

Land of Sky Regional Council  
September 26, 2018  
Regular Meeting



*Please mute all electronic devices, including cell phones, laptops, tablets, and recorders. Delegates are requested to state their names when moving on orders of business. Thank you!*

**AGENDA**

*Special Presentation and Discussion with Senator Terry Van Duyn on Moving Municipal Election Cycles to Even-Numbered Years (12:45pm)*

- I. Call to Order (1:15pm)
- II. Invocation
- III. Pledge of Allegiance
- IV. Roll Call
- V. Modification and Approval of Agenda
- VI. Public Comment
- VII. Recognition of Special Guests
- VIII. Chairman's Comments and Roundtable
- IX. Approval of Minutes from the August Regular Meeting
- X. Consideration and Approval of Consent Agenda Items
  - A. August FY 2019 Treasurer's Report
- XI. Presentations/Recognition
  - A. Comprehensive Economic Development Planning Process and Disaster Preparedness  
– Erica Anderson, Director of Economic and Community Development
- XII. Old Business
- XIII. New Business
- XIV. Executive Director's Report
  - A. NADO Innovation Awards
  - B. Strategic Plan
- XIV. Important Dates
- XV. Adjournment



## **BOARD OF DELEGATES AGENDA ITEM**

- Subject:** August Board of Delegates Meeting Minutes
- Item Number:** X. Approval of Minutes from the August Regular Meeting
- Responsible Party:** Zia Rifkin, Administrative Services
- Attachment(s):** Minutes from the August 2018 Meeting
- Background:** The August 2018 meeting had a quorum to conduct business and the minutes provide a recap of the special presentations made by Mission Health System and Dominion Energy. The business meeting was devoted to a discussion of strategic planning for Land of Sky Regional Council.
- Staff Recommendation:** Recommend acceptance of the August 2018 meeting minutes.
- Suggested Motion(s):** Move to approve the August minutes as submitted

**Meeting of  
Land of Sky Regional Council Board of Delegates  
August 22, 2018**

**Minutes**

Special Presentation – Cara Truitt introduced Dr. Mike Hathaway, Senior Vice President and Chief Medical Officer with Mission Health System. Dr. Hathaway shared a little bit of background on the transaction that Mission Health is involved in with HCA, which is headquartered in Nashville, Tennessee. This is expected to be a big phase-change for the Mission organization. Dr. Hathaway noted that Mission is currently in step two of a five-step process to determine what the deal with HCA would look like. Hopefully, the transaction would close by the end of 2018. He shared that healthcare is an area of immense consolidation and Mission has often asked if they should partner with another group. Last year, Mission decided maybe this was the time to find a partner interested in working with Mission in WNC. Dr. Hathaway noted that HCA would be extremely complimentary to the Mission System. Mission provides good clinical care but desires a partner that can help with the organizational aspects of the healthcare system. As this is a complex merger, thousands of documents have been transferred to HCA and many areas of concern are under discussion in both organizations. Dr. Hathaway noted that the next phase of the process would be the regulatory phase where the transaction details are provided to the NC Attorney General. Mission's goals include getting a fair price for their system, and that the sale and proceeds benefit everyone in the western region of the state. Proceeds from the sale would be put into a foundation (Dogwood Health Trust), which would have between one and two billion dollars in assets. He communicated that \$50 million annually would be returned to the communities that Mission serves with the goal of dramatically improving the health and wellbeing of all people in WNC. HCA was chosen because Mission believes that they would be able to help the system become more sustainable. During the due diligence process, it has become clear to Mission that HCA is dedicated to many of the same goals as the Mission System and they have significant cost efficiencies. Currently, HCA predominately provides services in the southern states, but Mission would be the first acquisition in North Carolina. Dr. Hathaway shared that Mission is considering this sale now due to simple economics; since the better off Mission is at the start of the acquisition process, the better the deal would be to engage a partner. Dr. Hathaway noted that rural hospitals are closing, which concerns Mission. This acquisition would have Mission become a for-profit entity allowing for re-investment back into the communities that Mission serves including tax benefits. In addition, as part of the transaction, an investment fund would be created and would include investments into the community to address the core causes of disease including poverty, addiction, etc. Chair Harris noted that LOSRC is an excellent resource and has much the same footprint of Mission Health. More information may be found at <https://missionhealthforward.org/>.

