

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

Monday, December 1, 2014

9:00 A.M. Worksession

MINUTES

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

Present: Chairman Michael D. Page, Vice Chair Brenda Howerton and Commissioners
Fred Foster, Jr., Wendy Jacobs and Ellen Reckhow

Absent: None

Presider: County Attorney Lowell L. Siler

Election of Chairman and Vice-Chairman of the Board of County Commissioners

County Attorney Lowell Siler presided over the election of the Board's Chair. He opened the floor for nominations.

Commissioner Jacobs nominated Commissioner Michael D. Page as Chairman of the Board of County Commissioners.

Attorney Siler closed the nominations and requested a vote of all those in favor of Commissioner Page as Chair of the Board of County Commissioners. Attorney Siler requested that votes be distinguished by a raised hand.

The nomination carried with a unanimous vote

County Attorney Siler congratulated Chairman Page on his appointment as Chair of the Board of County Commissioners.

Chairman Page presided over the election of the Vice Chair.

Commissioner Reckhow nominated Commissioner Brenda A. Howerton as Vice Chair of the Board of County Commissioners.

Chairman Page closed the nominations and requested a vote in favor of Commissioner Howerton as Vice Chair of the Board of County Commissioners.

The nomination carried with a unanimous vote.

Approval of Public Official Bonds

The Board of Commissioners were required to approve the bonds of public officials. Following approval, the bonds would be recorded in the Register of Deeds Office and then sent to the Clerk of Superior Court for safekeeping.

Commissioner Reckhow moved, seconded by Vice Chair Howerton to suspend the rules.

The motion carried unanimously

Commissioner Reckhow moved, seconded by Vice Chair Howerton to approve the Public Official Bonds.

The motion carried unanimously

The Public Official Bond Certificate follows:

NORTH CAROLINA

DURHAM COUNTY

CERTIFICATE

As Chairman of the Board of County Commissioners of Durham County, North Carolina, this is to certify that on Monday, December 1, 2014, the following Public Official Bonds were approved by the Board of County Commissioners of Durham County; the Public Official, the amount of bond, and the bond number with the name of the surety were set forth:

<u>POSITION</u>	<u>PUBLIC OFFICIAL</u>	<u>AMOUNT OF BOND</u>	<u>SURETY</u>	<u>BOND #</u>
Financial Officer	George Quick	\$250,000	Hartford	20BSBAY8705
Tax Collector	Kimberly H. Simpson	\$250,000	Hartford	20BSBEY6989
Sheriff	Michael Andrews	\$ 25,000	Hartford	20BSBGE1093
Register of Deeds	Willie L. Covington	\$ 50,000	Hartford	20BSBBT7709
Employees Crime Bond	All Other County Employees	\$250,000	Travelers	105567428

Each bond is executed under seal in the name of the surety by an agent or attorney in fact. The clerk of the Durham County Board of Commissioners has been instructed to record each of the bonds enumerated herein with the power of attorney attached thereto in the office of the Register of Deeds of Durham County, together with a copy of this Certificate attached to each bond. After said bonds have been duly recorded in the Office of the Register of Deeds, the original of bond together with the power of attorney and a copy of the Certificate shall be deposited with the Clerk of Superior Court of Durham County.

Citizen Comments

The Board of County Commissioners provided a 30-minute comment period to allow Durham County citizens an opportunity to speak. Citizens were requested to refrain from addressing issues related to personnel matters.

Bill Kalkhof spoke about the public art structure in front of the Durham County courthouse. He stated great cities invested in public art to enhance the culture and experience. Mr. Kalkhof added that money was identified and the public art was in alignment with a Strategic Goal. He encouraged the Board to consider the public art structure at the December 8, 2014 Regular Session meeting.

Kimberly Israel addressed climate change as a community. She mentioned climate change was a problem caused by human activity. Ms. Israel suggested ways to reduce climate change which included electric vehicles, expansion of bicycle lanes and promoting telecommuting. She asked the Board to facilitate community meetings to discuss moving forward.

Jade Brooks from Jewish Voice for Peace thanked the Board for opening the bidding process for the security contract in Durham County.

Presentation Concerning New Legislation – House Bill 857

Lowell Siler, County Attorney introduced Norma Reid Houston and Michael Lemanski, UNC-Chapel Hill, School of Government faculty members as they prepared to share their presentation. Commissioner Reckhow stated the presentation would highlight a potential project to provide low income housing around a parking garage along with retail space.

Ms. Houston shared a presentation titled “*Public-Private Partnerships: Special Contracting Requirements*” which discussed the following: What is a *Public-Private Partnership*, New Construction Delivery Methods, Public-Private Partnership Contracting Methods and Resources.

