

**MINUTES OF A
REGULAR MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
MAY 03, 2022**

The Jackson County Board of Commissioners met in a Regular Session on May 03, 2022, 6:00 p.m., Justice and Administration Building, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present:	Brian McMahan, Chairman	Don Adams, County Manager
	Boyce Deitz, Vice Chair	Heather C. Baker, County Attorney
	Mark Jones, Commissioner	Angela M. Winchester, Clerk to the Board
	Tom Stribling, Commissioner	
	Gayle Woody, Commissioner	

Chairman McMahan called the meeting to order.

(1) **PROCLAMATION HONORING OLDER AMERICANS**: Commissioner Deitz read a Proclamation to proclaim May as Older Americans Month. Commissioner Deitz moved to approve the Proclamation. Commissioner Woody seconded the Motion. Motion carried.

Eddie Wells, Department on Aging Director, was in attendance to accept the Proclamation.

(2) **AGENDA**: Chairman McMahan requested to remove one item: Safety Discussions. He requested to add one item: Conflict of Interest Policy. Commissioner Woody moved to approve the agenda as amended. Commissioner Stribling seconded the Motion. Motion carried.

(3) **MINUTES**: Commissioner Jones moved to approve the minutes of a Regular Meeting of April 19, 2022, as presented. Commissioner Stribling seconded the Motion. Motion carried.

(4) **CHAIRMAN'S REPORT**: Chairman McMahan stated that he enjoyed the opportunity to attend Little League's 65th Anniversary event on Saturday. They had a great hometown concert by Matt Stillwell at Mark Watson Park. There were a lot of Little League supporters and families in attendance and it was a great evening in the county.

(5) **COMMISSIONER REPORTS**:

(a) Commissioner Deitz thanked all the citizens that had picked up trash on the roadsides over the last few weeks. It was obvious they had put in a lot of time and work.

(b) Commissioner Woody stated that she attended the Parks and Recreation Board meeting. It was exciting when Rusty Ellis, Parks and Recreation Director, presented that there were only two items on the long-term plan left to finish. One was the pool, which they were moving ahead on and the other was a park in the Qualla-Whittier area, which they were also moving ahead on. She thanked Mr. Ellis and his staff for applying for a grant with a short turn around. She was not on the Board when the long-range plan was adopted, but to see it come to fruition was wonderful.

Mother's Day was Sunday and they appreciated all of the mothers and their legacies. Also, Saturday was WCU graduation and she had been so impressed with the number of students doing internships, working at various nonprofits and picking up litter. The impact WCU students had on the community was positive in many ways. She wished the best to all those who were graduating.

(c) Commissioner Jones stated that in a couple of weeks, the traffic in the southern end of the county would start increasing. That day, traffic was backed up considerably from the red light at Highway 107 and Highway 64. He requested that the Commissioners encourage NCDOT for any work to be done on the roundabout that was needed for traffic and pedestrian safety. He congratulated Mr. Adams for the new sidewalk that would go up in the Cashiers area. The more sidewalks they had, the safer it would be.

(6) COUNTY MANAGER REPORT: Mr. Adams reported:

(a) **Indoor Pool:** On May 2nd, Jackson County appeared before the Cullowhee Planning Council for the Architectural Review Process for the Aquatics Center. It was well received and approved to move forward by the Cullowhee Planning Council.

He provided the Board the information that was presented to the Cullowhee Planning Council, which included renditions of the existing facility along with the addition to include two pools. He shared a virtual walk through of the facility.

They went through a stringent prequalification process in order for contractors to bid on the project. The following contractors attended the prequalification proposal meeting, submitted qualifications and were prequalified to bid on the project:

- Harper Construction, Asheville
- FM Blum, Asheville/Winston Salem
- Hickory Construction, Hickory
- Elford Construction, Charlotte
- HM Constructors, Asheville

They were out to bid for the project and bids were due to be received and opened at 3:00 p.m. on June 3rd. Later in the meeting, they would discuss the financing aspect of the indoor pool.

(b) **Qualla Property:** The Qualla property had closed and the property was owned by the county, which was just in time for the PARTF Grant application. They were hopeful to receive a grant to proceed forward with the project.

(7) INFORMAL COMMENTS BY THE PUBLIC: None.

(8) WESTERN CAROLINA UNIVERSITY CAPSTONE PROJECT – ADDRESS THE NEED FOR OPIOID INTERVENTION: Commissioner Woody stated that she had the privilege of attending a Capstone Project presentation by WCU Students. The county would be receiving opioid settlement money and the WCU students would be graduating on Sunday, so she felt it was timely for the Board to hear the presentation. This would be information to help them as they moved forward with further discussions.

