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Time Posted: _____
Posted By: Evelyn Baker
Witnessed by: _____

**MINUTES OF A
WORK SESSION OF THE
JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
MAY 11, 2010**

The Jackson County Board of Commissioners met in a Work Session on May 11, 2010 at 11:00 a.m. Room A227, Justice & Administration Building, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian T. McMahan, Chairman	Kenneth L. Westmoreland, County Manager
Tom Massie, Vice Chair	Darlene Fox, Finance Director
Joe Cowan, Commissioner	Evelyn B. Baker, Clerk to the Board
William Shelton, Commissioner	
Mark Jones, Commissioner	

Chairman McMahan called the meeting to order and stated it was work session to discuss use of county property.

Chairman McMahan stated the Board wants the tenants to be successful; however, a new lease must be executed. The county recognizes there are some deficiencies and plans to make the necessary repairs and will work with the tenants to minimize any interruptions of their operations. The tenants are expected to abide by all the terms of the lease. The county will enforce the terms stated in the leases.

(1) Q C APPAREL, INC.: The company was presented a 3-year lease for 29,620 square feet at the rate of \$1.50/sf effective July 1, 2010. Clemmy Queen stated he understood the rent would remain at \$1.00/sf. He stated he was not aware, until informed by the fire marshal, that a part of his operation must be totally separated from the manufacturing area. He stated he has corrected the situation.

He stated he appreciated the county working with him through the years and is aware that he owes the county a revolving loan. He stated his company has made some significant strides and will be a viable company very soon. He stated he would work until all his commitments to the county are paid and should be able to start taking care of the past due rent very soon. He stated he would execute the lease.

(2) STANTON & STANTON, INC.: The company was presented a 3-year lease for 33,000 square feet at the rate of \$1.50/sf effective July 1, 2010. Mr. Stanton stated he disagreed with the square footage and thinks his area is approximately 27,000 sf and understood the rent would remain at \$1.00/sf. The firm was made aware by the fire marshal that a dust collection/cleaning system must be installed. Mr. Stanton stated he has corrected the deficiency and installed a Cyclone system. He stated he would execute the lease after the square footage and rate are modified.

(3) RENOVATIONS: Mr. Westmoreland stated the first estimate for replacing the entire roof on the Tuckasegee Mills Bldg. is \$390,000. Costs for patching the roof are being solicited. The electrical and sprinkler systems must be replaced and the plumbing system needs some improvements. Since the original estimate for necessary repairs was calculated, he has been informed the boiler must also be replaced, thus the original estimate is insufficient. In addition, the parking lot also needs attention. Renovations should start by the end of May 2010 and should not impact the tenants.

Chairman Massie stated it is the county's obligation to provide a safe working environment for its tenants and should make the necessary repairs, but it is the tenants' responsibility to keep the rent paid. Further, the county can recover its investment, retain jobs, and consider using a portion of the new rents for further improvements.

The original leases state the lease period would be for a period of three years with the option to renew for two additional three year periods for a total lease period of twelve years at the rate of \$1.00/sf.

It was the consensus that the cost per square foot will be changed to \$1.00/sf in the Q C Apparel and Stanton leases for the period of July 1, 2010 through June 30, 2011, but the amount will be increased to \$1.50/sf effective July 1, 2011. The total square feet stated in the Stanton & Stanton lease will be clarified.

Mr. Westmoreland stated that presently the rent being paid by Sun-Ripened Tomatoes is being placed in the general fund as a revenue source.

INFORMAL COMMENTS:

(a) Carl Lobst stated that because Q C Apparel already owes the county a substantial amount of money, the company needs to make its books available for review. The tenants could opt to vacate the premises after the county has made the investment for repairs.

(b) Marie Leatherwood stated her concern was the county allowed people to use the Tuckasegee Mills Bldg. with illegal leases. The county has had 34 months to get the building in order and objects to the new plans.

(c) Jim McCarthy stated the county inherited poorly maintained property and should just make the necessary repairs and sell the property because government does not need to be in the real estate business.

There being no further comments, Commissioner Massie moved to adjourn the work session. Commissioner Jones seconded the Motion. Motion carried.

Attested:

Approved:

Evelyn B. Baker, Clerk to the Board

Brian Thomas McMahan, Chairman

