

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS**  
**May 11, 2020 – REGULAR MEETING**

The Board of Commissioners of Transylvania County met in regular session on Monday, May 11, 2020 at 4:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Jason Chappell, David Guice, Chairman Mike Hawkins and Vice-Chairwoman Page Lemel. Also present were County Manager Jaime Laughter and Clerk to the Board Trisha Hogan. The County Attorney participated remotely.

Media: *The Transylvania Times* – Derek McKissock participated remotely.

There were three people in attendance, including two presenters (Health Director Elaine Russell and Transylvania Economic Alliance Executive Director Josh Hallingse.)

**CALL TO ORDER**

Chairman Mike Hawkins presiding declared a quorum was present and called the meeting to order at 4:04 p.m.

**WELCOME**

Chairman Hawkins welcomed everyone to the meeting participating both in person and remotely. He introduced Commissioners and staff in attendance.

**SPECIAL RECOGNITION**

IN MEMORY OF COUNTY COMMISSIONER WILLIAM J. “WILL” CATHEY, III

County Commissioner Will Cathey died unexpectedly in his home on Thursday, April 30. Commissioners offered their deepest condolences to the family and shared a memory about Commissioner Cathey.

Commissioner Lemel shared that Mr. Cathey had an undying curiosity and thirst for knowledge. It was common to find him reading a book prior to County Commission meetings. She said it was evident that he cared passionately about this community and its heritage. She referred to him as a “lifelong student” due to his never-ending quest for knowledge.

Commissioner Guice shared that he met Mr. Cathey more than 40 years ago when they began a working relationship at the Courthouse due to the nature of their careers – Probation Officer and Attorney, respectively. Their working relationship developed into a personal friendship. Commissioner Guice remembered Mr. Cathey as someone who was full of life and was known for his courtroom demeanor. He will remember Mr. Cathey as a dear friend who cared deeply about Transylvania County.

Commissioner Chappell shared that the Chappell and Cathey families have been connected for many years. He served with both Mr. Cathey and his father while in office. He said he never knew where conversations with Mr. Cathey might lead, but each time he learned something new. He recalled Mr. Cathey as a brilliant man who had a passion for learning. He appreciated Mr. Cathey’s passion for this community, his family, and Rosman Tigers Football. Commissioner Chappell was really moved at how

he took care of his aging parents. Commissioner Chappell said Mr. Cathey was a true friend who will be missed greatly.

Chairman Hawkins shared that for several weeks last Fall, he and Mr. Cathey had a standing lunch date. They would have conversations about County business, but mostly about life in general. He learned a lot about Mr. Cathey's life which was filled with variety and experience. He said Mr. Cathey could tell stories in a way that was always entertaining. Chairman Hawkins recalled Mr. Cathey's life as being one full of curiosity, varied experiences, and adventure. He shared that he will miss his friend.

Chairman Hawkins shared with the public, especially those participating remotely, that staff had arranged a memorial for Mr. Cathey at his normal seat at the table. At his seat were a single orange rose, a flickering candle, and Mr. Cathey's nameplate, which will remain until his replacement is appointed. Chairman Hawkins called for a moment of silence to reflect and honor the memory of Will Cathey.

## PUBLIC HEARING

### PROPOSED ISSUANCE OF REVENUE BONDS BY THE ARIZONA INDUSTRIAL DEVELOPMENT AUTHORITY FOR THE PURCHASE OF THE CEDAR MOUNTAIN HOUSE ASSISTED LIVING FACILITY BY URBAN HOUSING & COMMUNITY SERVICES CORPORATION

Participating remotely using Zoom meeting software, an attorney with Parker Poe presented information for the public hearing on behalf of their client, Urban Housing & Community Services Corporation. UHCSC intends to purchase the Cedar Mountain House Assisted Living Facility in Transylvania County using tax-exempt bonds. The purpose for using tax-exempt bonds is to lower the financing costs for the borrower.

Parker Poe's client is based out of Hickory. Its affiliate, Affinity Assisted Living, has managed the property in Transylvania County for many years. The current owner is a company based out of Hong Kong which is divesting its North Carolina assets. The purchase of this property essentially changes the ownership structure from the current operator being a renter to becoming the owner/operator. The attorney assured Commissioners and the public there will be no major changes to the Cedar Mountain House Assisted Living Facility, other than minor improvements. There is no intent to change the residence base, and prices will remain the same subject to inflation.

Federal laws (IRS regulations) require the local elected body that has jurisdiction of the area in which the facility that is to be financed with tax-exempt bonds is located to approve the issuance of the bonds. Prior to approval, a public hearing is required to gather public input on the bonds and the facility.

The Manager shared that the Governor's Stay at Home Executive Order allows for public bodies to hold public hearings required or authorized by law during a remote meeting and take action, provided the public body allows for written comments on the subject of the public hearing to be submitted between the publication of any required notice and 24 hours after the public hearing. The Board has been asked to approve the purchase via the passage of a resolution that will be placed on the Board's agenda on May 26.

Prior to opening the public hearing, Chairman Hawkins called for questions or comments from Commissioners and staff. There were none.

**Chairman Hawkins opened the public hearing at 4:25 p.m.** There were no comments from the public in attendance. Chairman Hawkins invited those participating remotely to submit comments electronically to be read as part of the meeting on May 26 prior to approval of the bond issuance. **The public hearing will remain open for 24 hours.**

## PUBLIC COMMENT

There were no comments from the public.

## AGENDA MODIFICATIONS

There were no agenda modifications from staff or Commissioners.

**Commissioner Lemel moved to approve the agenda, seconded by Commissioner Guice and unanimously approved.**

## CONSENT AGENDA

**Commissioner Lemel moved to approve the Consent Agenda, seconded by Commissioner Guice and unanimously approved.**

The following items were approved:

### MINUTES

The Board of Commissioners approved the following minutes as submitted: July 22, 2019 regular meeting and the sealed closed sessions from February 24, 2020 and March 9, 2020.

### VAYA HEALTH FISCAL MONITORING REPORT-3<sup>RD</sup> QUARTER

Per NC General Statute § 122C-117 (c), the quarterly Fiscal Monitoring Reports (FMR) for the local management entities must be presented to the Board of Commissioners.

