

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

Monday, May 11, 2020

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. **Help Us Feed Durham** – The Triangle Nonprofit & Volunteer Leadership Center has launched a "one-stop" volunteer portal where you can sign up to help nonprofits that are feeding our community right now. This page will be continuously updated with new opportunities to serve Durham. These organizations need your help getting food to our neighbors. Find a ton of food relief volunteer opportunities at <https://tinyurl.com/feeddurham>.
2. **There is Still time for Census 2020** – For the first time ever, the Census can be completed by phone, email, or online. Due to health concerns, the time to complete the Census has been extended to October 31, 2020. Please visit <https://2020census.gov/> to complete the Census today!
3. **Emergency Operations Center, the Heartbeat for COVID-19 in Durham** – To stay abreast of the COVID-19 situation in Durham and to learn more about how to help reduce the potential spread of this virus, residents are encouraged to visit <https://www.dcopublichealth.org/> or follow the DCoPH's Facebook, Twitter, and Instagram pages.
4. **Got an Opinion on the Triangle's Growing Transit Network: Here are Six Chances to Weigh In** - Though the coronavirus pandemic is keeping most Triangle residents close to home right now, transit plans in Orange, Durham and Wake counties are still moving toward the day we can board a bus again and go anywhere on a mission or a whim. Here is a look at ways you can influence the next round of improvements to the unified regional transit network that the

three counties are building together, funded mostly with half-cent sales taxes that voters designated for transit.

- **GoTriangle** - The public comment period for GoTriangle's recommended August service changes opened Friday and ends May 17. Find and comment on the recommendations at <https://gotriangle.org/service-changes>
  - **GoDurham** - The public comment period for GoDurham's recommended August service changes opened Friday and ends May 17. Find and comment on the recommendations at <https://godurhamtransit.org/service-changes>
  - **County Work Plans** - The public comment period on **Durham County's** recommended FY21 work plan opened Wednesday and ends May 22. Find and comment on the plan <http://goforwardnc.org/county/durham-county/get-involved/>; The public comment period on **Orange County's** recommended FY21 work plan opened Wednesday and ends May 22. Find and comment on the plan <http://goforwardnc.org/county/orange-county/get-involved/>
  - **Regional Transit Center Study** - GoTriangle needs people to complete a survey about the existing RTC experience. Please take the survey at <https://gotriangle.org/rtc>. The survey closes May 24.
  - **Park and Ride Study** - GoTriangle is also leading an effort to evaluate improvements for existing and planned park and ride lots. Please take the survey at <http://goforwardnc.org/county/wake-county/get-involved/> The survey will close May 24.
5. **Charter Offers Free WiFi for Eligible Students** – Charter will offer free Spectrum broadband and WiFi access for 60 days to households with K-12 and/or college students who do not already have access. To enroll please call 1-844-488-8395.
  6. **Durham Pre-K is now accepting ONLINE applications for the 2020-21 School Year** – Please visit <https://www.durhamprek.org> on instructions on how to apply.

Chair Jacobs announced the Durham Recovery and Renewal Task Force (RRTF) included 15 members and was comprised of public health experts, business leaders, community and faith leaders and a representative from the County's Emergency Operation Center (EOC). She added the Durham RRTF first meeting was scheduled for Friday, May 15, 2020.

Commissioner Howerton asked how the Durham RRTF was different from the EOC. Chair Jacobs responded the Durham RRTF would have a 100-day period of service for advice on revisions of emergency declarations, the business community and how to safely, gradually and successfully re-open. Commissioner Howerton asked if the Commissioners would be involved with the Durham RRTF and if updates would be shared. Chair Jacobs responded the Commissioners were welcome to attend the meetings and the information would be shared with the Board and the community.

## **Minutes**

Commissioner Reckhow moved, seconded by Commissioner Carter to approve the January 6, 2020 Work Session minutes.

The motion carried unanimously.

## **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 20-0172. Vice-Chair Hill questioned item 20-0178, Chair Jacobs also questioned items 20-0151 and 20-0187.

