

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

Monday, June 24, 2013

7:00 P.M. Regular Session

MINUTES

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

Present: Chairman Fred Foster, Jr., Vice-Chair Brenda A. Howerton, and Commissioners, Wendy Jacobs, Michael D. Page, and Ellen Reckhow

Absent: None

Presider: Chairman Fred Foster, Jr.

Opening of Regular Session—Chairman Foster asked everyone to join in the Pledge of Allegiance.

Agenda Adjustments

There were no adjustments to the agenda.

Announcements

Chairman Foster made the following announcements:

- “In Touch with Durham County,” the Durham County Television show, airs on Cable TV Channel 8 at 8:30 a.m. and 12 noon on Mondays; and 8:30 a.m., 12 noon and 6:30 pm on Tuesday–Sundays. Our County Commissioners’ meetings are also rebroadcast on Thursdays at 2:00 p.m., Saturdays at 9:00 p.m., and Sundays at 9:00 p.m.
- Durham County needs you! If you have a few hours to commit, Durham County has a number of boards and commissions that can benefit from your participation. We invite you to make a difference in our community. Contact the Clerk’s Office at 919-560-0025, visit the County’s website, or email Clerk@dconc.gov for more information. Please note that all City and County taxes must be current at the time of application.
- Please take note of a major change in the way motor vehicles are taxed. The State’s “Tax and Tag Together” Program was created to enable the collection of property taxes and registration renewals at the same time. The program becomes law on July 1st. All vehicle owners in North Carolina are affected by this change. For more information, visit www.ncdot.gov or call the Durham County Tax office at (919) 560-0300.

Minutes

Commissioner Page moved, seconded by Vice-Chair Howerton, to approve as submitted the June 10, 2013 Regular Session Minutes; the June 3, 2013 Worksession and Budget Worksession Minutes and the May 6, 2013 Worksession Minutes of the Board.

The motion carried unanimously.

Introduction of Howard ‘Skip’ Kirkwood as Durham County EMS Director

Mr. Lee Worsley, Deputy County Manager, introduced Mr. Howard ‘Skip’ Kirkwood as the Emergency Medical Services Director for Durham County. Mr. Worsley briefly reviewed Mr. Kirkwood’s educational background and professional experience.

Mr. Kirkwood gave brief remarks.

Mr. Michael Ruffin, County Manager welcomed Mr. Kirkwood to Durham County. Manager Ruffin then recognized Mr. Michael Smith, former Emergency Medical Services Director, for his years of service.

Introduction of Greg Marrow as Chief Information Officer (CIO)

Mr. Lee Worsley, Deputy County Manager, introduced Mr. Greg Marrow as the Chief Information Officer for Durham County. Mr. Worsley briefly reviewed Mr. Marrow’s educational background and professional experience.

Mr. Marrow gave brief remarks.

County Manager Ruffin welcomed Mr. Marrow to Durham County.

Adoption of the FY2013-2014 Budget Ordinance

The County Manager presented the FY2013-2014 Annual Budget Ordinance to the Commissioners for approval in accordance with the Local Government Budget & Fiscal Control Act, which requires adoption of the Annual Budget no later than July 1.

Ms. Pamela Meyer, Director of Budget and Management Services, introduced the agenda item and provided an overview the FY2013-14 budget formation process. Ms. Meyer noted that changes were made to the recommended budget. She highlighted several areas of the proposed budget ordinance before the Board:

- Increased the General Fund and Capital Finance Fund tax rate to \$.7744
- Increased funding for Durham Public Schools in the amount of \$2,436,000
- Adjusted funding of the Non-Profit Grant Funding Program to approximately \$860,000 for 52 agencies
- Established the Bethesda Fire and Rescue Service District tax rate of \$.1300 and Bethesda Fire District tax rate of \$.0000
- Increased the New Hope Fire District tax rate to \$.0945 and the Eno Fire District tax rate to \$.0799
- Decreased the Research and Production Service District tax rate to \$.0368

Commissioner Reckhow requested that section 8a of the proposed budget ordinance be amended to state “for enrolled students from Durham County” to clarify that needs based financial assistance funding in the amount of \$888,030 is for Durham County residents. County Manager Ruffin cited no objection to the amendment.

Chairman Foster recognized citizens who signed up to speak

Mr. Harlan Brown and Mr. Dennis Boyles spoke in opposition to funding for Planned Parenthood.

Dr. Darryl Roberts, Campaign Analytical LLC, spoke in opposition to the proposed tax increase. Dr. Roberts requested that the proposed budget ordinance not be approved by the Board and that an audit of all services be conducted to “establish sources of greater efficiency.”

Commissioner Jacobs thanked citizens for their comments. She discussed the need to maintain services and address debt service through the proposed budget ordinance and tax rate increase.

Chairman Foster stated that he did not support the proposed budget ordinance. He stated that the ordinance provided staff with wants, instead of needs. Chairman Foster indicated that he did not support the proposed 3.25 percent salary increase for employees with “exorbitant” salaries. He proposed that Durham County use longevity pay to “fairly” compensate employees. Chairman Foster cited disagreement with the process in which nonprofit organizations were funded. Chairman Foster then discussed the proposed tax rate increase.

