

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
May 9, 2011 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, May 9, 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 Curtis Potter, and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Mark Todd

There were approximately 50 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

Sharon Brown: Ms. Brown spoke about problems she was experiencing with the most recent revaluation process. She informed Commissioners that she went through the appeals process because she felt her property value was assessed too high. She cited several issues she had with the Tax office and asked that someone please take a closer look at the property and structures she owns because she does not feel they were assessed properly. Chairman Hawkins asked her to put all her concerns in writing so they could be properly addressed.

Jackie Hovey: Ms. Hovey spoke on behalf of the children of Transylvania County. She said now is the time for all people to make sacrifices and support children which are the future of Transylvania County.

AGENDA MODIFICATIONS

The Manager reported on the Agenda modifications and requested to add Item VIII-E Replace Roof on Old Sheriff's Building and Item VIII-F Remodeling of the Old Sheriff's Building under New Business and move the Manager's Report to Item VIII-G.

Commissioner Hogsed moved to approve the agenda as modified, seconded by Commissioner Chapman and unanimously approved.

CONSENT AGENDA

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

The following items were approved:

MINUTES

The minutes of the March 28, 2011 regular meeting were approved.

FACILITIES USE REQUESTS

The use of the Courthouse gazebo on May 13, 2011 and May 20, 2011 from 2:00 p.m. to 4:00 p.m. by the Brevard Academy Jazz Band for a performance was approved.

PRESENTATIONS/RECOGNITIONS

COOPERATIVE EXTENSION MASTER GARDENERS PROGRAM

The Master Gardeners updated the Board on various programs and projects they have been working on. Jeannie Falknor explained that the Master Gardeners are a diverse group of volunteers from various and diverse backgrounds. Master Gardeners have been trained in this County for 19 years by the Cooperative Extension Service. More than 250 individuals have participated in the training program. Each new class is required to perform 40 hours of volunteer work in order to be certified as a Master Gardener. A minimum of 20 hours are required annually in order to keep the certification.

The purpose of the Master Gardeners program is to be the primary source of information about plants, landscaping and gardening in the County for people of all ages, incomes and abilities. The volunteers believe their outreach is important to the community because landscaping one's property tends to improve their property value and gardening is especially important these days when families are more and more interested in being self sustaining. Gardening also contributes to good nutrition in families. In essence, this program also honors the agriculture and farming tradition of this County and the desire to stay close to the land in a strong and healthy way.

From March to October every week the Master Gardeners hold a one day clinic where people can come in with their plants and show the volunteers their problem, or people can call in with questions. They hold speaking engagements as part of their educational outreach. There are several free resources and materials available at the local Cooperative Extension Service office. They also hold seminars throughout the year. This year the Master Gardeners will hold three seminars at the gardens at the Silvermont Mansion as part of the County's Sesquicentennial celebration. This program is also involved in several community projects, such as creating the rain gardens at the Library, assisting the Historical Society with the gardens at the Allison-Deaver House, and working with the American Chestnut Foundation to plant an American Chestnut at Silvermont. These volunteers also provide demonstration gardens. Over the last year and half they embarked on a major project at Silvermont where they built demonstration gardens on the property where people can come and learn about how to garden and about native plants. They have also built a woodland garden and an herb demonstration garden. Two of the demonstration gardens are at wheelchair level and elevated off the ground in order show how people of any ability can garden. The produce yielded from the gardens will be donated to the Bread of Life. Ms. Falknor believes the new park at Silvermont will draw residents and visitors to the community.

Ms. Falknor said the Master Gardeners would not be able to do all these things without the help of local businesses and people in this community. In July 2010, the program received its nonprofit status through the NC Cooperative Extension Foundation. All the expenses of these projects have been covered by the in-kind donations the volunteers have raised and through grants. The importance of their work has been endorsed by the NC State Master Gardeners Association, the NC Cooperative Extension Service Foundation and the Sesquicentennial Steering Committee. Ms. Falknor said the Master Gardeners have plans for future projects and they will continue to keep Commissioners informed of what they are doing. She thanked the County departments and all those that help the Master Gardeners program be successful.

APPOINTMENTS

BLUE RIDGE COMMUNITY COLLEGE BOARD OF TRUSTEES

Scott Elliott's term expires at the end of June. The chair of the Blue Ridge Community College Board of Trustees, John McCormick, Jr., has requested his reappointment.