- Item 20-0151 – Chair Jacobs inquired about the number of citizens housed at the Durham Marriott Research Triangle Park Hotel. Drew Cummings, Chief of Staff responded he estimated 140 citizens and the hotel was near capacity. Chair Jacobs asked if Urban Ministries had enough Personal Protective Equipment (PPE). Sheldon Mitchell, Urban Ministries Executive Director replied the PPE was in high demand and there was a need for mask and hand sanitizer. Chair Jacobs stated she would inform the Emergency Operation Center staff of the need for mask and hand sanitizer.
- Item 20-0172 – Chair Jacobs thanked staff for their dedicated work and for working with the City on the Interlocal Cooperation Agreement.
- Item 20-0178 – Vice-Chair Hill asked how the amendment was efficient for the County. Susan Tezai, Chief Financial Officer responded the amendment adhered to the merger agreement with the City.
- Item 20-0187 – Chair Jacobs asked about the virtual court cases and juvenile cases. Sheriff Clarence Birkhead responded the technical upgrades would help with the virtual cases and Information Systems and Technology was assisting with those upgrades. Commissioner Reckhow asked if the technical upgrades would help to analyze the detention population demographic data. Sheriff Birkhead replied the demographic data was a separate upgrade and he would send the demographic data report to the Board.

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

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

The motion carried unanimously.

**Directive: Chair Jacobs stated she would inform the Emergency Operations Center staff of the need for mask and hand sanitizer for Urban Ministries.**

\*20-0151 Budget Ordinance Amendment No. 20BOCC000056 Appropriating \$100,000 in General Fund Fund Balance in Support of a Contract Amendment of up to a \$100,000 Increase for Urban Ministries of Durham Related to Additional Covid-19 Operational Support.

20-0160 Execution of the Design-Builder “Guaranteed Maximum Price #1” Contract for the Snow Hill Road Pump Station and Force Main Project.

20-0161 New Fee Schedule Addition for SARS-CoV-2 Testing.

20-0162 Lease Agreement with 2445 S Alston LLC for warehouse space at 2445 S. Alston Ave. for the Board of Elections essential operations and storage needs.

- \*20-0164 Budget Ordinance Amendment No. 20BCC000049 to Recognize Funds in the Amount of \$1,000 From the Robert Wood Johnson Foundation.
- \*20-0165 Budget Ordinance Amendment No. 20BCC000050 Public Health to Recognize \$6,500.00 from the NC DHS Division of Public Health CDI/Cancer Prevention and Control Branch.
- \*20-0166 Budget Ordinance Amendment No. 20BCC000051 Public Health to Recognize \$1,000 From Duke University for Sponsorship of The Partnership for A Healthy Durham Projects in Honor of Gayle Harris.
- \*20-0167 Budget Ordinance Amendment No. 20BCC000052 Public Health to recognize additional NC DPS Juvenile Justice Funding (43,911) in support of Raise-The Age programming for Project BUILD.
- \*20-0168 Budget Ordinance Amendment No. 20BCC000053 To Recognize \$14,500 in UNC Jordan Institute for Family/4<sup>th</sup> Trimester Project Grant Award Funds From the North Carolina Maternal Health Innovation Program To Collaborate With Durham County Cooperative Extension – Welcome Baby Resource Program For The Purpose of Utilizing Patient-Provider-Community Engagement Strategies To Begin Identifying, Designing and Testing Key Elements Of The American College Of Obstetricians And Gynecologists (ACOG) Postpartum Bundle (Recommendations).
- \*20-0169 Capital Project Amendment No. 20CPA000028 to Amend the Judicial Building Annex Renovations Project 4730DC141 to Appropriate Funding from the Duke Energy Smart Saver Custom Incentive Program.
- 20-0170 Approve the Amendments to the 300 Block and 500 Block Affordable Housing Memorandums of Understanding (MOUs) Moving \$1M of the Loan Amount for the 500 Block Affordable Housing Project to the 300 Block Affordable Housing Project and Authorize the County Manager to execute the Letter of Intent/Commitment for the Loan and Grant for the 300 E. Main St. Affordable Housing Development.
- \*20-0171 Capital Project Amendment No. 20CPA000029 -Reallocating \$31,861.42 from the Wastewater Treatment Land Purchase Capital Project (SE052) to the Utilities Administration Building Capital Project (SE057).
- 20-0172 Interlocal Cooperation Agreement for the Division of Sales Tax Between the County of Durham and the City of Durham July 1, 2020 – June 30, 2021.
- \*20-0178 Budget Ordinance Amendment No. 20BCC000057 – Administrative Change in Durham County Fire and Rescue District Fund and General Fund allowing Radio Feeds to be Paid Directly from the Fund and Not through the General Fund.
- \*20-0187 Budget Ordinance Amendment No.20BCC000058 to Recognize \$43,006 in Grant Funding form Global Tel Link Corporation (GTL).
- 20-0188 Approval of FY20-21 Funding Plan Recommendation for the Juvenile Prevention Council.
- 20-0193 Material Changes to the 2017 Durham County Transit Plan.
- 20-0197 Adoption of Initial Resolution related to Not to Exceed \$75,000,000 Limited Obligation Bonds,