WCU Students Maggie Lloyd, Siena Gates and Simon Ryoo presented: Shortage of Substance Abuse Workers: Jackson County: Proposal for Loan Forgiveness Program:

(a) Main factors contributing to the shortage:

- Relatively high educational requirements required for the job. (NASW, 2022)
- Lack of funding and incentives for workers in rural areas. (Hammig, 2020)
- Prevalence of addiction had been exacerbated by the Covid-19 Pandemic, causing a massive increase in demand for substance abuse professionals. (NIH, 2022)

(b) Jackson County Statistics:

- Substance Misuse: Substance Misuse originally emerged as a health priority during the 2011 CHA process. Particularly concerning were the increase in overdose deaths, number of Naloxone reversals and the lack of follow-up or education post-overdose and tobacco use. (Carraway, 2022).
- Opioid Deaths: Opioid deaths have surged in Western NC over the past decade. Jackson County overdose death rate was higher than the state rate per 100,000. (Carraway, 2022)

- Mental Health: Previous data cycles showed that resident’s mental health had been suffering, but the COVID-19 pandemic severely exacerbated the strain on mental health and the limited systems to address it. Jackson County had the highest suicide ideation percentage in all Western North Carolina counties and many report ongoing days of poor mental health, seeking treatment for mental health and not being able to get the mental health care that they need. (NIH, 2022)
- (c) Mental Health Workforce Statistics in North Carolina: Mental Health Care Health Professional Shortage Areas (HPSAs), September, 2021:
- North Carolina:
 - Percent of need met: 13.4%
 - Practitioners needed to remove HPSA designation: 199
 - United states:
 - Percent of need met: 28.1%
 - Practitioners needed to remove HPSA designation: 6,559
- (d) Share of adults reporting symptoms of anxiety and/or depressive disorder who had an unmet need for counseling or therapy, September 29 – October 11, 2021:
- North Carolina: 23.3%
 - United States: 26.9%
- (e) Tobacco and substance misuse in the county:
- 28.4% unintentional poisoning deaths/overdose deaths
 - 12% opioid poisoning deaths
 - 68.1% opioid prescribing rate
- (f) Methods: Research Data:
- New York State Licensed Social Worker Loan Forgiveness (LSWLF) Program-The purpose of this program was to increase the number of licensed social workers, pertaining to mental health and substance abuse. The awards under this program was a maximum of \$26,000 or the applicant’s actual eligible student loan indebtedness, whichever was less. This program had been successful in addressing the shortage of substance misuse workers in New York, so the proposal for the loan forgiveness program would model this. (Hochel & Linares, 2022)
 - NC MOA: High-Impact Opioid Abatement Strategies: This program, created by North Carolina, as a result of the opioid epidemic, would allocate approximately \$6 million to Jackson County to combat this ongoing crisis. Jackson County Commissioner, Gayle Woody, stated that these funds could potentially be used towards the loan forgiveness program, to address the substance misuse worker shortage in the county. To test the effectiveness of this program, Gayle Woody, would like to start with a smaller amount of students, about 2-3, at \$25,000. (Woody, 2022)
- (g) Focus for the county: They chose to come up with a proposal trying to address the issue of the lack of funding and incentives for workers in rural areas.
- (h) Proposal: The proposal idea was to implement a loan forgiveness program for students that were majoring in social work and other substance misuse-related careers. This was an award-for-service program that offers full or partial loan forgiveness for social workers who agree to a predetermined term of service in Jackson County.
- The program would be funded by the opioid settlement funds (6 million dollars given to Jackson County):
- \$22,466 average student loan debt at WCU
 - \$25,000 proposal amount per person – 15 student max each year
 - \$375,000 total amount of request for the Loan Forgiveness Program

