

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
April 23, 2018 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, April 23, 2018 at 7:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Chairman Larry Chapman, Jason Chappell, Mike Hawkins, Vice-Chairwoman Page Lemel and Kelvin Phillips. Also present were County Manager Jaime Laughter, Assistant County Manager David McNeill, County Attorney Misti Bass, and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Derek McKissock

There were approximately 25 people in the audience.

CALL TO ORDER

Chairman Larry Chapman presiding declared a quorum was present and called the meeting to order at 7:02 p.m.

WELCOME

Chairman Chapman welcomed everyone to the meeting and thanked the members of the public for participating in their local government. He introduced Commissioners and staff in attendance. He noted that Assistant County Manager David McNeill would be filling in for County Manager Jaime Laughter for a short while this evening. She participated in an all-day computer science summit on behalf of the County and will be traveling back from there and is expected to arrive sometime during the meeting to take over meeting facilitation.

The Manager arrived just before the start of the public comment period, at approximately 7:05 p.m., and took over duties from Mr. McNeill.

PUBLIC COMMENT

Leslie Logemann: Ms. Logemann is the Manager of the Transylvania Farmers Market. She briefly updated Commissioners on the continued success of the Farmers Market and reported the following data from 2017:

- Market open year round
- # of customers ranges from few hundred on a winter Saturday to over a thousand on a busy summer Saturday
- 78 registered vendors selling locally grown and produced products
- Annual vendor sales rising each year; in 2017, vendors brought in over \$500,000 in sales
- Held 13 free and family friendly events to promote community and healthy living
- In addition to local support, raised over \$10,000 in private and business sponsorships
- Partnerships with local organizations

Ms. Logemann thanked Commissioners for their past support. She noted that the organization has submitted its application to the County for the next nonprofit grant cycle and she would appreciate the Board's consideration for funding.

Davis Whitfield-Cargile: Mr. Whitfield-Cargile stated he is a citizen, business owner and local attorney in Transylvania County. He pleaded with the Board not to move forward with the new Courthouse at the Morris Road site. He believes the project as proposed is expensive, fiscally irresponsible, and not in the best interest of the citizens of this County. Because of this, he reported he has started the petition process to be placed on the ballot in November for a seat on the County Commission. Mr. Whitfield-Cargile said the project as proposed is estimated at \$30 million, but expects it to be upwards of \$50-60 million. Furthermore, he believes that downtown Brevard will forever be changed by the Courthouse moving to Morris Road. He stated that he has been talking with citizens and they are frustrated and they do not understand the Commissioners' decision. He said citizens need to give input on this project like they will with the school bond referendum this fall. Lastly, Mr. Whitfield-Cargile pointed out that the property on jailhouse hill is for sale and Commissioners owe it to the citizens to take another look at it for the expansion of the current Courthouse.

AGENDA MODIFICATIONS

There were no agenda modifications from Commissioners or staff.

Commissioner Lemel moved to approve the agenda as presented, seconded by Commissioner Hawkins and unanimously approved.

CONSENT AGENDA

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

The following items were approved:

MINUTES

The Board of Commissioners met in regular session on Tuesday, April 10, 2018. Commissioners approved the minutes as submitted.

DISCOVERY, RELEASE AND MONTHLY SETTLEMENT REPORT

Per NCGS 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 NCGS 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 March 2018, total tax dollars released was \$6,142.41 and refunds totaled \$998.53. Commissioners approved the March 2018 Discovery, Release & Monthly Settlement Report as submitted.

PROCLAMATION-NATIONAL DAY OF PRAYER 2018

In 1988 both Houses of Congress adopted legislation declaring the first Thursday in May of each year as National Day of Prayer. Commissioners wished to proclaim May 3, 2018 as "A Day of Prayer in Transylvania County." The Board of Commissioners has adopted similar proclamations over the past several years. This year's theme is Pray for America – Unity. A local observance will be held on Thursday, May 3, 2018 at 12 noon at Brevard Wesleyan Church. Commissioner Chappell read aloud the proclamation for the benefit of the public and he intends to read it during the local observance on May 3.

Commissioners approved Proclamation #13-2018 National Day of Prayer 2018 which is hereby incorporated by reference and made a part of these minutes.

PROCLAMATION-NATIONAL POLICE WEEK 2018

The week of May 13-19, 2018 is National Police Week with Peace Officers Memorial Day designated on May 15. Sheriff Mahoney has requested that the Board of Commissioners publicly recognize and salute the service of law enforcement officers in our community and in communities across the nation. This is an annual proclamation approved by the Board of Commissioners and is presented to both the Sheriff's Office and Brevard Police Department. Commissioner Phillips read aloud the proclamation for the benefit of the public. Commissioners approved Proclamation #14-2018 National Police Week 2018 which is hereby incorporated by reference and made a part of these minutes. Chairman Chapman presented the proclamation to Sheriff David Mahoney. The proclamation will also be delivered to the Brevard Police Department.

RESCHEDULE BOARD OF COMMISSIONERS' 2ND REGULAR MEETING IN MAY

The Board of Commissioners' regular meeting schedule in May is Tuesday, May 8 at 9am and Tuesday, May 29 at 7pm. The second meeting falls on a Tuesday being that Monday, May 28 is the Memorial Day holiday and County offices are closed.

