

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS**  
**June 13, 2022 – REGULAR MEETING**

The Board of Commissioners of Transylvania County met in a regular meeting on Monday, June 13, 2022 at 4:00 p.m. in the Multipurpose Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Larry Chapman, Chairman Jason Chappell, Vice-Chairman Jake Dalton, David Guice, and Teresa McCall. Also present were County Manager Jaime Laughter, County Attorney Bill Bulfer, and Clerk to the Board Trisha Hogan.

Media: Dan Dewitt – *Brevard Newsbeat*  
Jonathan Rich – *The Transylvania Times*

There were approximately 30 people in the audience, including department heads and staff presenters.

**CALL TO ORDER**

Chairman Jason Chappell presiding declared a quorum was present and called the meeting to order at 4:02 p.m.

**WELCOME**

Chairman Chappell welcomed everyone to the meeting. He introduced the Commissioners and staff in attendance.

**PUBLIC HEARING**

FY 2023 TRANSYLVANIA COUNTY BUDGET

The Manager presented a summary of the FY 2023 recommended budget for Transylvania County for the public hearing.

**Key Trends for FY 2023**

- Property tax is the only way Commissioners can meaningfully raise funds
  - Makes tax very important
  - Our current mix skews heavily toward residential meaning that residential bears the burden of any increase; differentiates Transylvania County from other counties in the area
  - Many times, Transylvania County is compared to neighboring Henderson County, but they have a more diverse tax base which allows them to minimize the tax burden on single-family residences
- Population changes
  - 2010 to 2020 Census saw the population slightly decline from 33,090 to 32,956
  - However, housing units increased from 19,163 to 19,818 and owner-occupied units decreased from 77.5% to 75.6%, likely due to the short-term rental market
    - Households went up from 13,735 to 14,648
  - Data indicates that the population figure may be artificially low (second homes, tourism)
    - Impact of population on funding formulas
    - Indications that the population is changing with more racial diversity reflected and shifts in age groups

- 2% decrease overall in responses indicating white, non-Hispanic to 90.4%
- Ages 18 and under shifted from 17.6% to 15.4% which is reflective of the decrease in the number of students
- Ages 65 and over 25.8% to 31.4%

### Highlights for FY 2023

- The property tax base increased by 2% and is the County's primary revenue source as allowed by statute
- A total budget of \$74,346,480 with the same tax rate as FY 22 of \$0.6033/\$100 valuation
- Taxes collected are spent on many different functions, some of which are mandated and others at the demand of the public
- Total expenditures reflect 2.4% growth for the general fund as a whole
- A full year of service for three new initiatives started in FY 2022 that bring in revenue to offset the cost of operations
  - Passport Agency
  - NC Vehicle Tag Office
  - Housing federal inmates in the jail facility
- The budget prioritizes maintaining staff levels and existing benefits and tries to combat economic inflationary impacts, such as fuel, without increasing the property tax rate
  - Budget requests were otherwise moved to prior year expenditures or multi-year trendline spending to balance the budget without additional revenue required.
- Baseline annual capital proposed
  - Includes five patrol car equivalents with equipment for the Sheriff's Office
  - Computer replacements on a five-year cycle, evaluating system security
- The focus is on existing personnel
  - No new personnel
  - Reclassification of three positions in Parks and Recreation, Cooperative Extension, and the Library which are included in the budget
- \$1.2 million for courthouse planning in an assigned fund balance fund
- \$1.2 million for pay-as-you-go funds for Economic Development, Emergency Services, and Parks and Recreation
- \$6.2 million for bond payments in Education Capital Fund
- The budget includes funds for several initiatives with the Town of Rosman, the City of Brevard, and nonprofit partners

The following projects will be funded with separate capital funds outside of the actual budget but will impact the workload in the coming fiscal year:

- The construction of a sewer line that will provide expansion support to Gaia Herbs and extend service for the Town of Rosman along the US 64 corridor
- EMS Base construction and temporary housing with the Rescue Squad
- Sylvan Valley Industrial Building Phase 2 construction

### Revenue Projections

- Property tax is the primary revenue and the only revenue counties in which counties are authorized by statute to levy; property tax is used as collateral for financing methods
- Sales tax remains at 18% of the budget
- New revenue reflected from federal inmate housing, Passport Office and Tag Office that supports those new services

## Expenditures

- Overall, the same distribution of expenditures from FY 2022 is reflected in the FY 2023 Budget
- Transfers show the bond, required fund transfers, and remittances
- Personnel is the highest cost in providing County services; County services are often person-to-person
- Education funding is the second largest expenditure
- Remittances, assistance dollars, and transfers out are significant portions of the budget
- Operating and Capital Outlay are less than 7%
- Low debt service until bond payments become due

## Education and Fire Department Agencies

- K-12 Education recommended for same increase as other County services at 2.4%
  - Local operational funding is recommended at \$13,086,152
  - Capital funding is recommended at \$2,074,271 by project with fund disbursement being made after documentation is provided for projects over \$50,000
    - \$1,113,200 for major building renovations
    - \$112,600 for smaller building projects
    - \$698,071 for FF&E (furniture, fixtures, and equipment)
    - \$150,400 for vehicles
- Blue Ridge Community College recommended for local operational funding at \$619,680 and capital funding at \$212,240
- Fire and Rescue agencies
  - The recommendation is to set the district rates at 5.5 cents/\$100 valuation and supplement the remainder of the budgets from the general fund at the same rate as last year (2.8 cents/\$100 valuation)

## General Fund Summary

- Balanced budget of \$74,346,480
- First full year of new services including Passport Office and Tag Office reflecting an increase in the budget over FY 2022
- The tax rate remains stable at \$0.6033/\$100 valuation

