

**MINUTES OF A  
WORK SESSION  
OF THE JACKSON COUNTY  
BOARD OF COMMISSIONERS  
HELD ON  
FEBRUARY 13, 2017**

The Jackson County Board of Commissioners met in a Work Session on February 13, 2017, 1:00 p.m., Justice and Administration Building, Room A227, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian McMahan, Chairman  
Charles Elders, Vice Chair  
Boyce Deitz, Commissioner  
Mickey Luker, Commissioner  
Ron Mau, Commissioner

Don Adams, County Manager  
Heather C. Baker, County Attorney  
Angela M. Winchester, Clerk to Board

Chairman McMahan called the meeting to order.

**(1) PUBLIC SCHOOLS UPDATE:** Present for this discussion: Dr. Kim Elliott, Associate Superintendent; Ken Henke, School Board Chairman; Ali Laird-Large, School Board Vice-Chair; Gwen Edwards, Finance Officer; and Darin Allison, Director of Capital Projects and Facilities.

Mr. Adams stated this was a follow-up from a request from the Commissioners regarding the progress of capital projects for the school system. Also, they would discuss the overall athletic field master plan for the high school.

Dr. Elliott stated that Dr. Murray, Superintendent, could not attend the meeting today due to a mandatory meeting at Chapel Hill, but would be available by phone, if needed.

**(a) Capital Funded School Construction:** Dr. Elliott stated that Jackson County Public Schools (JCPS) had been on a facility journey for some time. The Board of Commissioners and the Board of Education had been excellent stewards of Article 40 and 42 Sales Tax funds and had allocated funds to address immediate needs, such as a partial roof replacement at Cullowhee Valley School and funding for a critical needs study, primarily focusing on roofs, HVAC and immediate water needs. This was referred to as the John Cort Critical Needs Study.

Each year, since she and Dr. Murray had been with JCPS they had requested the top facility and operational needs from their principals and directors. Also, the JCPS Finance Committee had been hard at work each year prioritizing needs, particularly facility needs. There were currently 136 facility needs, some critical and some urgent, that were beyond the \$9mil in the QZAB projects. The next leg of their journey involved addressing some of those needs with the \$1.4mil and the current \$9mil in the facility renovation, again focusing on roofs, HVAC and water issues. They appreciated the partnership between the Board of Education, Central Office and the Board of Commissioners.

Darin Allison, Director of Capital Projects and Facilities, presented: Capital Funded School Construction:

<u>Project</u>	<u>Original Projected Cost</u>	<u>Actual Cost/New Projected</u>	<u>Difference (est.)</u>	<u>Percent Complete</u>	<u>Projected Completion Date</u>
SMHS Roofs - A East, C, D Bldgs	\$847,547	\$1,290,562	(\$443,015)	40%	August, 2017
SMHS HVAC - C Bldg	\$220,000	\$362,339	(\$142,339)	30%	April, 2017
SMHS HVAC - A East Bldg	\$110,000	\$33,296	\$76,704	30%	April, 2017
SMHS Water Leak Repair	\$215,000	\$92,590.20	\$122,409	100%	September, 2016
SMHS Cafeteria A/C Change-Out	\$30,000	\$25,631	\$5,631	100%	October, 2016
SMHS HVAC Controls Upgrade	TBD	TBD	TBD	Design Phase	TBD
Scotts Creek Main Breaker Change-Out	\$20,000	\$13,876	\$6,124	100%	July, 2016
Fairview Roof - Commons	\$215,000	\$200,726	\$14,274	100%	August, 2016
Fairview Roof - Pods A, B, C, D, Admin, Gym, Kindergarten Repair	TBD	TBD	TBD	Design Phase	TBD
Fairview HVAC - Pods A, B, Gym	TBD	TBD	TBD	Design Phase	TBD
Smokey Mtn E Roof - Commons	None	\$159,895	N/A	100%	September, 2016
Smokey Mtn E HVAC - K-2, 3-5, Cafeteria, Commons	\$479,000	\$381,224	\$97,776	100%	October, 2016
Smokey Mtn E Tribal Water Connection	TBD	TBD	TBD	Design Phase	TBD
Blue Ridge Water System Upgrade	TBD	TBD	TBD	Design Phase	TBD
Blue Ridge Roofs - Pods A, B, C, Cafeteria	TBD	TBD	TBD	Design Phase	TBD
Blue Ridge HVAC Replacement - Pods A, B, C, Cafeteria	TBD	TBD	TBD	Design Phase	TBD
Blue Ridge Heating Addition - Gym	TBD	TBD	TBD	Design Phase	TBD

Commissioner Deitz inquired about the maintenance of the roofs.