Series 2020A and 2020B and Calling a Public Hearing Theron.

Consent Agenda Item #20-0151

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000056**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 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>			
Other Financing Sources	\$35,536,918	\$100,000	\$35,636,918

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Public Safety	\$70,539,197	\$100,000	\$70,639,197

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

Approved May 11, 2020

Consent Agenda Item #20-0164

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000049**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 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	\$45,267,817	\$1,000	\$45,268,817

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Human Services	\$85,422,540	\$1,000	\$85,423,540

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

Approved May 11, 2020

Consent Agenda Item #20-0165

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000050**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 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	\$45,268,817	\$6,500	\$45,275,317

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
Human Services	\$85,423,540	\$6,500	\$85,430,040

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

Approved May 11, 2020

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Consent Agenda Item #20-0166

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000051**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 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	\$45,275,317	\$1,000	\$45,276,317

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
Human Services	\$85,430,040	\$1,000	\$85,431,040

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

Approved May 11, 2020

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Consent Agenda Item #20-0167

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000052**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 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	\$45,630,282	\$43,911	\$45,674,193

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
Human Services	\$86,080,633	\$43,911	\$86,124,544

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

Approved May 11, 2020

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Consent Agenda Item #20-0168

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000053**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 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	\$45,339,019	\$14,500	\$45,353,519

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
Economic and Physical Development	\$7,229,230	\$14,500	\$7,243,730

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

Approved May 11, 2020

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Consent Agenda Item #20-0169

**DURHAM COUNTY, NORTH CAROLINA  
2019-2020 Capital Project Ordinance  
Amendment Number 20CPA000028**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2019-2020 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

<b>Project</b>	<b>Current Budget</b>	<b>Increase/ Decrease</b>	<b>Revised Budget</b>
Judicial Building Annex Renovation Project (4730DC141)	\$4,917,927.00	\$12,157.00	\$4,930,084.00
Totals	\$4,917,927.00	\$12,157.00	\$4,930,084.00

Adopted this the 11th day of May 2020.

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Consent Agenda Item #20-0171

**DURHAM COUNTY, NORTH CAROLINA  
2019-2020 Capital Project Ordinance  
Amendment Number 20CPA000029**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY:

That the 2019-2020 capital project ordinance is hereby amended to reflect budget adjustments for the following projects.

<b>Project</b>	<b>Current Budget</b>	<b>Increase/ Decrease</b>	<b>Revised Budget</b>
Wastewater Treatment Land Purchase Capital Project (SE052)	\$5,095,500.00	(\$31,861.42)	\$5,063,638.58
Utilities Admin Building Capital Project (SE057)	\$1,140,580.00	\$31,861.42	\$1,172,441.42
Totals	\$6,236,080.00	\$0	\$6,236,080.00

Adopted this the 11th day of May 2020.



Consent Agenda Item #20-0178

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000057**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 budget ordinance is hereby amended to reflect budget adjustments.

<u>Revenue:</u>			
<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Public Safety	\$70,539,197	-\$16,621	\$70,522,576
<u>Expenditures:</u>			
<u>Function</u>			
<u>GENERAL FUND</u>			
Other Financing Services	\$35,536,918	-\$16,621	\$35,520,297
SPECIAL REVENUE FUNDS			
General Government	\$3,760,195	-\$16,621	\$3,743,574
Public Safety	\$7,649,393	\$16,621	\$7,666,014

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

Approved May 11, 2020

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Consent Agenda Item #20-0187

**Durham County, North Carolina  
2019-2020 Budget Ordinance  
Amendment Number 20BCC000058**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2019-2020 budget ordinance is hereby amended to reflect budget adjustments.

