

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
July 26, 2021 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, July 26, 2021 at 6:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Larry Chapman, Chairman Jason Chappell, Vice-Chairman Jake Dalton, David Guice, and Teresa McCall. Also present were County Manager Jaime Laughter and Deputy Clerk to the Board Kate Hayes. Clerk to the Board Trisha Hogan was absent due to a family illness. County Attorneys Natalia Isenberg and Bill Bulfer participated remotely via Zoom meeting software.

Media: *Brevard Newsbeat* – Dan DeWitt

There were approximately 14 people in the audience.

CALL TO ORDER

Chairman Chappell presiding declared a quorum was present and called the meeting to order at 6:00 p.m.

WELCOME

Chairman Chappell welcomed everyone to the meeting participating both in person and remotely. He introduced Commissioners and staff in attendance.

PUBLIC COMMENT

There were no comments from the public.

AGENDA MODIFICATIONS

There were no agenda modifications.

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

CONSENT AGENDA

Commissioner Guice moved to approve the Consent Agenda, seconded by Commissioner McCall and unanimously approved.

The following items were approved:

REQUESTS FOR OUT OF STATE TRAVEL

The Board approved a request from Communications Director Cameron Sexton to attend the Telex certification course in Lincoln, NE in September to become certified in the management, configuration, and operation of the County's dispatch controls and radio and phone interfaces. This will enable him to program and configure the dispatch interface for the 911 Telecommunicators. Funds have been budgeted for travel and training in the FY 22 Budget.

The Board also approved a request by NCACC Fellow Brian Farmer to attend the ICMA Annual Conference in Portland, OR in October. The Local Government Management Fellow program is a partnership with ICMA and NCACC to identify and develop the next generation of talented individuals to assume management positions within local government. As part of the agreement, ICMA agrees to cover/waive the registration fees while the host community agrees to provide travel, lodging and meals which have been budgeted in the FY 22 Budget.

DISCOVERY, RELEASE, AND MONTHLY SETTLEMENT REPORT

Per NC General Statute § 105-312 (b), it is the duty of the Tax Administrator to see that all property not properly listed during the regular listing period be listed, assessed, and taxed. The Tax Administrator shall file such reports of discoveries with the Board of Commissioners. Per NC General Statute § 105-381 (b), it is the duty of the Tax Administrator to provide a monthly report to the Board of Commissioners of the actions taken by the Tax Administrator on requests for release or refund, which shall be recorded in the minutes. For the period June 22-30, 2021, tax dollars released totaled \$22.66, and refunds issued totaled \$340.52. The report for June 22-33, 2021 was approved as submitted.

CANCEL AUGUST 9TH BOARD OF COMMISSIONERS MEETING

Usually following the passage of the annual budget, the Board of Commissioners cancels a summer meeting to allow staff vacation time. There is no pressing business for the August 9, 2021 meeting. The Board cancelled the August 9, 2021 Board of Commissioners' meeting and instructed the Clerk to publish and post appropriate notice.

PRESENTATIONS/RECOGNITIONS

VAYA HEALTH UPDATE

Community Relations Regional Director for Vaya Health Angela Garner presented an update to the Board on Medicaid Transformation. This is a summary of her presentation and the discussion that followed:

Vaya Health is a local government agency that uses public funds to serve the needs of individuals facing challenges with mental health, substance use, and intellectual and developmental disabilities (MHSUIDD) in a 22-county area in Western North Carolina. They are Transylvania County's local management entity/managed care organization (LME/MCO) and offer three health plans under the state of North Carolina:

- A mental health, substance use, and intellectual and development disability health plan for individuals with Medicaid
- A health plan for individuals who are underinsured or uninsured
- Home and community-based services for individuals with a specific developmental disability on the Innovations waiver

Under House Bill 403 – Medicaid Managed Care – Vaya Health added tailored plans that will cover integrated physical health, pharmacy, and other services for high-risk populations. The General Assembly enacted the law in 2015 and directed the NC Department of Health and Human Services to transition Medicaid from a fee-for-service program to managed care under Vaya Health for our region. The goals of Medicaid transformation were to deliver whole-person care, transition to provider-based care management, improve member experience, and address the unique needs of historically marginalized populations. By contracting with health insurance plans, 1.6 million Medicaid beneficiaries have transitioned to managed care. Managed care will transform services to whole-person care following social determinants of health to meet needs all in one place.

