

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS**  
**February 24, 2020 – REGULAR MEETING**

The Board of Commissioners of Transylvania County met in regular session on Monday, February 24, 2020 at 6:00 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. Commissioner Will Cathey was absent. Also present were County Manager Jaime Laughter, County Attorney Julie Hooten, and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Derek McKissock  
*WLOS News* – Caitlyn Pender

There were approximately 30 people in the audience.

**CALL TO ORDER**

Chairman Mike Hawkins presiding declared a quorum was present and called the meeting to order at 6:05 p.m.

**WELCOME**

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

**PUBLIC COMMENT**

There were no public comments.

**AGENDA MODIFICATIONS**

There were no agenda modifications from Commissioners or staff.

**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 Chappell.** Commissioner Lemel referenced the fund balances for Vaya Health noting that although it appears they have a healthy fund balance, most of the funds are restricted for Medicaid and cannot be accessed. Their unrestricted fund balance amounts to about 40 days' worth of operating expenses. Due to this severe financial stress, Vaya Health held an emergency meeting today to discuss how they could save money to get through them the end of the fiscal year which may involve closing behavioral health/urgent care facilities. Unfortunately, there is a misunderstanding at the State Legislature about how managed care organizations/local management entities operate. Commissioner Lemel noted this is a real challenge across the State and is not limited just to Vaya Health. It has been difficult to educate the appropriate people on the importance of single stream funding. This particularly impacts those who do not qualify for Medicaid and do not have insurance. Commissioner Guice reported that a couple of Commissioners met

with Edwards this week and expressed their concerns about the mental health crisis. He agreed with Commissioner Lemel that this is a crisis especially when they may resort to closing mental health facilities. He suggested continued advocacy at the State level. Chairman Hawkins offered to meet with staff this week to develop a strategy for advocacy. Commissioner Lemel noted that the NC Association of County Commissioners should be involved as well. She and other members of the Vaya Health Board of Directors met to explore ways to develop an advocacy plan and a template for other communities to follow. It is an area that needs a lot of attention. Chairman Hawkins noted that Commissioner Lemel is Chair of the NCAACC's Health and Human Services Committee and thus is very knowledgeable and qualified to talk about this issue. **The motion was unanimously approved.**

The following items were approved:

#### MINUTES

The Board of Commissioners held a budget workshop on June 6, 2019. The Board of Commissioners met in regular session on February 10, 2020 and following met in closed session in which the minutes were sealed. The minutes were approved as submitted.

#### DISCOVERY, RELEASE & MONTHLY SETTLEMENT REPORT

Per NC General Statute § 105-312 (b), it is the duty of the Tax Administrator to see that all property not properly listed during the regular listing period be listed, assessed and taxed. The Tax Administrator shall file such reports of discoveries with the Board of Commissioners. Per NC General Statute § 105-381 (b), it is the duty of the Tax Administrator to provide a monthly report to the Board of Commissioners of the actions taken by the Tax Administrator on requests for release or refund, which shall be recorded in the minutes. For January 2020, total tax dollars released was \$1,327.15 and refunds amounted to \$1,395.79. Commissioners approved the Discovery, Release and Monthly Settlement Report for January 2020.

#### AWARD CONTRACT TO AUDIT ACCOUNTS

At the August 26, 2019 Board of Commissioners' meeting, the Finance Director presented an early request for the Board to consider whether to go out to a Request for Proposals for auditing services, given the major impending projects for the Finance office that would occur in January 2020 and beyond. At the time, the Board was supportive of continuing with Martin Starnes & Associates. The Local Government Commission requires formal approval of the contract in a regularly scheduled meeting. The Finance Director recommended the Board's approval of a contract and authorization of the Chairman to sign it via the consent agenda. The Board approved the contract with Martin Starnes & Associates as presented and authorized Chairman Hawkins to execute the contract.

#### VAYA HEALTH FISCAL MONITORING REPORT-2<sup>ND</sup> QUARTER

Per NC General Statute 122C-117 (c), the quarterly Fiscal Monitoring Reports (FMR) for the local management entities/managed care organizations must be presented to the Board of Commissioners. Vaya Health reported their current actual revenues through December 31, 2019 as \$206,818,605 (98.93% of budget) and their current actual expenditures through December 31, 2019 as \$203,030,348 (97.21% of budget). This equates to a current net income of \$512,241 for FY 20.

