

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

Monday, June 2, 2003

9:00 A.M. Worksession

MINUTES

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

Present: Chairman Ellen W. Reckhow, Vice-Chairman Joe W. Bowser, and Commissioners Philip R. Cousin Jr. (arrived at 9:15 a.m.), Becky M. Heron, and Mary D. Jacobs

Absent: None

Presider: Chairman Reckhow

Opening of Worksession

Chairman Reckhow convened the meeting and welcomed everyone to the worksession.

Agenda Adjustment

Chairman Ellen W. Reckhow made one adjustment to the agenda. Agenda Item No.10 "Review of Memorandum of Understanding with Durham Public Schools" was moved forward to follow Agenda Item No. 7. The Board was to discuss the item before the break if time allowed. The Board intended to break at 10:40 in order to attend the Durham Public Schools press conference. The worksession was to reconvene at 12:30 p.m. to discuss Agenda Items 8 and 9.

Citizen Comments—Jack Steer

Mr. Jack Steer had requested time on the agenda to speak to the County Commissioners regarding taxes and his resignation from The Friends of Durham.

Jack Steer, 2416 Dawn Trail, asked the County Commissioners on behalf of the Friends of Durham not to increase the property taxes this year. He urged the Commissioners not to increase costs, but rather to decrease expenses. He asked the Commissioners to keep the County Manager's proposed budget intact. If money is available, it should go to the Durham Public Schools. "Education is the gateway to economic independence. There should be no tax increase this year."

Mr. Steer said that this was the last time he would appear in front of the Commissioners as the representative of the Friends of Durham. He was recently appointed Chairman of the Durham County Republican Party. Mr. Steer will continue, however, to serve on the Board of the Friends of Durham.

Commissioner Heron thanked Mr. Steer for bringing various concerns to the Commissioners.

Citizen Comments—Domestic Partner Benefits

The following citizens requested time on the agenda to speak to the County Commissioners about extending full benefits to the domestic partners of Durham County employees:

Jennifer Feldman
Pearl Levine
David VandeVusse
Sumayyah Muhammad
Kathi Sippen
Jo Wyrick

Chairman Reckhow recognized the citizens who signed to speak on domestic partner benefits. Each speaker was given three minutes to speak. The people spoke to support extending full benefits to the domestic partners of Durham County employees.

Citizen Comments—Dr. Robert Zucker

Dr. Robert Zucker had requested time on the agenda to speak to the County Commissioners regarding the school bond issue.

Dr. Zucker, 129 Pine Crest Road, stated that he lives in the Lakewood School District. He said he wanted to speak about the school bond issue concerning a construction project that was built at Lakewood School in the wetlands. He said there were a lot of violations in the project concerning wetlands. The construction was done without proper permits.

The County Commissioners asked several questions about the project to which Dr. Zucker responded.

Chairman Reckhow instructed County Manager Michael Ruffin to obtain more information on the project from the school system. The Chairman stated that planning procedures had been established between the County Commissioners and Durham Public Schools to help prevent such a situation from happening again. Dr. Zucker was encouraged to write a letter to the Commissioners about the violations.

Citizen Comments—Felicia McNeil

Ms. Felicia McNeil had requested time on the agenda to speak to the County Commissioners regarding the bathroom at DATA, problems on the bus, Urban Ministries, and housing programs for drug addicts.

Ms. McNeil did not appear before the Commissioners for her comments.

Commissioner Heron and Vice-Chairman Bowser wanted the County Manager to contact the City Manager to investigate the situation with the bathrooms at DATA and the problems on the buses.

State of Open Space Report by Triangle Land Conservancy

The State of Open Space 2002 Report is a two-year update to an effort originally produced by the Triangle Land Conservancy in 2000. The report takes a broad look at open space protection progress being made across the Triangle. The update report looks at progress made across the region over the past two years towards achieving regional open space goals, highlighting both successes and challenges.

The Triangle Land Conservancy is a nonprofit land trust active throughout the Triangle J region in open space protection. It partnered with the Eno River Association to help raise funds of \$170,000 towards the acquisition of the Little River Regional Park, which is a joint project of Durham and Orange Counties.

