

**MACON COUNTY BOARD OF COMMISSIONERS
NOVEMBER 20, 2012 – 6:30 P.M.
CONTINUED SESSION
MINUTES**

Chairman Corbin convened the continued session at 6:32 p.m. in the Commissioners' Boardroom on the third floor of the courthouse as recessed from the November 13th regular meeting. All Board Members, the County Manager, Deputy Clerk, Finance Director, County Attorney, interested citizens and members of the news media were present. Chairman Corbin explained that there would be a time later in the agenda for a special recognition for Commissioner Kupperts.

ADJUSTMENTS TO AND APPROVAL OF THE AGENDA: Upon a motion by Commissioner Haven, seconded by Commissioner Kupperts, the board voted unanimously to adjust and approve the agenda as outlined below:

- To remove Item 12, Resolution and lease with Forex Currency Trade Advisors, LLC, per the County Manager.
- To add discussion regarding the Cullasaja River Stabilization Project as the new Item 14, per the County Manager.
- To move Item 13, Resolution and lease with Debra Green doing business as The Appointed Home, to make it the new Item 4, per the County Manager.
- To add discussion with Chris Alexander of First Tryon Advisors and consideration of the refinancing of debt as Item 6A, per the County Manager.
- To remove Item 10, Macon Tracs agreement with the Macon County Board of Education, per the County Attorney.
- To add Mildred Hamilton and discussion of Christmas in the Park as Item 3B, per Commissioner Haven.
- To add consideration of the Community Funding Pool recommendations at the end of Karen Wallace's presentation on the Fontana Regional Library agreement as Item 3A, per Chairman Corbin.
- To add an item regarding South Macon Elementary School as Item 15, per Commissioner Tate.

ANNOUNCEMENTS: Commissioner Kupperts took the opportunity to "brag" on his community by pointing out that the Cowee Community Development Organization took home the highest honor of "Communities of Distinction" at the recent WNC Communities 63rd Annual Honors Awards Program in Asheville. He explained that there were many reasons for the award, but pointed out that more than 200 citizens had

made some effort, either in-kind or through cash donations, to assist with the refurbishment of the old Cowee School, and “to turn your back on that kind of community effort would be a tragic mistake.”

FONTANA REGIONAL LIBRARY DRAFT AGREEMENT: Karen Wallace, the director of Fontana Regional Library, told the board that an updated agreement has been drafted for the consideration of the three participating local governments (Jackson, Macon and Swain) in the region. She noted that the original agreement from 1954 had never been revised. The changes were prompted by legislative revisions to laws relative to libraries, and she said that work on the draft had been going on for about a year. She went over six major changes to the agreement, adding that other language was “formalized” to bring it up to current standards. She asked that the county execute the agreement by December 31, 2012. Commissioner Kupperts said that he and the County Manager had met with Ms. Wallace regarding this matter and that “we accept this draft.” Chairman Corbin noted that all three county boards of commissioners will need to approve the same document. The County Manager said there is some discussion about insurance coverage, as the county covers the building and the regional library covers the contents, and he said those could be covered under the county’s insurance. Upon a motion by Commissioner Kupperts, seconded by Commissioner Beale, the board voted unanimously to approve the draft agreement as presented (**Attachment 1**), a copy of which is attached and is hereby made a part of these minutes.

COMMUNITY FUNDING POOL RECOMMENDATIONS: Ms. Wallace, who chairs the Community Funding Pool committee, presented the recommendations for Fiscal Year 2012-13, explaining that eight of 11 grant applications were funded with the \$50,000 available in the pool. Following discussion, and upon a motion by Commissioner Kupperts, seconded by Commissioner Beale, the board voted unanimously to approve the recommendations as presented, a copy of which is attached (**Attachment 2**) and is hereby made a part of these minutes.