Vice Chair Howerton thanked Ms. Houston for her presentation. She mentioned a community representative visited the Board a year ago to discuss a possible housing project in collaboration with the City which later fell through. Attorney Siler responded the legislation was not approved prior to October 2013. Ms. Houston stated under the P3 statute, it would have to be a capital improvement project and the developer would have to finance 50% of the cost.

Commissioner Reckhow asked if there was way to partner with sub developers. Ms. Houston stated it did not have to be one developer. She added the developer could be a firm that could come as a team. Commissioner Reckhow asked once a developer was agreed upon would the County be engaged in the design of the project. Mr. Lemanski responded that it was important to already have a plan in place prior to meeting with the developer so they would know what the County desired.

Attorney Siler asked if the referenced parking deck in Wilmington, NC was mixed used. Mr. Lemanski responded the parking deck was not currently mixed use, but it would be a complete redevelopment in the future. He added the city owned the area and they had very specific needs for the space.

Commissioner Jacobs mentioned the County needed to look at more than housing. She stated it needed more affordable retail space. Commissioner Jacobs asked how the market price would be

determined. Mr. Lemanski responded he was unsure how the price would be determined. He continued to say that affordable housing was handled differently than retail space.

Mr. Lemanski shared a presentation titled *Development Finance Initiative (DFI)* which highlighted the following: DFI Project (50 different projects across the state), Wilmington, NC Case, Wilmington Council Objectives, Pre-Development Process, Guiding Public Interest, Recommendations, Responses from Developers, Davidson, NC Case, Davidson Catalyst Site Predevelopment Objectives and Process/Timeline.

Vice Chair Howerton asked who would make the payments. Mr. Lemanski stated the contract was set up with local governments. He added there was a small fee with the local government upfront and the remainder was paid by the developer.

Commissioner Reckhow stated she hoped the Board would allow the initial project scoping to occur. She inquired about the funds set aside to begin the initial process. County Manager Davis responded that the Facility Master Plan had not been updated in 14 years and the staff was working to revamp the plan. Commissioner Reckhow stated before consideration was made regarding a parking deck, she would hope the Board could hear other project options.

Chairman Page asked if stipulations could be made to guarantee affordable retail. Mr. Lemanski responded the County could identify what the public interest would be upfront to ensure the County needs were met. Chairman Page asked for clarification on the developer being responsible for 50% of the cost. Ms. Houston responded the developer was required by law to fund at least 50% of the cost and the County or other sources would be responsible for the remainder. Mr. Lemanski added that the percentage paid by the developer and County would also determine the amount of ownership they held on the property.

Commissioner Jacobs inquired about the next steps. Chairman Page responded he would like to place the item on a future Worksession agenda to discuss further. County Manager Davis stated a master plan update could be provided by late February.

Raleigh-Durham Airport Authority Report

Tommy Hunt, Chairman of the Raleigh-Durham Airport Authority, Clay Wheeler, member of the Raleigh-Durham Airport Authority and Michael Landguth, President and CEO of the Raleigh-Durham Airport shared a presentation titled "*Raleigh-Durham Airport Authority Presentation to Durham County.*" This presentation discussed the following: RDU by Numbers, RDU Air Carrier Profile, Past Development Projects, The New Terminal 1, Airport Master Planning, Non-Aeronautical Land Development, Small Business Programs, RDU Nonstop Domestic Service and Target Markets, Region Poised to Compete for Growth in Air Service, It's All about International, Economic Impact of RDU and the Economic Impact of one International Flight.

Commissioner Reckhow inquired about the current utilization. Mr. Landguth responded the current utilization was 70%.

Vice Chair Howerton thanked the Authority for their presentation. She questioned the economic development and tax incentives for Durham since the airport was located in Wake County. She mentioned the airport was often referred to as the Raleigh airport and not recognized as a Durham airport. Mr. Landguth stated the Authority did not decide where the taxes were sent. He stated that was a State of North Carolina decision. He also added that all airlines were told to make sure the airport was listed as the Raleigh-Durham Region. Vice Chair Howerton questioned the businesses that market in the airport and what percentage of those businesses were from the Raleigh-Durham area. Mr. Landguth responded they were working on a database to help filter those numbers. He added the airport hired staff to go to local businesses and inform them of leasing opportunities. Vice Chair Howerton requested analysis around the percentage of businesses that were from the Raleigh-Durham area.

Commissioner Jacobs referenced the *It's all about International* slide and asked why Paris or Frankfurt. Mr. Landguth responded those were hubs to other large destinations.

Commissioner Reckhow thanked the Authority and asked that they continue to provide annual reports.

