

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

Monday, November 5, 2001

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, Vice-Chairman Ellen W. Reckhow and Commissioners Joe W. Bowser, Philip R. Cousin Jr., and Becky M. Heron

Absent: None

Presider: Chairman Black

**Citizen Comment—Phillip W. Evans, Esq.**

Phillip W. Evans Esq., 1910 Sedwick Road, Suite 400C, Durham, NC 27713 spoke to the Commissioners about saving Lowe's Grove School. He presented a summary of the views of concerned citizens on the future of Lowe's Grove School. He urged the Commissioners keep the property as a public property. The community leaders want the historic school buildings preserved where practical, and adaptively reused to the greatest degree feasible.

Mr. Evans said the community of Lowe's Grove residents, former residents, and school alumni look forward to an opportunity to work with the Durham County Commissioners on developing a future for the Lowe's Grove Elementary School property that honors its rich history and tradition and serves the residents of southern Durham County through a second century.

Chairman Black said the County Administration would continue to work on this project. All the issues and suggestions brought forward would be considered.

No official action was taken on this agenda item.

**Citizen Comment—Jack Steer**

Jack Steer, 2416 Dawn Trail, Durham, NC representing the Friends of Durham, discussed budgetary concerns for budget year 2002/03. He also discussed nonprofit agencies. The third item Mr. Steer spoke about was regional planning.

After Mr. Steer's comments, a discussion was held concerning the County Commissioners sitting on boards and commissions for which they control the funding. Vice-Chairman Reckhow explained to Mr. Steer that the General Statutes of North Carolina require Commissioners to sit on some boards and commissions. Chairman Black made comments about the Commissioners sitting on various boards and commissions. Commissioner Bowser talked about nonprofit organizations and the Friends of Durham.

No official action was taken on this agenda item.

**Citizen Comment—Ralph McKinney**

Mr. McKinney asked the Commissioners to review the Lowe's Grove School situation.

Mr. McKinney talked about sexual abuse, rape, and hate. He said there has been enough hate and sexual abuse in this community. These problems need to be solved in the community.

**Appointment to Board of Equalization and Review**

Mr. Call Smith previously resigned from the Board of Equalization and Review. He was the recommended appointee of Commissioner Heron. Commissioner Heron recommended that Mr. Charles W. Smith, MAI, SRPA be appointed in his place.

County Manager's Recommendation: Due to the meeting schedule of the Board of Equalization and Review, the County Manager recommended suspension of the rules and appointment of Mr. Charles W. Smith to serve in the place of Mr. Call Smith.

Chairman Black said she wanted to suspend the rules this morning to make an appointment to the Board of Equalization and Review. Mr. Charles W. Smith is the appointee. There was no objection to suspending the rules.

Vice-Chairman Ellen W. Reckhow moved, seconded by Commissioner Philip R. Cousin, to appoint Charles W. Smith to the Board of Equalization and Review to replace Call Smith, who resigned.

The motion carried unanimously.

Chairman Black suggested that a new chairman and vice-chairman be appointed.

Commissioner Heron moved, seconded by Vice-Chairman Reckhow, to appoint George Scott as Chairman and Kelly Matherly as Vice-Chairman of the Board of Equalization and Review.

The motion carried unanimously.

### **Capital Improvement Program for the Raleigh-Durham Airport Authority**

Representatives from the Raleigh-Durham Airport Authority were present to discuss the Airport's Capital Improvement Program, as well as the Authority's strategy for increasing participation by minority firms competing for contracts.

Resource Persons: David Powell, Director of Facilities; Cleon Umphrey, Director of Human Resources

County Manager's Recommendation: The County Manager recommended the Board receive the report and advise the staff if additional action would be necessary.

Chairman Black asked William Stephens Toler, Board Member, Raleigh-Durham Airport Authority, to introduce the members of the airport administration. Mr. Toler introduced the following: Cleon Umphrey, Director of Human Resources and Lionell Parker, Board Member representing Durham County Government on the Authority Board.

Mr. Umphrey told the Commissioners what the Airport Authority is doing relative to disadvantaged and minority businesses. The two programs are the Disadvantaged Business Enterprise Program or Plan and the Minority Business Enterprise Good Faith Effort Plan.

Mr. Parker made additional comments about the airport's efforts relative to the Minority Business Committee.

Mr. David Powell, Director of Facilities, who is responsible for the Major Capital Improvement Program for the Airport Authority, discussed the immediate impact and the long-range impact of September 11, 2001.

The Commissioners asked questions and made comments about the Capital Improvement Program to which the Authority representatives responded.

Chairman Black thanked the airport representatives for coming.

No official action was taken on this agenda item.

### **Transportation Improvement Program (TIP) for FY 2004-2010**

The Transportation Improvement Program (TIP) determines how state and federal transportation funds will be spent throughout Durham County and the State of North Carolina in upcoming years. The biannual TIP preparation begins with a process of setting of priorities by local jurisdictions. Each jurisdiction gives a priority recommendation for transportation projects which have not been funded or which are partially funded. At the meeting, a member of the City Transportation staff provided background on the process and made a presentation on proposed road projects. In the past, the Board of County Commissioners has elected to hold a public hearing on the TIP. It was suggested that a public hearing be scheduled for November 26, 2001 to allow a 3-week comment period. The proposed priority list would be advertised prior to the hearing. It was recommended that following the public hearing, the Board should adopt the TIP priorities.

Resource Person(s): Wesley Parham, Senior Transportation Engineer; Bonnie Estes, Planning Department; and County representative on the Durham-Chapel Hill-Carrboro MPO.

County Manager's Recommendation: The Manager's recommendation was that the Board receive the presentation and schedule a public hearing for November 26, 2001.

Wesley Parham presented the Transportation Improvement Plan for 2004-2010 to the County Commissioners. Mr. Parham said he plans to present the Board a recommendation for a new and updated priority list of projects.

Mr. Parham said he would focus his effort on the TIP by giving the Commissioners some highlights in the packet. The intent of the presentation this morning was to give an overview of the projects, and second for the Board to see a priority list of projects recommended it can make available to the public. The TIP for FY2004-2010 can be approved at the next Regular Session of the Board.

The Commissioners asked questions and made remarks to which Mr. Parham responded.

Mr. Parham reviewed the Draft TIP Project Priority List for FY 2004-2010 for the Commissioners' information.

Vice Chairman Reckhow advised this agenda item would be moved forward to the public hearing scheduled for November 26, 2001.

Mr. Parham said the draft TIP list would be published for FY 2004-2010 before the public hearing.

Hopefully, action will be taken on the TIP for FY 2004-2010 at the November 26, 2001 Regular Session.

**Performance Report for the Health Care Trust Fund**

Durham County has received the custodial reports from First Citizens for the year ending September 30, 2001 for the Health Care Trust Fund. A performance summary is provided below:

|                | 10/01/00    | 9/30/01     | YIELD  | BENCHMARKS         |
|----------------|-------------|-------------|--------|--------------------|
| MDL            | \$5,000,000 | \$5,758,093 | 15.16% | 12.95%             |
| US Trust       | \$8,000,000 | \$9,028,537 | 12.86% | 12.95%             |
| Wedge          | \$6,000,000 | \$6,351,750 | 5.86%  | -16.89%(S&P Barra) |
| Sovereign      | \$4,000,000 | \$3,756,041 | -6.10% | -26.62%(S&P 500)   |
| TOTAL EARNINGS |             | \$1,794,521 | 7.80%  | (ANNUALIZED YIELD) |

Based on the benchmarks, three of the four firms registered earnings in excess of the benchmark, some better than others. The yield on that portion of the portfolio managed by US Trust falls below the benchmark established and well below the performance of MDL. The only reason for this difference appeared to be the mix in the two portfolios. The ratio of U.S. Government Bonds to Corporate Bonds for MDL is 45% to 55% while US Trust is 40% to 60%.

The Equity Managers also performed outstandingly in a market that saw equities take a beating during the third quarter 2001. Both managers out-performed the market with Wedge registering an investment gain.

Resource Person(s): George K. Quick, Finance Director

County Manager's Recommendation: Based on the performance of MDL, it was recommended that their fund level be increased by \$3,000,000 and US Trust be reduced by \$3,000,000. The County Manager also recommended The Equity Managers side remain unchanged.

George K. Quick, Finance Director, presented the report to the County Commissioners.

The Commissioners asked questions and made remarks to which Mr. Quick and County Manager Mike Ruffin responded.

Vice-Chairman Reckhow said this agenda item would be moved to the November 12, 2001 Regular Session for final action. The requested information would be provided at that time.

**Community Development Block Grant—2002 Scattered Site Housing From the State Department of Commerce Division of Community Assistance**

The State Department of Commerce - *Division of Community Assistance* has made available to the County of Durham approximately \$400,000 in grant funds for the purpose of rehabilitating low-income housing. Recent changes by the General Assembly now provide that all eligible counties receive these funds every three years on a noncompetitive basis. The funds can only be used in the unincorporated areas and the County. Staff is requesting the Board's permission to pursue participation in the 2002 Scattered Site Housing Program.

Resource Person (s): Wendell M. Davis, Deputy County Manager

County Manager's Recommendation: The Manager recommended the Board receive this presentation and authorize the Manager at the November 12, 2001 meeting to prepare an RFP for consulting services. The consultant would prepare and submit the application to the Division of Community Assistance on the County's behalf. The consultant may also be selected to administer the program once funded by the state. The application deadline for receiving the funds is February 28, 2002.

Wendell Davis, Deputy County Manager, presented the agenda item to the Board of County Commissioners.

The Commissioners asked questions and made remarks about the agenda item to which staff responded.

Chairman Black said she wanted this funding, but she did not want any problems in getting it and distributing the funds.

Chairman Black asked if there is a desire for the Commissioners to apply for this funding.

The Commissioners concurred that they should move forward to the application process.

County Manager Ruffin said the staff is very sensitive to the issues the Board raised.

Chairman Black instructed staff to put this agenda item on the Consent Agenda for the November 12, 2001 Regular Session.

**Announcement**

Vice-Chairman Reckhow announced that the Durham Open Space and Trails Commission is trying to gauge interest in a tour of the Little River Basin. If there is enough interest, a bus or van will be used for transportation. Interested persons may let Vice-Chair Reckhow know by Wednesday of this week.

**Adjournment**

Chairman Black adjourned the Worksession at approximately 11:45 a.m.

Respectfully submitted,

Garry E. Umstead, CMC  
Clerk to the Board