Commissioner Phillips moved to reappoint Scott Elliott to a full term on the Blue Ridge Community College Board of Trustees. The motion was seconded by Commissioner Hogsed. Commissioner Chappell recused himself from the vote since he is an employee of Blue Ridge Community College. **The motion was unanimously approved. (4-0)**

OLD BUSINESS

FOLLOW UP ON LOWEST RESPONSIBLE BID FOR A NEW ANIMAL SHELTER

On April 11, 2011, staff presented bids for the construction of a new animal shelter to the Board of Commissioners. The lowest responsible bid received was from Maple Leaf Design with a base bid of 1,045,000. The total project cost, including furniture, fixtures, equipment, final architecture fees, and contingency is estimated at \$1,176,000. There is only \$750,000 designated toward the construction of a new shelter. At the direction of the Board of Commissioners, staff met with Maple Leaf Design to discuss potential cost reductions. The bidder offered potential reductions in the amount of \$11,300. The cost could be further reduced another \$31,541 by changing the floor drains and eliminating the sally port. The bids are good for 60 days and expire May 14, 2011.

The Manager offered the following options for Commissioners to consider:

1. Accept the lowest responsible negotiated bid from Maple Leaf Design (\$1,002,159)
2. Reject all bids and re-bid the project (The Manager does not expect to see a significant decrease in the bid with this option given the current design.)
3. Reject all bids and redesign the project
4. Reject all bids and explore options including a private shelter

The Manager recommended rejecting all bids and exploring other options, including a private shelter. Furthermore, he asked Commissioners to agree upon a fixed amount that they are willing to commit on the construction of new animal shelter to include the costs of furniture, fixtures, and equipment, architectural fees, contingency, and fees. If allowed to move forward, staff would report back to the Board at the second meeting in September.

Commissioner Chapman made a motion to reject all of the current bids. The motion was seconded by Commissioner Phillips and unanimously approved.

Commissioner Chappell made a motion that staff explore all options and that the project budget would be the amount in the reserves for this project less expenditures (FF&E and contingency). The motion was seconded by Commissioner Hogsed. Commissioner Chapman expressed concern that there is not enough money available to complete the project and that the estimated cost is too excessive to spend on an animal shelter. Chairman Hawkins noted there are several different options that have been discussed that might address Commissioner Chapman's concerns and staff will continue to explore those options. Commissioner Hogsed said the amount currently set aside for the project should be the maximum amount the County will spend. Chairman Hawkins clarified that the Board is not willing to allocate additional monies beyond what has been reserved and the Board has instructed staff to explore all opportunities to substantially lower the cost of the project. **The motion passed 4 to 1, with Commissioner Chapman voting against.**

NEW BUSINESS

FAMILY VIOLENCE PREVENTION FUNDS

The Manager reported that the State is offering funds to Social Services agencies to help combat domestic violence. Acceptance of these funds requires a 25% local match which SAFE, Inc. has agreed to cover. The agency requested to make application for \$3,900 in funds.

Commissioner Hogsed moved to approve application for the Family Violence Prevention Funds with the understanding that SAFE is responsible for the 25% match, seconded by Commissioner Phillips and unanimously approved.

RESOLUTION IN OPPOSITION TO SENATE BILL 698 MODIFY COPA AGREEMENT/MISSION HEALTH

In February Gregory S. Vistnes, Ph.D. and Vice President of Charles River Associates, issued a report entitled "An Economic Analysis of the Certificate of Public Advantage (COPA) Agreement between the State of North Carolina and Mission Health." Based on the report, NC Senator Jim Davis recently introduced Senate Bill 698 which includes the recommendations in Dr. Vistnes' report with the following modifications:

1. Mission Health System (MHS) shall immediately halt all activities related to management agreements, acquisitions, affiliations, joint ventures, including physician practice acquisitions and joint ventures until December 31, 2011 or until the Department of Health and Human Services has time to study and implement a Price Cap, whichever is later;
2. The Price Cap, once determined applies to all MHS activities described in (1) above;
3. At the end of the specified period specified in (1):
 - a. MHS shall provide the Department of Health and Human Services and the Attorney General with advance notice of any new acquisition, affiliation, or joint venture. DHHS will give notice to the public who will have 30 days to file written comments on the proposed business venture.
 - b. There will be a physician employment cap of 10% of the total number of licensed physicians in full time practice in the 17 Western counties. To the extent the physician employment cap currently exceeds the 10% cap it shall not be required to take any action to bring itself in compliance.