Rural Day, presented by the NC Rural Center has been scheduled for Tuesday, May 29 in Raleigh. Rural Day is an event where county officials join hundreds of advocates from across North Carolina to learn more about issues facing rural communities, engage with their leaders about solutions, and celebrate all that makes rural North Carolina strong. County Assembly Day will follow the next day and is an opportunity for county officials to meet with and hear from state legislative leaders and representatives. It is important that Commissioners have an opportunity to attend either or both of these events and the current meeting schedule for May conflicts with these events. Chairman Chapman and Commissioner Hawkins will be attending. Therefore it is the recommendation of staff to reschedule the Tuesday, May 29 Board of Commissioners' meeting to Monday, May 21. Along with any other regular business, the Manager will be presenting the FY 2019 Budget recommendation at the May 21 meeting.

Commissioners rescheduled the Tuesday, May 29, 2018 Board of Commissioners' meeting to Monday, May, 21, 2018 and instructed the Clerk to the Board to post and publish appropriate notice to the public.

SIGNATURE REQUIREMENTS FOR FINANCIAL DOCUMENTS

In reviewing internal controls, the Finance staff has identified an area for improvement in authorizing financial transactions. To strengthen current internal controls, Finance Director Gay Poor sought Commissioners' approval for the following recommendations:

- Department heads will be responsible for signing documents manually or via secure electronic signature software (such as DocuSign). Stamped signatures will not be acceptable.
- Department heads may choose to delegate a staff member to sign invoices, check requests, and budget amendments on their behalf.
- Department heads choosing this option must submit a letter to the Finance Director designating an authorized signatory in their department and any limitations on that authority.
- Under no circumstances may the designated signatory approve any invoices or check requests for purchases made on a purchase requisition he or she entered. To assure separation of duties, the department head must either assign someone other than the designated signatory to enter purchase requisitions or sign off on invoices related to purchase requisitions entered by the designated signatory.

These recommendations are consistent with those of our auditing firm. Department heads will retain full responsibility and accountability for all transactions approved by themselves and their authorized signatory. If approved, Finance staff will develop a standard letter for Delegation of Signature Authority for department heads to use to simplify compliance and make it uniform across the organization. Commissioners approved the recommendation and made it effective May 1, 2018.

REAUTHORIZE COUNTY MANAGER TO NEGOTIATE REAL PROPERTY PURCHASE CONTRACTS

On September 25, 2017, Commissioners gave authority to the County Manager to enter into real property purchase contracts, if necessary, with the authority expiring March 31, 2018. If the Manager were to enter into any such contract, the terms were that the contract shall provide sufficient time during due diligence to allow Commissioners to consider property and terms in an open session in compliance with all applicable laws and with the opportunity to withdraw from the contract without penalty during that time. The Manager's authority has expired, but due to ongoing work Commissioners wished to extend the authority an additional six months, to expire September 30, 2018, with the same terms applying. Commissioners reauthorized the County Manager to negotiate real property purchase contracts with authority to expire September 30, 2018.

PRESENTATIONS/RECOGNITIONS

PROCLAMATION-NATIONAL PUBLIC SERVICE RECOGNITION WEEK AND TRANSYLVANIA COUNTY EMPLOYEE DAY

Human Resources Director Sheila Cozart presented this item. Celebrated the first full week in May, Public Service Recognition Week is a time set aside to honor the men and women who serve our nation as federal, state, county and local government employees. On May 16, the Human Resources department is planning a County employee appreciation event that will take place during the typical lunch periods. The event will take place from 11am-2pm in the County Administration/Board of Elections parking lot. Employees will be able to choose lunch from a couple of local food trucks and spend their lunch time building comradery with their fellow coworkers. Commissioner Lemel read aloud the proclamation for the benefit of the public.

Commissioner Lemel moved to approve Proclamation #15-2018 proclaiming the week of May 6-12 as National Public Service Recognition Week and May 16 as Transylvania County Employee Day. The motion was seconded by Commissioner Hawkins and unanimously approved.

Ms. Cozart thanked Commissioners for their support. She informed that the proclamation will be made available to employees via the County's intranet.

(Proclamation #15-2018 National Public Service Recognition Week and Transylvania County Employee Day is hereby incorporated by reference and made a part of these minutes.)

APPOINTMENTS

AGRICULTURAL ADVISORY BOARD

The terms of Mary Ann Duvall, Leslie Logemann, and William Leroy Newell expire at the end of April. Each serve in specific roles and all are eligible for reappointment. There are no other applications on file.

Commissioner Lemel moved to reappoint Mary Ann Duvall, Leslie Logemann and William Leroy Newell to the Agricultural Advisory Board, seconded by Commissioners Chappell and Phillips simultaneously and unanimously approved.

OLD BUSINESS

CONTRACT WITH WNC MILITARY HISTORY MUSEUM, INC.

Effective July 1, 2017, the County entered into an agreement with the WNC Military History Museum, Inc. for a period of one year which included the Museum leasing the old County Administration Building located at 21 E. Main St.

The Museum's Board of Directors is planning for their future and has expressed a desire to extend the lease for a period of at least one year, possibly two. Otherwise, they will need to find another location to house the Museum's artifacts and host programs. Time is of the essence, so they are requesting a decision by Commissioners to either extend the lease or let it terminate on June 30, 2018.

The WNC Military Museum has applied to receive county funding in the FY 19 nonprofit funding cycle and the application is under review at this time.

Staff asked Commissioners to consider renewal of current contract with WNC Military History Museum, Inc. and if renewed, determine what other terms should be applied.

Because of his personal involvement with the Museum, Chairman Chapman asked Vice-Chairwoman Lemel to facilitate the motion and discussion on this item.

