



Durham County

200 E. Main Street
Durham, NC 27701
(919) 560-0025

Meeting Minutes Board of County Commissioners

Wendy Jacobs, Chair
James Hill, Vice Chair
Heidi Carter, Commissioner
Brenda A. Howerton, Commissioner
Ellen W. Reckhow, Commissioner

Monday, May 22, 2017

7:00 PM

Commissioners' Chambers

Closed Session (To be held at: 6:00 pm)

Closed Session

Chair Jacobs stated the Board was requested to adjourn into Closed Session to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial appointment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee pursuant to G.S. § 143-318.11(a)(6).

Commissioner Carter moved, seconded by Vice Chair Hill to adjourn to Closed Session.

The motion carried unanimously.

7:00 pm Regular Session - Budget Presentation

Reconvene to Open Session

Chair Jacobs announced that the Board met in Closed Session and recessed the session until the end of the Regular session.

Opening of Regular Session - Pledge of Allegiance

Agenda Adjustments

Chair Jacobs announced that there were no agenda adjustments.

Announcements

Chair Jacobs read the following announcements:

1)The Manager will present the proposed FY 17-18 Budget to the Board this evening. The Board encourages you to come to the June 12th Regular Session to comment on the proposed Budget during our Budget Public Hearing.

2)Residents and visitors are invited to join Durham County Veteran Services as they honor America’s military service members who died while serving their country. The ceremony will take place at 9 a.m. on Monday, May 29, 2017 on the front steps of the Durham County Administration Building/Old Durham County Courthouse, located at 200 E. Main Street. For more information about this Memorial Day event, contact Harvin-Ravin at (919) 560-8387.

3)Please contact the Clerk’s Office at 919-560-0025 or clerk@dconc.gov to find out about opportunities to serve on one of our volunteer boards or commissions.

3)We invite you to tune in to Cable TV Channel 8 or 97-5 to see rebroadcasts of tonight’s meeting as well as other Durham County programming that may be of interest to you. Please contact the Public Information Office at 919-560-0008 or our website www.dconc.gov for more information.

4)These announcements may also be found on the County’s website or you may call the Clerk’s Office at 919-560-0025.

Minutes

Commissioner Reckhow moved, seconded by Commissioner Howerton to approve the April 3, 2017 Worksession minutes and the May 9, 2017 Bahama Ruritan meeting minutes.

The motion carried unanimously.

Ceremonial Items

Proclamation - National Emergency Medical Services Week in Durham County

Vice Chair Hill read the following proclamation:

EMERGENCY MEDICAL SERVICES WEEK | 2017

WHEREAS, Durham County’s emergency medical services system provides a vital public service; and

WHEREAS, the members of Durham County’s emergency medical services team are ready to provide lifesaving care to those in need 24 hours a day, 365 days a year; and

WHEREAS, access to quality emergency care in Durham County dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, Durham County’s emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators, and others; and

WHEREAS, the members of Durham County’s emergency medical services teams engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, Americans generally, and Durham County residents, workers, and visitors in particular benefit daily from the knowledge and skills of these highly-trained individuals; and

WHEREAS, it is appropriate for the Durham County Board of County Commissioners to join with other governing bodies across the United States in setting aside the week of May 21-27, 2017 in recognition of the value and the accomplishments of emergency medical services, by marking the week of May 21-27 as Emergency Medical Services Week.

NOW, THEREFORE, BE IT RESOLVED I, Wendy Jacobs, Chair of the Durham Board of County Commissioners and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 21-27 2017, as

“EMERGENCY MEDICAL SERVICES WEEK”

in Durham, North Carolina and with the theme *EMS STRONG – ALWAYS IN SERVICE*, I encourage the community to observe this week with appropriate programs, ceremonies, and activities in Durham County, North Carolina. commend its observance to our citizens.

This the 22nd day of May, 2017.

Wendy Jacobs, Chair
Durham Board of County Commissioners

Kevin Underhill, Interim Director of EMS spoke on behalf the department and stated that the staff worked hard to provide the best care possible. He added numerous hours were served especially over the holidays and even though they are short staffed they still strive to provide great service.

Chair Jacobs stated it was an honor to have the staff present and thanked them for their service.

Resolution - Supporting House Bill 280, “Juvenile Justice Reinvestment Act”

Chair Jacobs stated the Board supported this Bill for many years. She added that Commissioner Howerton spoke at the judicial hearing when it was presented at the state level. Chair Jacobs continued to say that the County was asked to continue to show support of the Bill as it moves through the Senate.

Commissioner Carter read the following resolution:

A RESOLUTION SUPPORTING RAISING THE AGE OF JUVENILE JURISDICTION FROM 16 TO 18 IN NORTH CAROLINA FOR ALL CRIMES OTHER THAN CLASS A THROUGH E FELONIES AND TRAFFIC OFFENSES AND SUPPORTING THE PASSAGE OF HOUSE BILL 280

WHEREAS, on May 17, 2017, the North Carolina House of Representatives adopted House Bill 280 and has now moved the Bill forward to the North Carolina Senate for approval; and

WHEREAS, House Bill 280, titled “Juvenile Justice Reinvestment Act” would raise the age of juvenile jurisdiction to include 16 and 17-year-olds, except in the case of certain felonies and motor vehicle laws; and

WHEREAS, North Carolina remains the only state in the U.S. that automatically prosecutes 16 and 17- year-olds, as adults, regardless of the severity of the crime; and

WHEREAS, adolescents prosecuted in the juvenile justice system are less likely to go on to commit another crime compared to juveniles tried in the adult system, which results in lower costs to society and more children growing up to become educated, employed citizens; and

WHEREAS, evidence shows that the juvenile justice system with programs tailored to how children think and learn is more effective at rehabilitating youth and that neuroscience and psychological studies prove brain development continues until well into a person’s 20s; and

WHEREAS, raising the age of juvenile jurisdiction to 18 will lead to significant long-term financial savings, safer communities, better academic results and overall better outcomes for children; and

WHEREAS, although juvenile crime has been declining, in 2014 alone, more than 17,000 misdemeanor charges were filed against 16 and 17-year-olds, statewide; and

WHEREAS, even in cases where the charges are dismissed, there remains the very real and long-term collateral consequences of a public record that could impact a young person’s ability to get hired for their first job, be eligible for college financial aid or enlist in the military; and

WHEREAS, 97 percent of crimes committed by 16 and 17-year-olds, in North Carolina are either categorized as misdemeanors (80 percent) or non-violent felonies (17 percent); and

WHEREAS, in 2016, the NC Commission on the Administration of Law & Justice under the strong direction and leadership of NC Supreme Court Chief Justice Mark Martin, made a recommendation in favor of raising the age of juvenile jurisdiction (except for A-E felonies and traffic offenses); and

WHEREAS, the NC Commission on the Administration of Law & Justice also recommends expanding existing programs to reduce school-based referrals to juvenile and adult court known as “School-Justice Partnerships;” and

WHEREAS, the NC Sheriffs’ Association, NC Police Benevolent Association, NC Association of County Commissioners, NC Association of Chiefs of Police, and NC Chamber of Commerce Legal Institute are all on record in support of raising the age to 18; and

WHEREAS, the North Carolina Association of County Commissioners adopted raising the age of juvenile jurisdiction from 16 to 18 in its 2017-2018 Legislative Goals, placing it within the top five priority goals for the session;

NOW, THEREFORE BE IT RESOLVED that the Durham County Board of Commissioners reaffirms its support of raising the age of juvenile jurisdiction from 16 to 18 for all crimes other than Class A through E felonies and traffic offenses;

AND, BE IT FURTHER RESOLVED, that the Durham County Board of Commissioners asks the North Carolina General Assembly to adopt House Bill 280, together with all necessary funding such a change requires.

Adopted the 22nd day of May 2017.

Wendy Jacobs, Chair

James Hill, Jr., Vice Chair

Heidi Carter

Brenda Howerton

Ellen W. Reckhow

Commissioner Howerton stated that Representative Chuck McGrady, N.C. House of Representatives and Judge Marcia Morey were both advocates for the Bill. She also thanked Judge Morey for being available to answer questions by the representatives.

Commissioner Reckhow stated that the County was a leader on the issue and had shown support for the Bill for almost 10 years. She added Judge Morey was on the Crime Cabinet and brought the issue

forward. Judge Morey also helped make the case and assisted in the Bill approval. Commissioner Reckhow continued to say the House passed a bill where violent crimes were exempt and the 16 year age would still apply while low level felony crimes would not be included in the change. She urged citizens to communicate with legislators to let them know the importance of including the low level crimes.

Chair Jacobs stated the Board wanted to show strong support for House Bill 280 and asked citizens to contact the state legislation for support for the entire Bill. She added that North Carolina was the last state to raise the age to 18 years old.

DIRECTIVE: Chair Jacobs asked staff to send the resolution to the state representatives and to the North Carolina Association of County Commissioners.

Resolution to Honor Dr. Charles “Chuck” Davis

Chair Jacobs read the following resolution:

DR. CHARLES “CHUCK” DAVIS

WHEREAS, Dr. Charles “Chuck” Davis, performer and artistic director, was born January 1, 1937 in Raleigh, NC, and passed away at his Durham home on Sunday, May 14, 2017 at the age of 80; and

WHEREAS, the renowned choreographer and teacher of African dance style began traveling to Africa in the 1960s to study dance traditions and brought them back to America where he found the Chuck Davis Dance Company in 1968; and

WHEREAS, Davis was an extraordinary artistic visionary and adjunct professor at Durham’s education jewels North Carolina Central University and Duke University; and

WHEREAS, he was founder of DanceAfrica, an annual festival of heritage and community celebrating diverse dance forms of the African Diaspora presented in New York City, Washington, DC and Chicago each year; and

WHEREAS, in 1984 he founded the African-American Dance Ensemble based in Durham and guided many innovative dancers and musicians by his mantra “Peace! Love! Respect! For Everybody;” and

WHEREAS, the African American Dance Ensemble uses dance and music to bring awareness to the inequities in the community and through art to create a positive change; and

WHEREAS, Davis was the two time recipient of the Bessie Award, created to salute the outstanding and groundbreaking creative work by independent dance artists; and

WHEREAS, the Dance Heritage Coalition, a national non-profit alliance of institutions holding significant collections of materials documenting the history of dance, named Davis one of America’s “irreplaceable dance treasures” in 1999; and

WHEREAS, “Baba Chuck,” as many called him, will be known forever for his contributions to the Durham community and his national and international influence on dance; and

NOW, THEREFORE BE IT RESOLVED that the Durham Board of County Commissioners do hereby resolve to pay tribute to

DR. CHARLES “CHUCK” DAVIS

and recognize the dancer, choreographer, and an agent for social change for many years of sharing his talents unselfishly, and urge all residents to join me in applauding his outstanding achievements and legacy of tolerance and respect while joining his family and friends as they mourn his passing.

This the 22nd day of May 2017.

Wendy Jacobs, Chair

James Hill, Jr., Vice Chair

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Dr. B. Angeloe Burch, Rep for the American Dance Ensemble recalled fond memories of “Baba Chuck” and highlighted one of his many accomplishments of teaching the art of African tribal dance.

Chair Jacobs asked Dr. Burch to share the funeral details. Dr. Burch stated “Baba Chuck” would lay in state on Friday, June 2, 2017 from 1pm-7pm at Fisher Memorial UHC located on 420 E. Piedmont Ave. He added there would also be a community celebration on Friday, June 2, 2017 beginning at 5:30pm at the Hayti Heritage Center with dancers from Houston, TX. Dr. Burch stated lastly, the funeral services would be held on Saturday, June 3, 2017 at 11am at Union Baptist Church located on 904 N. Roxboro St.

Other Business

FY2017-2018 Manager’s Recommended Budget

Chair Jacobs introduced County Manager Wendell Davis to present the Manager’s Recommended Budget.

County Manager Davis shared the “*2017-18 County Manager’s Recommended Budget*” and provided the following summary:

I am honored to present a comprehensive spending plan for Durham County Government for fiscal year 2017-18. The document is in accordance with the North Carolina Local Government Budget and Fiscal Control Act and it fulfills my obligation to present a balanced fiscal plan by June 1, 2017. The FY 2017-18 Manager’s recommended budget supports the continuation of vitally important County services and progressively moves our community towards strategic planning coupled with data driven decision making for new and existing needs.

Durham continues to be a beacon of local, regional and national opportunity, a thriving economic engine that provides a good quality of life for a majority of its residents. To sustain and build upon this distinction, Durham County government is presently engaged in several “RE” processes. Refreshing its Strategic Plan; realigning funds and priorities based on the County’s Managing for Results (MFR) change management model; reinventing itself through innovation and process improvement, and just as importantly; reimagining what it means to work, live, and thrive as a world class community.

The comprehensive strategy of a well-designed relevant strategic plan, accompanied with an implementation strategy (MFR) and the properly aligned organization (Reorganization) means that Durham County can set its priorities and apply laser-like focus on achieving them. Now that this important foundational work is done, we are better poised to become an even more robust and nimble organization. Over the past year we have identified over 100 programs and more than 2,500 metrics that positions departments and agencies to better make their case for resource allocations. The new program budget structure gives the Board and community greater insight on how our funding is allocated and will ultimately better aid in decision making. This approach is an imperative going forward as resources and revenue constraints become more challenging.

The Strategic Plan also includes community goal indicators and objective measures that provide a high-level look at the progress of the community and the organization across the County’s five strategic goal areas. The Managing for Results model is maturing, now in its third year, with all departments having gone through training and measures development, but the hard work of data collection and measurement analysis now begins in earnest.

This last step, the linkage of the Strategic Plan goals to the daily operating support provided by departments, will fulfill my vision of data driving and supporting policy decisions made by the County and the Board.

As we plan for the next budget year, the County will face many competing challenges and opportunities that one entity alone cannot solve. The most recent complex negotiation on the regional light rail is a clear and present reminder of how interdependent we are on others to resolve complexities in our community and within our region.

I particularly want to thank all the departments and staff for the extraordinary amount of work they have invested in developing the Managing for Results model into a functioning performance tracking and analysis system. This has been no easy feat, and has been done while staff has been asked to continue carrying out their day-to-day work. We have a committed, dedicated workforce and to all Durham County employees I humbly say, thank you.

We received many valuable and important budget requests that were simply unable to be supported in light of fiscal constraints. In fact, the requests totaled approximately \$26.8 million more than the available revenue. Going into the FY 2017-18 budget development process, the County was committed to a 2 ½ cent tax increase dedicated to support a voter-approved bond referendum last fall. The voters pledged their full faith and credit to fund capital for Durham Public Schools, renovations for the Main Library, and capital support for Durham Technical Community College and the NC Museum of Life and Science. Although this commitment was in place, we were also mindful that we faced many critical public safety, human service and other long-term capital needs. However, in light of slow revenue growth we were forced to prioritize these requests towards the highest performance and alignment.

To that end, I directed staff as part of the FY 2017-18 budget process to look closely at historical spending trends within their departments and realign existing, already budgeted dollars to support inflationary increases and potentially any new requests. Departments responded impressively, finding a total of \$1.88 million dollars within their existing budgets to realign, supporting everything from inflationary contract increases to new position requests. In fact, 10 new positions being proposed for FY 2017-18 are directly related to realignment of existing vacant positions or offset by realignment of dollars from reductions in other parts of the organization. This process of continuously reviewing and analyzing spending patterns is another facet of the MFR model, where all aspects of performance are assessed, including financial performance.

Durham County continues to be in sound fiscal position with a 20+ year history of being rated as a Triple A community. We remain one of only 69 counties in the United States that the rating agency Standard & Poor's has listed as AAA and one of only six of North Carolina's 100 counties that are AAA rated. Yet the realities of managing increased expenditure pressures and consistent declines in certain revenue streams, compounded by the threat of legislative actions regarding the redistribution of sales taxes, and other incremental policy changes continue to increase pressures on the local property tax base.

The Durham County Manager's recommended Fiscal Year (FY) 2017-18 budget totals \$629,920,964, with a 3.0 cent property tax increase to support General Fund operational growth (0.25 cents), Durham Public Schools growth needs (0.75 cents), and future debt service needs including support for the November 2016 voter approved \$170 million General Obligation bond referendum (2.0 cents). Increased capital funding also supports annual debt service related to long-term capital investments, including those projects already completed such as the new County Courthouse, the Human Services Building, and the continuing issuance of 2007 voter-approved General Obligation bonds for Durham Public Schools, Durham Technical Community College, and the NC Museum of Life & Science.

The total Durham County budget increase is \$42,641,493 or 7.26% over the FY 2016-17 approved budget, while the General Fund budget increases \$18,422,665 or 4.45% over the FY 2016-17 approved budget. A one cent tax increase for the General Fund generates \$3,554,120 of new property tax revenue while a two cent tax increase for capital financing doubles that amount, \$7,108,240.

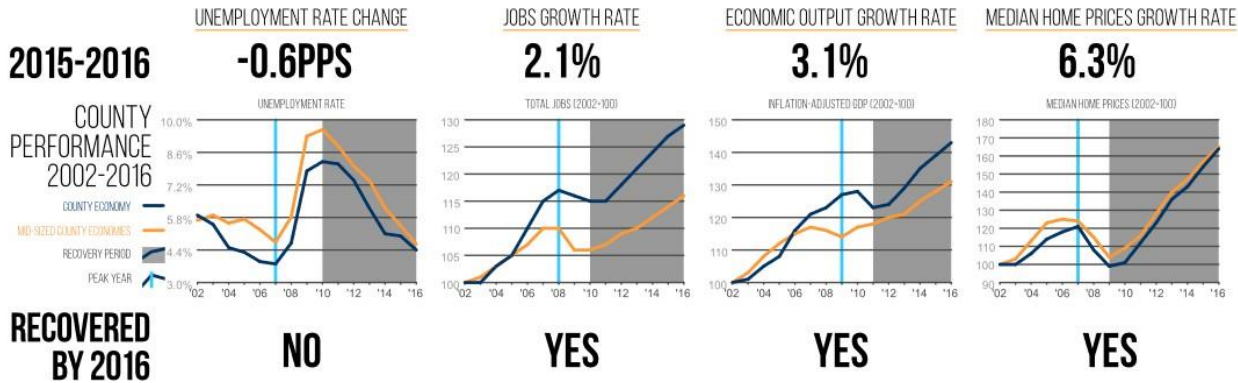
Table 1: FY 2017-18 Recommended Budget Summary

Fund	FY 2016-17 Original Budget	FY 2017-18 Manager Recommended	% Difference
General	\$414,362,524	\$432,785,189	4.45%
Total All Funds	\$587,279,471	\$629,920,964	7.26%

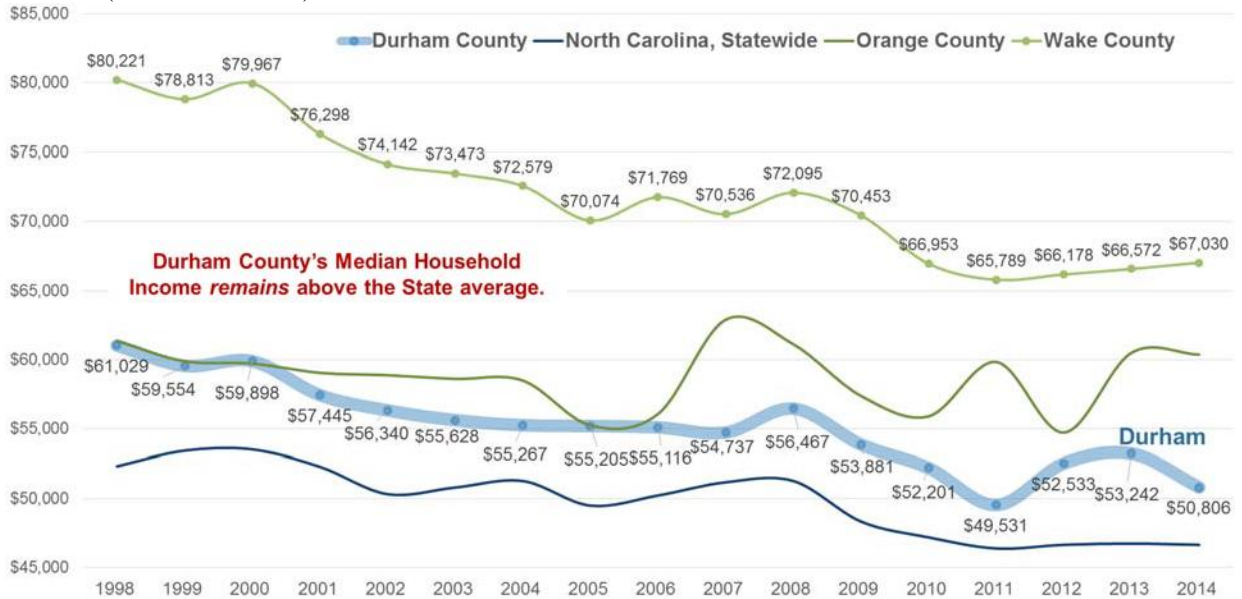
Outlook

Durham County's fiscal and economic outlook is positive, but mixed, while continuing its slow recovery from pre-recession levels in several key economic indicators. A National Association of Counties (NACo) report, "County Economies 2016" shown below evaluated trends between 2002 and 2016 in four major categories including: annual changes in jobs, unemployment rates, economic output (GDP) and median home prices. Durham County performed well in three of the four areas. Overall, while Durham County's economic outlook remains positive; the growth factors are slower than the historical pre-recession period.

DURHAM COUNTY, NC



While the NACo report illustrates jobs growth, economic growth and median home price growth (all positives for many Durham County residents) it does not reflect some of our other realities. The County's child poverty rate was 22.4% in 2016, slightly below the state's 24% average, while the overall poverty rate for the County hovers around 17%. Another concerning trend our community must be mindful of is the wage stagnation and decline seen across Durham County, the region, and the state (Illustration below).



During this same period in the graph shown above Durham County's population grew 36%. Further, as we plan long-term to address operating and capital budget needs, the NC Office of State Budget and Management forecasts a 30% population growth in the Triangle region by 2030. These combined factors make it necessary to be more deliberate about planning for Durham County's needs for the short and long-term future.

As resources dwindle and the demands for services grow, the single most important thing our community can do is understand the value of effective collaboration and move rapidly toward the development of collective impact approaches. Our successful future is inextricably linked to working in concert with the City of Durham, adjacent counties and municipalities, Durham Public Schools, the Chamber of Commerce, local universities, non-profit partners and many others to ensure we collectively leverage our talents and resources to ensure Durham's continued economic success.

Budget Overview

Property Tax Revenue

FY 2016-17 was a revaluation year for Durham County, the first in 8 years. The total growth in property valuation of 9.71%, was much slower growth than previous revaluation years. Unfortunately this is a recurring theme and such slowing growth

continues in FY 2017-18, with an estimated valuation growth of 1.56%. The revenue neutral tax rate for FY 2016-17 was approved by the BOCC as the current fiscal year tax rate and totaled 74.04 cents, a 5.27 cent decrease related to revaluation. For FY 2017-18 the recommended property tax rate includes a 2.0 cent tax rate increase for the Capital Financing Fund related to current and future debt service needs, a 0.75 cent tax increase for additional Durham Public School funding, and a 0.25 cent tax rate increase for the General Fund, equaling a total tax increase for FY 2017-18 of 3.0 cents.

Table 2: Property Tax Rate Change

Property Tax Rate	FY2016-17 Approved	FY2017-18 Recommended	2017-18 Change from FY 16-17
General Fund	66.08	67.08	1.00
Capital Financing Fund	7.96	9.96	2.00
Total	74.04	77.04	3.00

As part of a 2016 General Obligation bond referendum the County estimated that a 2.5 cent tax rate increase would be needed in FY 2017-18 to support current and future debt service needs. However, due to multiple refinancing's of existing debt yielding lower annual and overall payments, along with lower interest rate estimates for future debt, and slower planned expenditures for projects in the pipeline, the estimated tax rate increase for the Capital Financing Fund has decreased to 2.0 cents. It is with pride that I note our County departments' continuous evaluation of current circumstances in an effort to minimize taxpayer burdens while providing exceptional service.

Sales Tax Revenues

The total amount of FY 2017-18 budgeted sales tax revenue for Durham County is \$79.1 million, the equivalent of 22.27 cents of property tax. The estimated end of year FY 2016-17 sales tax collections is expected to grow 2.95% over budget which is slower than the 4.6% experienced in FY 2016-17. A growth factor for FY 2017-18 of around 4% translates to a 5.39% base budget increase for the upcoming fiscal year from the current fiscal year. Again, this is slower growth than what was experienced last year at 7.79%. In actual new revenue the budget impact of 5.39% growth in sales tax revenue this year equates to \$4.05 million, or 1.14 cents of property tax. Simply put, growth in sales tax revenue means less pressure on local property tax revenue. While this is an increase, it is \$1.4 million less revenue from FY 2015-16 to FY 2016-17. Table 3 reflects summary sales tax budget trends.

Table 3: FY 2017-18 Sales Tax Budget

Sales Tax Article	FY 2016-17 Original Budget	FY 2016-17 12 Month Estimate	% from FY 2016-17 Budget	FY 2017-18 Manager Recommended	% from FY 2016-17 Budget
Article 39	\$22,979,684	\$22,795,465	-0.80%	\$23,619,039	2.78%
Article 40	\$12,377,711	\$12,865,761	3.94%	\$13,382,478	8.12%
Article 42	\$15,349,556	\$15,635,181	1.86%	\$16,077,164	4.74%
Article 44	\$0	\$1,733	#DIV/0!	\$0	#DIV/0!
Article 46	\$12,600,000	\$13,530,179	7.38%	\$13,300,000	5.56%
Inter-local	\$11,778,580	\$12,475,718	5.92%	\$12,757,106	8.31%
Total	\$75,085,531	\$77,304,036	2.95%	\$79,135,787	5.39%

Other Revenues

Overall General Fund service charges increase by 5.8% or \$1.2 million, most in the Emergency Medical Services department which saw significant growth from Medicaid reimbursement increases due to a lag in reimbursement from previous years. Intergovernmental revenues, which are pass-through dollars from other governmental entities grew by 3.85% due to increased state and federal funding that affected Public Health and Social Services.

Strategic Plan Refresh

Change remains the constant in Durham County. Whether it is with the County's dynamic workforce or across a diverse community of residents or with regards to an ever-evolving landscape of buildings, organizations, businesses and institutions, Durham continues to change. Within our organization we've intentionally focused on creating positive organizational and service change, with continuous improvement as a guiding principle.

Since our first Strategic Plan was adopted in spring 2012, County leadership has been implementing the Managing for Results (MFR) change management model. Combined, the Strategic Plan and MFR will define the changes and direction that the County expects to achieve. We are proud of these needed evolutions and advancements, and we eagerly look to the future.

A refreshed Durham County Strategic Plan will help the organization plan for the future and successfully adapt to unforeseen changes. This time around, County leadership and staff have been more intentional about developing a document that truly connects the work of our 27 departments to overarching goals, objectives and strategies. This time around, with Managing for Results as the County's change management model, performance measurement is better integrated into how the organization plans and provides services. Those performance measures will help us continually make improvements and investments based on what the data tell us. This Strategic Plan does not shy away from the complexities of the organization's and the community's challenges and opportunities. This plan, which connects the work of multiple departments in a series of overarching strategies, embraces collaboration, between departments, with other local governments, and with other community organizations.

The 2017-2021 Durham County Strategic Plan, like the first document from 2012, is a dynamic guiding vehicle for the organization. It will be reviewed each year through the County's annual operating budget process, allowing for minor updates to keep the plan timely and dynamic. It will also serve as a framework for future conversations and decisions about ways that the County can continue to improve service delivery to prepare for what the future brings. Durham County is a passionate, growing community of employees and residents, and we look forward to continuing to serve and work with the community and employees to address the challenges and opportunities ahead. The following sections of this message will highlight our budget by Strategic Plan goal area.

FY 2016-17 Budget Highlights

Goal 1: Community and Family and Enrichment

The community enrichment goal focuses on Durham County's efforts to uplift individuals, households and families regardless of their circumstance, composition or aspirations. One key area of this goal highlights the County's continued investments in and concern for the publicly funded institutions providing early childhood, K-12 and post-secondary education.

Durham County plans significant new investments in high-quality preschool so that all Durham children and youth have a stronger chance to succeed. In addition to pushing greater coordination and emphasis on the birth-to-8 continuum, the County continues to prioritize high K-12 funding levels – funding Durham Public Schools at a level higher than all but a few districts across the state while also maintaining high expectations for performance. Graduation rates are near all-time highs, but academic proficiency and college-and-career readiness, especially when broken down by race and household income, continue to reflect stubborn achievement gaps.

Durham Public Schools

Durham Public Schools continues to be the single largest source of expenditure for Durham County Government. For FY 2017-18, the Durham Public Schools Board of Education has requested an increase of \$12.43 million in additional county funding. The request supports local supplement support for state teacher salary increases (\$2.3 million), additional school positions increase (\$3,155,000), teacher retention requests (\$2,600,000), and other expansion requests (\$1,700,000).

I am recommending a total DPS current expense increase of \$4.76 million through a combination of property tax dollars and BOCC policy directed use of additional Article 46 sales tax. This funding increase will support the local supplement of state salary increases, automatic contracted services increases, and several other DPS initiatives. The annual operating costs of the Whitted School Pre-K program requested by DPS will also be supported, but funding will be housed within the County in another area and needed amounts will be invoiced to various Pre-K partners as necessary. While the County, by way of policy, appropriates a portion of Article 46 sales tax for Pre-K, I'm recommending that the Board deliberate on a policy change to use the subject sales tax appropriation to offset the cost of future Pre-K obligations going forward.

We have consistently stayed among the top five county governments in local funding per student and with my recommendation Durham County will maintain that position with "per pupil" funding at \$3,280, an increase of \$133 per pupil from FY 2016-17 local current expense funding. It should be noted that while enrollment in Durham County charter schools continue to grow, the number of students in Durham Public Schools has decreased the last two years, an issue that will need to be addressed in the future.

Durham County will also pay \$29.46 million in debt service for school facilities during FY 2017-18. Per this recommended budget, the total annual funding for Durham Public Schools for FY 2017-18 is \$132,742,865 or 30.67% of the entire General

Fund budget. In addition to the direct operating expense and debt service payment for Durham Public Schools, an additional \$4.35 million is allocated in County department budgets to support School Resource Officers and School Nurses.

Pre-K Expansion

The community received several critically important reports in the weeks before the recommended budget was sent to you. First, the State of Durham County's Young Children Report, and more recently, the findings of a blue- ribbon pre-school task force outlining a plan for the expansion of high quality Pre-K. We are working with Dr. Phail Wynn at Duke University and many other community partners to identify additional, strategic investments along the birth-to-8 continuum, but we are moving forward with haste to make new investments in high quality pre- school opportunities. There are young children and young families in this community in desperate need of additional, high quality educational experiences to ensure that are ready to succeed as they enter kindergarten.

Along with already noted funding for operation of eight additional pre-school classrooms at the newly renovated Whitted School, I am also recommending funding to make sure that the County is playing its part to thoughtfully support moves toward continued pre-school expansion. I am proposing support for the Durham Children's Data Center at Duke University, an institution of increasing importance as we look to carefully evaluate pre-school and other key investments over time. I am also proposing funding for staffing and further research to make sure we use the upcoming year to make certain new preschool classrooms of the highest quality are ready in the fall of 2018 and beyond.

Finally, I want to take this opportunity to propose a concept not for this coming fiscal year, but for the following year, noting that the financial burden of making high quality pre-school available to every four year old in Durham is heavy. As "universal" Pre-K has been a positive uplift for other states and cities, I believe this concept has the potential to greatly reduce the achievement gap in Durham, and to improve educational, workforce, and other outcomes in the long run. This is not just a County responsibility, this is not just schools' responsibility, this is a community responsibility, and universal Pre-K represents a community investment in our future which will benefit every individual, institution, and corporation in Durham. The concept I am proposing and seeking Board support for is to levy an additional one cent on the General Fund tax rate starting July 1, 2018, but to put these resources forward as a challenge grant with the hope that they can be matched by re-investment of some public school funding as well as by private and philanthropic funding. I believe this model constitutes a shared investment that our business, education and government partners can get behind for the greater good of Durham.

The County also is committed to strengthening Durham through expanded and creative workforce development programs and supports, especially for historically difficult to employ populations. In addition to pursuing enlightened hiring and personnel policies internally, Durham County wishes to expand its work through both governmental and non-governmental institutions to help its residents see, train for and successfully move into rewarding, living wage careers. Ongoing partnerships with Durham Public Schools, Durham Technical Community College, the Durham Workforce Development Board, NC Works and Made in Durham are vital to community success in this area. Durham County further seeks to provide expanded opportunities for historically underutilized businesses by supporting greater recruitment, development and contracting with minority and women-owned businesses.

Durham Technical Community College

Durham Technical Community College (DTCC) requested funds to support campus salary market-adjustments, contracted services and rental space support. In addition, the requested funds would repair aging campus facilities and support equipment and technology replacement. The Article 46 sales tax revenue allocated to support DTCC scholarships is projected to decrease slightly by \$4,485 in FY 2017-18, bringing the total projected funds to \$1,269,255. Over the past several years, the Article 46 sales tax funds allocated to support tuition scholarships have not been fully utilized.

I am recommending funding increases of 2.99% or \$206,384. The dollars will fund inflationary operating expenses, additional personnel cost, operational expenses related to new potential leased space, and increased annual capital support.

Nonprofit Support

This year brought a number of process changes to the Nonprofit Funding Program's application cycle that were a result of a comprehensive program review. The review compared our process to that of our North Carolina peers and incorporated policy direction from the Board of County Commissioners, with the most significant process improvements made to the solicitation and application review components of the application process.

The solicitation process included paring down the range of service providers that we were looking to partner with through aligning with a Target Area Outcome, a narrower subsection of Strategic Plan Goals 1-4.

In the FY 2017-18 application cycle, 57 individual agencies and 2 collaborations applied for funding with requests totaling \$1,561,656. This included 36 nonprofits that were currently funded as well as 23 nonprofits that are not currently funded in the nonprofit funding program. 40 nonprofit agencies are recommended for funding at a total of \$650,000. A detailed list of

funding recommendations can be found in the Appendix.

Goal 2: Health and Well Being for All

Your support for Health and Human Services continues to be demonstrated by the significant funding provided for County government programs and nonprofit organizations that support this strategic goal. During your May 8th 2017 regular session meeting you also documented your commitment, and support of, system changes that will positively impact the social determinants of health in a BOCC resolution.

The County continues to sharpen its focus on the cross-sector work that must be done to create a “Healthy Durham” – a Durham where all of our residents have the opportunity to achieve optimal desired health outcomes. We understand that “good health is a state of physical, mental and social well-being and not merely the absence of disease or infirmity” and we are working hard to address the disparate health and quality of life outcomes that exist in our community.

Social Services

In past budgets, Social Services has requested significant funding increases for personnel needs or program support to implement new legislative mandates. We recognize there are legislative discussions currently underway that may impact Social Services at the state and federal levels and are hopeful that the North Carolina General Assembly and Congress will keep vulnerable families in the forefront of their deliberations. Last year, the department requested additional funding in anticipation of the impact of the “Extend Foster Care 18 to 21” legislation. On average the department serves 248 children within foster care annually. Although legislative change occurred that extended the foster participation rate to 21, DSS was able to manage those increased costs within their FY 2016-17 budget allocation. We will continue to monitor the situation and make adjustments as needed.

In the FY2017-18 budget, the Department of Social Services requested no additional local dollars. Due to increased revenue (\$2,384,484) associated with mandated service delivery, Social Services reduced its need for county funding by \$1,077,481. The additional recommended increase in expenditures (\$1,307,003) supports program enhancements and the purchase of 2 new vehicles, 2 replacement vehicles, non-capital furniture and equipment, and non-capital computers to support integration of child welfare services into NCFASST.

Public Health

Increases in the Public Health department come from several different sources. FY 2016-17 saw increases associated with program realignment. In October 2016, the Board approved the transfer of Project BUILD (\$342,264) from Cooperative Extension to Public Health. At the request of Alliance Behavioral Healthcare their contract (\$86,157) with Durham Public Schools is now in Public Health’s budget. These funds will continue to support contract personnel assigned to Durham Public Schools to use the System of Care framework to identify and refer students who need mental health services. This amount is subtracted from the Alliance Behavior Healthcare contract.

To ensure all Durham residents attain physical, social and financial well-being we have to pay attention to the experiences of residents’ lives by listening to them, actively working with them, as well as by using data. Neighborhoods have considerable disparities in respect to how environmental factors influence health; to that end I am recommending that we commit resources to work with Data Works, a new nonprofit that houses the Neighborhood Compass. Through this partnership the County is supporting three key efforts to deliver actionable HIPAA-compliant health information to Durham and to better understand and serve its neighborhoods.

The first of these is the Health Indicators Project, a partnership of Public Health, Lincoln Community Health Center, Duke Health /Duke’s Center for Community and Population Health Improvement, and Data Works. This effort will serve locally-derived data on chronic conditions – starting with diabetes – through the Neighborhood Compass.

The second is a new effort between Public Health in Durham and Orange Counties and Data Works (with support in summer 2017 from Data + at Duke) that will deliver vital records summaries through the Compass, including life expectancy and more detailed mortality information. Each of those efforts represents novel and transformative opportunities to move Durham past reliance on national data.

The third is an effort to deploy these data resources in regular reporting to the Durham community on social determinants of health. With the comprehensive scope of local data sources now curated by Data Works, it is time to examine more closely the relationships between transportation, jobs, child care, education, housing, safety and health - and put this information to work for equitable outcomes across Durham neighborhoods.

While Public Health staff members are actively engaged in this work, I am recommending that an additional investment of \$43,000 to further support this transformative work.

Last year in an effort to reduce the school student/nurse ratio in Durham Public Schools and to foster improvements related to student absenteeism as a result of health issues, the Board funded four 10-month positions (3.32 FTEs). However, during

the interview process applicants were consistently seeking fulltime employment rather than 10-month employment. To that end, three fulltime positions were created. In order to limit growth costs in this budget, but still support this important health outcome, I am recommending funding to support an additional 1.68 school nurse FTEs (1 new position and 0.68 FTE that can be added to the remaining 0.32 FTE funded last year). Over the next several years, additional school nurses will need to be funded to support this critical public health need.

Last year, we renewed the contract with Correct Care Solutions to provide medical services for detainees in the Detention Facility after going through an updated request for proposals process. As in the past, this new contract is reviewed annually for renewal over a five-year period. The agreement calls for an annual adjustment to the base amount calculated on the annual Medical Consumer Price Index (3.9%). To accommodate these annual growth terms an additional \$113,068 is included in this recommended budget.

Library

This year has been an exciting and busy year for the Library. As a result of approval of the 2016 General Obligation bond referendum, library staff vacated the Main Library and established alternate service locations in preparation for extensive renovations and expansion to the current Main library facility. As you are aware, the building is scheduled to reopen in 2019, and an opening day collection is needed. In the past \$400,000 was allocated to purchase the opening day collections at East, South, and Southwest Regional Libraries, this same amount is needed to purchase the opening day collection for Main Library. To lessen the burden on the County and to give our collection selectors and vendor time to plan appropriately, I am requesting \$272,300 to support the purchase of a portion of the opening day collection in this budget and the remaining amount will be requested in the FY18- 19 budget.

Cooperative Extension

Cooperative Extension has undergone several major changes during the current budget year. With the retirement of County Extension Director Delphine Sellars in early fall, a new director, Morris White, was hired effective April 1st. The FY 2017-18 Extension budget includes funds to reclassify a position to Small Farm Agriculture Associate Agent, adding a part-time bilingual Associate Extension Agent position at 0.6 FTE, lease of MacBook computers to support NC State University software for extension agents and one county employee, and additional funds to replace a lift-equipped vehicle for use in the Transportation Program. I am requesting \$60,000 to fund the van.

Goal 3: Safe and Secure Community

In the 2016 County and City Resident Satisfaction Survey, Durham residents rated their service satisfaction for EMS service (80%), Sheriff Protection (65%) and Fire Protection/Rescue Services (86%). These ratings were relatively high on a service satisfaction scale with all the scores rating above national benchmarks. Although residents are reasonably satisfied with the current level of services, there are key investments that we need to continue making to ensure Durham is a safe and secure community. For this reason I am recommending a 5.39% net increase in spending in the area of public safety. Increased investments in EMS and the Sheriff's Office are the primary new investments in the Strategic Goal 3 area. As previously shared with the Board of Commissioners, the County does not have the resources to fund all the public safety requests in a single year. The strategic investments that I am recommending will assist the County in continuing to address the public safety needs and opportunities within available resources over time.

Emergency Medical Services

I am recommending continued replacement and upgrading of EMS ambulances by replacing six ambulances (\$1.32 million) using funding from the Community Health Fund and further recommend that we invest in First Watch software to improve response time and clinical performance using real-time data and dashboard technology. Increased funding of almost \$250,000 has also been included for medications and medical supplies which are projected to increase by 35% (\$420,000) next year. This increase comes after EMS realigned \$170,000 in savings realized from the purchase of the new Sprinter ambulances.

In the spirit of innovation I am also recommending that the County implement a community paramedicine pilot program (\$307,561) which includes three additional positions to assist residents with chronic disease management, the homeless, and those with behavioral health issues, all who frequently find themselves in need of EMS services. After a year the pilot program will be evaluated and next steps determined. Important in the evaluation will be the effect it has on response times due to staffing adjustments needed to implement the program. The First Watch software included in the proposed budget will also assist EMS in implementing and monitoring the pilot program.

As the Board is aware, recruitment and retention of paramedic level staff has been a challenge and EMS continues to struggle with a high annual vacancy rate (14%). It is our hope that the introduction of the Basic Life Support (BLS) service this summer using newly hired Emergency Medical Technicians (EMTs) and the newly implemented introductory pay and bonus program for paramedics will improve our ability to attract high quality candidates. To improve response times I am also

recommending that we continue with our “over-hire” of seven positions strategy to address the gap that occurs when new hires are in training. Further, I recommend that we reevaluate our progress in filling existing EMS positions (25) in fall 2017, and if appropriate, come back to the Board for additional staffing resources during the next fiscal year. Reviewing the vacancy status in the fall and completing a County wide compensation study, described later in my message under Goal 5, will allow us to make additional recommendations related to adding staff capacity to the EMS Department.

Finally, to assist with cost recovery for EMS services, I am further recommending rate increases for transport (private insurance only), special events, bike team, and foot medic services resulting in approximately \$200,000 in additional revenue. The proposed increases cover actual cost for service and is comparable with average rates of our peer counties. The last rate increase for EMS services was in 2013. Looking forward, I plan to evaluate and propose, where necessary, annual service rate increases for EMS services in future budgets to support funding this vital service.

Sheriff’s Office and Detention Center

For the Sheriff’s Office I am recommending investments in technology and replacement vehicles. Software upgrades to the CAD system and new computers for the Detention Center are also included in the proposed budget. In addition, the Sheriff’s Office has requested funding to purchase licenses for the Microsoft Office 365 software to better interface with County Government. A phased implementation approach needs to be developed with the County’s IS&T Department to ensure utilization and cost are coordinated strategically and I recommend that this planning be completed over the next fiscal year. Thirty-one law enforcement replacement vehicles and vehicle equipment totaling \$1.1 million have been included in the proposed budget.

The Sheriff has requested funding for additional personnel for the Animal Services Unit and to assist with serving domestic violence warrants, as well as funding to implement a law enforcement incentive and recruitment program. Based on recent Board discussions about compensation for law enforcement officers (LEOs) and the proposed County wide compensation study (discussed in Goal 5), I propose that we evaluate the study’s recommendations when it’s completed and then determine possible next steps in addressing LEO compensation issues. Additional funding is set aside in the Non-departmental budget to support some of the potential compensation study findings.

Additional Public Safety Investments

Additional proposed investments in public safety focus on the Youth Home, Fire Marshal’s Office, and Fire and Rescue Division. In preparation for changes that are expected to occur at the state level regarding raising the age for being charged as an adult and given the current condition of the Youth Home facility, I propose that a facility masterplan and environmental assessment (\$87,660) be completed to assist in preparing for this important capital improvement project. A new vehicle for the Fire Marshal’s Office to help separate contaminated equipment and a new SUV response vehicle for the Durham Fire and Rescue Division (paid for by special tax district funds) have also been included in next year’s budget.

The Lebanon Volunteer Fire Department special tax district has requested a one cent increase to their tax rate bringing the total tax rate to .1156 cent per \$100 valuation. The increase is requested to assist with additional payroll expenses (holiday, comp and overtime pay), the purchase of new radio equipment, and the purchase of a new tanker truck. The last district property tax increase of .006 cent was implemented in FY 2013-14. I recommend that the rate be increased by one cent to pay for these expenses.

Goal 4: Environmental Stewardship & Community Prosperity

Environmental, Development, and Economic Programs

I am pleased to report the Rougemont Water System has been completed and is now fully operational. This fiscal year, we will continue our focus on strategic infrastructure investments aligned with our Strategic Plan and community goals. This work will include improvements to our utility systems and treatment plant in the Research Triangle Park to support our reinvestment in Park Center as well as improvements to continue providing the foundational elements for economic growth in RTP. These investments will also continue the high level of environmental protection desired by our community.

We are also encouraged by the Legislature’s recent action to repeal HB2. This bill impeded the economic development efforts of our staff and our partners at the Chamber in continuing to recruit high-quality companies to our community to continue our work in providing a diverse base of quality jobs. With the repeal of this bill we believe our prospects for economic recruitment may improve. That said, current State legislative actions have introduced uncertainties into the various State incentive programs we have long partnered with as part of our recruiting efforts, so we will continue to monitor and assess the potential impacts.

Project Management

Implementation of the General Obligation bond program work approved by the community in November 2016 is well underway. Work on the Judicial Building renovations has started and we will begin construction on the Main Library renovations during this fiscal year. Additionally, we continue providing project management work on the

renovations/expansions at Lincoln Community Health Center to help our partners ensure healthcare services are available to as many in our community as possible. Finally, we have initiated work on two key parking structures which will also include residential/retail wraps. We have retained the University of North Carolina – Chapel Hill's School of Government Development Finance Initiative (DFI) team to provide the appropriate analysis of options to ensure our goals are best realized as we proceed with work at 300 and 500 blocks of East Main Street. We also will continue our work towards a more “green built” environment by our ongoing efforts in the High Performance Contracting program undertaken two years ago. Additionally, our renovated Judicial Building and Library facility will be LEED-eligible in accordance with Board’s adopted policies.

The Durham County project management division has done a superhuman job of supporting a high number of large, sophisticated projects over the last several years, including the new Courthouse, Human Services complex, Rougemont water system, Whitted School renovations, Lincoln Community Health Center renovations, just to name a few. They are to be commended and we look forward to bringing the next set of critical projects on line.

Open Space and Real Estate Division

Our Open Space program has continued to increase protected acreage that will provide community benefits both now and for future generations. Our targeted investments in our Stormwater/Soil-Erosion programs made in FY16-17 are now paying dividends in enhanced responsiveness and environmental quality, all with the goal of sound environmental stewardship while our Soil & Water Conservation District continues to be a leader in implementing practices designed to protect and enhance our natural/agricultural resources. We have many successes in our environmental stewardship programs, yet we also see increased challenges and uncertainties due to legislative changes at the State and Federal levels.

We should all be pleased within our organization at the results of our efforts to provide a high-quality, cost-efficient facility program. As part of our long-range facility planning efforts, as enumerated in our 2016 Facility Master Plan and EMS Facility plan, we must begin advance acquisition of key parcels of land in order to ensure land availability at such time as funding is available for construction of EMS facilities. Additionally, the proposed retail spaces in our renovated Judicial Building as well as in the proposed 300 and 500 East Main Street facilities demand more focused attention on real estate and leasing activities. To that end, I am recommending inclusion of a Real Estate Coordinator (1 FTE), to be staffed in our Open Space & Real Estate Division, to provide the necessary, ongoing work in this space.

Development Services Center One-Stop Shop

The City and County opened the Development Services Center One-Stop Shop in April 2017. This is a customer-focused, multi-agency initiative center designed to assist in citizens completing the Development Review Process, while ensuring community-adopted planning and development standards are appropriately upheld. The primary objective was to create a business-friendly environment that would provide a time-sensitive, easy-to-navigate development review process which facilitated continuous process improvement. This one stop center included an initial phase and may include additional phases in FY 2017-18 or later based on internal and external customer feedback on the effectiveness of Phase One in addressing the concerns raised as this new work process proceeds.

Related to these development-driven needs, we will continue to make key investments and re-investments in technology within our Register of Deeds department. These investments will help ensure many fragile historic records currently on file will be preserved and available for future generations.

Solid Waste

General Services’ Solid Waste Management Division works daily providing citizens safe, efficient and effective waste collection, disposal, litter control and waste reduction outreach and educational services that protect and maintain the natural environment. Our General Services Management staff undertook a thorough analysis of all of their programs during FY 2016-17 and proposed a number of changes, and in that light I am supporting a pilot program for this division to purchase a Roll-Off container truck that will allow our staff to directly support and haul containers from 2 of the 4 sites. This replacement of formerly contracted services is being accomplished through reallocated funds within Solid Waste’s budget allowing for the citizen’s sticker fee to be maintained at the same rate as FY 2016-17.

Enterprise Fund

The Utility Division, located in the Sewer Utility Enterprise fund is expanding in almost all aspects of provided utilities including the extension of reclaimed water services and interlocal agreements with surrounding municipalities and Research Triangle Foundation businesses. To meet this service demand I am recommending a new Assistant Utility Division Manager position which will relieve additional duties that continue to arise due to economic growth and will oversee the day to day activities of the Utilities Division, including but not limited to the Utility Superintendent and Lab & Compliance Manager, and to assist in technical issues, permitting, and compliance within the Division. This new position, as are all costs related to running the Enterprise fund, is supported by fees charged to customers using the water and sewer services provided.

Goal 5: Accountable, Efficient and Visionary Government

Durham County Employees

Our County workforce continues to be our greatest asset, but one that is changing quickly and profoundly. Dealing effectively and proactively with these changes over the next five to ten years will be extremely important in recruiting, training, and retaining quality employees.

The County has more than 1,990 employees providing high level service to our residents, from EMS staff saving lives to school nurses keeping DPS students healthy, to Criminal Justice Resource Center staff working with citizens to avoid the debilitating cost of jail (where possible), to Detention Center staff protecting citizens and inmates alike 24 hours a day, seven days a week. With more than 17% of Durham County's active employee base eligible to retire between 2017 and 2022 or less, continued focus must occur on retaining and recruiting a talented workforce to ensure we meet residents' service demands.

In May 2017 (FY 2016-17), the Board approved compensation changes related to EMS and Detention Officers. Durham County is not alone in dealing with retention issues around Public Safety functions, but we continue to look deeply at long term solutions, including additional positions along with compensation refinements. However, the issues are not in Public Safety alone, I am concerned that the entire County compensation system may need review and adjustment, and to that end am proposing a county-wide compensation study. This comprehensive study, once completed, will offer a multi-pronged approach to employee compensation that meets the changing face, age, and work of County employees in the coming decade.

The recommended budget maintains the continuation of the employee pay for performance compensation plan at the 2-3% range, and also sets aside potential funding to address public safety salary issues in high turnover areas within the Sheriff's Office, based off of what strategies may come from the proposed comprehensive compensation study.

I am very proud to note that our Benefits plan estimated costs, have no increase for FY 2017-18 due to strategic changes in the County's chosen benefit provider as part of the FY 2016-17 budget (moving from BCBS to Aetna's Accountable Care Organization). This is practically unprecedented and allows funds that would have been allocated for such increases to be used for other important community needs. A recommendation was made to contract with Aetna as the County's medical plan third party administrator which was approved by the BOCC in April 2016, based on projected cost savings and benefit enhancements. The Aetna's Accountable Care Organization (ACO) plan projected claims cost savings over a 3-year period of \$1M to \$4.5M based on ACO employee enrollment compared to a BCBSNC equivalent ACO plan. Aetna is also providing \$67,500 per year in Wellness Funds for each of three years compared to BCBSNC's offering of \$33,000 per year. In addition, Aetna has partnered with the County to offer discount Fitbits to our employees.

Finance Department

Personnel costs are the largest increase for Finance for FY 2017-18. Much of the personnel increase is related to position changes that occurred during FY 2016-17, where one billing collection position was moved from EMS to the Finance department and a new Assistant Chief Financial Officer and Compliance Manager position was filled after being vacant for some time. These changes will support the growing oversight of several key issues including EMS related revenue collection as well as grants management and compliance. A new payroll clerk position is recommended for the Finance department to support coverage that is currently overseen by only 3 key senior positions. There may be no more important biweekly task that the County carries out than a correct and timely payroll activity.

General Services

Our General Services Management team worked diligently this year to responsibly review their budget and provide a means to accomplish a few key new objectives, all through reallocation of existing funds. While this internal services department may not be on the forefront of providing services to the citizen, they are a critical component of supporting many aspects of those departments that directly impact the citizens of Durham.

I am recommending an Administrative Officer be added in their Business Services Program to meet a significant increase in workload demands created by the County's growing infrastructure, increased complexity of projects created by the updated Capital Improvement Plan, and some of our aging buildings. One of the key responsibilities of this position will be to support Accounts Payables and Warehouse and Fleet Services programs to provide greater support for these areas, and also working to provide thorough budget control and monitoring, data collection and analysis, as well as support the department's investment in MFR.

General Services staff has also identified a need to provide further support of the County's Building and Grounds Program. With my recommendation to fund an additional HVAC FTE we are seeking to respond to General Services most frequently

requested service need; the comfort, heating and cooling of our buildings. Industry Best Practices indicate a ratio of maintenance staff per square feet of buildings to be 1 FTE per 47,000 square feet. Currently, our FTEs are maintaining 1.8 million square feet in 66 buildings at an average of approximately 57,000 square feet per person.

In addition, as the Board heard a few months ago at their Annual Budget Retreat, I am fully endorsing the pilot project to provide in-house janitorial services to our County Courthouse. General Services administrative staff reviewed their contracts throughout FY2016-17 and completed a thorough analysis showing not only can we provide this service internally more effectively, but we can do so with a direct savings to the County of almost \$70,000.

Information Services and Technology

As part of a move to better software options and more timely updates of available office software, the County moved to Microsoft Office365 several years ago. Annual support for this software was offset by savings in annual purchases of software licenses. Funding support for Office365 was initially supported with capital project funds designated for technology upgrades, however it was always planned that annual costs for this particular software were to become part of the annual operating budget. FY 2017-18 sees the IS&T department taking on the last part of this overall charge with a \$500,000 increase to their operating budget.

I am proposing additional support for IS&T with a 0.5 FTE Sr. Business Analyst position that will maximize the use of a newly acquired SAP Open Text solution which will interface with the existing SAP solution and eventually Laserfiche. This position will support both Laserfiche and Open Text by performing the configuration of SAP and Open Text to support the Vendor Invoice Management function as well any new functionality required and implemented by Finance. In addition, the resource will work in conjunction with the two existing Laserfiche resources to support countywide Laserfiche initiatives which will include a major reorganization of the DSS Laserfiche environment as well as normal maintenance.

It is simply not enough to purchase software solutions to deal with certain technology issues, there must be the available expertise and support available to maximize the potential of new software. Such lessons have been long in learning, but we now better appreciate the need for a blend of human and technological support.

MFR: Building Capacity for Increased Performance Measure Review, Management Analysis and Reporting

With the Strategic Plan refresh linking long-term goals and policy guidelines to the maturing Managing for Results performance model, the increased need for analysis of these new and significant streams of data become crucial. The MFR model was never intended to provide clear answers to vexing issues, but rather was and is meant to point out issues for more detailed analysis. It is in that extremely important area of analysis that the County must dedicate specific resources. Although departments have gone through initial MFR training and will begin to report on public facing measures, continued investments must ensure operational efficiencies are gained through robust data analysis, performance measurement review and regular reporting to internal and external stakeholders. The Budget and Management Services department took on the role of creating a working performance management system for use by all departments and management last summer. And since then has done an incredible job working with departments to develop measures, refine performance measure collection, collect data, and support department descriptions of the measures and what the data is “saying”.

I am recommending reclassifying three vacant positions to two performance management analysts and one management analyst to support the increased needs for bolstered data review, analysis and reporting. These two realigned positions would oversee the daily issues and analysis around MFR related measures, of which there are currently close to 500 public facing. Creating a core function of County wide data collection and MFR related analysis coupled with departmental expertise and support, will ensure that the issues illuminated by MFR data will have answers as well.

A fourth position is recommended for reclassification to support the County’s overall demand for increased for internal and external publications, web-development and graphics design. The position will also assist with training efforts to expand departmental internal capacity for web design and publication development. This investment will mitigate some of the expenses currently occurring through contracted services.

Capital Improvement Plan Update

We are currently in the second year of our biennial 2017-26 Capital Improvement Plan. Last year we received \$1 billion of capital requests from county departments, Durham Public Schools, Durham Technical Community College and NC Museum of Life and Science. While many desired that projects begin within the next five years or less, our debt capacity, within triple A standards, limited our ability to support projects at that level. The total requested amount was far greater than the debt range recommended over the next four years by the County’s trusted Financial Advisor.

In order to stay within the recommended debt range, we scaled back project scopes and/or moved the timing for project implementation beyond the four year 2016-2020 range. Project recommendations occurred based on historical spending patterns, project alignment with BOCC goals, Facilities Master Plan recommendations, and a measured approach on how

increased debt affects the County's triple A bond rating and property tax increases.

Estimated project expenses over the next four years total \$295 million. This includes spending from an approved \$170 million November 2016 GO Bond referendum as well as current and future spending on large projects such as the Courthouse renovation project. These numbers were derived based on historical spending patterns, timing for project implementation and planning and construction phases.

