

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

Tuesday, April 3, 2007

9:00 A.M. CIP 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

**Call to Order**

Chairman Reckhow called to order the April 3, 2007 CIP Worksession. She announced that the meeting would focus on Durham Public Schools, the Museum of Life and Science, and the Capital Finance Plan. At the request of Vice-Chairman Heron, a discussion would be added about the Durham County Stadium.

Chairman Reckhow stated that special guests were present and would be given three-minutes to report to the Board.

**Walker-Buehler-Williams (WBW) Sports and Learning Center**

Al Buehler, retired head coach of men's track and cross country programs at Duke University, presented a proposal to transform the Durham County Stadium property into the WBW Sports and Learning Center, an athletic facility which will house a world-class indoor track field. Mr. Buehler stated that the facility is needed for the youth of Durham and could be used by schools, colleges, and the community. He requested the support of the Durham County Commissioners.

Chairman Reckhow thanked Mr. Buehler for his presentation. She asked how the center would be funded.

Omar Beasley, President, WBW Foundation, responded that Bergen Capital, based upon a preliminary review of the proposal, stated that the financing should be economically feasible. Bergen Capital agreed to act as placement agent for the planned acquisition and development of the Durham County Stadium into the WBW Sports and Learning Center.

Chairman Reckhow stated that the proposal is "interesting". She was pleased to see a soccer facility incorporated into the plan, because Durham does not have enough soccer facilities.

Chairman Reckhow suggested the plan be presented for consideration by the Durham Stadium Authority. She offered to work with the County Manager and Vice-Chairman Heron to consider appointing a task force comprised of a cross-section of the community (i.e., key stakeholder groups) to give this issue due diligence.

Chairman Reckhow informed Mr. Buehler and Mr. Beasley that the proposal would be taken under advisement.

Commissioner Cheek stated that the proposal is “intriguing” and he would like to study it further (after more details are provided). He clarified that he is not a proponent of selling the Stadium property at this point; however, he expressed that the County Stadium is not the best use of the property. The property may be better utilized in connection with health care and hospital uses. The plan presented today (football stadium, soccer field, indoor facility) warrants consideration.

Mr. Beasley explained to the Commissioners that the bonds would be private and public. Commissioner Cheek asked about the expectations on the public and private sectors in regards to the bonds. He expressed his opinion that this project is not feasible for the County at this time because projects with greater priority must first be completed.

Chairman Reckhow again thanked Mr. Buehler and Mr. Beasley for attending the meeting and making their presentation. The Commissioners are working towards establishing a process for full discussion of the Stadium issue; proponents of the WBW Center would be invited to participate.

Vice-Chairman Heron stated that the Stadium Authority, at its next meeting to be held shortly after Easter, would thoroughly discuss the future of the Stadium.

### **Durham Public Schools (DPS) Presentation**

County Manager Mike Ruffin called to the Commissioners’ attention the handout, “Durham Public Schools Proposed Projects for 2007 Bond Referendum” for \$198 million, which had been adopted by the DPS Board of Education. The County is proposing a \$186 million bond issue. The discrepancy is that the County proposes to fund the projects with bond funds **and** lottery funds.

Per a request by Chairman Reckhow, the first item discussed was whether New Middle School “B” could be deferred until the 2009 referendum, given the current situation with the new charter school (Voyager Academy) and projected enrollment (325).

Hugh Osteen, Assistant Superintendent of Operational Services, stated that the timeline to have construction underway for School “B” is July 2010, a caveat of the developer’s land donation. He spoke about the length of time to build a school beginning from design to opening—about 3½ years. Although Voyager Academy will have an effect on enrollment, the northern middle schools have had steady student growth and have been very full.

Hank Hurd, Associate Superintendent of Administrative Services, stated that Durham Public Schools are expected to grow by about 400 students next year. Charter schools are predicted to grow by almost 700 students.

Discussion ensued about whether the bond issue for School "B" could be delayed until 2009.

The Commissioners expressed concern about: (1) voters defeating a high bond referendum; (2) the huge number of capital projects in the County, including those of the school system; (3) whether a need exists for School "B"; and (4) how the projected costs for school construction significantly increases before the schools are built.

