

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
April 25, 2011 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, April 25, 2011 at 7:00 p.m. in the large courtroom of the Transylvania County Courthouse.

Commissioners present were Larry Chapman, Jason Chappell, Chairman Mike Hawkins, Daryle Hogsed, and Vice-Chairman Kelvin Phillips. Also present were County Manager Artie Wilson, County Attorney David Neumann, and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Mark Todd

There were approximately 25 people in the audience.

CALL TO ORDER

Chairman Mike Hawkins presiding called the meeting to order at 7:05 p.m.

WELCOME

Chairman Hawkins welcomed everyone to the meeting and thanked the members of the audience for participating in their County government. Chairman Hawkins introduced the members of the Board of Commissioners and staff.

PUBLIC COMMENT

Don Surrette: Mr. Surrette spoke in reference to the number of plastic bottles that are shipped out of the County by the Solid Waste Department. In his research, he found that each load weighs approximately 1,400 pounds per container, which equates to roughly \$18,000 per year in revenues to the County. Mr. Surrette proposed to increase the loads per container, thereby reducing the number of trips to haul the plastic. He believes his proposal would increase the load by 25% and correspondingly reduce the number of trips by 25%, saving the County about \$2,000 per year. The way he believes the County can accomplish this is by crushing the plastics. Mr. Surrette also suggested the use of volunteers to help get this started. He believes this would be a great benefit to the citizens. The Manager responded that staff is looking at ways to address these issues, noting that any solutions will require an initial investment.

Edwin Jones: Mr. Jones attended the previous meeting and heard the discussion regarding the seven vacancies in County departments. He expressed disappointment in not hearing either from staff or Commissioners how these vacancies affect the revenue stream for the County. He is convinced that these vacancies have an impact on the County's revenue stream.

AGENDA MODIFICATIONS

There were no agenda modifications.

Commissioner Chappell moved to approve the agenda, seconded by Chairman Hawkins and unanimously approved.

CONSENT AGENDA

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

The following items were approved:

FACILITIES USE REQUESTS

The use of the Silvermont lawn by the Humane Society for their annual pet show on July 4, 2011 from 8:00 a.m. to 12 noon was approved.

DISCOVERY AND RELEASE REPORT

The Discovery and Release Report for March 2011 was approved.

PRESENTATIONS/RECOGNITIONS

US DEPARTMENT OF VETERANS AFFAIRS EXPENDITURES IN TRANSYLVANIA COUNTY

Veterans Service Officer Frank Pearsall gave a report of the expenditures in Transylvania County by the US Department of Veterans Affairs. He reported that for FY 2010 the US Department of Veterans Affairs spent \$13,100,000 in Transylvania County, up from \$12,396,000 in FY 2009. There are 3,641 veterans in Transylvania County. Also, in FY 2010, the VA Hospital served 793 Transylvania County veterans, also an increase from the previous year.

Mr. Pearsall discussed his departmental activities. He sees between two and five Vietnam veterans per week with the typical problems of exposure to Agent Orange. Mr. Pearsall believes that in the future, while the veteran population may remain stable or decrease, the amount of compensation will increase. He is also seeing some veterans, men and women, from the first Gulf War where they were exposed to major oil fires. Mr. Pearsall is also starting to see veterans from the current war and conflicts where he is seeing more and more examples of traumatic brain injury. He learned today that the Department of Defense is going to begin recognizing these type injuries as a qualification to be awarded the Purple Heart medal. Mr. Pearsall thanked Commissioners for allowing him to continue serving as the County's Veterans Service Officer because it is a job that he loves. He announced that his office is open on Tuesdays and Thursdays and he is also available by appointment. If necessary, Mr. Pearsall will make field/house calls for disabled veterans.

Commissioners commented that Mr. Pearsall and the services he provides to local veterans are invaluable. Commissioners thanked him for taking his position seriously and for helping to bring more dollars into the County to help local veterans.

PRESENTATION ON ECONOMIC IMPACT OF CAMPS IN WESTERN NORTH CAROLINA

Gordon Strayhorn, owner and director of Camp Illahee, gave a report on the economic impact camps have on Western North Carolina (WNC). Mr. Strayhorn is also the president of the NC Youth Camp Association. He reported that most NC camps are centered in WNC. A few years ago an association was formed to start to quantify how camps impacted the area and the association commissioned NC State University to complete an actual study.

Mr. Strayhorn pointed out that camps significantly impact WNC and noted that there are 50 camps in a four-county region. Most of them operate within 10-15% capacity and they bring a lot of families to the region for the summer and camp attendance continues to grow. Camp staffers offer a lot of professional development and as many of the staff is educators, they are teaching campers lifelong skills. These camps attract kids and families from all over the United States and the world.

