

**MACON COUNTY BOARD OF COMMISSIONERS
CONTINUED SESSION
MAY 26, 2020
MINUTES**

Chairman Tate reconvened the meeting at 6:00 p.m. as recessed from the May 12, 2020 regular meeting, and noted that the primary reason for the meeting was to discuss the proposed Fiscal Year 2020-21 budget. 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.

Chairman Tate asked Mr. Jones about additional items for the agenda, one being a revised resolution for the Hospice House project, and the other being a revised contract with the Reed Estate. Mr. Shields added an item, asking to request that the Macon County Planning Board consider a review of the county's telecommunication tower ordinance. Mr. Roland also added an item regarding a brief update on CARES Act funding. The board members agreed to the revised agenda by consensus.

Prior to discussing the items on the agenda, Commissioner Beale offered condolences regarding the death of Macon County Sheriff's Deputy David Head and his wife, Dawn, following a motorcycle accident in Clayton, GA on May 23rd. Funeral services are scheduled for Thursday, May 25, at 11 a.m. in Scaly Mountain, and Commissioner Beale said a funding page will be set up on the sheriff's webpage to help the family. Chairman Tate called Mr. Head "a good friend of mine," pointing out that the two played Little League baseball together, and that for a period of time Mr. Head was part of his landscaping firm's team. Commissioner Beale said a 22-year-old was charged in the multi-vehicle accident.

UPDATE ON TAX SOFTWARE CONTRACT: Tax Administrator Abby Braswell presented a PowerPoint presentation regarding an update on a contract with Bi-Tek to provide an integrated tax office software system for the county. A copy of

that presentation is attached (Attachment 1) and is hereby made a part of these minutes. She explained that a major change in the contract had taken place, with Bi-Tek agreeing to reimburse the county a pro-rated portion of the project fees if the firm unilaterally terminates the agreement within 60 months of the date it is signed. With a license fee of \$309,656, she said that means the county would receive a reimbursement of \$5,160.33 for each month within that timeframe that the firm asks to be released from the agreement. She then covered the anticipated schedule for release, noting that the new system is expected to be “live” by March 2021. Next up was the license and fee schedule, with the county expected to pay a yearly fee of \$51,171 as shown. That was followed by a breakdown of the one-time project fee of \$309,656, none of which is due at the signing of the contract, Mrs. Braswell pointed out, but is due April 1, 2021. She also noted that 15 days of on-site training is expected and is provided at a rate of \$1,000 per day. She requested that the board approve the “Master Agreement,” an unexecuted copy of which is attached (Attachment 2), and authorize Mr. Roland to sign it. Mr. Jones interjected that there is also a need for signatures on the software license and support agreement, which is included as “Exhibit B” in the document. Following further discussion, and upon a motion by Commissioner Gillespie, seconded by Commissioner Beale, the board voted unanimously to approve the request as presented.

UPDATE ON MACON MIDDLE SCHOOL PROJECT: Commissioner Beale said the school liaison committee members, he and Commissioner Shields, had met and discussed the planned renovation of Macon Middle School. However, he explained that proceeding with the project could “constrain” the board in the future in terms of borrowing money. He spoke of an \$11-million amount that the county was to receive, and he said that if that money comes through, then great, but if it doesn’t, “it will handcuff this board.” He further explained that county officials have approximately 90 days in which to tell the architect on the project how to proceed, and he and Commissioner Shields suggested that the county use that time to allow for a better view on financing the project, and that the committee’s recommendation is to postpone any progress on the project. Mr. Roland spoke to the economic uncertainty of the project due to questions about getting money from the state, and said a provision in the agreement with the architectural firm allows for “suspension” of the project. Commissioner Beale said that if the county moves forward without assurances of receiving the additional funding, it would limit the county’s borrowing for the next five to seven years. He then made a motion to suspend the project, authorize Mr. Roland to contact the architect regarding the county’s plans, and to notify the Macon County Board of Education of the county’s action. Commissioner Shields seconded the motion, and all favored.

DISCUSSION REGARDING RECOMMENDED FISCAL YEAR 2020-21 BUDGET:

- (A)** Otto Volunteer Fire Department: Chairman Tate told the board that he had lunch with Otto Volunteer Fire Department Chief Terry Rholetter two to three weeks ago and discussed the department's request for a tax increase, and that he had shared with Mr. Rholetter that "it was a very, very tough year" to consider approving that. He said that Mr. Rholetter would make a presentation to the board at its June regular meeting.
- (B)** Macon County Schools: School Superintendent Dr. Chris Baldwin told the board that we are "all dealing with COVID-19," but that the system was working on the assumption that the new school year would start on August 17th. Meanwhile, he said that Nantahala will have graduation on June 5th, but both Franklin and Highlands have been postponed until at least August 1st. Chairman Tate said that he has sat through many budget discussions but has "never heard so little" from the schools, as this time on the agenda had consumed less than five minutes. Commissioner Beale pointed out that 26 percent of the county's budget goes to fund education, and he said Dr. Baldwin and the members of the school board "realize we're all in this mess together."
- (C)** Macon County Solid Waste: Solid Waste Director Chris Stahl began by talking about the proposed increase in the annual landfill fee, which would rise \$13 from \$95 a year to \$108. He explained that the market for recyclables has gone away, and he is projecting a \$300,000 loss to revenue to the solid waste's department's enterprise fund because of that, adding that the bulk of the money from the increased fee will go to replace that loss. Mr. Stahl said that a \$1 increase in the fee generates approximately \$27,000 in revenue. The discussion then turned to a proposal to take some of the county's part-time recycling convenience center attendants and make them permanent part-time employees, which would allow them to participate in the local government employees retirement system, would allow them to accrue annual and sick leave, and would allow them to participate in the county's 401(k) retirement program. Mr. Stahl said that plans for this have not been finalized, but the cost of making this switch would be anywhere from \$35,000 to \$50,000. The 30 or so part-time attendants targeted in the plan would not receive a salary adjustment, while another 25 or so employees would no longer have jobs. Further discussion centered on the department's enterprise fund and plans to renovate the recycling centers, with Mr. Stahl pointing out that the centers were put in place in the late 1980s to early 1990s. Commissioner Higdon expressed his displeasure with the proposed increase in the landfill fee, which turned into a broader discussion about the impact of recycling.