Commissioner Page commented on the budget formation process. He cited difficulty allocating funds for all the nonprofits that provided valuable services to Durham County residents. Commissioner Page emphasized the need to “put people first,” and ensure the availability of various resources. He reiterated that debt service on capital improvements needed to be addressed and that the gradual tax increase was necessary and fair to citizens. He stated that he supported the proposed budget ordinance.

Commissioner Reckhow discussed the history and necessity of the tax rate increase. She commented on many of the capital improvement plans, of which debt service is now required.

Vice-Chair Howerton expressed understanding of how tax increases affect citizens. She discussed the need to address the debt service.

Chairman Foster commented on the requested and allocated funding for Durham Public Schools. He then discussed the need for increased economic development in Durham County. Chairman Foster suggested that an advisory board be established to study how a proposed \$.02 tax rate increase for FY2014-15 would affect citizens and economic development.

Vice-Chair Howerton inquired if the Audit Services Department would be able to facilitate the study proposed by Chairman Foster. County Manager Ruffin stated that this was feasible if the Audit Services Oversight Committee placed that particular audit in the yearly plan.

Commissioner Reckhow moved, seconded by Commissioner Jacobs to approve the following budget ordinance for FY2013-2014 with the amendment to state “for enrolled students from Durham County:”

ANNUAL BUDGET ORDINANCE
Durham County
North Carolina
FY 2013-14

WHEREAS, the proposed budget for FY 2013-14 was submitted to the Board of Commissioners on May 28, 2013 by the Durham County Manager and filed with the Clerk to the Board on that date pursuant to G.S. 159-11; and

WHEREAS, on June 10, 2013, the Durham County Board of Commissioners held a public hearing on the budget pursuant to G.S. 159-12; and

WHEREAS, on June 24, 2013, the Durham County Board of Commissioners adopted a budget ordinance making appropriations and levying taxes in such sums as the Board of Commissioners considers sufficient and proper in accordance with G.S. 159-13; and

BE IT ORDAINED by the Durham County Board of Commissioners that for the purpose of financing the operations of Durham County, North Carolina for the fiscal year beginning July 1, 2013 and ending June 30, 2014, there are hereby appropriated from taxes and other revenues the following by function and fund:

Section 1. Summary of Appropriations by Fund and Function - FY 2013-14							
Function	General Fund	Swap Fund	Capital Financing Fund	Special Revenue Funds	Debt Service Fund	Enterprise Fund	Total Appropriation
General Government	\$82,977,269	\$4,811,041	\$55,597,881	\$2,742,601	\$59,871,757	\$894,119	\$206,894,668
Public Safety	\$48,612,566	---	---	\$3,712,690	---	---	\$52,325,256
Transportation	\$12,500	---	---	---	---	---	\$12,500
Environmental Protection	\$3,521,812	---	---	---	---	---	\$3,521,812
Economic and Physical	\$4,472,375	---	---	\$690,250	---	---	\$5,162,625
Human Services	\$83,836,226	---	---	---	---	---	\$83,836,226
Education	\$125,721,000	---	---	---	---	---	\$125,721,000
Cultural and Recreation	\$11,186,648	---	---	---	---	---	\$11,186,648
Utilities	---	---	---	---	---	\$10,451,515	\$10,451,515
Total Appropriations	\$360,340,396	\$4,811,041	\$55,597,881	\$7,145,541	\$59,871,757	\$11,345,634	\$499,112,250
Section 2. Summary of Revenues by Fund and Revenue Category - FY 2013-14							
Category	General Fund	Swap Fund	Capital Financing Fund	Special Revenue Funds	Debt Service Fund	Enterprise Fund	Total Appropriation
Taxes	\$271,806,919	---	\$27,154,480	\$7,039,266	---	---	\$306,000,665
Licenses and Permits	\$679,200	---	---	---	---	\$3,000	\$682,200
Intergovernmental	\$51,988,818	---	---	---	---	---	\$51,988,818
Contributions and Donations	\$42,257	---	---	---	---	---	\$42,257
Investment Income	\$130,000	\$3,000	\$10,000	---	\$533,303	\$9,000	\$685,303
Rental Income	\$562,105	---	\$423,929	---	---	---	\$986,034
Service Charges	\$16,688,195	---	---	---	\$250,000	---	\$16,938,195
Enterprise Charges	---	---	---	---	---	\$10,824,694	\$10,824,694
Sewer Connection Fees	\$115,800	---	---	---	---	\$508,940	\$624,740
Other Revenues	\$630,562	\$3,000,000	---	---	---	---	\$3,630,562
Other Financing Sources	\$17,696,540	\$1,808,041	\$28,009,472	\$106,275	\$59,088,454	---	\$106,708,782
Total Revenue	\$360,340,396	\$4,811,041	\$55,597,881	\$7,145,541	\$59,871,757	\$11,345,634	\$499,112,250

Section 3. For purpose of raising revenues to finance appropriations for the foregoing expenditures, the following ad valorem taxes are hereby levied on all property subject to ad valorem taxes within the county on January 1, 2013 at an anticipated collection rate of 98.80 percent. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate
Durham County-countywide	\$.7744

