

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

Monday, November 27, 2000

6:30 P.M. Closed Session

MINUTES

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

Present: Chairman MaryAnn E. Black, Vice-Chairman Ellen W. Reckhow, and
Commissioners William V. Bell, Joe W. Bowser, and Becky M. Heron

Absent: None

Presider: Chairman Black

Closed Session

Vice-Chairman Reckhow moved, seconded by
Commissioner Bowser, to go into Closed Session pursuant
to G. S. 143-318.11(a)(6) in order to discuss a personnel
matter.

The motion carried unanimously.

7:00 P.M. Regular Session

Opening of Regular Session

Chairman Black called the Regular Session to order with the Pledge of Allegiance.

Agenda Adjustments

Commissioner Heron requested time on the agenda to report on Governor Hunt's trip to
Lakeview School.

Interim County Manager Carolyn P. Titus requested that agenda item No. 10(a),
"Memorandum of Understanding—Durham Public Schools Board of Education," be
placed on the agenda for consideration.

Minutes

Commissioner Heron moved, seconded by Vice-Chairman Reckhow, to approve the October 23, 2000 Regular Session and the November 6, 2000 Worksession Minutes of the Board as submitted.

The motion carried unanimously.

Recognition of Outgoing Commissioner William V. Bell

A reception honoring outgoing Durham County Commissioner William V. Bell was held earlier in the evening. Board members extended personal remembrances and good wishes to Commissioner Bell in recognition of 26 years as a Durham County Commissioner.

County Manager's Recommendation: Extend sincere appreciation to William V. Bell for his 26 years of outstanding, visionary leadership while serving as a Durham County Commissioner.

The Commissioners, Interim County Manager, and County Attorney made comments about Commissioner Bell and his contributions to the Durham community.

Commissioner Bell made remarks about his leaving the Board of County Commissioners and thanked the Commissioners for all they have done through the years.

Resolution of Thanks to Carolyn P. Titus

Commissioner MaryAnn Black requested that a resolution of thanks be prepared for Ms. Carolyn P. Titus in recognition of her outstanding service while serving as Durham County's Interim County Manager.

County Manager's Recommendation: Present Ms. Titus with the resolution along with sincere congratulations of the Board of County Commissioners.

Chairman Black read the following resolution into the record:

RESOLUTION

WHEREAS, beginning March 6, 2000, the Durham County Board of Commissioners named Deputy County Managers Carolyn P. Titus and Wendell M. Davis to fill the management void created by the resignation of County Manager David F. Thompson; and

WHEREAS, Ms. Titus, who was named Interim County Manager, and Mr. Davis each agreed to assume additional duties related to managing and directing the County's day-to-day operations until the hiring of a permanent County Manager; and

WHEREAS, during the period, considerable major projects and initiatives were successfully carried forward under their leadership including:

- Negotiations related to the American Tobacco Project
- Completion of the Facility Master Plan
- Adoption of the FY 2000-2001 Fiscal Plan
- Adoption of the FY 2000-2006 Capital Improvement Plan
- Adoption of a 10-year Solid Waste Management Plan
- Managing the City/County Charter Commission and proposed merger process
- Successfully conducting the employee pay parity and internal equity study which was implemented despite competing constraints on the budget
- Designing new programmatic elements for the Community Shelter for HOPE and hiring an architect to complete the renovation and expansion of the structure
- Successfully completing an audit of all tax parcels in Durham County and developing new quality control procedures for the annexation process
- Adopting and implementing a Transportation Demand Management-Commute Trip Reduction Ordinance
- Navigating several sensitive environmental, land use, and taxation issues; i.e., Ellerbee Creek, Kentington Heights, Chancellor's Ridge, and Lakehurst subdivisions
- Managing negotiations related to acquiring the First Union Building, and
- Completing acquisition of land for the Little River project.

NOW, THEREFORE BE IT RESOLVED that we, the members of the Durham County Board of Commissioners, do hereby extend grateful appreciation to

CAROLYN P. TITUS

for faithful and dedicated service to Durham County Government while serving as Interim County Manager from March 6, 2000 through November 27, 2000. We are grateful for her leadership and for the invaluable contributions she has made to improve the quality of life for the Durham community.

This the 27th day of November, 2000.

/s/ Five Commissioners
Durham County Commissioners

Resolution of Thanks to Wendell M. Davis

Commissioner MaryAnn Black requested that a resolution of thanks be prepared for Mr. Wendell M. Davis in recognition of his outstanding service and management assistance during the County Manager interim period.

County Manager's Recommendation: Present Mr. Davis with the resolution along with sincere congratulations of the Board of County Commissioners.

