

February 1, 1999

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

Monday, February 1, 1999

9:00 A.M. Worksession

MINUTES

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

Present: Chairman MaryAnn E. Black and Commissioners William V. Bell, Joe W. Bowser, Becky M. Heron, and Ellen W. Reckhow

Absent: None

Presider: Chairman Black

Chairman Black opened the Worksession.

Report on Homelessness in Durham County

Directed by Chairman MaryAnn Black, staff worked with a group of nonprofit homeless service providers to develop a report on Homelessness in Durham concerning: 1) the magnitude of the challenge; 2) the strategies and resources aimed at addressing homelessness; and 3) unmet needs. Staff was also asked to obtain information from other jurisdictions regarding "best practices" for addressing homelessness.

Stan Holt, Executive Director of Genesis Home, representing the nonprofit homeless provider community, presented to the Board a summary report entitled "Homelessness In Durham, A Brief Look."

Mr. Michael Palmer and Ms. Robyn Riley (County staff) summarized their "best practices" findings and showed a 12-minute video on Miami's Community Partnership for Homeless Inc. (touted as a national model program).

Representatives from many community agencies were present to respond to Board questions.

County Manager's Recommendation: As the Board is aware, homelessness is a complex national problem for which there are no quick fixes. Deputy County Manager Michael Palmer has participated in this project on behalf of the Manager's office. He expects this presentation to raise more items of concern than generate solutions. The Board is requested to direct County staff to work with City staff and develop (for BOCC/City Council approval) the structure for a Durham Homeless Commission to serve as advisors to the BOCC and City Council. This commission could then be given the task of assessing the issue more thoroughly and developing a comprehensive community strategy for implementation and monitoring.

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Deputy County Manager Michael J. Palmer made introductory remarks about homelessness on the national level and in Durham County. Mr. Palmer urged the Commissioners to appoint a commission or committee to look at the issues on an ongoing basis so a community strategic plan could be developed for implementation and monitoring.

Mr. Holt made his presentation relative to a summary report entitled "Homelessness in Durham, A Brief Look." He discussed what is needed for a partnership with Durham County government and the goals that must be met through the partnership.

The Commissioners asked questions and made comments about the homeless program in Durham County.

County Manager David F. Thompson talked about changes in the administration relative to employing a Deputy County Manager to work in the Human Services area. He discussed his plan of action with the Commissioners.

The Commissioners discussed various ways that Durham County and local service agencies can improve the homeless problem in Durham County.

The homeless discussion in this agenda item (No. 1) progressed into discussion regarding agenda item No. 2, which follows:

Proposed Renovation/Construction Plans for the Emergency Shelter

County staff recommends supporting the proposed renovation/construction plans for the emergency shelter. The proposal was presented to the Board during the January 4 Worksession. Staff's recommendation is based on an independent site assessment, a review of architectural drawings, and a review of construction cost estimates.

The proposal comprises the renovation of the existing structure and the addition of a new structure for families. The building renovation will involve 10,389 square feet estimated at approximately \$44 per square foot. The facility will be reconfigured to accommodate 46 single men and 24 single women. The new construction will consist of 5,722 square feet estimated at approximately \$126 per square foot and be segmented from the existing structure to accommodate 12 families. The total project cost is estimated at \$1.55 million.

The proposed funding allocation will include \$300,000 from the City's Housing Bond Fund, \$308,704 from the North Carolina Housing Finance Agency in the form of zero interest amortizing loans, \$250,000 from private donations, and \$691,767 from Durham County.

County Manager's Recommendation: That the Board include the construction/renovation plans in the FY 2000-2005 Capital Improvement Program for future discussion and approval. During the CIP process, staff will investigate alternative funding sources such as 1986 Bond funds and federal HOME funds. However, to ensure North Carolina HFA funds are set aside to support the project, the Manager recommends providing staff with the authority to write a letter to NC HFA stating the County's intended support for the project.

David Powell, Director of Economic Development/Property Management, and Glen Whisler, County Engineer, discussed the proposed renovation/construction plans for the emergency shelter.

The Commissioners asked questions and made comments about the shelter.

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Chairman Black directed County Manager David F. Thompson to move the "Proposed Renovation/Construction Plans for the Emergency Shelter" to the next consent agenda.

