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Posted By: Pat Parris
Witnessed By: _____

**MINUTES OF A
REGULAR MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
April 16, 2012**

The Jackson County Board of Commissioners met in a Regular Session on April 16, 2012, 6:00 pm, Justice & Administration Bldg, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Jack Debnam, Chairman
Charles Elders, Commissioner
Mark Jones, Commissioner
Joe Cowan, Commissioner

Chuck Wooten, County Manager
J. K. Coward, Jr., Co. Attorney
Pat Parris, Clerk to Board

Absent: Doug Cody, Vice Chair

Chairman Debnam called the meeting to order.

AGENDA: Chairman Debnam amended the Agenda by adding WestCare Hospital - MedWest. Commissioner Jones moved to approve the amended Agenda. Commissioner Elders seconded the Motion. Motion carried.

MINUTES: Commissioner Elders moved to approve the Minutes of the Work Session of March 26, 2012 and Regular Meeting of April 2, 2012. Commissioner Cowan seconded the Motion. Motion carried.

PROCLAMATION: Chairman Debnam read a Proclamation honoring older Americans.

Motion: *Commissioner Cowan moved to proclaim the month of May as Older Americans Month. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(1) COUNTY MANAGER REPORT: Mr. Wooten reported:

(a) **February 2012 Unemployment Numbers:** The February unemployment report reflects a .3% decline from January, but is .6% higher than January 2011.

(b) **Little Canada Community Center/Fire Department Bldg.:** Preventative maintenance is needed which can be handled from the maintenance budget: however, the gutters need to be replaced at an estimate of \$3,549. He requested that some of the funds set aside for possible property acquisition be used to complete this work.

(c) **Public Work Dept.:** The Public Works Dept. is continuing to look for opportunities to implement efficiencies to reduce operational costs. Bids were recently solicited to provide propane gas to all County locations. Consolidating multiple contracts into a single contract will generate savings. Based on current prices, the low bid from Smoky Mountain Propane will generate annual savings of several thousand dollars.

(d) **Future Meetings:**

1. The Occupancy Tax Sub-Committee has requested a joint work session on Monday, April 23rd, to discuss a proposed resolution requesting legislative modifications to the occupancy tax bill and the creation of a Tourism Development Authority.

2. The May 21st Board meeting will be held at the Balsam-Willetts-Ochre Hill Volunteer Fire Dept.

(e) **Airport:** Bids were received for runway improvements and the apparent low bidder is Harrison Construction Company who submitted a base bid of \$464,035. Mike Schoonover, Airport Manager, has indicated this amount is within the estimated budget for the project. The Airport Commission will be considering the bids and possibly making an award at its next meeting.

(f) Greenway Project: Staff is continuing to pursue acquisition of additional property to allow expansion of the trail area.

(g) Emergency Management Center: Renovation of the mobile unit is complete and staff will begin utilizing the facility on Monday, April 16th.

(h) Justice Center: The relocation of the emergency management personnel will free up space. Judge Letts has requested that the District Attorney be allowed to utilize the vacant space on a temporary basis. He also requested that the Commissioners consider appropriating funds in the FY12-13 budget to implement a study of the second floor on the courtroom end of the building and identify how a third small courtroom could be developed and security could be enhanced. If funds are available, an architectural firm that specializes in courthouse would be engaged.

(i) Green Energy Park: The Green Energy Park officially opened its new wood fired kiln this week and celebrated the occasion with an open house that was well attended by the community. This is another good example of a joint working relationship with the local schools, SCC and WCU.

(2) **CONSENT AGENDA**: Darlene Fox, Finance Director, presented Finance, Tax Collector and Refund Reports for March 2012 and three budget amendments. Tax refunds in the total amount of \$1,192.61 were made during March.

Motion: *Commissioner Cowan moved to approve the Consent Agenda. Commissioner Jones seconded the motion. Motion carried by unanimous vote.*

(3) **WESTCARE - MedWest**: Dr. Robert Adams, Chief Hospitalist, presented an overview of events causing his opposition to the management of WestCare by MedWest and reasons for leaving the hospital. In 2009, WestCare and Haywood Regional were evaluating the possibility of partnering with a larger hospital system. The hospitals hoped to become more efficient and effective by using experts the larger facilities could provide as advisors. Multiple potential partners were evaluated and Carolinas Healthcare System was selected. Neither WestCare nor Haywood Regional had planned to affiliate; however, Carolinas mandated the affiliation and MedWest was formed. In 2010, WestCare's senior management team was replaced by Haywood's team as part of the affiliation process and shortly thereafter WestCare's mid level management team was dismantled. New programs were started then abandoned; day to day operations were in shambles; staff were dismissed or quit in frustration and physicians began leaving. Financial transactions for the sole benefit of Haywood Regional have caused WestCare to be significantly damaged operationally and financially. WestCare's historic mission to ensure access to secondary care on a local level has been seriously compromised. In the opinion of Dr. Adams, MedWest has failed and should be dissolved. He recommended that the WestCare Board evaluate Mission Hospital as a partner because events of the past two years have proven that Mission is the only acceptable partner to WestCare communities. He urged the County Commissioners, civic organizations, church groups, employers and individuals to get involved and submit their opinions to Carolinas, the WestCare and MedWest Boards.