The economic impact study began about a year ago. There were 5,200 surveys representing 53,238 campers and 800 surveys representing 5,477 staff. Out of 50 camps in the four-county area (Buncombe, Henderson, Jackson and Transylvania), 42 camps participated. Over 49,000 campers came from outside this region and campers spent at average of 18 days at camp. Campers reported they live an average of 500 hundred miles from the area. On average each family spends \$2,100 in the community and spends an average of four nights in the community.

Summer camps own an average of 399 acres and lease an average of 522 acres. They spend an average of \$1.5 million in annual operating expenses. They spend an average of \$640,000 in annual payroll and average \$182,000 in annual capital improvements. Also, 74% use locally produced foods to feed campers each summer.

Some of the key findings of the study show that there is \$218 million in direct annual spending and \$147 million in indirect annual spending and generates \$33 million in new annual tax revenues in the four-county area. Camps also create the equivalent of 10,335 full time jobs in the four-county area, beyond camp employees. The total economic impact is \$365 million each year. Mr. Strayhorn noted that this study was completed during the recession.

Transylvania County has the largest impact of the four counties at a direct impact of \$84.5 million, with a total impact of \$126 million. The study also indicates that \$66 million is recycled through the economy.

Camps also give back. Camps give over \$250,000 in direct contributions to local non-profits, churches, and other local charities. Camps also sponsor local children. A number of camps give 50% local discounts to kids in the County.

Mr. Strayhorn also pointed out the negative impacts to camps, such as school calendars, building codes, urban growth, public land permitting, and bureaucracy at all levels of government.

He also talked about what is great about Transylvania County, one being quality of life. This is one way to attract people to Transylvania County. Mr. Strayhorn said ways Commissioners can include camps and existing businesses in economic development plans is to preserve traditional summers, promote green space and attractive corridors, and educate County offices about the importance of camps to the economy of the County and region.

Mr. Strayhorn thanked County departments, such as Cooperative Extension Service and law enforcement, for being helpful to camps and for providing safe communities. He also thanked Commissioners for their work and dedication to the County.

PROCLAMATION – OLDER AMERICANS MONTH

Louise Koontz with Transylvania County Council on Aging has requested that the Board of Commissioners recognize the many contributions of senior citizens and designate the month of May 2011 as Older Americans Month. The proclamation will be read and presented during a ceremony at Silvermont on May 5.

Commissioner Hogsed moved to approve Proclamation 09-11 Older Americans Month 2011, seconded by Commissioner Chappell and unanimously approved.

(Proclamation 09-11 Older Americans Month 2011 is hereby incorporated by reference and made a part of these minutes.)

PROCLAMATION – EMS WEEK

The week of May 15 – 21, 2011 is Emergency Medical Services Week. The theme for 2011 is EMS: Everyday Heroes.

Commissioner Chappell moved to approve Proclamation 10-11 EMS Week: To Designate the Week of May 15, 2011 as Emergency Medical Services Week. The motion was seconded by Commissioner Hogsed and unanimously approved.

(Proclamation 10-11 EMS Week: To Designate the Week of May 15, 2011 as Emergency Medical Services Week is hereby incorporated by reference and made a part of these minutes.)

NATIONAL DAY OF PRAYER

In 1988 both Houses of Congress adopted legislation declaring the first Thursday in May of each year as National Day of Prayer. Commissioners wish to designate May 5, 2011 as “A Day of Prayer in Transylvania County”. The Board of Commissioners has adopted similar proclamations over the past few years.

Commissioner Hogsed moved to approve Proclamation 12-11 National Day of Prayer, seconded by Commissioner Phillips and unanimously approved.

(Proclamation 12-11 National Day of Prayer is hereby incorporated by reference and made a part of these minutes.)

RESOLUTION – NATIONAL POLICE WEEK 2011

The week of May 15 – 21, 2011 is National Police Week with Peace Officers Memorial Day designated on May 15. Sheriff Mahoney has requested that the Board of Commissioners publicly recognize and salute the service of law enforcement officers in this community and in communities across the nation. He also requested the Board recognize National Police Week on an annual basis.

Commissioner Chapman moved to approve Resolution 13-11 National Police Week 2011, seconded by Commissioner Hogsed and unanimously approved.

(Resolution 13-11 National Police Week 2011 is hereby incorporated by reference and made a part of these minutes.)