<u>Revenue:</u>			
<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Other Revenues	\$466,257	\$43,006	\$509,263
<u>Expenditures:</u>			
<u>Function</u>			
<u>GENERAL FUND</u>			
Public Safety	\$70,662,576	\$43,006	\$70,665,582

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

Approved May 11, 2020

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## Other Business

### 20-0189 FY 2020-21 Manager's Recommended Budget Presentation

County Manager Davis shared the “2020-21 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 2020-21. And what a stressful one it has been. Durham County has, if I were to hazard a guess, rarely seen quite a one-two punch as was experienced in recent months from COVID and a cyber-attack. But I can proudly say, our employees and our citizens continue to prove why this is such an amazing place to live, work, and truly thrive.*

*The framework for developing this budget recommendation is best characterized by what we don’t know more than what we do. In a normal year, budget development progresses on a relatively straight track, with the momentum of previous years and predictable growth dictating budget guidelines and limits. But the profound effects of the current public health climate, its related economic ramifications, and the unknown length of both issues into next fiscal year make this fiscal year’s budget assumptions, and therefore development, highly variable and uncertain. With that in mind my recommended budget, through judicious funding decisions, reflects Durham County’s response to significant internal and external pressures, known and unknown.*

*We are in the midst of wrestling with a host of vexing social, economic, and public health challenges, and 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.*

*Change can happen slowly and sometimes it can happen in an amazingly short period of time. The ramifications of COVID-19 are still unraveling, but its effect on Durham County’s FY 2020-21 budget development was swift and profound. What started out as a potential \$12 to \$15 million “natural” increase in available revenues quickly evaporated from February to May.*

*By the time the meat of the Manager’s Recommended budget was being developed, there was, for all intent, no new revenue to support.....and over \$40 million in new budget requests. This budget attempts to addresses important known issues while preparing for future unknown developments and continually protecting our fiscal standing.*

*I first want to acknowledge up front that a fundamental part of developing this recommended budget was finding and implementing significant existing budget reductions. This year’s \$3.1 operational reduction, on top of \$2 million in reductions last year, continue to prove the County’s impressive ability to adapt and respond to new realities. The recommended budget supports critical needs for Durham Public Schools while also recognizing that current issues will surely bring unknown and expensive challenges in the upcoming fiscal year. This budget also continues to recognize our greatest asset, our human capital, by supporting ALL existing employees, their filled positions, and related supporting benefits. Durham County takes care of its own.*

*Further, the budget provides operational increases in key service areas to address technology protection, Social Services related Medicaid application improvements, internal auditing requirements, and initial stormwater protection policies. So many new spending requests and initiatives, while beneficial to Durham County citizens and supportive of Strategic Plan goal, have been put on hold in order to allow the County to weather the current storm and those to come. We must position ourselves to continue growing when the time arises.*

*Key priorities I have built into this recommended budget recognize the economic stress our citizens are under as well as this organization. With that said, my most important priority was protecting the economic stability of our employees by finding funding for all filled positions and supporting existing benefits. Key priorities include:*

- No General Fund Property Tax Rate Increase No General Fund Fee Increases*
- No Employee Salary Increases Vacant Position Hiring freeze*
- No new positions (unless revenue supported or through permanent realignments)*
- Flat Operational Budget*
- Limit fund balance appropriated use BOCC Contingency Reduced to \$0 Manager Contingency Reduced to \$0*
- Support for Employee Health Benefits Increase*

*Other key areas relate to the unknown nature of the upcoming fiscal year. Funding has been allocated for potential unanticipated COVID related needs. In the current year, there have been several COVID-19 related expenses that may continue into the next budget year.*

*The fast-changing economic climate has also had, and will continue to have, significant effects on the long- range County capital improvement plan through the ability to issue and pay for long term debt related to major capital projects. This budget has been developed to support the CIP changes and direction supported by the Board in February. And where possible, in a somewhat more limited way, this budget continues to address BOCC priorities expressed at previous planning retreats.*

*With the current economic stress and its expected ramifications throughout the upcoming fiscal year, I am recommending no property tax rate increase over 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.*

