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

**MINUTES OF THE REGULAR MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
MAY 7, 2007**

The Jackson County Board of Commissioners met in Regular Session on May 7, 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.

AGENDA: Chairman McMahan amended the Agenda by adding Budget Amendments and Commissioner Cowan added Highway 1001 Resolution. Commissioner Shelton moved to approve the amended Agenda. Commissioner Massie seconded the Motion. Motion carried.

MINUTES: Commissioner Cowan moved to approve the Minutes of the Regular Meeting of April 16, 2007, Minutes of the Special Meeting of April 16, 2007, Minutes of the Reconvened Meeting of April 20, 2007 and Minutes of the Reconvened Meeting of April 26, 2007. Commissioner Shelton seconded the Motion. Motion carried.

INFORMAL COMMENTS BY THE PUBLIC:

(a) Joseph DiLillo of Swain County stated he has formed a “Swain-Jackson Counties Youth Soccer Association” and requested support of soccer in western North Carolina.

(b) Marie Leatherwood of Sylva posed several questions to Chairman McMahan concerning the financial association between the Economic Development Commission (EDC) and Jackson Development Corporation (JDC). She stated that the Tuckasegee Mills property is up for foreclosure on May 16, 2007 if a \$152,000 note is not paid; however, JDC is bankrupt owing \$1,589,327. She asked what, if anything, is the county going to do to concerning the equity in the building since the property was purchased with tax money. She asked what happened to the \$300,000 transferred from JDC to EDC in 2006 and does EDC still have those funds or, if not, for what purpose were the funds used. She asked what negotiations are being made between the county and JDC since JDC owes the county in excess of \$20,000 in past due taxes.

(c) T. J. Walker of Dillsboro stated that historical preservation is important. The first five feet of the Dillsboro Dam is a natural rock ledge foundation and should be protected because it is a historic water feature.

(d) Roy Haskett of Cullowhee requested the Board to urge the NCDOT to improve a portion, approximately one mile, of Hwy. 1001 from the bridge near the Cullowhee Rec Park to the junction of Pressley and Tilley Creeks. It is a heavily traveled, narrow and dangerous road. He stated that in 1986 the county adopted a Resolution requesting DOT to make improvements to the road but nothing has been done.

(1) CHAIRMAN'S REPORT: Chairman McMahan reported:

(a) He and Commissioner Massie attended the County Assembly Day in Raleigh.

(b) The Region A meeting is scheduled on May 21 at 6:30 pm.

(c) A Budget Public Hearing is scheduled on May 22 at 5:00 p.m.

(d) The second monthly Board meeting is scheduled on May 22, at 6:00 p.m.

(2) COMMISSIONERS REPORTS: Commissioner Massie reported that the Medicaid issue was discussed during the County Assembly Day and North Carolina is one of the last states in the country that requires local governments to allocate a match for Medicaid. This fiscal year it is anticipated that Jackson County will be required to budget approximately \$1.4 - \$1.8 million for Medicaid. Several strategies of how the state could relieve the counties of the Medicaid burden were discussed. In addition, due to the expected population growth over the next decade, the county must look at other ways to meet its obligations to fund schools and other things that growth and economic development bring with it. The NCACC has considered a 1% land transfer fee which would be returned to the counties to generate additional revenues. The county anticipates, through the association's research, that fee could generate approximately \$6 million per annum and would free up the property tax base for other things the community demands. However, the N. C. Board of Realtors is opposed to any type of land transfer fee. Six counties who have been authorized to use the land transfer fee are all doing very well and four of those are in the top ten in funding for public schools. Fortunately, Jackson County is also in the top ten in the amount of dollars it allocates to the public schools, but may not be able to maintain that level of funding indefinitely without new sources of revenue. He urged Board members to contact the legislators and impress the importance of finding additional sources of revenue available to Jackson County and making sure that all 100 counties have the same source of funding.

(3) COUNTY MANAGER'S REPORT: Mr. Westmoreland reported:

(a) The lease with Dr. Han has been executed and the building will be available on May 15. He met with the Directors of the Housing and Veterans Depts. and both agreed that relocating to the Han Building would better serve their clientele. He will discuss relocation with the Soil & Water Dept. at a later date.

(b) The Cullowhee Rec Center expansion is complete and a grand re-opening will be scheduled.

(c) The Canada Park is now complete with the exception of the installation of the commemorative stone recognizing the location of the old Canada School. A grand opening will be scheduled when the stone is in place.

(4) CETERA DeGRAFFENREID PROCLAMATION: A Proclamation was presented to Smoky Mountain High senior Cetera DeGraffenreid in honor of her high level of athletic accomplishments, which are far above the customary, during her high school career. Chairman McMahan suspended the rules and Commissioner Cowan moved to approve the Proclamation. Commissioner Massie seconded the Motion. Motion carried by unanimous vote. Ms. DeGraffenreid thanked the Board for the recognition.

