

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
July 22, 2019 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, July 22, 2019 at 6:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Will Cathey, Jason Chappell, Vice-Chairman David Guice, Chairman Mike Hawkins and Page Lemel. Also present were County Manager Jaime Laughter, County Attorney Misti Bass and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Derek McKissock

There were approximately 20 people in the audience.

CALL TO ORDER

Chairman Mike Hawkins presiding declared a quorum was present and called the meeting to order at 6:03 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 comments from the public.

AGENDA MODIFICATIONS

There were no agenda modifications from Commissioners or staff.

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

CONSENT AGENDA

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

The following items were approved:

MINUTES

The Board of Commissioners met in regular session on January 28, 2019 and following met in closed session in which the minutes were sealed. The minutes were approved as submitted.

DISCOVERY, RELEASE AND 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 the period June 25-30, 2019, tax dollars released totaled \$41.73 and refunds amounted to \$283.80. The report for the period June 25 -30, 2019 was approved as submitted.

RESOLUTION – MINI-BROOKS ACT EXEMPTION

In 2017, the Board of Commissioners granted the County Manager limited authority to authorize exemptions from the NC Mini-Brooks Act pursuant to NC General Statute § 143-64.31. The following is an excerpt from those minutes which granted the Manager authority:

MINI-BROOKS ACT EXEMPTION

The Manager presented this item. In North Carolina, the procurement of professional services performed by architects, engineers, surveyors, and construction managers at risk is governed by NCGS 143-64.31, sometimes referred to as the “Mini-Brooks Act.”

NCGS 143-64.32 authorizes a unit of local government to exempt itself from the Mini-Brooks Act, which means that it will not be required to use the Qualification Based Selection (QBS) process and may select an architect, engineer, surveyor, or alternative construction delivery method firm by whatever method it chooses. The statute requires the exemption be in writing and the estimated professional fee is less than \$50,000.

Commissioner Lemel moved to authorize Jaime Laughter, County Manager to grant exemptions in writing for projects subject to the Mini-Brooks Act when an estimated professional fee is less than \$50,000, seconded by Commissioner Hawkins and unanimously approved.

NC General Statute § 143-64.31 requires that any procurement of architectural or engineering services by a public entity be conducted according to “qualifications-based selection” without regard to price. This would necessitate a full request for qualifications prior to any procurement of professional services. Recognizing that this could be a potentially cumbersome process to follow, the General Assembly, through NC General Statute § 143-64.32, authorized local governments or the North Carolina Department of Transportation exemptions on proposed projects where the fee for professional services is less than \$50,000 if done in writing.

Transylvania County currently does not have this process outlined in writing. In order to protect the County from certain legal or financial risks, staff recommended the adoption of a resolution authorizing the County Manager to issue exemptions from the qualifications-based selection process.

Commissioners approved Resolution #26-2019 as submitted.

RESOLUTION #26-2019

DELEGATING THE AUTHORITY TO EXEMPT IN WRITING, PARTICULAR PROJECTS UNDER \$50,000.00 FROM THE STATUTORY PROCUREMENT PROCESS ESTABLISHED BY ARTICLE 3D OF CHAPTER 143 OF THE NORTH CAROLINA GENERAL STATUTES, (i.e. MINI-BROOKS ACT), TO THE COUNTY MANAGER OR DESIGNEE

WHEREAS, NCGS § 143-64.31, known as the “Mini-Brooks Act,” requires local governmental units to announce all requirements for architectural, engineering, surveying, construction-management-at-risk services, design-build services, and public-private partnership construction services, to select firms

qualified to provide such services on the basis of demonstrated competence and qualification without regard to fee other than unit price fee; and

WHEREAS, NCGS § 143-64.32, provides for units of local government to exempt, in writing, particular projects from the provisions of Article 3-D of Chapter 143, where an estimated professional fee is an amount less than fifty thousand dollars (\$50,000).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF TRANSYLVANIA COUNTY THAT the County Manager or designee is hereby delegated the authority to exempt, in writing, particular projects under \$50,000.00 in accordance with section 143-34.31 of Article 3-D of Chapter 143 of the North Carolina General Statutes.

Read, approved and adopted this 22nd day of July, 2019.

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

CANCELLATION OF AUGUST 12, 2019 BOARD OF COMMISSIONERS' MEETING

Usually following the passage of the annual budget, the Board of Commissioners cancels a summer meeting. There is no pressing business for the August 12, 2019 meeting. Commissioners cancelled the August 12, 2019 Board of Commissioners' meeting and instructed the Clerk to publish and post appropriate notice.

