

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

Monday, May 13, 2019

7:00 P.M. Regular Session

MINUTES

Place: Commissioners' Chambers, Second Floor, Durham County Government Administrative Complex, 200 East Main Street, Durham, North Carolina

Present: Chair Wendy Jacobs, Vice-Chair James Hill and Commissioners Heidi Carter, Brenda Howerton and Ellen Reckhow

Presider: Chair Wendy Jacobs

Opening of Regular Session - Pledge of Allegiance

Agenda Adjustments

Chair Jacobs announced that there were no agenda adjustments.

Announcements

Chair Jacobs read the following announcements:

1. **Durham County Board of Elections to Conduct Educational Seminars on Voter Identification Requirement** – Educational Seminars about voter photo identification requirements will be held between May and August. All seminars are free, and the community is invited to attend the following dates:
 - North Regional Library – May 30th (6 – 8 p.m.)
 - South Regional Library – June 20th (6 – 8 p.m.)
 - East Regional Library – July 18th (6 – 8 p.m.)
 - Eno River Unitarian Universalist Fellowship – August 22nd (6 – 8 p.m.)

The following seminars will be presented in Spanish:

- Durham County Health and Human Service Building – July 23rd
(10 a.m. – 12 p.m. and 4 p.m. – 6 p.m.)

For additional questions, please contact the Durham County Board of Elections by phone at 919-560-0070 or by email elections@dconc.gov

2. **Let Your Voice Be Heard** – The draft fiscal year 2020 Durham and Orange Work Plans are now available for comment through May 20, 2019. This process budgets funding for next fiscal year (July 1, 2019 – June 30, 2020) in accordance with the multi-year County Transit Plans.

Comments can be submitted by doing the following:

- Online: http://www.dchcmpo.org/programs/transit/staff_working_group/default.asp
 - Email: aaron.cain@durhamnc.gov
 - Mail: City of Durham Department of Transportation
Attn: Aaron Cain, 101 City Hall Plaza, Durham, NC 27701
 - Via a Community Group: Community organization can also submit comments in the form of a letter on behalf of their organization
3. **Foster Care Fair: A Spotlight on Participating Organizations** – May is National Foster Care Month and Fostering Families, the Triangle’s Partnership for Foster & Adoptive Families is celebrating at Ponsaurus Brewing Co. located at 219 Hood Street on Sunday, May 19th from 1pm – 3pm. Come to learn more about volunteer opportunities, foster parenting and meet the people in your community who are working to support the Triangle’s foster youth!
 4. **Durham County Convenience Sites Accepting Fluorescent Bulbs and Mercury Containing Thermostats** – All four County Convenience Sites are now accepting fluorescent bulbs, mercury containing thermostats and Compact Fluorescent Bulbs (CFLs) for proper disposal. Tubes must be four feet or less and you must give them directly to a staff member for disposal. For more questions please call 919-560-0433 or email recycle@dconc.gov.
 5. **Property Tax Relief Programs Information Session** – Come learn about Homestead Property Tax Exemption for seniors and disabled residents along with other property tax relief program offered to North Carolina on May 15, 2019 from 11 a.m. – 12 p.m. at the Durham Center for Senior Life Theater.

This event is free and open to the public.

6. **2019 Aging Well in Durham: Free Community Event and Resource Fair** – Come join us and find new ways to **CONNECT**, **CREATE** and **CONTRIBUTE** to an Age Friendly Durham and, also learn about volunteer opportunities on Saturday, May 18th from 10 a.m. – 2 p.m. at the Durham County Human Services Building.

Registration is limited and required as a light breakfast and boxed lunch will be provided at no cost. For more information, or to register, please call 919-560-7393, email mblack@dconc.gov or register online <http://bit.ly/2019AWD>

7. **Your Input is Needed** – As the County prepares the FY19-20 budget, public comment is a vital component. Please let the Board of County Commissioners know the priorities you support by visiting the online Budget Comment Portal at www.dconc.gov/19-20budgetportal
8. **Alert Durham – Sign Up Today:** Durham County wants to keep its citizens informed and safe in the case of an emergency. Sign up for Alert Durham to receive notifications about severe weather, unexpected road closures, missing persons, and evacuations of buildings or neighborhoods. To sign up for Alert Durham, visit www.AlertDurham.com

Minutes

Commissioner Reckhow moved, seconded by Commissioner Howerton to approve the April 1, 2019 Work Session minutes.

The motion carried unanimously.

Ceremonial Items

Proclamation – National Drug Treatment Court Month

Commissioner Carter read the following proclamation:

NATIONAL DRUG COURT MONTH | 2019

- WHEREAS,** for over twenty years Durham Drug Court has been restoring lives, reuniting families, and making communities across North Carolina safer; and
- WHEREAS,** Drug Courts facilitate community-wide partnerships that bring together criminal justice, public safety, and treatment professionals in the fight against substance abuse and criminality; and
- WHEREAS,** Drug Courts are now recognized as the most successful criminal justice intervention in our nation’s history; and
- WHEREAS,** Drug Courts reduce criminal recidivism; and save up to \$27 for every \$1 invested and up to \$13,000 for every individual they serve; and
- WHEREAS,** the Drug Court movement has grown nationwide from the 12 original Drug Courts in 1994 to over 2,900 operational Drug Courts; and over the past twenty-five years Drug Courts have served over 1.4 million individuals nationwide; and
- WHEREAS,** Durham County is operating a successful adult program that has helped many Durham citizens regain sobriety and connect with resources to maintain long-term recovery; and
- WHEREAS,** in May, National Drug Court Month celebrates the promise of recovery and restored hope to Drug Court graduates and their families; we invite all residents of Durham, North Carolina to participate in National Drug Court Month.

NOW, THEREFORE BE IT RESOLVED, I, Wendy Jacobs, Chair of the Durham Board of County Commissioners and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 2019 as

“NATIONAL DRUG COURT MONTH”

in Durham County, North Carolina.

