

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

Monday, May 24, 2010

7:00 P.M. Regular Session

**MINUTES**

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

Present: Chairman Michael D. Page, Vice-Chairman Ellen W. Reckhow, and Commissioners Becky M. Heron, Brenda A. Howerton, and Joe Bowser

Absent: None

Presider: Chairman Page

**Opening of Regular Session**—Pledge of Allegiance

**Agenda Adjustments**

Chairman Page consulted with the County Attorney regarding closed session. Per County Attorney Lowell Siler, a closed session would not be necessary because the requestor, Ms. Mooney withdrew her appeal. The decision to hold the closed session rested with the Chair. It was agreed there was no need for the session.

Chairman Page referenced a letter he just received from K&L Gates requesting that the date be changed for the 751 Public Hearing. He requested to add this item as #10 to the agenda.

Commissioner Howerton moved, seconded by Commissioner Bowser, to add the K&L Gates request as Item #10 of the agenda.

The motion carried unanimously.

**Announcements**

Chairman Page announced the following:

- “In Touch with Durham County,” the Durham County Television show, airs on Cable TV Channel 8 at 8:30 a.m. and 12 noon daily; 4:00 p.m. on Mondays; and 6:30 p.m. 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.
- Tomorrow, May 25th, the Durham City-County Planning Department will host an “Open House” to discuss the land use plan for the area along the Fayetteville Street corridor, south of the Durham Freeway, and the area surrounding North Carolina Central University. The meeting will be held from 6pm until 8pm at the Hayti Heritage

Center on 804 Old Fayetteville Street. For more information contact, Aaron Cain, senior planner at 560-4137, ext. 28226.

- Commissioner Heron announced the opening of the Southwest Regional Library. She invited everyone to take time to visit the library.
- Commissioners Howerton and Vice Chair Reckhow acknowledged the number of youth in the audience and thanked them for being involved in the political process.

### **Minutes**

Vice Chairman Reckhow moved, seconded by Commissioner Heron, to approve as submitted the May 3, 2010 Worksession and the May 10, 2010 Regular Session Minutes of the Board.

The motion carried unanimously.

### **Presentation of the NC Envirothon Winning Team**

Chairman Page recognized Jennifer Brooks, Soil Conservationist/Education Specialist, and Eddie Culberson, Director of Soil and Water Conservation District to introduce the winning team.

Ms. Brooks introduced the “Vicious Vipers,” a Durham County home school team, for their outstanding dedication and achievement at the NC Envirothon competition on April 23-24, 2010. The ‘Vicious Vipers’ placed 1<sup>st</sup> in the high school division, beating out 48 other teams from across the state. The Envirothon is a hands-on team competition that test student’s knowledge of the environment and natural resources. The ‘Vicious Vipers’ will be representing North Carolina in this summer’s North American Canon Envirothon event in Fresno, California.

The Commissioners congratulated the team on their achievement.

### **County Manager’s Recommended Budget Presentation**

Chairman Page reminded the audience that the presentation was strictly the Manager’s recommended budget to the Board. The public comment session will be June 14.

Manager Ruffin began by saying “this budget has been the most difficult budget season with which I have been involved in the 32 years I have served as a Manager.”

The Manager applauded the involvement of the schools, parents, and students during the budget process to save teaching positions and emphasize other needs in the school system. Although this had been challenging, it was warming and refreshing to see citizens participate in the democratic process.

He recollected that the budget journey began in November with the Budget Retreat. Administration reviewed the current year and alerted the Board that the forecasted budget deficit for the next fiscal year could be \$10.8 million.

The Manager highlighted the seven point plan as directed by the Board:

1. Recommended county-wide property tax rate shall not exceed \$73.81 cents (3 cents increase for debt only).
2. Appropriated Fund Balance shall not create a remaining unreserved balance percentage of less than 15%.
3. No funding reductions shall be recommended that would reduce required maintenance of effort and threaten reductions of federal or state funding.
4. Funding recommendations for outside organizations shall not exceed average level of reduction for county departments.
5. Consider consolidation and reorganizations of county services to reduce costs or increase efficiency.
6. No new services or increases to existing service levels.
7. Follow established policies if furloughs, layoffs or reductions in force is necessary.

All departments and agencies submitted budget requests with targeted reductions of three percent. Nonprofits requested \$1,739,914 in County funding.

The Commissioners held three community forums in March where the public was invited to express any concerns or suggestions that it would like to see Commissioners consider. Over 600 citizens attended one of the three forums held at the Little River Community Center, Holton Career and Resource Center and Jordan High School. The greatest priority for the citizens was funding for Durham Public Schools.

