

Posted: \_\_\_\_\_  
Time Posted: \_\_\_\_\_  
Posted By: Evelyn Baker  
Witnessed By: \_\_\_\_\_

**MINUTES OF THE REGULAR MEETING  
OF THE JACKSON COUNTY  
BOARD OF COMMISSIONERS  
HELD ON  
JANUARY 23, 2007**

The Jackson County Board of Commissioners met in Regular Session on January 23, 2007, at 6:00 p.m., 401 Grindstaff Cove Road, Room A201, Sylva, North Carolina.

Present: Brian T. McMahan, Chairman  
Joe Cowan, Vice Chair  
Tom Massie, Commissioner  
William Shelton, Commissioner  
Mark Jones, Commissioner  
Kenneth L. Westmoreland, County Manager  
W. Paul Holt, Jr., County Attorney  
Evelyn B. Baker, Clerk to the Board

Chairman McMahan called the meeting to order and reminded the Board that action will be taken during the meeting since it is the only regular meeting in January.

**AGENDA:** Commissioner Massie added Amendments to Planning Board Ordinance, 441 Corridor Commercial Development Moratorium, and Subdivision Development Moratorium. Commissioner Shelton moved to approve the amended Agenda. Commissioner Jones seconded the Motion. Motion carried.

**MINUTES:** Commissioner Massie moved to approve the Minutes of a Work Session of December 18, 2006, Minutes of the Regular Meeting of December 18, 2006, and Minutes of the Work Session of January 3, 2007. Commissioner Jones seconded the Motion. Motion carried.

**INFORMAL COMMENTS BY THE PUBLIC:**

Mary Joe Cobb of Tuckasegee requested that the Board adopt a Moratorium protecting Mine Branch/Creek, Mill Creek, Little Mill Creek, Grassy Creek and Webster Creek because the proposed RiverRock Webster Creek Development will adversely affect those waterways. She stated the approximate 3,500 acre development on Webster Creek (including houses and golf course) will impact the water supply, sewerage, displacement of wildlife in addition to the dangers of erosion, silt and run-off.

Brad Smith of Glenville, Landscape Architect and Planner, urged the county to protect, preserve and enhance its resources through good growth planning.

Marie Leatherwood stated that she is still concerned about the Economic Development (EDC) and Jackson Development Corporation (JDC). She stated she had obtained from the Local Government Commission (LGC) a detailed information packet

which reveals that the EDC has consistently violated the statutes and, as late as November 2006, had not filed reports with the LGC. She stated that the EDC and JDC have used public funds without supervision and/or accountability. According to her research, the county has appropriated approximately \$1.3 million to the EDC, who, in turn, passed those funds to the JDC. Her research further reveals that the EDC has poor financial judgment and has been ineffective for many years and has failed to serve the public interest in any manner. The JDC owes the county property taxes for 2005 and 2006 in the amount of \$19,696.77. She urged the Board to request audit reports of both entities due to their statutory violations.

Mary Otto Selzer, President of the Friends of the Library, reported that the county has been awarded a \$15,000 planning grant from the state. These funds are to be used to hire a library consultant to perform a county-wide library needs assessment. After the assessment is complete, it will detail what the citizens want in a library. Ron Dubberly of Dubberly Garcia Associates of Atlanta will be retained to do the needs assessment. The Friends of the Library have in excess of \$73,000 in the “new library” account.

**(1) FINANCE & TAX COLLECTOR REPORTS FOR DECEMBER 2006:**

Darlene Fox, Finance Director, presented the following highlights:

General Fund Revenues Collected to Date	\$ 24,764,375.00
General Fund Expenditures to Date	\$ 22,127,831.00
Ad Valorem Tax Collected	\$ 16,697,226.00
Motor Vehicle Tax Collected	\$ 415,551.00
Sales & Use Tax for October 2006	\$ 742,940.00
Landfill Disposal Fees	\$ 928,373.00
Contingency Balance	\$ 24,192.00

**(2) BUDGET AMENDMENTS:**

General Fund (Maint., Planning Dept., Health Dept)	\$ 50,000.00
Health Dept.	\$ 508.00
General Fund (DSS - utility assistance)	\$ 42,851.00

Commissioner Cowan moved to approve the Finance and Tax Collector’s reports for the month of December and Budget Amendments. Commissioner Massie seconded the Motion. Motion carried by unanimous vote.