This the 13th day of May 2019.

Wendy Jacobs, Chair
Durham Board of County Commissioners

Roshanna Parker, Assistant Director for Criminal Justice Resource Center, thanked the Board and County Manager for the proclamation. Karen Shaw, Adult Drug Treatment Court Coordinator, explained the program and history of the Drug Treatment Court. Ms. Shaw invited the Board to attend the Desserts and Coffee on Tuesday, May 21, 2019 at 2:30 p.m. at the Durham County Judicial Building 9th Floor Conference Room. David Hall, Durham District Court Judge, shared his experience in Drug Treatment Court and appreciated working with dedicated professionals.

Chair Jacobs thanked Ms. Parker, Ms. Shaw and Judge Hall. She added Durham County continued to support Drug Treatment Court without any State funding and invited everyone to attend the next graduation in June 2019.

Commissioner Reckhow recommended the Drug Treatment Court Team work with the Board to fill the 29 open slots in the Drug Treatment Court Program and invited the team to attend the Crime Cabinet meetings.

Proclamation – National Emergency Medical Services Week in Durham County

Commissioner Reckhow read the following proclamation:

EMERGENCY MEDICAL SERVICES WEEK | 2019

- WHEREAS,** Durham County’s emergency medical services system provides a vital public service; and
- WHEREAS,** the members of Durham County’s emergency medical services team are ready to provide lifesaving care to those in need 24 hours a day, 365 days a year; and
- WHEREAS,** access to quality emergency care in Durham County dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and
- WHEREAS,** Durham County’s emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators, and others; and
- WHEREAS,** the members of Durham County’s emergency medical services teams engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and
- WHEREAS,** Americans generally, and Durham County residents, workers, and visitors in particular benefit daily from the knowledge and skills of these highly-trained individuals; and
- WHEREAS,** it is appropriate for the Durham County Board of County Commissioners to join with other governing bodies across the United States in setting aside the week of May 19-25, 2019 in recognition of the value and the accomplishments of emergency medical services, by marking the week as Emergency Medical Services Week.

NOW, THEREFORE BE IT RESOLVED, I, Wendy Jacobs, Chair of the Durham Board of County Commissioners and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 19-25, 2019 as

“EMERGENCY MEDICAL SERVICES WEEK”

in Durham, North Carolina and with the theme *EMS STRONG BEYOND the CALL*, I encourage the community to observe this week with appropriate programs, ceremonies, and activities in Durham County, North Carolina. commend its observance to our citizens.

This the 13th day of May 2019.

Wendy Jacobs, Chair
Durham Board of County Commissioners

Kevin Underhill, Interim EMS Director, thanked the Board for the proclamation and expressed how fortunate he was to be the Interim EMS Director for the last two (2) years. He added the emergency response time had been reduced by a minute and a half and the EMS Department had great events planned for EMS Week.

Jim Groves, Fire Marshall/Emergency Management Director, thanked the Board for the proclamation

and the recognition for the great work with the explosion on April 10, 2019 in Downtown Durham. He stated after the explosion he witnessed teamwork and trust with all the responders.

Sheriff Clarence Birkhead stated the Sheriff's Office responded to the explosion to help gain control of the scene and was proud to be part of the response team. He added he would like to thank Orange County Sheriff's Office for responding to the explosion and supporting Durham.

Dr. Anjni Joiner, EMS Medical Director, explained she was new to the position and was proud of the commitment of the EMS Department. She added Durham County EMS were committed to providing the best care for the community.

Chair Jacobs thanked all the emergency service staff and was grateful for all the response and hard work during the explosion.

Commissioner Howerton thanked and appreciated the surrounding counties for all their help responding to the explosion.

Proclamation – National Foster Care Awareness Month

Commissioner Howerton read the following proclamation:

FOSTER CARE MONTH | 2019

WHEREAS, the family, serving as the primary source of love, identity, self-esteem and support, is the foundation of our communities and our State; and

WHEREAS, over 437,465 American children are in foster care because their own families are in crisis and unable to provide for their essential well-being; and

WHEREAS, more than 16,000 children live in foster care in North Carolina because their own families are in crisis and unable to provide for their essential well-being; and

WHEREAS, foster families, who open their homes and hearts as a support to families and not a substitute for parents, play a vital role in helping children and families to heal and reconnect and launching children into successful adulthood; and

WHEREAS, in Durham County, there were 313 children and youth in foster care on April 1, 2019 being provided with a safe, secure, and stable home along with the compassion and nurture of a foster family; and

WHEREAS, the needs of the foster care population result in a greater call for skilled foster families, community resources and partnerships; and

WHEREAS, the Durham County foster care system depends on the active support and involvement of the Durham community; and

WHEREAS, the Durham County Department of Social Services is joined by numerous individuals, public, and private organizations who work to increase public awareness of the needs of children in and leaving foster care, as well as the enduring and valuable contribution of foster parents, the Durham County Department of Social Services acknowledges that the foster care "system" is only as good as those who choose to be part of it. Therefore, partnerships on the state, county, and community levels are critical to its success.

NOW, THEREFORE BE IT RESOLVED, I, Wendy Jacobs, Chair of the Durham Board of County Commissioners and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 2019 as

“FOSTER CARE MONTH”

in Durham County, North Carolina and I commend this observance to our community and urge all citizens to come forward and do something positive that will help raise hope and foster dreams of children and youth in foster care.

This the 13th day of May 2019.

Wendy Jacobs, Chair
Durham Board of County Commissioners

Ben Rose, Director, Department of Social Services, thanked the Board for the proclamation, partners in the community, Social Services staff and foster families. He invited everyone to attend the Fostering Families Fair at Ponsyaurus Brewing Company at 219 Hood Street on Sunday, May 19, 2019 from 1-3 p.m.

Sharyn Flood, Program Manager, stated how import it was to educate the Durham community about child abuse and family neglect. She provided the contact information for those interested in foster care; 919-560-8092 and email: fosterdreams@dconc.gov.