PRESENTATIONS/RECOGNITIONS

RECOGNITION OF CITIZEN ADVISORY COUNCIL MEMBERS

In July 2015, the Board of Commissioners implemented a recognition program for the purpose of expressing their appreciation to citizens who volunteer their time and expertise on the County's many citizen advisory councils. The Board intends to recognize citizens on a semi-annual basis. This period covered January 1, 2019 - June 30, 2019. Each person in attendance was presented with a certificate of appreciation and a coffee mug. The Clerk extended the invitation to either of the July meetings. The Clerk will mail certificates to those citizen volunteers who were unable to attend. Those to be recognized were:

Jeremy Gibbs	Blue Ridge Community College Board of Trustees
Gay Phillips	Board of Equalization & Review
Tom Tartt	Brevard Board of Adjustment & Appeal
Carroll Parker	Transylvania County Council on Aging
Aaron Bland	Joint Historic Preservation Commission
John Huggins, Sr.	Joint Historic Preservation Commission
Marcy Thompson	Joint Historic Preservation Commission
Toni Casciato	Juvenile Crime Prevention Council
Theresa Weber	Juvenile Crime Prevention Council
Anne Bullard	Library Board of Trustees
Karen Cole	Library Board of Trustees
Gregory Copeland	Parks and Recreation Commission
Daryle Hogsed	Planning Board
Mack McNeely III	Planning Board
Raymond Norris	Transportation Advisory Committee
Allyson Davenport	Workforce Development Board

Chairman Hawkins, with assistance from the Clerk to the Board, presented certificates and coffee mugs to those in attendance. The only citizen in attendance to receive their certificate was Mr. Carroll Parker. Chairman Hawkins offered his deep-felt thanks to all the citizen advisory council members who have served, sacrificed their time and offered their expertise.

US DEPARTMENT OF VETERANS AFFAIRS EXPENDITURES IN NORTH CAROLINA

Veterans Service Officer Frank Pearsall gave a report to the Board of Commissioners regarding the distribution of VA expenditures in Transylvania County and other various veteran demographics.

Mr. Pearsall referenced a press release regarding the Blue Water Veterans. The VA recently decided to recognize these Navy Veterans which has increased office traffic due to additional veterans qualifying for benefits. Mr. Pearsall learned today that the VA has added another disease associated with Agent Orange exposure – bile duct cancer. He intends to reconnect with those veterans who filed for benefits and were turned down.

Commissioner Lemel noted the number of veterans our community loses in a single year is striking. She was very grateful to Mr. Pearsall for being aggressive in the way he seeks to ensure our veterans receive benefits. She thanked him for his commitment to his work and the veterans in our community.

Commissioner Chappell publicly thanked the Register of Deeds for initiating the Thank-A-Vet program which allows veterans opportunities for various discounts using a veteran identification card. Mr. Pearsall stated he helps to ensure all veterans are receiving a veteran identification card from the Register of Deeds office.

Chairman Hawkins noted that in 2018 there were roughly 3,200 veterans residing in Transylvania County. He asked how those veterans were classified in terms of where they may have served. He assumed there are different types of services needed by Vietnam Veterans as opposed to others. Mr. Pearsall stated most of the veterans residing here are Vietnam Veterans. He reported there have been 15 different diseases identified for Vietnam Veterans to receive benefits and 12 diseases for Gulf War Veterans. Each has their set of issues depending on where they served and Mr. Pearsall deals with each individually to ensure they receive the benefits they deserve.

Commissioners thanked Mr. Pearsall for the vital work he does serving our veterans.

APPOINTMENTS

CEDAR MOUNTAIN SMALL AREA PLANNING COMMITTEE

The Manager recognized the County's new Planning and Community Development Jason Stewart before presenting this item.

On January 28, 2019, the Board of Commissioners approved the Small Area Planning Process as presented by the Planning and Community Development department on behalf of the Planning Board. The approval was in line with the Transylvania County 2025 Comprehensive Plan to facilitate community-based workshops to identify local concerns and help create possible solutions.

The Cedar Mountain community expressed an interest in having a plan that would be adopted by the Board of Commissioners with the potential for enforceable ordinances or regulations as tools to achieve the goals of the plan. The Small Area Planning Process is meant to create consistency within the methodology used across all communities.

Along with the approval of the Small Area Planning Process, Commissioners directed staff to seek applications from citizens to serve on the committee to represent the Cedar Mountain community. The Clerk to the Board advertised on four separate occasions (February 11 & 14 and April 8 & 11) and received nine applications for the Board to consider.

New Planning and Community Development Director Jason Stewart weighed in on the makeup. His experience has found that a five-person format is manageable for these types of committees, unless the Board feels a specific need to expand the membership to seven. With that said, the Manager pointed out that a five-member board is easier to manage. She pointed out that to be successful, this committee must be comprised of dedicated members and ones willing to communicate with their neighbors.

Staff requested the Board discuss the structure of the Cedar Mountain Small Area Planning Committee, appoint members from the applications presented and provide any other direction to staff that the Board feels is pertinent. Staff's expectation would be to begin working with this committee in September.

