

**MINUTES  
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS  
MARCH 13, 2023 – REGULAR MEETING**

The Board of Commissioners of Transylvania County met in a regular meeting on Monday, March 13, 2023 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 Emmett Casciato, Larry Chapman, Chairman Jason Chappell, Vice-Chairman Jake Dalton, and Teresa McCall. Also present were County Manager Jaime Laughter, County Attorney Julie Hooten, and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Jonathan Rich

There were approximately 30 people in the audience.

**CALL TO ORDER**

Chairman Jason Chappell presiding declared a quorum was present and called the meeting to order at 4:05 p.m.

**WELCOME**

Chairman Chappell welcomed everyone to the meeting and introduced the Commissioners and staff in attendance. The Manager introduced the new Planning and Community Development Director Jeff Adams, and he made brief remarks about his first week working for Transylvania County. He very much looked forward to being in North Carolina and Transylvania County and being part of the team.

**PUBLIC HEARING**

**INSTALLMENT FINANCING FOR EMS BASE STATION**

Finance Director Jonathan Griffin presented information for the public hearing. He reported that the County intends to issue a bank installment financing request for proposals to issue debt proceeds to cover the cost of construction of the new EMS main station on Morris Road. North Carolina general statutes require local governments to conduct a public hearing prior to approval.

Mr. Griffin outlined the financial impact, noting these figures are his best estimates and will change slightly as the process enters the final stages. Given the current project conditions and status, debt payments are most likely to begin in FY 2025. He charted out a 15-year and 20-year term on the loan which would be paid on a level principle status, which means the payments will be higher upfront which will pay the loan down faster. Under a 15-year term, the estimated debt payment would peak at \$585,000 in the first fiscal year, then decline to \$392,000. Under a 20-year term, the estimated debt payment would peak at \$503,000 in the first fiscal year, then decline to \$294,000 in the first fiscal year. The tax rate equivalent is between \$0.07 and \$0.08. The debt service payment will be budgeted within the Board's \$2.4 capital improvement plan. Mr. Griffin reported the borrowing amount is proposed at \$5.5 million to cover the project cost and any potential contingencies, and to provide for maximum flexibility at the time of project completion.

Expenditures on the project to date have been paid for through a combination of proceeds from the sale of the old EMS base and smaller directed state grants. Part of the resolution he will ask the Board to approve under New Business directs staff to start the loan process and to authorize the County to reimburse itself for costs incurred between now and the loan closing.

Before opening the public hearing for public input, Chairman Chappell called for questions and comments from Commissioners. In response to the Commissioners' questions, Mr. Griffin reported that the determination on whether to enter into a 15-year or 20-year loan would be part of the bank RFP process. Staff intends to offer a few different options to banks so essentially staff will be shopping for the best rate. His statement regarding the tax rate equivalent is not an indication that staff will be requesting a tax increase. With the cash on hand, the County will likely need to borrow only \$3.75 million to complete the

project. The purpose of this funding is to complete the construction of the project only and does not consider new ambulance vehicles.

The Manager added that the Commissioners funded some of the capital needs with cash, but when looking at future capital needs at the landfill, the County will need to have cash on hand to pay for areas in which financing is not an option. This financing opportunity frees up the cash for those purposes. The County has very little debt. This loan would put the County's debt at approximately 2% of its legal borrowing limit.

**Chairman Chappell declared the public hearing open at 4:30 p.m.**

Jeff Brewer: Mr. Brewer asked for clarification on the terms shared in the PowerPoint presentation because there appeared to be a typo. Commissioners clarified that the terms to be considered will be 15 years or 20 years.

There were no further comments.

**Chairman Chappell declared the public hearing closed at 4:31 p.m.**

### **PUBLIC COMMENT**

*The comments made by the public represent the individual speaker's opinion or point of view. The Clerk to the Board did not attempt to vet their statements for accuracy or modify them based on facts.*

Kathy Klepfer: Ms. Klepfer addressed the Commissioners' recent comments regarding the Ecusta Trail. She was appreciative of the recent editorial by the Friends of the Ecusta Trail in *The Transylvania Times* that provided clarity and disputed many of the points made by several Commissioners. She found it unacceptable that this Board would not side with the vast majority of the citizens of this County, but instead only represent the views of those living along the trail. She emphasized that the City of Brevard has not asked the County for a financial contribution, only a resolution in support of their application to request federal funds to build the trail. Ms. Klepfer said the Ecusta Trail will be a phenomenal asset to the citizens of Transylvania County and will provide a safe, flat car-free trail for all citizens. She acknowledged that Transylvania County has many miles of trails, but many of them are not as accessible as the Ecusta Trail will be.

### **AGENDA MODIFICATIONS**

The Manager requested to add Item D under the Consent Agenda: Resolution in Recognition of 100<sup>th</sup> Anniversary of American Legion Monroe Wilson Post 88, and Item E under New Business: Authorize the Manager to Procure Personnel Services and to move the Manager's Report to Item F.

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

### **CONSENT AGENDA**

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

The Board approved the following items:

#### PROCLAMATION DECLARING MARCH AS SOCIAL WORK MONTH IN TRANSYLVANIA COUNTY

Each year, March is celebrated as National Social Work Month. At Transylvania County DSS, numerous social workers provide a variety of duties to serve the County's most vulnerable population. Often, social work is a thankless job, but it could not be more important. Social workers keep children and adults safe and provide support for all ages. The Board approved Proclamation #06-2023 Declaring March as Social Work in Transylvania County.

