

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

Monday, October 3, 2005

9:00 A. M. Worksession

MINUTES

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

Present: Chairman Ellen W. Reckhow, Vice-Chairman Becky M. Heron, and Commissioners Lewis A. Cheek, Philip R. Cousin Jr., and Michael D. Page

Absent: None

Presider: Chairman Reckhow

Chairman Reckhow welcomed everyone to the October 3, 2005 Worksession of the Board of County Commissioners. She announced the addition of a Closed Session item to discuss the performance of a public official.

Citizens Comments—Ms. Dorothy Gentry

Ms. Dorothy Gentry had requested time on the agenda to speak about home repairs which she had received from the Community Development Block Grant program; however, Ms. Gentry did not attend the meeting.

RDU Airport Annual Update

Steve Toler, Chairman, Raleigh-Durham Airport Authority, introduced Craigie Sanders, RDU Airport Authority Secretary.

Mr. Toler and Mr. Sanders provided the annual update to the Board of County Commissioners, which included information about passenger and airline activity, customer service programs, the redevelopment of Terminal C, and capital improvement projects.

Mr. Sanders invited the County Commissioners to visit RDU Airport and take a tour with Airport staff.

Chairman Reckhow thanked Mr. Toler and Mr. Sanders for their thorough report and for their service to the community.

Questions/Discussion

1. Vice-Chairman Heron: How will the construction be financed? Mr. Sanders stated that bonds would fund the projects.
2. Chairman Reckhow: Has signage been corrected for the connection to the parking garage from the baggage claim area? Mr. Toler was unsure. He would follow-up on the question with Airport Director John Brantley, and then inform Chairman Reckhow.

Durham Workforce Development Board's State of the Workforce Strategic Plan Presentation

Alan DeLisle, Director of the City of Durham's Office of Economic and Employment Development, reported that the Durham Workforce Development Board (DWDB) and the City of Durham funded the development of a State of the Workforce Strategic Plan that was completed and approved by the Durham Workforce Development Board. This Strategic Plan will be used as a "blueprint" for developing policies and funding workforce programs for the Durham area.

Mr. DeLisle expressed gratitude to Chairman Reckhow and Commissioner Page for their leadership and attendance on the DWDB and the County Manager for his emphasis on economic development and job growth.

Mr. DeLisle recognized Workforce Development Administrator Pat Sturdivant.

Mr. DeLisle noted the DWDB's value statements as follows:

- Durham should offer an attractive quality of life appealing to residents of all income levels.
- Durham must address both issues of poverty and the demands for a competitive workforce.
- Durham seeks to create jobs that pay a living wage.
- The public workforce system must be designed to meet employer needs.
- The Durham Workforce Development Board must provide leadership to the entire "workforce system".

Mr. DeLisle stated that Durham's population and workforce are rapidly growing compared with the rest of North Carolina. Durham's population is more ethnically diverse than the rest of the Triangle area with a larger proportion of African Americans and a significant growth among Latinos. The population is younger than in most areas. Durham must compete with top regions across the country.

Mr. DeLisle presented a thorough report about the plan, which included information about the Durham region and Durham's economy and workforce system. He talked about challenges facing jobseekers, employers, and the workforce system and gave recommendations to address those challenges. The plan indicates where most of the job

growth will occur over the next ten years and the educational attainment needed for those jobs. Focus must be placed on future jobs so that Durham residents will have the best opportunity to acquire those jobs. The DWDB has established three committees to drive the implementation of the recommendations in the plan.

At the request of Chairman Reckhow, Mr. DeLisle gave his thoughts on how to spin-off the Workforce Development function as a nonprofit entity.

Chairman Reckhow thanked Mr. DeLisle for the excellent report.

Commissioner Page commended the work of the DWDB and its creative use of the mobile van unit to decentralize its services.

Questions/Discussions

1. Chairman Reckhow: Why are Workforce Investment Act (WIA)-sponsored program participants predominately female? The female gender primarily seeks the services.
2. Vice-Chairman Heron: How are industries convinced that clients are capable of performing the jobs? Employers are engaged in the on-the-job training initiative whereby up to 50% of a client's salary can be paid for up to six months. In addition, pre-job/specialized training (i.e. Sales and Service Center at Northgate Mall) and screening initiatives prepare clients for job opportunities. Building better relationships with employers to inform them that the jobseekers are prepared for the jobs makes a difference, as well.