Jovetta Whitfield, Assistant Director, mentioned several children were in foster families outside of the County and she would like to see the children back in Durham County. She added more foster families were needed in Durham County.

Commissioner Howerton encouraged citizens to call about the Social Services Workgroup that was dealing with the Legislature. Mr. Rose responded the General Assembly passed House Bill 630 which reformed Social Services and targeted child welfare. Chair Jacobs added the number of foster care children doubled in the County and more State funding was needed.

Resolution in Support of NC’s Working People and their Families

Chair Jacobs read the following proclamation:

RESOLUTION SUPPORTING NORTH CAROLINA’S WORKING PEOPLE AND THEIR FAMILIES

WHEREAS, North Carolina’s everyday working people are currently struggling in an economy that doesn’t work for them and stagnant wages, public service cuts, systemic discrimination and a weakened social safety net are the norm in many communities; and

WHEREAS, public policy choices, not just market forces, dictate whether working people have access to economic opportunities and benefit fairly from the work they perform; and

WHEREAS, Durham County Government provides strong support for its employees including a minimum living wage of \$15/hour for full and part-time employees; and

WHEREAS, North Carolinians need access to safe, green, living wage jobs, free from harassment, violence and discrimination; and

WHEREAS, worker organizing, union membership, and collective bargaining remain the most effective tools for working people to exercise their power on the job and in the public sphere.

NOW, THEREFORE, BE IT RESOLVED, that we, the Durham County Board of Commissioners do

hereby urge our legislative delegation to promote the well-being of North Carolina’s workers and their families by supporting:

- Legislation which provides paid family leave for workers in NC who want or need to take parental leave, leave to care for sick family members, or to meet other critical family needs.
- Legislation raising the minimum wage for all workers and a \$15/hr minimum wage for all state employees
- Legislation that expands Medicaid coverage
- Legislation that empowers public employees to negotiate wages and other conditions of their employment, such as repealing so called “right to work” laws and extending the right to collective bargaining to public sector employees.

This 13th day of May 2019

Wendy Jacobs, Chair

James Hill, Jr., Vice-Chair

Heidi Carter

Brenda A. Howerton

Ellen Reckhow

Chair Jacobs highlighted the importance of the resolution and the Board highly supported the resolution.

Commissioner Carter stated the resolution connected the health, education and economic security of shared prosperity.

Commissioner Reckhow explained how the investment in higher pay and appropriate benefits would reduce County cost and benefit the community.

Commissioner Howerton stated resolutions were great but not enough. She stated she would like to see the results and was supporting Durham County employees pay from the compensation study results.

Vice-Chair Hill explained the vital problems in Durham were housing and stagnant income but rent and mortgages were not stagnant. He added 300 and 500 Main Street would help with housing, but workers must free of intimidation and fear to organize.

Directive: Chair Jacobs asked the Clerk and staff to send the resolution to North Carolina Delegation.

Other Business

FY2019-2020 Manager’s Recommended Budget Presentation

County Manager Davis shared the “2019-20 County Manager’s Recommended Budget” and provided the following summary:

“Good evening Chair Jacobs, members of the Board County Commissioners, County Staff, and Durham County residents. It is an honor to present to you my recommended budget for fiscal year 2019-20. The framework for developing this budget recommendation is best characterized by a property revaluation, a steadily increasing demand for services, stagnant revenue growth that does not fully pay for the increases in basic services, a handsome debt obligation and a potential slowdown of our national economy. In spite of this backdrop, we continue to move forward in implementing our long-term strategies expressed in our Strategic Plan and making the necessary capital investment for a good future. We also place our Managing

for Results business model at the heart of our decision making. My recommended budget, through funding decisions, reflects Durham County's response to internal and external pressures in order to continue developing into a results-based organization that is a point of pride and a community of choice for all residents.

We continue to wrestle with a host of vexing social challenges, to navigate these complex dynamics and to keep Durham County on course for a brighter tomorrow, the Board of County Commissioners has a guiding Strategic Plan. This document consists of five strategic goals, and related objectives and strategies – which tie together service delivery within departments. This plan places a higher priority on collaboration among departments and the community, but also puts performance management – the Managing for Results model – at its core.

This budget addresses important issues while protecting our fiscal standing. In fact I would say that this is an EDUCATION....EDUCATION....EDUCATION focused budget. But I first want to acknowledge up front that a fundamental part of developing this recommended budget was asking departments to find and implement significant existing budget reductions. County departments more than met the challenge, finding over \$2 million in reductions that in turn were used to fund important priorities and limit the property tax rate increase needed. County investments in new or different areas are made not only with new dollars, but also the reallocation of existing dollars.

The recommended budget supports critical needs for Durham Public Schools and the important and expensive task of providing increased Pre-K support to Durham County children. It also recognizes our greatest asset, our human capital, by proactively dealing with compensation and classification issues found in the marketplace. Further, the budget provides operational increases in key service areas to address critical mental health needs at the Detention Center, as well as the need for new public safety equipment and vehicles. Additionally, the budget funds new positions and resources associated with the reopening of the Main Library in the Spring of 2020, and new positions to address needs such as racial equity training and cradle to career service coordination within the County.

To do all these necessary things, I am recommending a 2.3 cent overall property tax rate increase over the revenue neutral rate for the upcoming fiscal year. We budget property tax revenue in two categories, one to support General Fund expenses and the other to support the Capital Financing Fund, which pays for capital projects and debt service. The overall property tax rate is recommended to increase by 2.3 cents to support General Fund needs including: additional funding for Durham Public Schools, operating increases across a number of departments, compensation and benefits increases, and new position support. For a \$200,000 home, this tax rate increase equals \$46 per year. The cost to support expanded County services, and also provide for a fast-growing population...puts continued pressure on property tax as the main source of Durham County funding while other revenues are slowing in growth.