Section 4. For purpose of raising revenues to finance appropriations for the foregoing expenditures, the following ad valorem taxes are hereby levied on all property subject to ad valorem taxes within the

county on January 1, 2013 at the anticipated collection rates noted below. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate	Collection Rate	District	Rate	Collection Rate
Bahama Fire District	\$.0600	98.7%	New Hope District	\$.0945	98.7%
Bethesda Fire District	\$.0000	0.00%	Parkwood Fire District	\$.1150	98.7%
Eno Fire District	\$.0799	98.3%	Redwood Fire District	\$.1125	98.3%
Lebanon Fire District	\$.1000	98.7%	Bethesda Fire & Rescue Service District	\$.1300	98.7%

Section 5. There is hereby levied a tax at the rate shown below, per \$100.00 valuation of property listed for taxes as of January 1, 2013, for property located within the Durham County portion of the Durham-Wake Counties Research Triangle Park Research and Production Service District for the raising of revenue for said district. The anticipated collection rate is 98.7 percent.

	Tax Rate	Appropriation
Research & Production Service District	\$.0368	\$690,250

There is hereby appropriated to the Durham-Wake Counties Research and Production Service District from the net proceeds of this tax the amount of \$690,250 for use in said district in such manner and for such expenditures as is permitted by law from the net proceeds of this tax. In the event the actual net proceeds from the tax levy of the Research and Production Service District exceed the appropriated amount, the actual net proceeds from the tax shall constitute the appropriation from said tax levy.

Section 6. Charges for services and fees by county departments are levied in the amounts set forth in the attached Fee and Other Charges Schedules. (See Attachment 1)

Section 7. The following authorities shall apply to transfers and adjustments within the budget:

- a) The County Manager may authorize transfers within a function up to 15% cumulatively without report to the Board.
- b) The County Manager may transfer amounts up to \$20,000 between functions of the same fund with a report to the Board of Commissioners at the subsequent regular meeting of the Board.
- c) The Budget Officer may approve intradepartmental transfer requests between appropriation units and between departmental programs within the limits of the approved budget.
- d) The County Manager may enter into the following agreements within funds:
 - Form and execute grant agreements within budgeted appropriations;
 - Execute leases of up to \$15,000 for normal and routine business within budgeted appropriations (County as Tenant only);
 - Enter consultant, professional, maintenance, or other service agreements of up to \$40,000 within budgeted appropriations;
 - Approve renewals for service and maintenance contracts and leases;
 - Purchase of apparatus, supplies, materials or equipment and construction or repair work not requiring formal bids by law;
 - Reject any and all bids and readvertise to receive bids;
 - Waive any bonds or deposits, or performance and payment bonds requirements when authorized or permitted by applicable law.
- e) County Manager can transfer between functions, and/or funds for merit, pay plan adjustments, health benefits, and reclassifications.
- f) Transfers between funds and transfers from the contingency account may be executed **only** by the Board of Commissioners.

Section 8. In accordance with North Carolina General Statute 115D-54, the following appropriations are made to Durham Technical Community College. All accumulated and unexpended and unencumbered

amounts at the end of the fiscal year shall be reported to Durham County within 30 days of the completion of the external audit.

Current Expense	\$5,725,689
Capital Outlay	<u>\$302,500</u>
Total Appropriation	\$6,028,189

- a) It is the intent of the Durham County Board of County Commissioners in appropriating these funds that Durham Technical Community College allocates current expense funding of \$888,030 for needs based financial assistance for enrolled students from Durham County and the Gateway to College program (an educational option for DPS students between the ages of 16-21 who have dropped out of high school but have a desire to now earn a diploma.)

Section 9. In accordance with G.S. 115C-429(b), the following appropriations are made to the Durham Public Schools. The budget resolution adopted by the Durham Public Schools Board of Education shall conform to the appropriations set forth in the budget ordinance.

The total local appropriation for Durham Public Schools for FY 2013-14 is as below:

Current Expense	\$118,233,311
Capital Outlay	<u>\$1,370,000</u>
Total Appropriation	\$119,603,311

- a) In addition, the Durham Public Schools budget should reflect local appropriations by purpose, function, and project. Once adopted, such resolution shall not be amended without the prior approval of the Board of Commissioners if the cumulative effect of such amendment would be to increase or decrease the amount of county appropriations allocated by purpose, function, or project by 15 percent or more.
- b) The Board of Commissioners and the County Manager shall be informed in writing of the audited fund balance amounts within 30 days of completion of the external audit.
- c) Transfers between capital outlay and current expense shall be approved by the Board of Commissioners.
- d) Durham Public Schools is authorized to use Public School Building Capital Funds, and Lottery Funds for capital outlay requests, with the approval of the Board of Commissioners.
- e) It is the intent of the Durham County Board of County Commissioners in appropriating these funds that the Board of Education allocate current expense funding of \$414,830 for expanded support of Durham Public School related Pre-Kindergarten programs.

Funding (including debt service) exceeds the required merger agreement rate of \$1,960 per pupil.

Section 10. In addition, it is the intent of the Durham County Board of Commissioners in appropriating these funds that the Board of Education allocates sufficient funds to continue the teacher supplement at a rate of 12.5 percent for teachers with less than 10 years' experience; 13.5 percent for teachers with 10-19 years' experience; and 14.5% for teachers with 20 years or more experience.