Chairman Black read the following resolution into the record:

RESOLUTION

WHEREAS, beginning March 6, 2000, the Durham County Board of Commissioners named Deputy County Managers Wendell M. Davis and Carolyn P. Titus to fill the management void created by the resignation of County Manager David F. Thompson; and

WHEREAS, Mr. Davis along with Ms. Titus, who was named Interim County Manager, each agreed to assume additional duties related to managing and directing the County's day-to-day operations until the hiring of a permanent County Manager; and

WHEREAS, during the period, considerable major projects and initiatives were successfully carried forward under their leadership including:

- Negotiations related to the American Tobacco Project
- Completion of the Facility Master Plan
- Adoption of the FY 2000-2001 Fiscal Plan
- Adoption of the FY 2000-2006 Capital Improvement Plan
- Adoption of a 10-year Solid Waste Management Plan
- Managing the City/County Charter Commission and proposed merger process
- Successfully conducting the employee pay parity and internal equity study which was implemented despite competing constraints on the budget
- Designing new programmatic elements for the Community Shelter for HOPE and hiring an architect to complete the renovation and expansion of the structure
- Successfully completing an audit of all tax parcels in Durham County and developing new quality control procedures for the annexation process
- Adopting and implementing a Transportation Demand Management-Commute Trip Reduction Ordinance
- Navigating several sensitive environmental, land use, and taxation issues; i.e., Ellerbee Creek, Kentington Heights, Chancellor's Ridge, and Lakehurst subdivisions
- Managing negotiations related to acquiring the First Union Building, and
- Completing acquisition of land for the Little River project.

NOW, THEREFORE BE IT RESOLVED that we, the members of the Durham County

Board of Commissioners, do hereby extend grateful appreciation to

WENDELL M. DAVIS

for dedicated and faithful service to Durham County Government while assuming additional management duties from March 6, 2000 through November 27, 2000. We are grateful for his leadership and for the invaluable contributions he has made to improve the quality of life for the Durham community.

This the 27th day of November, 2000.

/s/ Five Commissioners
Durham County Commissioners

Token of Appreciation

Commissioner Bell moved, seconded by Commissioner Bowser, to award a bonus of \$1000 to both Interim County Manager Carolyn P. Titus and Deputy County Manager Wendell M. Davis.

The motion carried unanimously.

Mr. Davis thanked the Commissioners for the \$1,000 bonus.

Ms. Titus made remarks of appreciation for being permitted to serve as Interim County Manager. She thanked the Board for the bonus and resolution. The staff was thanked for their hard work.

The Commissioners made remarks of appreciation and thanks to Ms. Titus and Mr. Davis.

Recognition of Forest View Elementary School's Entrepreneurship Award

Chairman MaryAnn Black requested that officials of Durham Public Schools and Forest View Elementary School attend tonight's meeting to discuss a recent statewide award. Forest View Elementary School was recently recognized as the Entrepreneurship School of the Year for North Carolina.

Resource Person(s): Ms. Kathryn Meyers, School Board Chairman
Dr. Ann Denlinger, Superintendent
Ms. Toni Hill, Forest View Principal

County Manager's Recommendation: Extend sincere congratulations to the students and staff of Forest View Elementary School for their significant statewide recognition.

Chairman Black made remarks about Forest View Elementary School's Entrepreneurship Award.

Dr. Denlinger made comments and introduced Ms. Hill and several school staff members.

Ms. Hill spoke about the recognition.

Chairman Black, Vice-Chairman Reckhow, and Commissioners Bell, Heron, and Bowser made remarks about Forest View School and the award. The Board expressed thanks and appreciation.

Consent Agenda

Commissioner Bowser moved, seconded by Vice-Chairman Reckhow, to approve the following consent agenda items:

- * (a) Resolution to Release Funds to Triangle J Council of Governments (approve the release of funds [\$2,360.17] to Triangle J Council of Governments);
- * (b) Property Tax Releases and Refunds (accept the property tax release and refund report as presented and authorize the Tax Administrator to adjust the tax records as outlined by the report);
- (c) Standard Non-Reimbursable Contract for the Extension of the County Sanitary Sewer System (authorize the County Manager to execute the Utility Contract for this addition to the County sanitary sewer system);
- * (d) Street Annexation Petition—Big Fork Road (Formerly Bramble Drive) (adopt the resolution to approve the addition of Big Fork Road to the state's road maintenance system subject to the certification of eligibility by the appropriate officials of the NC Department of Transportation);
- (e) Board and Commission Appointments—Nursing Home Community Advisory Committee (appoint Deputy Sheriff Ernie C. Mills to the Nursing Home Community Advisory Committee as a chief administrator representative.); and
- * (f) Offer to Purchase County Property (1314 Marvin Alley) (pursue the upset bid process). The Board has the authority to accept or reject any offer at the conclusion of the upset bid process.

The motion carried unanimously.