Vaya Health reported their current actual revenues through March 31, 2020 as \$312,798,133 (98.10% of budget) and their current actual expenditures through March 31, 2020 as \$308,176,879 (97.21% of budget). This equates to a current net income of \$86,348 for FY 2020.

Vaya Health also reported the following estimated fund balances at year end:

- \$49,137,155 restricted for risk reserve
- \$24,843,643 restricted for statute, prepaids and investments in fixed assets
- \$4,845,075 unrestricted

Vaya Health reported total operating cash of \$45,203,675 net of risk reserves. Additionally, the report indicated \$1,808,626, or 4%, of their cash is spendable. This is a new reporting metric that reconciles their restrictions imposed by the Legislature and the impacts on spendable cash.

Commissioners accepted the report as presented.

### FY 2020 AND FY 2021 JUVENILE CRIME PREVENTION COUNCIL FUNDING PLANS

In April 2019, the Juvenile Crime Prevention Council (JCPC) undertook its annual proposal and evaluation process to award the initial outlay of funding in the amount of \$125,947. The following recommendations were approved and included as part of the FY 2020 Budget Ordinance:

- \$24,478 to Kids at Work (Aspire Youth and Family)
- \$47,732 to Project Rebound (Transylvania County Schools)
- \$26,300 to Youth Mediation (The Mediation Center)

- \$17,717 to Project Challenge (a program by Project Challenge, Inc., NC)
- \$2,645 to fund the administrative components of the JCPC

In December 2019, the JCPC was awarded \$15,620 in funding from the North Carolina Department of Public Safety Community Programs Division. This was the first new increase in JCPC funding for Transylvania County in many years. After a deliberative and competitive process, the JCPC awarded the \$15,620 to finance additional programs to address “raise-the-age” issues. Those appropriations were as follows:

- \$8,422 to Kids at Work (new total of \$24,478)
- \$960 to Project Challenge (new total of \$18,677)
- \$6,238 to Project Rebound (new total of \$47,732)

In January 2020, Project Challenge declined the additional funds. The JCPC contacted other applicant programs currently receiving funds from Transylvania County to inquire about need. The JCPC cancelled its February meeting due to snow and its March meeting due to the onset of the state of emergency related to COVID-19 and was thus unable to reallocate the additional \$960. In a meeting conducted via conference call on April 17, 2020, the JCPC voted to reallocate the \$960 from Project Challenge to the Youth Mediation Program.

At the same meeting, the JCPC also completed its allocations’ process for FY 2021, and thus requested authorization of the 2021 County Funding Plan which awards the following funds:

- \$24,476 to Kids at Work (Aspire Youth and Family)
- \$47,732 to Project Rebound (Transylvania County Schools)
- \$26,300 to Youth Mediation (The Mediation Center)
- \$27,437 to Vocational Directions (Aspire Youth and Family)

All funds are paid by the State to County government and then passed on to the recipient organizations. Transylvania County does not provide the matching funds.

JCPC funding plans require approval by the Board of Commissioners for the jurisdiction subject to the plan. The revised FY 2020 County Funding Plan and the FY 2021 County Funding Plan were approved as presented.

#### PROCLAMATION – NATIONAL POLICE WEEK

The week of May 10-16, 2020 is National Police Week with Peace Officers’ Memorial Day designated on May 15. Sheriff David Mahoney requested that the Board of Commissioners publicly recognize and salute the service of law enforcement officers in our community and in communities across the nation. This is an annual proclamation approved by the Board of Commissioners and is presented to both the Sheriff’s Office and Brevard Police Department. Chairman Hawkins read aloud the proclamation. Commissioners approved Proclamation #14-2020 National Police Week 2020 and presented it to Sheriff Mahoney. The Clerk to the Board will hand-deliver a copy to Brevard Police Chief Phil Harris.

#### **Proclamation #14-2020 National Police Week 2020**

*To recognize National Police Week 2020 and to honor the service and sacrifice of those law enforcement officers killed in the line of duty while protecting our communities and safeguarding our democracy.*

**Whereas**, the week of May 10-16, 2020 has been designated as National Police Week, with Peace Officers Memorial Day on May 15 in honor of all fallen officers and their families; U.S. flags should be flown at half-staff on Peace Officers Memorial Day; and

**Whereas**, there are more than 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the Transylvania County Sheriff's Office and Brevard Police Department; and

**Whereas**, those brave men and women selflessly confront danger to protect our families and defend our communities; and

**Whereas**, 63 law enforcement officers have been killed in the line of duty since January 1, 2020; and

**Whereas**, we honor all those in blue who have been killed or disabled in the line of duty and we are mindful of the tremendous sacrifices they made protecting their communities; and

**Whereas**, our nation's law enforcement officers serve with courage, dedication, and strength; they fearlessly enforce our laws, safeguarding our property, our liberty, and our lives;

**Therefore, be it resolved** that the Board of Commissioners of Transylvania County formally designates May 10-16, 2020, as Police Week in Transylvania County, and publicly salutes the service of law enforcement officers in our community and in communities across the nation. We owe them and their families our full and enduring support.

This the 11<sup>th</sup> day of May, 2020.

S: //Mike Hawkins, Chairman  
Transylvania County Board of Commissioners

#### PROCLAMATION – EMS WEEK

In 1974 President Gerald Ford signed into law the Emergency Medical Services Systems Act of 1973. The third full week of May since has been designated as EMS Week. The purpose of EMS Week is to honor the dedication of the EMS personnel who provide day-to-day lifesaving services of medicine's front line. The Board of Commissioners is proud of the paid and volunteer EMS staffs that provide this critical lifesaving service to the citizens and visitors of Transylvania County. This year's theme is ***EMS Strong: Ready Today, Preparing for Tomorrow***. Commissioner Chappell read aloud the proclamation. Commissioners approved Proclamation #17-2020 EMS Week and presented it to EMS Director Kim Bailey.