*I would like to remind the Board and Durham County citizens that the property tax rate is the primary revenue source controllable by the Board and is the only significant way to raise additional revenue in future years. While the rate is recommended to remain flat for the upcoming fiscal year, future increases may be needed to support County goals.*

*Economic uncertainty affects the County's largest revenue source, property tax, by slowing estimated property valuation growth, particularly vehicle valuation, and the estimated property tax collection rate. After in-depth discussions with the Tax Administrator the County is taking a relatively conservative approach to property valuation and decreasing the property tax collection rate by 0.5% to 99.1%.*

*Even with this conservative approach the County still expects to see \$4.2 million in new property tax revenue in the upcoming fiscal year compared to the current year. However, that growth is significantly lower than in recent years and limits the County's ability to support additional expansion needs.*

*A note about the collection rate. It has been, for the last several years at an astoundingly high 99.6%, but it is our assumption that the collection rate will be lower as citizens continue to experience economic and potential financial hardship through the middle of next year. That*

*assessment is also part of the reason this budget recommendation does not include a property tax rate increase for the General Fund.*

*An additional 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 RTP special district is requesting a 1.51 cent tax rate increase to make up for reduced property valuation as well as park project implementation funding. The three other County special tax districts are all requesting no tax rate increases to support continued operations and capital investments.*

*The total amount of budgeted sales tax revenue for next fiscal year is \$83.4 million. For perspective, this is the equivalent of 19.4 cents of property tax revenue. Sales tax revenue is the second largest revenue source for Durham County government and is entirely related to economic activity.*

*The estimated current-year collections are expected to come in below budget due to the economic slowdown currently being experienced. But that decrease is softened somewhat by better than expected collections for the first 2/3rds of the current year.*

*FY 2020-21 sales tax estimates are murky at best, given the unprecedented nature of what's currently happening as well as trying to assess those ramifications over the next 16 months. With such high variability, the County has chosen to take a conservative path with an estimated 4.5% decrease in total sales tax collection. This equates to a loss of \$3.9 million or nearly equivalent to one cent of property tax. But to really understand the loss the County feels, it is worth noting that just 3 months ago, the FY 2020-21 sales tax estimate was expected to grow by \$6.4 million rather than drop by \$3.9 million, that is a swing of over \$10 million. \$10 million additional dollars that could have funded many important Strategic Plan goals.*

*With many other existing County revenue sources tied to specific programs or remaining flat, the County had to find additional revenue from other nontraditional sources. For this budget I am recommending a transfer of available funds from the Capital Financing Plan equivalent to one cent of property tax revenue or \$4.3 million. After close review of existing and new capital projects I am also recommending realigning County funding (PAYGO funds) from several projects and transferring those funds to the General Fund.*

*All told there is a little over \$10 million being made available for General Fund use in the recommended budget. It is important to note that a portion of these funds are available only for FY 2020-21 and therefore will support only one-time costs incurred during the year. Such spending restrictions support the continued sound fiscal standing of the County.*

*Another way to find additional funding is to realign existing expenditure budgets. County department budgets were reviewed based on trending and critical needs and dollars were reduced from line items deemed less than essential for service provision. A total of \$3.14 million in reductions were made across General Fund departments to support additional ongoing critical funding in specific areas such as Durham Public Schools and IT cyber security.*

*A consistent theme of the FY 2020-21 recommended budget is the unprecedented nature of what is currently occurring and what may happen over the next 6 to 12 to 16 months. That uncertainty puts tremendous pressure on developing a budget to deal with the unknown. Instead of straight-line growth and expansion the road ahead will be curvy, potentially steep, maybe even be washed out. These factors resulted in a hiring freeze in early April. The hiring freeze will remain in place throughout FY2020-21, with the exception of positions to address critical health and safety issues related to COVID-19 or other compliance issues.*

*This budget control, along with other measures will help mitigate against potential revenue shortfalls resultant from the impact of COVID-19. With nontraditional revenue sources and expenditure realignments the County has positioned itself in this recommended budget to support potential significant costs related to COVID related demands.*

*While this and the revenue shortfall funds just shown may seem like a significant allocation of resources (and they are), it is slightly under 2% of the General Fund budget and can quickly dry up in support of just a few issues.*