Section 11. In accordance with G.S. 159-13.1, the following financial plans for intragovernmental service funds are hereby approved.

RISK MANAGEMENT FUND

Revenue	\$3,440,111
Expense	\$3,440,111

BENEFITS PLAN FUND

Revenue	\$19,414,926
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Expense \$19,414,926

Section 12. In accordance with G.S. 159-14, the following trust funds are established and the proceeds are estimated as follows:

Law Enforcement Officers Trust Fund	\$313,779
George Linder Memorial Fund	\$250
Community Health Trust Fund	\$4,159,115

Section 13. This ordinance incorporates the County’s Capital Financing Policy to designate up to 20% of dedicated revenues as County Contribution for pay-as-you-go projects. For Fiscal Year 2013-14, the County Contribution is designated at 8.88%.

Section 14. In accordance with G.S. 159-13, a copy of this ordinance shall be filed with the County Manager, the Finance Officer, the Clerk to the Board, and the County Tax Administrator.

Adopted this the 24th day of June 2013.

*Fee and Other Charges schedules are on file with the Budget Ordinance document.

The motion passed 4-1 with the following vote:

Ayes: Howerton, Jacobs, Page and Reckhow
Noes: Foster

Consent Agenda

County Manager Ruffin stated that he made a revision to his recommendation for agenda item “k.” Mr. Ruffin stated that due to the pending status of North Carolina Senate Bill 321, language was added to the recommendation requesting that the County Manager be given authority to renegotiate or amend the contract in question to if the bill becomes law.

Mr. Lowell Siler, County Attorney, requested that agenda items “p” and “r” be pulled.

Commissioner Reckhow moved, seconded by Vice-Chair Howerton, to approve the following consent agenda items (8a, b, c, d, e, f, g, h, i, j, k, l, m, n, o, q and s):

- a. Approve the 3-year Ambulance Franchise Renewal request for Duke Life Flight to expire on June 30, 2016;
- b. Appoint the new EMS Director, Howard “Skip” Kirkwood, Jr. as a Deputy Tax Collector effective July 1, 2013;
- c. Authorize the County Manager the authority to execute the Interlocal Agreement between the County of Durham and the City of Durham regarding the ICMA Fellowship position;
- d. *Accept the property tax release and refund report for May, 2013 as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report;

- e. Renew the Interlocal Cooperation Agreement with the City of Durham for the programming of Durham Government TV;
- f. Approve the lease extension for 706 Rigsbee Avenue between Durham County and Rainbow 66 Storehouse Incorporated for one year and to authorize the Manager to execute the lease extension;
- g. Award the attached administration contract for the CDBG Infrastructure grant received by Durham County from the NC Department of Commerce (Division of Community Assistance) to The Wooten Company and authorize the County Manager to execute it;
- h. Approve the attached procurement and disbursement guidelines for use during implementation of the 2013 round Single Family Rehabilitation grant;
- i. Approve the attached FY13-14 service contract with Urban Ministries of Durham;
- j. Approve the Service Contract with Animal Protection Society of Durham, Inc., and the Sheriff for the operation of the Durham County Animal Shelter, in the amount of \$566,478.00, and authorize the Manager to execute the Agreement;
- k. Approve the annual renewal contract between Durham County and Correct Care Solutions (CCS) for an amount not to exceed \$3,216,982 and give the Manager the authority to either renegotiate or amend the contract if SB 321 passes;
- l. *Approve Budget Ordinance Amendment 13BCC000087 and amend the budget as indicated – increase the budget for Coordinated Transportation by \$4,620 and approve the requested local match amount of \$462;
- m. Appoint Vice Chair Brenda Howerton as voting delegate and Commissioner Ellen Reckhow as alternate voting delegate for the NACo Conference in July, 2013;
- n. Appoint Vice-Chair Howerton to one of the two at-large vacancies on the Durham Technical Community College Board of Trustees.
- o. *Approve Capital project Amendment No. 13CPA000013 to officially close 23 completed projects allowing them to become final assets and begin depreciation and to transfer \$339,270.22 of unspent Main Library Renovations project (DC093) funds to a new Main Library Upgrade project (6110DC094) for future upgrades and to approve Budget Ordinance Amendment No. 13BCC000088 transferring \$7,188.00 of unspent project funds to the Debt Service Fund to offset debt service payments related to project financings;
- q. Approve the contract amendment with Womble Carlyle Sandridge & Rice, LLP to increase the total compensation by an amount not to exceed \$75,000 and authorize the County Manager to execute the amendment;
- s. Approve the contract with Alliance Behavioral Healthcare for annual funding and provisions regarding services for FY 14.

The motion carried unanimously.

*Document(s) related to this item follow:

Consent Agenda Item No. d.

Due to property valuation adjustments for over assessments, listing discrepancies, duplicate listings, and clerical errors, etc. the attached report details releases and refunds for the month of May, 2013.

Releases & Refunds for 2013 Taxes	
Personal	\$ 4,284.58
Registered Vehicles	\$ 1,362.90
Vehicle Fees	\$ 30.00
Total for 2013 Taxes and Fees	\$ 5,677.48
Releases & Refunds for 2012 Taxes	
Real Estate	\$ 223.40
Personal	\$ 58,474.45
Registered Vehicles	\$ 40,189.77
Vehicle Fees	\$ 1,110.00
Solid Waste	\$ 315.00
Total for 2012 Taxes and Fees	\$ 100,312.62

Prior year's (2008-2011) releases and refunds for May, 2013 are in the amount of \$10,913.29. The current year and prior year's releases and refunds amount to \$116,903.39.