## Solid Waste Enterprise Fund Summary

- Balanced budget of \$4,414,405
  - Fee revenue at \$2,635,250
  - Balance is from property tax collections and net position appropriation
- Includes scheduled capital equipment replacements and the refurbishment of a roll-off truck
- The existing revenue mix of fee adjustments from last year and the operational supplement from the general fund should be sufficient for a few more years before needing to be re-evaluated

## Forecasted Needs and Emerging Issues

- Mental Health is a concern, not only for the general public but also for youth and service providers
  - Service Providers- EMS, Law Enforcement, Social Workers, Animal Control, Dispatchers, and other County workers who are exposed to traumatic events over the course of their career
- Need to consider support services staffing as the County government and services continue to grow
  - No increases in departments of Human Resources, Operations/Maintenance, and Information Technology in many years while the workload has grown

- Staffing with community growth and aging population which would impact Building Permitting, Environmental Health, and EMS
- Consider staffing with capital growth
- Technology and cyber-security needs
- Solid Waste new cell and cell closures
- Fire departments struggling to get volunteers that will end up requiring more staffing
- Education funding
- Public service workforce projections with post-COVID retirements and fewer people choosing public service career fields
- Major capital
  - Workshop this summer with more detail
  - Capital can drive additional operational costs
- Inflation on construction has impacted capital improvement projections for near and far-term projects
- Many of the capital needs tie back to commissioned studies
- Mandated services (courthouse, schools)
- Diversification of the tax base generates more future revenue and includes economic development and infrastructure

#### **FY 2023 Recommended Budget Amendment #1 – Non-General Fund Changes Since Presentation of Recommended Budget**

- Technical correction to Little River Fire District revenue: \$1,575 included in property tax estimate
- Revenue modifications based on factors outside of the County’s control:
  - Revenue adjustment for Deed Stamp Fund to expectations: increase of \$15,000
  - 911 Fund: decrease of \$37,271 based on the State’s recommendation
  - Narcotics Fund: decrease of \$15,000 based on ABC Board policy change
  - Fines and Forfeitures Fund: increased by \$40,000 based on 12-month trend change since the projection

#### **FY 2023 Recommended Budget Amendment #1 – TDA Capital Funding**

- Commissioners met in a budget workshop on June 6, 2022 and discussed the long-range capital planning
- Commissioners mentioned accounting for Occupancy Tax revenue and opportunities to use funds from visitation to enhance recreation. The TCTDA has already committed \$1 million to the Ecusta Trail project
- The County Occupancy Tax rate is set by the County Commissioners
- The County-appointed TCTDA Board makes decisions on funding as County representatives
- This amendment incorporates the TCTDA’s capital plan into the County’s capital planning document
- By current statute, no more than one-third of the annual revenue can be used for non-marketing purposes
- Reflected allocation of \$1 million to the Ecusta Trail and \$40,000 split over the next two years for the Community Appearance Initiative

**Chairman Chappell declared the public hearing open at 4:15 p.m.**

*The comments made by the public represent the individual speaker’s opinion or point of view.*

Bruce Gleasman: Mr. Gleasman stated that from 2015 to the present, the County's population growth was stagnant. However, the County's budget during the same period increased by over 60%. He shared with the Board a recent encounter with a family of four purchasing groceries. He was shocked at the high amount of their grocery bill for food that would not last them through the month. Mr. Gleasman said inflation is negatively impacting people in this County. For this reason, he urged the County Commissioners to consider reducing the tax rate to help families in this County.

There were no further comments, **therefore, Chairman Chappell declared the public hearing closed at 4:20 p.m.**

The Board of Commissioners will hold a second public hearing on the budget at the next meeting on June 20.

### PUBLIC COMMENT

*The comments made by the public represent the individual speaker's opinion or point of view.*

Alice Wellborn: Ms. Wellborn said it has been four and half months since the Commissioners received the contracts for the school bond projects with no explanation, updates, or communication with the School Board or the citizens on the status of their approval. She asked how long they intend to hold the bonds hostage while prices continue to increase, and the students continue to go to school in dilapidated buildings. Ms. Wellborn stated that the County's budget for the upcoming fiscal year reflects the failure of the County Commissioners to fulfill their obligation to build, equip and maintain school facilities. She cited general statutes which stipulate that public school facilities' requirements will be met by the county government. She also said improving the schools impact economic development and drives families to the community. Ms. Wellborn urged the Board to respect the voters and students and fulfill their obligations.

Betsy Burrows: Ms. Burrows expressed concerns about the wellbeing of the schools and teachers and the lack of support for public education by both the State and the Board of Commissioners. She said the State Legislature is failing the public schools by withholding over \$785 million that the NC Supreme Court with the Leandro decision has ruled as a constitutional obligation. The Board of Commissioners is failing the local school system by withholding funds that taxpayers voted to support the schools. Ms. Burrows stated that citizens are frustrated by the Board's lack of transparency in releasing the school bond money and she found it irresponsible and unethical. She stressed that the Board's top priority is to support our children and their education and safety. She asked the Board to make the students, teachers, and schools a priority in their budget.

Ron Kiviniemi: Mr. Kiviniemi is the Vice-Chair of the Transylvania County Board of Education. He acknowledged that members of the Board of Commissioners have raised concerns that the School Board's decision to make modifications to the plans to remain within the \$68 million budget is not giving the voters everything proposed for the project. Others have expressed concerns about additional architectural fees to change the scope of the work. Mr. Kiviniemi proposed a solution to those concerns. He proposed the Board issue the \$68 million bond and use the \$11 million on hand, plus the additional funds that will be collected before payments on the bond are due, and fund the original proposals for both campuses. Regardless of the decisions the Board makes, he pointed out it has been 20 weeks since the contracts were submitted to them for approval. He said the Board cannot continue delaying and it is time for them to make a decision.