Commissioner Hawkins moved to extend/renew the current contract for a period of 12 months (July 1, 2018-June 30, 2019). The motion was seconded by Commissioner Phillips. Chairman Chapman pointed out that included in the Board's agenda packet was a detailed list of activities and programs that the Museum has hosted or participated in over the past year. He pointed out they have had a significant number of visitors from all over the world. The Museum does not charge admission and has been able to cover expenses. He said he has been in contact with the Museum's Board members and they indicated they are actively pursuing options for a permanent location. Chairman Chapman pointed out that last year the Board agreed to a one year contract to lease the old Administration Building to the Museum because at the time no decision had been made on the Courthouse. He also pointed out the lease states the County will make no significant upgrades to the old Administration Building. He preferred Commissioners extend the lease agreement two years with a six month escape clause. The lease termination clause is currently 30 days. With that said, **Chairman Chapman moved to amend the motion to extend/renew the current contract for a period of two years with the termination clause to remain as is in the current agreement. The motion to amend died for lack of a second.**

Commissioner Hawkins explained his reason for moving for a one year extension instead of a two year extension. First, he stated he was opposed to the lease agreement when it was presented last year because he did not think Commissioners were following a process, which is very important to him. He said the County has a grant program for supporting nonprofit organizations and being that the County is leasing the old Administration Building for below market rate, this should have gone through the nonprofit process for approval/consideration. With that said, he said his views have not changed; however, if the Board does not extend the lease, the Museum has nowhere to go and that is unfair because the people involved are of the highest quality and the work they have done has exceeded expectations. For these reasons, he will support a lease extension for a period of one year. Commissioner Hawkins pointed out the Museum provided the Board of Commissioners with detailed information, including their financial statements. He suggested the Museum focus on charging admission in the coming fiscal year because he sees that as negative in terms of their current finances. He pointed out the Museum reported over 6,000 visitors, yet only \$686 in the donation jar, and this is not a viable financial model. He felt that people should be willing to pay admission based on the value of the Museum. He said he is confident the Museum can accomplish finding a permanent location and increasing their revenues in a year's time. Commissioner Chappell stated he also supports a one year extension for the same reasons he stated during

last year's discussion. Because the Museum is important to the community and should be supported, it was important for Commissioners to allow time for them to find a permanent location. For this reason, he stated he is supportive of a one year extension so they can continue that process, moving toward the goal of finding a permanent location. He noted if they awarded nonprofit funding, the additional funds should help toward that goal. For these reasons, he believes a one year extension is reasonable. Commissioner Phillips stated he was unsure how sustainable not charging admission is from a business standpoint and if that model can be maintained. He also expressed support for a one year extension of the lease agreement. Commissioner Chappell suggested to Museum staff to contact Blue Ridge Community College because they have free resources through the Small Business Center that can be of great assistance. Commissioner Lemel reminded everyone that last year's discussion was that the lease would be up to a year with the expectation that at the end of the year the Museum would be able to find another location. There was also a lot of discussion on the lack of a process and that continues to be a challenge in that she personally does not feel it is the County Commissioners' job to support a single museum outside of the other operations that fall under historic preservation and cultural experience/education and therefore feels other organizations that serve a similar purpose are being mistreated. Commissioner Lemel shared a story about her recent visit to Normandy, France and part of trip included a visit to an oversized garage museum that was well worth the admission. She stated that County government has stepped up to provide this space because we believe in supporting veterans and our history and heritage in this community. She said the proposal has challenged Commissioners to consider how they do business in consideration of all of those operations. Commissioner Lemel expressed support of an extension to the lease for a period of one year. She asked staff to consider placing all historical operations under one umbrella, such as the Joint Historic Preservation Commission, so this process does not become an individual personal plea and others are given the same consideration. She emphasized she was supportive of extending the lease for one year only. Chairman Chapman stated he has no concerns about the Museum's ability to raise money. He informed the Museum Board and staff that they have one year. He commended them for the great work they are doing and for educating students and citizens. He thanked Commissioners for their support of an extension. **The motion was approved unanimously.**

NEW BUSINESS

SHERIFF'S REQUEST TO USE RESERVE FUNDS FOR TRAINING SOFTWARE

The Manager presented the detail of this request. Sheriff David Mahoney was available to answer questions. Commissioners considered a request in May 2016 to designate jail phone and commissary revenue into a reserve fund at the FY 17 Budget Workshop. Revenue funds from FY 16, minus the expenses to administer jail inmate phone and commissary operation supplies, were immediately set aside in reserves with the adoption of the budget in June 2016. Commissioners have full discretion on how all reserve funds are used in the fund balance reserve and may change designation or parameters of usage at any time.

In November 2016, Commissioners adopted a tuition reimbursement policy for the Sheriff's Office that laid out parameters for use of the reserve fund at the Sheriff's request. The intent was to improve skill sets for law enforcement and aid in recruitment and retention as advocated by the Sheriff due to concerns of growing recruitment issues in the law enforcement profession.

Net revenue going into reserve by year:

Funds distributed per the tuition policy:

FY 16: \$30,397

FY 17: \$1,800

FY 17: \$37,958

FY 18: \$2,376

FY 18: \$15,007 (as of 4/18/18)

Current reserve balance as of 4/18/18 is \$79,186.

Sheriff David Mahoney requested funds from the reserve be utilized to purchase a training simulator from Meggitt Training Systems. The simulator provides scenarios for officers to train on critical incident management scenarios, courses for administration personnel, and situation based incidents where the officer must decide when, if at all, use of force is warranted, and tests accuracy when the officer uses a weapon. Further detail about the training goals was included in the Board's agenda packet.