Chairman Hawkins asked staff if they were comfortable that a five-member committee could handle the workload that will be required. The Manager stated that as long as they represent the Cedar Mountain community, the five-member makeup should be doable. She stated the biggest obstacle will be the ability to build consensus on different viewpoints. A five-member or seven-member board ensures no tie votes when there is full attendance. A larger committee sometimes presents issues with meeting a quorum. If the Board of Commissioners feels strongly about the applicants to increase the membership to seven, then staff will move forward accordingly.

Commissioner Guice stated that the Board of Commissioners should consider the representation of the community and whether having five members can make up the overall representation of the community.

Commissioner Lemel stated some of the applicants seem obvious choices to her because of their involvement and investment in the community. Based on each applicant's interest and qualifications, she felt the Board should be able to determine the best members to serve.

Commissioner Guice said in his review of the applications, the applicants are well-qualified, and many have backgrounds in planning.

Chairman Hawkins was impressed with the quality of the applicants as well. He said he would be satisfied with either makeup. He polled the Board on their thoughts concerning the makeup.

Commissioner Chappell stated he has a philosophical issue with the small area planning process because he felt it is a backdoor to zoning and land regulations. For this reason, he intends to vote against the formation of a committee. He pointed out his views do not diminish the qualifications of the applicants.

Because of Mr. Stewart's recommendation, Commissioner Lemel preferred a five-member board. She found it interesting that those who drove the idea of developing the opportunity for a small area plan did not apply to serve on this committee. However, those who did apply are very talented individuals. Considering the applications individually, she felt that that a five-member committee made sense.

Commissioner Guice again stated he would be supportive of either, but out of respect for staff, he supported their recommendation for a five-member board.

For philosophical reasons, Commissioner Cathey concurred with Commissioner Chappell's stance. He stated he is against the small area planning process, but it was no reflection on the quality of the applicants.

Chairman Hawkins received consensus on a five-member committee. He called for nominations to the Small Area Planning Committee:

Commissioner Lemel nominated Lucia Gerdes.

Commissioner Guice nominated Mark Tooley.

Commissioner Lemel nominated Tom Oosting.

Commissioner Guice nominated Curley Huggins.

Commissioner Lemel nominated Candy Gray.

There were no other nominations. Chairman Hawkins called for a vote on the five-member slate of nominees.

Commissioner Lemel moved to appoint the five-member slate of nominees to the Cedar Mountain Small Area Planning Committee, seconded by Commissioner Guice. The motion passed 3 to 2, with Commissioners Cathey and Chappell voting against.

OLD BUSINESS

EMPLOYEE COMPENSATION AND CLASSIFICATION STUDY

At the last meeting, the Manager co-presented, along with a consultant from Evergreen Solutions, on the results of the Employee Compensation and Classification Study. The Manager stated it is important for the public to understand that the need for public service and the demand for skilled workers continues to increase, while associated degree fields are on the decline. The issues this creates for local government are the potential for liability, regulatory responsibility and public perception of lazy government workers. The reality is that career fields in local government are those that provide critical services to our communities – public safety, health and human services, solid waste, recreation and culture, just to name a few. It takes the right training and skills, but also the willingness to serve in order to have quality and efficiency in local government.

Human Resources has raised many concerns with the current compensation and classification plan over the last several years. Those concerns include:

- Compression- last study put all employees, regardless of tenure and experience, between minimum and midpoint of the range
- New employees were hired within those bands to be consistent and legally defensible for equity at the federal level
- Recruitment of experienced professionals has been an ongoing challenge
- WNC regional market has grown significantly
- With fewer students attending training and degree programs (i.e., BLET), the market is more competitive for entry-level recruits, meaning the County needs to be able to recruit experience
- Hiring the right professional with the right credentials can help prevent expenses from mistakes, including both regulatory and liability

The Manager reviewed the elements Commissioners should expect from the proposal:

- Address compression and reward experience with pay in the ranges

- Shift from focusing on tenure only with the County and adding a focus on credentials when hiring new employees, as well as with study implementation
- Not all ranges were below market, but some employees in those ranges will see an increase to compensate experience and alleviate compression
- Many ranges were below market
- Two factors driving cost of implementation: behind the market and a need to move employees through the ranges based on experience and education
- Increases will vary throughout organization depending on the range, evaluation of the job and each person's education and experience over the minimum required
- One option utilizes caps based on job classification of 5, 10, and 20 years; caps are intended to encourage career progression in responsibility; another option does not have caps for existing employees but does for new hires
- Methodology applied equitably as if re-hiring all staff and shifting to a more modern approach to compensation (Note: Given that performance has not been rewarded in the organization for over 10 years, performance was not a factor in the reset, but should be a factor moving forward)
- COLA was not budgeted for FY 20 in order to fund the study implementation at \$2.3 million

Evergreen Solutions was hired as the consultant to conduct a market analysis, engage employees, review job duties for each position and make recommendations on a methodology to accomplish goals the County set forth. In addition, the Personnel Board helped to shape goals, review the methodology and make recommendations.