Mr. Allison stated the best solution to roof maintenance would be to contract with someone to come out two times a year to clean the roofs and make sure there are no issues with seams, etc., and report back so they could stay on top of any problems that may arise. There was a 20 year warranty, but it would be prorated.

Mr. Allison gave a status report:

- JCPS completed six major repairs that cost in excess of \$869,000.
- Some projects had come in under the projected costs, with a total savings of \$327,000.
- Some projects were projected to be over budget for a combined amount of \$594,000.
- Total over budget \$267,000.
- JCPS entered into contract and were under construction on projects with a cost estimate of \$1,686,197.
- JCPS entered into architectural/engineering contracts for projects that were estimated to cost \$2,378,802.
- \$4.9mil had been committed to projects that had either been completed, started or were in the design phase.
- Projects had been identified for the remainder of the \$9mil.

The John Cort study for JCPS had many more capital needs, but along with the help of county residents and the Commissioners, they were making steps forward in repairing a portion of the much needed facilities failures. Of the 136 facility needs, they streamlined and came up with the top three for each campus, including school nutrition and the bus garage, that were health, safety or ADA related. They were currently working to determine the cost of those issues to present at a future work session.

The 2014 North Carolina Public Schools Facilities Guidelines stated the responsibilities for providing for public schools rest on the counties that they are located in. Responsibility for the planning and directing the facilities rest on the Boards of Education. They look forward to continuing the working relationship as they move forward with the facility improvements to benefit the kids in the schools.

Commissioner Mau inquired if all the projects listed on the critical needs list would be able to be completed for under the \$9mil.

Mr. Allison stated he did not believe they would. If Cort's projections were off on the other roofs, they would not be able to make it happen. When Cort did the national projections on cost, he did not take into account the location of the school, access to the school and shape of the school. He also did not think they would have competent numbers until they opened bid packs, which he should have by the middle of April.

Mr. Adams stated the numbers did not include the savings that were acquired when changes were made to the boiler systems at the beginning of the project when it was chosen not to replace a boiler, which was approximately \$787,000 in savings. These type items may help offset the overages. Also, there were potential savings of \$270,000 per year with the Qualified Zone Academy Bonds for the life of the projects and there would be approximately \$1.7mil in reserve, by the end of that year. Assuming the priorities had not changed, they would have options for these future conversations. The sooner they had the numbers from the bid packs, the sooner they could discuss other needs.

Commissioner Mau inquired about how much the maintenance contract would be.

Mr. Allison stated they would have those numbers in 7-10 days.

Ms. Laird-Large stated that this was very important because the school system did not have money, so the county would have to put funds for the maintenance contract in their budget.

Ms. Edwards stated she wanted to go over a few items they would be addressing when they returned to make their formal budget request. JCPS had not requested or received an operational funding increase since the 2010-11 fiscal year. The 2017-18 fiscal year was going to be a challenge for them for several reasons. Legislation had been passed reducing class size, which would require approximately 11 additional teachers; however, the legislature would not increase their allotment for teachers. Legislation had also been passed requiring WCU to establish a laboratory school, which would cause JCPS to lose funding for three teachers as well as dollars for supporting services for 75 students and the state would not allot them extra positions to make up for that loss. In addition, the One to One Initiative was being rolled out, which they were very excited about it; however, with that many student devices in use at the schools, they would need to have personnel to support the program and the state would not allot positions for that support.

**(b) High School Athletic Field Plan:** Mr. Henke stated that when he came on the school board, the main objective was to rebuild Smoky Mountain High School. Instead, it was decided to remodel, which had been done step by step. There were only a few items left outstanding in order to complete the project. One item on the list was to add a concession stand and bathrooms on the visitor's side of the football field. They were also looking to locate the girls' softball field on campus.

