

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

**MINUTES OF A
REGULAR MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
MARCH 21, 2011**

The Jackson County Board of Commissioners met in a Regular Session on March 21, 2011, 6:00 pm, at the Qualla Fire Dept., 147 Shoal Creek Church Loop Road, Whittier, North Carolina.

Present: Jack Debnam, Chairman
Doug Cody, Vice Chair
Charles Elders, Commissioner
Mark Jones, Commissioner
Joe Cowan, Commissioner

Chuck Wooten, Interim County Manager
Evelyn Baker, Clerk to Board
J. K. Coward, County Attorney

Chairman Debnam called the meeting to order.

AGENDA: Chairman Debnam amended the Agenda by adding Health Insurance and remove appointments to the Library Board, Cemetery Board, Watershed Review Board and Whittier Sanitary Board. Commissioner Jones moved to approve the amended Agenda. Commissioner Elders seconded the Motion. Motion carried.

MINUTES: Attorney Coward corrected the March 7, 2011 Regular Meeting Minutes, paragraph 8, "...interest payments deferred two years". Commissioner Elders moved to approve the Work Session, Public Hearing and corrected Regular Meeting Minutes of March 7, 2011. Commissioner Cody seconded the Motion. Motion carried.

(1) CHAIRMAN'S REPORT: Chairman Debnam thanked the Qualla Volunteer Fire Dept. and Alan Farmer, Fire Marshal, for hosting the meeting. Last week, by telephone, he discussed the Cashiers Sanitary District with a TWSA official. TWSA is open to participating in discussions with the Cashiers community.

(2) COMMISSIONER REPORTS: Commissioner Elders welcomed everyone to the Qualla District and expressed his appreciation for the outstanding work of the Qualla VFD and Rescue Squad.

Commissioner Cody reported that on March 19 he attended a very informative meeting hosted by Senator Jim Davis who represents District 50. Senator Davis assured the group the state budget would not be balanced "on the backs of counties".

(3) COUNTY MANAGER REPORT: Mr. Wooten reported:

(a) **Unemployment:** The unemployment rate for January was 10.6% which is an increase from December's rate of 8.8%, but less than the January 2010 rate. Jackson County continues to have the lowest rate of the eight westernmost counties.

(b) **Library:** He met on site today with the general contractor. There are several issues that need resolution. It now appears the new completion date will be May 4th which will leave 4 ½ weeks for relocating to the new building with adequate time to prepare for the June 11th grand opening. The county grounds department will be doing the landscaping.

(c) **Cashiers Rec Center:** He will meet on site with the engineer and general contract later this week to discuss outstanding issues.

(d) **Webster Enterprises:** The revolving loan process is moving forward and the closing should be complete within the next couple of weeks.

(e) **Clearwood:** On March 15th the Magistrate signed an Order ejecting Clearwood from the premises; however, Clearwood has ten days to appeal.

(f) **Tuckasegee Mills Bldg. Tenants:** Homtex is interested in a 6-month lease on a month-to-month basis for the area currently occupied by QC Apparel; however, a long term lease may be considered at a later date if business opportunities come to fruition.

Stanton & Stanton is currently involved in a project for the library and no further action will be taken on that space until that project is completed.

(g) **School Board:** A joint work session is scheduled on April 18 at 4:30 p.m. to discuss the School Board's FY11-12 budget requests.

(h) **Glenville-Cashiers Rescue Squad:** An invitation has been extended to the Board for lunch and a tour of the facilities during the week of March 28-April 1. Board members were requested to make him aware of their schedules during that week so a definite date can be arranged.

(i) **Property Tax Foreclosures:** He is working with the Tax Collector and County Attorney to develop appropriate policies and procedures before beginning the foreclosure process.

(j) **Fireworks:** State statutes have changed requiring interested parties to complete a more detailed application process that includes the approval by the County Commissioners. The County Attorney is researching the applicable statutes to determine if this approval may be delegated. The new process requires qualified personnel to be on site during fireworks displays.