Chairman Black requested the County Manager establish the Durham Homeless Commission and include the Council on Alcoholism and substance abuse groups. She also asked that ways be developed for all institutions to work together. Additional funding needs to go into programming, but performance measurements must be put into place. The homeless problem requires a comprehensive community approach.

County Manager Thompson asked Chairman Black to suspend the rules and approve agenda item (No. 2).

Commissioner Bell moved, seconded by Vice-Chairman Reckhow, that we approve agenda item No.2, which is the money for the emergency shelter.

The motion carried unanimously.

Durham Regional Hospital Prepaid Lease

The County Manager was directed previously by the Board of County Commissioners to bring forward recommendations as to various options for the maintenance and investment of the prepaid lease proceeds that were derived from the lease of Durham Regional Hospital to Duke University Health System. The Board has received suggestions and proposals from private investment firms, foundations, and the Durham County Hospital Corporation. The County Manager has conducted a review of the options with the County Attorney, County Finance Director, and with the aid of an independent financial overview by Davenport & Company LLC.

County Manager David F. Thompson gave the Commission the results of this review in summary form.

The Commissioners asked questions and made comments about the Manager's report and recommendations. The Manager responded to the questions and comments.

The County Manager's report concluded with the following recommendations:

- I. Leave the proceeds from the prepayment of the first ten years of the lease in the County's coffers due to the financial, legal, and operational considerations.
- II. Instruct the Finance Director to set up a separate trust fund within County Government to track the interest earned and disbursements made from this fund. The Board does not need to seek local legislation to bind future boards as the agreement specifically states that the lease payments are to be used for the provision of health services.
- III. Instruct the Finance Director to deposit the repayments from the Convention and Visitor's Bureau of the COP debt to this fund as they occur.
- IV. Determine the method that will be used to determine the amount of benefits to be paid out of the prepaid lease proceeds each year. Review different alternatives outlined by our Finance Director under Tab 3 and discuss these alternatives at a future worksession.
- V. Adopt a set of investment objectives that conform to the Board's objectives that includes preservation of the principle as the primary objective and growth of the principle to a predetermined target over the 20-year lease period. I cannot recommend investing in equities at this point in time but suggest the Board review the analysis by Davenport & Company LLC for discussion of this issue at a future worksession. Until this decision is made, my recommendation is to continue investing these funds in a short-term portfolio that has the primary objectives of liquidity and safety of principal. This should result in annual interest accrual in the range of \$1,200,000 if yields remain the same. Also, we will need a discussion regarding whether a financial advisor is needed based on the mix of the

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portfolio that the Board determines is appropriate. If current investment policy is maintained, an advisory is not needed. If the Board feels it is appropriate, we will invite representatives of Davenport & Company LLC to this future worksession to discuss portfolio options.

- VI. Endorse the efforts of the Federation consisting of the Foundation for Better Health of Durham, Durham County Healthy Carolinians, and City of Medicine in conducting a community goal-setting and strategic planning process for health services.
- VII. Request a recommendation from the Board of Health and the Board of Mental Health as to how County Government should cooperate and financially participate in the development of a strategic community health plan.
- VIII. After completion of a strategic community health plan, solicit advise from the Board of Health, the Board of Mental Health, and the Federation consisting of the above entities, as to an allocation process that supports programs and projects flowing from the strategic plan. Until that process is finalized, the funds will be allocated through the normal County process for nonprofit and/or departmental allocations. Distribution, if any, would be made after the Board has set the policies called for under item #V above.

Chairman Black instructed the County Manager to move the item to the next consent agenda.

Durham County Board of Elections Voter Registration/Election Management System

The purpose of this item is to inform the Board of County Commissioners of the two alternatives available to the DBOE for implementing a new voter registration/election management system and to reply to the inquires made by the Board on January 11, 1999.

Alternative A--State Board of Elections SEIMS (VoterView--county level application)

Alternative B--Invitation for Bids (contingency plan)

After careful evaluation of the inquiries made by the BOCC, the DBOE conversion project team submits the following documents for review:

- 1) Project Overview & Time-Line
- 3) Software Application Function Comparison
- 4) Software Support Estimates
- 5) Summary of Compliance and Contingency Issues (derived from survey)
- 6) Excerpts from Bid Package
- 7) DG Application Conversion (Perry Dixon to address inquiry)
- 8) Upgrade to AS400 (Perry Dixon to address inquiry)

Resource persons for this agenda item are Cheryl Todd, Deputy Director, Board of Elections; Perry Dixon, Director, IT; and Bahaa Jizi, Buyer, Purchasing.

