

**MACON COUNTY BOARD OF COMMISSIONERS**  
**MAY 12, 2020**  
**MINUTES**

Chairman Tate called the meeting to order at 6:00 p.m. Due to Gov. Roy Cooper's Executive Order limiting the number of people at a mass gathering to 10 due to COVID-19, physical participation at the meeting in the boardroom was limited to that number. All five commissioners were physically present and practiced social distancing. County Manager Derek Roland was also present, as was Finance Director Lori Carpenter. Deputy Clerk Mike Decker watched the meeting via live stream, and County Attorney Chester Jones participated via telephone. A reduced number of members of the media were allowed to attend.

**ANNOUNCEMENTS:** Chairman Tate read from a text message from Sheriff Robert Holland, which noted that, due to COVID-19, there would be no local ceremony this year in honor of National Law Enforcement Week.

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

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

**PUBLIC HEARING REGARDING RURAL DIVISION BUILDING REUSE GRANT FOR "SECU HOSPICE HOUSE":** Chairman Tate called the public hearing to order at 6:04 p.m. and recognized Macon County Economic Development Director Tommy Jenkins. The purpose for the hearing was to receive comment regarding the county's intent to make appropriations or expenditures pursuant to state statute for economic development purposes, namely for the county's \$3,500 matching portion for a North Carolina Department of Commerce "Rural Division Building Reuse" grant in connection with a project entitled "SECU Hospice House." Mr. Jenkins made a brief presentation on behalf of Hospice House Foundation of WNC, Inc. He said a former residence on Maple Street in Franklin is being renovated as a hospice care facility. The total cost of the project is \$3.2-million, and the request to the state is for \$70,000. He said the facility will result in seven full-time jobs, and then answered questions as to when the county's matching funds would need to be available. Mr. Jones explained that the money would be needed in August, and therefore could be included in the Fiscal Year 2020-21 budget. Chairman Tate noted that no one from the public

had signed up or indicated a desire to speak on the project, and he closed the public hearing at 6:07 p.m. Upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to approve a Resolution Concerning Rural Building Reuse and Infrastructure Application to the North Carolina Department of Commerce by Macon County for Project Titled “SECU Hospice House,” a copy of which is attached (Attachment 1) and is hereby made a part of these minutes.

**PUBLIC COMMENT PERIOD:** **Mary Stone**, president of the Nantahala Hiking Club, addressed the board in person and read from the club’s position statement concerning the actions recommended by the Macon County Forest Advisory Committee regarding the 2020 Draft Management Plan for National Forest Lands, an item that was to be addressed later in the agenda. She said the club maintains some 90 miles of trails in the county, adding that the club’s 100-plus members do thousands of hours of volunteer work. She said the Nantahala Hiking Club is endorsing Alternative B as shown in the draft management plan, adding that this alternative provides “flexibility.” She said the club also strongly objects to the structure of and the report from the advisory committee, stating that the committee does not represent a cross-section of the county. In closing, she said the club is requesting that the committee be “reformed” with different representatives. She also noted that the US Forest Service has extended the public comment period until June 19<sup>th</sup>. A copy of the position statement is attached (Attachment 2) and is hereby made a part of these minutes. Chairman Tate pointed out that he had received a three-page response from Jim Gray, the chair of the advisory committee, and would make that available for the board members, adding that the committee report will be discussed at this meeting.

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

- To add consideration of a subordination agreement with Macon Citizens Habilities, Inc., under New Business as Item 11I, per Mr. Jones.
- To add discussion regarding a possible grant for Emergency Services under Item 11(A)1, per Chairman Tate.
- To add discussion regarding “money for the small business community” under New Business as Item 11J, per Commissioner Beale.

**PRESENTATION OF THE RECOMMENDED FISCAL YEAR 2020-21 BUDGET:**

Mr. Roland presented his recommended budget for the upcoming 2020-21 fiscal year, and a copy of that presentation is attached (Attachment 3) and is hereby made a part of these minutes. He began by talking about the effects of the COVID-19 pandemic and the county’s effort to battle it. While the county is struggling with many unanswered questions, Mr. Roland pointed out that other counties are in the same situation. The virus has impacted the county’s budget