Evergreen Solutions completed employee outreach sessions, held focus group sessions and conducted employee surveys. Overall, the process went well. The consultant revealed that pay was the biggest concern by employees. Evergreen Solutions also analyzed conditions of the current pay system, reviewed the entire organization's pay compensation philosophy and conducted an internal analysis using a Job Assessment Tool (JAT). The JAT gave employees an opportunity to showcase their job responsibilities. The JATs were reviewed by supervisors and department heads to ensure accuracy. It also provided an opportunity for the consultant to determine if a position was misclassified in the current system.

Evergreen Solutions also conducted an external equity analysis. They looked at the marketplace to determine whether the County had a competitive pay structure. They developed recommendations for a competitive pay structure and on individual classification assignments with the pay structure. Finally, they developed options for moving forward with implementation along with estimated costs.

During Evergreen's employee outreach, they received the following feedback:

- Compression of salaries should be alleviated
- Recruitment and retention of employees are at risk if salaries are not adjusted, particularly with our regional peers
- County provides good employee benefits

The consultant's review of the County's current pay system revealed the following:

- Open range pay plan with pay range spreads of 50% from the minimum to the maximum
- Plan has 27 different pay grades
- Each pay grade has three annualized ranges based on different work weeks

In Evergreen's review of current conditions, they revealed that employee salaries are clustered below the midpoint, confirming the compression issue identified by staff and as a result of the implementation of the

previous study. It shows that 65.7% of employee salaries were in the 1st Quartile (bottom portion of the pay range), 21.0% in the 2nd Quartile, 11.5% in the 3rd Quartile and 1.8% in the 4th Quartile. Information showed that 86.7% of employees are below the midpoint which is typically considered “market” for the position and the pay at which an employee is proficient and satisfactorily performing the duties of their position.

The Personnel Board guided staff and the consultant on an appropriate compensation philosophy for the County. One element of the philosophy is to be competitive at the market average. The Manager pointed out that Transylvania County will not be a direct competitor with Buncombe County, but she expects Transylvania County to be close enough in the market range where our culture should be attractive to applicants. Another element is to ensure that the County maintains equity, flexibility and competitiveness. The recommended plan is an open-range plan, although there was discussion about the inclusion of step ranges. There was also discussion about pay increase methods, including the existing COLA policy and a performance-based strategy. The Personnel Board recognized the County would need to develop a system to make recommendations for performance pay.

To finalize the study, the consultant reviewed the employee input, determined internal equity, and made appropriate title changes throughout the organization. The consultant also conducted an external review of Transylvania County’s market peers, including those at the regional level and those counties that are like Transylvania County. Evergreen Solutions collected salary range data for 66 benchmark classifications and compared the data at the average of the market. They found that Transylvania County’s differential at the range midpoint was -4.8% compared to our peers.

The consultant has proposed a competitive open-range plan that gives the County 28 different pay grades with the range spreads at 55% which is reflective of the typical standard and the market. Each individual employee will be slotted in the pay range based on their experience and education above what is required for the position based on the job description.

Evergreen Solutions developed two options for the Board to consider for implementation:

	Option 1	Option 2
Caps	No caps for existing employees; employees given full credit within the recommended range for their education and experience above the requirements in the job description	Creates caps for 5, 10, and 20 years; applied to internal staff; intention is to encourage employees to move forward with their career and accept additional responsibilities; 13 individuals with long tenure in capped classifications were identified for additional credit in their ranges to avoid compression once again
Total Annualized Implementation Cost	\$2,569,379	\$2,116,565
Total Annualized Implementation Cost, including employee benefits	\$2,760,111	\$2,264,465
# of employees to receive adjustments	325	325

The Manager reported that Commissioners included an earmark of \$2.3 million in the FY 20 Budget for implementation of the study. The Board’s compensation philosophy includes an annual COLA; however,

for FY 20, staff set aside the COLA to account for the \$2.3 million needed to implement Option 2. Staff recommended the Board consider conducting a compensation study every three to five years. Beyond FY 20, the Board should continue with an annual COLA.

The Manager reported the Personnel Board felt strongly that the COLA should be awarded in FY 20. They also recommended implementation of Option 2 which applies the caps for both existing employees and new hires. The Manager reported that 24 individuals would not currently qualify for the minimum job requirements and will need to be placed in a “work against” status which means they would be paid below the minimum until they gained the experience to bring them up to the minimum.

The Personnel Board felt strongly that the implementation of the study is akin to hitting the reset button in that the County is changing its philosophy and essentially rehiring all staff to classify them where they should be within the pay ranges. The Personnel Board also felt strongly that how the County moves forward after implementation is equally important.