County Manager's Recommendation: To support the implementation of a voter registration/election management system by the DBOE conversion project team through a process of monitoring alternatives A (SBOE--SEIMS) and B (IFB--contingency plan) and their respective deadlines. The Manager has requested that staff prepare a dual timetable to put the County in a position to go through the State Board of Elections for this software or through a private firm if the State does not come through again. Staff will also attempt to address the Board's previously stated concerns.

Cheryl Todd, Deputy Director, Board of Elections, made a presentation to the Commissioners on the voter registration/election management system.

The Commissioners asked questions and comments to which the County Manager and Ms. Todd responded.

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After talking with counsel, County Manager Thompson requested that staff develop another time frame because there are stipulations about how long a bid can be kept open. Staff would follow this dual track with the knowledge that we will have to revisit the Board for the bid award. The funding should be budgeted in the Lease/Purchase Fund. The County Manager asked permission to prepare a budget amendment for the estimated cost in the Lease/Purchase Fund.

Vice-Chairman Reckhow said for the record that she wants Durham County to be part of the state election computer system.

County Manager Thompson said the primary path is going with the State on its system. The second is fail safe that we have to come to you to execute.

Commissioner Heron concurred with Vice-Chairman Reckhow concerning the desire to have Durham County on the state election computer system.

Commissioner Heron moved, seconded by Vice-Chairman Reckhow, to authorize the County Manager to prepare a budget ordinance amendment for the estimated cost of the computer in the Lease/Purchase Fund.

The motion carried unanimously.

Informational Report on the Draft 2000-2006 Transportation Improvement Program (TIP)

The NC Department of Transportation (NCDOT) has released a Draft 2000-2006 Transportation Improvement Program (TIP) which identifies the Federal and State funded transportation projects to be implemented across the state during the next seven fiscal years. For increased public input, the State has implemented an extended public comment and outreach program. To increase fiscal responsibility, the State made significant changes to constrain the project funding commitments to Federal and State revenue forecasts. As a result of the fiscal constraint, the draft TIP proposes project delays and postponements statewide, including Durham. Therefore, it is recommended that the Board of County Commissioners receive a report from administration concerning the Draft 2000-2006 Transportation Improvement Program and adopt a “Resolution Concerning the Draft 2000-2006 Transportation Improvement Program (TIP)” for submittal to the Metropolitan Planning Organization (MPO) and the NCDOT.

Wesley Parham, Senior Transportation Engineer, City Public Works Department, and Bonnie Estes, Planning Manager, Durham City/County Planning Department, were present at the Worksession to discuss this item with the Board of County Commissioners.

County Manager’s Recommendation: Receive presentation then review and make recommendations concerning the draft of the resolution.

Wesley Parham, Senior Transportation Engineer, City Public Works Department, gave the Commissioners an overview of the draft of the Metropolitan Planning Organization (MPO) and the State Draft 2000-2006 Transportation Improvement Program (TIP).

Wesley Parham reviewed the Triangle Area TIP Funding Comparisons schedule that follows:

Table1—Triangle Area TIP Funding Comparisons

	Funds Programmed in the 1998-2004 TIP (Thous.)	Funds Programmed in the Draft 2000-2006 TIP (Thous.)	Change (Thous.)	Change (%)
Durham County	\$222,742	\$229,545	\$ 6,803	3.05%

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Durham Loop (Eno Drive)	<u>\$ 34,900</u>	<u>\$ 12,298</u>	<u>\$-22,602</u>	<u>-64.80%</u>
Durham County Total	\$257,642	\$241,843	\$-15,799	-6.10%
Wake County	\$336,079	\$478,383	\$142,304	42.30%
Wake Loop (Northern Wake Expressway I-540)	<u>\$192,609</u>	<u>\$209,311</u>	<u>\$ 16,702</u>	<u>8.60%</u>
Wake County Total	\$528,688	\$687,694	\$159,006	30.00%
Orange County	\$ 34,630	\$ 46,986	\$ 12,356	35.68%

The Commissioners asked several questions and made comments about the Draft 2000-2006 Transportation Improvement Program.

Mr. Parham answered questions from the Commissioners.