Resource Person(s): Lorelei Costa, Associate Director, Triangle Land Conservancy, and Jane Korest, Senior Planner

County Manager's Recommendation: The Manager's recommendation is that the Board receive the report and update on open space protection progress in the Triangle region.

Lorelei Costa, Associate Director, Triangle Land Conservancy, made a presentation to the Board of County Commissioners on the State of Open Space 2003.

The Updates for Durham County – May 2003 consisted of the following information:

- General Information about Triangle Land Conservancy
- Little River – TLC Priority Area Protection
- New Hope Creek – TLC Priority Area for Protection

Ms. Costa presented a slide presentation entitled “State of Open Space 2002.” The presentation consisted of several slides that explained the state of open space.

The Commissioners asked questions and made comments about the Triangle Land Conservancy. Jane Korest, Senior Planner, and the County Manager responded to the questions.

No official action was taken on this agenda item.

2005 Revaluation Date

The purpose of this agenda item is to make a presentation to the Board of County Commissioners outlining the requirements for shortening the revaluation cycle and also to present the status of the county valuation two years past the revaluation.

Resource Person(s): Kenneth L. Joyner, Tax Administrator

County Manager's Recommendation: The Manager's recommendation is that the Board receive the presentation from the Tax Administrator.

Kenneth L. Joyner, Tax Administrator, made a presentation on the 2005 Revaluation date to the Board of County Commissioners.

The revaluation discussion outline consisted of the following areas of the revaluation.

- Opening
- Discussion on Vacancy Rates
- Newspapers articles
- Appeal information
- How vacancy rates affect value
- Discussion on Sales Ratio Study
- Current percentage on the State Study
- Breakdown of sales requested by the State
- Effects to the sales ratio study
- Total Tax Base
- Residential vs. Commercial
- Breakdowns within Commercial classifications
- Recommendation

The following employees assisted with the presentation to the Board:

Teresa Hairston, Appraisal Division Manager
Keith Anderson, Mass Appraisal Specialist I (Revaluation Program)
Steve Worthington, Commercial Appraiser

The Commissioners asked questions to which the staff responded.

Kenneth Joyner commented that staff did not recommend establishing a revaluation date at this time. Instead, Tax Department staff recommended meeting at some time in early spring with the Board and show where the market is at that point. However, the Tax Department doesn't want to wait eight years.

Chairman Reckhow recommended that Mr. Joyner write a memorandum to the Mayor and City Council and copy the City Manager laying out the rationale for not proceeding with the 2005 revaluation. The City Council is on record asking the County to move to a four-year cycle.

At this point, Chairman Reckhow called a recess for the Board to attend the Durham Public Schools press conference. The Worksession would reconvene at 12:30 p.m. to address Agenda Items 8, 9, and 10.

Worksession Reconvened

The Commissioners reconvened the Worksession at 12:30 p.m.

Revisions to County's 10-Year Capital Improvements Program (CIP)

The Board and staff have undertaken a review of the Manager's recommended, 10-Year CIP for FY 2004-2013 with the following goals:

- Review all project estimates for accuracy and ensure that all costs have been included to bring each project to fruition;
- Consider any new projects that may have surfaced since last revision;
- Revise project scheduling and funding to accommodate the earlier completion of several projects; and
- Revise revenue estimates for property taxes, sales taxes, and other dedicated revenues for the capital finance plan that supports the CIP.

Resource Person(s): Mike Ruffin, County Manager; Carolyn Titus, Deputy County Manager; Wendell Davis, Deputy County Manager; Pamela Meyer, Budget and Management Services Director; George Quick, Finance Director; Glen Whisler, County Engineer; Mike Turner, General Services Director; and Keith Lane, Senior Budget Analyst

County Manager's Recommendation: The Manager recommends that the Board approve the CIP as revised, including the recommended projects for the November 2003 Bond Referendum.

Chairman Reckhow wanted to know if Pamela Meyer, Budget and Management Services Director, would highlight the revisions, because a few months had passed since the Board dealt with it.