Currently Transylvania Regional Hospital (TRH) has a management agreement with Mission Health System. According to Bob Bednarek, CEO of TRH, the hospital is opposed to SB 698 because it would prevent MHS from affiliating with TRH and other small hospitals in the region. The bill would also limit MHS from employing physicians in each specialty in each county of Western North Carolina including Transylvania. SB 698 would impose much stricter regulations on MHS than Dr. Vistnes' report suggests and would have a negative impact on TRH.

The Manager asked the Board to consider a resolution or letter in opposition to SB 698. He noted that none of the local hospitals or the Board of Commissioners were contacted prior to drafting the bill or before it was introduced.

Commissioner Chappell said it concerns him when one of the County's major economic allies has issues with potential legislation so this is an issue that the Board of Commissioners should pay close attention to.

Commissioner Chapman read a response from Senator Davis explaining the reason for the bill and asked that his response be part of the minutes. Mr. Davis explained that Mission is the only hospital system in the State that operates under a COPA. This law allows them to be the only hospital in Buncombe County

and is also intended to protect the public by regulating Mission's operations. Because the law is intended to protect the public, the law gives the public the right to provide comments to the State about Mission's activities under COPA. As a result of public comments, the State decided that a study should occur to review the COPA. Dr. Vistnes was hired to provide an economic analysis of COPA and MHS paid for the study. Dr. Vistnes' findings raise several red flags about COPA. First, Mission has incentives under the COPA to increase outpatient prices, increase costs and behave in other ways that are inconsistent with the public interest. Second, Dr. Vistnes recognizes that Mission's conduct appears to be consistent with the incentive problems created under the COPA. This conduct includes their expansion into other areas and services. Third, Dr. Vistnes acknowledged concerns that as Mission expands, other providers may be placed at a competitive disadvantage. One of the basic principles of COPA is that it preserves hospital facilities and geographic proximities to the communities traditionally served by those hospitals. In light of the incentive problems created under the COPA, Dr. Vistnes recommended that the State make several modifications to COPA and the public has until May 2 to make comments. After that the State will review the report and comments to determine whether changes need to be made.

Chairman Hawkins said the concern expressed in the report is that Mission has the potential to act as a monopoly and as such raise prices without checks and balances. There is also the concern that Mission could even close other small rural hospitals. Chairman Hawkins does not think there is that concern in Transylvania County and he thinks what is being proposed in the bill would not be a positive step in addressing those problems. Another item in the bill that is not in the report is the cap on physician employment. Chairman Hawkins said the TRH Board is opposed to the legislation and from what he had read he tends to agree. If the resolution is approved, he suggested a cover letter to Senator Davis to explain the Board's actions.

Commissioner Chapman shared the concerns of TRH but at the same time shared the concerns raised by Senator Davis. He expressed disappointment that TRH was not consulted. The report has also legitimate concerns that may not be resolved with this bill.

Commissioner Chappell said he is concerned that the bill does not allow another private entity such as Mission to affiliate with another entity on its own free will. Besides, TRH reached out to Mission, not the other way around.

Commissioner Hogsed said what is at stake is the delivery and availability of quality healthcare for the citizens of Transylvania County, regardless of who provides the services. He expressed concerns about aspects of the bill that go above and beyond the recommendations of the report.

Commissioner Chappell moved to approve Resolution 14-11 In Opposition to Senate Bill 698 Modify COPA Agreement/Mission Health and send along with a cover letter explaining the Board's actions. The motion was seconded by Commissioner Hogsed and unanimously approved.

(Resolution 14-11 In Opposition to Senate Bill 698 Modify Agreement/Mission Health is hereby incorporated by reference and made a part of these minutes.)

DISPOSAL OF SEPTIC TANK WASTE MATERIAL

In the mid 1980's the City and County worked together to construct a facility where the City of Brevard would accept the septic material from septic haulers at the City's waste treatment plant in Pisgah Forest. The County secured a grant to fund the septic receiving facility with the understanding that the fees from the septic haulers would cover the operating costs of the facility. A few years ago the City Manager informed County staff that the facility was becoming obsolete. The Commissioners were notified of the concern and staff began searching for grants for the replacement of the facility. Unfortunately grant funds were very difficult to obtain especially since the County does not own the facility.

