

**BOARD OF COUNTY COMMISSIONERS  
AND  
DURHAM CITY COUNCIL**

DURHAM, NORTH CAROLINA

Monday, June 9, 2008

4:30 P.M. Special Session

**MINUTES**

Place: Commissioners' Room, second floor, Durham County Government Administrative Complex, 200 E. Main Street, Durham, NC

Present: County Commissioners: Chairman Ellen W. Reckhow, Vice-Chairman Michael D. Page, and Commissioners Lewis A. Cheek, Philip R. Cousin Jr., and Becky M. Heron

City Council: Mayor William V. "Bill" Bell, Mayor Pro Tempore Cora Cole-McFadden, and Council Members Farad Ali, Eugene A. Brown, Diane N. Catotti, Howard Clement III, and J. Michael Woodard

Absent: None

Presider: Chairman Reckhow

**Call to Order**

County Commission Chairman Ellen Reckhow called the meeting to order and welcomed everyone. She stated that the purpose of today's joint meeting is to address the Interlocal Agreement for the Prepared Food Tax and the Current Status of Warrant Control.

She invited the City Council members to stay for dinner after the meeting.

**Interlocal Agreement for the Prepared Food Tax**

Chairman Reckhow noted the revised interlocal agreement and project list which had been distributed.

County Attorney Chuck Kitchen reviewed the three changes to the interlocal. The first change was that House Bill 2690 is no longer referenced because both a House and Senate Bill have been filed; it is not known which one will pass. In addition, "(see schedule 'A' attached)" under "5. Use" has been deleted; Schedule 'A' has been addressed in 4.A. "City Manager" has been added to the signature line for "City of Durham".

Chairman Reckhow asked if anyone had questions regarding the interlocal agreement.

No one had questions.

Assistant County Manager Heidi York reviewed the changes on the project list. Hayti Heritage Center was added at \$23,682,250 for an expansion. A decision was made to combine the History Museum and the Parrish Street Museum; the increase in funding from \$100,000 to \$500,000 was for additional planning money. The shaded line at the bottom reflects all of the categories for a total of \$173,204,214.

Chairman Reckhow stated that the list is now over \$100 million. With expected revenues from the prepared food tax, it is estimated that debt service will be paid on about \$68 million worth of projects. "The good news is that a decent dent can be made in the list." The history on the prepared food tax shows steady growth. Research from seven or eight years ago showed revenues of about \$3 million; now, revenues are estimated at \$5 million.

Commissioner Heron asked who provided the estimates.

Chairman Reckhow replied that Keith Lane from the Budget Department provided the numbers based on current interest rates and what can be served with GO Bonds right now. It is a point in time reference.

Per a question by Vice-Chairman Page, Chairman Reckhow responded that the Civic Center is listed twice on the project list: once under "Downtown Facilities" with a short-term project of \$6 million (deferred maintenance needs since 2004); second under "Other Projects" as an expansion with an estimate of \$58 million. The Civic Center represents over one-half of the total project costs; however, the expansion may not occur in the near future. Chairman Reckhow stated that a recommendation has been made by a consultant for the expansion; no architectural designs have been drawn.

Vice-Chairman Page asked a question about the Armory.

Assistant to the City Manager Karmisha Wallace informed Vice-Chairman Page that the Armory is open while undergoing renovations. The amount shown on the list is to continue with maintenance and repair items.

Commissioner Heron asked if the \$365,000 for the Armory has been appropriated in the City's 2008-09 budget or would it come from the prepared food tax.

Ms. Wallace responded that she was unsure whether the money has been budgeted; she would find out.

Ms. York stated that the money has not been appropriated in the budgets for most of the projects.

Ms. Wallace stated that the list essentially represents unfunded needs at the various facilities.

Council Member Woodard moved, seconded by Mayor Pro Tempore Cole-McFadden, to approve the Interlocal Agreement for the Prepared Food Tax.

Council Member Clement requested that the City be kept informed as to the collection and distribution of these monies.