The Manager asked Commissioners to consider the two options presented and direct the Manager to move forward with the methodology to be effective with the first payroll in September. This would give staff adequate time to ensure each employee’s data is correct in terms of their experience and education components, to perform the payroll change notices, and to meet with each individual employee.

The Manager completed her presentation and called for comments and questions from Commissioners. She noted a question posed prior to the meeting asked for an estimate of the COLA for FY 20. She reported that as of now the COLA is estimated to be 2%. She reminded Commissioners if they elect to implement Option 1, there is \$2.3 million already allocated for this purpose, so the remainder would have to come from fund balance. However, since the implementation will cover only a 10-month period, the Board will likely not see an allocation from fund balance by the end of the year.

Commissioner Lemel asked why the Personnel Board felt so strongly about implementing the caps. To her, it seems like the caps could contribute to problems in the future especially knowing that the last study was not fully implemented thus causing additional compression issues. The Manager stated the reason the Personnel Board recommended Option 2 was because it was within budget. If Commissioners truly intend to fix issues for employees related to past studies, the best route would be to choose Option 1. In Option 1, the caps only apply to new hires. Use of the caps at implementation in Option 2 is the more affordable structure, but to definitively repair past issues, the best route would be Option 1.

Commissioner Guice pointed out that 86.7% of employees are below the midpoint of the ranges which indicates a problem with the compensation system. The problem exists because there is no system that allows employees to move through the ranges. The study recommendations will remedy that issue. He felt strongly that the fairest option to all employees is Option 1. Commissioner Guice also stressed the importance of the COLA which keeps employees whole. Implementing a new structure at the expense of the COLA does not send a good message to employees.

Commissioner Lemel pointed out that most people do not get to be part of a structure where they get to pay part of their own salary because the County’s employees are also taxpayers. She thought it was important for Commissioners to recognize this; therefore, she felt Option 1 was the best option for employees.

Commissioner Cathey stated that although he normally would prefer to spend less money, he felt strongly that Option 1 was the better option.

Commissioner Lemel moved to implement Option 1 for FY 20 with an implementation date of September 2020 to include the February COLA, seconded by Commissioner Cathey. Commissioner Guice noted that COLA is currently projected at 2%, but that will not be certain until January. Commissioner Chappell felt that the large percentage of employees below the midpoint of their ranges is very telling. To him, this was the most important information. He said he remains concerned about the cost of implementation because the County has significant needs as a whole. The implementation of this study is a complete change in philosophy, and he hopes everyone will recognize and realize the impact of this vote. He viewed this vote as a statement that Commissioners truly value County employees and are willing to ensure they are appropriately compensated while understanding the significant cost to the County's budget. Chairman Hawkins addressed Commissioner Chappell's comments and shared that it is not contradictory to support compensating employees while being equally concerned about the cost. With that said, if Commissioners feel that County employees are the organization's greatest asset, then Commissioners should do right by them by implementing the recommendations. He pointed out it is a strong message that the Board is willing to go beyond the Personnel Board's recommendation. **The motion was approved unanimously.**

On behalf of Transylvania County employees, the Manager thanked the Board for their vote and support. She felt strongly that Transylvania County has one of the best staffs and employees in the State of North Carolina. She expected Commissioners to continue seeing exemplary service and a willingness to go above and beyond in their positions in order to serve this County.

Chairman Hawkins thanked the Manager, Human Resources Director Sheila Cozart, and the Personnel Board for their work on this study. His comments were met with applause.

APPOINTMENT OF SPECIAL COUNSEL FOR DEPARTMENT OF SOCIAL SERVICES

State statutes require that counties have an appointed county attorney. State statutes also indicate that Boards of Commissioners may make separate appointments for legal purposes, specifically for Departments of Social Services (DSS). Throughout the State, counties utilize different models to provide legal services that include review of contracts, advisement on legal matters and responsibilities to keep legal procedures and timelines in compliance. Departments of Social Services require regular coordination for legal procedure. Both county attorneys and DSS attorneys may be employed by the county or may work under an approved contract. Those under contract must be chosen utilizing a process that meets the State laws for procuring professional services through a Request for Qualifications process. Staff attorneys fall under the personnel process.

In 2017, Commissioners voted to transition from having contract attorneys service the County and DSS needs. Instead, they created a staff position to serve each legal services provision needs and established a legal office, including a part-time paralegal. Since that time, there have been concerns about the workload and demands of each specialty on a single position with the DSS legal demands appearing to warrant the equivalent of a full-time position.

Commissioners asked staff to prepare options for their consideration that would achieve legal services on a full-time equivalent for DSS and to split legal services for the County from DSS legal services. On June 24, 2019, the Manager presented three options for the Board's consideration. The Board voted the option to hire a full-time DSS Staff Attorney and to contract for County Attorney service.