The estimated cost of the equipment for all-inclusive components is \$61,482.48. Use of the reserve funds for a purpose outside of tuition assistance must be approved by Commissioners. The Sheriff has removed this purchase from his FY 19 budget request in anticipation of approval of use of the reserve funds for this purpose. If not approved, this item would be included in his FY 19 budget request. His budget requests are currently being reviewed by staff.

Staff recommended Commissioners consider the Sheriff's Office request to use \$61,482.48 in funds from fund balance reserves designated for Sheriff's Office Tuition Assistance to purchase a training simulator.

Commissioner Phillips moved to approve the request to use \$61,482.48 in funds from fund balance reserves designated for Sheriff's Office Tuition Assistance to purchase a training simulator. The motion was seconded by Commissioner Chappell. Commissioner Lemel stated the purchase of the simulator is a great use of the reserve funds because it provides the educational component for which the purpose of fund was set up. She felt that the simulator would be of great value to the law enforcement officers. Commissioner Chappell agreed and added that the simulator provides more than necessary training for officers; there is the potential for partnership opportunities with our educational systems to provide real world training scenarios. This is a trend across the nation in which law enforcement has a great need and desire to become better trained. He said with the purchase of the simulator this is another example where Transylvania County is being a leader. Commissioner Hawkins piggybacked on Commissioner Lemel's comments and asked the Manager if the purchase fits with the intent of reserve. The Manager stated the original intent was to fund tuition assistance; however, the demand is not as great as the funds are accumulating. She said the purchase is a consistent use to have training software available for all of the officers. Chairman Chapman inquired if there will be funds remaining to assist with future tuition assistance which was the original intent. The Manager and Sheriff both responded and reported that one officer has already graduated, two are current participants, and three others will participate in the fall. Of the two currently participating, through a community partnership, one officer is receiving a full scholarship at Brevard College. Neither expects the County to pay any tuition reimbursement for the next six months to eight months that would be outside of the remaining balance of the reserve fund. To add, Sheriff Mahoney stated this system is more than a firearms simulator; it is a decision simulator that allows officers to work through hundreds of scenarios with potentially thousands of different outcomes. It also allows the user to video its own scenarios using its own facilities. The intent of the simulator is to improve skill sets of officers in real world situations. As far as timing, the simulator can be installed and operational in six months. That will be followed by training of specific officers. Sheriff Mahoney envisions helping other counties with their training efforts. He is unaware if other counties are using this specific simulator, but Meggitt Systems has national and international accounts. The Manager clarified her statement about the purchase being consistent with the purpose of the reserve fund. She stated it was the decision of the Board to reserve these funds and they reserved them for a specific purpose. The reason this item is being brought before the Board is because of the original designation. Commissioner Chappell thanked Sheriff Mahoney for his leadership and for continuing to look for state-of-the-art training for our law enforcement officers. His leadership is recognized across the State. **The motion was approved unanimously.**

CONTRACT FOR COURTHOUSE REPAIRS

The Transylvania County Courthouse is a historic building requiring care and attention by County government to make sure that the structure remains safe to the public while also honoring the historic

value of the structure and maintaining its character. This requires a level of care and craftsmanship with all repairs and improvements. The Courthouse is also very active with court functions requiring that any work performed be modified so as to minimize disruption to this critical function.

Commissioners approved \$150,000 to repair the cupola of the Courthouse in FY 18. After design fees, the project fund currently sits at \$137,500. A project team has been working with Harris Architects to assess the cupola and prepare plans and specs to assure that the roofing is replaced and any issues are addressed with the structure. The architect inspected the cupola and recommended some structural repairs to masonry and wood, as well as replacement of the metal roof. The project team recommended that the clocks also be replaced at this time due to age and technology advances, which was not originally included in the project scope. While alternates were accepted in the bid process that included not using copper roofing nor replacing the clocks, the project team felt these elements were warranted to prevent future disruption of the building and to preserve the historic look and character of the Courthouse. In addition, the Norway Spruce was evaluated and it will require future treatment to maintain the size. It is not currently at its maximize size, should it allowed to continue to grow. The project team has identified the removal of some landscaping, but it will be replaced after the repairs are complete.

The Manager asked Commissioners to allocate \$40,000 in contingency funds to the Courthouse repair project and award the contract to Wilson Services for the full amount of \$175,000, to include copper roofing and the replacement of the clocks. Members of the project team were in attendance to answer Commissioners' questions.

Commissioner Lemel moved to approve the use of \$40,000 in contingency funds to complete the Courthouse cupola repair and include copper roofing and clock replacement. The motion was seconded by Commissioner Hawkins. Commissioner Phillips asked if the Courthouse remained under the historic structure guidelines with these renovations. Ellen Harris with Harris Architects reported the current designation on the National Register is primarily honorary so there are technically no restrictions; however, the work recommended by Harris Architects will meet the guidelines anyway. Commissioner Lemel commented the Board's packet included a lot of information and detail and she assured the public this project has been very thoroughly vetted. She stated that working with Harris Architects on this project has been a great experience because of their attention to detail and to the integrity of historic value of the building. For clarification, Commissioner Chappell asked for confirmation that there were no issues with the bids and that they were all in order. The Manager confirmed. Commissioner Chappell thanked Harris Architects for their work on this project. Chairman Chapman revealed to the public that the internal components of the cupola are in bad shape and are in need of repair so this is an important project. He noted that at one time there used to be stars where the clocks are located and some of them are maintained by the Heritage Museum. It was originally built with clocks and he felt it was appropriate to replace them. He thanked Harris Architects for doing some background work on the Courthouse history. Commissioner Hawkins inquired about the timing of the completion of the work. The Manager replied that much of the work will be done in June when judges are in conference. The work will cross over into next year's budget and is expected to be complete by September. Commissioner Lemel asked the Manager to report on the tree controversy that has been a topic of discussion in the public recently. The Manager said it was reported by some that the tree in the front yard in the Courthouse was planted by the Daughters of the American Revolution (DAR). The DAR tree was a hemlock and it was planted in the 1930's. The current tree was planted 30-40 years ago and is a Norway Spruce. The project team hired an arborist to evaluate the tree. The evaluation was important because otherwise they would not have been able to develop the treatment plan that is included in the FY 19 budget. The treatment plan will involve a growth inhibitor to prevent the tree from outgrowing the space. If the tree outgrows the space, it not only endangers the tree, but also the historic structure. Chairman Chapman said he hopes this fact gets reported by the media because someone wrote an opinion letter to the local newspaper claiming the tree was the DAR tree. **The motion was approved unanimously.**