RESOLUTION AND LEASE WITH DEBRA GREEN DOING BUSINESS AS THE APPOINTED HOME: Economic Development Director Tommy Jenkins told the board that The Appointed Home “fits the model” of what the Economic Development Commission (EDC) is trying to accomplish at the Business Development Center, and recommended that a new one-year lease for space in the center be approved at the current rate of \$192 per month. He said the EDC also recommended approval as the business is “one of our success stories.” The County Attorney explained that he had prepared a resolution and lease in regard to this, and upon a

motion by Commissioner Beale, seconded by Commissioner Tate, the board voted unanimously to approve a resolution “declaring property to be surplus and approving a one year lease of the same by Macon County to Debra Green, D/B/A “The Appointed Home.” The lease is effective from November 1, 2012 to October 31, 2013, and a copy of the resolution (Attachment 3) and lease (Attachment 4) are attached and are hereby made a part of these minutes.

CHRISTMAS IN THE PARK: Mildred Hamilton told the board about efforts to bring “Christmas in the Park” back to the county recreation park this year, but said the group involved needed space for items to be stored once the event is over so that they can be used again next year. Following discussion, the board agreed to refer the item to the County Manager and asked him to handle it administratively.

RECOGNITION OF COMMISSIONER KUPPERS: Saying that “to everything there is a season,” Chairman Corbin opened a time of special recognition for outgoing commissioner Bobby Kupperts. Each member of the board and the staff seated at the dais was given the opportunity to express their appreciation to Commissioner Kupperts just prior to the presentation of gifts by Commissioner Beale on behalf of the county. During his remarks, Commissioner Kupperts thanked the county’s employees, the media, the county’s department heads including the deputy clerks and finance officers with whom he had served, County Manager Jack Horton and his fellow commissioners. In closing, he urged, “Don’t stop having the conversation.”

At 7:30 p.m., Chairman Corbin declared a recess, at which time a reception for Commissioner Kupperts was held.

Chairman Corbin called the meeting back to order at 7:56 p.m.

AGREEMENT WITH DNET: The County Manager explained that in exchange for being allowed to place a web camera on top of the courthouse to provide Internet viewers with a look at downtown Franklin, Dnet was willing to provide one megabyte (1MB) of additional bandwidth to the county for use at the Business Development Center. The County Attorney noted the need to change one item in the proposed Letter of Agreement between the two parties. Upon a motion by Commissioner Kupperts, seconded by Commissioner Tate, the board voted unanimously to approve the Letter of Agreement as amended (Attachment 5), a copy of which is attached and is hereby made a part of these minutes.

REALIGNMENT OF SCHOOLS CAPITAL OUTLAY PROGRAM: The County Manager said that within the current capital outlay program for Macon County Schools, there are three categories, and that within those categories, certain priorities were being realigned due to immediate school needs. However, the overall capital outlay amount of \$256,000 for the current fiscal year will not change. These changes were discussed at a recent school facilities meeting that included Chairman Corbin and Commissioner Beale, both of whom were in agreement with the readjusted priorities. Upon a motion by Commissioner Beale, seconded by Commissioner Haven, the board voted unanimously to realign the capital outlay program as presented (Attachment 6), a copy of which is attached and is hereby made a part of these minutes.

HIGHLANDS QZAB APPLICATION: The County Manager updated the board on the application for Qualified Zone Academy Bonds (QZAB) funding for the Highlands School, which is in need of approximately \$1.5 million in renovations. He noted that the county has been approved for the loan, which will come with a zero percent interest rate. Also, the Highlands Country Club has committed to give as much as \$150,000 over a 10-year period to the project, which qualifies as the non-governmental match for the QZAB funds. In addition, the new debt can be accommodated due to existing debt on the Highlands gym being retired in June of 2013. He continued by saying there are some things the county still needs to do, beginning with having the architect do the design and prepare the bid specifications, then go out for bids on the project, as well as have the state Local Government Commission (LGC) approve the issuing of the debt. He asked for authorization to proceed with the project as stated. Following a discussion regarding architectural services and other matters, Commissioner Tate offered his appreciation to the Highlands County Club for the matching funds and went over a list of items that would be included in the renovations. Upon a motion by Commissioner Tate, seconded by Commissioner Kuppers, the board voted unanimously to authorize the County Manager, the County Attorney and the Finance Director to proceed toward final approval by the LGC. Chairman Corbin reiterated that this was not a vote to spend the money, but to proceed with the process.