Superintendent Carl Harris spoke about Jordan and Riverside High Schools being grossly overcrowded; those schools were not built for 2,000 students. He also stated that the majority of charter schools are K- 8 grades; therefore, a large number of students must attend public schools beginning with their freshman year.

Mr. Osteen responded to a question by Chairman Reckhow that the Stadium property of 32½ acres is not large enough to accommodate a high school. Sites for the two proposed high schools have not been determined.

Chairman Reckhow mentioned a survey to help gauge voter support of the bond issue. The method has been used on the past three bond issues proposed by the Commissioners. She then raised the issue as to whether multi-track, year-round schools could be considered to gain student capacity.

Mr. Osteen and Dr. Harris spoke about the complications involved in multi-track schools.

Vice-Chairman Heron urged the school administration and the school board to go to Raleigh and lobby for additional sources of revenue for Durham County.

Chairman Reckhow suggested that the Commissioners take the Durham Public Schools' Proposed Projects for the 2007 Bond Referendum and the County's CIP list to the Legislative Lobby Day on Wednesday, May 2. The message of capital and infrastructure needs of the community must be relayed.

County Manager Mike Ruffin stated that the chief lobbyist for the school boards opposes the land transfer tax, which would generate the most revenue of all the options.

Dr. Harris commented that the North Carolina Association of School Administrators has actively supported revenues for county governments to support facility needs.

Chairman Reckhow asked why a school association would be opposed to any tax that would provide infrastructure for schools; it does not make sense.

Dr. Carl Harris had no response.

Chairman Reckhow recommended that staff move forward with the survey, which should be completed by the end of April. Voters should be polled on three levels of support and alternative revenue sources.

County Manager Ruffin stated that the time frame for the survey could be met. A questionnaire would be circulated to the Commissioners to ascertain that they are comfortable with the questions about schools, the Museum of Life and Science, the County Stadium, and Durham Technical Community College.

Dr. Harris informed the Commissioners that the Durham Public Schools' facilities plan was prepared with great thought. Growth is a real issue, but it is not a crisis. Good planning is imperative.

Dr. Harris remarked about a meeting in which building a stadium at Northern High School was discussed. It was affirmed at the meeting that there is insufficient space on the campus to build a stadium.

County Manager Ruffin informed Commissioner Cheek that the Durham County Stadium was used last year for 14 Northern High School football games.

Commissioner Cheek stated that he could not justify spending \$7 to \$8 million to construct a new football stadium when four stadiums are currently available and serve a very limited purpose. In addition, he did not support \$2.7 million in County Stadium renovations unless a market analysis is done to determine several ways to use the Stadium. He did state his support for sporting activities and sharing facilities, which makes good economic sense.

Vice-Chairman Heron supported renovating Durham County Stadium, contending that it would be used if it were renovated.

Chairman Reckhow remarked that community conversations must be held to determine the future of the Stadium property. She would work with the County Manager to form a task force to talk about the issue with the Stadium Authority acting as the core of the task force. An open mind is crucial. She questioned whether the Schools would be willing to consider using the renovated Stadium instead of building stadiums at the new facilities.

Dr. Harris summarized comments he received from the Northern High School athletic community. They view the County Stadium as their home stadium. It would be difficult to persuade schools to buy into the concept of sharing a stadium.

Chairman Reckhow stated that the Commissioners would take the passion of the Northern community into account when considering future plans for the County Stadium, which is currently being underutilized. The City of Medicine Academy could be built there; lots of things could happen on the property.

Dr. Harris broached the possibility of the County allowing the school district to assume the Stadium property for Northern High School activities. It would then become a part of the Northern campus.

Vice-Chairman Heron remarked that the Stadium Authority is considering how the Stadium can be utilized and how it can produce revenue. A report will be heard at the next Authority meeting.

Commissioner Page opined that the matter be given very serious consideration.

Commissioner Cheek asked about the utilization of Whitted School.

Dr. Harris stated that the Schools' recommendation is that the facility not be renovated for a school.