APPOINTMENTSJOINT HISTORIC PRESERVATION COMMISSION – CHAIR

Pat Childress is the current chair of the Joint Historic Preservation Commission. Her term expires at the end of May at which time she is no longer eligible to serve an additional term. She recommended Henning Meyn as the next chair and requested that the Board of Commissioners appoint him as chair before their next meeting since she will still be on the commission to transition him into this role.

There will be two vacancies at the end of May. There are currently three applications on file. These appointments will be placed on an agenda in May to allow staff and others time to recruit more applicants.

Commissioner Chapman moved to appoint Henning Meyn as chair of the Joint Historic Preservation Commission, seconded by Commissioner Hogsed and unanimously approved.

CRIMINAL JUSTICE PARTNERSHIP PLAN

The terms of Larry Chapman (County Commissioner), Karey Treadway (Probation/Parole), Ed Martin (Public), and Jeremy Queen (Law Enforcement) expired at the end of March. They are all eligible and willing to serve another term. There are no other applications on file.

Commissioner Hogsed moved to reappoint Larry Chapman, Karey Treadway, Ed Martin, and Jeremy Queen to subsequent terms. The motion was seconded by Commissioner Phillips and unanimously approved.

NEW BUSINESSREVISED FEE SCHEDULE FOR IMMUNIZATIONS

The Transylvania County Board of Health recommends the Board of Commissioners approve a revised fee schedule for vaccines. The Health Department continues to experience extreme volatility with pharmaceutical supply costs and in particular vaccine costs. Cost analysis is the primary factor for the proposed fees, although other circumstances like Medicaid rates and fee comparisons were utilized for context. The proposed increase covers the cost of shipping and the excise tax and equates to a 5-10% increase depending on the vaccine. Commissioner Phillips, who serves on the Board of Health, says the Board of Health members believe the increase is warranted and necessary in order to recoup costs.

Chairman Hawkins moved to approve the proposed immunization fees, seconded by Commissioner Chappell and unanimously approved.

BUDGET TRANSFERS AND AMENDMENTS

The Manager reported on the budget transfers and amendments. Several budget amendments have been requested in recent weeks, including five that require approval by the Board of Commissioners:

- \$6,195 in proceeds from insurance claims, comprised of \$1,803 received for damaged vehicle and will be used for repairs and \$4,392 received for a totaled vehicle and will reduce fund balance appropriated
- \$1,445 in donations received as reparations for damages to turf on County recreation property
- \$5,998 in proceeds from inmate medical insurance to reimburse the County for costs incurred in excess of the deductible
- \$11,416 in donations and grants received by the Sheriff's Office for specific purposes: \$4,979 from DOJ Bullet Proof Vest grant, \$3,786 from SCAAP grant, \$1,592 for SHIELD Camp, and \$1,059 for supplies for canine units
- \$6,450 in funds from the City of Brevard to pay for additional part-time help needed for Narcotics Task Force

If these amendments are approved, the total General Fund Budget will increase to \$40,747,967, which is \$791,876 more than the original budget. In addition, two amendments transferring funds to the Fire Marshal's Department from Animal Control and Maintenance were approved by the County Manager. Commissioners were also provided a summary of the third quarter in their agenda packets.

Commissioner Chappell moved to approve the budget transfers and amendments, seconded by Commissioner Hogsed and unanimously approved.

WESTERN HIGHLANDS NETWORK'S FISCAL MONITORING REPORT

NCGS 122C-117(c) requires that the local management entity's quarterly report be presented to the Board of Commissioners. The Manager presented the report ending December 31, 2010. Revenues for the first half of FY 2011 total \$23,808,380. Expenditures total 22,373,704, leaving a cash balance of \$1,434,676. The excess cash balance will decrease as more services are provided.

The Manager pointed out that despite what the report indicates, Transylvania County has remitted Maintenance of Effort funds to Western Highlands. The County is responsible for \$99,261 annually and those funds are returned to County to provide services in the community.

Commissioner Chappell moved to accept the financial report, seconded by Commissioner Phillips and unanimously approved.