Chairman Reckhow responded that his concern is addressed in 4.C. Annual Statement.

The motion carried unanimously by the Durham City Council.

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Commissioner Cheek moved, seconded by Commissioner Heron, to approve the Interlocal Agreement for the Prepared Food Tax.

The motion carried unanimously by the Durham County Commissioners.

Chairman Reckhow thanked the City and County Attorneys and the City and County Managers for their work on this project.

The interlocal follows:

INTERLOCAL COOPERATION AGREEMENT  
FOR THE COLLECTION, ADMINISTRATION, AND USE OF THE MEALS TAX  
BETWEEN THE COUNTY OF DURHAM  
AND THE CITY OF DURHAM

This Agreement made, dated, and entered into as of the 9th day of June, 2008, between the County of Durham, a political subdivision of the State of North Carolina, hereinafter referred to as the "County" and the City of Durham, a North Carolina municipal corporation, hereinafter referred to as the "City". This Agreement is made pursuant to Article 20 of Chapter 160A of the North Carolina General Statutes.

WITNESSETH:

WHEREAS, pursuant to a Bill entitled "An Act to Authorize the County of Durham to Levy a One Percent Sales Tax on Restaurant Meals in the County of Durham if Approved by the Voters" hereinafter referred to as the "Bill", the County and the City of Durham desire to enter into this interlocal agreement ("Agreement") in order to provide for the collection, use and distribution of the meals tax revenues between the City and County of Durham; and

WHEREAS, this Agreement is made and entered into in anticipation of a referendum on the Meals Tax to be held in the County of Durham on November 4, 2008;

NOW THEREFORE, for and in consideration of mutual covenants contained herein and the mutual benefits to result therefrom, the parties hereby agree as follows:

1. DEFINITIONS:

A. Meals Tax: The Local Government One Percent Meals Tax on Restaurant Meals in the County of Durham as authorized by the Bill, and levied by the County.

B. Gross proceeds. The revenue collected pursuant to the Bill, less refunds made to nonprofit and governmental entities.

2. PURPOSE: The purpose of this Agreement is to provide for the collection, use and distribution between the City and County of Durham of the Meals Tax revenues approved by the voters of the county.

3. COLLECTION & ADMINISTRATION. The County shall be responsible for the administration of the Meals Tax levied pursuant to this Agreement, the Bill, and N.C.G.S. 153A-147. The County shall design, print, and furnish to all applicable businesses and persons in the taxing unit the necessary forms for filing returns and instructions to ensure the full collection of the tax. The County shall collect the tax as allowed by law and shall make appropriate refunds to nonprofit or governmental entities as required by law. The County shall distribute monies to the projects jointly identified and approved by the City and County pursuant to this Agreement and distribute to the City monies designated for the projects for which the City has taken responsibility through contract. Monies distributed for approved projects shall be designated as distributions from the City-County meals tax and shall be accounted for separately from funding either entity provides to such projects from other sources.

The County shall retain a sum equal to 3% of the Gross Proceeds of the Meals Tax revenues collected as consideration for the administrative services provided pursuant to this Agreement. The remaining proceeds shall be distributed as provided in Part 4 of this Agreement.

4. SELECTION OF PROJECTS & DISTRIBUTION OF FUNDS

A. SELECTION OF PROJECTS: The City and the County shall jointly and cooperatively determine on a periodic basis, through a joint resolution, those projects that will receive funding from the Meals Tax Revenues and the party that will be primarily responsible for the project. The proposed initial projects are set forth on Schedule A, attached hereto and incorporated herein. The

projects to be funded shall be identified by category in accordance with the categories set forth in Section 5 below. The total funding for each category shall conform to the allocation formula set forth in Section 5 below. The County will distribute the revenues to the projects identified for funding or to the City for distribution to the project where the project is one largely supervised by or under contract with the City.