- (i) How this program would help:
 - It would allow students who want to go into a field related to substance abuse to have their tuition and school fees paid for or given at a reduced price.
 - It would provide these students with great financial support from the State or Government and be a great incentive to get workers to stay in rural areas.
 - It would inspire a competitive nature in the university's social work program with the most qualified students being selected for the Loan Forgiveness Program.
- (j) Career ideas these students would take on in the county:
 - Mental Health Workers: Social workers that specialize in Clinical Alcohol, Tobacco and other drugs
 - Addiction Counselors: Substance Abuse Counselors
 - Certified Peer Support Specialists: Recovery Services Workers
- (k) Program eligibility requirements: Modeled by New York Program:
 - Be a NC resident and have resided in NC for 12 continuous months prior to applying for this Program
 - Be a U.S. citizen or eligible non-citizen
 - Have obtained their Social Work degree or Emergency Medical Care degree
 - Be in a non-default status on a student loan made under any NC or federal education loan program or repayment of any NC award
 - Be in compliance with the terms of any service condition imposed by a NC award.
- (l) Program Terms:
 - Student would be rewarded \$6,500 every 6 months, which equals out to \$13,000 per year which could be used towards student loan debt
 - To receive this money, the student must sign a contractual agreement to staying in Jackson County to work in the related fields for at least two years
 - Student must agree to work in a field regarding substance misuse that would help career areas with worker shortages
 - Any breakage of this agreement would result in paying back the money received
- (m) Pilot Program:
 - The pilot program would consist of 2-5 students each to see if the program was reliable and students would work in their respective rural areas for OUD.
 - The program would offer 2-5 students a chance to receive \$25,000 over a span of 5 years which would entail \$5,000 per person each year.
 - After the students graduate they would choose a healthcare facility in their respective rural areas to work with people with OUD and other substance abuse related issues.

General discussions were held.

Chairman McMahan stated that he was very impressed with their research and what they had come up with as a possible solution. He thought it was something the Board would consider as they looked ahead at the future of the settlement funds to the county as they would find ways to impact people's lives.

Informational item.

(9) REZONING REQUEST – CULLOWHEE PLANNING DISTRICT: Anna Harkins, Planner I, stated that the Planning Department received an application from DT Ventures II, LLC, requesting a Zoning Map Amendment for 3264 Old Cullowhee Road (PIN #7559-45-1434) and a portion of the adjoining property (PIN #7559-45-2354). The request was to rezone the subject properties from Institutional to Commercial.

The Cullowhee Planning Council and the Planning Board both unanimously recommended that the Commissioners consider approval of the proposed map amendment and consistency statement. A public hearing was held prior to the regular meeting with no public comment.

Commissioner Jones asked if there were any objections at the Cullowhee Public Hearing?
Ms. Harkins stated no, there were no objections.

Motion: *Commissioner Deitz moved to approve the Zoning Map Amendment and Consistency Statement, as requested. Commissioner Woody seconded the Motion. Motion carried by unanimous vote.*

(10) JUVENILE CRIME PREVENTION COUNCIL (JCPC): Heather Baker, JCPC Chair and Kerri Tucker, JCPC Board Member, were present for this item.

Ms. Tucker presented selected programs, certification, membership list and proposed funding for FY22-23. The amount allocated from the state was \$128,439 with a county match of \$50,234. The plan detailed a breakdown of how the funds would be dispersed to each program:

- HIGHTS: \$73,997
- HIGHTS – Restorative Justice Options: \$25,037
- Hawthorne Heights: \$28,621
- Jackson JCPC Administration: \$784

Regarding the JCPC Membership, Commissioner Deitz was the Commissioners' representative on JCPC. The members decided how the funds were used through an RFP process.

Motion: *Commissioner Deitz moved to approve the Programs, Certification, Membership List and Funding Plan for FY22-23, to include a match of \$50,234.00. Commissioner Woody seconded the Motion. Motion carried by unanimous vote.*

(11) OFFER TO PURCHASE AND CONTRACT FROM JOSHUA TREE ASSOCIATES, LLC AND RESOLUTION R22-07: Ms. Baker presented an offer she received from Joshua Tree Associates, LLC for Lot 42, Bear Pen, containing 1.27 acres, (PIN #7545-69-1348) and Lot 43, Bear Pen, containing 1.42 acres, (PIN #7545-69-1577) in Mountain Township for \$2,500.00 for each lot, a total of \$5,000.00. If approved, they would send letters to all of the adjoining property owners. This would also be published in the newspaper for the upset bid process.

Motion: *Commissioner Stribling moved to approve Resolution R22-07, as presented. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(12) INDOOR POOL UPDATE AND FINANCING: Darlene Fox, Finance Director was present for this item. Mitch Brigulio, Senior Vice President, Davenport Public Finance; Carson Wiley, Public Finance Analyst, Davenport Public Finance; and Ted Cole, Senior Vice President, Davenport Public Finance, were present via Zoom for this item.