CONTRACT WITH MOSELEY ARCHITECTS FOR ARCHITECTURAL DESIGN OF NEW COURTHOUSE

Since 2005, Commissioners have discussed the need for a new courthouse. Counties are statutorily responsible for providing court facilities under North Carolina law. That not only includes courtrooms, but also those State offices that serve court functions. The Manager noted that today the Juvenile Justice Division received an OSHA inspection and there are issues the County will have to address. Judges have authority to order that adequate space be provided if the court space is determined to be inadequate for proper court function. The current status of the Courthouse building is consistent with findings of orders from other counties. Continuing to move forward with a new courthouse is important to ensure the County meets the statutory requirements. Since 2005, multiple studies and detailed analyses have been conducted to inform the decision to build a new courthouse on Morris Road, including a third floor shell for future expansion. State and local officials have raised key issues with the historic Courthouse over the years of study. This information has been detailed in reports and is currently available on the County website, along with the relevant minutes of the County Commission meetings, citizen study groups, etc.

After selection of the Morris Road site for the new courthouse, staff issued a Request for Qualifications for architectural design services. Moseley Architects was selected as the architect for this project and the Manager was instructed to negotiate a contract and fee for service.

As of this date, the Manager has negotiated a fee for service that includes the following:

- Basic Architecture Services, including data and technology design: \$2,025,000
- Furniture Design and Procurement Services: \$85,000
- USDA loan administrative extra duties billed hourly, not to exceed \$126,400

The total negotiated fee is \$2,236,400 and represents 7.5% of the construction costs. Staff has reviewed other units of local governments and feels this pricing is very competitive. Staff recommended approval of the contract and fee for service with Moseley Architects, to authorize the Chairman to sign the contract following USDA approval of the contract, and to designate funds in fund balance to cover architectural services for the Courthouse project in the amount of \$2,236,400.

The Manager acknowledged the County Attorney had some concerns she wanted the Board to be aware of that would need to be resolved as part of the final negotiation. County Attorney Misti Bass reported she found multiple points in the contract that cause her concern. Most of the concerns involve areas where language was added that is not normally found in standard contracts that limits the architect's liability to the County. She suggested those concerns be addressed and modified prior to approval of the contract.

Commissioner Phillips moved to table this item until the County Manager and County Attorney can bring forth a contract that they are both comfortable with.

The Manager pointed out there is an attachment to the contract that is required by USDA. The USDA language is the prevailing component of the contract. The Manager reported that the USDA must also review and approve the contract, so she suggested Commissioners allow staff to submit comments regarding their concerns with the contract to USDA, combine with USDA's comments, and once satisfied, authorize the Chairman's signature with the negotiated fee to remain. She hoped this would delay the approval by only a couple of weeks.

Commissioner Chappell preferred staff bring the contract back before them for approval as long as it does not severely impact the timeframe.

The Manager stressed there will be no further negotiations on the contract fee.

Commissioner Phillips withdrew his motion to table.

Commissioner Lemel moved to approve the architectural service fee at a fixed price of \$2,236,400 for the USDA contract not to exceed. The motion was seconded by Commissioner Chappell. In response to comments made during public comment, Commissioner Chappell stated that the decision about the Courthouse has been an open public discussion and an open public process since 2005. He reminded everyone that the Rural Courts Commission visited and recommended Commissioners build a new structure and it is appropriate that Commissioners are moving in this direction. He informed that all of the information about this project can be found on the County's website. **The motion was approved unanimously.**

To clarify, the Manager will send the County Attorney's comments to the USDA along with the contract for review. Then the contract will be sent back to Moseley Architects requesting final language changes. She stressed these issues need to be resolved and she felt strongly the USDA will agree.

Commissioner Hawkins also responded to the public comments about the cost escalating to \$50-60 million. He said this is not going to be the case. The property at the bottom of jailhouse hill was also referenced and the possibility of consolidating. Commissioner Hawkins stated that property is under contract and is not on the market.

REQUEST TO ENTER INTO AN AGREEMENT WITH THE NC RURAL BUILDING REUSE PROGRAM WITH GREYSTONE INN

The Manager presented this item on behalf of Planning and Community Development. The Transylvania Economic Alliance, working with the County Manager, and the new owners of the Greystone Inn located on Lake Toxaway held discussion on possible state and county incentives in 2017. The property had been vacant for over 36 months and was in need of significant new investment. On October 10, 2017, the County Commissioners met in closed session and discussed a possible incentive grant totaling 70% of the annual net new tax revenue increase over four years (excluding fire tax).