#### **EMS Week Proclamation #17-2020 To designate the Week of May 17 - 23, 2020, as Emergency Medical Services Week**

**WHEREAS**, emergency medical services is a vital public service; and

**WHEREAS**, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

**WHEREAS**, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

**WHEREAS**, emergency medical services has grown to fill a gap by providing important, out of hospital care, including preventative medicine, follow-up care, and access to telemedicine; and

**WHEREAS**, the emergency medical services system consists of first responders, emergency medical technicians, paramedics, emergency medical dispatchers, firefighters, police officers, educators, administrators, pre-hospital nurses, emergency nurses, emergency physicians, trained members of the public, and other out-of-hospital medical care providers; and

**WHEREAS**, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

**WHEREAS**, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week;

**NOW, THEREFORE**, the Board of Commissioners of Transylvania County in recognition of this event does hereby proclaim the week of May 17-23, 2020, as

### **EMERGENCY MEDICAL SERVICES WEEK**

With the theme, **EMS Strong: Ready Today. Preparing for Tomorrow**, the Board of Commissioners encourages the community to observe this week with appropriate programs, ceremonies, and activities.

This the 11<sup>th</sup> day of May, 2020.

Mike Hawkins, Chair  
Transylvania County Board of Commissioners

### **CORONAVIRUS/COVID-19**

#### CORONAVIRUS/COVID-19 UPDATE – PUBLIC HEALTH

Public Health Director Elaine Russell thanked Commissioners for their continued attention and consideration of the many complexities the County is facing in the evolution of the COVID-19 impact. She provided Commissioners with a brief update on County statistics and other pertinent information, as follows:

- Transylvania County testing data:
  - 228 negative tests
  - 13 pending tests
  - 7 positive tests
- Focus area #1 – Reopening guidance
  - Crafting reopening guidance for various business and community partners, with key partners being Heart of Brevard, Transylvania Economic Alliance, and Chamber of Commerce
  - Technical assistance calls, emails, remote meetings between staff and businesses
  - Guidance documents
    - Return to Work Guidance: Provider, Employer, Employee
    - Guidance Summary for Employers – updated for Phase 1
    - NCDHHS interim guidance for business
    - NCDHHS interim guidance for day camps
    - Phase checklist for business owners
    - Non-Healthcare Employee Symptom Screening Checklist

- Cleaning, Disinfecting and Sanitizing
  - Signage
    - Social distancing
    - Emergency Maximum occupancy
- Focus area #2 – Testing and Tracing
  - Testing suspected outbreaks
    - Health Department
    - Brevard Health Center
    - Quest Labs with Health Department collaboration
  - Testing symptomatic individuals
    - Mercy Urgent Care
    - Brevard Health Center
    - Some private physicians
    - TRH Emergency Department
  - NCDHHS selected Microsoft Contact Tracing software program
    - Utilized by all Health Departments in State
    - Consistent documentation
    - Should facilitate tracing across county lines
    - Training users in the next three weeks
  - NCDHHS providing support for additional contact tracing staff if needed
- Focus area #3 – Preparedness
  - Continued focus on LTCF/ECF
    - Standard operating guidance drafted
  - Continued messaging to reduce the spread of the illness
    - Handwashing
    - Social distancing
    - Use of masks or face coverings
    - Protecting those with health considerations
    - Cleaning and disinfecting
  - Analyze exposure risks in advance

This concluded Ms. Russell’s presentation. Chairman Hawkins called for comments and questions from Commissioners.

Commissioner Lemel stated she was surprised recently to learn the definition of an outbreak. Ms. Russell explained an outbreak is defined as having more than one infected person. Commissioner Lemel felt it was important to note how seriously the virus numbers are tracked and wanted to reassure citizens at which point the County would launch its full resources.

Ms. Russell complimented the facility that recently experienced an outbreak on their preventative work. They had strictly adhered to their cleaning protocols, used appropriate PPE, and followed their sick policy. They are a model on preventative measures which resulted in no additional spread at their worksite.

Commissioner Lemel inquired about testing symptomatic individuals and whether there were open testing opportunities or if testing was done by referral or another qualifying indicator. Ms. Russell said testing sites are handling walk-ins for individuals with symptoms or who may have been exposed.

Commissioner Lemel asked if the long-term care and elder-care facilities had sufficient PPE supplies available. Ms. Russell informed that the long-term care and elder-care facilities are in okay shape with PPE supplies. Their private business supply chains have provided them with some support. State EOC

has also provided push packs of PPE. She acknowledged the Pisgah Health Foundation and Rotary Club for donating funds to develop a supplemental closet of PPE that will be available to those facilities should they be in an immediate crisis.

Commissioner Guice asked how cases are reported to the State. He noted a couple of times that cases were attributed to Transylvania County when they should have been assigned to another county. He was concerned about how misinformation contributes to public anxiety. Ms. Russell explained that, unfortunately, when some of the lab tests are reported to the State, specifically that of residents in long-term care facilities, there are sometimes multiple addresses recorded for an individual's lab data. Thus, there have been a couple of instances in which the positive cases were attributed to a secondary address. Ms. Russell stated it is truly a matter of someone at the State level not being thorough and contemplative in reviewing the information and therefore entering the wrong address. She noted that counties have a short window of time to review the workflow before the data is uploaded to the public-facing website/dashboard.

Commissioner Chappell inquired about the turnaround time for results following testing. Ms. Russell stated that the turnaround time for lab test results is currently averaging between 48 and 72 hours.

Commissioner Chappell asked if antibody test results will be shared through the State's website. Ms. Russell informed the Board that the discussion about sharing antibody test results remains ongoing. So far, there has been no commitment to tracking antibody testing on the State website. That is partly because some testing is far more accurate than others. Rapid antibody testing is much less reliable than the high-end molecular analysis. She pointed out that antibody testing is very much an emerging body of science.

Chairman Hawkins asked for clarification that individuals are not tested unless they have symptoms or have had contact with someone who may have been infected. Ms. Russell confirmed. Chairman Hawkins pointed out that based on Transylvania County's data, less than 3% of those tested were positive. He inquired about the statewide data as it relates to the number of individuals tested versus positive tests. Ms. Russell did not have those figures available but would share with the Board following the meeting.

Chairman Hawkins stated that the County's seven confirmed cases reflects the community's effort to take the pandemic seriously. Ms. Russell agreed, noting that the number of lab-confirmed statewide cases totals 15,045 as of this afternoon. Transylvania County has seven of those.