Over the past year City and County staff have been exploring options for continuing to provide this service to septic haulers in the community. The City of Brevard recently went out to bid on the renovation of their waste treatment plant with one of the alternatives including a new septage receiving station. The estimated cost of incorporating this in the renovation of the water treatment plant is \$107,000 in construction costs and \$32,500 in annual operating and depreciation costs.

The City is ready to move forward. The Manager offered the following options for the Board's consideration.

1. Discontinue Service - Haulers would be notified July 1 that the receiving station would close December 31, 2011. All septic haulers would have to make arrangements with other treatment providers in Hendersonville or Buncombe County.
2. Continue Service directly - The County could build a stand alone facility tied into the waste water collection system at an estimated cost of \$240,000.
3. Work with City of Brevard to continue to providing service.

The Manager discussed the pros and cons of having a septic receiving station in Transylvania County.

Pros

- A deterrent to haulers dumping in rivers and creeks to avoid treatment / transportation costs
- Provides jobs for local haulers
- Keeps the costs down for Transylvania County citizens

Cons

- Capital outlay of \$107,000 plus

The Manager recommended working with the City of Brevard to continue providing this service. He believes staff will be able to present the details of such an agreement at the first meeting in June. The City requested having an agreement in place by June 20 if that is the direction the County prefers.

Commissioner Chapman wondered how many haulers would be impacted and at what level. Chairman Hawkins commented that the haulers would not be impacted, but residents of the County would be if the waste had to be hauled to another county. He commended both the County Manager and City Manager for the work they did trying to find efficiencies to reduce the price of a new facility.

Commissioner Phillips inquired about the potential increase to customers if the haulers had to haul the waste to another county. The Manager said the costs are higher and will more than likely continue to increase considering the cost of fuel. He expressed concern that other counties may charge an additional surcharge for waste coming from another county. Commissioner Chappell wondered if it was possible to get this information because if the cost to haul waste outside the County is an exorbitant increase to the customer, that may make the decision for Commissioners. The Manager recommended Commissioners allow staff to begin the negotiation process.

Chairman Hawkins moved to instruct staff to negotiate an agreement with the City of Brevard regarding keeping the service going and at the same time doing the research on the other requests by Commissioners and report back to the Board at the first meeting in June. Commissioner Phillips seconded the motion. Commissioner Hogsed said in the past he has been supportive of replacing the facility giving the needs of the community since most citizens operate their homes with a septic system; however since that time he has learned that the County had a previous agreement with the City of Brevard and per the agreement the City was to operate and maintain the facility and set aside funds for its future replacement. Unfortunately that did not occur and he is not willing to enter into another agreement. He preferred option 2 which is for the County to build its own facility and maintain

the service. **The motion passed by a vote of 3 to 2, with Commissioner Chappell and Hogsed voting against.**

BUDGET TRANSFERS AND AMENDMENTS

The Manager presented budget amendments for Commissioners' approval:

1. Amendment 62 - Transfer of \$8,803 from General Fund Balance to LEO Special Separation Allowance to cover the benefits of a law enforcement officer who retired in December.
2. Amendment 64 - Amends the budget for anticipated revenues and expenditures for a tennis program (\$4,000) in the Recreation Department.
3. Amendments 63 and 66 are for informational purposes only:
 - a. Amendment 63 - Transfers funds from the Sesquicentennial fund to cover expenses for the 150th Celebration (\$21,754)
 - b. Amendment 66 - Closes out the Public Safety Facility Fund as already approved by the Board of Commissioners

If approved, the FY 2011 Budget will increase by \$34,557.

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

REPLACE ROOF ON OLD SHERIFF'S BUILDING

The sections on the roof of the old Sheriff's building currently leak and damage is starting to occur inside the building. Monies for repairing the roof were included in the plans for renovating the entire building. The main roof has one to three years of life left at most. The estimated cost of replacing the two small roofs is \$17,000. The cost of replacing the main roof only is \$40,000. If both roofs are replaced at the same time the cost is \$51,000, a savings of \$6,000.

Staff recommended replacing the roof on the entire building, adding a new Ladder-up Safety Post and authorizing \$5,000 for any replacement sheeting that may be found damaged. The estimated cost is \$56,600. The monies would come from the contingency line item and the remainder from the General Fund.

Commissioners agreed that it is important to maintain County buildings and facilities. Commissioner Hogsed preferred to take the monies from the reserves for the old Library and leave the contingency budget for other unexpected issues that may occur.