The new owners committed to hire 41 new full-time employees with a total business payroll anticipated to be \$1,259,800. With this in mind, the Transylvania Economic Alliance made a NC Rural Buildings Reuse grant request for a total of \$410,000. The NC Department of Commerce awarded \$100,000 for the creation of 10 new full-time jobs at \$10,000 per new job. The County grant back of taxes will exceed the 5% amount needed for a local match required for the NC Rural Buildings Reuse grant. The Transylvania County Planning and Community Development Department will help administer this grant.

The Manager recommended Commissioners authorize the Chairman to sign the NC Rural Building Reuse Program grant and the necessary exhibits. She pointed out that the owners of Greystone Inn have reviewed the contract and are satisfied with it.

Commissioner Lemel moved to authorize the Chairman to sign the NC Rural Building Reuse Program grant and necessary exhibits for the Greystone Inn. The motion was seconded by Commissioner Chappell. Commissioner Chappell reported he has been getting to know the new owners through his work with Blue Ridge Community College. He said they are great community partners. They are making a major investment in the community. The owners intend to make the facility a year round destination and have dubbed the tagline "community's living room". He thanked the State and all the community leaders involved for making this project possible. Commissioner Hawkins stated the building itself is important to Transylvania County and that it be taken care of in a good way. They intend to create 41 jobs with a total payroll of \$1.6 million. This equates to an average of approximately \$31,000 per job which is above the living wage level. Commissioner Hawkins pointed out that the

County's incentive policy is structured and is focused on job creation and capital investment and is formula based. **The motion was unanimously approved.**

RESOLUTION IN SUPPORT OF STATE FUNDING FOR SCHOOL RESOURCE OFFICERS

Transylvania County has a long history of supporting a School Resource Officer (SRO) Program, with the earliest contract dating back to 1996 when SROs were placed in Brevard and Rosman High Schools. The funding arrangement has the School System paying for salary and benefits from State funding received and the County paying for vehicles, equipment, supervision and training. In 2001, the number of SROs has increased to eight thanks to a grant that provided salaries and benefits for five SROs over a three year period with the fourth year required to be paid for by local funds. At the time the grant was accepted, the agreement included that the City of Brevard would pay for one position in year four, the School System would use funds allocated to them to cover two and the County would budget to cover another two. At the conclusion of the grant, the School System did not have funds to cover the two they were to cover so the County funded four positions by allocating more funds to the School System from the County. The City of Brevard funded a position until around 2007 when the County was asked to fund the position by allocating more funds to the School System and assigning an officer from the Sheriff's Office. In 2013, a 9th officer was requested for funding by the School System so that a total of six officers were funded through current expense funding from the County. At that time, the calculation included base salary, benefits, fringes and the cost to operate and maintain the vehicles while the Sheriff's budget assumed the cost of equipment, training, liability and other expenses for all SROs. In March 2018, Brevard Academy voted to request a SRO and Commissioners have approved a contract for a SRO at that location.

Based on current salary figures, the cost for SROs by requesting agency for FY 19 includes:

Transylvania County Schools:	\$577,266 (9 SROs)
Brevard Academy:	\$53,710 (1 SRO)

The North Carolina House of Representatives has created a sub-committee for school safety. Our Representative Cody Henson serves on that subcommittee. The sub-committee is expected to review funding levels from the State and how those funds can be used. Currently, the only funds received directly from the State used specifically for SROs are for the high schools. The amount does not cover the full cost of salary of benefits. Across the State, many counties are adopting resolutions that address the disparity between the funding and actual cost to fund. Transylvania County receives \$37,838 per high school. There is no designated State funding for SROs in the remaining schools. Most counties are moving forward having an SRO in all of their schools; whereas, Transylvania County has been ahead of the game. The Manager presented a resolution for the Board's consideration that would encourage the State to consider funding for school safety, specifically for SROs, but also to urge our State representatives to make funding equitably available so that jurisdictions like Transylvania County that have been willing to prioritize school safety and dedicate funds to that purpose are not penalized in the distribution of State assistance. Currently, Transylvania County has funded SROs mostly through property and sales taxes. The Manager pointed out that a Commissioner proposed two additional statements to the draft resolution for Commissioners' consideration. The proposed amendments to the resolution are:

WHEREAS, the Transylvania County Board of Commissioners believes spending nearly 15% of our local discretionary funding on a single line item of School Resource Officers may not be financially sustainable for an extended period of time; and

BE IT FURTHER RESOLVED that the Transylvania County Board of Commissioners requests the North Carolina General Assembly take specific, meaningful and comprehensive actions to address the root issues which compelled local governments to institute School Resource Officer programs including,

but not limited to, programs in family support, mental health, facility security, incident response and weapon safety.

The Manager recommended Commissioners approve the proposed resolution and instruct staff to forward it to our State representation in Raleigh.

Commissioner Lemel moved to approve the proposed resolution with the additional language read aloud by the Manager and for staff to share with our State leaders. The motion was seconded by Commissioner Hawkins. Commissioner Hawkins said he recommended the additional language because, to him, this issue is not just a funding request and communicating the financial stress that it places on counties, but it is also important to take steps to deal with the root causes that force counties to implement school resource officer programs. He does not intend for the State to bear the sole responsibility. He pointed out Transylvania County would like to be part of the solution. Commissioner Chappell was concerned about the implications of the language in the first addition because he felt funding was appropriate for the SRO program and he wholeheartedly supported it. Commissioner Hawkins suggested changing the language to “may not be sustainable”, instead of “is not sustainable”. Commissioners were in agreement and language was changed to

***WHEREAS**, the Transylvania County Board of Commissioners believes spending nearly 15% of our local discretionary funding on a single line item of School Resource Officers **may not be** financially sustainable for an extended period of time; and*

