

**THE BOARD OF COUNTY COMMISSIONERS  
DURHAM, NORTH CAROLINA**

Monday, July 20, 2009

7:00 P.M. Regular Session

**MINUTES**

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

Present: Chairman Michael D. Page, Vice-Chairman Ellen W. Reckhow, and Commissioners Joe W. Bowser, Becky M. Heron, and Brenda A. Howerton

Absent: None

Presider: Chairman Page

**Opening of Regular Session**

Chairman Page welcomed everyone to the Monday, July 20, 2009 Regular Session of the Board of County Commissioners. He requested that persons rise for the Pledge of Allegiance to the Flag.

Chairman Page informed the public that a funeral service was held for the former mayor of Durham, Chester L. Jenkins. Mr. Jenkins served the Durham community with distinction as a City Council member and as the first African-American elected mayor of Durham. In 1994, he became the City's Director of Human Relations, holding that post until 2000. Mr. Jenkins passed away on July 14. Chairman Page asked the audience to join him in a moment of silence.

Chairman Page noted that a resolution would be presented to Mr. Jenkins' family at a future meeting to honor his legacy.

**Agenda Adjustments**

County Manager Mike Ruffin mentioned the revised agendas that were placed at each Commissioner's station. He briefly highlighted the revisions made to the agenda.

**Minutes**

Commissioner Heron moved, seconded by Commissioner Howerton, to approve as submitted the June 1, 2009 Worksession and the June 8, 2009 Regular Session Minutes and as corrected the June 8, 2009 Budget Worksession Minutes of the Board.

The motion carried unanimously.

**Resolution Supporting the Administration's Health Care Reform Principles**

Vice-Chairman Reckhow introduced this item. She stated the importance of the Board expressing its position regarding Health Care Reform. More than 50,000 citizens in the Durham

community are uninsured, which places a strain on the Public Health Department and hospital emergency rooms. It is appropriate to support this initiative since providing for the public's health has been a core mission of County government, and counties can play a vital role in improving health outcomes by partnering with state and federal governments to invest in health promotion, disease prevention, and wellness programs. Vice-Chairman Reckhow thanked Gayle Harris, Public Health Director, for her leadership.

Currently, the President is working with Congress to pass a comprehensive health reform this year in order to control rising health care costs, guarantee choice of doctor, and assure high-quality, affordable health care for all Americans. Congressional consideration of Health Care Reform legislation is expected to move quickly during the summer. In supporting this resolution, Durham County would join the nationwide movement of state lawmakers, city council members, and other county commissioners who support the president's health care reform.

Chairman Page read the following resolution into the record in support of the Administration's Health Care Reform principles:

#### RESOLUTION

WHEREAS, Durham County, like counties across the nation, struggles with a healthcare crisis in the form of high rates of uninsured, underinsured, and rapidly increasing costs affecting residents, employees, and businesses; and

WHEREAS, county governments have historically dealt with healthcare issues as their core mission, along with challenges of providing access to care, eliminating racial health disparities, treatment of chronic diseases, and planning for emerging issues such as pandemics; and

WHEREAS, in Durham County, 26.6% or more than 50,500 Durham adults are uninsured causing safety-net providers in Durham to struggle to provide care to a population that has much lower rates of insurance than other counties; and

WHEREAS, 17.6% of Durham residents reported that they needed to see a doctor in the past but could not because of the cost, while emergency departments in Durham County have seen large increases of uninsured patients over the last five years; and

WHEREAS, in fiscal year 2007, 82% of the patients at Lincoln Community Health Center had no insurance, and over 1,000 low-income uninsured Durham residents have been enrolled in Project Access of Durham County since July 2008 which has allowed them to access donated specialty medical care; and

WHEREAS, any comprehensive reform proposal which seeks to craft a healthcare delivery system that leaves no one behind must be led by the federal government:

NOW, THEREFORE, BE IT RESOLVED that we, the members of the Durham County Board Commissioners, do hereby support the enactment of health care reform legislation this session consistent with the Administration's principles. We agree that comprehensive reform should reduce long-term growth of healthcare costs for businesses and government; protect families from bankruptcy or debt because of healthcare costs; guarantee choice of doctors and health

plans; invest in prevention and wellness; improve patient safety and quality of care; assure affordability and high quality care; maintain coverage when one changes or loses a job; and end barriers to coverage for people with pre-existing medical conditions.