Commissioners and the Manager have visited several schools since the forums. The Manager stated that visits to the schools were fruitful and eye opening. In April, commissioners received hundreds of emails about school funding. The Manager had individual conversations with the Commissioners regarding school funding. Four of five of the commissioners agreed to a tax increase to help save teaching positions in Durham Public Schools. Approximately 237 teaching positions could be saved with the tax increase.

Manager Ruffin outlined key drivers impacting the budget:

- Unemployment continues to be high – 8.5% for February of this year.
- Home sales are rising but nowhere near 2007 levels and concern abounds now that the federal tax credit has ended.
- Residential building permit activity is still low but we are beginning to see some bounce.
- Bankruptcies continue to plague our local economy – 2,100 are projected by the end of this calendar year.
- Foreclosures continue to soar – 2501 through May 14- already a 204% increase over FY 2008.
- Local sales taxes are precipitously down and will not fully rebound for years.

The Manager proceeded with the following core themes he used in preparing the budget recommendations for the FY 2010-2011 budget.

1. Ensure county revenue forecasts are realistic and based on present trends.
2. Protect services for those populations that are the most vulnerable.
3. Help Durham Public Schools save as many teaching positions as feasible.
4. Ensure that service reductions are minimal.
5. Protect the County's AAA bond rating.
6. Decrease appropriated fund balance to protect county reserves.
7. Use unreserved fund balance only for one-time, non-recurring expenditures.

The following additions and increases will be included in the budget recommendations:

- Next year's proposed General Fund budget, the fund that houses virtually all county services as well as appropriations for schools and other outside agencies, is \$339.2 million - a .68% increase over the present fiscal year.
- I have proposed a \$4.29 cents increase in the property tax rate from \$70.81 cents to 75.10 cents – a 6% percent increase, or \$85.80 more each year for an owner of a \$200,000 home.
- Eight new positions in the general fund have been recommended at a cost of \$340,035.
- I have recommended a 3.16% in current expense funding for Durham Public Schools - an \$80 increase in per pupil spending.
- \$4 million in lottery funds for school construction and school debt.
- Fee increases are proposed in the Sheriff's Office, Erosion Control, Fire Marshal, Public Health, Triangle Wastewater Treatment Plant, and Solid Waste Management.
- Health insurance costs have increased 18% - \$1.96 million more next fiscal year.
- The county's share for employee retirement has increased 31.8% - \$1.4 million more next fiscal year.
- Nineteen new and replacement vehicles for General Services, Sheriff and EMS – no new vehicles were purchased in the current year and our fleet cannot go another year without replacement.
- Increased operating costs for Southwest, which opened this morning, and South Library, which will open July have been included.

Reductions and eliminations include:

- 63.56 full-time equivalents have been recommended for elimination – 13 are filled.
- In light of the City Manager's decision to recommend the elimination of City support for the Warrant Control Program, county funding has also been eliminated - \$450,000. I am hopeful that some compromise can be reached for continued City/County participation as I do not believe the program should be terminated. However, the County cannot absorb the difference necessary to run the program. If not funded, the responsibility for warrant control will return to its statutory custodian, the Clerk of Court and I would expect the backlog of unserved warrants to grow

rather than shrink as it has over the last 17 months since the service was launched. Seventeen county positions are presently funded.

- A 3% reduction for Durham Technical Community College.
- A 3% reduction for the Museum of Life and Science.
- No raises or benefit enhancements for county employees.
- Suspension of longevity payments for county employees.
- Libraries will close from 6 pm to 9pm on Wednesday evenings.
- Sale of the home health agency will create a \$500,000 savings.
- Departmental Budgets have been reduced by 1.63%.
- Nonprofit funding has been reduced by 4.07%.
- County dollars for the General Fund are down by \$25.2 million this year and next. We have done a lot of cutting in our own budget, too.
- Appropriated Fund Balanced is reduced by \$600,000 to \$6 million.
- A \$1 million reduction to Capital Outlay funding (non-lottery) for Durham Public Schools.

The Manager focused on the General Fund budget. While the budget for all funds is \$461.1 million, it's the General Fund that funds the vast majority of county services, including funding for schools, Durham Tech, the Museum of Life and Science and nonprofits. As mentioned earlier, General Fund spending for next year is capped at 339.3 million, a .68 increase over the FY 2010 General Fund Budget. Overall spending is down .32%.