Chairman Hawkins said he brought his mask to the Board meeting and noted that he wears it whenever he suspects he will be closely interacting with people. Commissioners are not currently wearing masks during this meeting because they are practicing social distancing. One of the three W's on the handout/flyer encourages people to wear masks in these kinds of close interactions. He asked Ms. Russell to clarify that point. Ms. Russell stated that when people are ebbing/flowing and coming/going in a room or space that is not large enough to practice social distancing, it is to everyone's benefit to wear a mask to contain one's germs. This is a way individuals can care for their community and contribute to slowing the spread. Wearing masks outside would be situational depending on close contact with other individuals.

Chairman Hawkins thanked Ms. Russell and her staff for the work they do to keep the community safe.

#### CORONAVIRUS/COVID-19 UPDATE – COUNTY OPERATIONS

The Manager provided a brief update on the impact of COVID on County operations. This is a summary of her presentation:

- Phase 2 expected to start May 22
  - Access to County services to increase with Phase 2
  - Working on ensuring supplies are on hand, putting new procedural/process changes in place and complying with other elements to continue minimizing spread, under the guidance from the State
- Programming must comply with State orders
  - Essential-worker K-12 camp to end when school calendar would have ended
  - Will proceed with summer day camp offerings through Parks and Recreation as allowed in the Governor's Executive Order
  - Gathering limits will impact programming throughout the various phases, particularly Library and Parks and Recreation
- State Legislature will be considering more policy and funding issues
  - \$150 million in CARES Act funds are being held for possible revenue replacement, contingent on revenue losses being realized and modification of Act at the federal level to allow for revenue replacement
  - Delayed vehicle registration due dates
  - Extended tax deadlines and expanded unemployment benefits
  - School calendar and other school-related policy changes
  - Prioritization directive as tests become available to help guide all healthcare practitioners in the State
  - NCACC informed counties to expect legislature to reconvene for consideration of additional pandemic-related issues and policy changes

Chairman Hawkins thanked the Manager and staff for all their work navigating through the issues related to COVID-19.

#### TRANSYLVANIA COUNTY SMALL BUSINESS SUPPORT

Transylvania Economic Alliance Executive Director Josh Hallingse presented this item. He reminded Commissioners of discussions at the previous meeting about various tools that local governments are using to help private sector businesses respond to COVID-19. One of the most common tools has been the development of a bridge loan program. Bridge loans are designed to help the private sector access capital while they are in a forced shutdown. Part of the recommendation from the previous Board meeting was for the Alliance to work with Chairman Hawkins to develop recommendations for the Board of Commissioners to consider as a tool for helping the private sector in Transylvania County.

Mr. Hallingse reviewed the programs currently being implemented in the region and highlighted the commonalities among them, along with a proposal for the Board of Commissioners:

- Preferred partner
  - CDFI organizations lend to businesses that may not have a typical lender relationship with a traditional bank
  - Mountain Biz Works being utilized by Buncombe and Haywood Counties for implementation of their bridge loan program
- Initial contributions
  - \$350,000-\$500,000 range in Buncombe and Haywood Counties, which are much larger counties than Transylvania County
  - \$150,000 initial proposal for Transylvania County, to be considered by the Board
  - Buncombe County model more inclusive and the preferred model by the Alliance
- Eligibility
  - Size of the business

- # of employees, ranging from up to 25 or up to 49
- Personal guarantee
  - Single owner with greater than 20% ownership
- Forgivable?
  - Not a forgivable grant program
  - Intent to be a loan program to access capital
- Interest
  - Loans to be repaid with interest
  - NC General Statute cites that for a local government to participate in a bridge loan program or lending program, it should be competitive
- Terms
  - Lending capacity mirrors other communities' programs
  - 6-36 months
- Lender fees
  - 2% origination fee and 1% servicing fee
- Default rate
  - No good data to offer on default rates
  - Some data from other disaster-related loan programs across the State, but not necessarily a good comparison
- Other collateral and underwriting
  - Mountain Biz Works is a CDFI and operates similarly to a bank
  - Considers credit scores, credit history, assets on hand, ability to repay loan
  - Application process requires financial information; underwriter to evaluate business
- Loan pool
  - Mountain Biz Works underwrites and approves a tranche of loans each week

Commissioner Lemel noted there has been a substantial amount of money raised within the community. For that reason, she contemplated an appropriate amount of County dollars to fund a bridge loan program. She inquired about the level of donations that have been raised thus far. Mr. Hallingse reported that the Transylvania Tomorrow program is a grant program and would not work in conjunction with the bridge loan program. The bridge loan program could be marketed to the same population, but there is no expectation for repayment of the grant program dollars.

Commissioner Guice asked if the City of Brevard intends to participate and commit funding as well. Chairman Hawkins stated that information about the bridge loan program has been communicated to City officials. There has been no commitment by the City yet, but the Alliance intends to follow up with them. He shared that the municipalities located within Buncombe and Haywood Counties contributed to their bridge loan programs. Commissioner Guice felt that if most of the loans are awarded to businesses within City limits, then the City of Brevard should be a bigger contributor.

Commissioner Lemel pointed out that businesses located within City limits are also within the jurisdiction of Transylvania County. She added, however, that with the organizational structure around the Heart of Brevard, there are extra efforts supporting downtown businesses. The businesses strewn throughout the County do not have a similar structure working to support and promote them.

Commissioner Lemel asked if a loan pool totaling \$150,000 is going to provide enough for those businesses in critical shape. In response to both Commissioners Guice and Lemel, Mr. Hallingse informed that Buncombe County partnered with their various municipalities. Buncombe County provided the initial capital for the bridge loan in the amount of \$200,000, with the City of Asheville providing \$100,000. Mountain Biz Works does not consider where a business is located when making their loan

decisions. Mr. Hallingse shared that funds from the Transylvania Tomorrow grant program have been made to Main Street businesses, as well as other businesses across the County. He stated that Mountain Biz Works felt that \$150,000 is a good starting point for Transylvania County's bridge loan program. They had indicated that Buncombe County's funds have already been exhausted as of last week, in addition to the private fundraising that brought their bridge loan program up to about \$500,000. The Golden Leaf Foundation also created a loan pool program, partially managed by Mountain Biz Works, and the allocation of \$25 million was exhausted in a week. The Golden Leaf Foundation has reallocated additional funds and they are working on the mechanics on how those funds will be distributed throughout the State. These funds will also be available for Transylvania County businesses.