- B. **DISTRIBUTION:** The County shall pay to the City on a monthly basis by wire transfer monies for those projects which the City is primarily responsible for in accordance with the project list jointly approved in accordance with section 4A. The County Finance Director shall calculate the allocation and provide the information to the City for approval and remittance. The Meals Tax Revenues shall be included in the County's Annual Single Audit.
  - C. **ANNUAL STATEMENT.** The County will provide, annually, a statement of the Meals Tax revenues collected, refunds, amount retained by the County for administration, and the amounts distributed to projects and to the City for distribution to projects.
5. **USE:** The 1% Meals Tax proceeds shall be used by the City and County as follows:
- 10% for destination marketing
  - 5% for workforce training
  - 5% for community cleanup
  - 80% for civic and cultural amenities
6. **DURATION:**
- A. The effective date of this Agreement shall be the date upon which the Meals Tax levied becomes effective.
  - B. This Agreement shall endure until terminated as set forth in subparagraph 4C. The governing body of each party hereto has determined the duration to be reasonable.
  - C. This Agreement may be terminated by either party upon at least six (6) month's prior written notice; however, termination shall be effective only at the end of a fiscal year. This agreement shall automatically terminate upon the repeal of the Meals Tax by the County. Further, termination of this Agreement by either party shall effectively repeal the Meals Tax.

7. GENERAL PROVISIONS:

- A. This Agreement shall be recorded in the Office of the Clerk of both the City and County.
- B. Amendments to this Agreement, if allowed by law, shall be effective only when reduced to writing and duly executed by parties.
- C. Appointment of Personnel. The City Manager shall designate persons to carry out the City's obligations under this Agreement. The County Manager shall designate persons to carry out the County's obligations under this Agreement.
- D. The laws of the State of North Carolina shall control and govern this Agreement.
- E. This Agreement sets forth the entire agreement between the County and the City and supersedes any and all other agreements on this subject between the parties.
- F. Any claims, disputes, or other controversies arising out of, and between parties to this Agreement which may ensue shall be subject to and decided by the appropriate division of the General Court of Justice of Durham County, North Carolina.
- G. The subject headings of the paragraphs are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. This agreement shall be deemed to have been drafted by both parties and no interpretation shall be made to the contrary.
- H. This Agreement is made for the benefit of the City and the County and not for any other entity or person.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed on the day and year first above written, in their respective names by their proper officials by authority of resolutions duly adopted by the governing bodies of each of the taxing units.

**Current Status of Warrant Control**

Chairman Reckhow called on Assistant County Manager Heidi York to provide an overview.

A summary of Ms. York's comments follow:

Warrant Control:

A proposal to improve warrant service in both the City and County of Durham

Current Status of Warrant Service:

- Both Durham Police & County Sheriff's Office are serving about half of the warrants they receive
- Tracking warrants through separate, incompatible databases
- Clerk of Court & Magistrate's Office also on a separate database system
- Over 1,500 warrants generated per month
- Backlog of inactive warrants: 50,000 – 60,000 stored in cardboard boxes in Magistrate's break room/locker room
- Over 9,000 warrants are added to backlog annually

City Police Department:

- Receive 1,100 warrants per month
- Just under 4,000 active warrants in system
- Warrants served occasionally through special operations and District Commanders conduct periodic warrant service
- 16 FTE Clerks process warrants; 50% of time spent on warrants
- Tracking system used is SunGard OSSI

County Sheriff's Office:

- Receive 434 warrants per month
- About 1,700 active warrants in system
- Warrants served by warrant squad: 4 assigned deputies; currently only 2 serving warrants
- Child support warrants served through 2 deputies funded by DSS
- 5 FTE Records Clerks, only 1 of these currently processing warrants; 8% of her time spent on warrants
- Tracking system used is a Visions software program

Best Practices in NC:

- Administrative Office of Courts recommended: Cumberland; Gaston; Guilford; and Mecklenburg
- Also surveyed Buncombe, Forsyth, and Wake
- Information sought:
  1. Dedicated officers and clerks?
  2. Warrant repository? Location and hours?
  3. Backlog of warrants?
  4. Statistics on warrants served and unserved
  5. Tracking system?