## AGENDA MODIFICATIONS

There were no agenda modifications.

**Commissioner Chapman moved to approve the agenda as submitted, seconded by Commissioner Dalton, and unanimously approved.**

## CONSENT AGENDA

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

The following items were approved:

### MINUTES

The Board of Commissioners met in regular session on December 31, 2021 and following met in closed session (2) in which the minutes were sealed. The Board of Commissioners held a special meeting on January 31, 2022 to hold a joint meeting with the Board of Education. The Board approved the minutes as submitted.

### WATER AND SEWER PROJECT ACTION ITEMS: ACCEPTANCE OF AMERICAN RESCUE PLAN FUNDS AND AMEND PROJECT ORDINANCES

Per the recent decision of the Board to fund the remaining balance of the US 64/Town of Rosman to Gaia Herbs water and sewer line extension project from the NCDEQ Division of Water Infrastructure appropriation, the County must amend its project budget. The NCDEQ At-Risk Infrastructure program requires a lower contingency and slightly higher costs in other line items. The net cost of the project is lower, however, decreasing from \$5.6 million to \$5.4 million. Additionally, NCDEQ requires official action by the Board via the adoption of a resolution and the authorization to sign the forms. The prior version of the fund ordinance presented to the Commissioners mistakenly omitted the Dogwood Health Trust funding for offsetting the cost of planning for the infrastructure expansions. The Board adopted the revised water and sewer project fund ordinance and the resolution required by NCDEQ as requested.

### JUVENILE CRIME PREVENTION COUNCIL ANNUAL PLAN AND CERTIFICATION

The North Carolina Department of Public Safety requires Juvenile Crime Prevention Council (JCPC) related items to be voted on separately from the County's annual budget ordinance. Staff recommended the Board approve the certification form that gives an overview of the JCPC membership and processes and agrees to specific funding levels authorized by the local JCPC. There is no financial impact to the County as all funds are paid by the State to the County and then passed on to the recipient organizations. Transylvania County does not provide the matching funds. The Board approved the FY 2023 certification and funding plan as submitted.

### RESOLUTION AWARDDING RETIRING OFFICER SERVICE HANDGUN

Kevin Creasman retired from the Transylvania County Sheriff's Office effective May 1, 2022 with 30 years of service. N.C.G.S. § 20-187.2 allows the governing board to award to a retiring member the service gun of the retiring member. Sheriff Mahoney requested that the Commissioners approve a resolution allowing Kevin Creasman to purchase his service handgun for \$1.00. The Board approved Resolution #20-2022 Allowing Retiring Officer to Purchase Service Handgun.

**RESOLUTION # 20-2022**  
**ALLOWING RETIRING OFFICER TO PURCHASE SERVICE HANDGUN**

**WHEREAS**, NC General Statute § 20-187.2 provides that the governing body of a local law enforcement agency may, in its discretion, award to a retiring member the service handgun of the retiring member; and

**WHEREAS**, Kevin Creasman was a member of the Transylvania County Sheriff's Office where he has served as Deputy Sheriff, Patrol Sargent, Patrol Lieutenant and most recently Patrol and Administrative Captain; and

**WHEREAS**, Kevin Creasman retired from the Transylvania County Sheriff's Office effective May 1, 2022 with 30 years of service to the Sheriff's Office;

**NOW, THEREFORE, BE IT RESOLVED** by the Transylvania County Board of Commissioners to allow Kevin Creasman to purchase his service handgun in accordance with the provisions of NC General Statute § 20-187.2 for the purchase price of \$1.00.

This the 13<sup>th</sup> day of June 2022.

S:// Jason R. Chappell, Chairman  
 Transylvania County Board of Commissioners

**PRESENTATIONS/RECOGNITIONS**

RECOGNITION OF OUTGOING CITIZEN ADVISORY COUNCIL MEMBERS

In July 2015, the Board of Commissioners implemented a recognition program to express their appreciation to citizens who volunteer their time and expertise on the County's citizen advisory councils. The Board recognizes citizens on a semi-annual basis. This period covered January 1, 2022-June 30, 2022. Each person in attendance was presented with a certificate of appreciation and a mug with the County logo. The Clerk extended the invitation to both the June meetings. The Clerk will mail certificates to those citizen volunteers who are unable to attend.

Gregory	Evans	Transylvania Natural Resources Council
Talomy	Vaughns	Joint Historic Preservation Commission
Renay	Knapp	Transylvania County Council on Aging
Elaine	Russell	Personnel Board
Susan	Huter	Child Fatality Prevention Team
Susan	Huter	Community Child Protection Team
Susan	Huter	Juvenile Crime Prevention Council
Emily	Ullmer	Nursing & Adult Care Home Advisory Committee
Danny	Hein	Parks and Recreation Commission
Danny	Hein	Workforce Development Board
John	Blythe	Agricultural Advisory Board
Molly	Jenkins	Joint Historic Preservation Commission
Jane	Wheless	Nursing & Adult Care Home Advisory Committee
Richard	Houck	Transportation Advisory Committee
Wayne	Rundell	Parks and Recreation Commission
Terry	McCracken	Planning Board

## TRANSYLVANIA ECONOMIC ALLIANCE ANNUAL REPORT

Transylvania Economic Alliance Executive Director Burton Hodges presented the organization's annual report. Below is a summary of his presentation and the discussion that followed:

### **Who Are We?**

The Transylvania Economic Alliance is a public-private 501c(3) organization that is governed by a 10-member board of directors. As of May 2, the organization has two full-time staff.

### **Mission & Vision**

The organization remains focused on its original mission and vision from its inception in 2014 to serve as the professional economic development entity for Transylvania County, solicit new taxable investment, facilitate job creation, and build capacity for future growth and development.