BE IT FURTHER RESOLVED that the Board urges Congress to support public hospitals and other providers in the healthcare safety net so that those who fall through the cracks of expanded health coverage may still receive care so that surge capacity is available in case of public health emergencies, and so that the cultural competencies achieved by providers serving diverse populations are preserved and enhanced in a reformed health care system.

This the 20<sup>th</sup> day of July, 2009.

/s/ All Five Commissioners

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Jon Parker, representing Durham for Obama, 14 Lake Village Drive, Durham 27713, spoke in support of the Health Care Reform and briefly mentioned the efforts Durham for Obama are taking to raise awareness about the Reform.

Thao Vo, representing Durham for Obama, 32 Dansey Circle, Apt. K, Durham 27713, echoed Mr. Parker's comments.

Donald Hughes, 1005 N. Roxboro Street, Durham 27701, advocated for the Health Care Reform and praised Durham for Obama for their efforts.

Dr. E. Lavonia Allison, representing Durham Committee on the Affairs of Black People, PO Box 428, Durham 27702, urged the Board to include a post script in the resolution to request that no vacations should be taken in Congress through August.

Rev. Melvin Whitley, thanked the Board for considering the resolution and staff for its work. He particularly thanked Vice-Chairman Reckhow for her willingness to "step up to the plate" to support this item. He extended his thanks to Commissioner Bowser for his assurance that the Board would approve a resolution that would make Durham citizens proud.

Vice-Chairman Reckhow thanked Rev. Whitley for his persistence with the issue.

Commissioner Bowser moved, seconded by Vice-Chairman Reckhow, to approve the resolution and forward a copy to the members of the North Carolina Congressional Delegation.

Vice-Chairman Reckhow suggested attaching a cover letter, highlighting the Health Care Reform principles, to the resolution. She requested that the letter be forwarded to The White House as well.

Commissioner Bowser withdrew his motion to ask Dr. Allison a question about her request.

Vice-Chairman Reckhow recommended that Dr. Allison's request to urge Congress to remain in session through August be included in the cover letter.

Commissioner Heron proposed that the resolution be introduced at the North Carolina Association of County Commissioners (NCACC) annual conference in August.

Commissioner Bowser moved, seconded by Vice-Chairman Reckhow, to adopt the resolution, attach a cover letter from the Chairman of the Board highlighting the Health Care Reform principles and urging Congress to remain in session through August, forward to the members of the North Carolina Congressional Delegation and The White House, and present at the 2009 NCACC Annual Conference in August.

The motion carried unanimously.

**Accept “Best of the Best” Award for Durham County Government’s Transportation Demand Management Program**

Tobin L. Freid, Sustainability Manager, requested that the Board accept the “Best of the Best” Award that Durham County received for its Transportation Demand Management (TDM) program. She reported that every year, Triangle Transit recognizes Durham County employers that have made a difference in reducing single-occupancy commute trips by their employees. This year, Durham County Government was recognized as the “Best of the Best” for its program to encourage employees to take alternative modes to get to and from work. Currently, almost 10% of employees use some form of alternative commute, including telework, riding the bus, carpooling, vanpooling, walking, and biking. One significant improvement to our program this year has been the start of the GoPass program. The GoPass allows employees to ride any area bus, including Triangle Transit and DATA, to and from work for only \$10/month. Another new benefit is the option for employees to pay for bus passes or vanpools with pre-tax deductions.

Chairman Page thanked Ms. Freid for receiving the award on behalf of Durham County and for the success of the TDM program.

Ms. Freid presented the award to the Board of Commissioners.

Vice-Chairman Reckhow requested that the statistics Ms. Freid stated be provided to the Board in written form.

**Recognition of Library Director Skip Auld for Earning a 2009 Urban Libraries Council Leadership Grant**

Chairman Page recognized Durham County Library Director Hampton “Skip” Auld for being awarded the 2009 Urban Libraries Council (ULC) Joey Rodger Fund for Library Leadership Grant.

Mr. Auld noted that he would attend the Public Executive Leadership Academy (PELA) at the University of North Carolina at Chapel Hill. The program helps public executives develop skills needed to effectively lead and manage changes in their communities. Leadership development is a key initiative of ULC’s effort to build its members’ organizational strength. The Joey Rodger Fund, one of three annual awards available to ULC members, was established in 2004 to honor Eleanor Jo “Joey” Rodger, who led ULC from 1992 to 2004. For more than 30 years, the Urban Libraries Council (ULC) has worked to strengthen public libraries as an essential part of urban life. A membership organization of North America’s premier public library systems and the

corporations that serve them, ULC serves as a forum for sharing best practices resulting from targeted research, education, and future forecasting. ULC's programs are acclaimed for inspiring new organizational models that invigorate urban libraries and enrich the areas surrounding them.

Mr. Auld recognized and thanked the following Library staff members who were in attendance: Gina Rozier, Public Relations Officer; Catherine Mau, Deputy Director of Library Services; and Rheda Epstein, Administrative Librarian II.

Commissioner Heron, a Library Board member, praised Mr. Auld for a job well done and anticipated greater things in the future.

Vice-Chairman Reckhow indicated that the Library would receive three national achievement awards at the 2009 National Association of Counties Annual Conference, which are testament to Mr. Auld's leadership.

Mr. Auld briefly discussed the Library's strategic plan which reflects community needs.

Commissioner Howerton thanked Mr. Auld for his leadership.

### **Consent Agenda**

Commissioner Bowser moved, seconded by Commissioner Howerton, to approve the following consent agenda items:

- \*b. Capital Project Amendment No. 10CPA000001—FY 2009-10 Appropriation of Approved County Contribution Funds for Multiple (Three) Capital Projects;
- \*c. Capital Project Amendment No. 10CPA000002—Decreasing Four Durham Public School Lottery Fund Supported Projects (Jordan High School Roof Upgrade—\$580,000; Jordan High School HVAC Upgrade—\$345,000; Northern High School Poe Gym Roof Upgrade—\$435,000; and Northern High School Poe Gym HVAC—\$225,000);
- \*d. Capital Project Amendment No. 10CPA000003—Appropriation of \$100,000 to the Central Storage Facility Project (41904200DC069) (funding for this project will come from a COPS financing loan and any General Fund funds spent towards these projects will be reimbursed once loan funds are secured);
- \*e. Budget Ordinance Amendment No. 10BCC000002—Reclassify Financial Activity Currently in the Non-departmental Functional Area to the General Government Functional Area (approve to make a technical adjustment to reclassify all items currently coded to functional area non-departmental to the functional area general government; this amendment makes these technical

- adjustments without altering the original intent or amount of the funds);
- f. Contract with Quality PrintPro Inc. (approve the contract with Quality PrintPro to design, print, and mail forms for the Tax Administration Department; contract amount is not to exceed \$125,000 for design, printing, and mailing and \$320,000 for postage);
  - g. Settlement of 2008 Property Taxes and the Charge of 2009 Property Taxes to the Tax Collector (receive and approve; charge the Tax Collector with 2009 Property Taxes; authorize the relieving of taxes that are more than 10 years past due and motor vehicles taxes that are more than 2 years past due);
  - \*h. Property Tax Releases and Refunds for Fiscal Year 2008-2009 (accept the property tax release and refund report for June 2009 as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report);
  - i. Appointment—NCACC Annual Conference Voting Delegate (appoint Vice-Chairman Ellen R. Reckhow as the voting delegate to the annual conference);
  - \*j. June 22, 2009 SWAP Resolution (adopt the resolution and authorize the execution of the required documents upon approval by the Local Government Commission);
  - k. Right-of-Way Agreement with Duke Energy Carolinas at Creekside Elementary (approve the Right-of-Way Agreement for the relocation of utility facilities with Duke Energy Carolinas LLC related to the Creekside Elementary School addition);
  - l. 2009 Federal Farm and Ranchlands Protection Grant Award and Cooperative Agreement (approve the Cooperative Agreement between Durham County and Commodity Credit Corporation for the amount of \$349,750, to authorize the County Manager to execute the Cooperative Agreement, and to execute the conservation easement agreements on the Ellis Farm and Coates Farm); and
  - m. Appointment (approve the recommended appointment of Delphine Sellars [Cooperative Extension Director] to the Juvenile Crime Prevention Council).
  - n. REMOVED; and
  - o. Approval of Salary for Newly Appointed DSS Director (authorize the DSS Board's recommended starting salary of \$129,000 for Geraldine Thompson Robinson, effective September 14, 2009).

The motion carried unanimously.

\*Documents related to these items follow:

Consent Agenda Item No. b. Capital Project Amendment No. 10CPA000001—FY 2009-10 Appropriation of Approved County Contribution Funds for Multiple (Three) Capital Projects.

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Capital Project Ordinance  
Amendment No. 10CPA000001

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 Capital Project Ordinance is hereby amended to reflect budget adjustments for the following projects:

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Expenditures</u>			
Administration Building Refurbishment	\$700,000	\$1,125,000	\$1,825,000
Judicial Building Renovations	\$1,076,742	\$70,000	\$1,146,742
Open Space Land Acquisition	\$8,500,755	\$550,000	\$9,050,755

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

This the 20<sup>th</sup> day of July, 2009.

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Consent Agenda Item No. c. Capital Project Amendment No. 10CPA000002—Decreasing Four Durham Public School Lottery Fund Supported Projects (Jordan High School Roof Upgrade—\$580,000; Jordan High School HVAC Upgrade—\$345,000; Northern High School Poe Gym Roof Upgrade—\$435,000; and Northern High School Poe Gym HVAC—\$225,000).

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Capital Project Ordinance  
Amendment No. 10CPA000002

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 Capital Project Ordinance is hereby amended to reflect budget adjustments for the following projects:

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Expenditures</u>			
Jordan High School Roof Upgrade (SH132)	\$630,000	(\$580,000)	\$50,000
Jordan High School HVAC Upgrade (SH133)	\$375,000	(\$345,000)	\$30,000

Northern High School Poe

Gym Roof Upgrade (SH134)	\$475,000	(\$435,000)	\$40,000
Northern High School Poe Gym HVAC (SH135)	\$250,000	(\$225,000)	\$25,000

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

This the 20<sup>th</sup> day of July, 2009.

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Consent Agenda Item No. d. Capital Project Amendment No. 10CPA000003—Appropriation of \$100,000 to the Central Storage Facility Project (41904200DC069) (funding for this project will come from a COPS financing loan and any General Fund funds spent towards these projects will be reimbursed once loan funds are secured).

DURHAM COUNTY, NORTH CAROLINA  
 FY 2009-10 Capital Project Ordinance  
 Amendment No. 10CPA000003

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 Capital Project Ordinance is hereby amended to reflect budget adjustments for the following projects:

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Expenditures</u>			
County Storage Facility	\$0	\$100,000	\$100,000

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

This the 20<sup>th</sup> day of July, 2009.

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Consent Agenda Item No. e. Budget Ordinance Amendment No. 10BCC000002—Reclassify Financial Activity Currently in the Non-departmental Functional Area to the General Government Functional Area (approve to make a technical adjustment to reclassify all items currently coded to functional area non-departmental to the functional area general government; this amendment makes these technical adjustments without altering the original intent or amount of the funds).

DURHAM COUNTY, NORTH CAROLINA  
 FY 2009-10 Budget Ordinance  
 Amendment No. 10BCC000002

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 Budget Ordinance is hereby amended to reflect budget adjustments.

Revenue:

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



General Government	\$29,398,309	\$31,949,389	\$61,347,698
Other	\$31,949,389	(\$31,949,389)	\$0
<u>SWAP FUND</u>			
General Government	\$2,430,287	\$550,000	\$2,980,287
Other	\$550,000	(\$550,000)	\$0
<u>CAPITAL FINANCING FUND</u>			
General Government	\$0	\$38,385,437	\$38,385,437
Other	\$38,385,437	(\$38,385,437)	\$0
<u>SPECIAL REVENUE FUND</u>			
General Government	\$0	\$1,519,181	\$1,519,181
Other	\$1,519,181	(\$1,519,181)	\$0
<u>DEBT SERVICE FUND</u>			
General Government	\$0	\$47,456,677	\$47,456,677
Other	\$47,456,677	(\$47,456,677)	\$0
<u>ENTERPRISE FUND</u>			
General Government	\$0	\$794,084	\$794,084
Other	\$794,084	(\$794,084)	\$0

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

This the 20<sup>th</sup> day of July, 2009.

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Consent Agenda Item No. h. Property Tax Releases and Refunds for Fiscal Year 2008-2009 (accept the property tax release and refund report for June 2009 as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report).

Due to property valuation adjustments for over assessments, listing discrepancies, duplicate listings, and clerical errors, etc., the report details releases and refund for the month of June, 2009.

Releases & Refunds for 2008 Taxes:

Real Estate	\$3,600.32
Personal	\$155,233.42
Motor Vehicles	\$22,789.13
Vehicle Fees	\$590.00
Solid Waste Fees	\$0.00
Total for 2008 Taxes and Fees	<u>\$182,212.87</u>

Releases & Refunds for 2009 Taxes:

Real Estate	\$0.00
Personal	\$430,151.80
Motor Vehicles	\$23,284.79

Vehicle Fees	\$630.00
Solid Waste Fees	\$0.00
Total for 2009 Taxes and Fees	<u>\$454,066.59</u>

Prior years' (2003-2007) releases and refunds for June 2009 are in the amount of \$167,474.58. The total current year and prior year' releases and refunds amount to \$803.754.04

(Recorded in Appendix A in the Permanent Supplement of the July 20, 2009 Regular Session Minutes of the Board.)

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Consent Agenda Item No. j. June 22, 2009 SWAP Resolution (adopt the resolution and authorize the execution of the required documents upon approval by the Local Government Commission).

**RESOLUTION AUTHORIZING THE AMENDMENT OF AN INTEREST RATE SWAP TRANSACTION, AND PROVIDING FOR CERTAIN RELATED MATTERS**

BE IT RESOLVED by the Board of Commissioners for the County of Durham, North Carolina:

Section 1. The Board of Commissioners for the County of Durham, North Carolina (the "County") has determined and does hereby find and declare as follows:

(a) The North Carolina General Assembly enacted legislation in 2003 that allows governmental units such as the County to enter into interest rate swap agreements for the primary purpose of managing interest rate costs of its obligations or interest rate risks.

(b) On July 30, 2004, the County entered into a synthetic fixed rate refinancing in conjunction with a portion of its general obligation bonds having a principal outstanding amount of \$125,810,000 (the "Original Transaction"). On July 23, 2008, the County entered into certain amendments to the Original Transaction to substitute RFPC Capital Services, LLC as Counterparty and The Bank of New York Mellon as Credit Support Provider.

(c) The County has an opportunity to achieve additional economic benefits, including significant interest rate savings on its debt obligations, by entering into a further amendment of the Original Transaction by (i) increasing the amount of the Original Transaction, (ii) extending the amortization and termination dates of the Original Transaction as hereinafter described, and (iii) adjusting the economic terms of the transaction to reflect existing market conditions (the Original Transaction as so amended being hereinafter called the “Transaction”).

(d) The County has issued approximately \$255,335,000 of outstanding general obligation bonds and \$76,790,000 of outstanding certificates of participation (not including \$55,985,000 of variable rate certificates of participation). Of that total amount, \$125,810,000 is associated with the Original Transaction (the “Initial Related Obligations”). After consideration and consultation with financial advisors to the County, the Board of Commissioners for the County (the “Board”) has determined that the County is likely to achieve additional economic benefits from increasing the amount of the existing synthetic fixed rate refinancing in conjunction with an additional portion of its debt obligations, including general obligation bonds and certificates of participation (the “Additional Related Obligations” and, together with the Initial Related Obligations, the “Obligations”). The Board understands and acknowledges that such economic benefits are not guaranteed to be achieved and that the Transaction involves risk.

(e) The terms of the Transaction would be governed by the ISDA Master Agreement and attached Schedule between the County and RFPC Capital Services, LLC (the “Counterparty”) dated as of July 23, 2008 (the “Swap Agreement”) and a related letter agreement from the Counterparty to the County (the “Confirmation”). Under the Transaction, the County will agree to make fixed interest rate payments to the

Counterparty on a notional amount not to exceed \$186,365,000 and the Counterparty will agree to make interest rate payments to the County on the same notional amount, based on a fixed rate adjusted for the current relationship between an index based on taxable variable rates and an index based on tax-exempt variable rates. The index based on tax-exempt variable rates, which was the BMA Index in the Original Transaction, will be changed to the SIFMA Municipal Swap Index, and the margin between the rates paid by the parties will be adjusted to reflect changes in the indices and existing market conditions. The notional amount of the Transaction shall be reduced from time to time to the extent the Obligations are redeemed or mature.

(f) The County is authorized to enter into the Transaction and the Confirmation pursuant to G.S. Chapter 159, Article 13, §§ 159-193 to 200, inclusive, as enacted by Chapter 388, Session Laws of 2003.

Section 2. Subject to the limitations set forth in this resolution, the Finance Director of the County (the "Finance Director") is hereby authorized to negotiate the terms of the Transaction on behalf of the County. The Confirmation shall be substantially in the form thereof presented at this meeting, with such changes as shall be negotiated by the Finance Director in connection with the Transaction, and, subject to the prior approval of the Local Government Commission, if required, the Finance Director or any person designated in writing by the Finance Director is hereby authorized to execute and deliver the final Confirmation on behalf of the County. Subject to the prior approval of the Local Government Commission, if required, the Finance Director or his designee is also authorized to execute and deliver such further amendments to the Swap Agreement or the Confirmation from time to time as deemed necessary, in consultation with the County's financial advisors, to reduce the risk or improve the benefit of the Transaction to the County.

Section 3. The Finance Director is hereby authorized to file an application of the County with the Local Government Commission for approval of the County entering into the Transaction and the Confirmation under the terms set forth in this resolution, and the Local Government Commission is hereby requested to approve the same. In connection with the Local Government Commission's consideration of such application, the Board of Commissioners makes the following findings and determinations:

(a) The Transaction is necessary or expedient for the better management by the County of its interest rate costs.

(b) The County's debt management procedures and policies are good and its debt will continue to be managed in strict compliance with law.

(c) The County is not in default regarding any of its debt service obligations.

(d) No increases in taxes are expected to be necessary to enable the County to make the payments expected to be required with respect to the Confirmation or the Transaction.

Section 4. RFPC Capital Services, LLC is hereby confirmed as the Counterparty under the Transaction, it being understood that credit support for the Transaction will be provided under the existing Swap Credit Support Agreement dated as of July 23, 2008 between the County, the Counterparty and The Bank of New York Mellon. The Board hereby determines, in light of existing facts and circumstances, that entering into the Transaction by the County will promote its interests by encouraging and rewarding innovation.

Section 5. DEC Associates, Inc. is hereby approved as the Financial Advisor and Public Financial Management, Inc. is hereby approved as Swap Advisor to the County in connection with the Transaction.

Section 6. Robinson, Bradshaw & Hinson, P.A. is hereby approved as Special Counsel to the County in connection with the Transaction.

Section 7. All officers of the County are each hereby authorized to execute and deliver on behalf of the County the various certificates, proofs, instruments or other documents to be executed in connection with the delivery of the Confirmation and the closing of the Transaction. All actions previously taken by any of such officers on behalf of the County in connection with the Transaction are hereby approved, ratified and confirmed.

Section 8. This resolution shall take effect upon its passage.

**Consent Agenda Item Removed for Discussion**

Consent Agenda Item No. a. Approve the Fitness Center Lease within the Durham Convention Center and authorize the County Manager to execute the lease.