Vaya Health also reported the following fund balances:

- \$47,878,265 restricted for risk reserve
- \$19,106,961 restricted for statute, prepaids and investments in fixed assets
- \$11,007,649 unrestricted

They also reported total operating cash of \$45,272,283 net of risk reserves.

Commissioners received report as presented.

## **PRESENTATIONS/RECOGNITIONS**

### PRESENTATION-NANTAHALA/PISGAH NATIONAL FOREST PLAN REVISION

Alice Cohen with the Forest Service updated Commissioners on the forest plan revisions for both the Nantahala and Pisgah National Forests.

Ms. Cohen announced the plan revisions were recently released. The plan covers slightly over one million acres in 18 counties. The plan covers multiple uses, from air to water and everything in between. She pointed out the plan has a real focus on people and places. The one million+ acres have been divided into 12 geographic areas, two of which are in Transylvania County – Highland Domes and Pisgah Ledge (each geographic area has its own chapter within the plan). The geographic areas were added as a reflection of public input and public value. These areas recognize opportunities for restoration and sustainable recreation, connections to the community, and partnerships, and they reflect important places such as the Cradle of Forestry.

The plan includes four themes:

- Connecting People to the Land
- Sustaining Healthy Ecosystems
- Providing Clean and Abundant Water
- Partnering with Others

The Forest Service released an environmental analysis of four approaches or alternatives they would take to implement the forest plan.

1. Alternative A – no action
2. Alternative B – most land available for active timber management, motorized access, and recommended wilderness; provides the most flexibility to add new trails and adjust the old growth network; designed with most flexibility for the project level
3. Alternative C – less project level flexibility and provides most certainty
4. Alternative D – mix of B and C

Ms. Cohen stated all the action alternatives will increase forest management which could include timber harvesting for restoration purposes, prescribed burning to maintain healthy forests, etc. All the action alternatives also increase sustainability of recreation. There are well over four million visitors each year to the Nantahala and Pisgah National Forests, so the Forest Service must provide for some balance and sustainability, as well as manage the natural resources. The Forest Service predicts there will be an increase of nearly 300 jobs as a result of the increase in management and recreation opportunities and between \$5 million- \$13 million in income.

Ms. Cohen reported the draft plan and supporting documentation is on the Forest Service's website. The 90-day public comment period started on February 14. She encouraged local governments and the public to get involved. Ms. Cohen encouraged everyone to review the following key pieces of information on the website: Reader's Guide, Consolidated Objective, Forest Plan Story Maps, and Your Geographic Area.

This concluded Ms. Cohen's formal presentation. Chairman Hawkins opened the floor for comments and questions from the Board.

Commissioner Chappell asked what the Forest Service wanted in terms of feedback from citizens and whether they had an opportunity to choose one of the alternatives. Ms. Cohen welcomed specific

comments. The Forest Plan needs details to adjust the plan moving forward. She asked everyone to keep in mind this plan will be a 10-15-year plan and will guide strategies and standards rather than projects. The Forest Plan is not seeking comments about one's favorite trail, for example, but rather more input on countywide concerns or comments.

Chairman Hawkins recapped there are three alternatives in addition to the no action alternative and he briefly described each. The Forest Service is asking the local governments and public to examine the different alternatives and provide feedback on each. Ms. Cohen confirmed. The Forest Service is working toward a win-win solution without polarizing different interests.

Chairman Hawkins inquired about the timeline. Ms. Cohen stated the 90-day comment period is currently ongoing and will run through mid-May. The Forest Service prefers electronic comments because they expect to receive tens of thousands. They have devised an online nationwide system to help them sort comments for efficiency purposes; however, they will accept comments in any form. The Forest Service will be presenting to the Transylvania Natural Resources Council at their April meeting.