(k) **FY11-12 Budget:** Department budgets were due today and budget meetings with the departments will be scheduled over the next two weeks. He plans on submitting a proposed budget to the Board in early May.

(l) **County Property:** He will be soliciting proposals for design services at the former Southern Lumber Building. This is an opportunity to accommodate office space needs and save money by not having to pay rent.

(4) CONSENT AGENDA: Darlene Fox, Finance Director, presented the finance and tax collector's reports for the month of February 2011 and four budget amendments. Revenues for Planning and Building Inspections are down 27%, Environmental Health down 23% and Register of Deeds down 8% for the year.

Motion: *Commissioner Jones moved to approve the Consent Agenda.*

Commissioner Elders seconded the motion. Motion carried by unanimous vote.

(5) DISABLED AMERICAN VETERANS: The organization has been requested to complete and return a budget request form before an appropriation can be considered.

(6) B & AL'S LLC FOOD SERVICE: B & Al's requested a credit of \$19,000 which represents 75% of payroll expenses and 45% of food purchases for the months of July and August 2010. The contractor was originally given an advance in the amount of \$35,000 plus an additional advance in October 2010 in the amount of \$11,926.47 bringing the total advanced funds to \$46,926.47. The contractor also reported that because of inclement weather during this past winter, senior meals and meals on wheels were cancelled for 13 days causing a revenue loss of \$7,324.00.

Chairman Debnam recommended the contractor be given a credit of \$19,000 of which \$11,926.47 will be applied to the \$46,926.47 debt and issue a check for the balance in the amount of \$7,073.53. The debt balance would then be back to the original amount of \$35,000 which must be repaid over a period of 18 months beginning July 1, 2011 and no further loans should be made to the contractor. The request for loss of revenue for 13 days last winter should not be considered.

***Motion:** Commissioner Jones moved to issue a credit in the amount of \$19,000 of which \$11,926.47 will be applied to B & Al's \$46,926.47 debt and issue a check for the balance in the amount of \$7,073.53. Commissioner Elders seconded the Motion. Motion carried by unanimous vote.*

(7) WATR UPDATE: Roger Clapp, Executive Director of the Watershed Association of the Tuckasegee River (WATR), gave an overview of the challenges the community faces in keeping mountain streams clean and healthy. WATR is made up of volunteers, "citizen scientists" and partners who perform many tasks, i.e., review of water quality collected, collect monthly water samples at 18 different sites, document clean water problems, work with landowners and regulators concerning mud and erosion issues, and work with WCU and NC Division of Water Quality concerning bacteria. The water quality, except for mud and local bacteria, is very good. WATR is also starting a fish monitoring program which means the diversity of fish in the region makes it stand out as a biological hotspot. WATR's leadership is a seven-county effort for comprehensive and sustainable erosion control training for builders.

Dan Perlmutter, Ph.D. in Aquatic Ecology stated he taught at WCU for 18 years and SCC for 5 years. During his tenure at WCU he was involved with setting up and directing the Upward Bound Math & Science Center. High school students from an 8-state region spent the summer at WCU and did environmental research. His goal is to create a Discovery Center on the banks of the Tuckasegee River within close proximity to Dillsboro where students would learn about chemistry, physics, math, biology and ecology. The center would be in addition to the public school system and could become a self-sustaining education center.

(8) MARK WATSON PARK IMPROVEMENTS: Two options for solving the water problems at Mark Watson Park were presented to the Board on March 7.

(a) **Option A:** Moderate drainage improvement plan, walking path, partial fencing (this option will not totally address the issue) - estimated cost of \$164,500.

(b) **Option B:** Site grading, overall drainage improvements, walking path, fencing, dug-outs (this option should totally solve the water problems) - estimated costs of \$333,500.