Consent Agenda Item No. l.

DURHAM COUNTY, NORTH CAROLINA
 FY 2012-13 Budget Ordinance
 Amendment No. 13BCC000087

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2012-13 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	\$55,155,011	\$4,158	\$55,159,169
Other Financing Sources	\$24,063,916	\$462	\$24,064,378

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Human Services	\$89,396,633	\$4,620	\$89,401,253

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

This the 24th day of June, 2013.

Consent Agenda Item No. o.

DURHAM COUNTY, NORTH CAROLINA
 FY 2012-13 Capital Project Ordinance
 Amendment No. 13CPA000013

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2012-13 Capital Project Ordinance is hereby amended to reflect budget adjustments for the following projects.

Capital Projects	Current Budget	Inc./Dec.	Revised Budget
County Stadium Renovations (DC092 Closing)	\$8,206,833	(\$233.57)	\$8,206,599.43
08 Telecommunication Upgrade (DC098 Closing)	\$475,000	(\$1,236.17)	\$473,763.83
Oak Grove Elementary School (SH054 Closing)	\$1,161,513.64	\$0	\$1,161,513.64
Smith Elementary School (SH070 Closing)	\$351,342.76	(\$720.01)	\$350,622.75
Lowes Grove Middle School (SH097 Closing)	\$10,231,889.70	(\$4,762.73)	\$10,227,126.97
DSA-Gym Roof & Windows (SH098 Closing)	\$493,760.31	\$0	\$493,760.31
Northern High School (SH102 Closing)	\$231,697.50	\$0	\$231,697.50
Brogden Middle School (SH111 Closing)	\$73,042.49	\$0	\$73,042.49
Northern High School (SH114 Closing)	\$290,575.64	\$0	\$290,575.64
Club Blvd. Elementary School (SH115 Closing)	\$2,177,475.00	\$0	\$2,177,475.00
07 City Of Medicine (SH127 Closing)	\$9,483,628.00	\$0	\$9,483,628.00
08 (03 GO Closing) Mobile Classrooms (SH128 Closing)	\$324,732.00	(\$161.73)	\$324,570.27
08 (03 GO Closing) Bacon Street (SH130 Closing)	\$2,114,427.45	\$0	\$2,114,427.45
LF 08 Lakewood Elementary School (SH131 Closing)	\$469,550.56	\$0	\$469,550.56
LF 08 Jordan High School (SH132 Closing)	\$549,525.59	\$0	\$549,525.59
LF 08 Jordan High School (SH133 Closing)	\$393,699.00	\$0	\$393,699.00
LF 08 Northern High School (SH134 Closing)	\$108,790.92	\$0	\$108,790.92
LF 08 Northern High School (SH135 Closing)	\$394,551.33	\$0	\$394,551.33
LF 08 Northern High School (SH136 Closing)	\$256,029.64	\$0	\$256,029.64
07 Club Blvd Elementary School (SH138 Closing)	\$3,676,377.00	\$0	\$3,676,377.00
07 Lakeview School (new SH149 Closing)	\$1,961,107.00	(\$73.10)	\$1,961,033.90
LF 09 DSA Roof (SH155 Closing)	\$199,099.70	\$0	\$199,099.70
Main Library Renovations (DC093 Closing)	\$800,000	(\$339,270.22)	\$460,729.78
Main Library Upgrade Project (new 6110DC094)	\$0	\$339,270.22	\$339,270.22

Adopted this the 24th day of June, 2013.

DURHAM COUNTY, NORTH CAROLINA
 FY 2012-13 Budget Ordinance
 Amendment No. 13BCC000088

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2012-13 Budget Ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>DEBT SERVICE FUND</u>			
Other Financing Sources	\$180,813,826.95	\$7,187.31	\$180,821,013.26

Expenditures:

<u>Function</u>			
<u>DEBT SERVICE FUND</u>			
General Government	\$181,342,047.95	\$7,187.31	\$181,349,234.26

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

This the 24th day of June, 2013.

Public Hearing to Consider Allocating Economic Development Investment Funds to Syngenta Biotechnology, Inc.

Chairman Foster recognized Ms. Marqueta Welton, Deputy County Manager, who introduced the item.

Ms. Welton requested that the Board hold a public hearing to consider allocating up to \$375,000 of economic development investment funds to Syngenta Biotechnology, Inc. Ms. Welton provided a brief background on Syngenta, as well as a detailed explanation of the company's plan for future business expansion. Ms. Welton then provided information regarding the investment funds that were being proposed.

Chairman Foster opened the public hearing and recognized citizens who signed up to speak.

Casey Steinbacher, CEO of the Greater Durham Chamber of Commerce, spoke in support the economic development investment funds for Syngenta. Ms. Steinbacher introduced several Syngenta staff members and discussed several attributes that would be brought to Durham County if the funds were allocated.