Findings in Other Counties:

- Tracking software consistently praised and used most often is SunGard OSSI

- Sheriffs' Offices receive half the number of warrants as municipalities
- 7.75 FTE average number of dedicated deputies
- 4.7 FTE average number of dedicated clerks
- Durham receives average number of warrants
- NCAWARE- statewide repository and warrant service software, allowing paperless warrants and web-based access for all law enforcement agencies; summer 2009 for Durham?

Recommendations:

- Creation of a Central Warrant Control Office
- Dedication of a Warrant Squad
- Implementation of strategies by District Attorney's Office to purge backlog of warrants

Central Warrant Control Office:

- One-stop warrant repository
- Warrant information center for Police & Sheriff
- Serve as liaison between Clerk of Court, law enforcement, Magistrate's Office, and public
- Operate coordinated database using SunGard OSSI software program until NCAWARE installation
- Staffing: 8 FTE clerks: 4 from City; 4 new hires
- Operating Expenses:
  - Salaries: \$134,923 for new hires
  - Furniture & Equipment: \$16,935 (start-up)
  - Software: \$15,300 (start-up)
- Located in Magistrate's current conference room: secure, 24/7 access  
Renovation cost: \$15,000

Dedicated Warrant Squad:

- 8 FTE Deputies, 100% of time spent on serving criminal warrants
- Currently 4 deputies; create 4 new positions including a Sergeant
- Total first year cost including salaries, benefits, equipment, and vehicles: \$369,203
- Police Officers and other Deputies continue to serve warrants based on agreed upon priority list

Implement Strategies of DA's Office

- D.A.'s Office committed to clearing backlog of warrants
- Agreed to purge all Class 2 and 3 misdemeanors prior to 2002
- Every Assistant District Attorney is giving one half-day a week to sign dismissals of these warrants
- Continue efforts until backlog is cleared, then monthly dismissals



Recommendations:

- Total costs are approximately \$551,361
- Operating costs are shared equally between City and County
- Warrant Control Office functional by January 2009
- Warrant Squad fully functional within 12 months of funding agreement
- Execute an Interlocal Agreement to coordinate warrant service under the Sheriff's Office

Chairman Reckhow asked about the amount of savings if the Clerks are funded for six months as opposed to 12 months.

Ms. York responded that the savings would be about \$67,000 to bring the total amount to \$483,899, shared 50/50 at \$241,949.

Mayor Pro Tempore Cole-McFadden requested clarity regarding the City clerks.

Ms. York replied that the City clerks are already employed and involved in warrant control 50 percent of the time. Other duties comprise the remaining 50 percent.

Ms. York explained to Council Member Clement the proposed split of 75% City and the 25% County which was referenced in her memorandum; however, the recommendation is for a 50/50 split.

Chairman Reckhow pointed out that the City is getting a good deal because the County's support level based on the deputies is high.

Commissioner Cheek and Chairman Reckhow stated that the 75% City/25% County split is confusing in the memorandum; it should be disregarded. Discussions have always been for a 50/50 split of the operating costs.

Ms. York apologized for the confusion.

Commissioner Heron opined that the current contributions of the City (four clerks) and the County (four deputies) should be considered.

Council Member Clement expressed concern about the backlog of warrants in Durham County.

Ms. York and Chairman Reckhow explained that Durham County is no exception; other jurisdictions struggle with the problem, as well.

Commissioner Cheek shared his perspective; various counties deal with the backlog of warrants by not addressing the issue. The recommendations before the group today are a

tremendous step in the right direction. The common repository will greatly enhance the situation.

Deputy Chief Ron Hodge, Durham Police Department, was called forward by Mayor Pro Tempore Cole-McFadden.

Deputy Chief Hodge emphasized that the proposed plan will help better manage the warrants. He had reservations as to whether the plan would improve warrant service. The major problem is that the warrants do not have current addresses. Durham City will still serve its own criminal warrants.

Chairman Reckhow asked Deputy Chief Hodge if he was advocating a piece of the proposal (the central repository).