Discussion occurred regarding Mission's due diligence process and what the long-term impacts would be to the communities the system currently serves. Dr. Hathaway noted that there are great opportunities for the soon-to-be established foundation. This could be a transformational process for the region as the foundation would be separate from the healthcare system. Discussion also occurred regarding the concern expressed by some folks in the community about the Mission merger. Additionally, there is a concern about moving the system from a non-profit to a for-profit entity. Dr. Hathaway noted that healthcare is financed on a case by case basis- high outcomes bring profits. Mission currently receives a fee for service for some things. Dr. Hathaway addressed some of the changes that would occur by moving from a non-profit to a for-profit model. Moving forward, the Mission System would have some of the same challenges; however, the difference would come from savings on back office operations. Discussion occurred regarding the consequences of Mission merging, since currently, Mission is locally operated. That would be sacrificed somewhat by merging; however, some autonomy would remain (details have yet to be determined). Dr. Hathaway noted that while there may be some loss of autonomy, the current Mission leadership could remain for up to a year after the merger.

The next presenter was Bruce McKay with Dominion Energy. He shared that the company is involved in the acquisition of SCANA (parent company of PSNC). The goal is to have the acquisition closed by the end of the year. Headquartered in Virginia, Dominion has about two million gas and utility customers. Bruce McKay noted that some years ago, SCANA moved to add two nuclear reactors and spent many millions of dollars and faced many issues. The utility commission in South Carolina is concerned because someone has to pay for the difficult situation with SCANA. Dominion has offered to come in and stabilize SCANA. He noted that PSNC is important to many of the leaders on the LOSRC Board. The

intention of Dominion is to pledge to bring in a stand-alone operating subsidiary (PSNC). Dominion wants to collaborate in economic development and is in the business of selling gas and utilities. Bruce McKay noted that PSNC would fit well in the Dominion system.

Discussion occurred about whether nuclear energy was still a viable option for energy production and Bruce McKay shared that nuclear is very viable, but the regulatory requirements are great. However, it is tough to compete with natural gas. Worldwide, nuclear is going to be around for a long time to come.

- I. Call to Order – Chairman Larry Harris called the meeting to order at approximately 1:15pm.
- II. Invocation – Chairman Harris gave the invocation.
- III. Pledge of Allegiance – All stood as Chairman Harris led the group in the Pledge of Allegiance.
- IV. Roll Call – Justin Hembree called the roll. The following members were present Larry Rogers, Forrest Gilliam, Vijay Kapoor, George Goosmann, Jonathan Kanipe, Larry Harris, Albert Gooch, Bob Davy, Alison Alexander, John Mitchell, George Morosani, Charles Dickens, and Gaylyn Justice. The following guests were present: Cara Truitt, Dr. Mike Hathaway, Jeff Wells, April Riddle, and Timothy Sadler. Justin Hembree announced a quorum was present to conduct business.
- V. Modification and Approval of Agenda – The agenda was presented for approval with a modification to move the Chairman’s Comments and Roundtable to the end of the meeting. Chair Harris noted that the business meeting would be devoted to a discussion of strategic planning.

***Chair Harris moved to approve the agenda as modified and the Board reached consensus that the agenda be modified.***

- VI. Public Comment –No comments were received from the public.
- VII. Recognition of Special Guests – Chairman Harris recognized April Riddle, Western Region Commissioner for the North Carolina Department of Insurance (NCDI).
- VIII. Approval of Minutes from the June Regular Meeting – ***George Goosmann moved to approve the minutes of the June 2018 meeting. George Morosani seconded and the motion carried without further discussion.***
- IX. Consideration and Approval of Consent Agenda Items – The Consent Agenda, consisting of Item A. July FY 2019 Treasurer’s Report was presented for consideration.