Vice-Chairman Reckhow suggested the following “bullet” be added to the resolution:
The MPO actively seek additional funding for transportation improvements by working to change the Equity Formula to recognize the special needs of Durham County as an employment hub, by restoring monies to Eno Drive (R-2631), and by seeking new funding sources to advance regional transportation improvements; and

Chairman Black concurred with Vice-Chairman Reckhow about the additional “bullet” relative to funding.

Chairman Black said the sentiment of the Board is not to have the public hearing.

Chairman Black said the agenda item would be moved to the consent agenda for the February 8, 1999 meeting.

Discussion of Proposed Items for the 1999 Durham County Legislative Agenda

Deborah Craig-Ray, Governmental Affairs Director, will led a discussion of proposed legislative items which were submitted by departments and County Commissioners for possible inclusion in the 1999 Durham County Legislative Agenda. After the discussion, a final list will be prepared for Board approval and subsequent submission to members of the Durham delegation. The General Assembly convened at noon on Wednesday, January 27 in long session. Deadlines for submitting local bills will be set shortly by the General Assembly. Staff is also requesting consideration of the following dates to schedule a breakfast meeting with members of the Durham delegation:

Monday, February 15 at 8:00 a.m.

or

Monday, February 22 at 8:00 a.m.

Resource Persons: Deborah Craig-Ray and Kim Grantham

Ms. Craig-Ray commented the February 15, 1999 date for a breakfast meeting with the Durham Legislative Delegation is not open because of a scheduled meeting. Another date must be chosen.

The six proposals submitted by the Commissioners for inclusion in the 1999 Legislative Agenda follow:

- Gasoline Tax
- Consolidation of Human Services
- Prepared Food and Beverage Tax
- Compulsory School Attendance Age
- Development Plans
- Court-Ordered Care and Exceptional Needs Programs

The following directives were given:

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Gasoline Tax

Commissioner Bell stated he did not limit the tax to an amount. The tax amount will depend on the projects and the revenue needed. He said the following statement in the rationale section should be removed: "In addition, this new revenue source could provide much needed moneys for financing the Triangle Transit Authority's light rail system that will connect Durham communities to other communities in the Triangle area."

The gasoline tax he is supporting is to address Durham County needs, including the City.

Consolidation of Human Services

The Commissioners asked Deborah Craig-Ray to work with the County Manager on this proposed legislation and move forward with this proposal.

Prepared Food and Beverage Tax

The Commissioners kept this proposed legislation on the local legislative package.

Compulsory School Attendance Age

This proposal was left on the proposed legislative agenda. The statement about capital construction in the proposal was removed.

County Manager David F. Thompson requested that legislation be drafted to allow the County to do installment purchase contracts for construction by using Certificates of Participation (COPs).

Chairman Black recommended moving forward with the financing proposal.

Development Plans

Chairman Black asked that the proposed legislation be put at the end of the legislative proposal. The proposal would authorize the Commissioners to exercise discretion in rezonings made pursuant to a development plan.

Court-Ordered Care and Exceptional Needs Program

Chairman Black instructed staff to move forward with the proposed legislation to establish a Legislative Study Commission to study expense to counties providing court-ordered care and exceptional needs programs.

The County Department Heads submitted the following legislative proposals:

Ambulance Services

Chairman Black requested we move forward on this proposed legislation to authorize the criminal prosecution of persons who fraudulently obtain ambulance services without intending to pay for the services.

Local Health Departments and Managed Care

Objective: Legislation to include local public health departments and multi-county public health districts and authorities in the delivery of health care services to Medicaid enrollees served by managed care organizations.

Chairman Black said to move this proposed legislation forward.

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County Investment of Lease Payments

Objective: Legislation authorizing Durham County to invest the proceeds of the Duke Hospital pre-paid lease in investments authorized by state law for the State Treasurer in N.C.G.S. 147-69.2.

Chairman Black instructed staff to move forward with this proposed legislation.

The North Carolina Association of County Commissioners supported eight legislative proposals.

Vice-Chairman Reckhow requested the three revenue items (gasoline tax, prepared food, and local option sales tax) be grouped together under a category, "Local Revenue Option," in the Legislative agenda package for the legislators. Revenue estimates should also be included for the legislators as detailed by Vice-Chairman Reckhow.

Commissioner Heron requested the spade/neuter proposed legislation be included in the legislative package.

Legislative Breakfast

The legislative breakfast will be held on Monday, March 8 at 8:15 a.m. at the downtown Marriott Hotel.

Adjournment

Chairman Black adjourned the meeting at approximately 12:45 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board