During this current fiscal year, the County had its property revaluation. While the state requires each locality to conduct a revaluation of real property at least once every eight years, to avoid sticker shock, Durham County has moved to a more aggressive schedule, with the new values for property owners effective in FY2019-20. The goal of reappraisal is to ensure the equitable distribution of the county's tax burden for our citizens. As a result of the completed revaluation in January, we project Countywide total property valuation growth of just under 16.5%, or \$6.1 billion. Natural growth on property value is just over 2.8% higher from the current fiscal year to fiscal year 2019-20. This natural growth adds property tax revenue of \$9.2 million before any property tax rate increase. We are projecting our tax collection rate to stay at 99.60%, which is exceptional, and a true testament to the skills of the staff in the Tax Administration department. I'd ask that you keep in mind, valuation growth and the associated new residents, brings with it increasing demands for County services.

A one cent tax rate increase is needed for the Durham County Fire and Rescue Service District to support consolidation with the City of Durham, and payment of debt service for three trucks. The four other County special tax districts are all requesting tax rate increases to support continued operations and capital investments. The total amount of budgeted sales tax revenue for next fiscal year is just under \$87.4 million. For perspective, this is the equivalent of 20.3 cents of property tax revenue. The total base budget increase for the upcoming fiscal year is just under 4.2%, which equates to actual new revenue of \$3.5 million, or 0.82 cents of property tax revenue. The estimated current-year collections are expected to come in at or below budget, due to a huge increase in the amount of nonprofit related refunds. We are working the state Department of Revenue to better understand this unexpected anomaly. We must be aware of this trend and adapt budget choices now and in the future that can be sustainable within this new environment.

While the General Fund is where the vast majority of daily activity and spending for government services occurs, there are a number of other funds that serve specific County financial and operational purposes. These include the already mentioned special tax districts, the Debt Service fund, and our Sewer Utility fund. The total County budget, including all of these funds, increases 2% to just over \$657 million, while the General Fund, a subset of that total amount, increases 4.94% to \$456 million.

Annual debt service support amounts to just under \$64 million for fiscal year 2019-20. You can see the largest single amount of the debt service payment supports County-related capital projects. Durham Public School debt comes in at the next highest amount. Debt service payments are expected to increase in future years as recently approved bond referendum dollars are issued...and an updated 10-year Capital Improvement Plan, currently under review by the Board, is implemented.

Roughly 80% of our General Fund budget is generated from taxes, with property and sales taxes comprising most of that category. The amount of total revenue supported by taxes continues to grow as other revenue sources grow at slower rates or even decrease. We will need to pay close attention to how we fund future needs, given this emerging trend. Intergovernmental revenue, which comes from local, state, and federal partners, is the next highest category, with most of those dollars supporting our human services operations. Fees make up a smaller, but important portion of our total revenue. The largest fee collectors include Emergency Medical Services and the Register of Deeds. Appropriated Fund balance is the largest part of "other" revenue, and is budgeted at just under \$16.5 million, lessening the need for use of revenue sources including property tax.

The County's largest expenditure area continues to be Education, which includes Durham Public Schools and Durham Technical Community College. The next largest function is General Government, but that is largely due to transfers of dollars to other funds, which accounts for just over 54% of the total. Some examples include transfers to the capital finance fund, debt service fund, risk management fund, and benefits fund. Human Services is where the Social Services and Public Health departments reside. After that comes Public Safety, whose two largest departments are the Sheriff's Office and Emergency Medical Services.

Here are a few highlights of some of the major items funded within Goal One: Community Empowerment and Enrichment. The main priority as expressed by the Board of County Commissioners in the Strategic Plan and reiterated in two recent Board retreats is education and this budget recommendation reflects that priority with Durham Public Schools continuing to be the single largest expenditure for Durham County Government at \$145.7 million, or 32% of the entire General Fund budget. This funding includes a current expense increase of \$7 million and provides support for state teacher salary and benefits increases, teacher supplement increases...started in FY 2017-18 with available DPS fund balance, custodial service staff moving from 10 months to 12 months of employment, and additional items initially supported with DPS fund balance now needing County support.

I would also like to note that the County is releasing its use of annual Lottery Funds of \$1 million to support annual DPS Capital Outlay requests and is also allotting \$10 million of LOBs for DPS use over the next several years. These are in addition to continuing the \$1.37 million from prior years. Additional lottery funds and LOBs funding will provide DPS with additional annual capital support of \$4 million a year for the next three years. Along with the annual \$1.37 million already provided the additional funding will bring the total amount for capital support up to \$5.37 million annually. Finally, there are other DPS related costs borne by the County but funded in other General Fund departments. The Sheriff has 27 dedicated School Resource Officers at middle and high schools that will cost the County \$2.75 million in the upcoming year, while Public Health related support for DPS is budgeted \$3.5 million, and there are also nearly a quarter million dollars worth of education related nonprofits supported by the County. The County also will be funding nearly \$26 million in school related debt.

Durham Public Schools enrollment is estimated to decrease by 730 students in the upcoming year, while Charter Schools are expected to increase by over 480 students. Overall, the number of students within both systems that will receive County funding decreases by a net of 249. Over the last 5 years DPS student population projections have fallen nearly by nearly 1,430. We have consistently stayed among the top three North Carolina county governments in local funding per student. With my recommendation, Durham County will maintain that position with local funding of \$3,641 per pupil, an increase of \$199.

When comparing the top funded county school systems in North Carolina, Durham ranks number three, behind Dare and Orange. Among the largest school systems in the State, Durham has the highest local per pupil funding. Our neighbor, Wake County, is \$763 lower in local per pupil funding, while Forsyth, a demographically similar County, is over \$1,200 lower per pupil. Controlling for pupil population Durham County will spend \$49 million more than Forsyth County and \$30 million more than Wake County in the upcoming year.