in the form of a \$951,000 decrease from the current year budget, he told the board, due specifically to a decline in revenues, which he outlined in detail. He said the projections are “dismal” yet “realistic,” which ties back to the economic uncertainty caused by the virus. Looking back, he noted that COVID-19 was not even on the radar at the board’s budget kick-off meeting, but on the day departmental budgets were due (March 13<sup>th</sup>), the virus was declared a national emergency, followed by a “rapid escalation.” Initial meetings with department heads were pushed back, and when they did take place, it was by conference call and not face to face. As things worsened, he noted that priorities changed. The revised goals of the new budget, he told the board, are: (1) maintain the current service level, (2) maintain a solid financial position and (3) have no adverse effect on county employees. He then discussed in detail the changes that would be needed to balance the budget, which includes no service enhancements and a reduction in expenditures to areas lying outside of primary services. In terms of reductions to county operations not directly impacted by COVID-19, he pointed to cuts in existing operating supply budgets equal to \$68,000, and the proposed elimination of the Adult Dental Clinic at \$99,978. However, he also spoke to “gained efficiencies and further cost avoidance,” particularly with a \$250,000 decrease in detention center expenditures, and savings from the switch to the North Carolina Health Insurance Pool (NCHIP), changes to LED lights at county facilities, and the continued savings from the switch to the Mitel phone system. In terms of “mission critical” expenditures, he pointed to the new tax software system, upgrades in information technology equipment, expansion at the Transit Department, and funding for education. He noted that the fund balance, essentially “a rainy day fund,” would be used for those mission critical projects, but there was some hesitancy to move forward as, “We don’t know how long it’s going to rain.” He said the plan is to “weather the economic uncertainty of the current day while remaining cautiously optimistic, but prepared for a worst case scenario.” He told the board of plans to revisit budget matters at mid-year once more of the actual impacts are known. For now, the county will be “in a holding pattern, if you will,” he added. Chairman Tate and the other board members offered their words of appreciation to Mr. Roland and Mrs. Carpenter for all of their work on the recommended budget. It was noted later in the meeting that the public hearing on the recommended Fiscal Year 2020-21 budget would be held on Tuesday, June 9, 2020 at 6 p.m. in the commission boardroom.

**UPDATE ON 2020 CENSUS PARTICIPATION RATES:** Debbie Reese, a partnership specialist with the U.S. Census Bureau, presented a PowerPoint presentation regarding Macon County and the 2020 Census. Ms. Reese offered a brief explanation of how the response rate is calculated by the bureau, and then used the example of school students and invitations to a birthday party to show how the response can be deemed good or bad. A copy of her presentation is attached (Attachment 4) and is hereby made a part of these minutes. She also noted that using the Census Bureau’s methodology, the response rate map for

Macon reports a 13 percent response rate, but when the numbers are adjusted for vacant housing units, that number climbs to 39 percent. She also showed the board that using a conservative estimate from the online response mapper, the county has a 31 percent response rate, leaving Macon ranked 93<sup>rd</sup> in the state. However, using a less conservative estimate that is adjusted for unoccupied dwellings and other factors, the rate climbs to 55 percent and would leave the county ranked about 20<sup>th</sup> in the state. She pointed out that the national average is 56.6 percent, and the state average is 52.1. In closing, she told the board that it has never been easier to respond to the census on your own, and asked that the board members “raise your trusted voice” to encourage that response. Following a brief question and answer session with Ms. Reese, no action was taken.

**MACON COUNTY FOREST ADVISORY COMMITTEE REPORT:** The board members engaged in a discussion via telephone with Jim Gray, the chair of the Macon County Forest Advisory Committee, regarding the committee’s recommendations and comments on the 2020 Draft Management Plan for the Nantahala National Forest lands within the county. The board members expressed their appreciation to Mr. Gray for his and the committee’s work. Mr. Gray noted it was now up to the board to accept or reject the recommendations, and if accepted, to submit those to the U.S. Forest Service by a June 29<sup>th</sup> deadline. Chairman Tate responded that the board members have not decided what they are going to do but would plan to take action at the June regular meeting. Following further discussion, no action was taken.

**JUVENILE CRIME PREVENTION COUNCIL COUNTY FUNDING PLAN FOR 2020-21:** Mrs. Carpenter presented information regarding the Juvenile Crime Prevention Council (JCPC) on behalf of Lorraine Williams with the North Carolina Department of Public Safety. There were three items for discussion, and Mrs. Carpenter suggested deferring the first one, which was the county funding plan for Fiscal Year 2020-21. She explained that the plan calls for a 30 percent county match, and while the money is included in the recommended budget, it is not yet approved. As to the revised County Funding Plan for FY 2019-20, Mrs. Carpenter noted there is no additional county match involved, with the added funding being “pure pass through” dollars. Upon a motion by Commissioner Gillespie, seconded by Commissioner Shields, the board voted unanimously to approve the revised 2019-20 County Funding Plan as presented, an unexecuted copy of which is attached **Attachment 5** and is hereby made a part of these minutes. Mrs. Carpenter distributed copies of the JCPC certification, and noted that the group is seeking volunteer members, and was especially in need of two under the age of 18. Chairman Tate nominated his son, James Ethan Tate, to fill one of those seats. Following further discussion regarding the appointments, upon a motion by Commissioner Shields, seconded by Commissioner Gillespie, the board voted unanimously to approve the JCPC certification as presented, a

copy of which is attached, (Attachment 6) and is hereby made a part of these minutes.