Ms. Meyer said that the Capital Improvement Plan changes made at the March 3, 2003 meeting were reflected on the spreadsheets as follows:

Capital Improvement Plan (CIP) Changes from March 3, 2003 meeting

1. Justice Center

While the overall cost for the project did not change, the timing of funding did slightly. In order to give time for review/changes of designs for the new Courthouse (which will start in FY 2003-04), a portion of funding (\$200,000) for land acquisition was moved out one year, while enough funds are left in FY 03-04 to put options on any land purchases (\$800,000). Also, the type of funding for land acquisition in FY 04-05 changed from 2/3rds GO Bonds to County Contribution (a total of \$2,063,818). This in turn freed up 2/3rds GO Bond funds to help support the Human Services Complex project.

2. New Youth Home

This project was eliminated with support directed towards renovating the existing Youth Home. These renovation costs are small enough to fall below the CIP threshold and are partially funded in the County operating budget for FY 03-04.

3. Human Services Complex

The Human Services Complex was recombined back into a single project from what was presented March 3, 2003, as well as moved up two years in terms of completion, from 2010 to 2008. In order to achieve these changes \$2,480,027 in 2/3rds GO Bond funding was budgeted in FY 2003-04 to pay for all planning and land acquisition costs. The majority of these bond funds became available after changes to the Justice Center project. An overall additional \$865,992 was needed to fund the project from what was previously planned, largely due to land acquisition costs of \$681,276. From its genesis, the overall cost of this project has dropped from \$92.8 million to \$62.2 million, mostly due to moving away from building a new Human Services parking deck, to using existing available parking lots.

4. Durham Public Schools

The shifting of some projects and the corresponding inflationary increases have caused the DPS GO Bond request to increase from \$101,038,036 to \$105,315,000.

5. Bragtown Branch Library

This project was removed from the CIP. Funding was originally planned at \$2,902,691 with a County Contribution amount of \$605,308 in FY 2005-06 and a COPS amount of \$2,297,383 in FY 2006-07.

6. North Carolina Museum of Life and Science

An additional \$675,000 was added to the planned FY 2003-04 GO Bond issuance for the NCMLS project to support half of the funding for a new Dinosaur Trail project.

The museum has pledged to raise an equal \$675,000 in private funds to complete the project. Overall, the planned GO Bond issuance for FY 2003-04 rises from \$4,509,513 to \$5,184,513.

The County Commissioners asked several questions about the CIP changes and updates.

The resource persons responded to the various Commissioner questions about the CIP.

Ms. Meyer led the discussion on the CIP presentation.

Vice-Chairman Bowser made several remarks about the Bragtown Branch Library. He wanted to let the Commissioners know why the Bragtown Branch concerned him. He stated the opinion that the Board appeared to move away from efforts to enhance the educational resources for the inner city and its less affluent and less-economically-empowered community. The library is in a neighborhood that needs all the resources it can get. Vice-Chairman Bowser expressed the need to revisit the library. "That is my personal opinion."

Chairman Reckhow said that the Board had a lengthy discussion about the Bragtown Branch Library in FY 2000.

The Commissioners brought up the Bragtown Branch Library for a general discussion.

Ms. Meyer summarized the CIP projects and changes for the County Commissioners. The last four or five pages of the handout showed the finance model 30 years out to 2033. She stated that the revised plan as presented to the Board today would require 7.20 cents as in the County Manager's budget. The 7.20 cents next year would go toward supporting the projects and plan next year. The new and existing debt would be supported with the 7.20 cents tax rate increase.

The Commissioners asked additional questions and made comments about the CIP program.

Staff responded to the Commissioners.

Report on Voter Opinion Survey for the 2003 Bond Referendum

In May 2003, Johnston, Zabor, McManus Inc. (JZM) conducted a total of 400 five-minute telephone interviews with Durham County registered voters. The objective of this study was to evaluate voter support for four questions proposed for the ballot: Durham Public Schools Bond; Durham Technical Community College Bond; Museum of Life Sciences Bond; and the South Branch Library Bond. The results of the survey will be shared through this presentation. A detailed report will also be provided during the presentation.

Resource Person(s): Melissa R. Thrower, Project Manager, Johnston, Zabor, McManus Inc., and Paul K. Hayes, Field Sales Manager, Johnston Zabor, McManus Inc.

County Manager's Recommendation: The County Manager recommends that the Board receive the presentation.

County Manager Michael Ruffin introduced Melissa R. Thrower, Project Manager, Johnston, Zabor, McManus Inc. and Paul K. Hayes, Field Sales Manager, Johnston, Zabor, McManus Inc. to give a report on the Voter Opinion Survey.