**PROCLAMATION #06-2023  
DECLARING MARCH AS SOCIAL WORK MONTH IN TRANSYLVANIA COUNTY**

**Whereas**, the dedicated social workers of the Transylvania County Department of Social Services work to address and care for the emotional, psychological, economic, and physical needs of the County’s residents, especially its most vulnerable; and

**Whereas**, social workers employ their skillsets and caring attributes to assist clients in navigating life’s challenges to become stronger and more resilient through assessments, counseling, encouragement, and by working to refer clients to available community resources; and

**Whereas**, all children have the right to safe environments and a quality education, and senior citizens deserve dignity and to be free from abuse and neglect; and

**Whereas**, social workers in Transylvania County work to support and protect all citizens, without regard to their circumstance, social status, or background; and

**Whereas**, social workers are employed in many different organizations within the County, and the Transylvania County Board of Commissioners is proud to recognize the vital contributions of social workers as they meet the needs of residents; and

**Whereas**, this year’s Social Work Month theme, “**Social Work Breaks Barriers**”, embodies how social workers help empower individuals, families, communities, and our society to overcome hurdles that prevent them from achieving better well-being;

**Now, therefore, be it resolved** that Transylvania County Board of County Commissioners does hereby declare the month of March 2023 as **SOCIAL WORK MONTH IN TRANSYLVANIA COUNTY**

**Further**, the Board encourages citizens to reflect on the work and service of local social workers and to recognize these professionals for their efforts to help meet the needs of our community’s most vulnerable citizens.

This the 13<sup>th</sup> day of March 2023.

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

**PROCLAMATION PROCLAIMING MARCH AS NATIONAL ATHLETIC TRAINER MONTH IN  
TRANSYLVANIA COUNTY**

March is considered National Athletic Trainer Month. For the last few years, Pardee has continued to support the County by providing two stellar Athletic Trainers to support athletic programs at Rosman and Brevard. This request comes from the Executive Director of the Musculoskeletal Specialty Hospital. An event was held on March 10 in Hendersonville to celebrate the dedication of these folks who are supporting schools across five counties. The other four counties in the region - Buncombe, Haywood, Henderson, and Polk - all passed similar resolutions. The Board approved Proclamation #09-2023 Proclaiming March as National Athletic Training Month in Transylvania County.

**PROCLAMATION #09-2023  
PROCLAIMING MARCH AS NATIONAL ATHLETIC TRAINER MONTH IN TRANSYLVANIA  
COUNTY**

**WHEREAS**, athletic trainers have a long history of providing quality healthcare for athletes and those engaged in physical activity based on specific tasks, knowledge and skills required through their nationally regulated educational processes; and

**WHEREAS**, athletic trainers provide prevention of injuries, recognition, evaluation and aggressive treatment, rehabilitation, healthcare administration, education and guidance; and

**WHEREAS**, the National Athletic Trainers' Association represents and supports over 43,000 members of the athletic training profession employed in the following settings: professional sports, colleges and universities, high schools, clinics and hospitals, corporate and industrial settings, and military branches; and

**WHEREAS**, leading organizations concerned with athletic training and healthcare have joined together in a common desire to raise public awareness of the importance of the athletic training profession and to emphasize the importance of quality of healthcare within the aforementioned settings; and

**WHEREAS**, such an effort will improve healthcare for athletes and those engaged in physical activity and promote athletic trainers as health professionals;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of Transylvania County does hereby proclaim the month of March as National Athletic Training Month in Transylvania County and urges the citizens of the County to learn more about the importance of athletic training.

This the 13<sup>th</sup> day of March 2023.

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

**PROCLAMATION PROCLAIMING APRIL AS MONTH OF THE YOUNG CHILD AND CHILD ABUSE PREVENTION MONTH**

Smart Start of Transylvania County requested the Board of Commissioners proclaim the month of April 2023 as the Month of the Young Child and Child Abuse Prevention Month. The purpose of the proclamation is to focus public attention on the needs of young children and their families, to recognize the early childcare programs and services that meet those needs, and to call upon support for early childhood programs and the prevention of child abuse in our community. The Board approved Proclamation #07-2023 Proclaiming April as the Month of the Young Child and Child Abuse Prevention Month.

**PROCLAMATION #07-2023**

**Proclaiming April as Month of the Young Child & Child Abuse Prevention Month Proclamation**

**Whereas**, the youth-serving agencies of Transylvania County come together to celebrate The Month of the Young Child during April 2023 to focus public attention on the needs of young children and their families and to recognize the early childhood programs and services that meet those needs; and

**Whereas**, children's cognitive, physical, social and emotional, and language and literacy development are built on a foundation of children's positive, safe, and nurturing interactions with adults, peers, and their environment; and

**Whereas**, children's well-being and cultivation of resilience are rooted in sustained, healthy relationships with caring adults. Resilience grows from everyday normative and positive connections in the minds, brains, and bodies of children, in their families and relationships, and their communities. This means that children will be more able to adapt to adversity and threats when their basic human systems are nurtured and supported; and

**Whereas**, youth-serving agencies of Transylvania County are collaborating to establish a county-wide plan to prevent child abuse in our community and raise awareness about prevention measures; and

**Whereas**, we work to improve opportunities for our children knowing they are vital to our state's future success, prosperity, and quality of life as well as being our most vulnerable assets; and

**Whereas**, all children deserve to have the safe, stable, nurturing homes and communities they need to foster their healthy growth and development; and

**Whereas**, child abuse and neglect are a community responsibility affecting both the current and future quality of life of a community; and

**Whereas**, the youth-serving agencies of Transylvania County commit to investments that stabilize, sustain, and support childcare and early learning so our community may continue to support children, families, and our economy today and beyond; and

**Whereas**, communities that provide parents and caregivers with the social support, knowledge of child development, and concrete resources they need to cope with stress and nurture their children ensure all children grow to their full potential; and

**Whereas**, effective child abuse prevention strategies succeed because of partnerships created among citizens, human service agencies, schools, faith communities, health care providers, civic organizations, law enforcement agencies, and the business community;

**Therefore**, the Board of Commissioners of Transylvania County does hereby proclaim April as The Month of the Young Child and Child Abuse Prevention Month and calls upon all citizens, community agencies, faith groups, medical facilities, elected leaders, and businesses to increase their participation in our efforts to support families, thereby supporting early childhood programs and preventing child abuse and strengthening the communities in which we live.