(4) **AUDIT CONTRACT (FY2011-12)**: Dixon Hughes PLLC submitted a contract and engagement letter for the audit period beginning July 1, 2011 and ending June 30, 2012. The audit fee is \$57,000 plus \$17,000 for preparation of financial statements.

Motion: *Commissioner Elders moved to approve the contract. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(5) **COLTON COURT**: Betty Estes, Owner, previously requested a waiver of late payment penalty fees in the amount of \$2,320.00. Mr. Wooten stated the Board has the options of waiving the penalty, denying the request or setting up a payment plan. Darlene Fox, Finance Director, will attempt to work out a payment plan with the owners.

Carry over.

(6) **REACH OF JACKSON COUNTY**: Rich Peoples, President, stated that at the regular scheduled meeting of REACH on January 12, 2012, the Board was informed there was a debt of back taxes and penalties associated with the delinquency of payroll taxes. A financial review prepared by the CPA firm of Gahagan, Black & Assoc. was provided. The review revealed checks were being entered into the accounting system as being paid when in fact they were not paid. The non-payment of payroll taxes began in December 2010. The amount owed was approximately \$81,000, including interest and penalties.

On April 12, 2012 the Board voted to file for dissolution of the corporation with the Secretary of State. Certified letters have been sent to all known creditors including employees informing them they have 120 days to file a claim. He stated he is hopeful there will be sufficient assets to pay all the obligations, but that is dependent upon numerous variables outside the control of the board. All real property will be listed for sale with a real estate agent.

REACH currently has very minimal funds and has expended the majority of funds paying the IRS debt. He requested the County to consider contracting with Gahagan, Black & Assoc., or another CPA firm, for the preparation of current financial reports necessary to finalize the dissolution.

Carry over.

(7) **REACH OF MACON COUNTY**: Mr. Wooten stated that REACH of Macon County has been assisting Jackson County citizens due to financial problems of REACH of Jackson County. REACH of Macon County requested reimbursement in the amount of \$14,000.

Motion: *Commissioner Cowan moved to appropriate \$14,000 from the Contingency Fund. Commissioner Elders seconded the Motion. Motion carried by unanimous vote.*

(8) **540 BROADCASTING CO., INC. (WRGC)**: Mr. Coward stated the original amount of the loan was \$289,000; however, it was necessary to retain the services of a Washington, D. C. firm to finalize documentation for transfer of the FCC license at an estimated cost of \$22,000. It was then determined that those attorney fees should be added to the loan which raised the loan limit to \$311,000. He requested approval of the new loan amount.

Motion: *Commissioner Elders moved to increase the loan limit from \$289,000 to \$311,000 to reflect inclusion of attorney fees. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(9) **WEBSTER BAPTIST CHURCH**: Webster Baptist Church has offered to transfer/donate a small piece of property of approximately 0.5 acres located beside the bridge across the highway from the Church. The property is identified on County tax maps as portions of PIN 7630-95-9494 and 7630-05-1260. The transfer would be subject to the following conditions:

- (a) The County shall pay all costs related to the transfer.
- (b) The County shall clear the property of brush, weeds and debris.
- (c) The County shall construct an access path from the edge of SR1340 to the river. The access path shall have steps as required to negotiate the grade change.

- (d) The County shall construct an access area at the water's edge to permit access for boating, fishing, etc.
 - (e) The County shall develop an amenity area on the property with a picnic table, seating and trash can(s).
 - (f) Construction of the access area shall be completed by September 1, 2012.
 - (g) The County shall permit the Church to use the access area for baptisms and other events.
 - (h) The County will coordinate with NCDOT for the provision of a marked crosswalk across SR1340 and an access through the guardrail located along SR1340.
 - (i) The Church will agree to permit parking for users of the access area in its parking lot.
- Mr. Coward stated there are no problems for the County in accepting the gift.

Motion: *Commissioner Cowan moved to accept the property transfer and conditions. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(10) ALLISON OUTDOOR ADVERTISING: Allison Outdoor Advertising requested a 5-year lease to keep two billboards on the site of the new Emergency Management Center on Hwy. 441. The rent is \$1,600 per year payable one year in advance.

Carry over.

(11) MOUNTAIN PROJECTS – PUBLIC HOUSING AUTHORITY ANNUAL PLAN: Cheryl Wilkins, Housing Director, stated that an annual plan must be submitted to the Board for approval. Section 11.0 reflects there were no comments from the Resident Advisory Board and there were no challenged elements.

Motion: *Commissioner Jones moved to approve the Public Housing Authority Annual Plan. Commissioner Cowan seconded the Motion. Motion carried by unanimous vote.*

(12) EAST CAROLINA DENTAL SCHOOL: Mr. Coward recommended approval of a Memorandum of Understanding addressing maintenance of slopes at the Webster Complex.

Motion: *Commissioner Jones moved to approve the Memorandum of Understanding. Commissioner Elders seconded the Motion. Motion carried by unanimous vote.*

Informal Comments by Public

- (a) Marie Leatherwood of Sylva stated her dissatisfaction with the Board.

Press Conference

There being no further business, Commissioner Cowan moved to adjourn the meeting. Commissioner Jones seconded the Motion. Motion carried and the meeting adjourned at 7:45 p.m.

Attest:

Approved:

Patsy C. Parris, Clerk to Board

W. J. Debnam, Chairman