In May 2003, Johnston, Zabor, McManus, Inc. (JZM) conducted a total of 400 five minute telephone interviews with Durham County registered voters. The objective of this study was to evaluate voter support for four proposed bond referendums.

The preliminary data contained in this report appears that all four bond referendums would pass, with or without property tax increases.

The Durham County Bond Referendum Survey dealt with the following issues:

- Background and Objectives
- Research Design – Sample
- Research Design – Ending Sample Demographics
- Research – Methodology
- Overall Bond support
- Durham Public Schools Bond Support
- Reason(s) Wouldn't support School Bond
- Overall Rating of Durham Public School Facilities
- Awareness of School Issues
- Durham Tech Bond Support
- Museum of Life and Science Bond Support
- South Branch Public Library Bond Support
- Respondent Voting Habits
- Home Ownership
- Children in Household

The Commissioners asked questions and made remarks about the bond referendum survey.

Melissa R. Thrower responded to the questions and comments.

Chairman Reckhow said the Commissioners would need to set a public hearing at the Regular Session Monday night for the second meeting in June for the bond referendum.

Review of Memorandum of Understanding (MOU) with Durham Public Schools

The Durham County Board of Commissioners and Durham Public Schools Board of Education have agreed to develop annual Memoranda of Understanding (MOU) to strategically identify issues/initiatives of mutual interest. The agreement is largely an effort to ensure strong channels of communication between both boards while working to improve the quality of education for students attending Durham Public Schools.

The two boards met on April 28, 2003, and devoted part of the meeting to a discussion of an MOU for the 2003-2004 School Year. This discussion produced several changes. In addition, the Manager met with the Superintendent, who has proposed the approval of a two-year MOU with an annual evaluation/adjustment.

Resource Person(s): Mike Ruffin, County Manager

County Manager's Recommendation: The Manager recommends that the Board review the proposed MOU and advise staff of any additional changes or issues that should be incorporated in the FY 2003-2004 MOU.

County Manager Michael Ruffin said that he put a corrected copy at the Commissioners' places this morning. There were no changes in the context—just to the format. An error was found in the numbering.

The only changes in addition to those made by the Board on April 28 or before were indicated in boldface. This was largely an effort to try to accommodate Dr. Denlinger's desire to have a two-year MOU with an annual evaluation adjustment. All of the Board's changes have been incorporated, and the County Manager gave the Board the attachments for the joint planning protocol and the 2003 and 2004 schedule.

County Manager Ruffin said that the Board would like this (MOU) completed before the end of June.

Commissioner Jacobs wanted to add wording to the MOU to speak to diversity and residency of the community's administrators. She stated she would like for the Board to address this and determine if it could incorporate some language in this MOU for these two concerns.

Chairman Reckhow requested that the County Manager talk to Superintendent Denlinger about these two concerns to determine whether she could increase diversity in the Central Office and encourage employees to live in Durham County. County Manager Ruffin was asked to develop language concerning diversity and residency and to determine whether Dr. Denlinger would accept the language.

Vice-Chairman Bowser said that he and Commissioner Jacobs have had some discussion about diversity in the schools' Central Office and the residency of the Central Office staff for some time.

Commissioner Cousin also brought up the Minority/Women Business Enterprise (M/WBE) policy in the Durham Public Schools. He expressed concern about the percentage being too low.

Chairman Reckhow instructed County Manager Ruffin to work through the issues that Vice-Chairman Bowser and Commissioner Jacobs identified and "to see if we can come up with one new bullet to speak to both issues."

County Manager Ruffin said that if he could reach a consensus on the language from Dr. Denlinger, he would email a change to the County Commissioners to see if the language would be acceptable to them.

Vice-Chairman Bowser wanted Dr. Denlinger to provide the Commissioners with a list of the top administrators and principals in the school system indicating where they live.

Announcement—Budget Worksession

Chairman Reckhow announced that the Board had a Budget Worksession scheduled for tomorrow, June 3, 2003, beginning at 1:30 p.m.

County Manager Ruffin said that he would send to the Commissioners, by email tonight, a copy of the Add/Delete page for the budget worksession.

Adjournment

Chairman Reckhow adjourned the meeting at 1:40 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board