This the 13<sup>th</sup> day of March 2023.

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

**RESOLUTION IN RECOGNITION OF THE 100<sup>TH</sup> ANNIVERSARY OF THE AMERICAN LEGION  
MONROE WILSON POST 88**

This request comes from Commander Larry Hammontree of the American Legion Post 88. On March 25, the American Legion Monroe Wilson Post 88 will celebrate the 100<sup>th</sup> anniversary of receiving its charter on March 23, 1923. 100 years after its inception, Post 88 continues to pursue its mission of honoring veterans, military personnel, children and youth, and patriotism. The Commissioners urged citizens to join them in congratulating and celebrating with the American Legion Monroe Wilson Posts 88 as they remember their past and look forward to the successes of their future. The celebration will be held at the American Legion on Saturday, March 25 at 6:00 p.m. Commissioner Chapman read aloud the resolution for the benefit of the public. The Board approved Resolution #10-2023 In Recognition of the 100<sup>th</sup> Anniversary of the American Legion Monroe Wilson Post 88.

**RESOLUTION #10-2023  
IN RECOGNITION OF THE 100<sup>TH</sup> ANNIVERSARY OF THE  
AMERICAN LEGION MONROE WILSON POST 88**

**WHEREAS**, On March 25, The American Legion Monroe Wilson Post 88 will celebrate the 100<sup>th</sup> Anniversary of receiving its charter on March 23, 1923; and

**WHEREAS**, American Legion Post 99 traces its roots to March 15-17, 1919, in Paris, France, founded by U.S. World War I military personnel stationed there who were dedicated to four pillars of service and advocacy: veterans, military personnel, youth and patriotic values; and

**WHEREAS**, In June 1919, representatives of the various patriotic organizations of Transylvania County met for the purpose of making plans to form a club for sailors and soldiers and procuring suitable headquarters for the organization; and

**WHEREAS**, In June 1920, a body of men organized themselves into the Pisgah Post 88 of the American Legion; and

**WHEREAS**, Between 1920 and the charter date of March 23, 1923, the post name was changed to honor Transylvania Veteran Monroe Wilson who died in World War I; and

**WHEREAS**, 100 years after its inception, The American Legion Post 88 continues to pursue its mission of honoring veterans, military personnel, children and youth, and patriotism; and

**WHEREAS**, The American Legion Post 88 currently has 221 members, plus an additional 150 members of the affiliated American Legion Auxiliary and the Sons of the American Legion; and

**WHEREAS**, Nationally, the American Legion is the largest veterans service organization, with nearly two million members and more than 12,000 posts throughout America, and the Legion was instrumental in the enactment of the original GI Bill and the creation of the Department of Veterans Affairs and continues to lobby for adequate funding to cover medical, disability, education and other veterans' benefits; and

**WHEREAS**, Brevard's American Legion Post provides several services to the community, including being the primary sponsor of the Memorial Day parade and ceremony, Veterans Day dinner and ceremony, and USMC birthday cake cutting ceremony; and sponsors many other community-related events and activities; and

**WHEREAS**, The leadership of Post 88 is looking forward to its future focusing on membership growth, community involvement, veterans, and service to the community, state, and nation;

**NOW, THEREFORE**, The Board of Commissioners of Transylvania County recognizes and congratulates The American Legion Monroe Wilson Post 88 on its 100<sup>th</sup> anniversary and urges all citizens to join them in congratulating and celebrating with the American Legion Monroe Wilson Post 88 as they remember their past and look forward to the successes of the future.

This the 13<sup>th</sup> day of March 2023.

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

## **APPOINTMENTS**

### TRANSYLVANIA COUNTY COUNCIL ON AGING

Several months ago, the Board of Commissioners accepted a proposal to reduce the number of members of the Transylvania County Council on Aging to seven members and remove the members representing specific agencies due to a conflict of interest. The Council has five strong members and two vacancies. Through word of mouth and other recruitment efforts on the part of the membership, the Clerk to the Board received an application from Kae Parker to fill one of the vacancies.

**Commissioner Chapman moved to appoint Kae Parker to fill a vacancy on the Transylvania County Council on Aging, seconded by Commissioner Casciato.** Commissioner McCall noted there will be openings on this council coming up in the summer and she encouraged the public to consider applying. **The motion was unanimously approved.**

## **NEW BUSINESS**

### EMS BASE INSTALLMENT FINANCING

Finance Director Jonathan Griffin recapped the information presented during the public hearing. He asked the Board to approve a resolution that directs staff to being the process and sets a framework by which the County can reimburse itself for funds spent.

Chairman Chappell inquired about the estimated time for the completion of the installment financing method. Mr. Griffin said the process should be completed within three to four months. The Board must have passed the resolution before staff can go to the Local Government Commission. After that step, the County

would be drawing funds from the loan to pay itself back as the construction progressed. The loan would not be closed until January 2024.

Commissioner McCall asked about the estimated completion date for the new base station. The Manager reported there is a year remaining on the project. Staff originally projected an 18-month timeframe. Once the grading work and fill are completed, the progress should move along quickly.

**Commissioner Dalton moved to approve the resolution prepared by Bond Counsel and to take the necessary steps to secure the installment financing, seconded by Commissioner McCall and unanimously approved.**

Commissioner McCall shared that she has received positive comments about the site location and that she looked forward to seeing the finished product.