*Ultimately the County must find its way through all crisis with a balance of support for direct services and the flexibility to deal with the unknown, while always maintaining fiscal responsibility. This recommended budget attempts to strike that balance.*

*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 2.6% to just over \$675 million, while the General Fund, a subset of that total amount, increases 2.61% to \$468.7 million.*

*It may seem surprising to see the General Fund budget increase in such a reduced revenue environment, but through the intelligent application of realigned existing resources and the use of redirected funds from other sources the County is prepared to meet the challenges, known and unknown, for the upcoming fiscal year.*

*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 \$151.2 million, or 32% of the entire General Fund budget. This funding includes a current expense increase of \$3.2 million and an additional \$2 million for DPS Current Capital needs (a point of emphasis from the Board of Education)*

*I would also like to note, that of the funds made available for ongoing future costs through departmental reductions, transfers of funds, new initiatives not funded, fully 70% of those ongoing funds went to support the \$5.3 million increase in DPS funding. Even in extraordinary times the County's commitment to education is unwavering.*

*Funds are being added to the Social Services budget to support up to 57 new FTEs in support of a Medicaid corrective action plan presented to the Board in February. The state Department of Health and Human Services is now using a report card system to monitor county compliance each month and determine those counties that need a corrective action plan or other assistance and support. Corrective action plans will be required for any county that fails to meet standards for three consecutive months or for any five months out of a period of twelve consecutive months. The County's plan will support its goals of meeting and maintaining 90% AND ABOVE on the Medicaid state report card for 6 consecutive months and continue passing thereafter, as well as processing 95% of Medicaid recertifications in a timely manner.*

*Also, Durham County Libraries will be eliminating overdue fines for books and audiovisuals. "Fine Free" removes economic barriers to library access for low income families and individuals. Residents will still be charged a fee for lost and damaged items.*

*My recommended budget includes funding for the regular replacement of 35 Sheriff vehicles and the realignment of 13 vacant detention center positions to support other Sheriff related critical staffing needs. This realignment is in direct response to the County Sheriff's assessment and request.*

*Planning for the future never stops, and for the Office of Emergency Services this includes funding for an Emergency Operations Center facility assessment. The assessment will provide an evaluation of the current and future needs of the Emergency Operations Center and will also inform future planning for county and city emergency operations. The assessment cost will be split with the City of Durham.*

*Finally, this budget provides funding for consultant services to assist in conducting an updated Gang Assessment, which will provide important data surrounding gang prevention, intervention and suppression efforts in Durham. The assessment will serve as a guide for the community's gang reduction efforts. Costs for the consultant services will be split with the City of Durham.*

*For the County's Enterprise Fund, sewer consumption rates will be increased by 6.8% to support two new positions as well as increased operational costs and future reinvestment in the overall wastewater treatment system. The recommendation to move Stormwater and Erosion Control to a dedicated Enterprise Fund is being postponed until FY 2021-22 in order to avoid imposing new fees on residents. However, pending future economic stability, two new positions (starting January of 2020) are being recommended in order to begin working towards compliance with this Federal mandate. Also, recognizing current hardships on County residents, the Solid Waste sticker fee will remain flat for FY 2020-21.*

*As noted earlier, the FY 2020-21 recommended budget will institute a hiring freeze of nonessential personnel, with much of the savings protecting against revenue shortfalls. Also, such an action supports my main concern, protecting our Durham County employees, the staff that continues to work through extraordinary conditions, the staff that serves Durham County residents 24 hours a day, seven days a week, the staff that I am proud to say are the best in the world. Creating financial options that protect real people and their families, that protects their retirement and health benefits, that is what Durham County is about.*

*With that said, this budget will support increases in employee health insurance of \$2.7 million, an increase of approximately 9%, while also continuing to support other employee benefits. While the upcoming year may put stress on our government and our services, I am confident that our employees will respond.*

*After experiencing a cyber-attack, I don't know about you, but I surely don't want to work through another one. With that in mind I am recommending realigning 4 vacant positions to our Information Technology and Services department in support of cyber security as well as providing additional contracted services around protecting our valuable data and technology. Other increases support continued use of Microsoft tools and products that enhance the efficiency of our workforce. Timely, given the constraints employees will face in the upcoming fiscal year.*