### **Why Is Economic Development Important?**

- Foster tax base growth: increased commercial/industrial tax base and revenue for local government with less burden on public services
- Facilitate job creation: circulation of wealth, high-wage career employment opportunities, direct job creation with high value multiplier impact
- Build economic development capacity: to advance our competitive position for sustained diverse economic growth and resilience

### **Impact on Economic Development**

By marketing, soliciting new taxable investment and new company relocations, working with existing industries to help them grow and expand, and focusing on product development to generate new buildings and sites that can be marketed to economic development prospects, the organization has directly contributed to \$76 million in new taxable investment, as well as the creation of 310 new jobs. Direct job creation has long-term ripple effects throughout the economy.

### **FY 2021-22 Highlights**

- Survival Innovations: location to the City of Brevard
- Custom Tube Products: location to Town of Rosman
- Ecusta Brewing: expansion and building rehabilitation
- City Camper: a collaborative project with Heart of Brevard

### **2022 Transition**

Not all success and accomplishments come in the form of projects. The organization has undergone many changes this year which has allowed them to reflect on who they are and what they do and evaluate internal processes, such as the following:

- Instituted internal record-keeping and performance monitoring by adopting systems and software to ensure accuracy in how they collect data
- Developed board member code of ethics, conflict of interest, and conduct policies
- Active board member recruitment to fill vacancies
- Reworked logo and brand management strategy
- Bylaws revision and update
- Finalized Sylvan Valley II grant process in partnership with County staff



## **Organizational Performance**

### *Business Retention & Expansion*

The organization began the year with zero staff. As of May, the organization has a full-time staff member who is dedicated to business retention and expansion. The organization has been active on that front and has conducted 20 onsite visits to help the retention and expansion of the local industry.

### *Lead Generation & Recruitment*

The organization currently has a healthy amount of economic development recruitment project activity. They have successfully won two projects since February and six active projects are conducting real estate searches in Transylvania County. The organization would like for all six to locate here which underscores the importance of product development. Transylvania County's lack of product development inventory of buildings and sites has resulted in \$6.5 billion in new taxable investment projects that we have not competed for because of our limitations with available real estate.

### *Product Development*

The organization has made some strides over the past quarter. In February 2022, there were no marketable properties available. As of today, there are almost 30,000 marketable square feet, 215 acres, and 40,000 square feet of new class A industrial space that the organization hopes to announce a construction timeline for very soon.

## **Refining Who We Are**

When it comes to recruitment and expansion, the organization has very defined targets that they look to attract and grow in Transylvania County that they think reflect the local economy very well. The organization has an active project to meet all six of its target markets. The organization will be conducting a strategic planning process this summer but there should not be much change, if any, in the types of business they are targeting. This makes sense because the Professional, Scientific, and Technical Services Manufacturing sectors have contributed to over 90% of the economy's growth since 2013. There are very strong arguments to be made for the importance of those sectors when it comes to the tax base, productivity, and contribution to the economy. Those sectors alone make a compelling argument for how they affect the economy in the long term. For every 100 jobs created in the manufacturing sector, there are between 515 and 750 new jobs that are created as a result.

## **Strategic Goals**

The organization is going to undertake a strategic planning process later this year. Their original strategic plan from 2014 has expired. Some of the likely outcomes will be an emphasis on a cohesive and identifiable product development strategy. That does not just relate to site identification but also involves working with public partners, like County government, to identify utility challenges and constraints that the organization and the community can address and focus on to help promote long-term economic development growth.

The organization hopes to develop a timeline for the Sylvan Valley Industrial Center Phase II. They are going to begin a capital campaign in the next fiscal year to help diversify both their public and private sectors.

In addition, the Board of Commissioners should see an emphasis on developing two very high growth clusters within our economy – Pharma & Life Science and Outdoor Gear Manufacturing. The Board will also continue to see ways for the organization to support entrepreneurs and startups.

## **Board Updates**

The organization has completed a bylaws revision and they believe it will be very important for them to have a member of the County Commission participate on the board of directors in an ex-officio capacity.

He formally invited a Commissioner to begin participating in their meetings. The organization has extended the same invitation to the other elected bodies.

This concluded Mr. Burton's presentation. He thanked the Board for the opportunity to present and for their ongoing investment and support for economic development in this community.

### **Discussion**

Chairman Chappell called for questions and comments from the Commissioners.

Commissioner Chapman commented about the County moving forward with the utility expansion on the US 64 corridor. He said the Commissioners are going to need input from the Transylvania Economic Alliance about how best to capture the development opportunities coming down that corridor and how best to manage the growth. He encouraged Mr. Hodges to keep that at the forefront of the organization's priorities because utility expansion is a major asset to this County. Mr. Hodges agreed and stated that the Alliance is eager to participate in that process.

Commissioner Guice was appreciative of Commissioner Chapman's points about planning for the future. He felt it would be appropriate for the Planning Board and the Alliance to take the lead in that effort to help the County identify what fits well for business and industry, as well as to determine the layout of the community in terms of housing. He commented that significant changes in communities may strain the availability of housing, impact transportation, etc. so he supported planning efforts now.

Chairman Chappell stated the Board will make the County Commissioner appointment to the Alliance's Board of Directors at the next meeting.

At the request of Chairman Chappell, Mr. Hodges recognized the Alliance Board members and staff in attendance: Amber Webb, Chair; John Shoemaker, County's appointee; and, Hunter Jones, Director of Business Development.

## **APPOINTMENTS**

### **PARKS AND RECREATION COMMISSION**

The terms of Wyn Birkenthal and Wayne Rundell expire on June 30. Mr. Birkenthal is eligible and willing to serve another term. Mr. Rundell has served two terms and is not eligible for reappointment. In addition, Danny Hein resigned, leaving a position vacant. The Clerk to the Board and Parks and Recreation Director recruited and received applications to fill the upcoming opening and vacancy.