As part of the FY 2017-18 annual budget I am proposing a 2.0 cent property tax rate increase to support future debt service needs, a level that aligns with ranges communicated during the recent bond referendum. This increase would take the dedicated tax rate for capital projects and related debt service up from 7.96 cents to 9.96 cents. This amount is slightly lower than original projections communicated during the bond referendum, and by instituting this increase now the County will be able to lessen the amount of future property tax increases for debt service and also help mitigate any tax rate increase fluctuations. In fact, outside of any major additions to future Capital Improvement Plans, along with steady growth in dedicated revenue sources, the tax rate needed to support capital projects and their related debt service could potentially remain flat.

Conclusion

In closing I offer the following. In the years ahead, forecast suggest that our revenues will be even more constrained, understanding these projections further implies that Durham has to be intentional about planning its future. Ten to twenty years from now one of the best predictors of our community's competitive and comparative economic advantage will be how good a job we did investing in early childhood education and underserved populations. Today we have three important reports (State of Durham County's Young Child, Universal Pre-K Recommendations and MBK Policy Review) that offers a framework for Durham's successful future. We will have to make serious investments in our human- capital to continue attracting good companies and to produce the skill sets necessary to fill those good jobs that arise from good companies.

While this fiscal plan represents the most important policy document for our local government, the FY 2017-18 budget is our first year realizing many of the manifestations of our change management model - MFR. We now have performance metrics, programs and program purposes, the associated program budgets and priorities as expressed in our newly refreshed strategic plan. These items, at best, are merely tools to help us make better informed decisions. As we peer into the future, a good education, a healthy community, a wholesome environment, a first-rate public safety apparatus, and a high performing government will only be achieved if we apply ourselves with a laser-like focus on these important priorities.

Finally, we have taken steps to realize efficiencies by realigning \$1.88 million in this budget. Many of these efficiencies resulted from department heads engaging in innovative practices and process changes. Our organization is beginning to embrace the notion that "change" is in the only constant as we seek to become high performing. In this age of uncertainty, with threats of fewer resources due to federal and state legislative actions, innovation, creativity, measuring what we do, and being resolute about what the data is telling us will be paramount.

I am excited to present the Durham County Board of County Commissioners with a transformative budget. A budget that supports the vision of its leaders and its citizens, a budget that looks not only to next year, but into the future. The staff and I look forward to working with each of you during deliberations as we continuously aim to make Durham the place to work, play and thrive.

Sincerely,



Wendell M. Davis

Chair Jacobs thanked County Manager Davis for the presentation and stated the Board looked forward to the upcoming budget worksessions.

County Manager Davis stated the draft copy of the Strategic Plan was in the budget book as well as available on the County website: www.dconnc.gov. He added the portal was open and public input was being received until June 21-22, 2017.

Chair Jacobs recognized the citizens who were signed up to speak:

Alice Griffeth, teacher with Durham Public Schools (DPS), spoke in favor of the budget proposal for DPS.

Chad Kearsley expressed his concern in decreased funding for DPS and how those budget cuts remove important programs (athletic, arts, etc.) for students. He asked that while reviewing the budget, to increase the funding for DPS.

Consent Agenda

Commissioner Carter expressed her concern about items on the Consent Agenda that were not thoroughly explained during a Worksession. She hoped that a process could be created quickly to address this concern. Chair Jacobs responded that this concern would be addressed at the June 5, 2017 Worksession meeting. She continued to say that the staff were working to create possible strategies on this issue and the County Manager would bring forth those suggestions.

Chair Jacobs commented on item #17-0240 highlighting the donations from First Presbyterian Church and other churches that help support the Department of Social Services. She added the funds were used as flexible spending in the event of an emergency.

Commissioner Reckhow commented on item #17-0235 and stated she was disappointed in past years about the lack of documentation as to how the LEED certification improved the efficiency of the life cycle of the buildings. She stated there was no data which showed how renovating the building was a cost saving over building from scratch.

Commissioner Howerton asked the Chair and County Manager who decided what was placed on the agenda. County Manager Davis responded that a consensus meeting occurred on the items brought forth by the Clerk. He added consensus between the staff, the Chair and the Vice Chair determined that items would be on the Regular Session agenda. Commissioner Howerton asked if the items on the agenda were all time sensitive. County Manager Davis responded no, he added the items on the agenda were changed from the adopted physical plan, contracts or budget amendments. Commissioner Howerton asked how Commissioner Carter's issue could be addressed. County Manager Davis stated the item could be brought forward to the June 5, 2017 Worksession and a discussion could take place on re-vamping the agenda process.

Chair Jacobs questioned staff about item #17-0258, asking if the Board would set the date of the public hearing at this meeting. County Manager Davis responded as reflected on the agenda action form, the hearing would be held 30 days from out which would be on June 26, 2017 Regular Session meeting.

Chair Jacobs stated if there were no additional comments, she would like a motion to approve the consent items.

Commissioner Reckhow moved, seconded by Commissioner Howerton to approve the following items on the Consent Agenda.

*17-0221 Property Tax Releases and Refunds for April 2017

17-0235 Execution of Consulting Services Agreement with SEDC Engineering, P.C. dba NV5 for the Fundamental LEED Commissioning Services for the Durham County Main Library Renovation. Project No.: 6110DC094.

17-0236 Execution of Consulting Services Agreement with Falcon Engineering, Inc. for the Construction Materials and Testing and Special Inspection Services for the Durham County Main

Library Renovation. Project No.: 6110DC094

*17-0240 Department of Social Services Budget Ordinance Amendment No. 17BCC000067 - Recognize Medicaid Transportation Revenue (\$300,000), First Presbyterian Donation (\$6,000) and SHIFT NC Contribution (\$2,500)

*17-0241 Budget Ordinance Amendment No. 17BCC000071 - Approval of Lebanon Fire Tax Fund Fund Balance Appropriation in the Amount of \$44,830 to Support Radio Maintenance and New Vehicle Acquisition for Lebanon Volunteer Fire Department and appropriating Lebanon Fire Tax Fund Fund Balance in the Amount of \$30,000 and transferring funds to the General Fund for Unanticipated Personnel Costs

*17-0244 Capital Project Amendment No. 17CPA000025 Reducing to Zero and Closing Four Capital Projects Related to 2016 Voter Approved GO Bond Issuance Cost

17-0246 Proposed FY18 Planning Department Work Program Underlined

17-0247 Renew Interlocal Tax Collection Agreements with the City of Durham; the City of Raleigh; the Town of Morrisville; and the Town of Chapel Hill

*17-0248 Budget Ordinance Amendment No. 17BCC000070 to Recognize Grant Funds in the Amount of \$1,250.00 from the Shift NC "All Together Now" Award for the Youth Home

17-0249 Approval of 751 Stormwater Agreement

*17-0250 Capital Project Amendment No. 17CPA000024 - Emergency Responder Radio Communication Equipment Upgrade Project and Contract Approval with Motorola Solutions, Inc

*17-0251 Request Approval of Budget Ordinance Amendment No. 17BCC000068 Transferring \$41,000 from the 2007 GO Bonds Final Issuance Fund to the Debt Service Fund to Service the Debt and Approval of Budget Ordinance Amendment No. 17BCC000069 Transferring \$41,000 from the Debt Service Fund Appropriating Fund Balance to the PAYGO Fund For Debt Issuance Cost on the \$3.8M Taxable GO Bond Issuance for the Whitted School Project

17-0252 Nehemiah Christian Center Homeless Day Center Contract Extension

*17-0255 Budget Ordinance Amendment No. 17BCC000072 - Approval of Bahama Fire Tax District Fund Fund Balance Appropriation in the Amount of \$287,742 to Assist in the Purchase of a New 3,000 Gallon Tanker Fire Truck

*17-0257 Department of Social Services Budget Ordinance 17BCC000073 to Recognize \$1,501,940 in Child Care Funds

17-0258 Report and Recommendation of the Screening Committee in the Matter of Naming the Durham County Memorial Stadium Press Box in Honor of Tommy Hunt

The motion carried unanimously.

Consent Agenda Item #17-0221

Due to property valuation adjustments for over assessments, listing discrepancies, duplicate listings, and clerical errors, etc. the attached report details releases and refunds for the month of April, 2017.

Releases & Refunds for 2016 Taxes

Real Property	\$ 2,775.17
Personal Property	\$ 11,947.59
VTS Refunds	\$ <u>46,091.12</u>
Total	\$ 60,813.88

Releases & Refunds for Prior Years

Personal Property	\$ <u>3,618.95</u>
Total for prior years	\$ 3,618.95
 Grand Total	 \$ 64,432.83

Consent Agenda Item #17-0240

**Durham County, North Carolina
2016-2017 Budget Ordinance
Amendment Number 17BCC000067**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Intergovernmental	\$60,089,053	\$302,500	\$60,391,553
Contributions & Donations	\$80,799	\$6,000	\$86,799

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Human Services	\$96,277,439	\$308,500	\$96,585,939

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

Consent Agenda Item #17-0241

**Durham County, North Carolina
2016-2017 Budget Ordinance
Amendment Number 17BCC000071**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			

Other Financing Sources	\$29,926,034	\$30,000	\$29,956,034
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SPECIAL REVENUE FUNDS

Other Financing Sources	\$637,889	\$74,830	\$712,719
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Expenditures:

Function

GENERAL FUND

Public Safety	\$61,813,034	\$30,000	\$61,843,034
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SPECIAL REVENUE FUNDS

General Government	\$8,932,762	\$30,000	\$8,962,762
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Public Safety	\$3,591,832	\$44,830	\$3,636,662
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All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

Consent Agenda Item #17-0244

**DURHAM COUNTY, NORTH CAROLINA
2016-17 Capital Project Ordinance
Amendment Number 17CPA000025**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2016-17 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

2016 Voter Approved General Obligation Bonds

Project	Current Budget	Increase/ Decrease	Revised Budget
2016 GO Bond Issuance Cost -DPS (SH274)	\$866,522	(\$866,522)	\$0
2016 GO Bond Issuance Cost – Museum of Life and Science (6190CD039)	\$147,198	(\$147,198)	\$0
2016 GO Bond Issuance Cost - Main Library Renovation (6110DC095)	\$425,109	(\$425,109)	\$0
2016 GO Bond Issuance Cost – DTCC (5920CC014)	\$196,204	(\$196,204)	\$0

Adopted this the 22nd day of May 2017.