Chairman Debnam stated the current budget allocated \$250,000 for the project and, if Option B is selected, an additional \$83,500 would need to be appropriated. Mr. Wooten stated the Conservation/Preservation/Recreation Fund (CPR) has a balance of \$247,000 which can be used for this project. He stated it is feasible that the county may be able to handle some of the professional services thus reducing the costs.

Commissioner Elders recommended that Option B be approved so the water problems will be absolutely solved.

Motion: *Commission Elders moved to approve Option B in the amount of \$333,500 with additional funding from the CPR Fund. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(9) SOIL & WATER DEPT.: The Soil & Water Board of Supervisors submitted a request to rename positions and fill a vacancy. The County Manager was requested to review the requests.

(10) 2010 CENSUS: Gerald Green, Planning Director, stated the county's population grew from 33,121 in 2000 to 40,271 in 2010, a 21.6% growth rate for the decade. Jackson County was the fastest growing the 18 westernmost counties. The county's growth rate for the decade was 23.4% and the county's population is 50% larger than it was in 1990. Population growth was experienced by all townships and municipalities with the exception of the Town of Webster (-25.3%). Cullowhee Township had the highest growth rate (47%). Almost a quarter (23.4%) of the county's population live in the Cullowhee Township and the high rate of growth may be attributable to WCU, county schools, recreation facilities and availability of land for residential development. Savannah and Greens Creek Townships had growth rates exceeding 40%. Growth rates less than 10% are: Mountain 9.3%, River 8.1%, Scott's Creek 8.6%, Sylva Township 9.4%, Town of Dillsboro 7.9%, and Town of Sylva 5.1%.

The census report reflects the county has a high rate of second homes that are occupied only part of the year. Over one-third (36.6%) of the housing units in the county were vacant at the time of census (April 2010). The highest rate of vacancy housing units is found in the southern portion of the county.

The data available from the Census Bureau at this time is only the beginning of the data that can be analyzed to provide information charting demographic changes in the county and to provide direction for the provision of services to residents.

(11) RENAME SOUTHERN LUMBER BLDG.: The Planning Board was requested to submit recommendations of suitable names for the building.

(12) HEALTH INSURANCE: Mr. Wooten stated the county's self-funded medical plan is up for renewal on May 1. After reviewing various proposals, Crescent, brokered by Stanberry Insurance Agency, is recommended as the third party administrator/network provider and Gerber Life as the Reinsurance Carrier. There will not be a rate increase for employees or their dependents and no increase in county contributions. The benefit changes are: (a) generic drug co-pay reduced from \$10.00 to \$4.00; (b) dependents included in the \$0 drug co-pay for cholesterol, diabetes, hypertension, and smoking cessation; and (c) air ambulance services maximum benefit of \$2,000 per participant per trip increased to \$4,250.00. Dental and vision benefits remain the same. Crescent will provide wellness screenings.

He stated there appears to be a \$36,000 annual savings in fixed costs. Crescent is the current network provider is familiar with the county employees, thus making a smooth transition. He recommended the county enter into a contract with Stanberry Insurance Agency to use Crescent as the third party administrator/network provider and Gerber Life as the reinsurance carrier. Further, that the contract term be from May 1, 2011 through June 30, 2012 so the renewal date coincides with the county's fiscal year.

He recommended that a Wellness Clinic be implemented by the Health Dept. for county employees and dependents covered under the medical plan. Funding for that clinic will be from monies contributed on behalf of or paid by employees. This clinic will be designed as a "quick need" type service and avoids the co-pay requirement. The clinic is not designed to take the place of family physicians, but provides for immediate medical attention. The Health Dept. would contract with a nurse practitioner and/or physician's assistant who will be supervised by the Health Director. Information provided by other counties who offer this service reflects the cost is approximately \$150,000/year and in the long run saves about \$450,000 in claims.

Commissioner Cody requested and was granted permission to abstain because of a possible conflict.