#### **Commissioner McCall moved to:**

- 1. Reappoint Wyn Birkenthal to a 2<sup>nd</sup> term,**
- 2. Appoint Christopher Bracken to replace Wayne Rundell upon the expiration of his term, and**
- 3. Appoint Jessica Hughey to fill the vacant term.**

**The motion was seconded by Commissioner Dalton and unanimously approved.**

### **REGIONAL COUNCIL ON AGING**

Delores Stroup's term on the Regional Council on Aging expires at the end of June. She is eligible and willing to serve another term. LeeAnne Tucker, Aging Area on Aging Director with the Land of Sky Regional Council recommends her reappointment. There are two vacancies on this council. The Clerk to the Board will work with Ms. Tucker to fill the vacancies.

**Commissioner Dalton moved to reappoint Delores Stroup to the Regional Council on Aging, seconded by Commissioner Guice.** Commissioner Chapman said he spoke with Ms. Stroup and did not get the impression that she wanted to be reappointed. The Clerk to the Board explained that she normally reaches out to the staff at the Land of Sky Regional Council on these appointments and their recommendation was to reappoint Ms. Stroup. Commissioners directed the Clerk to follow up and bring the appointment back before the Board if Ms. Stroup does not want to continue serving. **The motion was unanimously approved.**

## OLD BUSINESS

### TRANSYLVANIA COUNTY TOURISM DEVELOPMENT AUTHORITY UPDATE

Finance Director Jonathan Griffin presented this item. He reported that on May 26, 2022, the Transylvania County Tourism Development Authority (TCTDA) reviewed the terms and conditions of several pending contracts and recommended them for review by the Board of Commissioners. The purpose of the review process was to provide a formal opportunity for input from the Board of Commissioners since they are responsible for appointing and overseeing the TCTDA.

Staff forwarded the following contracts to the Board for review:

- An agreement with the Brevard/Transylvania County Chamber of Commerce to lease administrative/office space for two years for \$24,875 annually, with an option to extend
- An agreement with the Brevard/Transylvania County Chamber of Commerce to lease floorspace related to the Visitor's Center for two years for \$44,650 annually, with an option to extend
- An agreement with the Brevard/Transylvania County Chamber of Commerce for operating the Visitor's Center for \$56,000 annually, with an option to extend
- A general consulting contract with Market Connections

All parties have agreed to the terms and conditions of the agreements pending finalization by the attorneys. There are a couple of minor outstanding items that are not material to the agreements. The real estate attorneys are working on visual exhibits for the leases that visually display the use of the space. The attorneys are also reviewing the level of insurance coverage.

County staff did not have any further feedback or recommendations for the TCTDA or the Commissioners regarding the terms and conditions of these agreements. Mr. Griffin asked the Board to complete its review process and allow the TCTDA to finalize the contracts.

Commissioner Chapman was unclear about the sharing of the utilities. Mr. Griffin said the Executive Committee of the Chamber and the TCTDA mutually agreed to the provisions which involved a prorated amount based on the square footage usage. He also shared that there is a component of the building that would become nontaxable once it is leased for government purposes, but that remains to be determined.

The Manager pointed out there was a question from the Chamber about the Visitor's Center lease. They were expecting a two-year agreement so there may need to be some clarification on that term.

Chamber of Commerce President Angela Owen stated that the latest version that the Chamber forwarded indicated the agreement would have an initial term of one year and shall end at the end of the second year.

Commissioner Chapman commented that when the Board begins to discuss repurposing the Courthouse, consideration should be given to housing the TCTDA there.

Mr. Griffin added that because the TCTDA was created by the Board of Commissioners, they are not an independent corporate entity, so they cannot lease or purchase property without the Commissioners' buy-in. This makes them become part of the County's capital planning.

Commissioner McCall asked for clarification that the Board is being asked to consider agreements for a two-year term as opposed to a one-year term as previously recommended. Mr. Griffin said the TCTDA discussed this matter at length at its most recent meeting. They realized the timing issues that could crop up over the next year and thus recommended a term of two years.

Commissioner McCall expressed concerns about the availability of space should the TCTDA decide to go elsewhere. She requested staff give an update in one year on the status of their future plans. Staff agreed.

**Commissioner Chappell moved to approve all four contracts related to the Transylvania County Tourism Development Authority in negotiations with the Brevard/Transylvania Chamber of Commerce, seconded by Commissioner Chapman and unanimously approved.**

#### CONSIDERATION OF TAX INCREASE FOR MAJOR CAPITAL

The Manager presented the recommended FY 2023 Budget to the Board of Commissioners on May 23, 2022 with no tax increase for the general fund. Any additional funding consideration would require a tax increase.

On June 6, 2022, the Manager presented major capital items that are expected to impact future years. The FY 23 budget includes funds for the following capital planning needs:

- \$6.2 million for the Education Capital Fund. These funds will be used as bond payments once bonds are sold and the first payment is due.
- \$1.2 million for the Courthouse Project in Assigned Fund Balance as of June 2022 for a total of \$3.6 million. Design fees should range between 6-8% of the project cost reflecting a potential expenditure of \$4 million needed for the design if the Commissioners enter into an architect's contract during FY 23.
- \$1.2 million for Emergency Management, Economic Development, and Parks and Recreation needs. Some of the assigned fund balance for these items has been allocated to the EMS base project and the Sylvan Valley Industrial Building Phase II.

The tax rate necessary to move forward with debt service on major projects like the courthouse or school needs beyond the bond will require a tax increase. The increase is dependent on decisions made on project scopes and financing. The upcoming capital workshop this summer will be an opportunity to prioritize projects and provide staff direction. The current design timelines would not require the need for debt service in FY 2023. Should the Commissioners want to raise taxes to address future capital, a rough estimate of a 20-year borrowing payment would result in a tax increase of \$0.07/\$100 valuation.