There will be three types of managed care plans, called Prepaid Health Plans. The three types are standard plans, tailored plans, and tribal plans. For standard plans, the State has contracted with five healthcare companies. The standard plans will address most people on Medicaid using a whole-person care approach for individuals with mild to moderate challenges and in need of basic outpatient care. Blue Cross and Blue Shield of North Carolina will be a standard plan provider.

Tailored plans were created for individuals who have more complex behavioral health or intellectual and developmental disabilities. Vaya is one of the managed care organizations that has applied to be a tailored plan provider. Vaya was awarded the tailored plan after a lengthy application process. Individuals will remain with Vaya if they have significant mental health and substance use needs. All foster care children will remain with their LME/MCO for the next several years based on advocacy from the Department of Social Services.

There are currently 6,679 Medicaid-eligible residents. It is estimated that 725 of those members will stay with Vaya. Vaya will provide a higher level of service to members who remain with significant needs such as adults in care homes and individuals with enhanced substance use services through Meridian or Blue Ridge Health. Vaya will be required to provide medical care similar to insurance companies that contract with primary care providers and pharmacists beginning on July 1, 2022.

Throughout the Medicaid transformation process, the State has wanted to decrease the number of managed care organizations. There are currently seven MCO's throughout the State, but as other counties have disengaged with Cardinal Innovations, Cardinal will come under Vaya creating a larger catchment area for Vaya. At the conclusion of her presentation, Ms. Garner also relayed that Vaya has been working with Transylvania County Public Health Director Elaine Russell for the past year and a half to distribute Narcan to EMS and the first responders throughout the County via the Opioid Response Team. Narcan's expiration date has been extended and Vaya serves Transylvania County residents through a community pharmacy. Commissioner Guice asked for clarification on the Narcan expiration, but Ms. Garner stated she would have to follow up on that information.

Chairman Chappell asked about the providers for the tribal option plan. Ms. Garner stated that providers will contract directly with the tribe in the western part of the State, but she was unsure of the specific administrative setup of those contracts.

Commissioner Chapman pointed out that he hoped the state would have looked at cost savings during the consolidation process, and he asked how closely Vaya works with local nonprofits to combat drug use, etc. Ms. Garner responded that Vaya is part of the Opioid Response Team coordinated by the CARE Coalition and they also work with the School System on mental health services with Meridian and Blue Ridge. They have been working with the CARE Coalition reviewing a MOU to look at accessing any State or federal funds that become available. Angela also serves on the Get Set Committee that is rolling out materials to the school system.

Commissioner Chapman also asked if Vaya provides any year-end summary of their results or whether the State monitors the effectiveness of their programs. Ms. Garner ensured the Commissioners that Vaya is transparent with taxpayer money, but she would have to defer those questions to Vaya's CFO to do a separate financial status report and discuss the financial health of the agency. Due to HIPAA regulations, Vaya cannot share why a patient sought services, but the rates are public knowledge, as well as staff salaries. Vaya's rates are guided by the Medicaid rate tables that providers are allowed to bill.

Chairman Chappell asked if enrollment in the new plans would be automatic. Ms. Garner responded that the State oversaw the transition process and sent out letters to Medicaid recipients. Those individuals were automatically enrolled in one of the four standard plans and the State looked to ensure they put

members in a plan that included their current providers. There is a grace period of 90 days after July 1 if those individuals did not want the plan they were enrolled in.

Commissioner Guice brought the Commissioners' attention to a resolution that has been supported by Jackson County concerning the coverage gap for people who do not qualify for Medicaid or a subsidy in the private market. There are approximately 1,983 individuals in Transylvania County who would gain coverage. Transylvania County currently spends \$216,000 on inmate medical expenses, which could be lessened with Medicaid Transformation. Some of those individuals currently fall under Vaya if they are uninsured and qualify for services. Ms. Garner stated that Vaya has been meeting quarterly with the new leadership at DSS to ensure a continuum of services and contracts for children.

Commissioner McCall asked if anyone who does not qualify for Medicaid would then fall under Vaya. Ms. Varner responded that people who do not have any type of insurance or are underinsured might qualify for services, but it depends on the individual. Some were assigned a healthcare plan through the new standard plans. The plans were based on their current doctors. If those doctors leave the Mission health network, the hospital should still take most main insurance providers. Most people will not have a hospital listed as their primary care. A Medicaid card would list United or Blue Cross and Blue Shield, for example, and Mission should have a contract with all the standard plans. Hospitals such as Pardee and Advent have been involved throughout the process. She added that people can call Vaya for information if they are moving to a different catchment area within the State.