**(3) CHAIRMAN’S REPORT:** Chairman McMahan reported:

- (a) He and Commissioner Massie attended the Land & Water Conservation Study Committee meeting in Asheville on January 4<sup>th</sup> and presented the county’s Resolution in support of the Land for Tomorrow Program.
- (b) He attended the Legislative Goals conference in Pinehurst, NC, January 9-12. The top three goals were: Medicaid relief for counties, school construction and revenue options. The Land for Tomorrow Program was not adopted; however, Jackson County will continue to lobby this issue.
- (c) He met with the Emergency Services Board on January 16<sup>th</sup>. Duke Power’s representative on that board is planning a “table-top” exercise in September concerning catastrophic dam failure.
- (d) He met with the Fire Chiefs who are working on new fire district lines.
- (e) By consensus, a Special Meeting was scheduled with the Health Dept. on February 28<sup>th</sup>, 8:30 a.m. at the Community Services Building.

**(4) COMMISSIONERS REPORT:**

- (a) Commissioner Massie reported that the NCACC Dinner for New Commissioners is at WCU on January 30<sup>th</sup> at 5:30 p.m. He requested that the February

19<sup>th</sup> meeting be rescheduled. By consensus, the meeting was rescheduled on February 22<sup>nd</sup>. He has had several calls concerning the SRC's disposal boxes being full and/or overflowing at times even though it is GDS's responsibility to empty the boxes.

(b) Commissioner Shelton recognized and thanked James McCarthy for his contributions of \$500.00 to the Savannah Fire Dept. and \$500.00 to the Jackson County Rescue Squad. The Board also expressed appreciation for the donations.

(c) Commissioner Jones reported that he and Commissioner Massie inspected the damages made to the jail during the inmate escape over the Christmas holidays. The county maintenance department has repaired the damages. The Carlton family has contributed almost \$1 million to bring the WNC EDNet (high speed internet) from Sylva to Cashiers which will benefit the schools, SCC, library and county offices in the Glenville/Cashiers area. The cost for connecting this service to county offices should be incorporated into the next budget.

**(5) COUNTY MANAGER'S REPORT:** Mr. Westmoreland distributed a land use ordinance questionnaire and requested the Commissioners complete it so the Planning Board will know what the level of concern is on a number of issues and what to incorporate or be left out of future ordinances. Due to time constraints he requested that the questionnaire be returned by the end of the January. Chairman McMahan suggested that a joint meeting with the Planning Board be scheduled in March.

**(6) RESOLUTION R07-01 - ASHLEY CAGLE ROAD:** Ray Cagle presented a Petition signed by all the property owners adjoining the proposed 2/10ths of a mile extension of Ashley Cagle Road requesting that it be placed on state maintenance. A map showing the location of the road was also presented. He stated there are five houses on the extension and no right of way problems. Commissioner Massie moved to adopt the Resolution. Commissioner Shelton seconded the Motion. Motion carried by unanimous vote.

**(7) ECONOMIC DEVELOPMENT COMMISSION (EDC) BY-LAWS:** Chairman McMahan reported that the EDC Task Force met on January 22 and is continuing to work on revising the by-laws. The next Task Force meeting is February 26<sup>th</sup>. He stated the county routinely requires a financial statement for all grant monies it appropriates and an explanation of the intended purpose for those monies. He stated it was the consensus to add "mission statement" to the by-laws which would clearly state what the intended goals of the EDC would be and hopefully adopt a set of target goals each year.