The Manager asked Commissioners to determine whether they want to raise taxes for major capital effective with the FY 23 budget, and if so, to determine the amount necessary. She would then include the revisions in the budget and present them at the public hearing on June 20.

Commissioner Chapman stated he did not support a tax increase at this time due to the current economic environment and the high inflation rate. He felt it would be important for the Board to decide on the projects they intend to pursue at the upcoming capital workshop. At this time, he could not envision the Board agreeing to move forward on over \$100 million in capital projects. Commissioner Chapman commented that the school bond projects have already been reduced to 25% less than what the voters

expected. He was unsure if citizens would be open to the County spending another \$18 million to fund the projects as presented.

Commissioner Guice stated that education is important to the community, and he understood who was responsible for meeting the educational needs. While he understood the challenges before the Board, the enormity of those challenges is difficult to tackle. He felt the Board needed to begin taking steps now to address those needs, especially those at a critical point. Commissioner Guice also pointed out that the Board of Commissioners is not wasting time or holding the school hostage. The Board is trying to find a way to move forward and soon will reveal the discussions the Board has had and then collaborate with the Board of Education to move forward. He said the Board has tough decisions to make that will impact this community.

Commissioner McCall stated that she does not support a tax increase at this time based on the current economic climate, the inflation rate, gas prices, and the high cost of other items that families are struggling with. She stated that the County has sufficient funds to move forward with the design phase of a new courthouse without raising taxes, which she was in favor of doing.

Commissioner Dalton stated he did not support a property tax increase at this time. He suggested instead further research on levying additional sales tax being we have a heavy tourism economy. He understood that a sales tax would require the vote of the people. He agreed the Board needed to start planning. He also concurred with Commissioner McCall about moving forward with the design phase of the courthouse and he acknowledged that if the Commissioners do not move forward, the judicial officials may force the County's hand.

Chairman Chappell previously said the Board should begin implementing incremental tax increases for capital projects. There are sufficient funds available for the Board, if they so choose, to move forward with the design of the new courthouse. There is the potential for additional revenue coming to the County next year from other sources. For this reason, he did not feel this year was the time to begin enacting those incremental tax increases. He felt that a tax increase would be necessary in the future once the Commissioners decide on a path forward.

Commissioner Chapman stated that the Board of Commissioners has been accused by some citizens tonight of dereliction of duties. He was proud of the funding the County had committed to education. He pointed out that Transylvania County is the fourth highest funder in per-student contribution to education in North Carolina. He said the Board recognizes there are maintenance issues, but to be accused of not supporting education is offensive to him.

The Board took no action.

## **NEW BUSINESS**

### NORTH TRANSYLVANIA FIRE DEPARTMENT RESERVE FUND REQUEST

Assistant County Manager David McNeill presented this item to the Board. He reported that North Transylvania Fire Department has been using a 40-year-old service/rescue truck with a manual transmission as its primary unit. The Mills River Fire Department in Henderson County offered a used but much newer replacement for \$20,000. North Transylvania Fire Department requested the use of reserve funding for \$12,000 from the North Transylvania reserve and \$8,000 from the Sylvan Valley II reserve to make the purchase. The Fire Marshal's Office and Assistant County Manager fully supported this purchase with no new financial impact on the districts.

**Commissioner Dalton moved to authorize a transfer of \$12,000 from the North Transylvania Fire District reserve and \$8,000 from the Sylvan Valley II Fire District Reserve to allow the North Transylvania Fire Department to purchase a used truck from the Mills River Fire Department, seconded by Commissioners Guice and Chapman simultaneously and unanimously approved.**

OFFER TO PURCHASE UNSOLD FORECLOSED PROPERTY IN CONNESTEE FALLS

The County received an offer from Mike and Kim Young to purchase an unsold foreclosed lot in Connetsee Falls for \$6,000 that is adjacent to their current property. The current tax value is \$15,000. By law, any offer to purchase county-owned property must be accepted by the governing board and follow the upset bid process. If the offer is accepted, the Board must approve a resolution that describes the property and the amount and terms of the offer, sets the terms of the deposit requirements (at least 5% from the offeror by statute), details the upset bid procedures, and sets the deadline for accepting or rejecting the final bid. The Commissioners also have the option of rejecting the bid or authorizing staff to negotiate further with the offeror and bring back another offer if the current one is unsuitable. Once the upset bid process is complete, staff will bring it back to the Board for final approval to sell the property.

Commissioner Guice was hesitant to accept the offer based on the current tax value. He understood the process that allows citizens to upset the bid, but he reiterated his hesitancy. He commented that some of the lots in Connetsee are not necessarily buildable and that he would be more amenable to accepting an offer if he had more information on the property, such as a topographical map.

Commissioner McCall asked if there was some urgency to move forward. The Manager was unaware of any urgency but commented that the property is adjacent to the offeror's current property.

**Chairman Chappell moved to table this item to the next meeting after receiving additional information from staff, seconded by Commissioner McCall and unanimously approved.**

LETTER OF SUPPORT FOR ADVENTHEALTH'S PROPOSAL TO DEVELOP NEW ACUTE CARE HOSPITAL IN WESTERN NORTH CAROLINA

AdventHealth will be applying for a Certificate of Need to build a new 67-bed acute hospital in the Buncombe County area. The State of North Carolina specifically determined a need for additional beds in Buncombe, Graham, Madison, and Yancey Counties. AdventHealth sees the following benefits for Transylvania County should the project move forward in the region:

- AdventHealth's new hospital will have benefits for local EMS agencies throughout the region by providing an effective geographic alternative to the existing emergency services located on Mission's busy campus in downtown Asheville.
- The benefit of expanded emergency access via this new facility may have the residual effect of decreasing wait times at Mission, which helps everyone.
- The new hospital will also offer new allied health training opportunities for area community colleges and universities throughout the region.
- A new AdventHealth hospital in the Buncombe County area would mean more choices for patients to receive high-quality health care close to home and more opportunities for dedicated medical professionals to build their careers in our community.
- As a not-for-profit, faith-based organization, AdventHealth's financial resources are invested back in the community.
- AdventHealth's new facility will also offer labor and delivery with a dedicated C-section operating room to meet the area's women's health needs.