Commissioner Lemel inquired about the timeline for implementing the loan program if approved by the Board. Mr. Hallingse stated that Mountain Biz Works can move quickly to implement the paperwork. It would be up and running in a matter of days.

Commissioner Guice said it is difficult to determine the actual need in the community. He noted that a \$150,000 bridge loan program with awards of \$10,000 only helps 15 businesses, and overall provides only a portion of what is needed by struggling businesses to stay afloat. When businesses reopen, he suspects it will be at limited capacity and with stricter hygiene and safety precautions. For this reason, he felt it would take more than \$150,000 to offer the kind of assistance that is needed and another reason that the City of Brevard should contribute as well.

Commissioner Chappell was concerned about the default rates and the repercussions for not repaying the loan. There is no data from the other bridge loan programs for comparison purposes.

Commissioner Lemel noted that \$150,000 is 25.9% of 1 cent on the tax rate. The loan program will generate salaries, wages, income tax, sales tax, etc. For a budget the size of Transylvania County's, she felt that \$150,000 is a reasonable amount to risk to help local businesses get through these unprecedented times.

Commissioner Guice posed a question to the Manager. He asked if revenue losses relative to action concerning the pandemic could be offset by CARES Act funding and if defaulted loans would be considered a similar loss. The Manager responded that currently the CARES Act does not allow local governments to recoup revenue losses. She noted there is discussion around using federal dollars to recoup lost revenues, but that would require a policy change at the federal level.

Chairman Hawkins shared that he participated in a recent phone call where there was a strong indication that businesses are dying now. For that reason, he did not feel the County could wait any longer to act. He pointed out the advantage of this program is its nimbleness and that it can be used as a bridge to another loan or grant program. Mountain Biz Works has advised that it is wise to have too many resources than not enough. Mountain Biz Works suspects the funds will be used. They intend to provide the County and the Alliance with status reports so that the Board will know if they need to take further action.

Commissioner Guice asked which business sectors have requested financial assistance. Mr. Hallingse stated that the assistance spans most business sectors. More so than the sector, however, the financial assistance has been based on the size and need of the business. Chairman Hawkins added that this crisis has spotlighted the importance of small businesses in America. Most are self-sufficient most of the time, but they need help now.

Commissioner Chappell asked the Manager to confirm that no public hearing is required to expend economic development funds. The Manager confirmed, noting that the 2 cents tax increase from FY 16

has been referenced each budget cycle as supporting economic development, parks and recreation and emergency services. A public hearing has thus taken place during each budget cycle prior to approval of the budget. Normally, the 2 cents would go into fund balance to be spent in future years, but in this case, the funds would bypass fund balance at year's end (June 30) and be allocated for its purpose now.

**Commissioner Lemel moved to approve the creation of the Transylvania County Emergency Bridge Loan Program using the structure presented, to direct the County Manager to enter into a contract with a preferred CDFI to serve as the administrator and manager of the Emergency Bridge Loan Program, and to authorize an initial investment of \$150,000 from the County government's existing economic development fund to serve as the principal for the creation of the Bridge Loan Program, seconded by Commissioner Guice.** Commissioner Guice reiterated his belief that the loan program is going to require a higher allocation of funds and thus preferred a startup of \$200,000. **The motion was approved unanimously.**

#### ALLOCATION OF FUNDS FOR COVID-19 RESPONSE

The Manager informed the Board that the North Carolina State Legislature has approved Coronavirus Relief Fund distributions to counties as allocated in S.L. 2020-4. Transylvania County's allocation is expected to be \$809,455. These funds are subject to federal CARES Act spending rules and claw-back with penalties for other federal and State funding should a county fail to comply with those rules. There are six categories for which the funds are eligible to be spent:

- Medical expenses, including the COVID-19 related expenses of public hospitals and clinics, establishment of temporary medical facilities, COVID-19 testing, and public telemedicine capabilities;
- Public health expenses, such as the acquisition of personal protective equipment and other medical supplies, disinfection of public areas and other facilities, such as nursing homes, and expenses for public safety measures, including expenses for quarantining;
- Payroll expenses for public safety or healthcare employees whose services are substantially dedicated to responding to the COVID-19 emergency;
- Expenses of actions that facilitate compliance with COVID-19-related public health measures, such as teleworking, distance learning, food delivery, paid sick and family and medical leave for public employees, expenses for maintaining prisons, and expenses for protecting the homeless population; and
- Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency.

The Manager reported that more detailed guidance on these parameters is expected. Any funds allocated for COVID-19 purposes by a local jurisdiction prior to March 27 must be spent prior to accessing the CARES Act funds. Additionally, all funds must be spent by December 20 or they will revert to the State. These funds cannot be used for revenue losses and must be used for direct expenses.

To date, Transylvania County has incurred expenses for supplies and equipment totaling \$184,020, including the communications upgrade required to remain operational. An additional \$46,990 in personnel costs can be attributed under the provision for services directly related to COVID-19 response due to reassignment from normal duties. Commissioners have also authorized an additional two weeks of sick leave due to COVID-19 that could be offset by these funds in addition to any expenses incurred to the FFCRA.

Staff participated in a conference call on Wednesday, May 6 in which officials acknowledged that funds would be made available to counties as quickly as possible after completion of an application and a W-9

form. It was also mentioned that if a county shares revenue with another agency/local government unit, the county remains the responsible entity for ensuring the funds are spent properly.

The Manager shared there is an additional \$150 million in CARES Act funds being held at the State level that will be allocated to counties for realized revenue losses due to COVID-19 if federal law is modified for such purpose.

By June 1, 2020, counties must submit a spending plan. In reviewing the expenditures to-date and the expected spending for supplies and personnel costs, staff is able to show how the County can utilize the full amount of funding. However, staff has discussed including additional expenditures because there are so many unknowns, including the final word on the specifics of the CARES Act funds. Staff realizes this action would exceed the amount allocated for Transylvania County at this time. However, Transylvania County's allocation would go a long way to help offset those costs.