Mr. Adams provided the Board with a copy of the presentation: General Obligation Bonds, Series 2022 – Direct Bank Loan Bid Summary. He also provided the Board with a letter from Webster Bank.

He stated that the purpose of the discussions was regarding the type of financing for the indoor pool. The timing of some of these issues would be relevant to the discussions. As a reminder, they were scheduled to open bids on June 2nd for this project. At the same time, they were proceeding forward with getting bond ratings so the county could be rated to go out to a public market and sell bonds.

Currently, the county was scheduled to meet with three rating agencies on May 11th. Once the county received bond ratings and opened bids, they would be in a position to sell bonds. They also had to go through a Local Government Commission process, which they already had the bonds approved. They scheduled a sell date for the bonds on June 28th.

Last week, he received information from Davenport, the county's financial consultant, that they were running into a market where interest rates were quickly rising. He and Ms. Fox were working with the financial consultants and followed through with some of Davenport's recommendations, including instead of looking at selling the bonds in an open market, they wanted to see if there banks interested in buying the bonds.

There were banks that were interested and had given a bid to buy the bonds. The bond market was already anticipating the rate increases. Traditionally, bond rates would be lower than a bank rate. But, at that time, banks were not as far along anticipating the rate increases as the bond market. The county was in a position, if the Board deemed appropriate, to move forward and lock in interest rates versus waiting two months when they believed interest rates would be significantly higher.

If they locked in the rates, after they opened bids and the Board decided which direction they were going to go, they would have the best financing options available at that time versus waiting. The consultants had been working very hard and had gotten multiple bids.

Mr. Brigulio stated that a sale date of June 28th had been scheduled for the public sale market process, which was when they could lock in interest rates for the public sale. The public sale market was very transparent and published on a daily basis. Interest rates were up 1.7% since January for 15-year interest rates. The rising interest rate environment had continued throughout the year and picked up over the last couple of months. They were seeing larger increases month over month.

Given where they were with the project bids coming in on June 2nd, they were at a time where they were able to lock in interest rates with banks. Typically banks would hold interest rates from 45 to 60 days, so they were now in that window to consider this option. Over the last week, they solicited indications of interest from various banks for a direct bank loan, which would be evidenced by a general obligation bond. They would still be using the General Obligation Bond Authorization that was approved in November, 2020. They could use the General Obligation Authorization by using a bank loan as opposed to issuing bonds in the public market.

(a) He presented the formal term sheets from the banks that were interested:

<u>Lender</u>	<u>15 Year Term</u>	<u>Bank Fees</u>	<u>Acceptance/Rate Expiration</u>
Key Government Finance	3.23%	\$0	May 6th / June 17th
Truist Bank	3.32%	\$7,500	No Deadline / June 27th
Capital One	3.44%	\$0	May 9th / June 3rd
Webster Bank	3.24%	\$0	May 13 th / June 17th

Currently, the lowest rate they received from a bank was from Key Government Finance. They also provided the best flexibility for prepayment of the loan. If they were not able to close by the deadline, there would be no penalty, but the interest rate would be subject to change. He also shared the debt service comparison chart for a 15-year term for each lender.

(b) Recommendation: Based upon their review of the proposals, related analyses and discussions with County Staff and Bond Counsel, due to the current interest rate market environment, Davenport recommended that the county select the Direct Bank Loan Funding Approach with either Key Bank or Truist Bank.

(c) Next Steps:

- May 10th: Board of Commissioners Meeting: County Board considers adopting a Preliminary Findings Resolution
- June 2nd: Jackson County Recreation Center Project Bids Due
- June 7th: LGC approves financing
- June 7th: Board of Commissioners Meeting: County Board considers approving a Final Resolution
- Mid-Late June: Closing on Financing

Mr. Adams stated that on June 2nd, in order to open bids, they would have to receive three. If there were less than three bids, they would have to re-advertise and open bids on June 13th. A required closing date of June 17th would potentially put the Board in the position of making a final decision by June 17th. If they opened bids on June 2nd, they would have a couple of weeks.

If the bids came back higher and they were not able to fund it with this loan by June 17th, they would most likely be into the month of July and would have to go back to the LGC for approval. At that point, they would have to release all of these interest rates. There would be no penalties to the county for not closing on the loan on June 17th.

The recommendation from County Staff would be to proceed forward with Key Government Finance. If the Board followed that recommendation, County Staff requested that the Board vote to approve the Key Government Finance Term Sheet for the 2022 GO Bond for a Direct Bank Loan Approach. If the Board voted on this item, it would allow them to lock in the rate that week and County Staff would come back before the Board on May 10th with a formal Resolution to confirm the direct bank loan approach.