Directives

1. Present the report at a future Chamber of Commerce Board meeting.
2. Work with the Chamber to get a highlighted article about the key findings in the Workforce Strategic Plan in an action newsletter update.
3. Send a copy of the report to the schools superintendent.
4. Work with the school system about the importance of the report and how the information can be weaved into the curriculum.
5. Distribute the information about education, job creation, and wages to elementary school students so they can see what their expected annual income would be if they drop out of school.
6. Recruit specific applicants to increase the private company representation on the DWDB.
7. Screen applicants for the DWDB and present recommendations to the BOCC.

2004-05 Annual Report for The Durham Center (TDC)

Ellen Holliman, Area Director, presented The Durham Center Annual Report for Fiscal Year 2004-2005. The report was divided into three related but distinct sections: a description of TDC strategic planning process for enhancing the existing System of Care; a review of TDC

accomplishments for Fiscal Year 2004-2005; and a status report on the operations of TDC Departments.

Ms. Holliman introduced TDC's management team and gave the following PowerPoint presentation:

Durham Center Annual Report 2004-2005

The Durham Center (TDC)

LME (Local Management Entity)

- NC General Assembly reform bill – 2001
- Changed the way area programs operate
- Divestiture of services
- Separation of roles
- Focus on the consumers
- Managing the service dollars
- Assuring quality

How TDC Operates

- General Administration – area director, clinical/medical, corporate compliance
- Finance
- Customer Services
- Contract Management
- Utilization Management
- Quality Management
- System of Care

What TDC Does

- Manager of public policy for mental health, developmental disabilities, and substance abuse (MH-DD-SA)
- Assess needs
- Develop programs to meet the community needs
- Manage limited dollars to serve as many people as possible
- Assure quality
- Assist consumers and families
- Authorize services

How TDC Assures Quality

- Strategic planning
- eCura Management Information System
- Utilization Review
- Quality Case Reviews
- System of Care
- Data reporting
- Customer service surveys

2004-05 Goals of TDC

- General Goals
 - Expand Durham Center Access (DCA)
 - Divest of all services
 - Implement eCura
- Mental Health Goals
 - Expand services
 - Reduce hospitalization
 - Reduce child residential
- Developmental Disability Goals
 - Eliminate CAP waiting list
 - Facilitate moving individuals from institutional care to the community
- Substance Abuse Goals
 - TAC report response
 - Increase number of individuals receiving services

Accomplishments of TDC

- Establish LME
- Durham Center Access
- Reduced state hospital admissions
- Established SOC for children
- eCura
- Expanded service array for all populations
- Evidence-based and best practices
- Evidence-based practice infrastructure grant
- Provider trainings
- Independent living initiative
- Eliminated CAP waiting list
- Substance abuse plan
- Community forums
- Publications
- Increased admissions

Beth Bordeaux, Quality Management Administrator, used charts and graphs to further explain the Durham Center Access program and its positive impact by reducing hospitalizations. She reported on various services including adult mental health, child mental health, substance abuse, and development disabilities. The main priority of TDC is to establish a seamless System of Care across all service areas to make comprehensive, flexible, and effective support available for individuals and families throughout the community making Durham a better place to live.

Ms. Holliman briefed the Board on the Durham Center Access. A formal proposal would be brought back to the Board at another time.

Durham Center Access

- In operation for less than a year
- Dramatically reduced admissions to John Umstead Hospital (JUH) (40% during last quarter)
- Reduced the number of consumers seen in local emergency rooms
- 70% of the people served at DCA have a primary or secondary substance abuse diagnosis
- 25% deficit for operational funds 2005-06
- Made a request to the Division of MH-DD-SA to pay based the number of beds actually used at JUH
- Propose to close 10 beds on the admission unit.
- Closing 10 beds will net \$975,000 for Durham County FY 2005-06
- Current leased facility met short term needs
 - Program operational
 - Meet the current needs of Durham citizens
- Granted a waiver until April 2007
- Requires modifications to accommodate future program needs
- Investment of a sprinkler system - \$200,000 in a leased facility
- Does not meet long-term needs

Ms. Holliman continued her presentation with information about the **LME FUNDING CRISIS:**

Major Directions – 2001 State Plan

- Consumer and Family Involvement
Durham has a strong CFAC (Consumer and Family Advisory Committee)
- Uniform process for referrals
DCA provides 24/7/365 Central Access
- Service priority for those most in need
No person in the target population was denied services – increased services
- Accountability through quality management

Refer to 2004-05 Annual Report

- Reduced reliance on state-run institutions
Durham's actual bed day usage JUH –
2002-03 – 22,308 bed days
2004-05 – 10,641 bed days
Reduced by 52%
Saved the State - \$4,293,456 in direct costs last year
- Develop a network of providers
Durham contracts with 150 providers
Over 1000 FTEs providing services to Durham citizens

State's Original Plan:

- State hospital downsizing
In order to downsize—must expand community services
Trust Fund FY 2002-03 to FY 2004-05 Durham –
\$1,388,538 (\$463,000/year)
2002 State Downsizing Plan called for allocating \$4,163,287 annually to Durham by 2007
- County Commissioner Meeting – January 17, 2002
The State shall provide funding for the services to target populations except for entitlement services.
In 2004-2005, over \$2,000,000 was spent in local funds to support services for people in the target population.
- HB 381 required the Secretary to develop a service area consolidation plan with a target of 20 area authorities/county programs.
 - Voluntary consolidations 29 by 7/1/06
 - Allowed AP/CP under 200,000 or 5 counties to be funded as LMEs
- State developed an LME funding model based on 200,000 population
 - Durham divested all services – 12/04
 - LME Team hired and began 7/04
 - Developed provider community
 - Fully functioning LME program as required by the cost model

Crisis in LME Funding Model:

- State implemented LME payment process July 2004
- Methodology allocated a share to Medicaid
- State maintained there would be a zero affect on Medicaid
- 13% administrative fee that had gone to Area Programs was to cover the Medicaid administrative cost.
- The federal Medicaid office raised questions about the sharp increase in administrative funding.
- According to our figures, there was no decrease in the rates to cover the 13%
- In the most used services by TDC, there was a 7.6% reduction in the Medicaid rates.
- It is unknown how the Division developed the methodology to cover the Medicaid administrative costs.
- Insufficient funding to support the Cost model developed by the Division

Proposal of the NC Department of Health and Human Services Secretary (Carmen Hooker Odom):

- Develop 10 regions for Utilization Management and after-hours screening and referral
- Regions to be in place by Jan. 1, 2006
- Goal to save \$14 million FY05-06 and \$28 million FY 06-07

Positive Impact on Durham County Government:

- Utilization Review (UR) process would remain in Durham if chosen as the lead LME

- If selected as the lead LME, we would see an increase in funding to cover additional responsibilities.
- Could strengthen Durham's leadership role.

Negative Impact on Durham County Government:

- The regional concept drastically changes the LME model we have been working toward for the past 3 years.
- Concerned about the assigned region.
- The deadlines are impossible to achieve.
- None of the area programs have the same computer system.
- Recruiting new staff and redefining job responsibilities takes time.
- We are at maximum with our existing office space.
- Need time to educate consumers/family members on the regional plan.
- If chosen as lead LME, could have increased liability.

NC Council of Community Program's Response:

- Reject the Secretary's proposal
- Reject the reduction in funding. Demand DMA support the administrative portion per their commitment.
- Concerned that any cost savings stay in the MH-DD-SA system.
- Support the premise that the current Cost model is not sustainable.
- Local programs need to develop alliances for shared responsibilities.
- Continue the UR phase in process. (This identifies area programs as deemed ready to do Medicaid UR – Durham has applied)
- Develop a realistic process for returning institution dollars to the community.
- Allow smaller LMEs to provide services when providers are not available.

Durham's Response:

- Continue dialog between the DHHS, the Legislative Oversight Committee, and the representatives of the NC Council of Community Programs to assure that solutions to the current (and potential long-term) funding shortfall be well planned, strategically implemented, and consumer oriented.
- Time frame needs to be extended to July 1, 2006 at the earliest. Solutions need to be well planned.
- No reduction in funds for FY 05-06
- If chosen as the Lead LEM, adequate funding to be provided for the increased responsibilities.
- Redefine the regions according to proximity, culture, etc.

Chairman Reckhow stated that Durham has one of the few LMEs in the state that has followed through on the state's restructuring plan and implemented the divestiture in a timely manner. The successes of the initiative are being realized, yet the state is proposing an unexpected change that could negatively affect service delivery.

County Manager Ruffin noted that The Durham Center has followed the state's plan, while doing an exemplary job in all areas. The problem is that the state has a several million-dollar deficit that is being passed to counties.

Ms. Holliman's major concern was that the state is proposing an abrupt change to the LME services model from a county to a regional model.

Questions/Discussion

1. Commissioner Page: Was there a reduction in the number of substance abuse clients? The number of people sent to the state facility was reduced; however, there has been a 25% increase in the people in the community who are receiving substance abuse services.
2. Commissioner Page: When a person is in need of crisis or substance abuse care, do they come to the Durham Center Access? Yes, the Durham Center Access is the crisis center for 24-hour care.
3. Vice-Chairman Heron: What happens to people when they complete their hospital stay? TDC works with their provider agency and does follow-up work.
4. Vice-Chairman Heron: Does The Durham Center staff check on individuals to see the kind of care they receive in residential facilities? Yes, through quality management, contract management, the Volunteer Facility program, and the System of Care.
5. Vice-Chairman Heron: Once clients are in residential care, what type of follow-up is in place? The case managers at the different provider agencies work with the individuals in residential care. Several programs are being implemented to improve the quality in residential care.
6. Vice-Chairman Heron: Why is there a 25% increase in substance abuse treatment compared to last year? It is due to the increase in people seeking the services.
7. Vice-Chairman Heron: What is eCura? The management information system.
8. Vice-Chairman Heron: What other counties would be in the regional model with Durham County? Vance, Warren, Granville, Franklin, Halifax, Johnston, Edgecombe, Nash, and Wilson/Greene Counties.
9. Vice-Chairman Heron: Where will the ten counties obtain funding to provide the needed services? Medicaid.
10. Commissioner Cousin: Will the regions be comprised of contiguous counties? No.
11. Commissioner Cousin: Will the lead LME be responsible for providing transportation for these services? No.
12. County Manager Ruffin: What is the cost to Durham County the current fiscal year if the restructuring occurs? \$1.2 million out of the \$5.1 million budget.

Directives

1. Schedule a meeting with Jeannie Lucas and solicit her help in the legislative oversight process.

2. Prepare a memo to the local Delegation by the end of the week. In the memo, convey that the threshold in the legislation was that LMEs should have a minimum population of 200,000 people, which was not achieved. Also, emphasize the five points in **Durham's Response**. (Ms. Holliman to work with County Attorney Kitchen for his input.) Also, try to set up a full briefing with the Delegation.
3. Work on recommendations for other ways to meet the shortfall to avoid the restructuring. Look immediately at short-term fixes.
4. Prepare a **Resolution on Proposed DHHS Plan for Restructuring Mental Health Services**; place on the October 10 BOCC meeting agenda.
4. Seek assistance from the North Carolina Association of County Commissioners.

Lease to Subway Real Estate Corp.

County Manager Ruffin introduced this item, stating that the Board is requested to approve a Lease Agreement for a portion of the ground floor at 200 East Main Street to Subway Real Estate Corp. The northeast corner of the ground floor of 200 East Main Street, the Old Courthouse building, has been used for the past few years to house the 'Courthouse Canteen', a restaurant available to County employees and patrons of the building leased to and operated by CBK 1 Inc. The County's lease agreement with the CBK 1 Inc. was not renewed by the tenant and expired on September 30, 2005.

Subway Real Estate Corp. would like to lease the same space to make available a Subway restaurant. Subway Corp. would sublet the space to a local franchisee, Mr. Burham Ghanayem, who would operate the Subway. Mr. Ghanayem operates several other Subway restaurants throughout Durham County. The proposed Lease terms are as follows:

- (i) The Term of the Lease will be 5 years, beginning October 3, 2005 with an option for the Tenant to extend the term for an additional five years;
- (ii) The monthly lease rate for the initial five years will be \$250.00 per month (the same amount received by CBK 1);
- (iii) The County will continue to provide the same maintenance and utilities that were provided under the lease with CBK 1, including removal of refuse containers, and maintenance and repair of utility systems including electrical, plumbing, heat ventilation, and air conditioning (HVAC) systems. Subway shall be responsible for daily or routine maintenance and repairs necessary to keep the Leased Property in good order, repair, and tenable condition; and
- (iv) Subway will up-fit the space to their needs at their own cost except for minor painting, wall modifications, and lighting adjustments which will be provided by Durham County General Services. Subway's up-fit will include installation of walk-in freezers and walk-in cooler, new sinks, shelving, and prep tables, as well as all new tables and chairs. All modifications have been reviewed and agreed to by General Services.

The Lease agreement has been reviewed and approved by Subway Real Estate Corp.

Carol Hammett, Assistant County Attorney, reviewed the slightly modified Lease Agreement, briefed the Board on the substantial financial investment to be made by Mr. Ghanayem, and explained the proposed yearly rent increase.

Vice-Chairman Heron voiced concern that the rent and the annual rent increase were inadequate.

Commissioner Cheek emphasized that this high-quality food service should be provided to the employees without regard to whether the County is making a considerable profit.

In response to a question by Commissioner Page, Mr. Ghanayem stated that the number of employees he hires will be adjusted according to the need. He assured the Commissioners that services will be expedited.

Commissioner Cousin was concerned about whether Subway would pay its employees the living wage.

County Attorney Kitchen informed Commissioner Cousin that the Living Wage Policy does not apply to leases but to contracts.

Chairman Reckhow recommended that the Board make a motion to suspend the rules and approve the lease.

Commissioner Cheek moved, seconded by Commissioner Page, to suspend the rules and to approve the lease.

The motion carried unanimously.

Commissioner Cheek moved, seconded by Commissioner Page, to approve the Lease Agreement for ground level space at 200 E. Main Street with Subway Real Estate Corp. for five (5) years with the option of the Tenant to extend the lease for an additional five (5) years at the end of the initial term; authorize the County Manager to execute the Lease Agreement.

The motion carried unanimously.

Vice-Chairman Heron stated that she voted with reluctance to approve the lease agreement due to the low rent and annual rental increase.

Mr. Ghanayem communicated that he was hopeful that the restaurant would be open by the end of October.

Market and Economic Analysis of the Durham Civic Center

Carolyn Titus, Deputy County Manager, stated that in Fiscal Year 2004, the Board of County Commissioners and the City Council agreed to conduct a market and economic analysis of the Durham Civic Center. A contract was awarded to C.H. Johnson Consulting Inc. in conjunction with Skidmore, Owings, and Merrill, LLP, architects for the study. In addition to the market study, an expansion analysis and a future business plan were prepared.

Ms. Titus introduced Mr. Rob Hunden of C.H. Johnson Consulting Inc.; Mr. Rod Abraham, Chairman, Civic Center Authority; and Mr. Josh Parker, Civic Center Authority member.

Mr. Hunden presented the *Market and Economic Analysis Study for the Durham Civic Center* (DCC). Highlights of the study follow:

Focus

- Civic Center and Marriott Hotel
- Immediate surroundings
- Physical and programming recommendations
- Other critical factors
- Strategy

Conclusions

- Strong growth in all economic/demographic measures has not led to success at the DCC
- Quality challenge
- Physical set-up and disconnected governance have limited DCC's ability to succeed
- Market confusion regarding DCC/Marriott
- Room block challenge—too few hotels/rooms downtown
- Food and fun deficit
- Limited capture of technical/medical meetings demand, despite prevalence in area
- Lack of understandable data collection at DCC
- Historical lack of cooperation between DCC & Durham Convention and Visitors Bureau (DCVB); Improved now
- Safety perception downtown
- “Civic Center” name is old-school and inappropriate
- Duke should be leveraged; partner

Non-Physical Recommendations

- Evaluate name change
- Seek out opportunities with Duke

- Improve data collection and reporting
- Work cooperatively with DCVB
- Address safety perception (mounted patrols, bicycle police, etc.). Business Improvement District (BID)?
- Induce development of restaurants downtown

Physical Recommendations

- Phase 1-A
 - Improve DCC
 - Reconfigure space; activate streets
 - Add kitchen, BOH circulation
- Phase 1-B
 - Expand exhibit hall and meeting space; add restaurant
 - Add hotel rooms either onsite or adjacent
 - Activate more street frontage

TOTAL COST of PHASE 1 (not including hotel improvements)—\$58+ million—\$449 per square foot (all-inclusive)

- Phase 2
 - Expand across Morris street
 - Add other hotel product to package downtown

Vice-Chairman Heron expressed concern about the Civic Center Authority's lack of activity.

Mr. Abraham stated that the CCA is working diligently live up to its fiduciary responsibility.

Chairman Reckhow expressed dissatisfaction that the consultants could not find much data that documented the facility's long-term performance. She stated that "a thread is running through the whole report" that suggests that the Civic Center Authority and the managers of the Marriott have not been working well with the Durham Convention and Visitors Bureau on marketing the facility.

At a request by Vice-Chairman Heron, Mr. Hunden reported on the cost of parking and the impact of new hotels on the Durham Civic Center.

Mr. Hunden informed the Commissioners that implementing one project would not solve the problem; the solution is comprehensive.

Questions/Discussion

1. Commissioner Cousin: What is the projected cost of Phase 2? No projection has been made at this point.
2. Commissioner Page: Is the County responsible for implementing the recommendations? The County and City are jointly responsible.

3. Chairman Reckhow: Is there an assumption that the public sector would pay for the hotel tower? There is no assumption at this point.
4. Chairman Reckhow: The proposal to create an entranceway off Morris Street on the west side—is this being viewed as a limited access and not a major entrance? Yes.
5. Chairman Reckhow: Is there an effort to capitalize on this synergy (Carolina Theatre, Arts Council, and Armory) and do we let groups know about other adjoining, complementary facilities that could enhance their meeting capability? Yes. This has not been optimized in the past.
6. Chairman Reckhow: What is the relationship with the Carolina Theatre? The relationship is good. Has the Carolina Theatre been approached about joint marketing? More data must be collected.

Directives

1. Mr. Abraham to have necessary, meaningful data at every Civic Center Authority meeting.
2. Mr. Abraham to set up a meeting with the DCVB chairman and president and the Civic Center manager to discuss marketing issues.
3. CCA to work better with the adjoining entities.
4. Civic Center Authority to review the study and come up with implementation steps, not necessarily looking at capital improvements but at the operational changes that need to be made. This can be discussed at a future Joint City/County Committee meeting.

Closed Session

The Board was requested to adjourn to Closed Session pursuant to G.S. § 143-318.11(a)(5)(6) to instruct staff concerning the position to be taken on the terms of possible acquisition of 247 S. Mangum Street owned by U-Haul Real Estate Company and 306 S. Roxboro Street owned by Scarborough and Hargett Funeral Home and to discuss the performance of a public officer.

Commissioner Cousin moved, seconded by Commissioner Heron, to move into closed session.

The motion carried unanimously.

Reconvene to Open Session

The Commissioners reconvened to open session.

Benefits Plans for 2006

Ms. Debbi Davidson, Benefits Manager, Human Resources Department, presented the renewal rates for Health Insurance, Dental Insurance, Life Insurance, Short Term Disability Insurance, and Long Term Disability Insurance. The focal points of her PowerPoint presentation follow:

Benefits Renewal
 January 1, 2006

Budget Projections

- Wellpath – 14% Increase
- NCACC-BCBC – 12% Increase
- Dental Insurance – 7% Increase
- Life Insurance – No Increase
- Short-Term Disability – 10% Increase
- Long-Term Disability – No Increase

Renewal Rates

- Wellpath – 21.2% Increase
- NCACC-BCBS – 13.6% Increase
- Dental Insurance – 11.5%
- Life Insurance – No Increase
- Short-Term Disability – 25.6% Increase
- Long-Term Disability – No Increase

WELLPATH RENEWAL RATES

	HIGH	LOW
Employee Only	\$387.00	\$311.00
Employee/Child(ren)	\$600.00	\$482.00
Employee/Spouse	\$836.00	\$668.00
Family	\$1,142.00	\$913.00

NCACC – BCBS RENEWAL RATES

	HIGH	LOW
Employee Only	\$367.00	\$300.00
Employee/Child(ren)	\$569.00	\$465.00
Employee/Spouse	\$789.00	\$645.00
Family	\$1,079.00	\$882.00

Options

- Change the Wellpath Plan from 100% to a 90/10 plan
- Renew with one plan
 - Provider issues
- Blended Rates

- Increase FBEN (Flex Benefit)
- Subsidize premium costs

Wellpath Rates – 90/10 Plan

- Employee Only \$368.00
- Employee/Child \$569.00
- Employee/Spouse \$793.00
- Family \$1,083.00

Comparison – Wellpath – Current Plan to 90/10 Plan

	Current Plan	Proposed Change
Deductible	None	\$100
Out of Pocket Max	\$1,000	\$1,500
Inpatient Care	\$500/day -2 days	Deductible + 10%
Coinsurance	None	10%
Outpatient Hospital	\$250 copay	Deductible + 10%

One Carrier Option

- Advantages
 - More Opportunity for Wellness Initiatives
 - Ease of Administration
 - Blended rate – no adverse selection
 - Consolidated claims information for analysis
- Disadvantages
 - Less of a “bargaining” position
 - Provider issues
 - Employees prefer choice

Blended Rates

- Add cost to Employee Only level
- Shift cost from Dependent Coverage
- Advantages
 - Employee Only coverage is covered by FBEN
 - Lessens the impact on employees with dependent coverage
- Disadvantages
 - Less of a benefit for Employee Only coverage

Dental Insurance

- Increase in cost of Dental Care
- No significant difference in High and Low Plan other than maximum benefit
- Consolidate into one plan or offer an Enhanced Plan

Dental Insurance – Enhanced Plan

- Increase maximum benefit to \$2,000 per year per person
- Increase Orthodontia benefit to \$2,000 per person
- Offer Orthodontia to adults instead of just children under 19
- Periodontics coverage at 80% increased from 50%

Dental Insurance – Rates

	Enhanced	Basic
Employee Only	\$32.00	\$28.00
Employee/Child(ren)	\$71.00	\$60.00
Employee/Spouse	\$63.00	\$53.00
Family	\$115.00	\$96.00

ASI TRICARE Supplement Insurance

- Program for qualified retired military and their families as an alternative to group health plans
- Sole Source Provider
- Endorsed by NCACC

ASI TRICARE Supplement Program

Who is eligible?

- Military Retirees and spouses under the age of 65
- Family members and survivors of Active Duty
- Retired Reservists, if the reservists is age 60 or has 20 years
- Spouses and eligible unmarried dependent children of disabled veterans who are eligible for CHAMPVA

ASI TRICARE RATES

Employee Only	\$60.50
Employee/Child(ren)	\$119.50
Employee/Spouse	\$119.50
Family	\$160.00

Short-Term Disability

- Rates are based on claims paid and premium collected
- Increased claims
- Increased in Disability Retirements

Short-Term Disability

- Increase Wellness Programs
- Work with Health Insurers to develop more preventative measures

Human Resources Recommendations

- Renew with both carriers
- Change Wellpath Plan to 90/10
- Offer Enhanced Dental Plan
- Use Blended Rates
- Increase FBEN to \$460.00 per month
- Add ASI TRICARE Supplement Insurance to Cafeteria Plan

Costs

1. Subsidize premiums - \$127,000/6 months
2. Blended rates – subsidized premiums - \$83,000/6 months
3. Blended rates – Increase FBEN to \$460 - \$158,400

The Commissioners devoted considerable discussion to the Benefits package, particularly the recommended increase to the FBEN (flex benefit) allocation.