Originally, they discussed putting the softball field and a baseball field at the new parking lot area beside the gym, but they also considered whether they could locate the softball beside the existing baseball field. A study would be needed to see if it would be a possible location for the softball field, due to the stream that runs down by the area. A new track had also been requested, which would likely go into the new parking lot area.

Currently, they were at a standstill because they would need the study to determine if all of these items would be possible. He requested funding for the study so that they could finally complete the master plan at Smoky Mountain High School.

Mr. Adams stated that when looking at the full needs list that was provided to the Commissioners last year, which was where the \$9mil came from, the list included:

- Field work for the football field
- Moving the baseball field
- Putting a softball field in the open space
- Building out a new soccer field and track

Ultimately, the request now was to have a study done to determine if the softball field can be located next to the existing baseball field and not have to move the baseball field. This would make the long-term goal to move the track area to the location that was originally meant for the baseball and softball fields. The request was for \$15,000 to have the study done to determine if placing the softball field in the area was feasible. If they chose to fund the study, it would come out of the capital fund that contained approximately \$1.7mil, which was sales tax mandated to go towards the schools.

Commissioner Deitz stated they would not have to do the environmental portion to determine if the field would fit into the location. If the field would fit, then they could move forward with the environmental study.

Chairman McMahan stated that it appeared that the field would fit into the location. He had heard from a lot of folks that they were pleased with the baseball field in its current location. As opposed to putting two new fields on the other side of the campus, why not leave the baseball field in its current location, build the softball field next to it and make improvement such as building new bleachers, a concession stand and share lighting. He was willing to spend the \$15,000 for the study. He thought another question that needed to be answered would be if the track would fit into the parking lot location. Because if the track would not fit, then they would be back to the original master plan.

Mr. Allison stated that Cort's original concern was not if the softball field would fit into the location beside the baseball field, but how much it would cost to make it fit in relation to the floodplain and the floodway of Bumgarner Branch. He was confident that the entire study would need to be accomplished in order to answer the question.

Commissioner Mau stated it was not a lot of money to do the study, but he did not like looking at one project exclusive to everything else the school district would have needs for, such as replacing the devices that were purchased with the one-time Golden Leaf Grant. What was the plan to rotate the devices in and out?

Dr. Elliott stated that in three years, it would be included in their technology request to the Commissioners, which had typically been standard at approximately \$400,000. Also, in operations, they would need to increase personnel in the way of a technology facilitator for at least two, if not three schools.

Commissioner Mau stated that he was not currently in a place that he wanted to approve looking at another project, even though it was not a lot of money. They did not know what was going to happen with the roofs and there were just a lot of unknowns. He suggested they get more information from Mr. Allison in April and take another look at it then.

Commissioner Luker stated he did not want to see the plan removed, he just wanted to postpone it until they see what the additional costs were going to be associated with the ADA, etc. If they had bathrooms that were still not ADA compliant, it would be difficult for him to approve this plan before they knew the costs of the additional items.

Commissioner Elders stated that if it was proven beforehand that the field would not fit, he was opposed to doing the study. But if it would fit, he was in favor of moving forward with the study.

Commissioner Deitz stated he was an advocate of the \$9mil and the football stadium and it turned out to be a great addition. He did not see a need to move the baseball field. It did need some improvements such as bleachers added and lights. When talking about a new track, he would hope they would also commit themselves to a new track program. He also wanted to talk about restrooms on the visitor side of the football field.

Chairman McMahan stated they started in 2002 addressing the needs of the high school and he wanted to see the master plan completed. He knew they were looking at the final phase, but thought they needed the study before they could reach the final phase. He thought he was hearing from the Commissioners that they wanted to put this item off for a couple of work sessions.

Mr. Adams stated it seemed that the Commissioners wanted to make sure the softball field would fit and to bring this item back into a larger discussion of other JCPS needs.

*Carry over.*

**(2) SAVANNAH PARK:** Mr. Adams stated that previously, Rusty Ellis, Parks and Recreation Department Director, came to the Commissioners regarding the concept of continuing this project. At that time, Mr. Ellis had not received the Parks and Recreation Trust Fund monies being applied to this project and was waiting to see if federal dollars would be received. Since that time, it had been confirmed that they would not receive any funds from the Land and Water Conservation Fund (LWCF).

