

**THE BOARD OF COUNTY COMMISSIONERS
Special Meeting With
DURHAM LEGISLATIVE DELEGATION
DURHAM CITY COUNCIL
DURHAM PUBLIC SCHOOLS BOARD OF EDUCATION**

DURHAM, NORTH CAROLINA

Tuesday, December 12, 2000

7:30 A.M.

MINUTES

Place: Durham Marriott Civic Center, 201 Foster Street, Durham, NC

Present: Chairman MaryAnn E. Black, Vice-Chairman Ellen W. Reckhow, and Commissioners Joe W. Bowser, Philip R. Cousin Jr., and Becky M. Heron

Mayor Pro Tem Howard Clement III and Council members Pamela L. Blyth, Tamra M. Edwards, Dan Hill III, Angela V. Langley, and Floyd B. McKissick Jr.

Durham Public Schools Board of Education Chairman Kathryn Meyers and members Regina George-Bowden, Gail M. Heath, Michael D. Page, Mozell Robinson, Phillis Scott, and Arnold Spell; Schools Superintendent Dr. Ann Denlinger

Representatives Paul Luebke, H. M. Michaux Jr., Paul Miller, and Jennifer Weiss

Senators Wilbur P. Gulley and Jeanne H. Lucas

Others Present: Staff from Durham County, City of Durham, Durham Public Schools, and other organizations

Presider: Chairman Black

Chairman Black called the meeting to order. She welcomed everyone to the meeting.

Chairman Black said the purpose of the meeting is for the Durham Delegation to share long legislative session issues. This meeting will also provide an opportunity to share with the Legislators the capital needs for Durham County, the City of Durham, and Durham Public Schools.

Chairman Black asked everyone to introduce themselves and to state who they represent.

Chairman Black said that Mayor Tennyson regrets he could not attend; he had a previous commitment. He asked that discussions not include the prepared food tax (to be discussed at a later date).

Chairman Black called on Mayor Pro Tem Clement for his remarks.

Mayor Pro Tem Clement said, on behalf of the Durham City Council members, he wished to thank the Commissioners for inviting them to this very important meeting. He said the City would give its presentation to the Durham Delegation on January 26, 2001 to discuss the prepared food tax and other concerns.

Ms. Meyers thanked the Commissioners for the invitation to the meeting. We are here to learn and to share since Durham Public Schools are included in the Durham County Capital Improvement Program (CIP). Durham Public Schools has not had a bond referendum prior to the 1991 merger. Capital improvement needs are increasing. We need a 2001 bond referendum to assist with capital improvement requirements. Durham Public Schools has worked very hard to develop a Capital Improvement Program for the system. We will work hard to get a bond referendum approved by the citizens.

Dr. Denlinger stated that the school board members wished to present a brief overview of the Durham Public Schools Long-Range Facilities Plan—2001-2007.

Hugh Osteen, Executive Director for Facilities, presented an overview of the plan.

County Manager Ruffin made a presentation on the nine-year spending plan approved by the Commissioners, which comprises 63 projects at a cost of \$545,000,000. Every dollar spent includes over 41 cents for education. Other important projects are included in the CIP. Fifty-nine cents of every dollar will be coming from general obligation bonds. Several Certificates of Participation (COPs) and 2/3 bonds contribute eight cents to the pay-as-you-go plan. Four bond referendums have been proposed for the following years: 2001--\$71 million, 2003--\$151.8 million; 2005--\$55.4 million; and 2009--\$45.9 million. Property tax increases will be required for each bond referendum: 3 cents in 2001; 3 cents in 2003; 6 cents in 2005, for a total of 12 cents per \$100 valuation to finance debt service for all four referendums. There will be no tax increase for the 2009 bond referendum.

Mr. Ruffin also mentioned revenue sources of other counties which are not revenue sources for Durham County--such as prepared meals tax and impact fees.

County Manager Ruffin discussed sales tax revenues.

Chairman Black said that at this time, questions may be asked about the material presented by the schools and County staff.

Members of the Durham Delegation and other attendees asked several questions and made comments. Appropriate staff members and/or elected officials responded.

Representative Miller asked Reyn Bowman, President, Durham Convention and Visitors Bureau, how the 40-percent sales tax figure was computed.

Chairman Black moved to the next agenda item.

Legislators Update/Comments/Discussion

Chairman Black called on Representative Michaux to make comments about the legislative long session which will convene in January 2001. He discussed the revenue shortfall, teachers' pay, Medicare programs, health programs for state employees, and mental health programs.

Representative Michaux discussed local option revenue sources. He is looking into a statewide bill to permit counties to tax anything provided the citizens vote for approval. He is opposed to sales tax.

Representative Michaux updated the Commissioners on the status of the Senator Terry Sanford arts facility. The Governor wants to provide land on Blue Ridge Road to build the facility provided \$100 to \$150 million can be raised to construct the building. The Governor has called a Council of State meeting for December 19, 2001 to discuss the land proposal.

Many Durham citizens feel that the arts center should be built in Durham since Mr. Sanford's "roots" are here. Chairman Black said letters would be written this afternoon to the appropriate elected officials to request that the arts facility be built in Durham County.

Representative Weiss asked how property tax rates in Durham County compare to Wake and Orange Counties.

Senator Lucas would be seeking legislation regarding end-of-grade testing because she is of the opinion it should not be the criteria for promotion.

Senator Lucas said that the General Assembly will be downsizing State mental hospitals, and the counties will have to assume responsibility for mental patients. Mental Health will be a "hot button." Special needs children will be an important issue in the long

session. The General Assembly is in financial trouble this year due to the \$58 million that had to be refunded to corporations.

Representative Luebke wanted to know why the County would not tax the foreign international corporation in the Research Triangle Park.

Representative Luebke discussed sales tax, impact fees, and impact taxes.

A lengthy discussion followed about Representative Luebke's remarks. The sales tax base in the state should be widened to include services. The Commissioners should help in that effort.

Chairman Black thanked everyone for attending.

Chairman Black stated that the Commissioners must consider several large items such as the homeless population and health care for the Spanish population. She urged the Durham Delegation to give the counties assistance relative to tax options to raise additional revenue.

No official action was taken at this meeting.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board