Ted Conner, Durham Chamber of Commerce, spoke in support the economic development investment funds for Syngenta. Mr. Connor commented on the work conducted by Syngenta.

Chairman Foster closed the public hearing.

Vice-Chair Howerton commented positively on the facility tour provided by Syngenta. She stated that she was impressed with the company's mission and partnership with Durham Public Schools. Vice-Chair Howerton expressed the desire for Syngenta to establish an internship program for students. Michiel van Lookeren Campagne, President of Syngenta Biotechnology, Inc., stated that it was the company's intention to continue to work with very closely with the Board and Durham Public Schools.

Commissioner Jacobs stated that the proposed economic development investment funds for Syngenta were a good opportunity for Durham County. She continued saying that the facility tour was representative of the excellent work being performed and the diversity of the staff.

Commissioner Jacobs said that she wanted Syngenta to continue to foster a relationship with Durham Public Schools and the Biomanufacturing Research Institute and Technology Enterprise (BRITE) at North Carolina Central University (NCCU).

Commissioner Reckhow commented on the technology at the Syngenta facility and spoke in favor of the company accepting the proposed funding. She emphasized job creation at Syngenta and the need to engage students in careers in math and science through internships and career development activities with the company.

Vice-Chair Howerton moved, seconded by Commissioner Reckhow, to approve allocating up to \$375,000 in economic development investment funds to Syngenta Biotechnology, Inc.

The motion carried unanimously.

Amendment to Animal Control Ordinance

County Attorney Siler introduced the agenda item. Attorney Siler stated that following discussions with Ms. Kimberly Simpson, Tax Administrator, the Board was requested to approve proposed changes to the Animal Ordinance. This amendment would consist of deleting the requirement of an animal tax. County Attorney Siler explained that the ordinance was intended to encourage the spaying and neutering of animals, but instead had the opposite effect.

Commissioner Reckhow moved, seconded by Commissioner Jacobs, to approve the proposed ordinance amending Chapter 4 of the Durham County Code of Ordinances related to Animals, to become effective July 1, 2013.

The motion carried unanimously.

Adoption of Joint Resolution to Approve the Merger/Consolidation of the Cumberland Area Authority into the Alliance Multicounty Area Authority

Mr. Lascel Webley, Jr., Chair of the Alliance Behavioral Healthcare Board of Trustees, introduced the agenda item. Mr. Webley stated that the Board was requested to consider a joint resolution between Cumberland, Durham and Wake counties approving the merger/consolidation of the Cumberland Area Authority into the Alliance Multicounty Area Authority/Local Management Entity ("LME") pursuant to N.C. Gen. Stat. § 122C-115.1 for the provision of mental health, intellectual/developmental disabilities and substance abuse services.

Mr. Webley briefly highlighted several key points of the agreement. Of those key points, he stated that Cumberland County would be provided with proportional representation on the Alliance Board of Directors, as well as proportional obligation for the \$8 million start-up loan to Alliance originally funded by Durham and Wake counties.

Vice-Chair Howerton questioned when the \$1.8 million would be refunded to Durham County. Mr. George Quick, Member of the Alliance Board of Trustees, clarified that the amount of \$1.5 million will be reimbursed by Cumberland County over a two-year period. Mr. Quick then reviewed the terms of the reimbursement and start-up loan. Vice-Chair Howerton inquired if

interest was being paid on the start-up loan, to which Mr. Quick replied that the interest rate was one-percent.

Referencing section 4a of the joint resolution, Vice-Chair Howerton asked if language in the joint resolution stating “the Durham County Board of County Commissioners shall select a member whose appointment expires in March 2014 for early cancellation,” meant that the Board would only appoint one individual to the Alliance Behavioral Healthcare Board of Trustees. Mr. Webley responded stating that Durham County would be responsible for appointing seven members to the Alliance Behavioral Healthcare Board of Trustees. Attorney Tracy Hayes, General Counsel for Alliance Behavioral Healthcare, clarified stating that although Durham County would be responsible appointing seven members to the Board of Trustees under the joint resolution, that Durham County would also be responsible for appointing one member due to three expiring terms in March 2014 for early cancellation.

Commissioner Reckhow noted that the list of schedules was absent from the merger agreement. Attorney Hayes stated that the page was omitted, but that she had copies in-hand and forwarded the documents to Attorney Siler. She then briefly reviewed the schedules in question. Commissioner Reckhow questioned why Durham and Wake counties contributed \$4 million each under the original agreement, but Cumberland County is now only contributing \$1.5 million. Mr. Quick explained the repayment schedule, indicating that the \$4 million loan will be paid in full to Durham County in four years.

Commissioner Jacobs questioned the role of Johnston County with regard to the joint resolution. Mr. Webley stated that there was currently an Interlocal agreement with Johnston County, in which they are allotted one appointment to Board of Trustees. Attorney Hayes stated that there was one at-large appointment under the agreement and Johnston County will make the appointment so long as there is Interlocal agreement. Commissioner Jacobs asked if there was a plan for Johnston County to provide funding for their role in the Interlocal agreement. Mr. Webley stated that the funding methodology was that the amount or percentage of funding provided determined the number Board of Trustees appointed by that municipality.

Commissioner Page inquired if one of the seven Durham County appointments to the Board of Trustees would be designated for a County Commissioner, to which Mr. Webley responded in the affirmative. The Board discussed the appointment process to the Board of Trustees.