The recommended budget represents the third year of expansion funding for Pre-K. The first year saw an initial \$1.5 million investment for Pre-K at the Whitted School, while an additional \$2.15 million was added last year to increase capacity, and now an additional \$1.6 million is proposed for the upcoming fiscal year. Combined that is a total recommended budget of \$5.25 million for expanding Pre-K classrooms for Durham County children. This continues the stated goal of the Board of

universal Pre-K support for all Durham County children. While acknowledging that the financial burden of making high quality Pre-K available to every four-year-old in Durham is heavy, the alternatives for our most vulnerable and underserved children are unacceptable.

For Durham Technical Community College, I am recommending a funding increase of \$270,000, supporting rent cost related to the new culinary program leased space at the American Tobacco campus. The Article 46 sales tax revenue allocated to support DTCC scholarships is projected to increase slightly in the upcoming year, bringing the total projected funds to \$1,426,230, and we have continued conversations with Durham Tech to make sure these scholarships have as great an impact as possible facilitating the future success of Durham students. County funding for the Museum of Life and Science stays flat at \$1.8 million, continuing operating support for one of Durham County's most unique learning environments.

We continue to focus on the cross-sector work that must be done to create a "Healthy Durham"...a Durham where all residents have the opportunity to achieve optimal health outcomes. We understand that "good health is a state of physical, mental and social well-being and not merely the absence of disease or infirmity" and we are working hard to address the disparities in health and quality of life outcomes that exist in our community.

As with other goal areas, Goal 2 departments realigned funding and reduced expenses to accommodate efforts to contain tax increases and find additional dollars for reallocation. To support the work occurring within this portfolio, I am recommending additional funding to support 4 formerly grant funded positions and 18.5 new positions of which, 1 is a reallocation. 2.5 new FTEs in the Department of Social Services are funded with Child Support Incentive Funds that were received in prior years. These positions will help with child support cases, training related to child support and program integrity, compliance with federal, state, and local policies and procedures, and job readiness and placement for child support participants. Additionally, the Board of County Commissioners approved a current year amendment to appropriate just under \$850 thousand for foster care room and board for children placed by the Department of Social Services. This additional funding is also carried forward in the proposed budget.

Funds are being added to the Public Health budget to reestablish the Public Health Director position. For the last three years, this role has been coupled with that of the Goal 2 General Manager. I am also recommending the addition of two new FTEs in Public Health: a Racial Equity Coordinator position that will move this important work from awareness to implementation within the community and an Adverse Childhood Experiences (ACEs) Coordinator position to coordinate and manage all aspects of the ACEs taskforce, including data reporting, grant writing, and community outreach and education. The latter position is a recommendation from the 2017 State of Durham County's Young Children Report. Finally, I am recommending the use of grant funds to establish two Human Services Coordinator positions to support regional Positive Parenting Support activities.

The Main Library will re-open in the Spring of 2020 and is a fantastic opportunity to offer important services that are only now possible within the newly enlarged space. To support this work, I am recommending 11 new positions for the Main Library, ten of the positions will work onsite at Main and one will be assigned to drive the new technology vehicle. These positions are the top four priority requests submitted by the Library. While only half of the requested positions are recommended, these eleven positions will allow the library staff to further their vision of Inspiring Lives and Transforming Durham. Providing these recommended positions is an investment in our community.

The County's Goal 3 Safe Community goal focuses on "partnering with stakeholders to prevent and address unsafe conditions, protect life and property, respond to emergencies, and ensure accessible and fair justice." To that end, Goal 3 departments have made significant progress implementing the County's Managing for Results (MFR) model; from improving our pretrial services and substance abuse prevention programs to creating predictive analytic models to assist in better understanding the types and location of future emergency medical calls. We are using the data to make smarter, more informed decisions and investments. The MFR model requires not only effectively provided services, but that we also look for opportunities to become efficient in the delivery of services. Over a year and half ago staff from Emergency Medical Services (EMS) and Fire Marshal/Emergency Management Departments began examining the idea of creating a consolidated Emergency Services Department, a best practices model used across the state. This consolidation will result in administrative savings and an opportunity for managerial efficiencies. I would also like to note that Goal 3 departments, found reductions of approximately \$800,000 in support of reallocation of available dollars to the most appropriate needs. The proposed reductions align with the County's MFR strategy to be more efficient and intentional with limited County revenue resources.

My recommended budget includes funding for the purchase of 5 new ambulances for EMS completing a long-term plan to modernize the fleet by phasing out older ambulances and replacing them with more modern vehicles. I am also recommending funding for the replacement of 35 vehicles in the Sheriff's Office. The budget for the Sheriff's Office also

includes funding for five padded cells at the Detention Center, which will allow officers to minimize the use of force in interactions with detainees engaging in harmful behavior as well as ensure better compliance with industry standards.

This budget also makes important investments in the Criminal Justice Resource Center and Detention Center. I'm recommending the addition of two part-time employees to improve mental health coverage in the Detention Center, as well as increased funding for a psychiatry contract that will expand access to this vital service. Also, there is currently one grant-funded position providing psychiatric services at the Detention Center, and when the grant expires in September 2019, I recommend that the position becomes County funded. CJRC re-entry services will also be supported by the addition of three new federal grant funded positions, while an existing grant-funded re-entry position will become County funded when the grant ends next year. These positions and services will support the full implementation of both male and female mental health pods in the Detention Center. The State legislature has passed the Raise the Age law which mandates that 16 and 17 year-old individuals who commit crimes are no longer charged in the adult criminal justice system. This will result in an increased number of custody placements in the Durham County Youth Home. Due to revenues received when housing "out of County" individuals, an increase in revenue of \$150,000 is budgeted for the upcoming year.