Wendell Davis, County Manager asked Mr. Landguth to share information from the Aviation Symposium. Mr. Landguth responded they were trying to get an education campaign started. He continued to say that they were interested in public-private partnership, reaching out to Research Triangle Park and other business leaders.

Chairman Page questioned the drop off time and security issue. He asked would there be a point when people could get at least five (5) minutes at the curb to pick up or drop off people. Mr. Landguth responded that it was a real security threat to allow people to wait at the curb for longer periods of time. He mentioned there was a cell phone lot at the Administrative Building as well as free 15 minute parking.

Discussion of Amendment to Global Spectrum Management Agreement for the Durham Convention Center

Drew Cummings, Assistant County Manager shared a presentation on the *Durham Convention Center: Amendment to Management Agreement* which discussed the following: Management Agreement, Incentive Fees, Highlights, Goals for the Next Five (5) Years, Annual Operating Deficits and Other Changes in the Amendment.

Commissioner Reckhow mentioned the *Other Changes in Amendment* slide and questioned the conveying of the fountain to Global Spectrum while it was not in current operation. Mr. Cummings responded it was discovered that the County owned half of the Convention Center plaza/fountain. He also mentioned there was discussion to turn the fountain into a planter. Commissioner Reckhow stated the fountain leaked and would only be used on certain occasions. She added a solution which involved a sustainable approach was recommended. Commissioner Reckhow also discussed her concern about limited outdoor seating and possibly adding more tables and chairs to make the plaza more inviting. Mr. Cummings stated he would recommend the group review the suggestions mentioned.

Commissioner Jacobs stated there needed to be an overall plan on the usage of the plaza. She asked if there was a conversation about Convention Center usage. Mr. Cummings responded that larger conventions were booked out for years in advance. He stated they were in discussion about events being held in 2016 and 2017. Commissioner Jacobs suggested the Durham Convention and Visitor Bureau be a partner with the Convention Center in the future.

Vice Chair Howerton asked for clarification to the text on the *Other Changes in Amendment* slide which read “*Remove references to ticketed events and management of related funds.*” Mr. Cummings responded the original agreement anticipated ticketed events and referred to cash management which they did not have, so they decided it should be removed. Vice Chair Howerton mentioned she was pushing conversation to have the North Carolina Association of County Commissioners (NCACC) Conference in Durham County in 2017.

Commissioner Foster asked if the Convention Center operated on a deficit and would it be on-going. Mr. Cummings responded the Convention Center did operate on a deficit and it was hard to determine if it would be on-going. He added there were capital things that were not included in the annual budget.

Chairman Page stated this would be a consent item on the December 8, 2014 Regular Session Agenda.

Closed Session

The Board of Commissioners was 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.

Commissioner Reckhow moved, seconded by Vice Chair Howerton that the Board move into Closed Session pursuant the aforementioned Statute.

The motion carried unanimously.

Reconvene from Closed Session

Chairman Page reconvened the meeting. He announced that the Board met in Closed Session and directions were provided to staff.

DSS Update on NC FAST

Michael Becketts, Director, Department of Social Services (DSS) shared a presentation on *NCFast and Medicaid Update*. The presentation discussed the following: Alignment with Strategic Initiatives, Recent History, The Success of DCo DSS, The Challenges Persist, Food and Nutrition Services Recipients, Medicaid Recipients, Program Integrity Referrals, New and Increasing Expectations of the State, Increase in Medicaid Reimbursement to 75%, Impact of the 75% Revenue on FY15, Current Challenges, DCo Socials Services Request, Impact of Not Investing in Human Capital and On the Horizon.

Commissioner Reckhow asked if the reimbursement funds would come directly from the state or were they being passed through from the federal government. Mr. Becketts responded the funds were coming from the federal government. Commissioner Reckhow inquired about the length of time the funds were available by the state. Mr. Becketts stated the funds had been available for several years.

Wendell Davis, County Manager, mentioned the 75% reimbursement level and asked would it have staffing and spacing implications. Mr. Becketts concurred.

Mr. Becketts requested 33 FTEs which included the following:

- Four (4) Program Integrity Investigators
- Four (4) Quality Assurance Staff
- One (1) Quality Assurance Supervisor
- One (1) Income Maintenance Supervisor
- 22 Income Maintenance (IM) Caseworkers (15 IM Caseworkers were approved as temporary and provisional positions)

Commissioner Reckhow asked would the funds received free up County funds in the future. Richard Stegenga, Social Services Finance Administrator concurred. He continued that there would be a County match which would be an offset by the additional revenue. Mr. Stegenga added moving forward into FY15-16, there could be the same dynamic but possibly at a different degree.