EXEMPTION OF ARCHITECTURAL AND ENGINEERING SERVICES FOR HIGHLANDS SCHOOL PROJECT FROM THE PROVISIONS OF N.C.G.S. 143-64.31: Upon a motion by Commissioner Tate, seconded by Commissioner Kuppers, the board voted unanimously to adopt a "Resolution Exempting Macon County, North Carolina from the Provisions of Article 3D of Chapter 143 of the North Carolina General Statutes Regarding and Concerning the Highlands School Project," a

copy of which is attached (Attachment 7) and is hereby made a part of these minutes.

DISCUSSION AND CONSIDERATION OF REFINANCING DEBT: The Finance Director said that she had researched refinancing debt issued by the county in 2008 that was used to build the intermediate school and the addition at East Franklin Elementary. With that debt having an interest rate of 4.59 percent over 20 years, she said there is an opportunity to go to the bond market and save the county money. She then introduced Chris Alexander with First Tryon Advisors, who guided the board through the steps involved in issuing general obligation bonds. He said that by reducing the rate from 4.59 percent to 3.35 percent, the county could save from \$800,000 to \$2 million. The County Manager pointed out that Mr. Alexander was also willing to assist with the QZAB application for submittal to the LGC. Following further discussion and upon a motion by Commissioner Kuppers, seconded by Commissioner Tate, the board voted unanimously to move forward with the refinancing.

RESOLUTION REGARDING TURNING LANE AT WELLS GROVE ROAD AND CLARKS CHAPEL ROAD: The County Manager had prepared a resolution which supports the installation of a turning lane by the North Carolina Department of Transportation (NCDOT) at Wells Grove Road and Clarks Chapel Road in order to address traffic congestion issues near Mountain View Intermediate School and Macon Middle School. Commissioner Beale offered a word of caution, saying that the sewer line that serves the two schools is very close to the proposed turning lane. Following further discussion, and upon a motion by Commissioner Beale, seconded by Commissioner Kuppers, the board voted unanimously to approve “A Resolution Supporting an NCDOT Intersection Modification Project at the Intersection of Wells Grove Road and Clarks Chapel Road” as presented, with Commissioner Beale adding the caveat that NCDOT keep the county apprised of all construction dates. A copy of the resolution is attached (Attachment 8) and is hereby made a part of these minutes.

NANTAHALA SCHOOL WINDOW REPLACEMENT: Terry Bell told the board that the replacement of the windows at Nantahala School was eliminated from the recent renovation there due to the project being over budget. He further explained that three quotes had been obtained, with Sylva Glass being the lowest at \$80,000. Macon County Schools has \$19,000 that can be used and the county has \$53,000 remaining in the project budget, leaving a shortfall of \$8,000. Upon a motion by Commissioner Beale, seconded by Commissioner Kuppers, the board voted unanimously to (1) approve Budget Amendment #71 (Attachment

9) appropriating \$8,000 from contingency for the window replacement project and (2) to award a contract for \$80,000 to Sylva Glass for the replacement of windows at Nantahala School as quoted.

SUPPLEMENTAL LEASE AGREEMENT WITH USDA: The County Attorney explained that a supplemental lease agreement had been sent to the County Manager from the United States Department of Agriculture (USDA), seeking to continue to lease county property located at 189 Thomas Heights Road for a term of five years at an annual rate of \$9,920. The County Attorney noted that one minor correction to the document had been made. The County Manager said that he had negotiated a rate increase with USDA, but the agency had responded it would have to relocate if the rent was higher, and he said he did not want the county's farmers to lose having that resource here. The County Attorney said the county would need to register online in order to receive payment and then update contact information annually. Upon a motion by Commissioner Kuppers, seconded by Commissioner Beale, the board voted unanimously to approve the lease agreement as presented (Attachment 10), a copy of which is attached and is hereby made a part of these minutes.

CULLASAJA RIVER STABILIZATION PROJECT: The County Manager described how the Cullasaja River is severely eroding the bank alongside a county recreation area located near the river's confluence with the Little Tennessee River. He went over the details of a planned stabilization project involving the North Carolina Division of Soil and Water Conservation and the Macon Soil and Water Conservation District. While grant money is available to fund the project, he said there is a need for \$2,000 to obtain the necessary permits from Duke Energy under its Lake Services Fee Schedule. Upon a motion by Commissioner Beale, seconded by Commissioner Haven, the board voted unanimously to authorize the County Manager to execute the grant with the soil and water conservation agencies and to authorize the Finance Director to use \$2,000 from contingency to cover the Duke Energy fee.