(5) FINANCE & TAX COLLECTOR REPORTS FOR APRIL 2007: Darlene Fox, Finance Director, presented the following highlights:

General Fund Revenues Collected to Date	\$ 37,358,102.51
General Fund Expenditures to Date	\$ 34,432,477.91
Ad Valorem Tax Collected	\$ 21,588,014.40
Motor Vehicle Tax Collected	\$ 739,529.09
Sales & Use Tax for February 2007	\$ 996,999.31
Landfill Disposal Fees	\$ 1,160,498.75
Contingency Balance	\$ 66,912.00

Smoky Mountain Center Quarterly Report ending March 31, 2007:

Operating budget	\$ 17,870,262.00
Actual revenues	\$ 13,401,856.00
Actual expenditures	\$ 9,323,652.00
Net income	\$ 2,585,000.00

(6) BUDGET AMENDMENTS:

Health Dept	\$ 78,491.09
General Fund	\$ 84,827.89

(7) CASHIERS RECREATION CENTER SITEWORK BIDS: Mr. Westmoreland requested that this issue be carried over because there is still one outstanding permit and the responsible low bidder has no objections.

(8) WADE HAMPTON GOLF CLUB: By letter, Wade Hampton Golf Club requested permission to display fireworks at its facility on July 4.

(9) SMOKY MOUNTAIN HIGH SCHOOL PHASE III BIDS: Mr. Westmoreland reported that negotiations are continuing with Phillips & Jordan, the low bidder, because the bid is \$600,000 over budget. He requested that this issue be carried over.

(10) WASTE MANAGEMENT CONTRACT AMENDMENT: Mr. Westmoreland stated that Waste Management hauls the county's municipal solid waste to a landfill in Homer, Georgia. Waste Management has agreed to forego an annual Consumer Price Index increase if the county will agree to extend the term of the contract from September 15, 2009 to September 15, 2012.

He stated he would like to dispel the rumor concerning recycling. The county does recycle and realizes considerable revenue from recycling. Recyclables, because of the constrictive nature of the transfer station, are separated after hours at the same facility, and hauled by the same company, Kinsland Trucking, who also hauls the municipal solid waste. The county has a contract for recyclables with FCR of Greenville, South Carolina.

(11) **SMOKY MOUNTAIN BIO-FUELS, INC. EXPANSION**: It is necessary that this issue be discussed in closed session.

(12) **PROPOSED FY2007-08 BUDGET**: Mr. Westmoreland presented the proposed FY2007-08 Budget along with an Executive Summary. He stated that the budget is balanced without the need of a general ad valorem tax rate increase. However, several fee adjustments are recommended and suggested that budget work sessions be scheduled.

(13) **NATIONAL LAW ENFORCEMENT WEEK & NATIONAL LAW ENFORCEMENT OFFICERS MEMORIAL DAY PROCLAMATION**: The Proclamation is an annual recognition by the county to law enforcement personnel that May 15-21 be recognized as National Law Enforcement Week and May 15 as National Law Enforcement Officers Memorial Day. Chairman McMahan suspended the rules and Commissioner Shelton moved to approve the Proclamation. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

(14) **FIRE DEPTS. RESOLUTION**: Chairman McMahan stated that the Resolution is requested by the State Fire Marshal's office in support of House Bill 262 and Senate Bill 238 for legislation that provides necessary and additional funds for and improves eligibility of fire departments for statewide grants. Chairman McMahan suspended the rules and Commissioner Massie moved to adopt the Resolution. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

(15) **RESOLUTION – HIGHWAY 1001 IMPROVEMENTS**: Commissioner Cowan stated that he signed a letter dated March 26, 1986 as the then Superintendent of Schools to DOT requesting that it give consideration to improvements to State Road 1001 due to the road's narrow width, sharp curves and heavy traffic. Commissioner Cowan moved to authorize Mr. Westmoreland to draft a Resolution requesting DOT to make improvements to a portion (from the bridge at the Cullowhee Rec Dept. to the bridge at the Tilley Creek intersection) of Highway 1001. Commissioner Massie seconded the Motion. Motion carried by unanimous vote. A proposed Resolution will be added to the May 22 Agenda.

(16) **TRAVEL & TOURISM BOARD APPOINTMENT**: By letter, the TTA Board of Directors recommended that Cherie Bowers be appointed to fill the unexpired term of Wanda Herren. Chairman McMahan suspended the rules and Commissioner Jones moved to appoint Cherie Bowers to fill the unexpired term of Wanda Herren on the TTA Board of Directors. Commissioner Shelton seconded the Motion. Motion carried by unanimous vote.

(17) **CRIMINAL JUSTICE PARTNERSHIP ADVISORY BOARD APPOINTMENT**: Chairman McMahan suspended the Rules and Commissioner Massie moved to appoint Ann Melton, Clerk of Court, to the Criminal Justice Partnership Program Advisory Board. Commissioner Cowan seconded the Motion. Motion carried by unanimous vote.

Commissioner Shelton moved that the Board go into Closed Session pursuant to G. S. 143-318.11(a)(4) Business Expansion. Commissioner Massie seconded the Motion. Motion carried.

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

There being no further business, Commissioner Massie moved that the meeting be adjourned. Commissioner Shelton seconded the Motion. Motion carried and the meeting adjourned at 9:15 p.m.

Attested By:

Evelyn B. Baker, Clerk

Approved:

Brian Thomas McMahan, Chairman