Commissioner Hawkins read aloud the resolution for the benefit of the public with the corrected language. **The motion was approved unanimously.**

MANAGER’S REPORT

- Administration is seeking input on the most desired qualities of a Parks and Recreation Director; survey available online to share input
- SRO contract is ready for signatures to cover remainder of FY 18 and for FY 19 for Brevard Academy
- CS4WNC Summit held today to focus the region on the future of workforce development incorporating computational thinking into education
 - Presentation by Dr. Chris Stephenson, Head of Computer Science Education Strategy at Google
 - Followed by table discussions and work group breakouts
- Silvermont Master Plan contract has been awarded and moving forward with process
- Narrowing down recommendations for hiring bond counsel this week for the school bond
- Budget review meetings continue
- Superintendent made presentation at last Board of Education meeting which was provided today to County staff and Commissioners; Superintendent attended CS4WNC Summit today so Manager was able to speak to him about presentation; Manager made following points about presentation:
 - Newspaper coverage had typo in online coverage (did not check print) that reflected County funding at \$11,700; operational total should have been reported as \$11,842,443, with some funding being allocated to food and nutrition fund by the School System
 - Audit comparisons make it appear there are discrepancies, but no discrepancy; School System moves part of Current Expense to different fund
 - Average annual spending for Capital Outlay and Current Expense has increased each year (3.1% last year)

- County allocates funding for School System that is considered General Fund, that being the debt service on bonds; bonds are not the same as installment purchasing, so payment will vary and decrease over time as bonds roll off and can artificially look like a decrease in funding if included in budget figures, but not a decrease in funding; those funds do not go into School System budget, they are from the County's General Fund budget
- Staff is reviewing, but takeaways thus far:
 - Peer comparisons are great and staffs agree working from this type of data leads to better decisions
 - In Manager's conversation with Superintendent McDaris today, both agree that the County funds the School System very well
 - Initial County staff review indicates that some of the data may have been presented in a way that left a different impression that warrants notation:
 - ❑ State-funded teachers decreased from 2007 to 2018, but the total teachers to student ratio went down; FY 07 is 24.3 versus 37.479 for FY 18; the ratios, respectively, are 1:18.39 and 1:17.86 if include locally funded teachers
 - ❑ Net capital funding did not show all local dollars for capital purposes including bond payments for Rosman CTE building or lottery funds. The annual funding percentages added in County funding appropriations and the debt service payments so as bond payments decreased it shows a skew. County dollars allocated to the School System have increased an average 4.71% annually since FY 2003
 - ❑ Ability to pay does not factor in the economies of working families living in a place where property value is high compared to other communities; School System's comparisons looked at wealth of County based on valuation of property; positive is that average weekly wage increasing
 - ❑ County staff committed to transparency; will be adding County and School System audits to website and will show annotations where comparisons can be found

Commissioner Lemel inquired about a discrepancy in the FY 17 capital allocation. The School System indicates the County appropriated \$1,706,004; however, their audit for the same period of time shows an allocation of \$1.8 million. She asked for further explanation. The Manager stated there are some debt payments that come directly from the School System's budget. The funds were removed for the Rosman CTE building. The other item not necessarily shown in the audit is lottery funds. The Manager noted that when Management Analyst Jonathan Griffin performed an analysis of capital requests submitted versus funded, which included the local appropriation and lottery funds, it reflected over a 10-year period that only \$1 million of all requests made over that course of time had not been funded.

Commissioner Chappell commented about how a portion of the debt service is reported and a portion is not, saying that goes back to a mutual decision between both Boards to split the cost of funding the Rosman CTE building. Commissioner Hawkins added that the same agreement was reached with funding lights on the ballfield. The Manager stated in those scenarios the County provides funds to the School System and they return it back to the County to pay their portion of the debt. It is classified in the County's audit as education funding. Every county audit in the State of North Carolina has a schedule 1 that has to go by classification to report personnel, capital and operating expenses. Education is one of those categories. However, typically, bonds for education will show as debt service under that classification, not as education. The education expense includes funds that the County actually sends to the School System as part of their budget. These funds will be reported on both audits. It does not include funds paid on debt service. The County's debt service has continued to decrease over the past

several years as the bond payments come down, but the total amount of debt service roll off compared to the increase for Current Expense and Capital Outlay, it more than offsets the decrease in those funds. Essentially, Commissioners have been able to avoid a tax increase by offsetting School budget increases with debt roll off. The Manager emphasized this action will not be sustainable for much longer because the debt service will be paid off at year's end. The County can rely only on sales and property tax for growth.

Chairman Chapman commented that as the County enters the budget process, it will be imperative that both Boards agree on the numbers when discussing the budgets and have an understanding where the differences are. Commissioner Lemel agreed. She said at times she does not think the two Boards are speaking the same language or looking at the numbers the same way which contributes to the misunderstandings. She said it will be helpful to agree on the same terms and accounting principles.

