will actually help citizens, but it gives the Board an opportunity to show citizens that it cares. Even with a revenue neutral tax rate, some citizens are still going to pay more in taxes. It will also force the County to tighten its budget as well. Commissioner Hogsed also reported he is concerned about the assessed values of real property. A majority of the properties were assessed before the downturn in the economy and the assessed value will remain in effect until the next revaluation in four years.

Commissioner Hawkins asked if there was a deadline in order for the Board to make a decision. The Manager said the Board must notify the Department of Revenue by the end of December.

Commissioner Phillips asked Mr. Reid what the approximate cost would be to the County to redo the revaluation. Mr. Reid said he does not have an exact cost. His office has been working on the revaluation for 18 months and a tremendous amount of resources has been used throughout this project. They would have to redo the entire project if it is delayed. He said there is no cost savings to the County by delaying the revaluation. Mr. Reid also discussed property values in Transylvania County. Although sales are down considerably, the County's last revaluation was performed in 2002. The County has seen a tremendous amount of growth since 2002. His office tracked properties sold in 2008 that were re-sales from 2006 and 2007. Their findings are that property values in Transylvania County continue to increase.

Commissioner Hogsed said, while he does not disagree with Mr. Reid, if the downturn in the economy continues, property values may actually decrease while citizens pay taxes on their current property value.

Commissioner Hawkins commented about the misconception that public may have with the revaluation. Revaluations are performed for the purpose of fairness and equity. He asked how the County can counter the public's misconceptions. Mr. Reid said his office continuously attempts to educate the public about the revaluation process. He and staff also meet with groups upon their request to answer any questions about the process. His office makes every effort to see that the revaluation is done correctly and equitably. There will be mistakes made which is the reason for the appeals process. Mr. Reid said trust in government is a philosophical conservation that there are no answers to. His office does the best they can do to make themselves available to the public to answer questions and concerns. At the request of Commissioner Bullock during the Budget Workshops, all tax bills include an information flyer about the revaluation process. The flyers are also distributed at presentations.

Commissioner Hawkins asked if the property valuations were accurate given the downturn in the economy. Mr. Reid responded that he is very comfortable with the values. He noted that appraisers never value property based on what may happen, but rather on what has occurred.

Commissioner Phillips inquired about the potential for errors in property revaluations if the property values decrease over the next year. Mr. Reid said revaluations are performed on a mass basis and fewer sales complicates the process and increases the potential for errors. Chairman Chappell expressed the same concern; however if the process were delayed, whereas staff has been working on the revaluation for 18 months, they would now have to complete the revaluation in 12 months. Mr. Reid added that delaying the revaluation would put a big strain on his office. Chairman Chappell also noted that, with the additional resources needed to complete the revaluation in a shorter time span, there would be a potential decrease in tax collections due to the concentrated effort on the revaluation and the burden on staff. While he agreed with Commissioner Hogsed, he urged Commissioners to be very mindful of economic conditions when it becomes time to approve the next budget and set the tax rate.

Commissioner Phillips inquired about the costs to outsource the revaluation. Mr. Reid said the costs could potentially run in the \$300,000 range. He also commented that delaying the revaluation does not give the County a safety net if something were to go wrong. He urged Commissioners to move forward with the revaluation.

After further comments and discussion, **Commissioner Hogsed made a motion, on behalf of the struggling families and taxpayers in Transylvania County, to delay the implementation of the revaluation to 2010. The motion died for lack of a second.**

#### MANAGER'S REPORT

The Manager reported the following:

- The City of Brevard has put forth the proposed conditional zoning for the Davidson River Village. There will be a public hearing held on December 15, 2008.

## PUBLIC COMMENT

Don Surrette: Mr. Surrette congratulated Commissioners for doing a good job for he knows how difficult their jobs can be. He read a paragraph from the Transylvania County Habitat for Humanity newsletter which states the County and City of Brevard do nothing to help with land acquisition. He said these comments shed a negative light on the County and City of Brevard, even though there have been other efforts made to find affordable housing for other groups in the County.

## COMMISSIONERS' COMMENTS

Commissioner Hogsed apologized for being to late to the meeting and thanked everyone for delaying the start of the meeting. He had a last minute emergency at work.

Commissioner Bullock commented about budget cuts within the Department of Transportation and the decision not to clear or salt secondary roads. He asked staff to research the issue further and ask the State to reconsider their decision.

Commissioner Phillips inquired about the progression of change orders for the new Maintenance Facility and the status of the pavement at the Public Safety Facility site. The Manager said there have been no change orders on the Maintenance Facility. The building was raised up higher because of water and drainage issues for which the contractor is going to absorb the cost. Staff continues to work with the contractor on other issues related to water and drainage. These have not been approved and staff has indicated that the County is not going to accept the costs of those change orders. As far as the pavement is concerned, there have been some problems with the materials. The contractors are conducting sampling of the materials at this time. Staff has not received the results of the sampling. All specifications will have to be met before the final paving. Commissioner Bullock asked if it was a good idea for the company to test its own material. The Manager said the subcontractor has already tested the materials and asked for a second testing by the company putting down the materials. The sampling was observed by the subcontractor. Commissioner Hawkins asked if the project would be delayed considerably if the material has to be torn up. The Manager said the project would not be delayed and it is only an inconvenience.

## ADJOURNMENT

There being no further business to come before the Board, **Commissioner Phillips moved to adjourn the meeting, seconded by Commissioner Bullock and unanimously carried.**

ATTEST:

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Jason R. Chappell, Chairman  
Board of County Commissioners

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Trisha D. McLeod  
Clerk to the Board