Property taxes comprise 58% of all general fund revenue. Intergovernmental revenue, largely in the form of state appropriations and grants, comprise over 21% of all general fund revenue and sales taxes are just over 11½%. These three sources of income are the three greatest sources that drive our ability to fund budget requests.

He clarified the "rainy day fund" myth of the County having funds in reserve by reiterating "This is not possible, nor financially wise. First, we don't have \$92 million to spend. Actually this number is forecasted to drop to \$87.7 million at the end of this fiscal year. Almost \$30 million of this amount must be reserved by state law, or to pay bills for goods and services purchased before the end of this year but for which the bill will not be received until next fiscal year. This leaves \$57.9 in net unreserved, which comprises the 15% we retain to protect our bond rating."

Recommendations in the proposed budget include:

- Nine new positions;
- The elimination of 58.78 FTE's;
- Flat funding for Urban Ministries and the Ten Year Plan to End Homelessness;
- Termination of the present contract with Durham Affordable Housing Coalition;
- \$18,120 for the Durham Economic Resource Center – this is the last year of the three year commitment;
- \$554,063 for the Animal Protection Society;
- \$137,934 for the Greater Durham Chamber of Commerce to continue the outstanding work it has registered in helping to create new investment and jobs in our community;

- \$52,380 for Downtown Durham – I think it goes without saying that our investment to Downtown Durham has provided a great return. Downtown Durham is vastly different from the Downtown Durham we remember ten years ago.

Regarding Durham Public Schools, the Manager's recommended budget will save 111 teaching positions. He recommended the transfer of \$1 million from the capital outlay appropriation to current expense to assist with this need. 1.79 cents of the 4.29 cents increase in the tax rate provides the balance of funds needed, \$5,148,756 to save the 111 teaching positions. Consequently, the total increase proposed for current expense is \$6,148,756.

According to the Manager, "My tour of the five schools validated the need for technology upgrades. Fayetteville Street Elementary School, for example, had no computers in its computer lab, and most of the systems in the classrooms that were being used were grossly outdated. Next year, the county will surplus 878 desktop systems and 55 laptops. I have offered Mr. Hurd as many of these systems as DPS has the resources to take and ready for classroom use. These are usable systems that are commonly configured and can quickly be converted for use by DPS. There is no reason for a classroom teacher to complain next year about outdated technology, some of which doesn't work at all."

Manager Ruffin asked the Board to urge the Joint City/County Committee to explore the question of law enforcement merger at the September meeting.

He concluded his presentation by thanking Deputy and Assistant County Managers, Wendell Davis, Carolyn Titus, Deborah Craig-Ray and Drew Cummings; Assistant to the County Manager, Laura Jensen; Public Information Specialist, Dawn Dudley; Budget and Management Services Director, Pam Meyer, and a great team of budget analysts, Keith Lane, Kim Connally, and Gene Hodges; George Quick, Finance Director and Susan Tezai, Deputy Finance Director; all of our County Department Heads, many of whom are here tonight; and last but not least, Vera Alston in my office, for all their efforts in helping to put the recommended budget together. He thanked the Board of County Commissioners.

Vice Chairman Reckhow thanked the County Manager for an excellent budget presentation based on her observations. She was delighted to hear about the State officials meeting with school representatives concerning the budget for Durham Public Schools. She reiterated the meeting date, Friday, May 29, 3:00 – 5:00 pm at Hillside High School Auditorium.

Commissioner Heron reiterated that the State is making the deep cuts in the school budgets—not the County. She added that the State has many options for raising taxes that the County does not have.

Commissioner Howerton applauded the Manager's staff on the budget preparation. She encouraged everyone to attend the meeting on Friday to speak with legislators.

Commissioner Bowser thanked the Manager for his presentation and working document. He added that as the process continues, he hoped that the five commissioners can agree on the budget. His observations of class sizes in the school led him to believe that class sizes were already large enough. He stated "we can't afford to increase class sizes." The audience

applauded. He added that “we need to do more to protect teachers.” He expressed concern about the Northern High School concession issue.

Chairman Page commented that it is important for everyone to understand that next year, there will be increased costs, and the Board must think ahead as we move forward.

The Chair expressed his appreciation to the County departments for their work on the budget. He commended all employees for their hard work and continuing to provide services through these rough times. He stated that if something happened in the next six months that would allow the County to do something for employees, the Board should.

Regarding the Warrant Control program, he asked that we not lose sight of the program. In order to maintain safe communities, we should advocate for the program.

He also recommended advocating that the State add a cigarette and beer tax.