Mr. Ellis stated he did contact the state consultant, who confirmed it was a very active year for PARF and LWCF grant monies. He requested to move the project forward to completion since this was one of two areas in the master plan that was in need of a park. He proposed that the park be fully funded or complete the project in phases. Equinox did indicate that if they did choose to complete the project in phases, there would be an increased amount of design and contract fees. Also, there was \$565,506 in the Conservation Preservation Recreation Fund (CPR) that could be used to fully fund the project. Equinox did indicate it would take 3-5 months to do the construction bid documents.

Commissioner Luker stated they had discussed a policy that would allow for naming parks or buildings and he would like to move forward with looking at a policy.

Mr. Adams stated he thought they needed more conversation about the policy and could place the item on a future work session agenda for discussion.

**Consensus:** *Move forward to fully fund the Savannah Park.*

Mr. Ellis stated that regarding the softball field at the high school, as discussed earlier, he suggested one option they could look at to fit the softball field beside the baseball field would be to shorten the field and raise the fence.

**(3) CULLOWHEE VOLUNTEER FIRE DEPARTMENT:** Present for this discussion: Tim Green, Chief; Terry Ashe, Treasurer; Odell Thompson, Architect; and Darlene Fox, Finance Director.

Mr. Adams stated that previously, the Commissioners had requested to give additional time to see what would happen with USDA and in the meantime look at alternate funding sources for this project. After several months, there had been no changes with USDA. He did believe the choices at that point were to look at alternate funding.

Mr. Ashe and Ms. Fox presented financing bids:

<b>Financing Bids</b>				
<b>Amount of Loan: \$3,500,000.00</b>				
<b>Bank/Options</b>	<b>Rate</b>	<b>Term</b>	<b>Semi-annual Payment</b>	<b>Annual Payment</b>
<b>BB&amp;T</b>				
Option 1	3.250%	15 year semi-annual payments	\$148,332.63	\$296,665.26
Option 2	3.250%	15 year annual payments		\$298,510.03
<b>LGFCU Financial Partners, LLC</b>				
Option 1	3.125%	15 year semi-annual payments	\$147,060.67	\$294,121.34
Option 2	3.825%	20 year semi-annual payments	\$126,026.33	\$252,052.66
Option 3	3.125%	15 year/30 year amortization. Approximate principal balance of \$2,240,448 at maturity.	\$90,340.06	\$180,680.12
Option 4	3.825%	20 year/30 year amortization. Approximate principal balance of \$1,724,311 at maturity.	\$98,603.38	\$197,206.76

Mr. Adams stated that when Cashiers received the fire tax, the previous board decided to divert funding of \$209,000, that had originally went to Cashiers, for debt service.

Ms. Fox stated that if they wanted to stay within the amount \$209,000 that was allocated in the fire budget, they would need to go with Option 3 or 4. Option 1 would be the best option as far as paying the least amount of interest, but they would have to budget additional money for the payment.

Chairman McMahan stated that the previous board made its decision strictly from an overall operational expense, as they were trying to maintain the operational level without having to see an increase, but that did not mean it could not increase. At the time, they were looking at being able to do both the Cullowhee and Savannah Fire Department projects at the same time, without looking elsewhere for additional revenue.

Mr. Adams stated that knowing they would have other needs in the future, his viewpoint would be to save the capacity for other needs. He would look at Option 3 or 4, which would allow them to deal with other issues.

Ms. Fox stated that of those two options, she felt Option 3 would be the best because of the lower interest rate.

**Consensus:** *Support the Cullowhee Volunteer Fire Department in moving forward with Option 3 with LGFCU.*

**(4) HUMAN SERVICES CONSOLIDATION:** Shelley Carraway, Health Director was present for this discussion.

Mr. Adams stated this was a follow-up to the initial work session for discussion of human services consolidation. He has had multiple conversations with the Health and DSS Directors, other counties and the School of Government, to gather research and information.

If the Commissioners decided to proceed, he would recommend bringing in the School of Government to present unbiased educational information to the Commissioners, county employees and the community. The School of Government had been doing these type presentations statewide. He would recommend this presentation be done in the larger board room to include the Health Board, Department of Social Services Board and employees. From this, he believed the Commissioners would be in a position to discuss the next steps. At that point, it was his recommendation to proceed forward with inviting the School of Government to make a presentation sometime in March.