- CS4WNC Meeting today, continued
 - Discussed need for computational thinking, not just devices; also talked about rural challenges; what will our workforce look like in 20-30 years?; need to have infrastructure in place
 - Transylvania County is unique with Wi-Fi in community centers which is an example of problem-solving in the rural setting
- Governor's Cabinet meeting in Asheville
 - Technology needs and cyber security were a common theme from Departments of Revenue, Commerce, Education, etc.
 - Announcement that Transylvania County has a census tract that is nominated to be designated as an Opportunity Zone
 - Provides federal tax incentives of up to 25% for development in that tract if approved by the US Treasury; includes several property that Transylvania Economic Alliance has identified as economic opportunities; next step is to determine how to market those sites and make them ready for the right investor; over 1,000 tracts qualified in North Carolina, but only 250 approximately were chosen for approval
- Kudos Report!
 - Health Department has received accreditation
 - Thank you to support from other departments including: Gay Poor, Jennifer Galloway, Sheila Cozart, Trisha Hogan, April Alm, David McNeill, Robbie McCall and Maintenance staff, Katie Smith, Gerald Grose, Yvonne Dickson, Dean Landreth and staff in IT.
 - Kudos- Bobby Cooper for his work as interim Solid Waste Director and to Kim Bailey for her work as interim EMS Director. They will both be resuming their normal roles.
 - May 16 is Employee Appreciation Day- an opportunity to say thank you to those serving in county government

Chairman Chapman asked how many attended the CS4WNC today. The Manager estimated between 60-80 were in attendance from all over WNC. Although the emphasis was mainly on Asheville and Buncombe County, she spoke with representatives from the Friday Institute about coming to Transylvania County to speak with our leadership about this topic.

PUBLIC COMMENT

Emmett Casciato: Mr. Casciato is the curator of the WNC Military History Museum. He stated the reason the Museum requested a two year extension is to allow them time to find and fund a permanent location. He reported they have spoken with the Transylvania Economic Alliance about available buildings and

there is only one available on Ecusta Road that meets their needs of 8,000 sq. ft. He said they need that level of space to house the number of artifacts they have in their possession. Mr. Casciato said he hopes the Board does not want to see the Museum leave Transylvania County because of space issues. He also assured Commissioners their success does not depend on the donation box. The Museum depends on the sale of bricks on its Honor Wall and receives donations on a regular basis. He noted he had a number of items needed for purchase to get the Museum up and running as a first class operation. Mr. Casciato assured Commissioners he and the Museum Board will rise to the challenge and he thanked Commissioners for approving a one-year extension on the lease.

COMMISSIONERS' COMMENTS

Commissioner Chappell thanked those who attended the event at Headwaters Outfitters today. He helped schedule a visit with members of the Governor's Cabinet for the purpose of showcasing the area's outdoor recreation employers. It was a great opportunity to highlight Transylvania County.

Commissioner Lemel reported the Kindergarten Readiness Rally was a great success. She was grateful for the agencies that were there supporting young families and children. She assured the public that Commissioners and local government are paying close attention to the HCA/Mission deal and they are engaged in meetings. She and Commissioner Hawkins will be meeting with one of the Mission Board members tomorrow. Commissioner Lemel reported that the Senior Services Task Force has continued to meet regularly and next month will make available its State of the Seniors Report. The Social Services Working Group at the UNC School of Government has submitted its final document for Phase 1 of social services reform for the delivery of social services in North Carolina. The SSWG will begin work on Phase 2 in Chapel Hill on May 2.

Commissioner Phillips responded to public comments about the Courthouse. He stated that discussions about the Courthouse have been going on for at least 13 years. As stated, the Rural Courts Commission provided a comprehensive recommendation on a courthouse reflecting that it definitely needed to be replaced. None of the discussions or decisions made was done in a vacuum and all of the work was done in public and the information is available to them. He assured there has been lots of opportunity for public involvement. The Board of Commissioners has been discussing this issue for many years in an effort to make the right decision. He said a new facility is needed, no one wants to spend this kind of money, but there is no other choice.

Chairman Chapman thanked everyone for attending the meeting tonight. He reported that he and Commissioner Lemel attended the opening ceremonies for the Senior Games last Friday evening. He read the Older Americans Month proclamation as part of the program. The Senior Games are ongoing and he encouraged the public to attend the watch the games in action and view the artwork. Chairman Chapman serves as the Board's representative to the Juvenile Crime Prevention Council. He learned at their recent meeting that some juveniles in the system are volunteering at the animal shelter and are being responsive, so kudos to them. Another takeaway is that JCPC staff reported how impressed they were with the operation of the County's animal shelter. Chairman Chapman announced that budget discussions are underway. He also added to the response on the public comments about the Courthouse. He reported that he met with lawyers, judges, concern citizens, etc. prior to the Board's decision and he encouraged anyone with concerns about the Commissioners' decision to become educated on the history of the project.

Chairman Chapman moved to enter into closed session per NC General Statute § 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations and per 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, options, exchange or lease, after a 5 minute recess. The motion was seconded by Commissioner Lemel and unanimously carried.

CLOSED SESSION

Pursuant to NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations, and NCGS 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, options, exchange or lease, closed session was entered into at 9:15 p.m. Present were Chairman Chapman, Commissioners Chappell, Hawkins, Lemel and Phillips, County Manager Jaime Laughter, County Attorney Misti Bass, Transylvania Economic Alliance Executive Director Josh Hallingse and Clerk to the Board Trisha Hogan. The meeting was held in the Arthur C. Wilson, Jr. Conference Room.

Transylvania Economic Development Director updated Commissioners on a potential economic development project and discussed how the County's incentive policy applies. Commissioners directed staff on how to proceed.

During the second closed session, the Transylvania Economic Development Director and the County Manager updated Commissioners on negotiation efforts for potential property acquisition. Commissioners directed staff on how to proceed.

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

OPEN SESSION

Chairman Chapman moved to seal the minutes of the closed sessions until such time that the purpose does not frustrate the purpose of the closed sessions, seconded by Commissioner Lemel and unanimously approved.

ADJOURNMENT

There being no further business to come before the Board, **Commissioner Lemel moved to adjourn the meeting at 10:05 p.m., seconded by Commissioner Hawkins and unanimously carried.**

Larry L. Chapman, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board