Deputy Chief Hodge gave his opinion that a warrant squad is not cost effective.

Chairman Reckhow mentioned the subject of serving subpoenas.

Deputy Chief Hodge stated that the Durham Police Department attempts subpoena service via telephone.

Commissioner Cheek commented that some subpoenas are required to be served personally. He declared strong support for the proposed plan, which is a result of input from the judicial system as well as others. Commissioner Cheek promoted the service of warrants involving serious offenses.

Council Member Brown concurred with the comments of Commissioner Cheek. He supported the plan wholeheartedly and was in favor of moving it forward. The next major step is to determine how to address better the issue of erroneous names and addresses on the warrants.

Per questions by Council Member Ali, Deputy Chief Hodge explained the service of subpoenas and warrants and the procedure involved.

Council Member Catotti stressed that warrants involving old weapons charges should not be released. She mentioned the internal database tracking system used in Gaston County.

Deputy Chief Hodge stated that the current system will provide information about outstanding warrants when a person's name is entered. Attaching addresses to the 911 system can be discussed and should not be difficult to accomplish.

Chairman Reckhow shared that she had conversations with Ms. York about working better with Probation and Parole about probation violations. Real problems have occurred in this area.

Mayor Pro Tempore Cole-McFadden thanked Chief Deputy Hodge for sharing his perspective.

Ms. York informed Council Member Clement that the interlocal has yet to be drafted.

Chairman Reckhow remarked that the County has \$250,000 set aside for the proposed plan.

City Manager Patrick Baker stated that the City has a place holder in its budget, as well. Implementing the plan will not result in an additional increase in the proposed tax rate.

Deputy Chief Wes Crabtree addressed a question from Vice-Chairman Page regarding two officers on extended medical leave.

Interim City Attorney Karen Sindelar requested clarification about which entity would employ the staff.

Ms. York stated that the staff would become Sheriff's Office employees.

Chairman Reckhow directed that the interlocal include an evaluation mechanism for accountability to the City and County. Periodic reporting (at least every six months) on the progress is also imperative.

Deputy Chief Crabtree appealed to the group to allow the four additional Clerks to begin working in December as opposed to January.

Sheriff Worth Hill cautioned that this plan is "just a start"; however, he stressed that the plan should be moved forward. The creation of a central warrant control office is a major accomplishment. Sheriff Hill vowed to work hard and do the best possible job in regards to the program.

Sheriff Hill answered Commissioner Heron's questions concerning Sheriff Deputy vacancies.

Attorney Sindelar asked if the two deputies (funded by the Department of Social Services) who serve the child support warrants would be in addition to the eight other officers.

Chairman Reckhow answered in the affirmative.

Chairman Reckhow requested that Ms. York calculate the additional funding needed to hire the clerks for an additional month (seven as opposed to six months).

Chairman Reckhow summarized that the consensus is to move forward with the proposed warrant control plan. The manager will determine when the clerks can be hired (either effective December or January 1). The Deputy Sheriffs will be hired as soon as possible.

Commissioner Heron asked how the process will begin.

Chairman Reckhow stated that District Attorney David Saacks is working on this. He is dedicating time from his Assistant DAs to process it. He has a protocol developed and hopes to cull out as many as 40,000 of the old warrants in the next few months. This is actually occurring as we speak.

Chairman Reckhow thanked Ms. York, the Sheriff's Office, and the Police Department for their work on this matter.

Chairman Reckhow announced that County Manager Mike Ruffin was absent due to undergoing emergency surgery last week, but is doing well. She thanked him for his work on the proposal.

Chairman Reckhow suggested that the interlocal agreement be created and presented at the next Joint City-County Committee meeting.

The consensus of the group was to cancel the July Joint City-County Committee meeting.

Chairman Reckhow remarked that the interlocal could be presented at the September Joint City-County Committee meeting.

### **Adjournment**

Chairman Reckhow declared the meeting adjourned at 5:51 p.m.

Respectfully submitted,

Vonda C. Sessoms  
Clerk to the Board