Under the former legal model, Mary Ann Hollocker was hired part-time beginning January 2, 2019 to work under the tutelage of County Attorney Misti Bass. The DSS Board is very much impressed with her work and the positive changes she has made with respect to relationship-building with judges, attorneys, and DSS staff. Operations are much improved, to the benefit of children and families.

NC General Statute § 108-16 states that with the approval of the board of social services, the board of commissioners of a county may appoint a licensed attorney to serve as a special county attorney for social service matters, or designate the county attorney as special county attorney for social service matters. On behalf of the DSS Board, Chair Judith West submitted a letter to the Board of Commissioners requesting the appointment of Mary Ann Hollocker as special county attorney for social service matters.

Commissioner Lemel moved to appoint Mary Ann Hollocker as special county attorney for social service matters, seconded by Commissioner Guice. Commissioner Cathey stated he is not opposed to the appointment of Ms. Hollocker, but he believes these positions belong to the Board's constituents. He felt strongly the position should have been advertised for applications and that the Board should be responsible for reviewing the applications. He thought it was unacceptable that the attorney firm that has served as backup attorneys for DSS for more than 20 years was not acceptable. Commissioner Lemel stated the Board is following statutes in terms of this appointment. The Manager shared that most counties utilize contracts for backup attorney services which are typically authorized by the staff attorney. In some cases, the contracts are authorized by the DSS Directors. In Transylvania County, the DSS Director authorizes contracts for both the DSS Attorney and backup attorney services. In moving to the staff attorney model, the County Attorney was responsible for authorizing backup contracts. It is anticipated that once the Board appoints the staff attorney for DSS, they would select the appropriate backup services. Commissioner Cathey again stated he was not in favor of using this method. Commissioner Guice said his understanding of the work product from the current staff has turned the department around since this Board decided to change the structure. Judges, the District Attorney, local attorneys, and DSS have all expressed how impressed they have been with the work of this department under the new structure. There is also no longer a backlog of cases. These facts compel him to support the recommendation from the DSS Board. Commissioner Cathey agreed that Ms. Hollocker is doing a good job; he was more concerned about the method in which these positions are being filled. Commissioner Chappell suggested adding this issue to the agenda for the upcoming planning retreat which would allow for more robust discussion. Chairman Hawkins echoed previous comments about the performance measures and the feedback related to Ms. Hollocker. **The motion was approved unanimously.**

NEW BUSINESS

2018 TAX SETTLEMENT REPORT

Each year the Tax Collector shall make a sworn report to the governing body of the taxing unit per NC General Statute § 105-373. This report covers the 2018 tax year. Tax Administrator Jessica McCall presented the 2018 Tax Settlement Report. This is a summary of her presentation:

- Total levy
 - County - \$28,238,981.05
 - All districts - \$36,721,430.52
- Total collected
 - County - \$28,185,081.57
 - All districts - \$36,653,493.21
- Uncollected 2018 taxes (as of June 30, 2019)
 - County - \$53,899.48
 - All districts - \$67,937.31
- 2018 overall County collection rate - 99.81%
 - Each district percentage rate - higher than 99.00%
 - County collection rate as of January 7 - 99.58%
- Delinquent taxes collected for 2017 and prior years

- County - \$36,143.18
- All districts - \$44,184.62
- Bank attachments - \$19,239.51
- Wage garnishments - \$9,564.50
- Payment plans - 241
- Made more than 10,000 phone calls

Commissioner Chappell congratulated Ms. McCall and her staff for their tremendous work on behalf of the County. He thanked them for their willingness to work with taxpayers. Commissioner Chappell was also very appreciative of our citizens for fulfilling their responsibility to pay their taxes.

Commissioner Guice noted that the City of Brevard has transitioned into conducting their own tax collections. Ms. McCall confirmed and stated that they will be responsible for performing the same tasks and collection efforts as the County.

Chairman Hawkins inquired about how the City's transition impacts County operations. Ms. McCall reported there will be no changes to the County's operations because each taxpayer will still receive a bill to pay the County portion of their taxes and fire district taxes.

Commissioner Guice asked if the collection of fire taxes would be different if the Board decides to enact a flat tax. The Manager stated if the Board implements a single tax district for all districts, except the City of Brevard, it would be reported as one district. Currently when tax payments are received, they must be separated and recorded by district. A single tax district would reduce some of that work.

Commissioner Cathey moved to approve the 2018 Tax Settlement Report, seconded by Commissioner Guice. Commissioner Lemel asked how the collection rate compared to the prior year. Ms. McCall reported the collection rate was slightly lower than last year. The previous year's tax collection rate was 99.86%, but it remains one of the highest in the State. **The motion was unanimously approved.**

2019 ORDER TO COLLECT ALL REAL AND PERSONAL PROPERTY TAXES

The Tax Collector must be charged with the 2019 tax bills which gives full and sufficient authority to collect taxes with forced collection remedies if necessary, per NC General Statute § 105-321. The Order of Collection shall have the full force and effect of a judgment and execution against the taxpayers' real and personal property.