MANAGER'S REPORT

The Manager highlighted the following:

- Met with Vicki Walker to discuss her ideas about the possibility of a private animal shelter; waiting for a written proposal
- Elected Officials luncheon scheduled for May 3 at the Porter Center at Brevard College; need to confirm reservation
- Scheduled Budget Workshops for Wednesday, June 1, Thursday, June 2, and Friday, June 3 (if necessary), and the following two weeks if needed; each meeting to start at 6:15 p.m. or 6:30 p.m.; noted that the Tourism Development Authority has requested to make a presentation at the beginning at one of those meetings
- Planning a joint meeting with the Board of Education on May 12, then continue budget discussions during regular meetings of the Board of Commissioners; staff will then put together a final budget for presentation during the workshops and hopefully move through the workshops quickly
- Working with Blue Ridge Community Health Services because there is concern the organization will not receive federal funding; if the grant application is turned down, they will not be able to expand to this County; working out contract negotiations at this time
- Working with group of citizens regarding a bridge in the East Fork community and subsequently was able to get the NC Department of Transportation to schedule a public meeting to inform citizens of their plans
- An open house at the new Mills River Town Hall was cancelled because a prominent citizen in the community passed away; the open house has been postponed until June

BUDGET UPDATE & DISCUSSION

The preliminary budget keeps the School System's budget flat from the previous year and indicates that the County is facing a \$1 million deficit. The Manager attended a recent Board of Education meeting where he learned that based on the NC House budget there would be a decrease in school funding of 8.8%, a reduction of \$1.57 million. The ADM reduction accounted for a further reduction of \$217,295. Other unknown reductions total \$341,267. The Board of Education anticipates funding from the County or other sources to account for the losses. The potential reductions to the school system add up to \$2.1 million. Adding those losses to the County's deficit shows a potential need for an additional \$3.2 million, if there were no monies coming from fund balance from either the County or the Board of Education. The Manager noted that other counties are in similar situations and working through a similar process. At this point, staff has provided all the preliminary information about the budget to the Board of Commissioners and is seeking direction from them on how to proceed.

Commissioner Chapman asked if the Board of Education intended to use of any its fund balance. The Manager said that he has not been part of any conversation where the use of fund balance was mentioned.

Commissioner Chappell inquired about whether or not the Board of Education will have its budget proposal prior to the joint meeting on May 12 even though their budget proposal is not due until May 15. Chairman Hawkins said he spoke with the Board of Education Chairman Chris Whitmire over the weekend and discussed whether or not a joint meeting would be useful until a proposal has been received

by the Board of Education. Chairman Whitmire indicated to him that the Board of Education would have enough information to present to the County. Commissioner Chappell stressed the importance of having the school's information as soon as possible. He commented on several email correspondences indicating that if the losses are not made up by the County then all athletics programs will be cut, etc. and how the County Commissioners have the means to solve the issues. Commissioner Chappell expressed frustration about the perception being portrayed to the public.

Commissioner Chapman said it is important to hear from the citizens but said from his standpoint there is no way the County can make up for the school's deficits and that the Board of Education should plan accordingly and operate under the assumption that their budget will be flat from the previous year. He noted that the reductions are coming from the State, not the County, and any concerns should be addressed to representatives in Raleigh. Commissioner Chappell emphasized the need for having open discussions with the Board of Education, noting that the County has yet to receive any kind of proposal from them.

Commissioner Hogsed shared Commissioners' concerns and commented that the Board of Commissioners has a responsibility to all citizens and the budget is one of the most important duties of the Board. He hopes both Boards will come together with the realization of the situation the State is in, and the same with County employees and citizens and work through this process as a team.

Chairman Hawkins said the Board of Commissioners is not in a position at this time to make any firm judgments on what may or may not happen with the final budget, specifically because the Board of Education has some difficult choices to make before making their budget proposal. However, the sooner the County can receive a firm proposal, that will go a long ways in easing some of the frustration and then both Boards can work together on behalf of the citizens. Chairman Hawkins noted that next year's budget will be worse than this year because some other sources of funding will go away. He encouraged Commissioners to think about the Board of Education's budget in a two-year time frame, rather than a one-year time frame.

Commissioners were in agreement to the May 12 joint meeting date if a proposal is available.

Commissioner Phillips said the County has to have the information in order to make any decision. He said there is no doubt that the Board of Commissioners supports education and the children and it is imperative that both Boards strive to understand each other. He said the outcome of the budget process may not be perfect but the end result will hopefully be something both Boards can agree upon.

The Manager reported that he and Chairman Hawkins, at the suggestion of Commissioner Phillips, visited the old Sheriff's building to determine the minimum amount of work that could be done to make the building usable by the Tax Administration Offices and the Register of Deeds. He noted that he has not solicited input from these two departments about potential changes to the plans. It was determined that fewer walls could be removed and still remain compliant with NC Building Codes. Doing this allows savings in other areas as well. Staff also did some research about the County being its own contractor and providing its own labor force and found that the project cost must not exceed \$125,000. As far as using the County's labor force, the Manager noted that the County does not have the staff to complete the project and the Maintenance Department is busy with their normal duties. The Manager said the building still provides much needed space for these departments and better access by citizens. He will plan to meet with the architect and project manager along with the two department heads to determine what reductions can be made to further reduce the costs of the project. Chairman Hawkins suggested that two Commissioners visit the site to understand what changes the Manager is referring to.