Chairman Page closed by saying he hopes that we are being fair to nonprofits.

Commissioner Heron commented on the public bus transportation for schools. She believes that the school system should look at the numbers. Chairman Page concurred and stated that the School Superintendent has agreed to look at the bus issue.

### **Consent Agenda**

Commissioner Howerton moved, seconded by Commissioner Heron, to approve the following consent agenda items:

- b. Receive and accept the City-County Planning Commission Annual Report for 2009;
- c. Accept the property tax release and refund report for April 2010 as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report;
- \*d. Amend the contract with Turner Business Appraisers for property value discoveries and approve Budget Ordinance Amendment No.10BCC000080 in the amount of \$172,000. Payment is made to TBA only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected;
- \*e. Amend the contract with Tax Management Associates Inc. for property value discoveries and approve Budget Ordinance Amendment No.10BCC000081 in the amount of \$440,000.00. Payment is made to TMA only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected;
- \*f. Amend the contract with Evans & Associates Consulting Group for property value discoveries and approve Budget Ordinance Amendment No. 10BCC000082 in the amount of \$40,000. Payment is made to

EACG only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected;

- \*g. Amend the contract with County Tax Services for property value discoveries and approve Budget Ordinance Amendment No. 10BCC000083 in the amount of \$246,000. Payment is made to CTSI only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected;
- \*h. Approve Budget Ordinance Amendment No.10BCC000084 to accept the \$16,311 grant from Reading Is Fundamental for the library's literacy services;
  - i. Authorize the County Manager to enter into a service contract with Southern Elevator Company, Inc. in an amount not to exceed \$72,218.52;
- k. Approve the dedication of a 20' private storm drain easement and agreement for the benefit of Doctors Fleming, Harrell and Moore, and authorize the Manager to execute the easement agreement and Plat.

The motion carried unanimously.

Commissioner Bowser requested to pull items (a) and (j):

- a. Approve the Interlocal Cooperation Agreement for Inspections between the City and County which is up for renewal. The City and County Managers' and Attorneys' Offices made minor technical changes to the current Agreement, but the Agreement is in substance the same as the current Agreement.

Commissioner Bowser asked the Manager for clarification that the cost of operating the Agreement does not cost the County anything. The Manager affirmed. It has been the case for the past five years, according to Gene Bradham, Inspections Director. Commissioner Bowser also asked for clarification on the termination clause even though the Agreement does not expire until 2015. The Manager attested that the County can terminate the Agreement with 30 days' notice.

Commissioner Bowser moved, seconded by Vice Chairman Reckhow, to approve the Interlocal Cooperation Agreement for Inspections.

The motion carried unanimously.

- j. Approve the financing for vehicle and equipment replacement with Wells Fargo Bank, N. A. and authorize the Manager to execute the appropriate documents to close the transaction.

Commissioner Bowser posed a question about what purchases we are making. George Quick, Finance Director, responded that we are purchasing 16 vehicles mentioned in the Manager's



presentation. In addition, computer equipment replacement and various other pieces of equipment that have been previously approved by the Board where financing has not been obtained will be purchased. To date, these items were financed by interfunds until the level of purchases warranted outside financing.

Commissioner Bowser asked the Manager to identify the vehicles. The Manager responded that three vehicles will be placed in General Services and 14 in the Sheriff's Office. Commissioner Bowser expressed concern about spending \$6 million in these tough economic times.

The Manager explained that the County did not purchase any new vehicles last year. It will not be a good idea to let the fleet get too far behind.

Vice Chairman Reckhow questioned the computer replacement schedule. Keith Lane, Sr. Budget Analyst, replied that this is the fourth year of the three year replacement cycle. Much of the purchases will include servers and software. Mr. Quick indicated that much of the equipment has already been purchased.

Mr. Ruffin indicated that these are two years of purchases. At the end of the fiscal year, the County looks for the best possible lending rate.

Commissioner Bowser asked where the County interfund loans came from? Mr. Ruffin responded that the loans were from General Funds.

Mr. Quick explained that the proposed financing rate would be 1.42 percent over a 36-month period. It is part of the debt service already included in the Manager's recommendation.

Vice Chairman Reckhow suggested another option could be pay as you go. She inquired about the payment status from the land sale to Lowes Grove and the State Employee's Credit Union. She suggested we could recycle that.

Mr. Lane replied that those monies have already been allocated for debt service this year. We hope to get those funds before the end of July.