***Bob Davy moved to approve the Consent Agenda as presented. George Morosani seconded and the motion carried without further discussion.***

- X. Presentations/Recognition –
- XI. Old Business –
- XII. New Business –
  - A. Land of Sky Regional Council Strategic Plan – Chair Harris communicated that some delegates have stepped forward to serve on a strategic planning committee including Albert Gooch (Village of Flat Rock), George Morosani (Economic Development Representative for Buncombe County), Alison Alexander (Town of Laurel Park), and Nancy Allen (Town of Marshall). Bob Davy also expressed his willingness to serve on the committee. The goal is to incorporate some of the discussion from today’s meeting and provide steerage of the organization over the next five to ten years.
- XIII. Chairman’s Comments and Round Table – Vijay Kapoor – Shared that there is so much change happening in the region and local officials tend to focus on municipal issues. It can be difficult to get regional initiatives

going. He suggested that board meetings could be devoted to specific issues that are going on in the region. In addition, LOSRC could provide options to enable local elected officials to move forward, which is the purpose of the organization. John Mitchell - Shared that LOSRC could be the regional agency that provides those draft policies, addressing issues faced by member governments. Chairman Harris shared his curiosity regarding whether LOSRC had the resources to draft prototype ordinances/resolutions. Erica Anderson - Shared that LOSRC does have that capacity. The organization could draft those documents and she noted that those documents could include language options for drafting ordinances/resolutions. Jonathan Kanipe - Shared that it would also be important to determine what member jurisdictions could do to get information out to other jurisdictions and he gave the example of Justin's Managers Luncheon, which is a quarterly meeting to discuss issues local jurisdictions are facing. Those are the groups where issues could be discussed. It would be incumbent on participating members to encourage other members and jurisdictions to get involved. Alison Alexander - Shared that elected officials need to be mindful of staff capacity. She also communicated that LOSRC has brought many issues to the attention of member governments including the broadband issue, etc. Jonathan Kanipe shared that the goal should be to get that value out there. The purpose of LOSRC is to serve as a regional leader, showing innovative ways to do things, offering a forum for members to learn from each other. Erica Anderson shared that it would be good to hear more direction from the board. Cara Truitt - Shared that it has been very informative to learn about Council of Government agencies. Dr. Mike Hathaway - shared his perspective on COGs by noting that some of the issues brought forth earlier, including inter-municipality issues- LOSRC could be instrumental in developing solutions to regional issues. In addition, the real power of the COG is that when a solution is found to a regional issue, other regions could benefit from the solution as well. Chair Harris noted that COGs are a great way to access regional leadership, which is the broader mission and keeping member governments informed. Forrest Gilliam - Shared that big issues are very good for the Council to discuss; however, the uniqueness of our region cannot be ignored, which brings its own difficulties. He noted the Dogwood Trust/Mission merger, broadband, etc. and shared that Madison County has limited resources (as do some municipalities) and appreciates being able to utilize the services of Workforce Development, Economic/Community Development, etc. Madison County could use help with human resources functions and it is helping some of its municipalities with that, as well. George Morosani - shared that the best thing about LOSRC is that it is regional and works to help the region as a whole. The regional perspective is important- if one of the municipalities has a problem, others could have the same issue. If LOSRC could hold the region together by providing solutions, which could benefit many members, that would be a success. Bob Davy - Shared that a regional group (like LOSRC) leads to a wider breath of knowledge. LOSRC is the one organization where everyone can work together and he noted the need to do more of that type of collaboration. LOSRC helps the region be a leader in Health/Aging, transportation, etc., which are regional issues. The other important thing is to research particular issues, which would save municipalities monies in the end since they would not have to expend funds to do the research themselves. Charles Dickens - Shared that LOSRC is the "big tent", working to engage member governments, and in the current climate, to build a sustainable region. He encouraged the Board to think in global as well as local terms. John Mitchell shared that he has always viewed COGs as 50% of their purpose is to bring elected officials together in incidental contact so they can become familiar with each other. This approach is two-pronged: it is great for staff and elected officials to be here; but elected officials have to have a good enough reason to be here. There is a fine line between receiving advice and dictating to- the difference is the buy in on the front end. Larry Rogers - shared that he is outside of government and he noted the types of issues Henderson County could have with NCDOT's plans for projects in the county, which all start in FY 2019 or 2020, Discussion occurred about the many projects that are planned to begin around the same time as per NCDOT timelines. Chair Harris shared that the Board of Delegates needs to have more interaction with the Metropolitan Planning Organization (MPO) just to stay in the loop (in a larger group setting). He mentioned that MPO meetings are very different than Council meetings and it would be important to have a good bridge of communication between the MPO and the Board of Delegates. Jeff Wells - Wondered if there could be a way for LOSRC to advertise their services and the benefits of those to smaller communities like Mills River? Chair Harris shared that the goal is to develop a strategic plan that is practical and to take the results of the committee's work and develop a job description for the executive director. Communication with member governments is a very high priority. George Goosmann - Thanked Jeff Wells for coming to the meeting today.