Commissioner Hogsed moved to approve replacing the entire roof of the old Sheriff's Building with monies to come from the capital reserves for the old Library. The motion was seconded by Commissioner Phillips. The Manager noted that the cost to replace the roofs is an estimate and staff will get actual quotes very soon. **The motion was unanimously approved.**

REMODELING OF OLD SHERIFF'S BUILDING

Staff recently went out for bids on the renovation of the old Sheriff's building for the Register of Deeds and Tax Administration offices. Given the economic situation the Board of Commissioners expressed concern about the cost of the renovations and rejected all bids. Several questions were raised about whether the County could be its own contractor and do part of the work. At Commissioner Phillip's suggestion staff revisited the proposed renovations and believes the County can achieve the goal of additional space for the Register of Deeds and Tax Administrator at a lower price by leaving as many walls in place as possible. This will prevent having to re-insulate the ceilings, replace the HVAC ducts, replace the ceiling grid, and replace wiring. Under this concept the County would be its own contractor and bid out the work by trades.

The Manager said most importantly that the Register of Deeds and Tax Offices need additional space and they can make the renovations work for them. If Commissioners allow staff to work with the architect to develop the new plans, there will be additional architectural fees. Commissioner Phillips said he believes the potential savings by implementing these changes to the plans will be significant.

Commissioner Phillips moved to authorize staff to move forward in developing a renovation plan for the old Sheriff's building that will minimize renovations necessary to make the building functional for the Register of Deeds and Tax Administration offices. The motion was seconded by Commissioner Chappell and unanimously approved.

MANAGER'S REPORT

The Manager reported the following:

1. Reminded Commissioners that County Assembly Day in Raleigh is scheduled for May 25. The pre-registration deadline is May 18 at which there is no charge. After the deadline, the fee for the event is \$110. Commissioners should inform the Clerk if they intend to go.
2. A joint meeting with the Board of Education is scheduled for this coming Thursday May 12 at 6:30 p.m.
3. Staff is working on the agreement with the bank with regards to the CTE Building. There is quite a bit of paperwork involved. Staff will have some resolutions for Commissioners' consideration at the next meeting.
4. Staff continues to work on alternatives for the animal shelter.
5. The major focus now is on the budget.

BUDGET UPDATE & DISCUSSION

POTENTIAL ITEMS FOR CONSIDERATION

The Manager reported that staff is working to find reductions in the budget recommendation for next year in order to reduce the deficit. One assumption staff is working under is that the School System's budget will remain flat. The County is facing a \$1 million deficit.

The Manager asked the Board to consider several items in the upcoming budget and addressed each one as follows:

1. Reduce the amount set aside for the construction of cell #6, from \$529,277 to \$249,791, a reduction of \$279,000. Monies are set aside annually in the Solid Waste Department for future construction costs. With the construction industry being slow, the amount of waste being put into cell #5 has been significantly reduced; thus extending the life of cell #5.
2. Further reduce the Health Insurance Reserve by \$100,000. The reserve covers seven months of expenses. There comes a point when the actual has to be paid and this is only an interim solution to the deficit. Commissioners had real concerns about this reduction.
3. Communities In Schools has gone dormant for the time being for a reduction of \$20,000.
4. Reduction in Liability & Workers Compensation Premium by \$32,000.

These potential reductions total \$431,000 and reduce the deficit to \$569,000.

The Manager said he understands Commissioners' concerns about reducing the Health Insurance Reserve. He asked Commissioners to consider looking at it as a fund balance.

Fuel costs are unknown at this time but expected to increase.

The budget figures do not reflect vacant positions. The requested budget funds the vacancies.

NEW ADVENTURE LEARNING CENTER

The Manager requested direction from Commissioners on proposed operational changes at the New Adventure Learning Center (NALC). The First Pass of the FY 2012 Budget includes phasing out providing services to infants and one-year olds over a two-year period. For FY 2012, no infants would be served which results in the reduction of two Day Care I Teachers. This past year NALC served four to six infants. Since the end of the school year is nearing, the Manager recommended that the Board make a decision so that parents and staff could be notified. He also noted there are currently two vacant positions at NALC. If the Board approves the recommendation, staff will attempt to transition personnel into the two vacancies which would prevent job losses for employees. If the current level of service is provided in FY 2012 the County's operational deficit grows larger. The model proposal is included in the next two years' budgets.