Mr. Becketts stated the support provided by the Board had allowed DSS to maintain the level of support needed; however, a significant amount of overtime had been created and the work had increased.

County Manager Davis inquired about the increase in demand for service from 2007 until now. Mr. Becketts referenced the *Food and Nutritional Services Recipients* slide which explained the 78% increase, noting that staff had not been added significantly to handle the needs.

Commissioner Reckhow asked if there was room for improvement in terms of the use of technology. Mr. Becketts concurred, adding there was more data being collected which required each worker to do more data entry. Commissioner Reckhow stated she hoped at some point citizens would be able to use technology to make the workload easier for the workers. Mr. Becketts concurred; he continued to say what Commissioner Reckhow visualized was very good yet also very distant.

Commissioner Foster asked where the 33 people would be housed. Mr. Becketts responded 15 positions were already filled. DSS would need to locate space for the additional 18. He stated the department had space, computers and furniture for the new positions. Commissioner Foster inquired about the future needs. Mr. Becketts responded there had been discussion with Marqueta Welton, Deputy County Manager about dividing the County into two parts and providing a separate storefront where citizens could walk in for assistance or the County would need to create a processing center.

Commissioner Jacobs thanked the DSS staff for their work. She highlighted the leadership and how they had maintained to stay ahead of other counties.

Vice Chair Howerton asked what was being requested from the Board. Mr. Becketts stated DSS was requesting 33 FTEs which equated to \$878,000. Mr. Stegenga interjected that of that amount, they would be reimbursed \$570,000 which would leave a County cost of \$308,000. He added the County would not have to pay any additional because it was budgeted at a higher level.

Chairman Page asked how long would the positions last and what were the qualifications. Mr. Becketts responded they were permanent positions. Rhonda Stevens, Senior Social Services Administrator interjected that a person with or without a college degree could apply.

Chairman Page requested a motion to suspend the rules to approve the DSS request.

Commissioner Reckhow moved, seconded by Vice Chair Howerton to suspend the rules to approve the DSS request.

The motion carried unanimously.

Commissioner Reckhow moved, seconded by Vice Chair Howerton to approve the Durham County DSS request for approval of the additional positions.

The motion carried unanimously.

Continued Discussion about Purchasing Courthouse Sculpture

Drew Cummings, Assistant County Manager shared a presentation on the *Discussion of Purchasing Sculpture for Courthouse*. The presentation discussed the following: Cliff Notes, P. Freelon's statement about the sculpture, Sculpture Photographs, Specific Questions Asked, Why are the arts a good public-section investment, Economic Value of Art, NC Local Government Art Investment Strategies and the Staff Recommendation which was to purchase the sculpture at the reduced price.

Chairman Page asked if there was a plan in Durham that looked at the location for public art. He stated he would like a plan to be put into place for public art to be located in a nice strategic location. Commissioner Reckhow responded the Arts Council was working on a plan to implement signage and street guides to help citizens locate public art areas and sculptures. Mr. Cummings added there was a discussion to offer an app that would provide information about the sculptures. He continued to say with regard to location, the County would have more of a specific role with placing art on County property.

Vice Chair Howerton stated the piece did not say anything about the courthouse or downtown. She added she did not see a historical essence or cultural discussion about the artwork.

Commissioner Reckhow mentioned her view of the artwork and stated *“how it symbolized on any given day, no one was certain about what would happen to them.”*

Chairman Page mentioned he would like to see more information about the sculpture.

Commissioner Reckhow suggested a commemorative plaque to provide an explanation of the art.

Commissioner Jacobs stated everyone would have a different interpretation of the art. She stated the sculpture was not static and could give a person a sense of inspiration. Commissioner Jacobs mentioned as County Government, we should support public art. She added the price was lowered and part of the money was going back into a local non-profit. Mr. Cummings responded as part of the show, funds were solicited and the City put in \$10,000 as well as other private citizens. Commissioner Jacobs stated she hoped the County would set an example for other entities and private sectors.

Commissioner Reckhow asked that the item be placed on the December 8, 2014 Regular Session Agenda.

Vice Chair Howerton requested a commitment that signage would be added to the sculpture. County Manager Davis responded the artist and an architect would be contacted to design a plaque to illustrate the significance of the sculpture. County Manager Davis stated the item would be placed on the Consent Agenda at the December 8, 2014 meeting.

Adjournment

Vice Chair Howerton moved, seconded by Commissioner Jacobs that the meeting be adjourned.

The motion called unanimously.

Respectfully Submitted,

Monica W. Toomer
Deputy Clerk to the Board