Commissioner Dalton asked if Medicaid Transformation was similar to Medicare Privatization, but Ms. Garner could not address that question. Commissioner Dalton referenced the cost savings of Medicare as successful.

This concluded the presentation.

TRANSYLVANIA COUNTY BOARD OF EDUCATION – UPDATE ON SCHOOL BOND PROJECTS

The Board of Education and Transylvania County Schools Administration updated the Board of Commissioners on the status of the school bond projects, rebid activities, next steps, etc. This is a summary of their presentation and the discussion that followed:

Chairwoman McCoy addressed the Board and stated she unfortunately was not present to invite the Commissioners to a groundbreaking ceremony due to the recent bids coming in over budget. The Board of Education received a presentation from Clark Nexsen and Vannoy concerning the escalating cost of materials combined with the labor shortage attributed to the pandemic and construction market. Chairwoman McCoy shared that the architects have been asked to provide options within the current scope of work that would allow the projects to meet critical needs and create an enhanced setting for students. That timeline will be forthcoming from Transylvania County Schools Chief Financial Officer Norris Barger. She hoped to come back to the Board in the future with an invitation to a groundbreaking ceremony. She then turned the presentation over to Mr. Barger.

Mr. Barger stated that the school construction bids were opened on June 16 for Rosman Middle/High and on June 23 for Brevard High. The bids were vetted for scope and proper pricing, but substantial increases, severe labor shortages, and extreme market volatility caused the bids to be dramatically over budget. Staff are now developing alternative options. The scope of both projects will have to be modified. Staff hope to present the options by the end of August. Mr. Barger stated that they hope to rebid the projects in the spring when market risk has subsided, but they will assume the same conditions exist and provide modifications to stay under budget with an alternative wish list. After staff present to the Board of Education, they will be back to the Board of Commissioners to present information on moving forward on

the projects. Mr. Barger said he expects to learn from this experience and stressed that the kids deserve the changes, additions, and improvements to the schools.

Chairman Chappell asked if school staff hope to start construction next summer or if the hope is to rebid the projects in spring. Dr. Jeff McDaris, Superintendent of Transylvania County Schools, responded that would be best case scenario. How much the scope is modified and the time to go through that process will impact the construction timeline. He would love to break ground next summer, but Vannoy does not believe that conditions will change by spring. There are many factors driving the decisions at this time: contractors are afraid to bid with so many unknowns and subcontractors have backlogs of projects in the private industry.

Commissioner Chapman relayed to Dr. McDaris that the Board is getting questions from citizens who feel that they are not getting a lot of information. One question was if relooking at designs would tack on additional architectural fees. Dr. McDaris stated that most of the funding remains for construction, but that depends on how much the scope is modified. The contract states modifications of scope will need to fit in the current budget, but the attorney will have to determine if the scope constitutes a complete redesign. The bids were \$18 million over budget and significant modifications will be necessary.

Commissioner Chapman asked why there is a need to tear down buildings and roofs of structurally sound spaces. Dr. McDaris stated that the old gym does not have a new roof. The existing roof was recoated to extend its life. He went on to say that the buildings are not structurally sound and that the beams in the Brevard High cafeteria are in such bad shape that someone could take a pocket-knife and dig into them. The project does not call for tearing down the CTE room, rather it will be repurposed into resource rooms or science labs, etc.

Commissioner Chapman also asked what the impact would be if funds were allocated to the other six schools and if not, what is being done to address the needs at the other schools. Dr. McDaris stated that the facilities study identified significantly more than \$68 million in needs, but that the schools in the greatest need were Rosman Middle, Rosman High and Brevard High. The bond has always stated that those were the three schools that needed the most work and the other school projects will have to happen at some point down the road.

Commissioner Chapman asked if school staff had gotten guidance from the State on what education will look like after the pandemic, such as work from home or reduced classroom space. Dr. McDaris stated that the reality is that there will be a new normal of blended instruction after the pandemic, to include face to face instruction. He noted that some students thrive in other ways. Nonetheless, the goal will always be to prepare children for their future whether college, private sector, or military. The ability to learn online will be required as blended learning continues. There will also be an emphasis on broadband and STEM programs as the country faces a shortage of engineers.

Commissioner McCall asked how summer school has compared to previous years. Dr. McDaris responded that the numbers are higher than recent years and parents have wanted students to attend even if they did not have to. Schools offered two sessions, one longer session and one shorter session.