Commissioner Bowser expressed his concern about this large amount of money being paid back in such a short period of time for such a small purchase. Mr. Quick explained that the short period of time for payback is the result of the estimated life span of the assets being purchased. He added that all the financing done has been based on the life of the asset. He added that this is the method the County has used for vehicle and computer purchases since he has been with the County.

Vice Chairman Reckhow questioned the impact if this item was held up for a couple of weeks. Mr. Quick responded that bids would have to go out immediately, and the closing date is set before the end of the month to secure the rates.

Vice Chairman Reckhow moved, seconded by Commissioner Bowser to accept the bid and ask Administration to bring more information about the purchases, types of equipment, and final loan amount to the Worksession.

The motion passed unanimously.

Commissioner Bowser indicated that staff should refresh the memory of the Board when a large amount of money is being requested.

\*Document(s) related to consent items follow:

Consent Agenda Item No. d. Amend the contract with Turner Business Appraisers for property value discoveries and approve Budget Ordinance Amendment No.10BCC000080 in the amount of \$172,000. Payment is made to TBA only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected.

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Budget Ordinance  
Amendment No. 10BCC000080

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 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>			
Taxes	\$238,986,950	\$172,000	\$239,158,950

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
General Government	\$67,176,482	\$172,000	\$67,348,482

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

This the 24<sup>th</sup> day of May, 2010.

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Consent Agenda Item No. e. Amend the contract with Tax Management Associates Inc. for property value discoveries and approve Budget Ordinance Amendment No.10BCC000081 in the amount of \$440,000.00. Payment is made to TMA only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected.

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Budget Ordinance  
Amendment No. 10BCC000081

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 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>			
Taxes	\$239,158,950	\$440,000	\$239,598,950

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
General Government	\$67,348,482	\$440,000	\$67,788,482

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

This the 24<sup>th</sup> day of May, 2010.

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Consent Agenda Item No. f. Amend the contract with Evans & Associates Consulting Group for property value discoveries and approve Budget Ordinance Amendment No. 10BCC000082 in the amount of \$40,000. Payment is made to EACG only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected.

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Budget Ordinance  
Amendment No. 10BCC000082

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 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>			
Taxes	\$239,598,950	\$40,000	\$239,638,950

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
General Government	\$67,788,482	\$40,000	\$67,828,482

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

This the 24<sup>th</sup> day of May, 2010.

Consent Agenda Item No. g. Amend the contract with County Tax Services for property value discoveries and approve Budget Ordinance Amendment No. 10BCC000083 in the amount of \$246,000. Payment is made to CTSI only after the County has collected the tax, at a rate of 30% of the amount collected. There is no additional cost to the County whereas this fee is deducted from new revenue collected.

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Budget Ordinance  
Amendment No. 10BCC000083

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 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>			
Taxes	\$239,598,950	\$246,000	\$239,884,950

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			
General Government	\$67,788,482	\$246,000	\$68,074,482

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

This the 24<sup>th</sup> day of May, 2010.

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Consent Agenda Item No. h. Approve Budget Ordinance Amendment No.10BCC000084 to accept the \$16,311 grant from Reading Is Fundamental for the library's literacy services.

DURHAM COUNTY, NORTH CAROLINA  
FY 2009-10 Budget Ordinance  
Amendment No. 10BCC000084

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2009-10 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>			
Contributions and Donations	\$1,176,485	\$16,311	\$1,192,796

Expenditures:

<u>Function</u>			
<u>GENERAL FUND</u>			

Cultural and Recreation                      \$10,612,895                      \$16,311                      \$10,629,206

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

This the 24<sup>th</sup> day of May, 2010.

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**Durham Public Schools – Six State Lottery Funds Applications for Durham Public Schools Capital Projects**

The North Carolina Education Lottery provides funds for Durham Public Schools based on lottery revenue. The Board of Education has approved six (6) applications for high priority projects at existing facilities totaling \$1,252,000.

<b>Location</b>	<b>Project</b>	<b>Estimated Value</b>
Hillside High School	Asphalt Repairs	\$188,000
Fayetteville Street Elementary	Gym Roof Replacement	\$145,000
Southern High School	Asphalt Repairs	\$148,000
Durham School of the Arts	Track Resurfacing	\$325,000
Jordan High School	Asphalt Repairs	\$207,000
Riverside High School	HVAC Controls Upgrade	\$239,000
	Totals	\$1,252,000

County Manager Ruffin reminded the Board that the lottery fund item requires Board of County Commission and Board of Education approval. The Board of Education has approved the request.