Vice-Chair Howerton moved, seconded by Commissioner Reckhow, to approve the adopt the Joint Resolution between Cumberland, Durham and Wake counties approving the merger/consolidation of the Cumberland Area Authority into the Alliance Multicounty Area Authority/ Local Management Entity (“LME”) pursuant to N.C. Gen. Stat. § 122C-115.1.

The motion carried unanimously.

Consideration of Concord Hospitality Enterprises Company Request for Financial Support to Develop a Marriott Residence Inn Hotel

County Manager Ruffin introduced the agenda item. He discussed the background of the Concord Hospitality Enterprises Company’s request for financial support, including his recommendation in May 2012 that the Board deny the request in May for an economic incentive

grant in the amount of \$755,000. Manager Ruffin stated at that time that Durham County statutorily could not provide that type of grant for the project in question. Mr. Ruffin continued saying that the project is now being considered for a historic preservation grant in the amount of \$400,000.

Chairman Foster recognized citizens signed up to speak.

Mr. John Swansey, Trinity Park Neighborhood Association, spoke in support of the historic preservation grant for the Concord Hospitality Enterprises Company hotel project.

Ms. Wendy Hillis, Executive Director of Preservation Durham, spoke in support of the historic preservation grant for the Concord Hospitality Enterprises Company hotel project.

Attorney Kenneth Spaulding, representing Concord Hospitality Enterprises Company, thanked the Board, staff and Trinity Park residents for their diligence and consideration of the project in question. Attorney Spaulding emphasized the need to maintain the historic character of the building and that the project is a good economic investment for Durham County.

Commissioner Jacobs praised staff and Concord Hospitality Enterprises Company representatives for their teamwork. She discussed some of the financial attributes of the project. Commissioner Jacobs expressed that she would like the company to work with the Workforce Development Board, JobLink Program and the Hospitality and Tourism Department at NCCU to expose citizens to careers within the hotel industry.

Attorney Spaulding stated that multiple attempts were made to reach representatives at NCCU regarding educational opportunities, but did not receive a response. He continued stating that approximately 200 jobs would be created during construction and the company would work with local job force entities with regard to job training and placement.

Commissioner Reckhow expressed satisfaction that the alternative funding program would allow for the preservation of the project building and encouraged downtown development.

Referencing the company's project materials, Vice-Chair Howerton questioned the section regarding *General Conditions for 4 Months of Additional Management Time Over Standard Hotel Schedule for Prototype Layout*. Mr. Timothy Osiecki, Concord Hospitality Enterprises Company, stated that "general conditions" was construction terminology referring to all of the costs of the contractor's operations on site, which is a percentage of the cost of the work provided.

Vice-Chair Howerton cited concern with a lack of policy or criteria to address future requests for the Board to allocate historic preservation grant funds for projects that refurbish old buildings. County Manager Ruffin stated that although there was not a formal policy in place outlining the approval of a historic preservation grant by the Board, staff could prepare a policy for review. Vice-Chair Howerton encouraged the Board to establish a criterion.

Commissioner Page echoed Vice-Chair Howerton's suggestion. He questioned whether the allocated funds would be paid back to Durham County. County Manager Ruffin explained that the funds were a grant with no terms for repayment, but that Durham County would receive the

amount of the grant back in the form of property taxes during the first two years of the hotel's operation.

Commissioner Page questioned the lack of diversity amongst the company's workforce and reiterated how important it was to Durham County. Mark LaPort, CEO of Concord Hospitality Enterprises Company stated that over 50 percent of current staff was of various ethnicities. He stated that there is a company mandate to ensure that each property "fits and works" within the surrounding community. Commissioner Page requested that a binding agreement be placed in the contract stipulating that the company work with the Hospitality and Tourism Department at NCCU.

Commissioner Reckhow moved, seconded by Commissioner Page, to approve entering into a community development contract between the County of Durham and Concord Hospitality Enterprises Company in the maximum amount of \$400,000 to be used to preserve the McPherson Hospital façade and paid upon completion of the hotel's first year of operations, with the proviso that the Concord Hospitality Enterprises Company work with the Workforce Development Board, JobLink Program and the Hospitality and Tourism Department at North Carolina Central University; and directing the County Manager to provide a resolution with criterion for future consideration of historic preservation grant funds.

The motion passed 4-1 with the following vote:

Ayes: Howerton, Jacobs, Page and Reckhow
Noes: Foster

Board Appointments

Michelle Parker-Evans, Clerk to the Board, distributed ballots to the Board to make appointments to boards and commissions.