Mr. Osteen added that because of environmental issues and the condition of the building, the cost of refurbishing the school would be equal to building a new school.

County Attorney Chuck Kitchen explained the process by which projects to be funded with the bond issue must be identified in the resolution.

Chairman Reckhow requested that the County Stadium be on the ballot as a stand-alone project (separate from the schools) in order for the Board to keep its options open.

Commissioner Page asked for clarity about the survey.

Chairman Reckhow responded to his questions.

Dr. Harris requested support from the Board regarding the establishment of a City of Medicine Academy on the site of a medical facility.

Chairman Reckhow expressed that adding money to the bond referendum for the City of Medicine Academy is too premature.

### **Capital Finance Plan**

County Manager Ruffin stated that changes have been made to the 2008-2017 Capital Improvement Plan presented on March 5 as a result of modifications that the Commissioners mentioned about 2/3 bonds. The tax rates shown at the bottom of the updated finance model are the amounts needed to support the projects and the debt in the plan.

Pam Meyer, Budget and Management Services Director, reviewed the revenue and expenditure changes and explained the finance model. The 10-year CIP reflects the \$2 million per year in lottery proceeds to be used for various school projects.

Chairman Reckhow, Ms. Meyer, and County Manager Ruffin briefly discussed the lottery fund projections.

Chairman Reckhow asked how much property taxes would have to increase to cover the approximate \$200 million bond.

County Manager Ruffin responded that the worst case would be an estimated 6½ to 7-cent increase to support the debt.

Chairman Reckhow stated that the property tax growth should reduce that amount to about 5 or 6 cents.

Commissioner Page inquired about the possibility of using the Carmichael building for storage once the lease has expired.

Chairman Reckhow and County Manager Ruffin responded that the Carmichael building is too expensive to be used as a storage facility. The building will be sold; the County should make some money on the sale.

Per a question posed by Vice-Chairman Heron, County Manager Ruffin replied that the total bond referendum is projected at a little less than \$200 million for all items that are currently being considered for the ballot.

### **Museum of Life and Science**

In regard to capital improvements to the Museum, Barry Van Deman, President and CEO of the Museum of Life and Science in Durham, spoke about the following:

#### Capital Improvement Plan

#### For the Commissioners' Consideration:

- Funding Project 1: \$4.17 million to complete deferred capital improvements
- Keep the "Door Open" for future capital investment

#### \$4.17 Million Request Involves:

- A welcoming, safe, and conducive environment for school groups
- An attractive and enhanced environment for our visitors
- An improved work environment for our staff

#### South Campus

- Group Check-In
- Picnic Areas
- Restrooms
- Resource Center

#### Outdoor Classrooms

#### Visitor Environment

- Exhibit improvements in Explore the Wild
- Landscaping + shade structures
- Exhibit enhancements indoors
- Entry Gateways
- Meeting Room + Gift Shop Upgrades
- Restrooms

Work Environment

- 3<sup>rd</sup> Floor Offices
- IT Upgrade
- Storage/Maintenance Building improvements

Future Capital Investment

The County's investment so far is resulting in:

- Carolina Parent's "Best Museum in the Triangle"
- Quality of life and economic impact
- Unequaled learning environment for schools and for public engagement

Future Investments to be used for:

Lorikeet Landing  
Exhibits for Children  
Surgical Classrooms  
Veterinary Classroom  
Outdoor Science Park

Commissioner Cheek reminded Mr. Van Deman to coordinate the Museum's offering with those in the school system and health care systems to ensure that services are not duplicated.

The Commissioners asked various questions of Mr. Van Deman, including the possibility of building the City of Medicine Academy on the Museum property.

Chairman Reckhow directed that County Manager Ruffin, along with the Planning Department, consider the possibility of placing the City of Medicine Academy on Museum property. She then requested that the Museum staff lobby for additional revenue sources for the County.

Adjournment

There being no further business, Commissioner Reckhow adjourned the meeting at 11:40 a.m.

Respectfully submitted,

Vonda Sessoms  
Clerk to the Board