Social Services Director Stoney Blevins spoke on behalf of the Social Services Board. He said his Board began to discuss this issue during last year's budget cycle. Some of the concerns they discussed included defining the role of government, the appropriate use of County funds, and the needs of the community. During that time the Manager formed an ad hoc committee to study the issue in detail. The ad hoc committee members visited other child care centers and explored Buncombe's County model. The one service that is provided at NALC, that is not only mandated and Mr. Blevins believes is the role of government, is the services to developmentally disabled children. Because these services are mandated, some local government entity is going to provide the service. The only option available in Transylvania County is for the local school system to provide the service directly because the law rests on the schools and not on true local government. A private non-profit or private for-profit could provide the services to developmentally disabled children, but there is no such licensed facilities in Transylvania County. Mr. Blevins pointed out though that what is available is an excellent developmental day center through NALC.

Mr. Blevins went on to say where the ad hoc committee struggled was with the financial aspect. One of their goals was to determine how to make the NALC cost neutral. One of the ways other centers accomplish this goal is by not serving other children because the staffing ratio for a developmental day center is much lower than a general childcare center. Also, other centers have the ability to charge for services that Transylvania County does not. For instance, Henderson County has a physical therapist on staff that goes out into the community and serves children not at the center and then bills Medicaid for those services which are an additional revenue stream. Mr. Blevins said the Social Services Board as a whole feels it must serve the developmental day children and in order to be the most financially responsible the Board made the tough decision to move toward a typical human service model. Mr. Blevins pointed out that at no time was it the goal of the Social Services Board to eliminate infant care at the NALC. They were trying to be fiscally responsible.

Mr. Blevins also pointed out several things that the staff at NALC has implemented to keep costs down. He noted one position was eliminated last year and he purposely kept a position vacant for the entire fiscal year and had a teacher assume responsibilities that were not hers in order to save funds. NALC also increased its capacity to 68 children. Mr. Blevins noted that NALC got a better deal on its food contract and increased subsidy children at the center to bring in more dollars.

Mr. Blevins provided data to Commissioners on the various options as far what NALC could look like next year depending on the direction in which Commissioner choose to go. The data included figures on the number of children served today, who NALC will serve next year if it moved toward the new model, and who NALC will serve next year if Commissioners take no action. He also provided data on current staffing levels and how the staffing levels change with the new model and the staffing model if no action is taken. Other relevant data included funding sources and the waiting list. He pointed out there is a

childcare dilemma in this County where the supply does not meet the demand. There are more parents who desire quality care for infants than there are facilities on the County.

Commissioner Chapman inquired about the need for two teachers to serve four-six infants. Mr. Blevins explained that there are not two teachers for the one infant class. The recommendation to eliminate two teachers is a result of restructuring. He further explained that one teacher is required for a class with four infants. Eight infants would require a teacher and an aide.

Commissioner Chapman also expressed concern about access to the NALC. His understanding is that once a child is accepted into NALC, the child is guaranteed a spot until he or she becomes school age. He has heard concerns from families, especially new families moving into the community, that they are unable to get their child into NALC. He wondered how to make it more accessible to every child and offered the possibility of an annual lottery. He is particularly concerned about making it accessible to all citizens when taxpayer funds are being used to subsidize the facility. Mr. Blevins said one of the difficulties with a lottery is that it could be disruptive to the child if the child had to change daycare facilities each year based on a system. He is also not comfortable prioritizing families based on income or subsidies. Families are served on a first come first serve basis.

Commissioner Chappell said it is important to note that the proposal being recommended to Commissioners would not affect a single child being served. The proposal is also part of the First Pass of the FY 2012 Budget that Commissioners have already reviewed. Taking no action adds to the deficit, therefore Commissioner Chappell said he supports the proposal.

Commissioner Hogsed does not believe the proposal is a viable option for the County because there are no quality alternatives for parents. He would prefer leaving the NALC the way it operates now because the services are needed by citizens.

