

**MACON COUNTY BOARD OF COMMISSIONERS
DECEMBER 11, 2018
MINUTES**

Chairman Tate called the meeting to order at 6:00 p.m. and welcomed those in attendance. All Board Members, the County Manager, Deputy Clerk, Finance Director, County Attorney, members of the news media and interested citizens were present.

ANNOUNCEMENTS: There were no announcements.

MOMENT OF SILENCE: Chairman Tate asked those in attendance to observe a moment of silence.

PLEDGE TO THE FLAG: Led by Commissioner Shields, the pledge to the flag was recited.

PUBLIC COMMENT PERIOD: **Narelle Kirkland** addressed the board on the need to “preserve our ambiance.” She showed the board and audience a number of photographs and spoke of a number of items which she said she was grateful that the commissioners had accomplished. However, she told the board she was “distressed” that they had allowed older trees within the Town of Franklin along the Georgia Road to be cut down. She told them the ambiance of town needs to be preserved.

ADDITIONS, ADJUSTMENTS TO AND APPROVAL OF THE AGENDA: Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve the agenda as adjusted, as follows:

- To remove Item 9A, “Fiscal Year 2017-18 audit presentation,” per the County Manager.
- To remove Item 11C, “Approval of 2018 Fire Prevention Code,” per Chairman Tate.
- To replace Item 9A with an update on statistics from the recent inclement weather, per the County Manager.
- To add a report on the county’s economic tier designation change as the new Item 9C, per Commissioner Beale.

INCLEMENT WEATHER UPDATE: Emergency Services Director Warren Cabe provided the board with a status report following the inclement weather that

occurred over the weekend prior to the meeting. He began by pointing out that “it could have been much worse” compared to counties east of Macon, and the “impacts could have been way worse” regarding recovery. He detailed the total number of power outages throughout the county, noting there were approximately 8,000 on Sunday morning. He said EMS personnel conducted 13 welfare checks and coordinated any sheltering needs with Macon New Beginnings, explaining that seven individuals were housed over the course of the weather event. He said the biggest problem was fallen trees, and noted that the county 911 dispatch office had a 450 percent increase in the number of telephone calls that came into the system on Sunday. Mr. Cabe addressed questions about opening shelters, and said that Buncombe and Henderson counties, which were hit far harder than Macon, had 23 people in their shelters combined. Following further discussion that included school delays, potential guidelines for severe weather events and the number of homeless persons in the county, no action was taken.

REVALUATION UPDATE: Tax Administrator Richard Lightner presented a PowerPoint presentation on the 2019 reassessment of real property in Macon County. He began by explaining the state statutes that require counties to establish market values that must be at or near 100 percent of current market value. He then provided a detailed outline of the appraisal process. He described the three approaches to value, and noted that market value is “the most probable selling price that a property will bring in a competitive and open market with both the buyer and seller being motivated and well informed.” He explained what market value is not, and what affects it. Mr. Lightner said the county’s growth rate has slowed since the early 2000’s, and that real estate growth here lags behind some other counties in the region. Population growth has slowed as well, he said. After discussing parcel growth, as well as real estate and home sales, he shifted his comments to the revenue neutral tax rate. He went through a series of calculations that projected a “revenue neutral” tax rate of 37 cents per \$100 valuation following the upcoming reassessment, up from the current rate of 34.9 cents. He followed this with a number of examples of different homes and compared the 2015 values and taxes to the projected 2019 values and taxes for those properties. He told the board to remember: (1) Reassessments are volatile and established procedures must be followed. (2) The established appeal process outlined by the Machinery Act must be adhered to. (3) Equality between similar properties must be one of the top priorities. (4) Properties will not increase at the same percentage countywide. (5) Location is still very much a factor. In summary, he said values will be finalized in December 2018 with notices mailed in January 2019. Appeal information will accompany the notice of value, and informal appeals must be in writing and supported by documentation of the value. The Board of Equalization and Review will begin to meet in April of 2019. In closing, he presented a chart that showed the valuation of property by township, and

pointed out that the Town of Highlands and the Highlands Township together account for 45.77 percent of the county's total property value. He also noted that by doing "in-house" reappraisals, the county has saved more than \$5-million since 1999. Following questions from the board members and further discussion, no action was taken. Mr. Lightner pointed out that his presentation would be available to the public on the county's website.