Commissioner McCall shared concerns of skills that were missed in the past year and hopefully summer school improved those numbers. Dr. McDaris shared that schools incorporated outdoor education and STEM opportunities to make the summer sessions fun.

Commissioner McCall asked staff to look back from the time the projects were proposed to the public to now and asked what they will not be getting at this point and what will not be provided that was anticipated. Mr. Barger could not answer those questions until they look at the options that will be

presented by the architects, but the scope of work has already changed from the initial plans. Some critical needs that were identified in the 2018 bond referendum still have not been addressed. If those buildings are deemed structurally unsound or unsafe, students and staff would be relocated. That has not happened to this point, but the exposed structural beams equal a critical and urgent repair.

When asked if they had looked at savings to renovate instead of demolishing the buildings in the same footprint, Mr. Barger responded that he had presented those ideas to the architects and asked for a savings per square foot. Commissioner McCall clarified the additional square footage was only going to be 17,000 ft² of classroom space. Mr. Barger stated that the need was not necessarily classroom space, but instead they wanted breakout spaces for new types of learning. In terms of the structural concerns, there is no way to replace the beams in the cafeteria and old gym without the whole building coming down. He also shared that Rosman had already been renovated in 2000.

Chairman Chappell appreciated the information provided and reemphasized for citizens that the best-case scenario will be groundbreaking next summer, but there are a lot of documents that will be started over with additional information that takes time.

Commissioner Guice stated he is okay if there is a need to look at additional revenue due to the time and effort in advance of getting the bond passed. Since the bond passed in almost every precinct, he hopes to cautiously move forward and look at the change in scope, without omitting those needs that have already been identified.

Commissioner McCall asked if lottery funds or COVID-19 funding can be used for the proposed construction. Dr. McDaris stated that both can be, but they have already budgeted \$2.3 million at the other schools for air quality and HVAC improvements, and they would still have other needs at the remaining schools.

This concluded the presentation.

UPDATE FROM VETERANS SERVICE OFFICER

Veterans Service Officer Frank Pearsall gave his annual report to the Board of Commissioners regarding the distribution of VA expenditures in Transylvania County. This is a summary of his presentation and the discussion that followed:

Although the veteran population and funding levels typically decrease, those metrics increased during the past fiscal year. Mr. Pearsall was able to help one veteran secure funding back to 1972. Out of the 17 Western North Carolina counties, the veteran population has increased in 11 of those counties presumably because they are able to get excellent care through the VA Center in Asheville which is ranked #2 in the United States.

Chairman Chappell asked if the numbers included any seasonal residents. Mr. Pearsall responded that most are permanent year-round residents, but some are retired.

Commissioner Chapman asked if Mr. Pearsall was aware of any homeless veterans in the County. Mr. Pearsall was aware of one who is homeless by choice and who does use the VA hospital, but there may be more he is unaware of.

Mr. Pearsall concluded his presentation by sharing that he is available in his office Tuesdays and Thursdays for walk-ins and by appointment on Monday, Wednesdays, and Fridays.

NEW BUSINESS

2020 TAX SETTLEMENT REPORT

Each year, the Tax Administrator makes a sworn report to the governing body of the taxing unit per NC General Statute § 105-373. Tax Administrator Jessica McCall presented the 2020 tax year report. She highlighted the following:

- Total levy 2020 taxes
 - County - \$36,052,369.27
 - All districts - \$38,944,852.43
- Total collected 2020 Taxes (as of June 30, 2021)
 - County - \$35,980,265.12
 - All districts - \$38,866,080.63
- Uncollected 2020 taxes (as of June 30, 2021)
 - County - \$72,104.15
 - All districts - \$78,771.80
- 2020 overall County collection rate - 99.80%
 - Each district percentage rate - greater than or equal to 99.50%
 - County collection rate as of January 5 - 82.75%
 - At the time of the presentation, this left \$6.2 million left to collect
- Delinquent taxes collected for 2019 and prior (as of June 30, 2021)
 - County - \$72,305.41
 - All districts - \$80,139.67
- Bank attachments - \$33,567.95
- Wage garnishments - \$30,136.05
- Payment plans - 130
- Made approximately 8,000 phone calls
- Payment coupons utilized
- Six employees dedicated to delinquent collections

Commissioner Chapman asked how the City of Brevard's collection rate compared. Ms. McCall responded that the County interacts with the City daily because the County assigns values for everything and then passes that information to the City to include in the tax bills.

Commissioner McCall noted that the collection rate was impressive.

Commissioner Mc Call moved to approve the 2020 Tax Settlement Report, seconded by Commissioner Guice and unanimously approved.