Commissioner Lemel inquired about the timeline following the public input process. Ms. Cohen explained that once the public comment period closes, the Forest Service will sort the comments and devise ways to address them. If feasible, they will modify the draft proposals based on the feedback. The next phase will involve analyzing the feedback which is expected to take approximately a year. This process will result in a final draft. During the final draft review, anyone who submitted comments will have standing to object if they feel like they have not been heard or their concerns have not been addressed. This process could take as much as five months. The Forest Service expects to publish a final plan in September 2021. The plan should cover a 10-15-year span.

Commissioner Chappell stressed the importance of the public providing input during the current phase because it allows them to potentially have further input later.

Commissioner Guice felt that this planning process is extremely important because it strongly impacts the community. He pointed out that Transylvania County is often talking about recreation activities in our community. There has been a spike in most outdoor activities, many of which relate to the national forests. Nonetheless, it all impacts the County as leaders try to plan. He hoped the Forest Service would reach out to other entities, like the City of Brevard and Tourism Development Authority, and seek their input. Commissioner Guice wanted to focus on promoting the Forest Service's final decision and this area of Western North Carolina, specifically with the use of technology.

Commissioner Guice noted there are certain agencies that encounter forest users more than others, such as law enforcement, emergency services, etc. There is a strain on the County locally to provide those services without receiving a fair compensation from the federal government. Commissioner Guice thought it was also important to remember that many people use the forest as a place of refuge. He wondered if anyone had given any consideration about how to address those needs, whether it be housing/shelters, etc. He understands this topic strays away from what the Forest Service may be considering as part of their plan, but he felt these issues needed to be discussed. Ms. Cohen responded that this could be a great opportunity to establish a creative partnership. The Forest Service has created a new authority – the Good Neighbor Authority – that partners with counties in a variety of ways. They have added an objective that includes inviting counties to the Supervisor's office in Asheville on an annual basis to discuss these types of matters. She pointed out several counties have already expressed concern about search and rescue and the cost to their communities and have considered in the development of this plan how to address those concerns. Ms. Cohen stated that the Forest Supervisors and Rangers are excited to continue working with the counties and to creating creative ways to help address issues either through the Good Neighbor Authority or legislative changes.

Commissioner Chappell brought up an issue that he had advocated for many years, that being upgrading the Forest Service Road that connects to Balsam Grove. He would like to take advantage of the Good Neighbor Authority program to start the conversation and use the invitation to the Supervisor's to have the discussion. Upgrading this road would have an immediate benefit on the County. Ms. Cohen pointed there is no need to wait for the plan to be completed for this conversation to begin.

Ms. Cohen introduced Dave Casey, Pisgah District Ranger who was in attendance.

Ms. Cohen announced there would be a public open house on March 16 from 5:30 p.m.-8:30 p.m. at the Library and she encouraged everyone to attend.

Commissioners thanked Ms. Cohen for her presentation and the Forest Service for all they do for Transylvania County.

## **APPOINTMENTS**

### JOINT HISTORIC PRESERVATION COMMISSION

There is a vacancy on the Joint Historic Preservation Commission due to a resignation. The Clerk to the Board advertised and recently received one application. There are no other applications on file. It is the recommendation of Planning and Community Development Director Jason Stewart to appoint John Koury to fill the vacancy.

**Commissioner Lemel moved to appoint John Koury to fill the vacancy on the Joint Historic Preservation Commission, seconded by Commissioner Chappell and unanimously approved.**

### JUVENILE CRIME PREVENTION COUNCIL

Rodney Wesson retired from the Juvenile Justice Division of the NC Department of Public Safety. His position required his appointment to the Juvenile Crime Prevention Council. Adrienne Becton-Marsh replaced Mr. Wesson in the Juvenile Justice Division. She should also be appointed to fill the position vacated by Mr. Wesson on the Juvenile Crime Prevention Council.

**Commissioner Guice moved to appoint Adrienne Becton-Marsh to the Chief Court Counselor position on the Juvenile Crime Prevention Council, seconded by Commissioner Lemel and unanimously approved.**

### PERSONNEL BOARD

The terms of David Guice (County Commissioner), James Bailey (Member-at-Large) and Jonathan Griffin (Department Head) expire at the end of February. All are eligible and willing to serve another term. It is the recommendation of Human Resources Director Sheila Cozart that they all be reappointed.