He noted that he has served on the LOSRC board for 17 years and has seen many changes, based on what the feds have done with funding, etc.; there are so many other municipalities that do not take advantage of getting involved in LOSRC, which effects all parties, as the board could benefit from their input.

Erica Anderson shared that she would work with the MPO staff to come up with a brief summary of transportation projects in the region and the impact those could have on member governments. She noted the need to share information among the communities and that there was a great need to move folks across county lines for healthcare, employment, etc. She continued that it is important to talk about the issues that the region is facing and where the Regional Council could access the issues for positive impacts. Lastly, she shared that the MPO and Economic Development Administration (EDA) are working with the chambers of commerce (Asheville Chamber and Henderson County Partnership) to look at building resiliency from economic hazards so communities could be less impacted long-term. Chair Harris shared that he has a friend that is very involved in the community who was concerned about disaster planning. Perhaps, LOSRC could develop a regional forum to discuss local disaster plans. LeeAnne Tucker – Shared that the Area Agency on Aging (AAA) serves older adults in the region. One third of residents are seniors, in some municipalities, it is over one-third. She noted that the programs offered by AAA have wait lists two and three years long. She communicated that the AAA is looking to diversify its funding and is currently working with the organizations that provide aspects of the social determinate of health. The goal is to position the AAA to do things in a very different manner, which could increase funding. The biggest issue in Aging is social isolation, which takes up many resources from law enforcement. The AAA is working on ways to engage these older adults so they are not lonely at night. Older adults face issues around housing, transportation, and employment. Chair Harris noted that as far as funding sources, it was important for the Mission Health folks to be at today's meeting. He noted the Dogwood Foundation could be able to assist the work of the AAA. Deon Lytle – Followed up on the concerns of both Erica Anderson and LeeAnne Tucker. He shared that there is a need for a regional transportation authority, especially with the state moving to a Managed Health Care System. He noted that Non-Emergency Medicaid Transportation (NEMT) was written into the Request of Proposals (RFP) for the State Managed Health Care. The State Managed Health Care would be divided into six regions for the entire state. With LOSRC providing NEMT services for Buncombe County, Council needs to determine the direction to pursue moving forward. Danna Stansbury – Shared that LOSRC is a very different organization that also has an internal strategic planning committee that should work nicely with the board's committee. She noted the importance of the organization listening to member governments and going in the direction needed. She noted the value of gathering all of the strategic plans in the region in order to determine what should be worked on and to determine how LOSRC can play a role to take some of the burden off member jurisdictions. Nathan Ramsey – Shared that the region is blessed with fine community colleges, great employers, etc. Mission is the largest employer in the region. The issue is how to help employers meet their workforce needs. The region has an older, poorer population and the region has the lowest unemployment in the state but over 7000 people are still unemployed in the region. He noted the issues of economic mobility. He communicated that he would like member governments to direct how Workforce Development can help the communities, as some long-term trends would continue to be with us even as our current good economy won't. Vickie Thomas – Shared that we have smaller communities that have special challenges and LOSRC could be the organization that helps to put solutions in place. She noted that LOSRC has access to many resources, which in turn could be used to assist member communities. Bob Davy shared that those who have experience as local officials should be recognized for the skills and knowledge they have gained. Chair Harris shared that everyone is invited to be a part of the strategic planning committee and notice would be provided well in advance so folks could plan to attend. He shared that the goal is to move forward in a concise manner with direction on what the organization should do in the next twelve to twenty-four months.