The application is due to the state on June 15 and AdventHealth is requesting consideration of a letter of support from the Board of Commissioners.

**Commissioner Chapman moved to authorize the Chairman to sign a support letter for the project, seconded by Commissioner McCall and unanimously approved.**

#### NCACC LEGISLATIVE GOALS

Every two years and the months preceding a long session of the General Assembly, the North Carolina Association of County Commissioners (NCACC) engages in a process to determine the legislative goals they should pursue in the best interest of counties. The process begins with counties submitting their legislative goals proposals, which are voted on by county boards and affirmed through a resolution from the county board chair. The NCACC accepts goal submissions from May through early September. After the goals submission deadline, all eligible goal submissions are referred to the appropriate NCACC Steering Committee with jurisdiction over the issue. The steering committees review the referred goals and provide recommendations to the legislative goals committee. The legislative goals committee considers each goal and determines which goals will move forward to the NCACC Board of Directors for their consideration.

The NCACC Board of Directors then considers and approves a package of recommended goals, making any necessary technical corrections. The board advances the goals package for consideration by all 100 counties at a culminating event - the NCACC legislative goals conference. Each member county appoints a voting delegate to participate in the legislative goals conference and to vote on goals and rank them in priority order. This year, the NCACC legislative goals conference will be held in November and the NCACC legislative agenda will be finalized by early December.

Staff recommended the Board offer proposed goals for submission to the NCACC. Staff will place this item on both the July meetings for final discussions and approval. The goals are due the same day as the 1<sup>st</sup> Board meeting in September, so the Board would need to approve them in July or no later than the 2<sup>nd</sup> meeting in August so that staff will have time to draft the appropriate language for the goal submission and provide supporting documentation.

In July, the Board may also consider nominating a Commissioner to serve on the legislative goals committee. The members will be appointed by the NCACC President.

After a brief discussion, the Commissioners recommended including the following goals:

- Fairness in the economic tier designations
- Authority for counties to levy differential tax rate for non-North Carolina residents (same as neighboring states)
- Declare broadband as a utility
- Support for Medicaid expansion at the State level to support underinsured individuals, families, and inmates
- Change lottery fund allocation to comply with statutes as intended when the lottery was passed and implemented to support education
- Flexibility of local school district calendars; impact on local community college system with increasing dual enrollment

This item will be added to the next agenda for further discussion.

## MANAGER'S REPORT

The Manager reported the following:

- The 2022 Primary Election became official with canvassing completed on Friday, May 27
  - No runoff election for Transylvania County
  - The next election is the General Election on November 8
- NCACC District 16 and 17 Meeting will be held Thursday, June 23 at Southwestern Community College in Sylva
  - Hosted by District 16 Director and Henderson County Commissioner Rebecca McCall and District 17 Director and Jackson County Commissioner Gayle Woody
  - Opportunity for County Commissioners and legislators in their respective districts to network and receive an update from the NCACC
- Local governments in North Carolina began receiving the first payments in early June from the \$26 billion national opioid agreement with the nation's three major drug distributors as well as Johnson & Johnson
  - The State has received \$4.4 million and 65 local governments have received \$16.3 million
  - Transylvania County received its first distribution on June 3 and will need to establish a special revenue fund for accounting of these funds (June 20 agenda)
  - The Dogwood grant for CARES includes exploring costs associated with prioritized strategies developed by the Transylvania Opioid Response Team (TORT)
- Institute for Emerging Issues (IEI) holding events in each of the prosperity zones to focus on the importance of advocating for postsecondary attainment goals which is part of the MyFutureNC effort
  - Land of Sky has a local endeavor underway (P20 Council)
  - IEI and Land of Sky co-hosting an event in the Western prosperity zone at Haywood Community College on July 19 to highlight the P20 Council on its role in credential attainment and to discuss other measures to increase attainment
- Land of Sky Regional Council will hold its board meeting on June 22 in the Transylvania County Commissioners Chambers
- Kudos to Beth Webb in Building Permitting from customer Mike Lewis
  - *"It is very refreshing to deal with the quick responses and communication you give us. In this day and age, it is great your department has embraced technology and how efficient you are."*
- Congratulations to Deb Haight for being awarded the 6<sup>th</sup> Annual Trailblazer Award by the Land of Sky Regional Council for her work with the older adult and caregiver community
  - Deb is the Director of Older Adult Services and Thrift Stores for WNCSource
  - Deb is currently serving her 2<sup>nd</sup> term on the County Council on Aging
  - *Carol McLimans Trailblazer Award* was established in 2016 to honor a professional in Buncombe, Henderson, Madison, and Transylvania Counties who is a pioneer and innovator in the field of aging and adult services
- Kudos to Housekeeping, Maintenance, and Groundskeeping from Derek Nelson in the Library
  - *"I wanted to express my thanks for all the work that you and your crew have done around the library in recent months. We are poised to have our first outdoor concert at the library amphitheater this evening. The grass has been freshly mowed, and the surrounding areas freshly mulched. I had a patron yesterday come in saying she was just outside taking pictures of all the flowering perennials that have been planted. Over the last couple of months, among other things, loose stones have been secured, sink holes filled, and a vandalized stage light repaired. I should also acknowledge, as I am sure you*



*are aware, that Rhonda, as always, does an impeccable job keeping the bathrooms and other inside spaces clean and comfortable.”*

- Thanks to On Point Outdoors for their work on spreading mulch outside
- Patrons of South Broad Park are also complimenting the staff on improvements

Commissioner Guice commented on a recent report in the newspaper citing a decision by the City of Brevard and Conserving Carolina concerning the Ecusta Trail. He asked if the County had been notified of their decision prior to the newspaper’s publication. He asked because the article indicated the two entities have been discussing public safety along the trail. Public safety in Transylvania County responsibility of the Sheriff. He said the article unfairly attacked and accused the County of not doing anything.