Mr. Tim Carr, Durham Public Schools, indicated that the listed projects fall in between the scope of routine maintenance and bond projects.

Chairman Page referenced Mr. Carr about Y. E. Smith. He asked if anything is being done to the gym. He stated that it is a very dismal environment. Mr. Carr stated that new bond projects are just being designed and he will make a note of the Chairman's comments.

Commissioner Bowser asked if the HVAC is controlled locally. Mr. Carr stated that there is a central control station at Hamlin Road. There is local control at every school. Riverside has the original system and no upgrades have been made.

Chairman Page recognized Dr. Lavonia Allison who signed up to speak. She asked about the timeframe of the lottery funds. She spoke about Shepherd Magnet School and the lack auditorium renovation. If there are four months of lottery money coming in, the Board of

Education should consider it a priority. She asked how much money comes, when it comes, and how do impact the school board when it already comes signed off on.

Chairman Page recognized Jackie Wagstaff. She agreed that Y. E. Smith is very dismal. On the Fayetteville Street project, she had a concern about whether there was leftover funding for that project. If so, what happened to the re-appropriation of the funds? She also expressed concern about the HVAC system replacement in this tight budget. When was the last time the school parking lots were paved or repaired?

Chairman Page called on Mr. Carr to respond to the citizens. Mr. Carr affirmed that the new bond project does not include Shepherd's auditorium. The auditorium was renovated in 2002, although not completely. He stated that he made a note of the concerns if there are funds left after the completion of the stated projects. The priorities are based on cost.

Regarding Fayetteville Street, there are \$25,000 in uncommitted funds. That is not enough to cover the roof replacement. The HVAC is a high priority according to the maintenance team. Riverside is the only school where you cannot respond like the other schools. The costs are very high.

Commissioners Howerton and Bowser expressed concern about track resurfacing being a priority over the other needs of the schools.

Keith Lane elaborated on the lottery process. Any given year, there is a balance of lottery funds sitting at the State. The funds are available on a quarterly basis. The last payment is usually made in June which is too late to use for the fiscal year. The balance rolls over and becomes the beginning balance. There should be over \$2 million in lottery funds if we receive the estimated amount of nearly \$1 million. Durham County will use the \$2 million for debt service. If the Board chooses to use the \$2 million for some other reason, the County will still have to come up with the \$2 million for debt service.

Vice Chairman requested full accounting because she thought the numbers were different and there may be a balance left. She suggested delaying action on this item since the General Assembly is considering additional uses for lottery funds.

Mr. Carr urged the Commissioners to consider approval because the school system would like to complete some of the projects during the summer when school is not in session, particularly the asphalt repairs.

Commissioner Bowser asked if it was possible to pull from Riverside on the HVAC costs?

Vice Chairman Reckhow moved, seconded by Commissioner Bowser to delay the item to the June 7 Worksession.

The motion carried unanimously.

The Board would like additional clarity on the uses of lottery funds. There was additional discussion regarding the need for the asphalt projects at this time.

Chairman Page requested to be excused from the June 7 Worksession.

Vice Chairman Reckhow moved, seconded by Commissioner Bowser to excuse Chairman Page from the June 7 Worksession.

The motion carried unanimously.

### **Board and Commission Appointments**

The Board made the following appointments:

#### Adult Care Home Community Advisory Committee

Jeff Goll  
Jessica Simo

#### City-County Appearance Commission

Tonya F. Battle  
Howard R. Holcomb

#### Criminal Justice Partnership Act Advisory Board

Marcia A. Owen

#### Durham County Hospital Corporation

Michael Ruffin  
Karen Frush  
Stephen E. Hancock

Theodore N. Pappas M.D.  
Michael D. Page

#### Memorial Stadium Authority

Willie Bradshaw

### **K&L Gates Request**

Chairman Page read a letter the Board was delivered prior to the meeting from K&L Gates. K&L Gates, representing Southern Durham Development, Inc., requested to schedule Public Hearing for Z0800003 for June 24, 2010. There were informed by the Planning Director that the request by Melissa Rooney, an opponent, had been withdrawn. The Chairman asked the pleasure of the Board.

After lengthy discussion, the Board agreed with having the public hearing on June 23, 2010.

Commissioner Howerton moved, seconded by Commissioner Bowser to hold the public hearing for case Z0800003 on June 23 at 7:00 p.m.

The motion carried unanimously.

**Adjournment**

There being no further business, Chairman Page adjourned the meeting at 9:36 p.m.

Respectfully Submitted,

Michelle Parker-Evans  
Clerk to the Board