Chairman Tate declared a recess at 7:37 p.m.

Chairman Tate called the meeting back to order at 7:46 p.m.

**UPDATE ON COUNTY RESPONSE TO COVID-19:**

**(A) Kathy McGaha, Macon County Public Health:** Mrs. McGaha presented a PowerPoint presentation updating the board on the number of COVID-19 cases in the county, which on this date stood at a total of three with one death. Mrs. McGaha also pointed out that five individuals were under investigation as of this date. Further discussion centered around testing and the amount of time to obtain results. No action was taken.

**(B) Warren Cabe, Macon County Emergency Management:** Mr. Cabe said that the emergency restrictions that were put in place by the county expired on May 8<sup>th</sup>, but that the county remains under the regulations found in Gov. Roy Cooper's most recent executive order. Mr. Cabe said the state has obviously moved into Phase 1 of the "reopening" of the state and said he hopes to "very quickly move to Phase 2." He pointed out that health department officials have "a plan to fall back on" in the event that the situation worsens and can make adjustments locally as long as they aren't less strict than the governor's.

**(C) Robert Holland, Macon County Sheriff:** Sheriff Holland stated he did not have a lot to add, but noted his office has received fewer calls regarding social distancing issues and that the population in the jail continues to decrease.

**RECOMMENDATION REGARDING NEW TAX SOFTWARE:** Tax Administrator Abby Braswell presented a recommendation regarding new tax software for her department. A copy of her memorandum to the board is attached (Attachment 7) and is hereby made a part of these minutes. She explained that the county had solicited a Request for Proposals (RFP) for the purchase of a state of the art computer assisted mass appraisal solution, along with a tax office suite of software including tax assessment, tax collections and land records software. Four proposals were submitted, and upon the recommendation of a selection committee, she was recommending that the board approve the selection of and award a contract to Bi-Tek. She noted that his particular vendor was scored the highest by the committee based on six selection criteria, and a copy of the tabulation is attached (Attachment 8) and is hereby made a part of these minutes. She outlined the committee's reasoning for the choice, including a one-year implementation timeframe, only spending two months having to use the current and new systems at once, and the firm's incorporation of the county's schedule of values into the new system. "They are good on their promises," she

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told the board. She noted that Haywood County used this firm and converted systems two years ago. Pending the board's action, she said she would secure a contract proposal from Bi-Tek for the board's consideration. Mr. Roland pointed out that the money would come from the county's fund balance. The discussion then turned to the terms of the proposed contract and when the money would be needed. Mrs. Carpenter said that no funds were needed at this time, and noted that the board would be voting to agree with the committee's recommendation. Upon a motion by Commissioner Gillespie, seconded by Commissioner Beale, the board voted unanimously to find that Bi-Tek was the most responsive firm to the county's RFP.

**SETTLEMENT AND REFUNDS OF TWO CASES STEMMING FROM THE PROPERTY TAX COMMISSION:** Following brief comments from Mrs. Braswell, and upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve refunds in two cases that were appealed to the Property Tax Commission and settled, one for Vincent Doran in the amount of \$94.54 and the other for Chestnut Ridge in the amount of \$82.50. Mrs. Braswell pointed out that this action will formally close these cases.

**UPDATE ON TRANSFER OF NATIONAL GUARD ARMORY FACILITY:** Mr. Roland reminded the board members that in February of this year, they approved up to \$7,500 for a survey and appraisal of the former National Guard Armory facility as part of the steps needed to potentially transfer the property to Southwestern Community College. With \$5,000 of that money remaining, Mr. Roland asked for authority to get an appraisal of the property, which is the next step in the process, and upon a motion by Commissioner Gillespie, seconded by Commissioner Shields, the board voted unanimously to grant its approval. There was further discussion of the steps that would follow the appraisal, but no additional action was taken.