*Risk Management is recommended for a new position to assist with important data collection and with processing all claims in the County, as the total number and complexity is ever increasing.*

*Staff and I look forward to working with you during these budget deliberations. Budget work sessions will begin on Friday, May 19, where we will provide an overview of the budget and the environment in which it was built. Tuesday, May 26 the Board will hold a Public Hearing for the FY 2020-21 budget as part of the regularly scheduled meeting. Additional work sessions will occur on Wednesday May 27, a half-day session, and Thursday May 28, a full day session, to begin the review of departmental budgets in earnest. If additional work sessions are needed June 1, 2020 and June 2, 2020 have allotted times.*

*Budget adoption is planned for June 8, 2020.*

*Copies of the Recommended budget and this presentation will be made available online at the Durham County website. On the Durham County Website, citizens can view the entire document as well as find links to interactive Recommended Budget reports.*

*With that I conclude this presentation of the FY 2020-21 Manager's Recommended budget. I reiterate that my most important goals moving through these unprecedented times is providing exceptional service to our citizens while protecting County employees that provide those services. There will be vigorous discussion about how much and where to fund many different areas of need, and such discussion while sometimes frustrating, can only be helpful in developing a consensus in how to move forward and together as a community and County.*

*Management looks forward to the upcoming Board Work Sessions.*

*Thank you."*

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Chair Jacobs thanked County Manager Davis for the Recommended Budget presentation. Commissioner Reckhow asked if the Board would receive paper copies of the Recommended Budget and a briefing on the revenue assumptions at the first Budget Work Session meeting. County Manager Davis replied staff would be ready to present at the first Budget Work Session meeting and paper copies would be provided to the Board.

### **20-0194 Durham County Update on the COVID-19 Crisis**

Rodney Jenkins, Public Health Director thanked the Board and County Management for their support in the COVID-19 response.

Mr. Jenkins provided the following updates for Durham County:

- 897 total cases and 35 deaths
- 17 percent of cases were community spread;
- 12 percent of cases were travel related;
- 70 percent of cases were close contact of a confirmed case;
- 1 percent of cases were still under investigation;
- 80 percent of cases were under age 65 and 20 percent were over 65;
- 2.2 percent were Asian; 39.6 percent were African American; 20.3 percent were Caucasian; 04 percent were Native American; 13.7 percent were Other, and 23.7 percent were Unknown;

Mr. Jenkins provided the following on Testing:

- The goal of the State was to test 5 percent of the population per day or 17,000 per day.

- Durham’s testing goal was 540 tests per day based on the States algorithm.
- Duke had the capacity to test 1500 patients per day. Lincoln had the capacity to test 60 patients per day. Durham County Public Health was working to have all components in place to be able to provide approximately 200 test per day. Walgreens tested up to 160 per day and were testing (by appointment only) since May 1, 2020.

Mr. Jenkins provided the following on Contact Tracing:

- The Surveillance Section operated with 20 staff members with additional help from Duke.
- 13 Duke Physician Assistant students joined the County a few weeks ago and were trained. Duke considered this to be a phenomenal learning experience and hoped for continued assist.
- 25 additional contact tracers were secured through the State’s partnership with the Community Care of North Carolina at no charge to Durham. Training began on May 23, 2020.
- Durham County had five contact tracers who were fluent in English and Spanish.
- Durham County identified and contacted over 1600 contacts since March 9, 2020.

Mr. Jenkins provided the following Trending Data:

- Durham County Coronavirus Data Hub was updated and presented accurate information daily.
- The number of deaths from Long-Term Care Facilities (LTCF) were added to the Data Hub for transparency.
- The secure data sharing with Duke was created to mirror the State’s Reopening Scoreboard with a few limitations.
- The County updated the zip code map into a live map to show where LTCF or correctional facilities contributed cases.

Leslie O’Conner, Chief Emergency Manager discussed about Hurricane Preparedness Week 2020. She added the Durham County Emergency Operations Center (EOC) held virtual discussions with other EOC partners on May 4, 2020 about the possibility of hurricanes during the COVID-19 pandemic.