The Manager stated that at a recent meeting between City and County leaders, the City provided an update on their pursuit of a lease; however, no discussions occurred about the operations or public safety. The County was not asked to participate in a recent regional meeting; however, Commissioner Chapman intends to attend any future regional meetings since he represents Transylvania County on the local advisory board. She pointed out there is an agreement between the municipalities in Henderson County to fund Henderson County’s participation in the lease agreement which includes law enforcement protection and other items. Three municipalities in Henderson County are impacted. The expectation from Conserving Carolina was that an entity in Transylvania County would take on the liability for the trail, then lease it and operate that portion. She mentioned some impacts on public services will be inherent with any kind of addition of a recreational facility which will impact the County’s budget. The components of operations will be dependent on the amenities offered. Components such as restrooms, garbage collection and receptacles, maintenance and mowing will need to be addressed during the design. The Manager also pointed out there was a misunderstanding in the newspaper about County funding. The County levies the occupancy tax which funds the Transylvania County Tourism Development Authority. When the TCTDA committed \$1 million in occupancy tax funds toward the trail, it committed County funds

Commissioner Chapman asked the Commissioners to share with him any questions or concerns they have which he can share during the Ecusta Trail Advisory Committee meetings. He pointed out that the newspaper article referenced \$30,000 in annual operation costs for the trail, and he wanted to know what the funding entailed.

Commissioner McCall pointed out that the issues noted by the Manager were pointed out during discussions with Conserving Carolina and Friends of the Ecusta Trail, but they did not want to entertain those discussions. The upkeep and maintenance of the trail is going to require funds and it sounds like the City is willing to take that one. She agreed that public safety along the trail is necessary, but the County has not committed any funds.

Commissioner Guice was concerned about how the City’s decisions may affect County residents. He felt it was important for the County to be engaged in discussions with the City.

### **PUBLIC COMMENT**

There were no public comments.

### **COMMISSIONERS’ COMMENTS**

Commissioner Chapman addressed the accusations about the Board’s dereliction of duties and the conditions of the school facilities. He stressed that the County Commissioners are not responsible for the

maintenance of the schools. The County is responsible for providing the funding for maintenance. He said if the public is going to make accusations about the Commissioners, then he recommended the County take over the maintenance of the school facilities.

Commissioner Guice said he was moved in the last several days after the most recent elementary school shooting that occurred in another state, and it made him think how it easily could have happened here. He was pleased to learn that a group of US senators believe they have found a way to address this issue without violating law gun owners' rights.

Commissioner Guice took offense to the accusations about school funding when they do not know how hard this Board has been working to address the educational challenges in this County. He said it is time to stop blaming each other and find ways to be good listeners, compromise and do what is right for the community.

Commissioner Guice said it has been an honor and a privilege to serve on this Board. He thanked the Commissioners for accepting him and for forgiving him when he has spoken harshly or too direct about an issue. He wanted Commissioners to know he cares about them and how they feel about issues. He pledged to address the tough issues and show the Board the respect they deserve as elected officials during his final months serving on the Board of Commissioners.

Commissioner McCall expressed concerns about the lack of maintenance of school facilities and welcomed more discussion on better preventative maintenance so that these issues are addressed immediately rather than months or years later. She stated that the Board of Commissioners is meeting the requirements for school funding while funding other County departments whose services are mandated by the State. She reminded the public that Transylvania County is the fourth highest funder of education in North Carolina at over \$12,000 per student. As student enrollment declines, the amount of money provided for education continues to rise. Therefore, she took exception to the accusations of the Board being derelict in its duties, especially when the education budget is higher than any other County department other than public safety. Commissioner McCall stated that the Board of Commissioners and Board of Education need to have discussions on how best to move forward.

**Chairman Chappell moved to enter into closed session per N.C.G.S. § 143-318.11 (a) (6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee, and per N.C.G.S. § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged, following a 10-minute recess, seconded by Commissioner Chapman and unanimously approved.**

#### **CLOSED SESSION**

Per N.C.G.S. § 143-318.11 (a) (6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee, a closed session was entered into at 6:10 p.m. Present were Chairman Chappell, Commissioners Chapman, Dalton, Guice, and McCall, County Manager Jaime Laughter, Human Resources Director Sheila Cozart, County Attorney Bill Bulfer, and Clerk to the Board Trisha Hogan.

The Commissioners discussed a personnel matter.

Per N.C.G.S. § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged, the second and third closed sessions were entered into. Present were Chairman Chappell, Commissioners Chapman, Dalton, Guice, and McCall, County Manager Jaime Laughter, County Attorney Bill Bulfer, and Clerk to the Board Trisha Hogan.

The Board consulted with the County Attorney on matters of attorney-client privilege.

**Chairman Chappell moved to leave the closed session, seconded by Commissioner Dalton and unanimously carried.**

#### OPEN SESSION

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

#### ADJOURNMENT

There being no further business to come before the Board, **Chairman Chappell moved to adjourn the meeting at 8:42 p.m., seconded by Commissioner Chapman and unanimously approved.**

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Jason R. Chappell, Chairman  
Transylvania County Board of Commissioners

ATTEST:

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Trisha M. Hogan, Clerk to the Board