Commissioner Massie stated he attended the Task Force meeting and would like to see something that formally explains the relationship between the EDC and Jackson Development Corporation (JDC) because he has serious concerns about EDC's inability to comply with state regulations concerning audits and budgets. He called the Local Government Commission earlier today and spoke with someone in the state treasury office asking specifically about EDC's latest audit. He was informed that as of today the state had not received any type of response from the EDC concerning an audit even though the EDC is required to adopt a budget each year. He said he must see an EDC audit in addition to its budget. He inquired if there should be some internal financial

controls in place when the EDC transfers public funds to a non-profit such as the JDC to make certain there is some accountability. Mr. Holt responded that accountability should be as it is for any other corporation, i.e., security documents, notes, etc., but that does not mean the Local Government Commission has control over JDC. The EDC should have documentation, board minutes, etc. authorizing transfer of its funds to JDC.

Commissioner Cowan stated he had not seen EDC's mission statement or a list of specific goals and if the county participates with the EDC, then this Board should be informed of EDC's priorities and what is specifically going to be done. He would also like to see audit reports for EDC and JDC.

Mr. Holt stated that JDC is a non-profit corporation and only required to report to the IRS and he does not know of any state agency that has any control over JDC; however, it should file tax returns. Further, it was his understanding that because EDC could not hold title to real property, JDC was formed to hold title on behalf of the EDC. The EDC is statutorily required to make an annual report to the Commissioners; however, he has not seen a signed report in about two years. It is his opinion that the EDC should be demanding that the JDC account for all monies transferred from or owed to the EDC since it appears those two organizations are closely interwoven.

Commissioner Shelton stated that the EDC by-laws should have a vision/mission statement although there is actually nothing to discuss until a proposed final draft is submitted. He also wants an explanation of the EDC and JDC relationship.

Commissioner Cowan moved to authorize Mr. Westmoreland to write a letter to the EDC requesting a formal written explanation of its relationship with the JDC, explain why the EDC has not complied with state and/or LGC regulations concerning audits, furnish a copy of EDC's budget and audit report, and a copy of JDC's audit. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

**(8) QUALLA SCHOOL:** Chairman McMahan reported that the old Qualla School must be demolished in order to expand the main Qualla Fire Dept. Mr. Westmoreland presented a list, as inventoried by Darlene Fox, of property listed on the county's property records. He requested authorization to dispense with the normal process of disposing of the personal property through an auction or bids since the majority is salvage. He recommended that the property be declared surplus and disposed of accordingly. Commissioner Shelton moved to declare the property identified on the list as salvage. Commissioner Jones seconded the Motion. Mr. Westmoreland stated that all non-salvageable items have been relocated and there has been a number of requests to purchase the rock façade, hardwood flooring and paneling. He has prepared a bid specification for disposition of those items. The final stage of the project will be demolition of the building by the Qualla Fire Dept. who would take responsibility by doing a controlled burn; however, he will need to ascertain, from a permitting standpoint, if that is possible. If not, demolition may require a bidding process as was done with the old Canada School. Motion carried by unanimous vote.

**(9) SCATTERED SITE HOUSING PROGRAM QUARTERLY REPORT (Oct.-Dec. 2006):** Joan Stillwell, Community Development Director, submitted a written report which states that two rehabilitation projects and three relocation projects have been selected. She has advertised for land surveying services and the Sylva rehabilitation project. Administrative expenditures for the quarter were \$997.22.

**(10) CHAF GRANT QUARTERLY REPORT (Oct.-Dec. 2006):** Joan Stillwell, Community Development Director, submitted a written report which states that two homes remain on the list for replacement: Sylva (modular replacement under contract) and Cullowhee (some pending difficulties with eligibility requirements). One home in Cashiers remains on the list for repairs.