COUNTY TIER DESIGNATION: Commissioner Beale reported that the county's "tier" designation had been changed from a "1" to a "2" for the next two years. The North Carolina Department of Commerce ranks the state's 100 counties based on economic well-being and assigns each a Tier designation. The Tier system is then incorporated into various state programs to encourage economic activity in the less prosperous areas of the state. The 40 most distressed counties are designated as Tier 1, the next 40 as Tier 2 and the 20 least distressed as Tier 3, based on four factors: average unemployment rate, median household income, percentage growth in population and adjusted property tax base per capita. Commissioner Beale noted that some of Macon's neighboring counties, including Jackson, Clay and Cherokee, also went from being a "1" to a "2," He noted the county will never have a Tier 3 designation because it applies to those counties with a population of 50,000 or more. No action was necessary.

TAX REFUND REQUEST: Mr. Lightner explained that Edward Hasler of Highlands is requesting a refund for taxes paid on an airplane that has never been in Macon County. A copy of Mr. Hasler's request is attached (Attachment 1) and is hereby made a part of these minutes. Mr. Hasler is requesting a refund of \$4,798.75 that he paid in August of 2018. The County Attorney said there had been attempts to contact Mr. Hasler but there has been "little conversation with the owner." Mr. Lightner explained the concept of "situs" under the state's Machinery Act, and told the board that if the county doesn't have jurisdiction, it can't tax the aircraft. "This man has never landed his plane here," he said, and told the board the refund would be allowable. Upon a motion by Commissioner Higdon, seconded by Commissioner Shields, the board voted unanimously to grant Mr. Hasler's request and to refund him in the amount of \$4,798,75.

CAPITAL PROJECT ORDINANCE AMENDMENT: The Finance Director told the board she was seeking approval of a Capital Project Ordinance Amendment for the Radio Communications Upgrade, which includes an additional \$200,000 to bring the total amount to \$1,145,360. Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve the amendment as presented, a copy of which is attached (Attachment 2) and is hereby made a part of these minutes.

COWEE SCHOOL ARTS AND HERITAGE CENTER LEASE: Prior to remarks from Bob McCollum and Stacy Guffey with the Cowee School Arts and Heritage Center, the County Attorney explained that he had been asked by Commissioner Beale to work on a lease agreement between the center and the county as well as some sublease forms for the center's tenants. Mr. McCollum said the center was looking to formalize agreements in both areas, and he presented the board with copies of center's income and expense statement for Fiscal Year 2017-18. He then shared some stories about some the events that took place at the center in the past year, and said that work on a strategic plan for the facility is in progress. He told the board that the money invested by the county in the center "shows county involvement to others" and has others coming to Cowee "to learn how we did it." The County Attorney then asked the board to consider a "Resolution of the Macon County Board of County Commissioners Declaring Property to be Surplus and Approving a One Year Lease of the Same by Macon County to Macon County Heritage Center D/B/A Cowee School Arts and Heritage Center." The lease would commence on January 1, 2019 and end on December 31, 2019. He explained that the sublease form is for the center's use and does not require board approval. Commissioner Beale made a motion to approve the resolution and lease as presented, and it was seconded by Commissioner Gillespie, who said the county's citizens are very fortunate to have this facility. Following further discussion, the board voted unanimously to approve the resolution, a copy of which is attached (Attachment 3) and is hereby made a part of these minutes. Also attached (Attachment 4) is the "Lease to Macon County Heritage Center D/B/A Cowee School Arts and Heritage Center from Macon County," which is hereby made a part of these minutes. Mr. McCollum then asked the board to provide the remaining half of the funds, a total of \$18,000, to help fund the center's director's position for the remaining half of the fiscal year, as Mr. Guffey's position is funded only through December. Mr. McCollum said that while some grant money is anticipated, it may not come through. The County Manager suggested taking the money from the contingency line item, and the Finance Director said that line item currently held \$84,355. Commissioner Beale said, "I think it's a no-brainer," and made a motion to take the \$18,000 from contingency, and the motion was seconded by Commissioner Gillespie. Chairman Tate told Mr. McCollum that he was not picking on him, but there are lots of arts programs in Macon County wanting money from the county, especially in Highlands, and that action such as this is tough to defend. The board voted unanimously to approve the motion.

CONTRACT WITH SAVANNAH VOLUNTEER FIRE DEPARTMENT: Emergency Services Director Warren Cabe told the board that there is a very small area of Macon County called Turkey Knob that is accessible only through Jackson County. There are nine parcels of land in this area, owned by eight different owners. The area is accessible only through Pumpkintown Road in

Jackson County, although technically it is in the Cullasaja Gorge Fire and Rescue District. He said the Savannah Volunteer Fire Department has been responding to calls in this area. He went on to say that the solution he and the County Attorney looked at was to move the residents in this area under the Savannah department, thus improving their home insurance rating from a 10 to a 6. Meanwhile, this area would be “carved out” of the Cullasaja district and \$357 in service fees would be paid to Savannah. The County Attorney advised the board to amend the county’s contract for fire protection with Cullasaja, then approve a separate contract for fire protection with Savannah. The service fee money would then go to Savannah in the upcoming budget year. The County Attorney said the documents could be approved simultaneously, and upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to (1) approve an “Amendment to Contract for Fire Protection” between the county and Cullasaja Gorge Fire and Rescue, Inc. and (2) to approve a “Contract for Fire Protection” with Savannah Volunteer Fire Department. Copies of both documents are attached (Attachments 5 and 6, respectively) and are hereby made a part of these minutes.