The Manager gave an update on the animal shelter. He met with Maple Leaf to discuss potential cost reductions. He noted that the County must be cognizant of general statutes. The purchasing agent

researched this to determine what the County can and cannot do in terms of subcontractors. Law does not allow the County to choose the lowest bid subcontractors in each bid. However the County can ask the subcontractor to beat the price of another subcontractor. The potential savings would be approximately \$150,000. There are alternates included as well, such as removing the sally port. The Manager expects to receive more information from the contractor before the next Board meeting occurs.

The Manager intends to follow up with Dr. Clyde Brooks, a local veterinarian, about getting private support and the possibility of a private shelter. He also has asked staff to determine the staffing levels for the new shelter and what happens to the County's animal control functions if the shelter services were contracted out.

Commissioner Chapman discussed the private shelter concept. He said the group wanting the County to go in this route is a long ways from making any sort of proposal. He believes the County needs to determine its own timeline for the shelter. The Manager said at this point he is waiting on the formal proposal which should be ready in the next few weeks. He intends to follow up with them to keep this process moving. Commissioner Chapman noted that the general consensus of these animal groups was that they did not want the shelter at the Calvert site and they indicated they have some possible options.

PUBLIC COMMENT

Judith West: Ms. West commended the Board for its willingness to find a way to use existing walls in the old Sheriff's building saying although they are not ideal, they are workable. Ms. West asked Commissioners to look at the budget through their faith because the Bible consistently talks about one's responsibility to people who cannot speak for themselves.

Tawny McCoy: Ms. McCoy, Vice-chairperson of Board of Education, stressed that the Board of Education wants to work with the Board of Commissioners as a team on the budget process. She said the Board of Education is informing the community about the deficit to let them know how devastating a \$2 million deficit would be to the School System. She said since the County is faced with these cuts, it is the responsibility of the Board of Education to inform parents, students and staff so they will know what might happen in the coming year.

Unknown Male: A gentlemen from the audience said as a Transylvania County taxpayer he would much rather pay more taxes at the local level than to the State and federal government.

COMMISSIONERS' COMMENTS

Commissioner Chappell suggested for the next meeting some discussion about a bill that may have a direct impact on the merger of Transylvania Regional Hospital and Mission Hospital System. He believes this bill could have a very serious impact to the local facility. Commissioner Chappell also offered his condolences to the Henderson County family whose nephew died in a helicopter crash in the Middle East while serving his country.

Commissioner Chapman reminded everyone that many people in this County are struggling to make ends meet and he agreed with Ms. West that the Board of Commissioners must look out for the less fortunate in this County. He said many people can afford a tax increase but there are also many that cannot and he encouraged the Board to be mindful of that as they go through the budget process.

Commissioner Hogsed thanked everyone for attending the meeting this evening and for taking the time to speak to Commissioners and express their concerns. He also thanked Mr. Strayhorn for his presentation about the impact of camps on the County. Lastly, he offered his condolences to the family of Bill Ives who passed away. Mr. Ives served as a public servant for many years.

Commissioner Phillips encouraged citizens to continue staying in contact with Commissioners so they can remain abreast of issues that are important to them. He also shared some stories about Bill Ives and also offered his condolences to the family. He said the County has a lost a statesman and true public servant.

Chairman Hawkins commented that the Board of Education is in a difficult situation with their budget and he apologized if he did not do a good job of communicating with them. He said both Boards have an understanding of each other and will move forward from here.

Chairman Hawkins entered into closed session per NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of business in the area served by this body, after a 5 minute recess. The motion was seconded by Commissioner Phillips and unanimously carried.

CLOSED SESSION

Per NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of business in the area served by this body, closed session was entered into at 9:10 p.m. Present were Chairman Hawkins, Commissioners Chapman, Chappell, Hogsed, and Phillips, County Manager Artie Wilson, County Attorney David Neumann, Planning and Economic Development Director Mark Burrows, and Clerk to the Board Trisha Hogan.

Mark Burrows updated Commissioners on some potential economic development opportunities and discussed possible incentives.

Chairman Hawkins moved to leave closed session, seconded by Commissioner Phillips and unanimously carried.

OPEN SESSION

Chairman Hawkins moved to seal the minutes of the closed session until such time that opening the minutes does not frustrate the purpose of the closed session, seconded by Commissioner Phillips and unanimously approved.

ADJOURNMENT

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

Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board

04/25/2011