**(11) WATERSHED PROJECT BIDS:** Mr. Westmoreland reported that three bids were received for a riparian repair project consisting of 1000 ft. of eroding stream bank flooding caused by Hurricanes Frances and Ivan in the Tuckasee Township. This project is grant funded. He recommended that the bid be awarded to the low bidder Carolina Wetlands Services, Inc. of Charlotte in the amount of \$10,638.25. Commissioner Massie moved to award the bid to Carolina Wetlands Services, Inc. Commissioner Shelton seconded the Motion. Motion carried by unanimous vote.

**(12) PLANNING BOARD ORDINANCE AMENDMENTS:** Chairman Massie stated that the by-laws should be consistent and changed to state that the “chairman and vice-chairman shall be appointed annually by the Board of Commissioners” in lieu of “all terms shall be for a period of two years” (Article II, Section 1). He also recommended removing the last sentence from the first paragraph of Section 3 of the proposed Amended Ordinance. Commissioner Shelton recommended changing Section 2 (C) to include the four additional members, i.e., six members serving two years and five members serving one year. The terms of the existing members will not be affected.

A Public Hearing concerning amending the Planning Board Ordinance was scheduled for February 5<sup>th</sup> at 5:30 p.m.

**(13) 441 CORRIDOR COMMERCIAL DEVELOPMENT MORATORIUM:** Commissioner Massie moved to authorize the county manager or his designee to draft appropriate documentation that includes defining the project area in order for the Board to schedule a public hearing addressing a 441 corridor commercial development moratorium for the Whittier/Gateway area. Commissioner Shelton seconded the Motion. Motion carried by unanimous vote.

**(14) SUBDIVISION DEVELOPMENT MORATORIUM:** Commissioner Massie moved to authorize the county manager or his designee to draft appropriate documentation concerning new subdivisions in order for the Board to schedule a public hearing addressing a subdivision development moratorium. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

(15) **LEGISLATIVE LIASION APPOINTMENT:** Commissioner Massie moved to appoint Chairman McMahan as Jackson County's legislative liaison. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

(16) **CASHIERS DESIGN REVIEW BOARD APPOINTMENT:** Commissioner Shelton moved to appoint John McCarley to fill the unexpired term of David Beam on the Cashiers Design Review Board. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

(17) **CEMETERY BOARD APPOINTMENT:** Carry over.

(18) **SOUTHWESTERN RC&D APPOINTMENT:** John Wittekind, Chairman of the Jackson County Soil & Water Conservation District, recommended by letter that Tony Sarti be appointed to replace Skip Karby on the Southwestern Resource Conservation & Development Council. Commissioner Shelton moved to appoint Tony Sarti to the Southwestern RC& D Development Council. Commissioner Cowan seconded the Motion. Motion carried by unanimous vote.

(19) **SOUTHWESTERN REVOLVING LOAN FUND ADVISORY COMMITTEE APPOINTMENT:** Vickie Green, RLF Administrator, Southwestern Commission, recommended by letter that Alvin Stiles be reappointed. Commissioner Cowan moved to re-appoint Alvin Stiles to a two-year term, effective January 1, 2007 through December 31, 2008, on the Southwestern Commission RLF Advisory Committee. Commissioner Massie seconded the Motion. Motion carried by unanimous vote.

(20) **AIRPORT AUTHORITY APPOINTMENT:** Carry over.

Commissioner Shelton moved that the Board go into Closed Session pursuant to G.S. 143-318.11(a)(3)Legal, G.S. 143-318.11(a)(5) Real Property, and G.S. 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. Commissioner Jones seconded the Motion. Motion carried.

Chairman McMahan called the Open Session back to order and reported no action or votes were taken in Closed Session.

There being no further business, Chairman McMahan moved that the meeting be adjourned. Commissioner Jones seconded the Motion. Motion carried and the meeting adjourned at 9:30 p.m.

Attested By:

\_\_\_\_\_  
Evelyn B. Baker, Clerk

Approved:

\_\_\_\_\_  
Brian Thomas McMahan, Chairman