Commissioner Chappell commented that this is yet another example of how important it is for citizens to complete the census. Census data directly impacts allocations for counties. The deadline for the census is looming and Transylvania County's response rate is extremely low.

Commissioner Guice concurred with Commissioner Chappell's comments. He was concerned the public does not understand the importance of the census.

Commissioner Guice pointed out that the CARES Act allows for reimbursement of expenses related to the operation of prisons. Transylvania County does not operate a prison but does operate and maintain a jail/detention facility. He asked staff to seek clarification on this provision. He stressed that counties are doing an exceptional job in an unprecedented time caring for a difficult population and thus there should be related expenses that qualify counties for reimbursement.

Commissioner Guice asked why the withholding of funds from the State Legislature to counties could not be considered a loss of revenue. Without these funds, counties must make up the losses by cutting expenditures elsewhere or by some other means. He directed staff to advocate this issue through the NCACC because he felt strongly that legislators need to understand the impact of withholding funds on local governments. The Manager reported that the NCACC is advocating on behalf of counties. The NCACC and staff are both in contact with legislators to help them understand the revenue losses experienced by local government. Locally, the Finance Department is tracking those losses to effectively articulate them to the State.

Commissioner Guice asked the Manager about the expenses incurred during the early stages of the pandemic and whether the County will be able to recover some of those costs. The Manager stated that any funds allocated for COVID-19 expenses after March 27 are eligible. Staff reported that no funds had been allocated prior to that date.

Commissioner Chappell concurred with Commissioner Guice in reference to the jail versus prison reimbursement provision. He noted that the Transylvania County Sheriff's Office works closely with federal officials, like the US Marshals Service, even during a pandemic. He asked the Board and staff to continue their advocacy efforts. During Wednesday's phone call, the Manager gleaned that it is the intent for county jails to fall under the reimbursement category, but she will seek clarification.

**Commissioner Lemel moved to authorize the Manager to accept the CARES Act allocation of funds and to continue working to identify eligible expenditures within the spending authority and policies already approved by the Board, including regular communication of expenses, seconded by Commissioner Guice and unanimously approved.**

### PHASE 1 AND 2 REOPENING ITEMS

On May 8 Governor Roy Cooper amended his Stay at Home Executive Order to begin a three-phase process of lifting restrictions on personal and business activity in North Carolina. Phase 1 began May 8 and will last until at least May 22.

Under the guidelines of Phase 1, the “only essential purposes” restriction on public movement is lifted, and a wider array of commercial businesses can operate. The capacity restrictions on commercial businesses has been raised from 20% to 50%. State Parks are directed to reopen. (Gorges State Park will open on May 13.) Many restrictions remain in place during Phase 1, however. Not all commercial establishments can reopen, and the 10-person limit on gatherings remains in place. Visitation at long-term care centers remains prohibited, and in-person worship services are allowed outdoors only.

Phase 2 is expected to follow Phase 1 as early as May 22. In Phase 2, more expansive relaxations are expected, including opening of more commercial categories and further easing of capacity and gathering requirements. In both Phases 1 and 2, strict social distancing requirements will remain in place at the current level, as will current sanitation requirements for commercial activity.

The phased program will present changes to current County operational guidelines and changes in the volume of general daily activities in Transylvania County. The Manager highlighted some of those operational issues for the Commissioners’ discussion purposes.

The Manager reported she has been discussing with department heads how to relax certain restrictions in public buildings and the changes that will be necessary for reopening. This could include measures to control social distancing, posting signage on the Governor’s Office’s recommendations and requesting that patrons wear masks, installing shields at payment windows/desk, etc. If the gathering limit is increased, more programming could be possible at the Library and Parks and Recreation. The County must remain nimble through this process to ensure we are providing essential services to the citizens and public, although some services may be modified. Staff will continue to encourage the public to use online services and call in for appointments to minimize the number of people in public buildings at one time.

Chairman Hawkins mentioned this is a broad topic agenda item for discussion. By the time Board meets again, the State could have transitioned into Phase 2. This opens up various components from the County’s perspective and how we serve the public. He stated the Board may want to consider other components dealing with emergency services response on public lands. He opened the floor for Board discussion.

Commissioner Lemel felt that County operations mirrored businesses and others in terms of reopening and relaxing restrictions. Because there remain so many unknowns, we are forced to be in a holding pattern. She felt strongly that County staff has done a great job being flexible and willing to shift into various roles to continue serving the public. She stated she felt proud to be associated with Transylvania County government as it navigates through this crisis.

Commissioner Guice observed that businesses and organizations have implemented changes to their operations as safety precautions. He felt their actions have helped keep our cases low. He also observed people are being mindful and respectful of each other as our society tries to define the “new norms.”

Commissioner Chappell felt the Board should consider a public statement indicating the letter sent to second homeowners was purely advisory, not mandatory. In addition, he suggested the County communicate to the public as it moves through the Governor’s reopening phases. Commissioner Guice agreed, noting that changes are occurring rapidly, and it is important to be informative to the public.

Chairman Hawkins stated he will meet with the Manager to develop a strategy using social media/online resources to share information to the public.

Chairman Hawkins thanked the Manager and her staff for all the work they are doing to navigate this pandemic.

## APPOINTMENTS

### JOINT HISTORIC PRESERVATION COMMISSION

The terms of Jeffrey Mills and Melanie Spreen expire at the end of May. Mr. Mills has served two full terms and one partial term and therefore he is not eligible for reappointment. Ms. Spreen is eligible and willing to serve another term. There is one additional vacancy. At the end of Mr. Mills' term, there will be two vacancies. There are no new applications on file. Staff will continue recruiting efforts.

**Commissioner Lemel moved to reappoint Melanie Spreen to the Joint Historic Preservation Commission, seconded by Commissioner Guice and unanimously approved.**

### TRANSPORTATION ADVISORY COMMITTEE

The terms of Mark Tooley, Keith Wilmot and Jimmy Whitmire expire at the end of May. Both Mr. Tooley and Mr. Wilmot are eligible for reappointment and they wish to be reappointed to a second term. Mr. Whitmire serves as the Town of Rosman's appointment and the Town of Rosman has indicated a desire for Mr. Whitmire to continue as their representative.