This fiscal year, the County will continue to focus on Goal 4 strategic environmental and infrastructure investments aligned with our Strategic Plan and community goals. This work will include our ongoing improvements to our utility systems and treatment plant in the Research Triangle Park. Additionally, as discussed in the BOCC Budget Retreat, we will also make investments in infrastructure for the Treyburn Business Park to facilitate more economic growth. These investments will also allow us to continue providing the high level of environmental protection desired by our community. Across Goal 4 operational areas we are experiencing challenges in recruiting, and more especially, in retaining highly skilled technical staff, as market competition is exceptionally strong for these certified personnel. This, coupled with increasing workload demands from the community, are a cause for concern with respect to employee well-being, morale, and retention.

As a result of our continued investments and ongoing work by our Open Space and Real Estate team we now have 3,462 acres protected either by fee-simple ownership or conservation easements. These protected lands will be further increased by 202 acres for a total of 3,664 acres by the end of 2019. The Stormwater/Soil-Erosion staff have continued to advance the framework for a potential Stormwater Utility Fund even as they manage a record workload of in excess of 140 active sites in various stages of land-disturbance, coupled with ongoing enforcement activities to mitigate the impacts of non-compliant sites. This program was recognized with a prestigious state award at the turn of the fiscal year for their significant accomplishments in protecting the environment and program enhancements made due to Board investments in the same. Durham County adopted a resolution in November 2018 to create a plan for County operations to run on 100% renewable energy by 2050. Funding of \$50 thousand will allow the Engineering department to hire a consultant to help create a renewable energy plan to meet this goal.

We have had significant success in attracting high-quality companies such as Avexis, Xylem, and others, representing hundreds of new, highquality jobs and hundreds of millions of dollars in new investment for our tax base. Through our economic development efforts, over 1,100 new jobs will be brought to the community, that will produce investments of nearly \$150 million, an excellent return on our incentive investments of approximately \$750,000. The Board's incentive policy, with draft revisions presented in our Fall retreat and Phase I revisions to be presented next month, continues to be an asset in attracting a wide array of jobs to aid in our key goal of shared prosperity. With these proposed strategic infrastructure investments, our prospects for economic recruitment, and revenue growth, will continue to improve. \$2.6 million is budgeted for potential incentive payments in the upcoming year.

Sewer consumption rates will be increased by 4.93% to address anticipated reinvestments as well as increased costs related to operations. As discussed with the Board at our recent Budget Retreat, we have, and will continue to adjust user rates to allow for a number of projects to be funded via the "Pay Go" model while others will be contemplated for funding via a potential Revenue Bond. We have also implemented a new Capital Fee structure as a direct result of the requirement of House Bill 436. This bill, passed by the Legislature in 2017, requires all local government utilities to utilize certain accounting methods in order to levy these fees. Each of these regulatory shifts add to the workload of our team and increase the complexity of operational compliance.

During the past few years, the County has made major strides in developing tools and investments to further the implementation of the Managing for Results (MFR) initiative, while also more closely aligning MFR with the County's goal of accountable and visionary government. Ultimately, departmental workplans and even employee workplans will support strategic plan goals and objectives. Tools like Microsoft Office Suite and other enterprise software upgrades, use of data collection and analysis programs such as ClearPoint and PowerBI, and even dedicated positions to support MFR implementation and data use and analysis, all support Goal 5.

Durham County is fortunate to enjoy one of the most talented, capable workforces in the public arena. Our success going forward however, will depend on how competitive we remain in the market place. Last year we completed the compensation study for our workforce and implemented only parts of the recommendation for public safety agencies (i.e. EMS, Sheriff Department and Detention Officers) This year I am recommending the final implementation of compensation recommendations for Durham County employees. This is the second installment of the compensation study recommendations and will impact approximately 1,350 “non-public safety” employees. Changes will reflect market pay and market conditions for existing positions and new hires.

In light of our aging workforce and retirees who remain on our health plan, our claims over the past year were fairly significant to include several forms of cancer, joint replacements and rare diseases. Based on those claims, our independent Broker projected, at a minimum, an 18% increase in our health insurance premiums for the ensuing fiscal year. We went out to bid and received five proposals and ultimately negotiated our premium increase down to 14.5%, saving the County over \$1 million. As a result, we are transitioning our health plan provider from AETNA to Cigna. Today, I’m proud to report that we have more employees, children, families and retirees insured than ever before with 96% of our workforce and retirees insured. This year our health benefits increase equates to approximately \$3.1 million. The annual employee pay for performance adjustment range will stay the same at 2% and 3% respectively.

My recommended budget includes a new position for the Solid Waste division of General Services, which will allow Durham County to insource hauling and eliminate a contract with the City of Durham. The recommended Board of Elections increase of nearly \$1 million accounts for costs associated with upcoming local and national elections, as well as the midyear creation of an Elections Specialist position. This budget includes increased expenditures to provide Durham County government with critical software upgrades, predominately related to access of the latest Microsoft Office suite of applications.

Finally, this recommended budget includes the creation of a new Cradle to Career position, housed in the County Manager’s Office. For several years now, the County has been resourcing various efforts to this continuum. But we need dedicated support working week-in and week-out to enhance and better coordinate the work-based learning efforts of Durham Public Schools with that of the City, the Durham Workforce Development Board, all with the ultimate goal of making sure our youth can compete for the jobs being created in the Triangle.

For many years, Durham County has operated Durham ACCESS Transportation, a demand driven transportation program, but pending final approval by both the City Council and Board of County Commissioners...on July 1...this program will become part of an improved, merged transportation system overseen by the City of Durham. I am recommending the continued level of County funding and the transfer of associated grant funds to provide the current level of service to all County residents.

Also, with the termination of the Durham-Orange Light Rail Transit project, Durham County will take a more active role in future transit planning and execution of the Durham County Transit Plan. Though we still fully anticipate a cooperative process with the City of Durham, GoTriangle, and the Durham Chapel Hill Carrboro MPO, among others, this proposed budget contains funding for updating and implementing this plan. The amount of Durham County funding going into these projects and the importance of these projects for the future of our community require this sensible investment to make sure the expenditure of local funds results in efficient delivery of transit options this community wants and needs.