2021 ORDER TO COLLECT TAXES

The Tax Collector must be charged with the 2021 Tax Bills which gives full and sufficient authority to collect taxes with forced collection remedies, if necessary, per NC General Statute § 105-321.

*STATE OF NORTH CAROLINA
COUNTY OF TRANSYLVANIA*

To the Tax Collector of the County of Transylvania:

You are hereby authorized, empowered and commanded to collect the taxes set forth in the tax records filed in the office of the Tax Administrator and in the tax receipts herewith delivered to you, in the amounts and

from the taxpayers likewise therein set forth. Such taxes are hereby declared to be first lien upon all real property of the respective taxpayers in the County of Transylvania, and this order shall be full and sufficient authority to direct, require and enable you to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law.

WITNESS my hand and office seal, this is the 26th day of July, 2021.

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

Commissioner Guice moved to approve the 2021 Order to Collect Property Taxes, seconded by Commissioner McCall and unanimously approved.

MANAGER'S REPORT

The Manager reported the following:

In October 2020, Commissioners directed staff to request the NC Wildlife Resources Commission conduct an investigation to determine the necessity of a no wake zone on Lake Toxaway based on requests from the Lake Toxaway Property Owners Association. In late April, staff received a completed investigation report from the NCWRC finding that sufficient boater safety hazards that require mitigation by establishing a no-wake zone are not present. Commissioners may still elect to request a no wake zone if they would like to pursue it.

The Manager advised the Board that the Friends of the Ecusta Trail will make a presentation at their August 23 meeting and to send questions to her in advance of that meeting.

Get Set Transylvania partnered with Rootle's Block Party on their Block Party Live at Home series to feature Brevard families. Get Set will be hosting an *It Takes a Village* workshop as we are still a Sesame Street in Communities Partner. Get Set will hold an in-person meeting in August. The Manager expects to see them back in the community in the near future.

PUBLIC COMMENT

There were no comments from the public

COMMISSIONERS' COMMENTS

Commissioner Guice stated that he had received a letter from Senator Chuck Edwards concerning the Ecusta Trail which included a website to go to for information and FAQ's as well as a YouTube video. He felt that the individuals have been very open about sharing information to the Board including their presentation to the Board in the fall of 2020. He is glad to have a dialogue in the days ahead for the general public.

Commissioner Guice also discussed the impact of closing the coverage gap on Transylvania County referencing the 1,983 people who would gain access to coverage in the County through Medicaid expansion. He stated that it could create new jobs and help the economy as 20.5% of non-elderly workers are uninsured throughout the County. It could also impact the County's inmate medical expenses. Commissioner Guice requested the opportunity to discuss the previously mentioned resolution from Jackson County. Based on the report from Vaya, the matter is complicated, but there are over 750,000 individuals impacted across North Carolina that fall into that gap and he would like to schedule the discussion on a future agenda in September. Commissioner Chapman added that he had talked to Senator

Edwards on Medicaid expansion and learned that the current Legislature is not in support of expanding the program due to the concern that it will revert to State taxpayers.

Chairman Chappell expressed his thanks to the Lake Toxaway Charities organization for donating food and educational materials by raising over \$700,000 for our community.

Commissioner Chapman requested to address the comments about mask mandates, and he stated that the decision will be made by the Board of Education, not by the Board of Commissioners.

Commissioner Guice referenced the uptick in COVID-19 cases and requested an update from Public Health Director Elaine Russell on the impact to our community at the next meeting.

Chairman Chappell moved to enter into closed session per North Carolina General Statute § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged, following a 10-minute recess, seconded by Commissioner Chapman and unanimously approved.

CLOSED SESSION

Per North Carolina General Statute § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged, closed session was entered into at 8:30 p.m. Present were Chairman Chappell, Commissioners Chapman, Dalton, Guice and McCall, County Manager Jaime Laughter, County Attorneys Bill Bulfer and Natalia Isenberg, Deputy Clerk to the Board Kate Hayes, and Finance Director Jonathan Griffin

The Board of Commissioners consulted with attorney on a privileged matter and then directed staff on how to proceed.

Chairman Chappell moved to leave closed session, seconded by Commissioner Jake Dalton and unanimously approved.

OPEN SESSION

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

ADJOURNMENT

There being no further business to come before the Board, **Chairman Chappell moved to adjourn the meeting at 8:50 p.m., seconded by Commissioner McCall and unanimously approved.**

Jason R. Chappell, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board