TRANSIT ADVERTISING PROPOSAL: Transit Director Kim Angel and the County Attorney presented a proposed “Macon County Policy on Transit Advertising” for the board’s consideration. Ms. Angel introduced two of her staff members, Ryan Dunn and Tommy Gilbert, and credited the two with having done the work on gathering the necessary information for the project. She told the board she was not asking for money, but that providing public transportation services is not cheap. Since the agency’s success plan is always looking for new revenue sources, she said the department’s peers across the state do advertising on their vehicles. She went on explain that her staff researched using vinyl adhesive to place the ads on the vehicles, adding that they will do the ad installation at a cost of \$125 per vehicle window along with a monthly cost associated with the space. She provided the board with a five-year revenue projection for the project, and said advertisers will have either a six-month or one-year contract. The County Attorney then briefly reviewed the proposed policy and its attached exhibits. Chairman Tate asked Ms. Angel if advertising would cause any problems with her grant funding and she replied no. She said that all revenue must be reported and funds from advertising would be handled like all other county money and tracked accordingly. The County Manager told the board that “this is a department thinking outside the box” in order to supplement revenue. “This is how we help fund Transit,” Ms. Angel said. The County Attorney addressed potential First Amendment issues, noting that “strictly commercial advertising” would be sold and the ads on the vehicles would not be a forum for free speech. Following further discussion regarding pricing and managing the program with current staff, Commissioner Gillespie made a motion to approve the policy as presented, and it was

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seconded by Commissioner Shields and passed unanimously. A copy of the policy is attached (Attachment 7) and is hereby made a part of these minutes.

SURPLUS PROPERTY PURCHASE OFFERS: The County Manager explained that he had received three offers to purchase tracts of surplus property owned by the county. He said the bidder was Coast2Coast Group, LLC, and Commissioner Beale immediately made a motion to reject all three bids. Before moving to a vote, the County Manager explained that one offer was to purchase property at 388 Bethel Church Road for \$500 when the tax value of the property was \$47,380. The second offer was to purchase a parcel on Barnard Road for \$250 which has a tax value of \$41,150. The third offer was for property on the Old Murphy Road for \$1,000 which has a tax value of \$277,170. The County Manager noted that he was obligated to bring the offers to the board's attention, and upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to reject all three offers as presented.

CONSENT AGENDA: Upon a motion by Commissioner Gillespie, seconded by Commissioner Beale, the board voted unanimously to approve the items on the consent agenda as follows: the minutes of the November 13, 2018 regular meeting and the December 3, 2018 continued session; the following budget amendments: #96 for the Sheriff's Department to allocate \$7,517 from an insurance settlement for vehicle repairs; #97 for the Sheriff's Department to appropriate funds from donations and calendar sales for "Shop With A Cop," the departmental Christmas dinner, Operation Think Twice, Prime for Life and calendars in the total amount of \$43,900; #98 for the Department of Social Services to allocate an additional \$29,454 in LIEAP funds; #99 for Emergency Management to appropriate \$50,000 received from the Homeland Security Grant Program for the purchase of event support trailers; and #100 for the Housing Department to move \$103,489 in budgeted funds into various line items; (copies of the amendments are attached); tax releases for the month of November in the amount of \$1,966.20; proposed fee changes and additions for Macon County Public Health, as approved by the Macon County Board of Health on November 27, 2018 (list attached); and the monthly ad valorem tax collections report (no action necessary).

APPOINTMENTS: Board of Health: Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to appoint Ellen Shope to the vacant nurse "slot" on the Macon County Board of Health.

Economic Development Commission: Upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to reappoint Cory McCall, Roger Plemens and Mark West to the Macon County Economic Development Commission (EDC). Terms of appointment are for three years.

CLOSED SESSION: Upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to go into closed session at 7:59 p.m. for the purpose of discussing potential property acquisition under NCGS 143-318.11(a)(5). At 8:07 p.m., upon a motion by Commissioner Higdon, seconded by Commissioner Beale, the board voted unanimously to come out of closed session and return to open session.

ADJOURN: With no other business, at 8:08 p.m., upon a motion by Commissioner Higdon, seconded by Commissioner Shields, the board voted unanimously to adjourn.

Derek Roland
Ex Officio Clerk to the Board

Jim Tate
Board Chairman