Motion: *Commissioner Elders moved to approve Crescent as the Third Party Administrator/Network Provider and Gerber Life as the Reinsurance Carrier. Commissioner Jones seconded the Motion. Motion carried.*

(13) SCATTERED SITE PROGRAM RESOLUTION (R11-07): The county administers a CDBG Scattered Site Housing Grant which requires, from time to time, the execution of various documents such as modification agreements, cancellation of deeds of trust, etc. The resolution authorizes the Chairman of the Board of Commissioners or the County Manager to execute, on behalf of the county, modification agreements and/or cancellation documents for deeds of trust related to the Scattered Site Housing Program. The documents would be reviewed by the County Attorney before they are executed.

Motion: *Commissioner Cowan moved to adopt the resolution. Commissioner Elders seconded the motion. Motion carried by unanimous vote.*

(14) REVALUATION RESOLUTION (R11-08): N.C.G.S. 105-286 mandates all counties must conduct a reappraisal of real property at least every eight years. In 1999, Jackson County adopted a four-year appraisal cycle with the last real property evaluation occurring in 2008. Chairman Debnam stated he is of the opinion that the January 1, 2012 revaluation should be delayed due to a very unstable real estate market and lack of qualified sales data. The scheduled reappraisal for January 1, 2012 should be revoked with the next scheduled reappraisal set for January 1, 2013 and return to a four-year reappraisal cycle after the 2013 revaluation.

Commissioner Cowan stated that within the past week or two he has been contacted by many people and some of them are of the opinion that although the delay may help until the economy is better stabilized, property values have already declined 20-30% in many parts of the county. These people are also of the opinion that when appraisers come up from Raleigh with a formula, values go up significantly. Further, the delay appears to be a method to prevent the values from going down in order to keep taxes high. If revaluation is done in 2012, there is the good possibility the values and taxes will go down. He stated he has difficulty of going against these people.

Mr. Wooten stated the Tax Administrator has informed him county staff will perform the majority of work in visiting tax parcels and building the tax data base. Professional assistance will be used to assist in establishing appraisal values throughout the county. The NC Dept of Revenue will provide oversight to the entire project.

Commissioner Cody stated the county is dealing with a lot of unknowns such as costs being passed from the state to counties. Further, the county has a fixed amount of capital project payments that must be generated each year.

Motion: *Commissioner Cody moved to adopt the resolution. Commissioner Elders seconded the motion. Motion carried by a vote of 4-1 with Commissioner Cowan voting "no".*

INFORMAL COMMENTS BY PUBLIC:

- (a) Marie Leatherwood of Sylva stated she has issues with how the funds generated by the sale of the Buster Brown building were disbursed by JDC/EDC.
- (b) Pat Vance of Sylva suggested that if there was a westbound entrance ramp onto 23/74 at Exit 85, there would be no need for a connector. She urged the Board to remove the proposed connector road from the priority list.
- (c) T. J. Walker of Dillsboro stated the Great Smoky Mountains Railway has requested a grant and loan from the county. The funds will be used to bring a steam locomotive and 8 passenger cars to N.C. The expansion would bring 50,000 people to Dillsboro during the summer and fall months with an economic impact of \$253/per adult.
- (d) Susan Leveille of Sylva stated she hopes the county priority list includes improvements to many county roads, especially Hwy. 107 but not by adding more lanes, nor should the list include a Sylva by-pass. It has been proven that by-passes cause small towns to suffer an economic decline. DOT reports reflect that traffic volumes on the connector would be 11,600 vehicles per day. DOT's model shows that a by-pass will not relieve the congestion on Hwy. 107. The estimated \$132 million for a by-pass is not the best way to spend taxpayers' money.

PRESS CONFERENCE

There being no further business, Commissioner Elders moved to adjourn the meeting. Commissioner Jones seconded the Motion. Motion carried and the meeting adjourned at 8:00 p.m.

Attested By:

Approved:

Evelyn B. Baker, Clerk to Board

W. J. Debnam, Chairman