Commissioner Elders inquired about the latest information on “one-stop shop”.

Mr. Adams stated he needed further direction, regarding space needs, from the Commissioners to proceed forward with researching “one-stop shop”.

Commissioner Deitz stated he was not in attendance when this was discussed previously. He asked why they wanted to do this.

Commissioner Mau stated that a lot of counties were starting to do this and it was really about providing better service in the county.

Commissioner Deitz stated that would mean what they were currently doing was not working.

Commissioner Luker stated it was more about local accountability and would be in the best interest of the county. If someone had an issue they would not have to go to Raleigh, they could get it resolved locally. He had heard from 50+ people in the public that wanted to see the consolidation.

Commissioner Deitz asked if they had talked with department heads before deciding this would be in the best interest of the county. He would be in favor of it if it would make the county better, but not to just to be doing it. He had not heard from anyone in the public with an interest in this matter.

Ms. Carraway stated they had seen more counties look at this. The biggest successes were in the larger counties, but this had just been opened up to the smaller counties and several of them were looking into it.

Mr. Adams stated he had spoken to several counties and their reviews included some savings, service benefits and responsiveness to consumers. There was not a lot of data because this was relatively new. The School of Government would give their true thoughts on this matter in the presentation. Once they went through the educational process, they would go through the “why” conversation.

Commissioner Deitz stated he thought Ms. Carraway and Ms. Abshire could tell them more about what was working or not working within each department. If they did put the boards together, would it be more control by the County Commissioners.

Mr. Adams stated it would depend on which option they decided on. There was an option for direct control and an option for a human services board, which would be an empowered board, but would be selected by the Board of Commissioners. The third option would be what they were currently doing.

Commissioner Elders stated that even though they may be doing a good job, he thought they should look into making it the best.

Mr. Adams stated he would work towards giving the Commissioners dates in March for the School of Government to make a presentation.

*Informational item.*

**(5) PERSONNEL:** Mr. Adams stated that currently, several employees were out of work in housekeeping, for extended periods of time. Several employees were out without pay or benefits. A request had been made to add a temporary, full-time position in housekeeping in the interim. Within this time frame, this position could be filled without additional personnel money.

He requested this item be placed on the February 20<sup>th</sup> regular meeting agenda for consideration.

**Consensus:** *Place this item on the February 20<sup>th</sup> regular meeting agenda for consideration.*

**(6) CLEAN ENERGY RESOLUTION:** Chairman McMahan distributed information on a request made to all Boards of Commissioners in North Carolina, to consider regarding climate change and the impacts of climate change. The request was for the Commissioners to consider passing a resolution to encourage the state and federal governments to establish a 100% clean renewable energy policy. This would not tie the county to do anything locally, although he thought they should look at items such as electric vehicles or solar powered charging stations in the county. Since Earth Day was recognized in April, they could potentially place this item on an April agenda for consideration.

*Informational item.*

**(7) GRANT TO MAINSPRING CONSERVATION TRUST:** Chairman McMahan requested the Commissioners consider a potential grant to the Mainspring Conservation Trust. Mainspring was in the process of trying to acquire a 16 acre tract of land at the entrance to Panthertown Valley, which was in Jackson County. Panthertown was a beautiful gem in the county and in the heart of the season, there was limited parking and turning areas. Mainspring was working to acquire the 16 acres to build a parking lot and possibly a visitor center area.

Currently, they had raised \$77,000 of the \$195,000 needed for the purchase. The county did have funds in the CPR fund they could use for a grant towards this project. After fully funding the Savannah Park Project from the CPR fund, they would have approximately \$300,000 left in the fund.

Commissioner Luker stated he and Commissioner Mau attended the last Friends of Panthertown meeting where a presentation was made on this project. There was an issue, during the high-traffic season, with emergency vehicles gaining access due to heavily congested areas.

***Consensus:*** *Request that a Mainspring Conservation Trust representative meet with Commissioners to discuss the Panthertown Valley project, at a future work session.*

There being no further business, Commissioner Deitz moved to adjourn the meeting. Commissioner Mau seconded the Motion. Motion carried and the meeting adjourned at 3:10 p.m.

Attest:

Approved:

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Angela M. Winchester, Clerk to Board

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Brian Thomas McMahan, Chairman