**UNMET NEEDS COMMITTEE UPDATE:** Mr. Cabe provided the board with an update on the Unmet Needs Committee, which was established as a working group through the Emergency Operations Center (EOC) process for COVID-19 and severe weather response. He further explained that the committee can utilize unused Hurricane Ivan Recovery Funds to assist in the recovery for the recent Easter weekend severe weather that affected our area. He said the current funds were donated from a variety of sources in 2005-2006 for Hurricane Ivan recovery, with the remainder held to cover any remaining expenses when the recovery program ended after the 10-year limits were met on property requirements. With \$34,153.65 remaining, he asked the board for permission to institute an application process that would allow those with expenses caused by the recent storms to apply for a maximum of \$1,500 in assistance. Upon a motion by Commissioner Shields, seconded by Commissioner Beale, the board voted

unanimously to approve his request as presented, and Mr. Cabe said a two-week application process would kick off on Friday, May 15<sup>th</sup>.

**EMS GRANT OPPORTUNITY:** Following comments from Mr. Cabe, and upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board granted Mr. Cabe approval to apply for \$134,420 in grant funds that would go toward the purchase of equipment and personal protective equipment (PPE) for emergency services. Mr. Cabe noted he would be competing statewide for those funds.

**RELEASE OF SECURITY DEPOSIT REGARDING BEAR PEN COVE SUBDIVISION:** Following a brief explanation from Chairman Tate, and upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to approve a request from Jack Morgan, Director of Planning, Permitting and Development, to release a security deposit to CCJS, LLC (Chris Cook) in the amount of \$7,875, stemming from the completion of pavement on an access road within the Bear Pen Cove Subdivision.

**NANTAHALA FIREWORKS:** Upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to approve a request by Nantahala Volunteer Fire and Rescue for a fireworks display permit, with the event scheduled for June 27, 2020 and a “rain” date of July 3, 2020, contingent upon the necessary insurance certificate being provided in a timely manner.

**REVISED LETTER OF PERMISSION TO MAINSPRING:** Mr. Jones requested the board’s approval of a revised letter from the county to Mainspring Conservation Trust, Inc., which would extend temporary permission for the use of county property to construct a road that will be used in conjunction with a stream bank restoration program on adjoining land owned by Mainspring. The revised letter would extend the county’s permission until November 1, 2020, and Mr. Jones requested that the board authorize Mr. Roland to sign and send the letter. Upon a motion by Commissioner Gillespie, seconded by Commissioner Shields, the board voted unanimously to grant the request as presented.

**REVISED OFFER TO PURCHASE/CONTRACT WITH REED ESTATE:** Mr. Jones also requested that the board consider approval of a revised contract for the county to purchase property from the Reed Estate, located off of Buck Creek Road in Highlands. He explained that the board had approved an initial contract at its March 10, 2020 meeting, and then “COVID-19 happened,” and as a result, the Reed Estate was never presented with a signed contract. Now, a new one is needed due to various dates for items to take place under the terms of the contract. Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve the revised document as presented, a partially executed copy of which is attached **(Attachment 9)**. Mrs.

Carpenter raised a question regarding payment of the \$500 in earnest money, and Commissioner Beale agreed to amend his motion to include that payment, and Commissioner Shields agreed to amend his second to the motion as well, and the board voted unanimously in favor.

**DISCUSSION REGARDING UNDERGROUND STORAGE TANKS AT MACON COUNTY SCHOOL BUS GARAGE:** Mr. Roland began the discussion by explaining that the underground storage tanks at the Macon County School Bus Garage, property owned by Macon County, were in violation of state regulations. He further explained that Mr. Morgan has been investigating the matter, and has recommended having a firm known as S&ME, Inc. perform the necessary soil testing and the removal of the tanks at a cost of \$52,800 in order to meet a June 6, 2020 deadline set by the state in order to come into compliance. Following discussion, Commissioner Shields made a motion to award the work to S&ME, Inc. at the cost of \$52,800, and Mrs. Carpenter raised the question of where the funding would come from. Asked how much money remained in the board's contingency line item, she replied with an answer of \$59,509, at which Commissioner Beale seconded the motion, with the funds to come from contingency. The board then voted unanimously to approve the motion.

**APPROVAL OF TRANSIT DEPARTMENT APPLICATION FOR CARES ACT GRANT FUNDS:** Transit Director Kim Angel joined the meeting via telephone, and requested permission to apply for CARES Act funds through the North Carolina Department of Transportation (NCDOT). A copy of her memo outlining the request is attached (Attachment 10) and is hereby made a part of these minutes. She pointed out that while there is no required public hearing, no matching funds from the county and no need for a formal resolution from the board, the deadline for applications is Friday (May 15<sup>th</sup>). Following further discussion, and upon a motion by Commissioner Gillespie, seconded by Commissioner Shields, the board voted unanimously to approve the request.