Consent Agenda Item #17-0248

**Durham County, North Carolina
2016-2017 Budget Ordinance
Amendment Number 17BCC000070**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Intergovernmental	\$60,391,553	\$1,250	\$60,392,803

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Public Safety	\$61,811,784	\$1,250	\$61,813,034

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

Consent Agenda Item #17-0250

**DURHAM COUNTY, NORTH CAROLINA
2016-17 Capital Project Ordinance
Amendment Number 17CPA000024**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2016-17 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

Project	Current Budget	Increase/Decrease	Revised Budget
Emergency Responder Radio Communication Equipment Upgrade Project (4320DC002)	\$0	\$6,100,000	\$6,100,00

Adopted this the 22nd day of May, 2017.

Consent Agenda Item #17-0251

**Durham County, North Carolina
2016-2017 Budget Ordinance
Amendment Number 17BCC000068**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>DEBT SERVICE FUND</u>			
Other Financial Sources	\$175,881,058	\$41,000	\$175,922,058

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>DEBT SERVICE FUND</u>			
General Government	\$176,669,277	\$41,000	\$176,710,277

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

**Durham County, North Carolina
2016-2017 Budget Ordinance
Amendment Number 17BCC000069**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>DEBT SERVICE FUND</u>			
Other Financing Sources	\$175,922,058	\$41,000	\$175,963,058

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>DEBT SERVICE FUND</u>			
General Government	\$176,710,277	\$41,000	\$176,751,277

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

Consent Agenda Item #17-0255

**Durham County, North Carolina
2016-2017 Budget Ordinance
Amendment Number 17BCC000072**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>SPECIAL REVENUE FUNDS</u>			
Other Financing Sources	\$712,719	\$287,742	\$1,000,461

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>SPECIAL REVENUE FUNDS</u>			
Public Safety	\$3,636,662	\$287,742	\$3,924,404

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

Consent Agenda Item #17-0257

Durham County, North Carolina

**2016-2017 Budget Ordinance
Amendment Number 17BCC000073**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2016-2017 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Intergovernmental	\$60,392,803	\$1,501,940	\$61,894,743

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
Human Services	\$96,585,939	\$1,501,940	\$98,087,879

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 22th day of May 2017

Public Hearings

Public Hearing - Unified Development Ordinance Text Amendment, Temporary Outdoor Sales (TC1700004)

Michael Stock, AICP, Senior Planner, stated the notifications required and related to the planning department's public hearing were performed and on file or review. He continued to say the Board was requested to conduct a public hearing for technical corrections to the UDO regarding temporary outdoor sales. Mr. Stock added the current standards would limit the area for outdoor sales and would it impact vendors with seasonal items. He added this would exempt the larger items such as Christmas trees, pumpkins, etc and would remove redundant text.

Commissioner Carter asked if fireworks were legal in North Carolina. Chair Jacobs responded they were, but with strict limitations.

Chair Jacobs commended the Planning staff stating the ordinance was a reflection of responding to an issue in a community. She added the County wanted to continue to support small businesses by allowing seasonal sales of items.

Chair Jacobs opened the public hearing, no one was signed up to speak. Chair Jacobs closed the public hearing and entertained a motion for approval.

First Motion:

Commissioner Reckhow moved, seconded by Commissioner Howerton to adopt the appropriate Statement of Consistency pursuant to NCGS §153A-341.

The motion carried unanimously.

Second Motion:

Commissioner Howerton moved, seconded by Commissioner Reckhow to adopt an

ordinance amending the Unified Development Ordinance, incorporating revisions to Article 5, Use Regulations.

The motion carried unanimously.

Public Hearing - Unified Development Ordinance Text Amendment, Airport Overlay (-A60, -A65) (TC1700003)

Michael Stock, AICP, Senior Planner, stated there were two properties zoned as A65 and added both were in the County's jurisdiction. He continued to say the applicant would like to see approval for a free standing cell tower to be placed on the property. Mr. Stock stated the amendment would allow for the – A65 suboverlay, along with technical changes for clarity. He added the RDU Airport Authority along with the City and County Attorney's Offices reviewed the applications and raised not additional comments of questions about it.

Chair Jacobs opened the public hearing, no one was signed up to speak. Chair Jacobs closed the public hearing and entertained a motion for approval.

First Motion:

Commissioner Howerton moved, seconded by Commissioner Reckhow to adopt the appropriate Statement of Consistency pursuant to NCGS §153A-341.

The motion carried unanimously.

Second Motion:

Commissioner Reckhow moved, seconded by Commissioner Howerton to adopt an ordinance amending the Unified Development Ordinance, incorporating revisions to Article 4, Zoning Districts; and Article 16, Definitions.

The motion carried unanimously.

Public Hearing - Unified Development Ordinance Text Amendment, Mass Grading Buffers (TC1600006)

Michael Stock, AICP, Senior Planner, stated the amendment would revise the mass grading buffers to match those allowed by state statute, it would revise the buffer standards, and lastly it specified the buffers only apply within the City jurisdiction. He added the Planning Commission and the City Council had already approved the item.

Commissioner Carter stated the proposed change seemed positive for the City but not the County. Mr. Stock responded the topic mass screenings were raised to the City Council. He added two parts were discussed; one being the consideration of state legislation to up the buffer requirements, the second being that the current UDO does not take care of that.

Commissioner Reckhow stated the County could not have this type of buffer outside of the City limits. She added as the bill went through the General Assembly, it only applied to cities and the County felt it would hurt the bill if they went against it. Commissioner Reckhow stated she knew about the effort to get the City involved and was disappointed that the County could not go after it as well. She continued

to say Counties would be viewed as ineligible.

Commissioner Carter clarified that the County did not currently have buffers in the County as a requirement because we were not allowed to. Commissioner Reckhow responded the County had buffers, especially if a development was being built next to a home. Chair Jacobs added the buffers mentioned were only there during the construction process and once construction was completed, they went away. Mr. Stock stated mass buffers were temporary.

Patrick Young, AICP, Planning Director, added the Planning department was committed to look at further enhancements and modifications to the buffer standards. He added they would be bringing a white paper to the June 7, 2017 City-County Planning Committee. Mr. Young stated the purpose was to create incentives to create existing vegetation.

First Motion:

Commissioner Carter moved, seconded by Vice Chair Hill to adopt the appropriate Statement of Consistency pursuant to NCGS §153A-341.

The motion carried unanimously.

Second Motion:

Commissioner Carter moved, seconded by Vice Chair Hill to adopt an ordinance amending the Unified Development Ordinance, incorporating revisions to Article 9, Landscaping and Buffering; and Article 16, Definitions.

The motion carried unanimously.

Board and Commission Appointments

Michelle Parker-Evans, Clerk to the Board distributed ballots to the Board to make appointments to the boards and commissions.

Commissioner Carter asked if an applicant pool was not as strong or diverse, must the Board make an appointment at this time. Chair Jacobs responded some boards and commissions would make a request to re-advertise. Commissioner Carter stated as a member of the Farmland Board, she felt it was not very diverse and would like to suggest more diversity. She also added some of the applicants were not very strong and suggested the Board wait to make a vote. Chair Jacobs stated it was too late to make that change tonight and gave the following directive. She also added that it was not just a matter of experience, but also enthusiasm and the level of participation were important factors when selecting applicants for positions on the boards or commissions.

Directive: Chair Jacobs asked the Clerk to inform the Board if there was only one applicant for a vacancy so that a decision to could be made on re-advertising.

Chair Jacobs asked that this item be discussed in more detail at the June 5, 2017 Worksession during the Commissioner Comments.

The Board made the following appointments (incumbents are now identified with an (i). Individuals who are recommended by a board are underlined.) Individuals listed in bold print were appointed.

City-County Appearance Commission

Stephani Strickland (Carter, Hill, Howerton, Jacobs, Reckhow)

Durham Open Space and Trails Commission

Keith Bryant (Howerton, Jacobs, Reckhow)

Matt Kopac (Carter, Hill)

Farmland Protection Advisory Board

Tyler Steelman (Carter, Hill, Howerton, Jacobs, Reckhow)

Historic Preservation Commission

James Burnham (Carter, Hill, Howerton, Jacobs, Reckhow)

Memorial Stadium Authority

(i)Larry Dixon (Carter, Hill, Howerton, Jacobs, Reckhow)

Nursing Home Community Advisory Committee

Jennifer Hill (Carter, Hill, Howerton, Jacobs, Reckhow)

Commissioner Howerton asked for a motion to be excused from the June 5, 2017 Worksession meeting.

Commissioner Reckhow moved, seconded by Vice Chair Hill to excuse Commissioner Howerton from the June 5, 2017 Worksession.

The motion carried unanimously.

Reconvene to Closed Session

Chair Jacobs announced the Board would was requested to adjourn back to Closed Session to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial appointment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee pursuant to G.S. § 143-318.11(a)(6).

Commissioner Reckhow moved, seconded by Commissioner Howerton to adjourn to Closed Session.

The motion carried unanimously.

Reconvene to Open Session

Chair Jacobs announced the Board met in Closed Session and took action.

Commissioner Reckhow moved, seconded by Commissioner Howerton to increase the County Manager's salary by 3% effective April 14, 2017.

The motion was approved with votes as follows:

Ayes: Hill, Howerton, Jacobs, Reckhow

Noes: Carter

Adjournment

Commissioner Reckhow moved, seconded by Commissioner Howerton to adjourn the Regular Session meeting.

The motion carried unanimously.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Monica Toomer". The signature is written in a cursive style with a large initial 'M' and 'T'.

Monica W. Toomer
Deputy Clerk to the Board