Commissioner Chapman felt it was important to share information with the media and others to keep the public informed of the progress.

(For record-keeping purposes, the Clerk to the Board assigned Resolution #11-2023 to the following resolution.)

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF TRANSYLVANIA, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT, PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO AND DECLARING THE INTENT OF THE COUNTY TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES FROM PROCEEDS OF THE INSTALLMENT FINANCING CONTRACT**

*WHEREAS*, the County of Transylvania, North Carolina (the “*County*”) is a validly existing political subdivision of the State of North Carolina, existing under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

*WHEREAS*, the County has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

*WHEREAS*, the Board of Commissioners of the County (the “*Board of Commissioners*”) hereby determines that it is in the best interest of the County to enter into (1) an installment financing contract (the “*Contract*”) with a financial institution to be determined (the “*Bank*”) in order to pay the capital costs of constructing, equipping and furnishing a new Emergency Medical Services base station in the County (the “*Project*”) and (2) a deed of trust, security agreement and fixture filing (the “*Deed of Trust*”) related to the County’s fee simple interest in the real property where the Project will be located (the “*Mortgaged Property*”) that will provide security for the County’s obligations under the Contract;

*WHEREAS*, the County staff has retained (1) Parker Poe Adams & Bernstein LLP, as special counsel (“*Special Counsel*”) and (2) First Tryon Advisors, as financial advisor, in connection with the proposed installment financing;

*WHEREAS*, the Board of Commissioners hereby determines that the Project is essential to the County’s proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Project will provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust is necessary and expedient for the County by virtue of the findings presented herein;

*WHEREAS*, the Board of Commissioners hereby determines that the estimated cost of financing the Project is an amount not to exceed \$5,500,000 and that such cost of the Project exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

*WHEREAS*, although the cost of financing the Project pursuant to the Contract and the Deed of Trust is expected to exceed the cost of financing the Project pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of financing the Project pursuant to the Contract and the Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits financing the Project; and (3) insufficient revenues are produced by the Project so as to permit a revenue bond financing;

*WHEREAS*, the Board of Commissioners hereby determines that the estimated cost of financing the Project pursuant to the Contract and the Deed of Trust allows the County to finance the Project at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the County and reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

*WHEREAS*, the County does not anticipate a future property tax increase to pay installment payments falling due under the Contract but an increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

*WHEREAS*, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any money due under the Contract;

*WHEREAS*, the County is not in default under any of its debt service obligations;

*WHEREAS*, the County's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget Ordinance;

*WHEREAS*, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the North Carolina Local Government Commission (the "LGC"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

*WHEREAS*, the County desires to proceed with the Project and will incur and pay certain expenditures in connection with the Project prior to the date of delivery and execution of the Contract (the "*Original Expenditures*"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Contract, and the County intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the Contract;

*WHEREAS*, a public hearing on the Contract, after publication of a notice with respect to such public hearing, was held on March 13, 2023 and approval of the LGC with respect to entering the Contract must be received; and

***NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF TRANSYLVANIA, NORTH CAROLINA, AS FOLLOWS:***

Section 1. ***Authorization to Negotiate the Contract and the Deed of Trust.*** The County Manager and the Finance Director (the "*Authorized Officers*"), individually and collectively, with advice from the County Attorney and Special Counsel, are hereby authorized and directed to solicit proposals from financial institutions to finance the Project and to proceed and negotiate on behalf of the County (1) the financing of the Project for a principal amount not to exceed \$5,500,000 under the Contract to be entered into with the Bank in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended, and (2) the provision of a security interest under the Deed of Trust in all or such portion of the County's fee simple interest in the Mortgaged



Property, together with all improvements and fixtures located thereon, as may be required by the Bank providing the funds to the County under the Contract to secure the County's obligations thereunder.

Section 2. ***Application to LGC.*** The Finance Director, or his designee, is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

Section 3. ***Approval of the Financing Team.*** Parker Poe Adams & Bernstein LLP has been retained by the County to serve as special counsel and First Tryon Advisors has been retained to serve as financial advisor. The Authorized Officers, with advice from the County Attorney and Special Counsel, are hereby authorized to retain the assistance of other professionals as they deem necessary and desirable to carry out the intention of this Resolution.

Section 4. ***Official Declaration of Intent for Reimbursement.*** The County presently intends, and reasonably expects, to reimburse itself for Original Expenditures not to exceed \$5,500,000 on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Contract. The County adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the County's intent to reimburse itself for the Original Expenditures from proceeds of the Contract. The Finance Director, or his designee, with advice from Special Counsel, is hereby authorized, directed and designated to act on behalf of the County in determining and itemizing all of the Original Expenditures incurred and paid by the County in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Contract.

Section 5. ***Ratification.*** All actions of the County and its officials, whether previously or hereafter taken in effectuating the proposed financing as described herein, are hereby ratified, authorized and approved.

Section 6. ***Repealer.*** All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 7. ***Effective Date.*** This Resolution is effective on the date of its adoption.

Adopted this the 13<sup>th</sup> day of March 2023.

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

#### ARPA SPENDING PLAN UPDATE

Finance Director Jonathan Griffin presented this item. In FY 2022, the County received the first tranche of funds from the American Rescue Plan Act, and in FY 2023 the County received a second allocation of funds. These funds are referred to as the local fiscal recovery funds.

Previously, as recommended by staff, the Board adopted a spending plan that allocated a portion of these funds to such needs as the COVID-19-related costs being absorbed by the County's self-funded insurance plan, potential water and sewer expansion project partnerships with the Town of Rosman, as well as a portion for revenue replacement to put toward upcoming capital items. The Board also set aside funds to provide additional local matching funds for the Town of Rosman water/sanitary sewer extension project; however, those funds were later replaced by a separate and distinct allocation of ARPA funds from the State of North Carolina of \$7 million.