Chairman McMahan stated that he thought it was key that there were no consequences or negatives to lock in the rate. He thought this was a good opportunity.

Mr. Adams stated that it would also save the county \$60,000 if the Board proceeded forward with the recommendation, as they would not hold the meetings with the three rating agencies on May 11th.

General discussions were held.

Motion: *Chairman McMahan moved to adopt the Key Government Finance Term Sheet for the 2022 GO Bond for a Direct Bank Loan Approach, as presented and recommended, to lock in the rate. Commissioner Stribling seconded the Motion. Motion carried by unanimous vote.*

(13) CONFLICT OF INTEREST POLICY: Ms. Baker stated that recently, several grants required a Conflict of Interest Policy, which they had dealt with them on a case by case basis. With ARPA money coming into the community, which involved federal funds, they would see this a lot. She presented a policy for consideration by the Board so they would have the policy in place for upcoming grants and projects they were working on.

The policy mirrored state law and as County Employees and Public Officials they were already under obligation, as stated in the policy. The County's Human Resource Manual did have statements about Conflicts of Interest, which were included in this policy. They were not adding or making a more restrictive policy, they were only putting it all together in one policy.

Chairman McMahan stated that they already did this and had been abiding by the statements in the policy, but to be clear, they wanted to put this into a policy for adoption.

General discussions were held.

Motion: *Commissioner Jones moved to approve the Conflict of Interest Policy, as presented. Commissioner Woody seconded the Motion. Motion carried by unanimous vote.*

(14) FINAL OFFER FOR 2.5 ACRES SCOTTS CREEK: Ms. Baker stated that on March 15, 2022, the Board approved the initial bid from Timothy and Belinda Heaton for 2.5 acres in Scotts Creek Township (PIN#7662-48-8003) for \$600.00. The offer was upset and the final bid was for \$2,550.00 from Jacob Cox. This had been advertised for ten days with no further upset bids. She requested approval of the final bid, which was \$2,550.00.

Motion: *Commissioner Deitz moved to approve the offer for the final bid of \$2,550.00 for 2.5 acres in Scotts Creek Township (PIN#7662-48-8003), as presented. Commissioner Stribling seconded the Motion. Motion carried by unanimous vote.*

(15) BRIDGE NAMING REQUEST AND RESOLUTION R22-08: Chairman McMahan stated that this item was carried over from a previous meeting. He presented Resolution R22-08 in support of naming Jackson County Bridge No. 27 "The Wade and Becky Wilson Bridge", for consideration.

Motion: *Commissioner Jones moved to approve Resolution R22-08, as presented. Commissioner Woody seconded the Motion. Motion carried by unanimous vote.*

Mr. Adams requested that the Town of Dillsboro continue to take the lead on this project.

(16) AGRICULTURAL ADVISORY BOARD: Commissioner Woody requested to reappoint William Shelton for her appointment.

Commissioner Deitz requested to reappoint Joe Grasty for his appointment.

Motion: Commissioner Woody moved to reappoint William Shelton and Joe Grasty to additional three-year terms on the Agricultural Advisory Board. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.

(17) CULLOWHEE PLANNING COUNCIL:

Motion: Commissioner Woody moved to reappoint David Claxton to an additional three-year terms on the Cullowhee Planning Council. Commissioner Stribling seconded the Motion. Motion carried by unanimous vote.

(18) HISTORIC PRESERVATION COMMISSION: Commissioner Jones requested to appoint Celeste Pratt for his appointment.

Motion: Commissioner Jones moved to ratify the Town of Webster's appointment of Brandon Core to serve an unexpired term on the Historic Preservation Commission, term expiring August 01, 2023 and to appoint Celeste Pratt to a three-year term on the Historic Preservation Commission. Commissioner Deitz seconded the Motion. Motion carried by unanimous vote.

(19) PRESS CONFERENCE: None.

(20) CLOSED SESSION:

Motion: Commissioner Woody moved that the Board go into closed session pursuant to G.S.143-318.11(a)(5) Real Property. Commissioner Stribling seconded the Motion. Motion carried.

Chairman McMahan called the regular meeting back to order and stated that no action was taken in closed session. He stated the meeting would be in recess until Tuesday, May 10th at 12:55 p.m. The meeting recessed at 8:16 p.m.

Attest:

Approved:

Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman