

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

Monday, August 13, 2012

County Commissioners' Chambers
200 East Main Street, Durham, North Carolina

AGENDA

"Public Charge"

The Board of Commissioners asks its members and citizens to conduct themselves in a respectful, courteous manner, both with the Board and fellow citizens. At any time, should any member of the Board or any citizen fail to observe this public charge, the Chairman will ask the offending person to leave the meeting until that individual regains personal control. Should decorum fail to be restored, the Chairman will recess the meeting until such time that a genuine commitment to the public charge is observed.

As a courtesy to others, please turn off cell phones during the meeting.

7:00 pm. Regular Session

1. **Opening of Regular Session**—Pledge of Allegiance (5 min)
2. **Agenda Adjustments (5 min)**
3. **Announcements (5 min)**
 - 1) "In Touch with Durham County," the Durham County Television show, airs on Cable TV Channel 8 at 8:30 a.m. and 12 noon on Mondays; and 8:30 a.m., 12 noon and 6:30 pm on Tuesday–Sundays. Our County Commissioners' meetings are also rebroadcast on Thursdays at 2:00 p.m., Saturdays at 9:00 p.m., and Sundays at 9:00 p.m.
 - 2) The FY2012-2013 Matching Grant Program of the Durham Open Space and Trails Commission application process will begin on August 14, 2012. The grants are to assist nonprofit organizations in preserving open space lands and promoting new or improved recreational opportunities for citizens. All Durham community nonprofits interested in applying for FY2012-13 Matching Grant funds must submit an application by September 14, 2012. The Matching Grant Program application and FY 2012-13 Program Guidelines are available on the County's website through September 14, 2012. For additional information, please contact the Matching Grants Administrator, Bo Gattis, in the Budget and Management Services department at 560-0012.
 - 3) Durham County needs you! If you have a few hours to commit, Durham County has a number of boards and commissions that can benefit from your participation. We invite you to make a difference in our community. Contact the Clerk's Office at 919-560-0025,

visit the County's website, or email Clerk@durhamcountync.gov for more information. Please note that all City and County taxes must be current at the time of application.

- 4) The Durham County ABC Board will host a "ribbon cutting" for its newest store on Tuesday, August 14 at 9am. This store is located at 4711 Hope Valley Road at Woodcroft Shopping Center.
- 5) South Regional Library Hosts the "Every Child Ready to Read Workshop" on Thursday, Aug. 16 from 7 pm - 8:30 pm. Parents, grandparents and other caregivers will learn why it's important for children to get ready to read starting at birth and the essential role of parents and caregivers in developing early literacy skills.

4. Minutes (5 min)

a) July 23, 2012 Regular Session

5. Celebration of County Fire Marshal's Nomination for a 2012 Freedom Award (5 min)

- 1) The Board is requested to congratulate Durham County Fire Marshal Chief Jeff Batten for his nomination to receive the 2012 Secretary of Defense Employer Support Freedom Award.
- 2) Last month, the North Carolina Employer Support of the Guard and Reserve notified the Durham County Fire Marshal of the nomination by a civil service member for the 2012 Freedom Award. The award is the Department of Defense's highest recognition given to employers for exemplary support of Guard and Reserve employees. The Durham County Fire Marshal currently has five active reserves employees.
- 3) Nominations for the Freedom Award are submitted for organizations that go above and beyond to support and accommodate employees that are members of the National Guard and other Reserve Components. The Freedom Award was established 16 years ago and is presented annually to 15 employers in three categories including large business, small business and public sector.

Resource Persons: Jeff Batten, Durham County Fire Marshal

County Manager's Recommendation: The County Manager recommends that the Board read the Statement of Support for the Guard and Reserve and congratulate Chief Batten on his nomination.

6. Recognition of Finance Department Head for Chief Financial Officer (CFO) Award (5 min)

- 1) The Board is requested to congratulate George Quick, Finance Director for Durham County Government, for receiving a 2012 Triangle Business Journal CFO of the Year Award.

- 2) Quick has been the Finance Director for Durham County Government since July 2001. Each year he leads the department in establishing and maintaining a centralized countywide system of financial planning, reporting, and control. The former bank president oversees a department of 21 that provides for the proper accounting and reporting of financial activities to ensure compliance with generally accepted accounting principles (GAAP) and state law.
- 3) Quick, nominated for the award by Bank of America, received the award from *Triangle Business Journal* on July 12, 2012. He won in the award in the government/public sector category, for developing a new way to finance capital projects, including but not limited to, more than \$15 million in interest savings on the New Durham County Courthouse alone.
- 4) According to Quick, “take it one phase at a time, compensate for errors, don’t try to be a superstar, and minimize your losses.” Quick’s business savvy and wisdom, recognized nationwide, is not what he is most proud of in his career. The self-proclaimed “regular guy” says he is most proud of “the people I helped along the way.”

Resource Persons: Mike Ruffin, County Manager; and Marqueta Welton, Deputy County Manager

County Manager’s Recommendation: The County Manager recommends that the Board congratulate George Quick for his recent accomplishment.

7. Proclamation for “2012 Bull City Stand Down Day” (5 min)

- 1) On Friday, September 14, all Durham veterans in the community are invited to the “2012 Bull City Stand Down Day,” which is a full day of services. This annual event will feature educational seminars, employment and housing assistance, healthcare screenings and more. From 8:00 am until 3:00 pm, the activity will take place at the National Guard Armory at 801 Stadium Drive.
- 2) Chairman Michael D. Page is asked to proclaim, Friday, September 14 as “2012 Bull City Stand Down Day” in Durham County.

Resource Persons: Lois Harvin-Ravin, Veterans Services Officer

County Manager’s Recommendation: The County Manager recommends that the Board of County Commissioners approve the proclamation and present to Ms. Lois-Harvin Ravin.

8. Soil and Water Conservation Awareness Month (5 min)

- 1) The Board is requested to recognize August as ‘Soil and Water Awareness Month’ in response to the recent Proclamation signed by Governor Beverly Perdue declaring August as ‘Soil and Water Awareness Month’ in North Carolina.

- 2) August 4, 2012 marked the 75th anniversary of the creation of the first soil and water conservation district in the nation, the Brown Creek Soil and Water Conservation District in Anson County, North Carolina. Due to the dedication and work by North Carolina native, Dr. Hugh Hammond Bennett, President Franklin Roosevelt promoted state legislation that led to the passage of North Carolina General Statute 139, creating soil and water conservation districts. The Upper Neuse River Soil Conservation District, which included Durham County, followed in 1939. Durham Soil and Water Conservation District became an independent district on February 2, 1965.
- 3) Today, 96 soil and water conservation districts serve North Carolina and are led by 492 elected and appointed North Carolina citizens, known as soil and water conservation district supervisors, who lead local soil and water conservation programs. Since 1937, North Carolina soil and water conservation districts have been instrumental in improving the state's natural resources through voluntary, incentive-based conservation programs, and continue to be the primary voice for the protection, wise-use, and conservation of all of the state's natural resources. The actions of the soil and water conservation districts improve the lives of all North Carolina citizens, both rural and urban, through the implementation of programs that protect and improve water quality and other natural resources of the state.

Resource Persons: Eddie Culberson, Durham Soil & Water Director and Danielle Adams, Durham Soil and Water Conservation District Supervisor

County Manager's Recommendation: The County Manager recommends that the Board recognize August as 'Soil and Water Awareness Month.'

9. **Consent Agenda (15 min)**

- a. Approve the receipt of a grant offer from the Federal Aviation Administration (FAA) to be utilized at the Raleigh-Durham International Airport (RDU);
- b. Appoint Kimberly Shaw as Chair of the Durham County ABC Board thru July 31, 2013;
- c. Approve Budget Ordinance Amendment No. 13BCC000005 to amend the budget as indicated to increase the budget by \$2,000 for Durham Cooperative Extension Family and Consumer Science and Agricultural and Environmental Service;
- d. Approve Capital Project Amendment No 13CPA0000012 reducing the County Facility Light Replacement Project by \$403,163. These available funds are to be transferred to the Debt Service Fund (already approved as part of the FY 2012-13 BOCC Approved budget) to support FY 2012-13 capital project debt service needs;
- e. Receive the Risk Management Office's report. The report recognizes the continuing effort of the County administration to decrease the costs associated with the operations of the Government;

- f. Appoint Commissioner Pam Karriker as voting delegate and for the North Carolina County Commissioners' Conference in August, 2012;
 - g. Approve Budget Ordinance Amendment No. 13BCC000006 in the amount of \$6,206 from the NC Department of Health and Human Services for the Health Education Division;
 - h. Approve Budget Ordinance Amendment No. 13BCC000007 appropriating \$4,770 of county fund balance (NC Department of Agriculture and Consumer Services Spray/Neuter Program) to be disbursed to AnimalKind (through the Sheriff's office) for additional Durham County animals to be provided low cost spay and neutering services;
 - i. Authorize the County Manager to execute the Utility Contracts for these additions to the County sanitary sewer system;
 - j. Approve Budget Ordinance No. 13BCC000008 in the amount of \$720,588 to recognize additional revenue subsequent to adoption of the FY2012-2013 Budget;
 - k. Approve the acquisition of 1003 Santee Road for \$625,000 from Capital Bank NA, authorize the Manager to sign a Purchase Contract subject to the Purchase Terms listed above, and to convey mutually agreeable restrictions on the property in exchange for UNCWI funds of up to \$300,000;
 - l. Adopt the attached Resolution; award the Guaranteed Energy Savings Performance Contract to Trane U.S., Inc., subject to LGC approval and successful financing, and authorize the County Manager to execute the Contract, subject to non-substantive changes by the County Attorney;
 - m. Approve Budget Ordinance Amendment No. 13BCC000004 to appropriate restricted fund balance (e.g., previously classified in prior years as deferred revenue or reserved funds) in the amount of \$1,500;
 - n. Approve the attached Bond Order authorizing the issuance and sale of not to exceed \$14,000,000 Enterprise System Revenue Refunding Bond, Series 2012 and authorize the execution and delivery of certain documents in connection therewith.
- 10. Public Hearing to Consider Allocating Economic Development Investment Funds to 21c Durham, LLC (20 min)**
- 1) The Board is requested to hold a public hearing to consider allocating economic development investment funds to 21c Durham, LLC, dba 21c Museum Hotel. The 21c Museum Hotels group is based in Louisville, Kentucky where its flagship hotel was founded in 2006 by philanthropists and arts patrons who had a vision for supporting the revitalization of Louisville's downtown and engaging the public with contemporary art in a new way. The hotel group includes properties scheduled to open in Cincinnati, Ohio late 2012 and Bentonville, Arkansas early 2013. The hotel group combines boutique hotels with contemporary art museums and award-winning restaurants in historic

buildings. 21c Museum Hotel was voted one of the top 10 hotels in the world by *Conde Nast Traveler* magazine readers.

- 2) 21c will invest \$45M to renovate and re-purpose the Hill Building, an iconic historic Durham landmark property that has been mostly empty in the upper floors for years. The renovation will yield a 125 room luxury boutique hotel, a museum and restaurant. The hotel rooms are vital to the success of the 33,000 square foot Durham Convention Center which needs more than 500 additional rooms to support the facility. A unique feature of the hotel will be its contemporary art museum with approximately 5,000 square feet of gallery/event space that will showcase curated, rotating exhibitions of museum-quality contemporary art, that when not in use for special events will be free and open to the public. The restaurant will be chef-driven and will generally be operated in accordance with the principles of the “farm to table” movement. 21c will create at least 150 new permanent jobs in Durham by July 2015, as well as more than 200 new construction jobs. Company officials have stated that incentives from the local government are a key consideration in its final decision on locating the hotel in Durham.
- 3) Staff is recommending that the county participate in this economic development project by providing up to two million (\$2,000,000.00) for the \$45 million project. Funds would be furnished over a ten year period through an economic development incentive fund performance contract. Payments would not begin until after completion of the construction project and opening of the hotel.
- 4) This public hearing was advertised on Wednesday, August 1, 2012 as required by law.

Resource Persons: Marqueta Welton, Deputy County Manager

County Manager’s Recommendation: The County Manager recommends that the Board hold the public hearing, and based upon the information received; approve entering into an economic development incentive contract between the County of Durham and 21c Durham, LLC in the maximum amount of \$2,000,000.

11. Required Public Hearing for Community Development Block Grant Funds Application to State (10 min)

- 1) The Board is required to hold this public hearing prior to applying to the North Carolina Department of Commerce for Small Cities Community Development Block Grant (CDBG) funds. The purpose of the public hearing is to explain the funding categories of the 2012 CDBG Program and to allow the citizens of the County an opportunity to express their views concerning community development needs and priorities. The County has received word from the Dept. of Commerce that we may apply for “Urgent Needs” funding that would potentially help fund a solution to the Rougemont groundwater pollution problem. A second public hearing will be held that deals more specifically with that application.

Resource Persons: Drew Cummings, Assistant County Manager; Warren Wooten, Community Development Project Coordinator (The Wooten Company)

County Manager's Recommendation: The County Manager recommends that the Board hold the required public hearing and take any community feedback into advisement.

12. Public Hearing on Installment Purchase Financing for Performance Energy Savings Contract

- 1) The Board is requested to (1) pass a resolution making certain determinations concerning a proposed installment contract and providing for certain related matters and (2) hold a public hearing and if appropriate, approve the following financing related to the Guaranteed Energy Savings Performance Contract with Trane U.S., Inc., pursuant to G.S. §160A-20.
- 2) The proposed Resolution is attached. The proposed terms of an installment financing contract with SunTrust Equipment Finance & Leasing Corp are also attached and will be used for the purpose of providing funds in an amount not to exceed \$4,600,000.00 for the construction of various energy efficiency upgrades at seven County facilities (See Attachment 2). The Contractor, Trane U.S., will guarantee the amount of the debt service through energy savings each year. If the savings do not result in an amount equal to or greater than the debt service payments, Trane is required to pay the County the difference. Once in final form, the installment financing agreement will be brought back before the Board for approval.
- 3) The proposed terms are as follows and included on Attachment 1:
Bank: SunTrust
Term: 16 years
Rate: 2.285% (prepayment at 103% of Par)

Resource Persons: George K. Quick, Finance Director; and Tobin L. Freid, Sustainability Manager

County Manager's Recommendation: The County Manager recommends that the Board (1) pass the resolution and (2) hold the public hearing and if appropriate, approve on a preliminary basis the proposal of SunTrust to enter into an installment contract with the County to finance the Guaranteed Energy Savings Performance Contract.

13. Appointment to Durham Hospital Corporation Board of Trustees (10 min)

- 1) The Board of County Commissioners is requested to appoint an individual to fulfill an unexpired term of Dr. Barbara Griffith on the Durham County Hospital Corporation Board of Trustees to begin on date of appointment by the Commissioners and to expire June 30, 2014.
- 2) Effective June 30, 2012, Dr. Barbara Griffith submitted her resignation as a member of the Durham County Hospital Corporation Board of Trustees. It was with regret that her

resignation was accepted. Her decision to do so was based up a request from and in the spirit of cooperation with the Durham Regional Hospital Medical Staff. Dr. Griffith recently accepted the position of Durham Regional Hospital Chief Medical Officer; and, as a result, the DRH Medical Staff wanted to be able to nominate another physician from its membership as one of the two DRH Medical Staff nominated Trustees on the Board.

- 3) The Medical Staff nominees for the DCHC Board of Trustees position previously held by Dr. Barbara Griffith are:
 1. Denis Diaz, M.D.
 2. Randy Cruel, M.D.

Resource Person: Michelle Parker-Evans, Clerk to the Board

County Manager's Recommendation: The Manager recommends that the Board appoint Commissioner KARRIER to the Memorial Stadium Authority.

14. RESERVED FOR ITEMS PULLED FROM CONSENT AGENDA (20 min)

15. Closed Session (30 min)

- 1) The Board is requested to adjourn to Closed Session pursuant to G. S. 143-318.11(a)(5) to instruct staff on the position to be taken concerning the acquisition of real property located at 508 East Umstead Street owned by Durham Colored Library Incorporated.
- 2) The Board is requested to adjourn to Closed Session pursuant to G. S. 143-318.11(a)(4) to discuss matters relating to the location or expansion of a business or industry.

County Manager's Recommendation: The County Manager recommends that the Board adjourn to Closed Session pursuant to G.S. 143-318.11(a)(5) and G.S. 143-318.11(a)(4) and instruct staff accordingly.