Mr. Griffin reported that the interest rate environment has significantly improved and now the County is generating additional interest returns on these funds that need to be accounted for. When a local government earns money on federal funds, all the same grant requirements apply to any interest earned. As a result, he recommended an approach that will simplify the reporting and accounting requirements, while preserving the

flexibility for the current and future Boards of Commissioners. Mr. Griffin sought the Board's action at this meeting because the County must send the next ARPA spending report to the U.S. Treasury by March 31.

Mr. Griffin reported the County has spent approximately \$4.2 million thus far, including:

- \$310,000 on COVID-19-related medical claims absorbed by the County's health plan
- \$3.9 million in revenue replacement expense which was transferred to the General Fund

Factoring in interest, the County has \$2.4 million remaining to spend. Mr. Griffin recommended the Board claim the remaining funds as revenue replacement and transfer the funds to the General Fund. This allows staff to close out the ARPA reporting as of March 31. The funds would only be subject to State law requirements at that point. On June 30, if the Board has not decided on a specific way to spend these funds, he recommended the funds become part of the Unassigned Fund Balance which will improve the County's financial position over the short term. Mr. Griffin also recommended the Board amend the Multi-Year Grant Ordinance which will close out and "spend" all ARPA dollars for reporting purposes.

Chairman Chappell noted this action is similar to how many counties are handling their ARPA funds. He felt it was a very appropriate use of the funds since counties had significant COVID expenses over the last couple of years.

Commissioner McCall supported the recommendation and asked if the staff intended to recommend that the Board target the funds for capital needs. Mr. Griffin stated the Board will likely have capital needs coming up in the next few months that they might want to consider. The funds could be used as working capital for the courthouse project, EMS Base, or any other similar project. For now, the funds should remain flexible and in such a way that does not require reporting every change to the federal government. The Manager stated that staff has earmarked almost all of the ARPA funds for capital expenditures to bridge the next 10 years because these funds are not reoccurring.

**Commissioner McCall moved to approve an amendment to the Multi-Year Grant Fund to finalize the ARPA spending plan as presented, seconded by Commissioner Dalton, and unanimously approved.**

#### APPROVAL OF OPIOID WAVE TWO SETTLEMENT DOCUMENTS

The County Manager reported that North Carolina Attorney General Josh Stein helped negotiate the \$26 billion national opioid settlements with the big three drug distributors, plus Johnson & Johnson. The funds began flowing into counties in 2022. The State of North Carolina recently negotiated \$21 billion in new settlements with CVS, Walgreens, Walmart, Allergan, and Teva. These Wave Two Settlements have the potential to bring significantly greater resources to counties to address the opioid epidemic. North Carolina's state and local governments stand to receive more than \$600 million from the Wave Two Settlements.

North Carolina will receive its full share of payments from the Wave Two Settlements only if all eligible governments sign onto each settlement. The defendants will agree to finalize the Wave Two Settlements only if the vast majority of local governments across the nation sign onto them. Transylvania County's payment is expected to mirror the first settlement of approximately \$181,000 per year for 18 years. The total settlement for Transylvania County is impressive, but because the payments are broken out over 18 years, the County will have to make some tough decisions about how to invest those dollars to make the greatest impact on the opioid epidemic.

The Manager received an email from Rubris, the national administrator, inviting Transylvania County to sign onto each of the five new Wave Two Settlements, as well as a supplement to the North Carolina Memorandum of Agreement (MOA) on the allocation, use, and reporting of funds from the Wave One Settlements. This supplement to the MOA is called the Supplemental Agreement for Additional Funds from Additional Settlements of Opioid Litigation, or SAAF for short. April 18 is the deadline to sign onto the Wave Two Settlements and the SAAF. These agreements are consistent with the initial agreement from the Wave One Settlements.

The Manager reported that the funds under the Wave Two Settlements will be subject to the same allocation requirements as the Wave One Settlements. Under Wave One, counties were given two options. Option A would have given the Board a prescribed list of research-based opportunities and programs on which to spend the funds. Transylvania County chose Option B due to the years of work invested by the Health Department and the CARE Coalition into understanding the opioid crisis and their strategic planning on the response to the opioid crisis. The County has received a Dogwood Health Trust grant that is aimed at helping to quantify what it would take to implement the various components of the strategies identified through the CARE Coalition's collaborative process. There was significant engagement with partners and citizens to help craft the strategic plan. The Manager expected the Board to receive a report soon that will give the Commissioners information about how they can best invest those funds to make the greatest impact locally. She noted that many counties are just beginning to process to determine how best to allocate these funds while Transylvania County is better positioned to use the funds based on the work of the CARE Coalition and the Board's support of their work.