The consensus of the Board was to support the Manager's recommended Benefits package, including the increase in flex dollars from \$444 to \$460. The item was moved forward to the October 10, 2005 consent agenda.

(Vice-Chairman Heron left the meeting due to a doctor's appointment.)

Directives given to the County Manager:

1. Consider revamping the benefits package for year 2007 and the feasibility of moving the annual enrollment period from a calendar year to a fiscal year.
2. Inform the Commissioners of the funding source for the \$158,400 increase for FBEN.

Cablevision Ordinance

Chuck Kitchen, County Attorney, stated that a new Cable Communications Ordinance is being presented for consideration and comment by the Board. The Ordinance has previously been sent to the Cable Advisory Committee, and changes have been incorporated into the current draft. A copy of the proposed ordinance has also been sent to Time-Warner for comment.

The proposed structure of the ordinance would provide for the County Commissioners to adopt the Cablevision Ordinance, which would provide the basic requirements for any cable provider providing cable television services in the County. The details of the franchise would then be negotiated with the provider and approved by the Board of Commissioners. This would allow for multiple cable providers if other companies show an interest.

County Attorney Kitchen requested that the Commissioners provide guidance regarding Sec. 25-151. Services to Subscribers and Users.

After a brief discussion about public, educational, governmental, and inspirational access channels, the consensus of the Board was:

1. Revise item A(6) to read, "The Grantee shall fully provide and maintain at a minimum, ~~one~~ **two** Educational Access Channels, facilities and equipment as further described in the Franchise.
2. During negotiations, verbally explore with Time-Warner its willingness to provide an additional Public Access Channel for the faith-based community. The Board will instruct the County Attorney during negotiations.
3. Move the item forward to the October 10, 2005 consent agenda.

Contracts with AOC for Assistant District Attorney and Deputy Clerk Positions

County Manager Mike Ruffin introduced this item. He stated that the Board is requested to approve the two contracts between the County and the Administrative Office of the Courts (AOC) for the provision and funding of three Assistant DA positions and five Deputy Clerk positions for Fiscal Year 2006. Funding for these positions was approved in this year's annual budget. The contracts include the funding three Assistant District Attorney positions through AOC in an amount not to exceed \$183,590 per year (\$73,436.00 per position maximum) and five Deputy Clerk positions in an amount not to exceed \$125,798.00 (\$24,073.00 per position maximum).

Both contracts may be renewed for an additional 12 months on each successive July 1. The County or AOC may terminate the agreements at anytime during the term upon giving 60-days written notice or by the mutual consent of the parties. The employees funded pursuant to these contracts will be the employees of the Clerk or District Attorney for all purposes and shall be hired by and work under the supervision and direction of the Clerk and District Attorney.

Both contracts were reviewed and approved by the AOC, the Clerk of Court, and the District Attorney and executed by the AOC.

County Manager Ruffin stated that a key issue was to obtain acknowledgment from the court system that it will make the court performance measurement system a reality. This commitment has been received in the form of a signed letter. Another key matter is the baseline data so the County can measure the performance from the present to six months from now. This information is currently being gathered.

Chairman Reckhow asked County Manager Ruffin to remain in contact with the court system to monitor how the data is developed.

Chairman Reckhow recommended that a motion be made to suspend the rules.

Commissioner Cheek moved, seconded by Commissioner Cousin, to suspend the rules.

The motion carried with the following vote:

Ayes: Cheek, Cousin, Page, and Reckhow

Noes: None

Absent: Heron

Chairman Reckhow recommended that a motion be made to approve the agreements with the AOC for three Assistant DA positions and five Deputy Clerk positions and authorize the County Manager to execute the contracts.

Commissioner Cousin moved, seconded by Commissioner Page, to approve the agreements with the AOC.

The motion carried with the following vote:

Ayes: Cheek, Cousin, Page, and Reckhow

Noes: None

Absent: Heron

Adjournment

There being no further business, Chairman Reckhow adjourned the meeting at 3:09.

Respectfully submitted,

Vonda C. Sessoms
Clerk to the Board