**Commissioner Guice moved to reappoint Mark Tooley and Keith Wilmot to the Transportation Advisory Committee and to accept the Town of Rosman's recommendation to reappoint Jimmy Whitmire to the Transportation Advisory Committee, seconded by Commissioner Lemel and unanimously approved.**

### WORKFORCE DEVELOPMENT BOARD

Abraham Pallas' term on the Workforce Development Board expires at the end of May. He is eligible and willing to serve another term. Mr. Pallas currently serves as vice-chair of this board. Both the Workforce Development Board and Chamber of Commerce support his reappointment.

**Commissioner Lemel moved to reappoint Abraham Pallas to the Workforce Development Board, seconded by Commissioner Chappell.** Commissioner Chappell stated that Mr. Pallas is extremely engaged and represents Transylvania County well. **The motion was approved unanimously approved.**

## NEW BUSINESS

### BUDGET AMENDMENT – REPUBLICAN PRIMARY RUNOFF ELECTION NC CONGRESSIONAL DISTRICT 11

Finance Director Jonathan Griffin presented this item. On March 3, 2020, the Transylvania County Board of Elections held the primary election. During that election, no candidate in the Republican primary for the North Carolina 11<sup>th</sup> Congressional District received more than 30% of the vote. As a result, there must be a runoff election to determine the Republican nominee for the 2020 General Election.

Elections Director, Jeff Storey, estimated the cost of conducting the runoff election at \$29,716. Mr. Griffin has reviewed the preliminary budget and believes it accurately conveys the cost of conducting the runoff election, based on the limited information available.

Mr. Griffin reported that funds exist in contingency to meet this expense. The Board could elect to fund it from another assigned fund balance category of its choosing. Staff recommended against the use of unassigned fund balance.

**Commissioner Lemel moved to appropriate \$29,716 from contingency to cover the cost of the runoff election, seconded by Commissioner Chappell.** Commissioner Chappell stated there needs to be future discussion with the State Legislature about alternatives for conducting runoff elections. He noted that a few years ago the State piloted an instant runoff, but it was never implemented permanently. While the instant runoff may not be the best option, he felt it was prudent that the State explore alternatives because runoff elections are costly to the taxpayers and usually result in very low turnout. Every county in the 11<sup>th</sup> District will be impacted. Commissioner Guice expressed concern about holding and staffing a runoff election during a pandemic. Chairman Hawkins noted the budget includes almost \$2,000 for COVID-19 items. Commissioner Lemel suggested the Board of Commissioners collaborate with the Board of Elections to draft a letter to the State Legislature with potential options for future elections. **The motion was approved unanimously.**

The Manager noted that Elections Director Jeff Storey has been communicating with his peers at the State level about the challenges. As a result, staff has drafted contingency plans for holding a safe election.

#### ESTABLISH WATER AND SEWER PROJECT FUND

Finance Director Jonathan Griffin presented this item. The County has executed grant contracts with the Appalachian Regional Commission and North Carolina Department to undertake an expansion of a sanitary sewer line for the Town of Rosman. Given the restrictions imposed on this project and the various revenue sources, he advised establishing a separate fund to be used to account for the revenues and expenditures for this capital project. He drafted a project fund ordinance to account for these expenditures.

**Commissioner Lemel moved to adopt the Capital Project Fund ordinance as recommended, seconded by Commissioner Guice and unanimously approved.**

#### ADOPTION OF 2020 REGIONAL HAZARD MITIGATION PLAN

Emergency Management Director Kevin Shook presented this item. He reported that FEMA requires all communities nationwide to actively work towards hazard mitigation to reduce reoccurring financial impacts due to natural or man-made disasters. Communities must maintain a current Hazard Mitigation Plan and must resubmit an updated plan every five years for approval to remain eligible for federal dollars. Transylvania County collaborated with Henderson, Polk and Rutherford Counties and each county's municipalities beginning in 2018 on a regional plan that included various levels of public input. The current plan on record expires July 20, 2020.

**Commissioner Lemel moved to adopt the 2020 Regional Hazard Mitigation Plan as submitted, seconded by Commissioner Chappell.** Commissioner Lemel commented this plan constitutes a tremendous body of work and demonstrates the value of government function to be prepared to address critical situations for its citizens. Over the last few months, mainly due to COVID-19, she has learned how important it is to recognize the many layers of government that exist to determine methods to respond to needs of citizens. She said the level of detail that staff is expected to parse through in considering different ways communities can be impacted by a hazardous situation is profound. Commissioner Lemel said many times people question their local government but they do not see work like this going on. She emphasized that the work of local government is to set up a system that exists to protect citizens and serve them at their neediest times. As an elected official, she is extremely grateful for that structure and the preparedness that staff demonstrates in this community with a level of seriousness and dedication to their responsibility to County Administration and the citizens of this community. She

thanked them for everything they do. Commissioner Guice thanked Mr. Shook and staff on the collaborative effort that created this plan. **The motion was approved unanimously.**

**RESOLUTION #16-2020**  
**TO ADOPT THE SOUTH MOUNTAINS REGIONAL HAZARD MITIGATION PLAN**

WHEREAS, Transylvania County is vulnerable to an array of natural hazards that can cause loss of life and damages to public and private property; and

WHEREAS, Transylvania County desires to seek ways to mitigate situations that may aggravate such circumstances; and

WHEREAS, the development and implementation of a hazard mitigation plan can result in actions that reduce the long-term risk to life and property from natural hazards; and

WHEREAS, it is the intent of the Transylvania County Board of Commissioners to protect its citizens and property from the effects of natural hazards by preparing and maintaining a local hazard mitigation plan; and

WHEREAS, it is also the intent of the Transylvania County Board of Commissioners to fulfill its obligation under North Carolina General Statutes, Chapter 166A: North Carolina Emergency Management Act and Section 322: Mitigation Planning, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to remain eligible to receive state and federal assistance in the event of a declared disaster affecting Transylvania County; and

WHEREAS, Transylvania County, in coordination with Henderson, Polk, Rutherford and the participating municipalities within those Counties has prepared a multi-jurisdictional hazard mitigation plan with input from the appropriate local and state officials; and

WHEREAS, the North Carolina Division of Emergency Management and the Federal Emergency Management Agency are reviewing the South Mountains Regional Hazard Mitigation Plan for legislative compliance and will approve the plan pending the completion of local adoption procedures;

NOW, THEREFORE, BE IT RESOLVED that the Transylvania County Board of Commissioners of Transylvania County hereby:

1. Adopts the South Mountains Regional Hazard Mitigation Plan; and
2. Agrees to take such other official action as may be reasonably necessary to carry out the proposed actions of the Plan.