**Commissioner McCall moved to approve the required documents and authorize the County Manager to execute them on behalf of Transylvania County, seconded by Commissioner Casciato.** Commissioner Chapman shared that he attended a meeting a few months ago that was hosted by Senator Corbin. One of the concerns shared at that time was there are no opioid treatment facilities in Western North Carolina. One of the concepts being discussed currently is the possibility of counties in this region pulling their assets together to open a regional treatment center in Western North Carolina. The Manager stated the Board will likely see an agenda item sometime during the presentation of the Dogwood Grant report to focus on a treatment center with the State's 15% share of the settlement funding. Therefore, State advocacy will be important. She said one of the challenges the counties will face with a regional treatment center is making sure their citizens benefit. One glitch is when a treatment center bills Medicaid or Medicare that beds cannot be earmarked, so staff is working on how to best advocate the State to invest in a treatment center that would be a supportive service in addition to the local funds. There will be additional conversations in upcoming County Commission meetings about advocacy and the responsibility for allocation. **The motion was approved unanimously.**

#### RESOLUTION IN SUPPORT OF PROJECT PURPLE FOR BUILDING REUSE PROGRAM GRANT APPLICATION

Transylvania Economic Alliance Executive Director Burton Hodges presented this item to the Board. He reported that Project Purple is a family-owned textile mill and fabric brand and is a leading designer, manufacturer, and retailer of quilts, sheets, blankets, futon covers, and other decorative bedroom and household products. The company has a significant online retail presence, retailing on platforms such as Wayfair, Bed Bath & Beyond, and Macy's. The company was founded in 1987 in the Midwest United States. The founders and owners are retiring and relocating to Western North Carolina and are looking for a location in the region to position the company for its next 30 years of growth and brand expansion and the succession of the business to their children.

If the company relocates to Transylvania County, it is planning to purchase at least one existing building in the City of Brevard located in a mixed-use and established industrial and commercial district. The building they are considering would require almost \$2 million in needed renovations and upfits to bring the building to modern industrial standards. To help encourage investment in Transylvania County, the Transylvania Economic Alliance and the Economic Development Partnership of North Carolina are pursuing a Building Reuse Grant to help offset some of the redevelopment costs of the property.

During the initial location of the mill in Transylvania County, the project would invest a minimum of \$4.5 million in real property improvements and slightly under a half million dollars in business personal property investments. The facility would create at least 26 manufacturing, design, and sales positions in the first two years with an average wage of \$52,569 which exceeds the current County average wage of \$42,179. In the beginning, the mill would employ sewers, designers, customer service, and sales occupations, in addition to packaging and logistics personnel, and would plan to reach nearly 40 new jobs by 2026.

The Building Reuse Grant application requires the Board of Commissioners to approve a resolution confirming the local grant match and support for the project to be considered for award. The Board's policy

and scorecard result is sufficient to fund the local grant match requirement and will be confirmed at a later date after holding a public hearing that will be required to move forward with the award. The company is seeking a grant of \$200,000 which requires a 5% match of \$10,000 from Transylvania County.

Commissioner McCall asked if the matching funds would come from the County, the City, or a combination. The Manager stated that when a local government provides tax incentives, whether they come from a county or a city, they would combine to provide the match requirements. She noted that the match will not in the form of cash, but the future taxes on the investment.

Commissioner Casciato asked if the site the company is considering allows for expansion and whether the expansion would add more jobs. Mr. Hodges stated that the company has identified two adjacent properties that they would like to purchase in Transylvania County, but they are expensive. He confirmed that the acquisition of the two properties would provide for future expansion and investment. The purpose of trying to secure this grant would be to help offset some of the expensive premium redevelopment costs that are associated with the two properties.

Commissioner Chapman stated there is a real challenge for companies wanting to locate here due to the lack of or limited amount of product, as well as outrageous costs. He thanked Mr. Hodges for all he is doing within the resources available to him to bring economic development to Transylvania County.

Chairman Chappell thanked Mr. Hodges and his staff as well for all their efforts, noting that their work is further proof of the Board of Commissioners' efforts to bring economic development, investment, and jobs to Transylvania County.

**Commissioner Dalton moved to approve Resolution #08-2023 In Support of Project Purple Building Reuse Program Grant Application, seconded by Commissioner McCall and Chapman simultaneously and unanimously approved.**

#### **Resolution #08-2023**

#### **Resolution in Support of Project Purple for Building Reuse Program Grant Application**

**WHEREAS**, the Transylvania County Board of Commissioners desires to assist in economic development efforts within the County; and

**WHEREAS**, Transylvania County supports Project Purple to pursue the Building Reuse Program through the NC Department of Commerce-Rural Economic Development Division; and

**WHEREAS**, Project Purple is expected to create at least 26 manufacturing, design and sales positions, with career mobility and advancement opportunities at an average wage exceeding the County's average wage, and to invest a minimum of \$4.5 million in real property improvements and \$300,000 in business personal property; and

**WHEREAS**, Transylvania County is required to contribute matching funds totaling 5% of the grant award; and

**WHEREAS**, Transylvania County intends to hold a public hearing and authorize an incentive grant package for Project Purple based on the adopted Transylvania County Incentive Policy and Scorecard;

**NOW, THEREFORE**, the Transylvania County Board of Commissioners resolves that the local funding proposed is deemed sufficient to satisfy the Building Reuse Program grant match requirement of 5% upon award. A copy of this resolution will be forwarded to the NC Department of Commerce-Rural Economic Development Division to be included in the Project Purple application.

This the 13<sup>th</sup> day of March 2023.

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

03/13/2023

### AUTHORIZE MANAGER TO PROCURE PERSONNEL SERVICES

The Manager requested to add this item to the agenda to seek authorization to procure personnel services. She reported that Finance Director Jonathan Griffin has given a 60-day notice to vacate his position. He has been a great asset to Transylvania County during his six years of employment.

The finance director is a critical position for the County because it requires a high level of responsibility, the ability to navigate financial technology systems, complete complex fiscal analysis and manage ever-increasing audit and regulatory compliance standards, thus creating an environment in which it is difficult to recruit. In addition, there are shortages statewide of career professionals to serve in county government. For this reason, the Manager requested authorization to take several steps to move forward with recruitment and to focus on recruitment strategies.