The foundation of any organization is its employees, and for Durham County this is especially true. The varied services carried out by our departments are largely borne from the daily effort of its dedicated workforce. As I continuously say, human capital is our greatest asset. To that end I am recommending a total net new 22.2 new positions; 3.0 new positions are supported by the realignment of vacant positions, while 7.5 are grant supported. Be prepared for continued requests for position support in future years as we respond to the challenges of today and tomorrow.

Staff and I look forward to working with you during these budget deliberations as we continuously aim to make Durham “the place” to live, grow, and thrive. Budget work sessions will begin on Tuesday, May 21, where we will provide an overview of the budget, the environment in which it was built, and discuss Goal 1 areas including Durham Public Schools, Durham Technical Community College, and the Museum of Life and Science. The May 29 work session on Wednesday will be a half day and will begin the review of departmental budgets. The next day will be a full day budget work session, with another on Monday, June 3. We will have the public hearing on Monday, June 10, and a last work session on June 11. Budget adoption is planned for June 24.

Copies of the proposal will be made available in the Clerk to the Board’s Office. On the Durham County Website, citizens can view the entire document as well as find links to interactive Recommended Budget reports. Residents without access to electronic devices are invited to visit any of the County’s Regional Libraries where wifi and computers are available.”

Chair Jacobs thanked County Manager Davis for the Recommended Budget presentation and stated the next step was the upcoming Budget Work Sessions.

Chair Jacobs recognized two (2) citizens who were signed up to speak:

Brian Callaway expressed his concern about how the Durham Public Schools (DPS) budget did not bring the minimum wage up to \$15 per hour but did include pay increases for the executive members and staff.

Carl Kenney spoke in favor of the resolution supporting NC's Working People and their Families and asked the Board to consider pay that is reflective of the market value. He added there were many Durham County staff members that helped with the success of Durham.

Consent Agenda

Chair Jacobs asked the Board if they requested to pull or comment on any items on the Consent Agenda.

Chair Jacobs commented on item 19-0216, stating leasing out the space on the ground floor of Administration Building II to Neighbors Restaurant was a milestone for Durham County. She thanked the Real Estate staff for meeting the needs of the community.

Hearing no additional comments, Chair Jacobs entertained a motion for approval.

Commissioner Carter moved, seconded by Commissioner Reckhow to approve all items on the Consent Agenda.

The motion carried unanimously.

19-0168 Slater Road Pump Station Construction Work Contract Amendment.

*19-0177 Budget Ordinance Amendment No. 19BCCC000054 – Approving a Hazardous Materials Emergency Preparedness (HMEP) Grant from the State of North Carolina Division of Emergency Management (NCEM).

*19-0180 Budget Ordinance Amendment No. 19BCC0000055 – Approval of Local Emergency Planning Committee (LEPC) Grant reimbursement from the State of North Carolina, Department of Public Safety.

19-0182 Laboratory Services for the Utilities Division.

*19-0184 Budget Ordinance Amendment No. 19BCC000050 Appropriating Parkwood Fire Tax District Fund Balance (\$156) and Durham County Fire and Rescue Services District Fund Fund Balance (\$299,844) and transferring \$300,000 to the General Fund to Support Replacing of Driveways at Two Former Parkwood Fire Stations, General Fund Fund Balance Appropriation will be Reduced by \$300,000.

19-0199 Utilities Division Biosolids Contract Amendment with McGill Environmental Systems, Inc.

19-0200 Utilities Division Polymer Contract Amendment with Polydyne, Inc.

*19-0202 Capital Project Amendment No. 19CPA0000017 – Move Funds from the Collection System Rehabilitation Capital Project SE051 to the Stirrup Iron Creek Lift Station Capacity Improvements Capital Project SE056 in the amount of \$123,429 and Contract Amendment for Carolina Civilworks, Inc.

*19-0204 Capital Project Amendment 19CPA000018 to Increase the Detention Center Elevator Project Funding by \$500,000 to Facilitate ATS Replacement and Associated HVAC Upgrades.

19-0208 Approval of the City of Durham and County of Durham Housing Opportunities for Persons with Aids (HOPWA) Sub-Grant Agreement.

*19-0211 Capital Project Amendment No. 9CPA000019 – Moving 2016 General Obligation Bond Funds Between Multiple Durham Public School Capital Projects and Closing Three Bond Funded Capital Projects.

*19-0212 Budget Ordinance Amendment No. 10BCC000053 for the Department of Social Services – Recognize Subsidized Child Care Services Support Revenue of \$165,545 and Family Reunification Revenue of \$33,857.

19-0216 Restaurant Lease for Admin Building II, Suite 140.

19-0217 Lease Agreement with the State of North Carolina Department of Agriculture & Consumer Services (Forest Services).

19-0218 Conservation Easement Amendment for the Van Ellis Farm.

19-0219 Durham County Juvenile Crime Prevention Council Local Funding Recommendation FY 2019-2020.

*19-0221 Capital Project Amendment No. 19CPA000020 – Move Funds from the Ongoing Roof Replacement Project 4190DC073 to the (L) Convenience Center Site Upgrades 4190DC079 in the amount of \$200,000.

19-0227 Approval of the July – December 2019 Board of County Commissioners’ Calendar.

19-0242 Approval for Change in Health Plan.

19-0247 Contract Amendment to Resurface the Javelin Runway at Durham County Memorial Stadium.

19-0248 Revision to the Procedures for Citizen Appointments.