**Commissioner Lemel moved to reappoint David Guice, James Bailey and Jonathan Griffin to another term on the Personnel Board, seconded by Commissioner Chappell and unanimously approved.**

## **NEW BUSINESS**

### LETTER OF SUPPORT FOR TRANSYLVANIA COUNTY OPPORTUNITY ZONE MODIFICATION

Opportunity Zones are designated census tracts which qualify for certain federal tax benefits as an incentive for economic development projects. Each county in North Carolina has at least one Opportunity Zone within its border, and designations are made by the federal and state governments, based on income and demographic data. Unfortunately, the Opportunity Zone designated for Transylvania County falls

largely within Pisgah National Forest, which limits the effectiveness of the initiative for Transylvania County.

Senator Chuck Edwards is working with Congressman Mark Meadows to modify the Opportunity Zone boundaries within Transylvania County. Specifically, he is proposing to include the entire Davidson River Village property in the Opportunity Zone. It is believed this designation would be an asset in the continued marketing of the property. Senator Edwards is requesting a letter of support from the Board of Commissioners.

**Commissioner Lemel moved to provide a letter of support for the proposed boundary change of the Transylvania County Opportunity Zone, seconded by Commissioner Guice.** Commissioner Lemel was very grateful to Congressman Meadows and Senator Edwards for their effort. Opportunity Zones gives the County the ability to access federal funding and other programs. Commissioner Guice thought this change would be very important for the County and he was appreciative of the legislative effort as well. Commissioner Chappell thanked everyone working to make this change. He suggested adding to the letter a statement indicating unanimous support for this change. Commissioners agreed to modify the letter. Chairman Hawkins said the particular Opportunity Zone that was identified in Transylvania County is not worthless as currently defined. There is a very important segment that is available for that program. It just happened that the census tract included the Pisgah National Forest. Senator Edwards is seeking help from Congressman Meadows to obtain a variance so that our Opportunity Zone does not have to adhere so strictly to the census tract. It would be advantageous for Davidson River Village and cleans up some uncertainty with marketing the site, as well as opens access to other grants and programs. **The motion was approved unanimously.**

#### VOLUNTEER FIRE DEPARTMENT CONTRACT REQUIREMENTS

Finance Director Jonathan Griffin presented this item. The County's contracts with volunteer fire department organizations, set up for the purposes of ensuring fire protection services are available across the County, include a clause that requires them to submit to the County an audit on an annual basis.

In November 2019, County staff became aware that the accounting firm that previously serviced the Balsam Grove, Little River, North Transylvania and Rosman volunteer fire departments had closed and stopped providing these services. The traditional due date of these audits, while not specified in the contract, has been December 31 to allow the County time to review these documents before the budget process begins. These departments found themselves with no auditor at all a month out from the deadline.

Identifying and beginning an engagement to receive these types of services from a certified accounting firm takes time. Currently, the four departments are in the process of engaging the services of certified public accountants; however, challenges have arisen during that process. First, the nature of accounting business cycles means most certified firms are currently engaged in tax season, so they will not be able to commence the audit relationship until after April 15. The departments are reporting that the costs of the firms' services are significantly higher than their prior auditing relationship and not within their previously established budget.

Given that the departments will not begin their prior year audits until after April, the County will not have any financial statements in hand in time to consider them during the budget process. Because this is outside of their control, Mr. Griffin stated it would be reasonable for the County to formally extend the time frame to the departments whose audits will not be received in a timely fashion.

In order to expedite this process, the County could agree to relax the contract's requirement for an audit and allow volunteer fire departments to engage for review services. With review services, an accounting

firm will perform fewer internal control tests to verify the accuracy of the financial data, but there would be some (limited) assurances that the information is accurate. This would come at a lower price point and would get the County and the public information more quickly. The County could also adjust the requirement and allow fire departments to submit financial audits for a longer period (i.e., two-year financial statements rather than single year). This might be a reasonable course of action and may also allow for some cost savings.

Mr. Griffin recommended the Board take formal action to waive the annual due date for financial statements. If the Board wishes to relax audit requirements on a temporary basis, staff recommended authorizing staff to draft a time-limited contract amendment for interested departments. He also asked for feedback as to which path the Board wanted to take on addressing the issue depending on how quickly they expected the audits in-hand.