First, while the pay study is still in development, one recommendation is to move the finance director to a new pay grade with an estimated salary range of \$92,320 to \$143,077, depending on experience. This is consistent with the market study and current finance director recruitments across the State. Additionally, the study will recommend reducing the minimum required experience from a bachelor's degree and seven years of experience to a bachelor's degree and five years of experience. The Manager requested the Board's permission to advertise this hiring range and the new minimum requirements. She noted it is unlikely a new hire will be in place until after the implementation of the pay study or before the start of the new fiscal year, so she felt it was important to hire in this range to get qualified applicants.

Second, the Manager stated the recruitment process for a position like the finance director typically takes at least six months between recruitment activities and notice requirements. The Manager requested permission to solicit recruitment proposals from firms with experience in hiring finance directors, with funding to come from contingency funds.

Third, the timeline will require an interim to continue to support the financial functions of the County. The Manager requested permission to identify an interim hire or consultant and proceed with procuring services, with funding to come from contingency funds. She hoped there would be some overlap between Mr. Griffin leaving and an interim, which would likely increase the budget for the Finance Office.

Commissioner McCall asked if the Manager had a projected timeline for having an interim in place. She also felt it was important for an interim to spend as much time with Mr. Griffin as possible prior to him leaving because he would be instrumental in ensuring the interim can effectively manage the Finance Office and the County's finances. The Manager said she did not have a timeline because there are not many retired finance directors who are open to doing interim work. The position is a very highly stressed position in local government. She would intend to hire someone as quickly as possible as long the available person is qualified. She said another opportunity might be to consider hiring a consulting firm that can provide those services through a contract.

Commissioners were sorry to learn about Mr. Griffin's leaving and they wished him the best in his new endeavors.

**Commissioner Chapman moved to authorize the Manager to procure personnel services as listed in her recommendations, seconded by Commissioner Dalton.** Chairman Chappell echoed the Commissioners' comments thanking Mr. Griffin for the work he has done over the past few years on behalf of the County. He acknowledged it is very challenging to hire for this position, and one of the most important because it directly affects the taxpayers of Transylvania County. Therefore, the County must find the right individual for the position. He thanked the Manager for her recommendations. **The motion was approved unanimously.**

### MANAGER'S REPORT

The Manager reported the following:

- The Mary C. Jenkins Community and Cultural Center has announced its 3<sup>rd</sup> annual county-wide poetry contest is now open.

- The theme is JOY – describing what delights you, causes you to feel awe, lifts you up, etc.
- The contest is open throughout March to any Transylvania County resident.
- More information will be posted on the County’s social media.
- NC Association of County Commissioners will host County Advocacy Days on May 23-24 as part of an ongoing effort to equip county leaders to serve their communities and to promote commissioner-legislator connections (Commissioners should contact the Clerk to the Board about registration and lodging if they are interested in attending.)
- The NC General Assembly has reached an agreement on Medicaid expansion, and it is likely to be voted on later this month. Lawmakers removed a portion of the original package having to do with the ability of nurse practitioners to provide care. It will be a separate discussion.
- Many bills were introduced during this session that positively and negatively impact counties.
  - HB 122 Reimburse Late Audit Costs with Sales Tax would allow the Local Government Commission to withhold up to 150% of the cost of an audit in sales tax revenue from local units of government who are behind on audits. The NC Association of County Commissioners opposes this legislation and will continue to advocate for additional support to counties that face challenges in this area. One of the challenges the NCACC has been raising in the legislature is how difficult it is for counties to complete their audits. Few firms are willing to do county audits because county audits are very involved. This bill has been referred to the Senate Rules Committee but has not been scheduled for a hearing. (This bill highlights another factor complicating the recruitment and retainment of finance directors in local government.)
  - Staff will keep the Board apprised of this and other bills of interest to local government.
- The Manager attended the ribbon cutting for the Cove Creek project in the Pisgah National Forest last Monday. This project provided an aquatic passageway and eliminated forge access. The County was recognized as a partner with the US Forestry Service and the NC Department of Agriculture receiving a plaque of appreciation to be hung in the County’s Soil and Water Conservation District Office.

The Manager thanked the Commissioners for their comments about the Finance Director. She stated that the County is always proud of staff when they can follow their dreams, but everyone will miss Mr. Griffin and all he has brought to Transylvania County.

Commissioner Chapman estimated that the upcoming passage of the Medicaid expansion bill will result in a significant increase in applicants. He asked if the County was staffed to handle the new cases or whether there will be a need for additional staffing. The Manager stated this is an area that has historically been difficult to staff. She estimated four additional will be needed. She also stated there are some developments at the State level that may have an impact. One, the State pulled the money from the main bill that would have funded additional staffing with the intention of handling those positions in the State budget. The County will need to advocate State legislators to ensure the positions are funded. Another issue is that when citizens apply for Medicaid in the marketplace they will get rejected and then referred to a local social services office. The State is trying to correct this issue by ensuring the rejected application is forwarded to the next application state. If the State can correct this, it would reduce the additional staffing needs.

Commissioner Dalton was concerned about the backlog of cases that will be caused by applicants having to go back through the redetermination process, in addition to the expansion will which add more qualified citizens. He has been lobbying our legislators to provide funding for positions to help alleviate the backlog otherwise citizens will not be able to get the help they need.

The Manager pointed out that hiring social services workers is an area the County has struggled with and it is another element that will be addressed in the County’s pay study in the upcoming budget.

Commissioner Chapman also shared that another challenge is the availability of healthcare in general. He feared we were reaching a crisis of having good quality and available medical care.

Commissioner Casciato shared that he recently visited the Social Services Department and had conversations with Director Amanda Vanderoef. He was concerned about the department because they do not have enough employees to cover the needs of the community. The Manager stated that getting applicants has been challenging. The

department has budgeted positions that are not being filled due to a lack of applications. The pay plan will be central in the budget discussion because the same issues are occurring in EMS, 911 Dispatch, and other critical services areas.