#### XIV. Executive Director's Report –

A. BBQ & Open House Recap - Justin Hembree shared that the BBQ would become the annual event and the December meeting would become the awards meeting.

Public comment – Timothy Sadler, a resident of Buncombe County, commented that he wanted to bring to everyone’s attention that there is a family in the area that has recently patented a new building material, which is a pre-cast panel that expedites the timeline of construction.

XV. Important Dates – The next Board meeting is scheduled for Wednesday, September 26, 2018.

XIV. Adjournment – As there was no further business, Chair Harris adjourned the meeting.



## BOARD OF DELEGATES AGENDA ITEM

- Subject:** August FY 2019 Treasurer's Report
- Item Number:** X. Consent Agenda, Item A
- Responsible Party:** Vickie Thomas, Finance Director
- Attachment(s):** August FY 2019 Treasurer's Report
- Background:** Attached is the August FY 2019 Treasurer's Report. The report outlines year-to-date revenues and expenditures. Also included is cash balance informaton, fund balance reporting, and member dues information.
- Staff Recommendation:** Recommend acceptance of the August FY 19 Treasurer's Report.
- Suggested Motion(s):** The Treasurer's Report, if not pulled, will be accepted as part of the motion to approve the consent agenda.

**Land of Sky Regional Council  
Treasurer's Report  
August, 2018**

	<u>Amount</u>	% of Budget
<b><u>YTD Report of Receipts &amp; Expenditures</u></b>		
Total Annual Budget	\$ 12,522,101	
Year-to-Date Revenues	\$ 1,169,507	9.34%
Year-to-Date Expenditures	(917,979)	7.33%
Grant/Contract Cash Balance	<u>\$ 251,528</u>	
Year-to-Date Target Percent		16.67%

**Cash Balance Report**

Total Cash Balance at beginning of month	\$ 1,957,344
Cash Received during month	1,669,427
Cash Expenditures for month	<u>(1,023,353)</u>
Total Cash Balance at end of month	<u>\$ 2,603,418</u>

**Fund Balance Report at 6/30/17 (Audited)**

Unassigned	\$ 1,252,476
Restricted-Stabilized by State Statute	1,087,503
Total Fund Balance	<u>\$ 2,339,979</u>

**Assessments (Dues) Report**

YTD Billed to Member Governments, 1st quarter	\$ 55,440
Collected to Date	(15,554)
Balance Due	<u>\$ 39,886</u>



## BOARD OF DELEGATES AGENDA ITEM

**Subject:** Executive Director's Report

**Item Number:** XIV. Executive Director's Report

**Responsible Party:** Justin Hembree, Executive Director

**Attachment(s):** None

**Background:** The following item will be presented as part of the Executive Director's Report:

- A. NADO Innovation Awards
- B. Strategic Plan

**Staff Recommendation:** N/A.

**Suggested Motion(s):** N/A