To the Tax Administrator of the County of Transylvania:

You are hereby authorized, empowered and commanded to collect the taxes set forth in the tax records filed in the office of the Tax Administrator and in the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be first lien upon all real property of the respective taxpayers in the County of Transylvania, and this order shall be full and sufficient authority to direct, require and enable you to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law.

Commissioner Cathey moved to approve the 2019 Order to Collect Real and Personal Property Taxes, seconded by Commissioner Lemel and unanimously approved.

ALLOWABLE COST POLICY

Finance Director Jonathan Griffin presented this item. Martin Starnes and Associates, the County's auditing firm, has advised that the County must adopt an allowable cost policy, given the large number of grants and pass-through funding administered by the County.

The purpose of an allowable cost policy is to provide the framework by which expenses can be considered prior to being charged to a source of external funding. In essence, it functions similarly to the preaudit function of the Fiscal Control Act, where someone is responsible for determining whether an expense is allowable under a certain grant just like the Finance Officer is responsible for determining whether the budget has appropriated enough funds to pay for a particular item.

Mr. Griffin drafted a policy that reflects the current state of procedures as they stand practically for Transylvania County to provide something that meets the need for a written standard without proposing anything new. As it stands, individual department officials overseeing grants are responsible for determining if a cost is allowable and then discussing it with the Finance department as necessary. In other communities, allowable costs would be both a part of a purchasing policy or a grant management policy. Finance intends to propose for the Board's consideration a consolidated purchasing policy (combining p-cards, federal and state purchasing and local purchasing) later this year, but this policy needs approval in the interim period.

The County has not adopted a grant management policy in the past because such a policy would need to be comprehensive and cover the full lifecycle of a federal or state award. A policy that covered grants from beginning to end would require, for example, formal procedures governing when, where and how a grant is applied for (including checks and balances) as well as close out procedures. This could increase the amount of agenda items the Board of Commissioners would need to oversee in a given year or create a situation where County Administration/Finance disagree with a department about whether a department could pursue certain grant opportunities, or whether a grant has accumulated enough supporting documents to meet the County's standard. A grant management policy would take a longer period to develop and require additional input from other departments.

Thus, adopting a separate and independent "Allowable Cost Policy" is the simplest and most straight forward way to address this compliance need.

Commissioner Lemel moved to approve the grant Allowable Cost Policy, seconded by Commissioner Chappell and unanimously approved.

RENEWAL OF FUNDING AGREEMENT WITH TOWN OF ROSMAN REGARDING CHAMPION PARK

Finance Director Jonathan Griffin presented this item. In 2016, Transylvania County and the Town of Rosman entered an interlocal agreement that would govern the operation of Champion Park and Pool. The Town of Rosman approached the County with a proposal that would allow the Town to take ownership of the Pool and Park and to leverage grant funds through USDA that were not available to the County.

The interlocal agreement expired June 30, 2019. Transylvania County has no obligation to continue appropriating \$50,000 to the Town of Rosman for the upkeep and operation of Champion Park and Pool; however, staff budgeted for this appropriation to continue, given that the Champion Park and Pool facility meets an important need for recreation facilities for the Town of Rosman and adjacent areas in Transylvania County.

Staff recommended that the Board renew the agreement for at least one year to meet the current needs of the Town of Rosman. Staff believes this investment in the Town's recreation services to be worthwhile. Staff was informed that the Town has \$700 remaining in their account for the purpose of operating the pool for the season. Staff recommended the renewal of the agreement and release of funds for at least one year.

Commissioner Cathey moved to authorize staff to renew the agreement for at least one year and release the \$50,000 earmarked for this purpose to the Town of Rosman, seconded by Commissioner Lemel. Commissioner Cathey, as former Mayor of Rosman, thanked Commissioner Lemel for her father's advocacy and work getting the pool constructed in Rosman. Commissioner Lemel's father was a County Commissioner at the time. Commissioner Chappell was appreciative of the good working relationship among staff which has resulted in major improvements to this amenity. He asked staff to meet with Rosman officials to determine a long-term agreement. Commissioner Guice concurred with Commissioner Chappell's comments and supported the motion. **The motion was unanimously approved.**

MANAGER'S REPORT

The Manager reported the following:

- Lead for NC Cohort with the UNC School of Government will be in Transylvania County on Thursday and Friday. Innovative projects they will learn about include the GetSet initiative, economic development projects like the Sylvan Valley Industrial, the Waterfall Safety Marketing Campaign partnership between the TCTDA and Emergency Management, and the Landfill mushroom project
- Planning Board is reviewing the Noise Ordinance. The County Attorney and the Chief Deputy from the Sheriff's Office will attend the August meeting to offer input; Planning Board will then schedule a public hearing for September
- Sesame Street is coming back to HalloweenFest this year! Cookie Monster will be our special guest.
- Board of Commissioners to hold a strategic planning workshop on August 5
- Board of Commissioners' regular meeting on August 12 has been cancelled; next regular meeting is August 26
- Commissioner Lemel and the Manager attended the NACo Annual Conference in Clark County, NV
 - Commissioner Lemel, along with Sesame Workshop Sr. Vice-President Jeanette Betancourt, presented on the collective model and efforts to support children and families in our community
 - Transylvania County 2019 Achievement Award Best in Category Winner – Children and Youth Category: GetSet Early Childhood Collective

PUBLIC COMMENT

Judith West: Ms. West is the Chair of the DSS Board. She stated that the DSS Board's effort to change the model for providing legal services has not been an easy task. She was appreciative of the Board's finding a solution that is workable for DSS. The DSS Board is happy with the new model and with Ms. Hollocker's appointment as special counsel.

David Mahoney: Sheriff David Mahoney thanked the Board of Commissioners for supporting the compensation study. He was appreciative of all the work that went into completing the study.

COMMISSIONERS' COMMENTS

Commissioner Guice stated over the last several days he has reviewed information gathered over many years concerning the building of a Courthouse. He pointed out that the process has had a lot of input over the years – stakeholders, committees to target specific issues, etc. He hopes the Board will take time to review the work that has already been done, tour other locations that have chosen to keep their courthouses downtown, and develop a group to review all the information for the purpose of offering their expertise that will aid the Board in making a decision. He commended staff for the effort to address this need. Commissioner Guice said he was ready for the Board to make a decision on this project.

Commissioner Cathey stated the decision on a new Courthouse is a generational one. He felt strongly the Courthouse should remain downtown.

Commissioner Chappell will be visiting Washington, DC in the next couple of weeks. He asked Commissioners and staff to relay any federal concerns they may have so he can share them with our representatives.

Commissioner Lemel said Sesame Street considers Transylvania County their lead partner in the efforts on early childhood. They are very excited about coming back to Transylvania County to celebrate during HalloweenFest. GetSet will soon begin assembling toolkits as an effort to connect local families with community resources that support the growth and development of the children and families. She stated that our ability to impact the lives of your children is setting the bar for the rest of the State and nation. Others are watching us and are eager to learn from us. She stated that it is a privilege to work with the Manager and the community collaborative on this effort.

Chairman Hawkins shared that while on vacation he read a book called *One Giant Leap* by Charles Fishman that told the story of the Apollo program of the 1960's. The book portrayed America as a nation capable of greatness, with leaders who appeal to our better natures and had leadership styles that reinforced the good in everyone. Also, while on vacation, President Trump held a rally at ECU. In this context, Chairman Hawkins stated it is hard not to juxtapose the America that sent men to the moon with the America that was on display at ECU. He felt that the President's targeting a specific people of color in a hateful way can only be described as racist. Chairman Hawkins hopes our leadership and elected officials will speak out against it and make it clear that racism has no place in our State. Also, while on vacation in Nova Scotia, he visited a town called Meat Cove. While there, he came across a chowder house in which the owners had posted a sign on the front door encouraging folks to make a positive change in the world. Chairman Hawkins promised that he will strive to be a leader who works to inspire people by challenging them and appealing to their better natures.

Commissioner Guice added a quote from American poet Maya Angelou that read, "People will forget what you said, people will forget what you did, but people will never forget how you made them feel." He concurred with Chairman Hawkins' comments and vowed to stand with him in the days ahead.

Commissioner Lemel was appreciative of Chairman Hawkins' comments. She said she has great pride for this community because of our willingness to work together and elevate one another.

Chairman Hawkins moved to enter into closed session per to NC General Statute § 143-318.11 (a) (5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, following a five-minute recess, seconded by Commissioner Cathey and unanimously approved.

CLOSED SESSION

Pursuant to NC General Statute § 143-318.11 (a) (5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, closed session was entered into at 7:50 p.m. Present were Chairman Hawkins, Commissioners Cathey, Chappell, Guice and Lemel, County Manager Jaime Laughter, County Attorney Misti Bass, and Clerk to the Board Trisha Hogan.

The Manager informed Commissioners about the potential availability of property. Commissioners discussed possible negotiation offers and directed staff on how to proceed.

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

OPEN SESSION

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

ADJOURNMENT

There being no further business to come before the Board, **Chairman Hawkins moved to adjourn the meeting at 8:20 p.m. seconded by Commissioner Cathey and unanimously carried.**

Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board