SOUTH MACON ELEMENTARY SCHOOL: Commissioner Tate started the discussion by stating that he may not have followed the appropriate channels by attempting to help the South Macon Elementary PTO obtain funds to expand a section of sidewalk where buses load and unload. Noting that even though the school serves as a bus hub, he said the PTO there was willing to fund all of the cost, with the lowest quote being \$4,523.60. The school board has approved the project, but has no capital outlay money to fund it, and Commissioner Tate said he had gone to bat on behalf of the PTO to obtain half of the funding, but in doing so,

had bypassed the commission's liaisons to the schools. He asked if the board would consider providing half, or \$2,261.80. Chairman Corbin said that he and Commissioner Tate had spoken privately about the process for handling such items, and Commissioner Beale pointed out that other schools need things too and that could lead, as the County Manager noted, to a flood of requests. Commissioner Koppers said that the South Macon situation did present a safety issue. Upon a motion by Commissioner Tate, seconded by Commissioner Beale, the board voted unanimously to take \$2,262 from contingency to match the PTO's share of the project cost.

CONSENT AGENDA: Upon a motion by Commissioner Beale, seconded by Commissioner Koppers, the following items on the consent agenda were unanimously approved: **Minutes** – Approved the minutes from the October 9th and October 11th meetings. **Budget amendments** – Approved the following budget amendments: **#58** for Cooperative Extension to appropriate a grant received from the Cherokee Preservation Foundation in the amount of \$15,000 to support the activities of the Macon County Youth Council; **#59** for the Sheriff's Department to appropriate \$12,086 in insurance settlements toward vehicles and equipment; **#60** for Social Services to allocate \$1,009 in CRC funds; **#61** for Social Services for a carryover of \$2,236 in funding for Senior Services equipment from Fiscal Year 2011-12; **#62** for the Health Department to allocate additional money awarded from the state for the Breast Feeding Peer Counselor, establishing a new account and a budget of \$9,084; **#63** for the Health Department to appropriate Medicaid Cost Settlement money (\$17,000) and to use those funds for a part-time position to provide services to CC4C patients; **#70** for the Health Department to appropriate Medicaid Cost Settlement money (\$39,749) to cover expenses associated with the adult dental clinic. (Revisions with corresponding numbers attached.) **Tax releases** – Approved tax releases in the amount of \$696.51. (A computer printout of releases is on file in the Tax Department and the County Manager's office.) **Monthly ad valorem tax collection report** – No action necessary.

APPOINTMENTS: (A) Review Officer: Upon a motion by Commissioner Koppers, seconded by Commissioner Beale, the board voted unanimously to appoint Mike Hall as a review officer for the county as allowed under N.C.G.S. 47-30.2 to fill the slot vacated by Josh Pope. **(B) Planning Board:** Following discussion, and upon a motion by Commissioner Koppers, seconded by Commissioner Haven, the board voted unanimously to appoint Mark West to the planning board for a three-year term, replacing Larry Stenger, who asked not be considered for reappointment. **(C) Highlands Tourism Development Commission:**

Upon a motion by Commissioner Tate, seconded by Commissioner Kupperts, the board voted unanimously to appoint Gary Drake (Town of Highlands), Bill Futral (Highlands Chamber of Commerce Board of Directors) and Jack Austin (At Large Representative) to three-year terms and to appoint Chris Alley to serve as Chairman of the Highlands TDC as required by the organization's by-laws.

CLOSED SESSION: At 9:25 p.m., and upon a motion by Commissioner Kupperts, seconded by Commissioner Beale, the board voted unanimously to go into closed session for the purpose of consulting with the attorney under G.S. 143-318-11(a)(3). At 10 p.m., and upon a motion by Commissioner Kupperts, seconded by Commissioner Haven, the board voted unanimously to come out of closed session. No action was taken.

ADJOURN: At 10:01 p.m., and upon a motion by Commissioner Kupperts, seconded by Commissioner Haven, the board voted unanimously to adjourn.

Jack Horton, County Manager
Clerk to the Board

Kevin Corbin
Board Chairman