### **PUBLIC COMMENT**

*The comments made by the public represent the individual speaker's opinion or point of view. The Clerk to the Board did not attempt to vet their statements for accuracy or modify them based on facts.*

John Schommer: Mr. Schommer said he was embarrassed by the Commissioners' comments on the Ecusta Trail and their lambasting of citizens. He was appreciative of the President of the Ecusta Trail rebutting the Commissioners' comments in a recent edition of *The Transylvania Times*. He was disappointed the Board did not support the City's application for funding and for stonewalling progress by requesting more information. He felt that the Friends of the Ecusta Trail, the City of Brevard, and others have adequately answered the Board's questions. Mr. Schommer said Brevard is the heart of Transylvania County and there is no other big revenue stream or other economic engines in Transylvania County. He said the County is mostly farmland which brings in limited revenue. He urged the Board to work with the City and also to express to the citizens why they are against the trail. Mr. Schommer stated that the Board represents the majority of citizens and that the majority supports the trail, therefore the Board should support the trail.

### **COMMISSIONERS' COMMENTS**

Commissioner McCall said her heart goes out to the Canton community over the recent news about the loss of their paper mill. She acknowledged that Canton is about to experience what Transylvania County did 20 years ago with the loss of its manufacturing plants. She commented about the hard work that went into transforming Transylvania County's economy noting that it did not happen overnight. She asked staff to develop a resolution in support of the Haywood County and Canton communities to let them know Transylvania County understands their plight and that we support them and stand with them.

Commissioner Chapman reminded everyone that we do not live in a democracy and that the majority does not rule. The United States is a representative republic, and this Board was elected to represent everyone in Transylvania County no matter the issue.

Commissioner Casciato shared some of the histories of the American Legion Post 88. He shared that in 1920, WWI veterans held a meeting at the Aetholwold Hotel to form the American Legion. Post 88 was named after WWI soldier Monroe Wilson. He further shared that Monroe Wilson made it back to the United States but he died on the way to Brevard. Commissioner Casciato commented about the proposed Ecusta Trail and said he did feel that a small percentage of others should have the ability to interrupt people's lives living along the line. He reiterated Commissioner Chapman's comments that this Board represents all people in Transylvania County. Commissioner Casciato emphasized that this Board represents the people that live along the line, many of whom have legitimate gripes about the trail. He said this Board is not taking any recreation away from anyone because it does not exist at this point, besides there are many recreation opportunities in this County. He encouraged the trail supporters to communicate with those who own property along the proposed trail to understand their perspectives. Commissioner Casciato stated that Transylvania County and the City of Brevard have many more pressing needs and he pointed out the City needs millions of dollars to upgrade its utilities which would be a better use of resources rather than focusing on a trail.

Commissioner Dalton reiterated Commissioner McCall's comments about the shutdown of the Canton papermill. He said the shutdown will result in the loss of 1,100 jobs with ramifications to people and businesses up to a 350-mile radius. He shared that the plant processes three billion pounds of wood chips, wood pulp, and flax from local logging operations, which include private businesses and the Forest Service. The Forest Service does not allow wood chips, etc. to be left behind when a logger exits a property. The shutdown is going to affect forestry and logging operations, trucking, rail, etc., so the ramifications are huge. He seconded Commissioner McCall's recommendation for a resolution of support and asked our citizens to remember the citizens who are being affected by the loss of the plant. Haywood County is also recovering from the flood damage inflicted upon them from

Tropical Storm Fred, so he was very concerned about their community. Commissioner Dalton responded to the statements made during public comment that there are no other economic drivers in this County except for farmland. He pointed out that farmland contributes \$9-12 million of economic drivers in this County alone on an annual basis. He also pointed out that outside the city limits of Brevard, several manufacturing plants represent thousands of jobs in this county that are economic drivers in many sectors ranging in the sectors of construction aerospace, CNC manufacturing, pharmaceutical/pharm-agra, etc. Commissioner Dalton commented that the editorial in the newspaper rebutting the Commissioners' comments about the Ecusta Trail did not address right-of-way issues which Commissioners shared their concerns about at the previous meeting. He stated that Mayor Copelof's responded that the current structures would not be impacted, but the City would have to discuss any new structures, which Commissioner Dalton saw as an infringement on property rights. He also pointed out there is no infrastructure along the line which inhibits it from being an economic driver.

Commissioner Casciato shared that he used to live in Pittsburgh and he remembered when the steel plants closed and there were hundreds of thousands of men and women who lost their jobs and how devastating it was to the surrounding communities.

Chairman Chappell asked staff to include the resolution in support of solidarity for Canton and Haywood County on the agenda for the next meeting. The Commissioners will present the resolution to the Haywood County Board of Commissioners. He also informed the Board and the public that they should expect long meetings going forward with important decisions upcoming on the budget and other items.

Commissioner McCall thanked Commissioner Chapman for pointing out that we are not a democracy, but a representative republic, so this Board represents all constituents. She was appalled at how others do not respect the personal property rights of their fellow citizens.

Chairman Chappell announced there will be a job fair at the Ag Center on March 23 with special resources for those affected by the loss of the Canton paper mill. He assured the public that the County continues to work closely with the City of Brevard, the Town of Rosman, and other partners to address mutual issues. They do not always agree but they have an open dialogue which is essential to living in a republic. Chairman Chappell stated that Commissioners are going to voice their convictions and opinions as they should which is what citizens should expect. He closed by saying this Board is made up of five individuals with varying opinions who are going to stand up for what they believe in.

#### ADJOURNMENT

There being no further business to come before the Board, **Commissioner Chapman moved to adjourn the meeting at 5:40 p.m., seconded by Commissioner Casciato and unanimously carried.**

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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