The Board asked if citizens who tested positive for COVID-19 were being quarantined and if the Data Hub tracked the same metrics as the State Health and Human Services. Mr. Jenkins responded positive tested citizens and citizens with symptoms were being quarantined and isolated and they received comprehensive data from Duke and worked with local partners to post data and metrics. He added the State was finalizing an agreement to use a Microsoft platform to assist with tracing and once approved the Health Department staff would be trained on the platform. The Board asked if the positive cases at Butner Federal Prison were included in the Durham County case numbers. Mr. Jenkins the case numbers were included from the Butner buildings that were in Durham County.

The Board thanked Mr. Jenkins, Ms. O’Conner and staff for all their efforts and work dealing with COVID-19.

### **20-0199 Discussion of Possible Food Security Contributions and Contracts**

Donna Rewalt, Director of Durham County Cooperative Extension explained Durham County assigned a Feeding Coordinator and formed a Food Security Task Force as part of its Emergency Operations Center to address anticipated increasing levels of food security in the Durham community. She added by working with non-governmental partners, Durham County had the advantage of collaborating with organizations that knew their communities well and had the capacity to focus on delivery of resources to citizens most in need. Ms. Rewalt stated the Task Force recommended that Durham County provided a



total of \$152,000 for meals for urgent hunger relief for two organizations that served older adults and a third that served the Latino/Hispanic population that experienced high levels of food insecurity. She added the County expected \$116,000 would be reimbursed based on the Federal Emergency Management Agency (FEMA) guidance.

The Board hoped to hire a Food Security Coordinator with the realignment of resources. The Board asked if non-Latino citizens who went to El Centro would receive services or be turned away. Ms. Rewalt responded she would have to contact El Centro to ask about their operating practices. The Board asked if customized meals were being offered to citizens with dietary or religious restrictions. Ms. Rewalt replied some of the senior meals were being customized and some of the organizations were accommodating dietary or religious restrictions.

Commissioner Reckhow moved, seconded by Commissioner Carter to authorize the County Manager to execute contracts for some or all of the proposals to combat hunger-related issues in Durham from the COVID-19 pandemic.

The motion carried unanimously.

### **20-0184 Discussion on Face Covering Options for High Risk Durham County Residents**

Commissioner Howerton observed many citizens without face coverings and realized the need to provide coverings to the Durham community; adding the coverings should be durable and comfortable. Isaac Henrion, Coordinator of Covering the Triangle recommended ordering the Nightingale mask from a sock making company in North Carolina. Commissioner Reckhow added the Nightingale mask was durable, comfortable, easy to pull down and could be tied around the back of the head or into loops.

Commissioner Howerton inquired about the mask price. Mr. Henrion responded \$2.95 per mask if the County ordered 25,000 masks. Commissioner Reckhow expressed concern with the price quoted based on ordering 25,000 face coverings; adding that would require adding local partners to acquire additional resources. Mr. Henrion replied he was talking with Duke Health, Duke University and the Rotary Club of Durham about partnership in ordering face coverings. Commissioner Howerton inquired about the timeline to order and receive the face coverings. Mr. Henrion responded after a signed contract, the order would be delivered in a week by the sock company. Commissioner Howerton inquired about the City's contribution. Commissioner Reckhow responded the City was interested in partnership with the face coverings but had not given the amount of funding. Chair Jacobs hoped to get the funding amount at the next Joint City-County Meeting on May 12, 2020 meeting.

Commissioner Reckhow stated Dr. Elaine Hart-Brothers, Executive Director and Co-Founder, Community Health Coalition would distribute about 15,000 face coverings in public housing communities, grocery stores, senior centers, bus stops and to the homeless. She added the Community Health Coalition planned to hire 12 part-time workers to distribute to the face coverings and educate the public on how to wear and how to properly clean them. Commissioner Howerton asked Mr. Henrion to keep the Board updated on the discussions with local partners. Dr. Hart-Brothers stated she would work Mr. Henrion to distribute the face coverings in the community and would not deny a face covering to any citizen. Commissioner Reckhow asked about the price per mask if the County ordered less than 25,000. Mr. Henrion responded stated he would contact the supplier to inquire about the price per mask with different order numbers.

## Adjournment

Commissioner Howerton moved, seconded by Commissioner Reckhow to adjourn the Regular Session meeting at 9:17 p.m.

The motion carried unanimously.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Macio Carlton". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Macio Carlton  
Deputy Clerk to the Board