Vice-Chairman Reckhow requested to pull this item to express concern regarding the proposed lease term of five years. She suggested reducing the term to be concurrent with the ending of the Convention Center management agreement. Vice-Chairman Reckhow also suggested that a market value evaluation be conducted for the space. She asked to see a report completed by business school students.

Drew Cummings, Assistant County Manager, stated that he would provide the report electronically to the Board.

Commissioner Heron inquired about discussions amongst staff regarding the usage of the proposed space and asked if a decision was made prior to presenting the lease to the Board for approval.

County Manager Mike Ruffin responded that negotiations pertaining to the fitness center began in spring 2008. He stated that during the transition period of the departure of former Assistant County Manager Heidi York and the arrival of Assistant County Manager Drew Cummings, he directed Pam Meyer, Budget & Management Services Director, to take the lead on Convention Center projects. County Manager Ruffin stated that he was advised that a lease was in preparation for the use of the space for a fitness center, which was the last he heard of the matter. He learned that the improvements were finalized until the item was placed on the agenda. Research is still undergoing to determine who authorized the improvements prior to City Council and Board of County Commissioners approval.

Chairman Page asked the Board if it would prefer to defer the item.

Commissioner Bowser spoke in favor of a deferral.

County Manager Ruffin communicated that a deferral would be appropriate as a lease term change must go back to the City Council for approval.

Vice-Chairman Reckhow stated that per a conversation with an employee at the Convention Center, she concluded that confusion perhaps occurred as to whether the space was hotel property or Convention Center property. The location of the space is towards the hotel side of the property and was previously used to hold guests' baggage. However, staff learned during its research that the space is indeed Convention Center property.

County Manager Ruffin explained that staff and the Shaner Hotel Group were in negotiation last summer for the purposes of developing a lease to bring to City Council and the Board of County Commissioners for approval. He opined that no confusion occurred in terms of lease negotiations and lack of approvals by the two bodies. Staff had been working consistently since last Friday to obtain additional information as to who authorized the improvements prior to lease approval.

Commissioner Howerton consented to a deferral.

Mr. Cummings informed Chairman Page that the item was not presented during the agenda review meeting. The lease was forwarded once the City Council approved it.

County Manager Ruffin proposed that the item be deferred to the August 3 Worksession for further discussion.

### **Update on Department of Social Services Work First Contract—Families First**

Commissioner Bowser, Board of County Commissioners (BOCC) Liaison to the Department of Social Services (DSS) Board, introduced this item. He requested that the Board receive an update on the Department of Social Services' contract with Durham Congregations in Action (DCIA). The contract funded a Work First initiative entitled "Families First", which was eliminated due to alleged budget cuts. He stated that he was involved in the program's adoption in 1998; when he left the BOCC in 2004, he was unaware of any program complaints regarding its performance. Commissioner Bowser articulated his reasons for bringing this item to the Board: 1) to receive an explanation as to why the program was said to be eliminated due to funding, although most of the funding appeared to be available; and 2) to allow citizens to speak on the matter.

Chairman Page recognized Newman Aguiar, Vice Chairman, DSS Board, to present the DSS Board's perspective on the decision to eliminate "Families First".

Mr. Aguiar explicated that contract decisions are the exclusive right of the DSS Director; the DSS Board works with the Director in reviewing the budget and other items that come before the Board.

Rhonda Stevens, Social Work Program Administrator II, and Mr. Aguiar explained to the Board the deliverables and reporting requirements for DCIA.

Commissioner Howerton asked Commissioner Bowser for clarification of his request.

Commissioner Bowser reiterated that he would like to receive an explanation as to why the program was said to be eliminated due to funding, although most of the funding appeared to be available.

The Commissioners asked DSS staff to address the following questions and concerns:

- Funding source (i.e. federal, state, local)
- \$85,831 contract funding reduction
- Continued services for families that were benefiting from “Families First”
- DCIA’s response to contract termination

Chairman Page recognized signed speakers for comments.