Consent Agenda Item #19-0177

**Durham County, North Carolina
2018-2019 Budget Ordinance
Amendment Number 19BCC000054**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2018-2019 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>General Fund</u>			
Intergovernmental	\$47,024,638	\$9,125	\$47,033,763
Other Financing Sources	\$29,993,087	-\$9,125	\$29,983,962

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

Approved May 13, 2019

Consent Agenda Item #19-0180

**Durham County, North Carolina
2018-2019 Budget Ordinance
Amendment Number 19BCC000055**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2018-2019 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>General Fund</u>			
Intergovernmental	\$47,033,763	\$948	\$47,034,711
Other Financing Sources	\$29,983,962	-\$948	\$29,983,014

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

Approved May 13, 2019

Consent Agenda Item #19-0184

**Durham County, North Carolina
2018-2019 Budget Ordinance
Amendment Number 19BCC000050**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2018-2019 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Special Revenue Funds</u>			
Other Financing Sources	\$2,641,391	\$300,000	\$2,941,391

Expenditures:

<u>Function</u>			
<u>Special Revenue Funds</u>			
General Government	\$5,867,439	\$300,000	\$6,167,439

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

Approved May 13, 2019

Consent Agenda Item #19-0202

**DURHAM COUNTY, NORTH CAROLINA
2018-19 Capital Project Ordinance
Amendment Number 19CPA000017**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2018-19 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

Project	Current Budget	Increase/ Decrease	Revised Budget
Collection System Rehabilitation Project (SE051)	\$591,518.10	(\$123,429)	\$468,089.10
Stirrup Iron Creek Lift Station Project (SE056)	\$897,280.00	\$123,429	\$1,020,709.00
Totals	\$1,488,798.10	\$0.00	\$1,488,798.10

Adopted this the 13th day of May 2019.

Consent Agenda Item #19-0204

**DURHAM COUNTY, NORTH CAROLINA
2018-19 Capital Project Ordinance
Amendment Number 19CPA000018**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2018-19 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

Project	Current Budget	Increase/ Decrease	Revised Budget
DSS Demolition Project (473DC136)	\$249,573	(\$249,573)	\$0
Detention Center Elevator Upgrade (419DC077)	\$2,292,571	\$500,000	\$2,792,571
Totals	\$2,542,144	\$250,427	\$2,792,571

Adopted this the 13th day of May 2019.

**Durham County, North Carolina
2018-2019 Budget Ordinance
Amendment Number 19BCC000052**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2018-2019 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Debt Service Fund</u>			
Other Financing Sources	\$116,679.227	\$250,427	\$116,929,654

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Debt Service Fund</u>			
General Government	\$117,547,448	\$250,427	\$117,797,875

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

Approved May 13, 2019

Consent Agenda Item #19-0211

**DURHAM COUNTY, NORTH CAROLINA
2018-19 Capital Project Ordinance
Amendment Number 19CPA000019**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2018-19 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

Project	Current Budget	Increase/Decrease	Revised Budget	Project Status
16 GO Bond – Eno Valley Renovations (SH241)	\$8,321,789.04	\$98,518.77	\$8,420,307.81	Amending
16 GO Bond – Merrick-Moore Renovations (SH242)	\$687,500.00	(\$64,292.97)	\$623,207.03	Closing
16 GO Bond – Existing Northern High School (SH249)	\$256,061.44	\$54,600.02	\$310,661.46	Amending
16 GO Bond – Holt Kitchen Renovations (SH266)	\$337,500.00	(\$34,255.80)	\$303,274.20	Closing
16 GO Bond – High School Track Repairs (SH271)	\$937,500.00	(\$54,600.02)	\$882,899.98	Closing
Totals	\$10,540,350.48	\$0.00	\$10,540,350.48	

Adopted this the 13th day of May 2019.

Consent Agenda Item #19-0212

**Durham County, North Carolina
2018-2019 Budget Ordinance
Amendment Number 19BCC000053**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2018-2019 budget ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>General Fund</u>			
Intergovernmental	\$46,824,236	\$200,402	\$47,024,638
Other Financing Sources	\$30,159,632	-\$166,545	\$29,993,087

Expenditures:

<u>Function</u>			
<u>General Fund</u>			
Human Services	\$84,152,952	\$33,857	\$84,186,809

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

Approved May 13, 2019

Consent Agenda Item #19-0221

**DURHAM COUNTY, NORTH CAROLINA
2018-19 Capital Project Ordinance
Amendment Number 19CPA000020**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2018-19 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

Project	Current Budget	Increase/Decrease	Revised Budget	Project Status
Ongoing Roof Replacement Project (4190DC073)	\$3,157,050.00	(\$200,000.00)	\$2,957,050.00	Amending
Convenience Center Site Upgrades Leased Site (4190DC079)	\$163,330.00	\$200,000.00	\$363,330.00	Amending
Totals	\$3,320,380.00	\$0.00	\$3,320,380.00	

Adopted this the 13th day of May 2019.

Closed Session

Chair Jacobs stated the Board was requested to adjourn into Closed Session to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee, pursuant to G.S. 143-318.11(a)(6).

Commissioner Reckhow moved, seconded by Vice-Chair Hill to adjourn into the Closed Session.

The motion carried unanimously.

Reconvene to Open Session

Chair Jacobs asked to entertain a motion to appoint Monica Toomer as Clerk to the Board effective May 14, 2019 with a salary of \$85,000.

Commissioner Reckhow moved, seconded by Commissioner Carter to appoint Monica Toomer as Clerk with the above-mentioned salary.

The motion carried unanimously.

Chair Jacobs asked to entertain a motion to appoint Timothy Dwane Brinson as the Tax Administrator (Tax Assessor/Tax Collector) effective July 1, 2019 with a salary of \$165,000.

Commissioner Reckhow moved, seconded by Commissioner Carter to the salary, contract agreement, and appointment of Timothy Dwane Brinson as Tax Administrator with the above-mentioned salary.

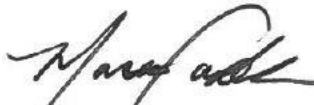
The motion carried unanimously.

Adjournment

Commissioner Reckhow moved, seconded by Commissioner Carter to adjourn the Regular Session meeting at 9:35 p.m.

The motion carried unanimously.

Respectfully Submitted,



Macio Carlton
Senior Administrative Assistant