**SUBORDINATION AGREEMENT WITH MACON CITIZENS HABILITIES:** Following an explanation by Mr. Jones, and after brief discussion, upon a motion by Commissioner Gillespie, seconded by Commissioner Beale, the board voted unanimously to approve a Subordination Agreement with Macon Citizens Habilities, an executed copy of which is attached (Attachment 11) and is hereby made a part of these minutes. Approval of the agreement will allow Macon Citizens Habilities to borrow \$300,000 from Entegra Bank against property located on Lake Emory Road, where the organization is headquartered.

**LOAN PROGRAM FOR SMALL BUSINESSES:** Macon County Economic Development Director Tommy Jenkins presented the board with a proposal to help small businesses through loans of up to \$10,000. He said some small businesses have "fallen between the cracks" in terms of securing the Paycheck



Protection Program (PPP) loans offered through the Small Business Administration that were designed to help those businesses keep their workers on payroll during the COVID-19 pandemic. He then outlined the basics of a microloan program the county could institute, whereby businesses with up to 49 employees that have suffered a 25 percent loss of revenue could borrow up to \$10,000 at a four percent interest rate for a period ranging from six to 42 months. Mr. Jenkins suggesting looking to the county's economic development reserve funds for up to \$250,000 to fund the program. Commissioner Beale told the board, "It's pouring on small businesses in this county," and said the balance in the reserve fund was more than \$900,000. He proposed placing \$350,000 into the loan program, and asked the board to consider letting Mr. Jenkins and Mr. Jones "pursue" the idea. A lengthy discussion ensued, one that at times focused on whether the county should be in the "banking business," but Mr. Jenkins said that small businesses traditionally have a hard time borrowing small amounts of money from banks, and he noted that another entity could administer the loan program, creating a "firewall" between the county and the disbursement of funds. No action was taken, although the matter was to be placed on the board's June regular meeting agenda.

**BUDGET WORK SESSION:** Following discussion, the board agreed by consensus to hold a budget work session on Tuesday, June 26 at 6 p.m.

**CONSENT AGENDA:** Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve the consent agenda as presented, which includes: (A) the minutes of the March 10, 2020 regular meeting, the March 17, 2020 emergency meeting and the March 26, 2020 special meeting; (B) budget amendment #242 for Solid Waste to appropriate \$1,816 from an insurance settlement; #243 for the Department of Social Services (Senior Services) to appropriate \$5,400 in additional revenues; #244 for the Health Department to use \$2,181 in Medicaid Cost Settlement funds to cover the purchase of Epi pens for school health; #245 for the Transit Department to appropriate \$9,000 in grant funding received from the Dogwood Health Trust; #246 for the Health Department to allocate \$66,934 in new funding for COVID-19 response; #247 for the Sheriff's Department to appropriate \$5,715 from an insurance settlement; #248 for the Sheriff's Department to allocate a \$1,000 donation from Countryside Chevrolet to cover officers' meals related to COVID-19; #249 for the Juvenile Crime Prevention Council (JCPC) to appropriate \$2,800 in additional funds received for the HIGHTS Compass Program; #250 for a non-departmental amendment that appropriates \$68,694 received from the CARES Act Provider Relief Fund for expenses related to COVID-19; and #251 for the Department of Social Services to appropriate a \$5,000 allocation of additional LIEAP funds (copies of the amendments are attached); (C) there were no tax releases for the month of April and (D) received the monthly ad valorem tax

collections report for the month of April, which shows an overall 97.78 percent collection rate, and for which no action was necessary.

**CLOSED SESSION:** At 9:28 p.m., upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to go into closed session for the purpose of discussing potential property acquisition under NCGS 143-318.11(a)(5). At 9:40 p.m., upon a motion by Commissioner Gillespie, seconded by Commissioner Higdon, the board voted unanimously to come out of closed session and return to open session. No action was taken.

**RECESS:** With no other business, at 9:41 p.m., upon a motion by Commissioner Gillespie, seconded by Commissioner Higdon, the board voted unanimously to recess the meeting until Tuesday, May 26, 2020 at 6 p.m. in the commission boardroom on the third floor of the Macon County Courthouse, located at 5 West Main Street in Franklin, NC, for the primary purpose of holding a budget work session.

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Derek Roland  
Ex Officio Clerk to the Board

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Jim Tate  
Board Chairman