Adopted on May 11, 2020.

S:// Mike Hawkins, Chair  
Transylvania County Board of Commissioners

**GUIDANCE ON FILLING A VACANCY ON THE BOARD OF COMMISSIONERS**

The Manager presented this agenda item. She stated that with the recent passing of County Commissioner Will Cathey, a vacancy has occurred on the Board of Commissioners. NC General Statutes govern how the vacancy should be filled.

Initially, the seat will be filled in accordance with NC General Statute § 153A-27.1. Since Mr. Cathey won the seat as a Republican in 2018, the Board of Commissioners shall consult the Transylvania County Republican Executive Committee who shall appoint a person of their choosing. The Board of Commissioners must appoint the recommendation of the Executive Committee if the recommendation is made within 30 days of the vacancy occurring. The appointed member will fill the seat until the first Monday in December.

Since the vacancy occurred after the primary, each political party shall nominate a candidate for a special election that will run concurrently with the general election in November. The winning candidate will serve the remaining two years of the term and the seat will be up for election in 2022 as scheduled. NC General Statute § 163-124 allows a person to run for two separate offices only when one of the offices is for the remainder of the unexpired term and requires an election to fill the remainder of the term. Unaffiliated candidates interested in running must do so as a write-in candidate per NC General Statute § 163-123(b) because the vacancy occurred after the primary election. Statutes govern the procedures for the write-in process.

### MANAGER'S REPORT

The Manager reported the following:

- Revised FY 21 Budget Schedule
  - Departmental budget meetings wrapped up last week
  - Commissioner briefings next two weeks
  - Target recommended budget May 26 to leave time for workshops ahead of public hearing and adoption of July 1
  - Workshops targeted for June 1 and 4 at 6:00 p.m. and, if necessary, during the June 8 regular meeting at 4:00 p.m.
- Reminder that the next Board of Commissioners' meeting is scheduled for Tuesday, May 26 since May 25 is the Memorial Day holiday and County offices are closed
- Census 2020
  - Census data impacted the amount of funding allocated to Transylvania County from the CARES Act; population figures are used to determine allocation
  - Anyone not registered as a County resident is not considered in the population figures
  - Critical that Transylvania County increases its response rate
  - Encourage communities to reach out to their family and friends and remind them to respond
  - Can participate online without receiving census card in the mail
  - If Wi-Fi is an issue, all the community centers across the County have Wi-Fi access
  - The Asheville Office will be reopened soon resulting in more census workers in the field
- Thank you to Lynn Nelson, part-time resident of Brevard who is currently living in Washington, DC. She reached out to County staff because her son-in-law, Lucas, has started a Go Fund Me project based out of Durham to assist with manufacturing face shields. They will be sending Transylvania County a shipment of face shields to be used throughout the community. They are at no cost to the County and reusable.

Commissioner Guice commented that the census is very important to the community and it has in a sense collided with the COVID-19 pandemic. He asked if there was any thought given to a possible extension to the census deadline. An extension would help counties increase their participation rate, especially now that communities are beginning to reopen. The Manager reported that field operations will be extended through October 1. It is critical for every citizen to be counted so that our federal tax dollars come back to Transylvania County.

Commissioner Guice stated it is difficult to understand the budget when there are so many unknowns about losses to potential revenue streams. He thought it would be helpful for the Board to meet and discuss the message they want to send to the public. So much has changed over the past couple of months regarding the availability of revenue. That is evident on the County's hiring and capital project freezes. He felt that additional discussion was warranted prior to discussing the budget in great detail. The challenges the County is facing appear to be fairly grave.

Commissioner Lemel stated that the Board shares the same concerns. She said the Board is very mindful of the unprecedented economic impacts of the pandemic to Transylvania County, businesses, and citizens and that it will not be a possibility at any level of government to continue spending at current levels over the next couple of years because of the profound impact. The length of the time it will take to win back the economy and get people back to full employment is petrifying.

The Manager pointed out that by law she must present the budget recommendation at the next meeting. She intends to show Commissioners the estimated revenue losses and alternatives for funding them.

Commissioner Guice stated the importance of getting the new Commissioner appointed and up to speed as quickly as possible. Commissioner Guice was concerned about being in this limbo period and how to move forward. He was concerned about the impacts to taxpayers because the County is facing some very real challenges.

#### PUBLIC COMMENT

There were no comments from the public.

#### COMMISSIONERS' COMMENTS

Commissioner Lemel stated that in the past two weeks she participated in a School of Government webinar on community food strategies around food councils across the State. It was a very interesting program about food production, processing, distribution, the markets, and handling waste streams. She stated there is a lot of work going on to address the current hunger situation. She also participated in a NCACC Zoom meeting regarding counties' roles as advocates for State funding, recognizing the role of local government in this process. The NCACC is active in trying to support counties on all fronts. Next week she will be participating in the Health and Human Services Steering Committee via Zoom.

Commissioner Chappell thanked the Chamber of Commerce, the Heart of Brevard, the Transylvania Economic Alliance for conducting meetings about reopening practices for the business sectors. They intend to record the meetings for future use and to ensure that anyone who needs guidance has access to the videos. Feedback from participants indicates they have been extremely helpful.

#### ADJOURNMENT

There being no further business to come before the Board, **Commissioner Lemel moved to adjourn the meeting at 6:48 p.m., seconded by Commissioner Chappell and unanimously carried.**

ATTEST:

\_\_\_\_\_  
Mike Hawkins, Chair  
Transylvania County Board of Commissioners

\_\_\_\_\_  
Trisha M. Hogan, Clerk to the Board