The following speakers spoke in support of reinstating the Families First program:

Anita Smith, 2500 State Street, Durham 27704

Sylvia Hayes, 2204 Wise Place, Durham 27707

Donald A. Hughes, 1005 N. Roxboro Street, Durham 27701

Jackie Wagstaff, 1940 Holloway Street, Durham 27703

George Leach, 3304 Hemsworth Street, Durham 27707

Ilene Zimmerman, representing Work First, 1306 Lincoln Street, Durham 27707

Barbara T. Harvey, 612 Springfork Drive, Cary 27513

Dr. E. Lavonia Allison, representing Durham Committee on the Affairs of Black People, PO Box 428, Durham 27702

Rev. Pebbles Lucas, 4706 Miller Drive, Durham 27704

William V. Lucas, 4706 Miller Drive, Durham 27704

Kenneth Rouse, 810 North Duke Street, Apt. #8, Durham 27701

Chairman Page clarified a statement in the newspaper regarding serving on the DSS Board prior to Commissioner Bowser. He explained that Families First was never discussed during a meeting while he served on the board.

Chairman Page issued regrets for Rev. Lucas’ character being addressed at the meeting, as it should not have been questioned. He spoke highly of the Families First program and wish not to hurt families benefiting from the program. Chairman Page suggested that DSS Administration and the DSS Board re-evaluate Families First.

Commissioner Heron expressed concern that Families First was not evaluated annually.

Vice-Chairman Reckhow requested that DSS staff provide clarified data in regards to finance and performance as staff’s comments were inconsistent with the written information provided to the Board.

Commissioner Bowser agreed with comments made by Chairman Page, Vice-Chairman Reckhow, and Commissioner Heron. He requested that the County Internal Auditor investigate the Families First program to determine if the report and claims are accurate.



Commissioner Howerton inquired about the Board's position on the matter.

Chairman Page summarized Commissioners' requests as follows:

- DSS Administration and Board revisit the Families First program
- County Internal Auditor to investigate Families First

Commissioner Bowser moved, seconded by Commissioner Howerton, to direct the County Manager to engage the County Internal Auditor in the Families First program, including all its participants, to look at the results for the period of 1998-2008, and to verify where the funding for the program during the same period came from and whether the funding had been cut or increased during this period of time through the FY09-10.

Chairman Page asked the County Manager if the Auditor would have time to start the investigation immediately.

County Manager Ruffin responded that he would direct the Auditor to place the task first on his list. He stated that he would find out by the end of the week as to how long the audit would take and relay the timeframe to the Board and other interested parties.

Commissioner Bowser explained to Commissioner Heron his reasoning for asking the County Auditor to research the 11-year period.

Commissioner Heron emphasized that the program should be evaluated annually.

The motion carried unanimously.

### **Board and Commission Appointments**

Yvonne R. Jones, Deputy Clerk to the Board, distributed ballots to the Board to make appointments to boards and commissions.

The Board made the following appointments (incumbents are underlined):

#### Area Mental Health Board

Amelia Thorpe (Openly-Declared Consumer with Mental Illness or Developmental Disabilities)

#### Alcoholic Beverage Control Board

Emily A. Page

Connie J. White

#### Civic Center Authority

Patrick Byker

#### Design District Review Team

Anthony M. Sease

Durham-Wake Counties Research & Production Service District

Donna Marcotte (primary recommendation)

Chris Long (primary recommendation)

Robert Maynard (primary recommendation)

Emergency Medical Services Council

Caitlin Sacha (EMS—Duke University)

Library Board of Trustees

Joe Hewitt

Dorothy M. Reid

Women's Commission

Hope L. Murdock

Deborah S. Wallace

**Closed Session**

Commissioner Bowser moved, seconded by Vice-Chairman Reckhow, to adjourn to closed session to discuss *Southern Durham Development Inc. v. Durham County*, 09 CVS 4125, to preserve the attorney-client privilege, and to discuss the conditions of initial appointment of a public officer pursuant to G.S. § 143-318.11(a)(3) & (6).

The motion carried unanimously.

**Reconvene to Open Session**

Chairman Page announced that the Board met in closed session; no action was taken.

**Adjournment**

There being no further business, Chairman Page adjourned the meeting at 11:58 p.m.

Respectfully submitted,

Yvonne R. Jones  
Deputy Clerk to the Board