Commissioner Chapman made a motion to accept the proposal as recommended by the Manager and the Social Services Board and as included in the current budget proposal. The motion was seconded by Commissioner Chappell. Chairman Hawkins inquired about the waiting list because there are currently 36 infants on the waiting list and only 8 slots available. Mr. Blevins said children are sorted on waiting lists by age. He said sometimes children will “age up” before getting a slot in the NALC and can move closer to getting in. Chairman Hawkins asked if the proposal being made by the Social Services Board is being made reluctantly in a response to a perceived desire from Commissioners to find efficiencies. Mr. Blevins said he does not believe the Social Services Board would have made this proposal had there not been a study completed by the ad hoc committee. He added that with the current budget situation Department Heads have had to ask themselves questions about services that have been provided to citizens for years that they are not sure the County can continue to provide. He believes the Social Services Board responded to what was a very thorough and articulate study commissioned by the County. Commissioner Hogsed pointed out that if the families waiting to get into the NALC could find other options, they would. Since there are not, the proposal forces families to leave their children somewhere they would prefer not to and their children would not receive the quality of care and education they would have received at NALC. **The motion passed 4 to 1, with Commissioner Hogsed voting against.**

The Manager requested permission to advertise for a new NALC Director. The State has set new standards and does not allow current staff to remain in those positions without meeting the new standards.

Commissioner Chappell moved to authorize staff to advertise for a new Director for the New Adventure Learning Center. The motion was seconded by Chairman Hawkins. Mr. Blevins noted

that the new person must be in place before the school year starts because that is when the new law takes effect, otherwise the NALC could lose its license. **The motion passed unanimously.**

PUBLIC COMMENT

Edwin Jones: Mr. Jones asked if the modifications to old Sheriff's Building will be allowed under the City's UDO. The Manager said working under the parameters of the UDO and other building requirements has been part of the process and any requirements are included in the plans.

Mr. Jones said as a result of the recent flooding, the ditches along old Hendersonville Highway across the railroad tracks contain strange colored water. He is concerned about the liquid material in the ditches and wondered if the County could be liable if any noxious or toxic liquids leak into the waterways. The Manager said one of the ditches may be clogged and he will contact the property owner about investigating it. The property is owned by Renova Partners.

Laura Franklin: Ms. Franklin expressed disappointment with the Board's vote on the New Adventure Learning Center changes. She believes their decision will have immediate and long term impacts on citizens, especially families. She said some families may have to make the decision not to enter the workforce if there is no access to childcare services. Ms. Franklin encouraged Commissioners to consider a tax increase rather than allow such drastic cuts to children's services.

Kelli Krueger: Ms. Krueger said the decision to make cuts in services for the New Adventure Learning Center will affect families, many of which do not know what to do about childcare services for their children right now. She believes it is the County's responsibility to educate children and she urged Commissioners to remember that when they meet jointly with the Board of Education later this week.

Heather Hosey: Ms. Hosey said she believes in the study that Mr. Blevins and others completed for consideration by the Board that recommended changes to the operations at the New Adventure Learning Center. She noted that the committee visited other centers but those centers were in larger areas where citizens had other options available to them for childcare that Transylvania County does not. She hoped Commissioners considered that when they made their decision.

COMMISSIONERS' COMMENTS

Chairman Hawkins said Commissioners deal with many issues, many of which involve a tremendous amount of money and impacts so many people. He said he struggled with the vote to make changes at the New Adventure Learning Center. He hopes citizens understand that the Board is trying to find some balance in a very difficult year of all those competing problems the County is facing.

Chairman Hawkins moved to enter into closed session per NCGS 143-318.11 (a) (3) to consult with an attorney reference Transylvania County v. Michael Baxley et. al., 08 CVS 437, after a 5 minute recess, seconded by Commissioner Chapman and unanimously carried.

CLOSED SESSION

Pursuant to NCGS 143-318.11 (a) (3) to consult with an attorney reference Transylvania County v. Michael Baxley et. al., 08 CVS 437, closed session was entered into at 10:05 p.m. Present were Chairman Hawkins, Commissioners Chapman, Chappell, Hogsed and Phillips, County Manager Artie Wilson, County Attorney Curtis Potter, and Clerk to the Board Trisha Hogan.

County Attorney Curtis Potter informed Commissioners that the property on which Mr. Baxley had a bike track has been foreclosed upon and purchased by another individual. Sean Perrin, the attorney handling the case for the County, has requested direction from Commissioners since the bike track is no longer an issue at this time. Commissioners have the ability to take a voluntary dismissal, without prejudice, of the criminal citations of the noise ordinance that have not been resolved in court. Mr. Potter noted that Mr. Baxley's counterclaim is ongoing. The consensus of Commissioners was to dismiss the criminal charges against Mr. Baxley and to do so in a motion in open session.

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

OPEN SESSION

Commissioner Hogsed moved for the County to dismiss the criminal complaints against Mr. Baxley, seconded by Chairman Hawkins and unanimously approved.

ADJOURNMENT

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

Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan
Clerk to the Board