Chairman Tate commented later that in terms of the new budget, every single department across the county is “taking a hit this year,” and asked Mr. Stahl why his department’s expenditures were increasing, which led to more discussion.

(D)General budget discussion: Mr. Roland asked the board members if there was any reason that they couldn’t support passage of the recommended budget. Following brief discussion about the logistics of hearing from Otto Volunteer Fire Department about its proposed tax increase, Commissioner Beale said that he hates to see the money for the Community Funding Pool cut in half, and asked that this item be reviewed mid-year as planned. MR. Roland said the plan is to assess where revenues are in six months, but for now, the planned reductions allow the county to continue operating and provide services without “relying on our savings account.” He also noted the plan to reorganize the Buildings and Grounds and Parks and Recreation departments, essentially by moving some employees of the former department to the latter department where the primary duty of those employees already centers on maintenance of park facilities. Chairman Tate stated that “the only thing I’m hearing” is concern regarding the Otto VFD tax increase, and suggested having another meeting before the public hearing and potential adoption of the budget at the June 9 regular meeting.

BUDGET AMENDMENTS: Upon a motion by Commissioner Gillespie, seconded by Commissioner Beale, the board voted unanimously to approve budget amendments #279, 280, 281 and 282 as presented by Mrs. Carpenter. Copies of those budget amendments are attached and are hereby made a part of these minutes.

REVISED RESOLUTION REGARDING HOSPICE HOUSE: Mr. Jones explained that when the board adopted a prior resolution regarding the Hospice House project, the group that is looking to build and operate a hospice house in Franklin was doing business under a different name. He said the new version contains the correct name, and that nothing else has changed. Upon a motion by Commissioner Beale, seconded by Commissioner Shields, the board voted unanimously to approve a Revised 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 3) and is hereby made a part of these minutes.

REVISED CONTRACT WITH THE REED ESTATE: Following an explanation by Mr. Jones regarding the correction of a typographical error and the revision of some dates, upon a motion by Commissioner Higdon, seconded by Commissioner Gillespie, the board voted unanimously to approve an Agreement

for Purchase and Sale of Real Property with the Reed Estate, a copy of which Chairman Tate signed and is attached (Attachment 4) and is hereby made a part of these minutes.

DISCUSSION REGARDING TELECOMMUNICATION TOWER ORDINANCE:

Commissioner Shields expressed his concern that if COVID-19 comes back or continues to be an issue, broadband access in the county is not what it needs to be to support students learning from home as schools are closed. He said that approximately 40 percent of students have access that is “fine,” but for 30 percent it is “not good” and the remaining 30 percent have “nothing.” He suggested having the county planning board review the telecommunication tower ordinance to determine if the county can make it easier for providers to place towers in the county and increase broadband access and “stay out of this academic slide.” Jack Morgan, the county’s director of planning, permitting and development, said there is a desperate need for internet connectivity in Macon County, and talked about a revised process for tower approvals that would be quicker and benefit the provider. As it stands now, he said the process from start to finish takes about four months to complete. Following further discussion, no action was taken.

CARES ACT FUNDING: Mr. Roland explained that he needs to have a plan available by June 1 on how to spend the \$833,421 in CARES Act funding from the state. He noted that he has asked all county departments to account for expenses related to COVID-19, and that a portion of the funding is to go to the towns of Franklin and Highlands. This turned into discussion of another meeting, and the board agreed by consensus to recess this meeting until Tuesday June 2, 2020 at 6 p.m. in the boardroom. Commissioner Beale asked that Public Health Director Kathy McGaha update the board at that time regarding the latest COVID-19 statistics for the county.

CLOSED SESSION: Upon a motion by Commissioner Beale, seconded by Commissioner Gillespie, the board voted unanimously to go into closed session at 8:02 p.m. for the purposes of discussing potential property acquisition under NCGS 143-318.11(a)(5) and to preserve the attorney/client privilege under NCGS 143-318.11(a)(3). At 8:31 p.m., upon a motion by Commissioner Higdon, seconded by Commissioner Gillespie, the board voted to return to open session. No action was taken.

RECESS: With no other business, and at 8:32, p.m., upon a motion by Commissioner Shields, seconded by Commissioner Beale, the board voted unanimously to recess the meeting until Tuesday, June 2, 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.

Derek Roland
Ex Officio Clerk to the Board

Jim Tate
Board Chairman