The Board made the following appointments (incumbents are underlined):

Board of Adjustment

Phillip Harris – Foster, Jacobs and Reckhow

Durham Technical Community College Board of Trustees

David Dodson – Foster, Jacobs and Reckhow

Emergency Medical Services Council

Charles Moore – Foster, Howerton, Jacobs, Page and Reckhow

Dennis Tingen – Foster, Howerton, Jacobs, Page and Reckhow

Homeless Services Advisory Committee

John Bowman – Foster, Howerton, Jacobs, Page and Reckhow

Fred Stoppiekamp – Foster, Howerton, Jacobs, Page and Reckhow

Juvenile Crime Prevention Council

Fungai Muzorewa-Bennett – Foster, Howerton, Jacobs, Page and Reckhow
Drew Cummings – Howerton, Jacobs, Page and Reckhow
Arnold Dennis – Howerton, Jacobs, Page and Reckhow
Olivia Marks – Foster, Howerton, Jacobs, Page and Reckhow
Georgette Ray O’Mary – Jacobs, Page and Reckhow
Faye Paige – Foster, Howerton, Jacobs, Page and Reckhow
Herman Scott – Foster, Howerton, Jacobs, Page and Reckhow
Michelle Smith – Foster, Howerton, Jacobs, Page and Reckhow

Women’s Commission

Jocelyn Harper – Foster, Howerton, Jacobs, Page and Reckhow
Gilda Womble – Foster, Howerton, Jacobs, Page and Reckhow

Commissioner Page moved, seconded by Vice-Chair Howerton, to excuse Commissioner Reckhow from the August 12, 2013 Regular Session Meeting of the Board

The motion carried unanimously.

Commissioner Reckhow moved, seconded by Commissioner Page, to excuse Commissioner Jacobs from the July 29, 2013 Regular Session; the August 5, 2013 Worksession and the August 12, 2013 Regular Session Meeting of the Board.

The motion carried unanimously.

The Board discussed amending its meeting schedule. The following revisions were made to for the remainder of the 2013 calendar year:

- Scheduled a Special Worksession on August 26, 2013 at 2:30 p.m.
- Canceled the September 3, 2013 Worksession at 9:00 a.m.

Closed Session

Commissioner Reckhow moved, seconded by Vice-Chair Howerton, to adjourn into closed session to consult with an attorney concerning *In the Matter of the Appeal of IBM Credit Corporation for the Valuation and Taxation of Real Property by Tax Year 2001, 01 PTC 544*, and to preserve the attorney-client privilege pursuant to G.S. § 143-318.11(a)(3); and to adjourn into closed session to consult with an attorney concerning *In the Matter of Geraldine Robinson vs. Joe Bowser et al*, and to preserve the attorney-client privilege pursuant to G.S. § 143-318.11(a)(3)

The motion carried unanimously.

Reconvene to Open Session

Chairman Foster announced that the Board met in closed session. Direction was provided to staff.

Items Pulled from Consent Agenda

Consent Agenda Item No. p

Commissioner Reckhow moved, seconded by Vice-Chair Howerton, to approve the proposed IBM Settlement amounts per fund, Budget Ordinance Amendment 13BCC000089 authorizing the appropriation of funds to make final payment and authorize the borrowing of funds from the General Fund for Bethesda Fire Tax and Parkwood Fire Tax Funds to be repaid accordingly.

The motion carried unanimously.

DURHAM COUNTY, NORTH CAROLINA
 FY 2012-13 Budget Ordinance
 Amendment No. 13BCC000089

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2012-13 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	\$24,064,378	\$5,171,061	\$29,235,439

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
General Government	\$86,801,872	\$5,171,061	\$91,972,933

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>CAPITAL FINANCING PLAN FUND</u>			
Other Financing Sources	\$51,148,806	\$447,169	\$51,595,975

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>CAPITAL FINANCING PLAN FUND</u>			
General Government	\$33,090,544	\$447,169	\$33,537,713

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>BETHESDA FIRE DISTRICT FUND</u>			
Other Financing Sources	\$195,511	\$328,677	\$524,188

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>BETHESDA FIRE DISTRICT FUND</u>			

Public Safety	\$655,124	\$328,677	\$983,801
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Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>LEBANON FIRE DISTRICT FUND</u>			
Other Financing Sources	\$182,695	\$3	\$182,698

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>LEBANON FIRE DISTRICT FUND</u>			
Public Safety	\$645,505	\$3	\$645,508

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>PARKWOOD FIRE DISTRICT FUND</u>			
Other Financing Sources	\$50,696	\$25,945	\$76,641

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>PARKWOOD FIRE DISTRICT FUND</u>			
Public Safety	\$1,615,387	\$25,945	\$1,641,332

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>BAHAMA FIRE DISTRICT FUND</u>			
Other Financing Sources	\$32,753	\$65	\$32,818

Expenditures:

<u>Function</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>BAHAMA FIRE DISTRICT FUND</u>			
Public Safety	\$820,779	\$65	\$820,844

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

This the 24th day of June, 2013.

Consent Agenda Item No. r

Vice-Chair Howerton moved, seconded by Commissioner Jacobs, to approve the contract amendment with Jackson Lewis, LLP to increase the contractor's rate by 5% for services rendered after June 1, 2013 and authorize the County Manager to execute the amendment.

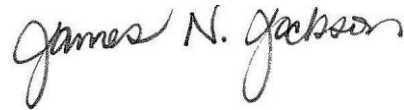
The motion carried unanimously.

Adjournment

Commissioner Reckhow moved, seconded by Vice-Chair Howerton, to adjourn the regular session meeting.

The motion carried unanimously.

Respectfully Submitted,

A handwritten signature in black ink that reads "James N. Jackson". The signature is written in a cursive style with a large, looping initial "J".

James N. Jackson
Deputy Clerk to the Board