Due to the expense to the fire departments, the Manager suggested a long-term solution might be to seek requests for qualification (RFQ) on their behalf and then budget for the audit service each year. Commissioners were supportive of this option as a long-term solution.

Commissioners debated the options offered by staff. The Manager aided them by suggesting an extension of the audit due date later than June 20 for the four departments that have not been able to engage an auditor and then seek an RFQ for the next fiscal year.

**Commissioner Lemel moved to waive the annual due date for financial audits from our fire departments to a date no later than September 30, seconded by Commissioner Chappell and unanimously approved.**

This item will be added to the fire tax workshop on March 2 to get direction on how to address the issue long-term.

#### MANAGER'S REPORT

The Manager reported the following:

- Board of Commissioners workshop Monday, March 2 at 4pm to discuss options for funding fire protection services
  - Informal, no action, no public comment
  - Official proposal or activity resulting from workshop to take place at regular meeting
- Commissioner Lemel and Manager Laughter –Sesame Street Workshop in New York last week working on partnership strategic plan and ways to improve early childhood education
- April 9 - Kindergarten Readiness Rally at Parks and Recreation from 3:30pm-6:30pm. All families with preschool-aged children are invited. A special announcement will be released on the GetSet Transylvania Facebook page this week
- Kudos! to the Connect participants (Scott Justus, D'Ree McCall, Jo Ann McCall, Dwayne Smith) who attended the pilot two-day Local Government Fundamentals class hosted by the UNC-SOG at WCU's Biltmore Park location and for showing a great interest in learning about local government – from Kate Hayes, County Management Fellow
- Kudos! to Department Heads (Gerald Grose, Jeff Parker, Kenn Webb) for allowing their employees to take advantage of the UNC-SOG training and development opportunity and HR Director Sheila Cozart for finding the funds to allow them to participate – from Kate Hayes, County Management Fellow

## PUBLIC COMMENT

There were no public comments.

## COMMISSIONERS' COMMENTS

Commissioner Lemel reported on the Sesame Street trip to NYC. She reported she and the Manager were able to lobby the CEO of Sesame Street and help him understand the profound impact that the social outreach arm of his organization is providing to communities. While there, they participated in strategic planning activities to look at how they function and how they can better serve young children. She said it was a tremendous opportunity and great for all four of the GetSet Leadership Team in attendance. Commissioner Lemel emphasized that this effort is making a difference in children's lives locally. She was also very excited about the special Sesame Street guest, soon to be announced, for the upcoming Kindergarten Readiness Rally.

Commissioner Chappell thanked our local law enforcement officers. They have been busy this week, especially the special response teams. Because of their diligence and tracking all leads, a very dangerous criminal is off the streets and no one was injured in the process. He was very appreciative of their work on a daily basis to keep everyone safe.

Chairman Hawkins reported that he and Commissioner Chappell are working on making improvements to Commissioners' Chambers and he invited input from the public.

**Chairman Hawkins moved to enter into closed session pursuant to NC General Statute § 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, after a 5-minute recess, seconded by Commissioner Guice and Lemel simultaneously and unanimously carried.**

## CLOSED SESSION

Pursuant to NC General Statute § 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, closed session was entered into at 7:25 p.m. Present were Chairman Hawkins, Commissioners Chappell, Guice and Lemel, County Manager Jaime Laughter, County Attorney Julie Hooten, Transylvania Economic Alliance Executive Director Josh Hallingse, and Clerk to the Board Trisha Hogan.

Commissioners received information on a potential economic development project.

**Commissioner Chappell moved to leave closed session, seconded by Commissioner Lemel and unanimously carried.**

## OPEN SESSION

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



**ADJOURNMENT**

There being no further business to come before the Board, **Commissioner Chappell moved to adjourn the meeting at 8:07 p.m., seconded by Chairman Hawkins and unanimously approved.**

---

Mike Hawkins, Chair  
Transylvania County Board of Commissioners

ATTEST:

---

Trisha M. Hogan, Clerk to the Board