*Documents related to these items follow:

Consent Agenda 8(a). Resolution to Release Funds to Triangle J Council of Governments (approve the release of funds [\$2,360.17] to Triangle J Council of Governments) follows:

RESOLUTION 00/01
BY DURHAM COUNTY

WHEREAS, in North Carolina, the Lead Regional Organizations, as voluntary organizations serving municipal and county governments, have established productive working relationships with cities and counties across the state; and

WHEREAS, the General Assembly continued to recognize this need through the appropriation of \$990,000 to help the Lead Regional Organizations assist local governments with grant applications, economic development, community development, and to support local industrial development activities and other activities as deemed appropriate by their local governments; and

WHEREAS, these funds are not intended to be used for payment of members' dues or assessments to Lead Regional Organizations or to supplant funds appropriated by the member governments; and

WHEREAS, in the event that a request is not made by a unit of government for release of these funds to our Regional Council, the available funds will revert to the State's General Fund; and

WHEREAS, in Region J, funds in the amount of \$55,000 will be used to carry out the economic development plan approved by the COG Board of Delegates and especially to improve the economy of the counties and towns of the Region:

NOW, THEREFORE, BE IT RESOLVED that Durham County requests the release of its \$2360.17 share of these funds to the Triangle J Council of Governments at the earliest possible time in accordance with the provisions of section 16.5 of Senate Bill 352, the 1997 ratified budget bill. Adopted this 27th day of November, 2000 at 7:15 p.m. by:

/s/ MaryAnn E. Black
Chief Elected Official

SEAL

/s/ Garry E. Umstead
Witness—Clerk

Consent Agenda 8(b). Property Tax Releases and Refunds (accept the property tax release and refund report as presented and authorize the Tax Administrator to adjust the tax records as outlined by the report) follows:

Due to property valuation adjustments for over assessments, listing discrepancies, duplicate listings, and clerical errors, etc., the report details tax releases and refunds for the month of October 2000.

Releases & Refunds for 2000 Taxes:

Real	\$ 35,161.80
Personal	\$273,859.99
Registered Vehicles	\$ 27,486.58
Vehicles Fees	\$ 285.00
<u>Solid Waste Fees</u>	<u>\$ 495.00</u>
Total for 2000 Taxes and Fees	\$337,288.37

Prior Years (1988-1999) releases and refunds for October 2000 are in the amount of \$434,670.02.

Total Current Year and Prior Year Releases and Refunds \$771,958.39

Note: The Release and Refund Report for the month of October includes a release for Glaxo Wellcome in the amount of \$361,564.31 for prior year taxes and \$176,030.25 for year 2000 taxes for a total of \$537,594.56. This release is due to an opinion from the NC Department of Revenue Property Tax Division. Glaxo Wellcome reported to the Tax Department supplies that were in fact inventory. Inventory is not taxable in North Carolina.

(Recorded in Appendix A in the Permanent Supplement of the November 27, 2000 Minutes of the Board.)

Consent Agenda 8(d). Street Annexation Petition—Big Fork Road (Formerly Bramble Drive) (adopt the resolution to approve the addition of Big Fork Road to the state's road maintenance system subject to the certification of eligibility by the appropriate officials of the NC Department of Transportation).

The resolution follows:

NORTH CAROLINA STATE DEPARTMENT OF TRANSPORTATION
REQUEST FOR ADDITION OF STATE MAINTAINED
SECONDARY ROAD SYSTEM

North Carolina
County of Durham

Road Description: Big Fork Road (formerly Bramble Drive) Country Club Heights
Subdivision

WHEREAS, the attached petition has been filed with the Durham Board of County Commissioners requesting that the above described road, the location of which has been indicated in red on the attached map,* be added to the secondary road system; and

WHEREAS, the Board of County Commissioners is of the opinion that the above described road should be added to the secondary road system, if the road meets minimum standards and criteria established by the Division of Highways of the Department of Transportation for the addition of roads to the system:

NOW, THEREFORE, BE IT RESOLVED by the Durham Board of County Commissioners that the Division of Highways is hereby requested to review the above described road, and to take over the road for maintenance if it meets established standards and criteria.

CERTIFICATE

The foregoing resolution was duly adopted by the Durham Board of County Commissioners at a meeting on the 27th day of November, 2000.

Witness my hand and official seal this the 28th day of November, 2000.

/s/ Garry E. Umstead
Clerk, Board of Commissioners
County of Durham

*In the office of the Clerk to the Board.

Consent Agenda 8(f). Offer to Purchase County Property (1314 Marvin Alley) (pursue the upset bid process). The Board has the authority to accept or reject any offer at the conclusion of the upset bid process.

The resolution follows:

RESOLUTION

WHEREAS, Durham County owns a certain parcel of real property situated in the City of Durham, Durham County, North Carolina and properly described as follows:

1314 Marvin Alley
135-01-056

WHEREAS, Mr. Artis Plummer Sr. has made an offer to the County to purchase the above property for \$3,255.67 and has made a bid deposit in the amount of \$162.78 which is no less than 5 percent of the bid; and

WHEREAS, G.S. 160A-269 provides for an "Upset Bid Method" for sale which provides for publication of the notice of upset sale including a description of the property, the amount of the offer, requirements for submission of an upset bid, and other details of the sale; and

WHEREAS, the Durham County procedure for sale of the parcel is as follows:

1. Publication of the Notice of Sale;
2. Upset bids must be received within ten days after the date the notice is published;
3. To qualify as an upset bid, the bid must raise the original or current offer by an amount of at least 10 percent of the first \$1,000.00 and 5 percent of the remainder of the original or current offer;
4. Bids shall be made to the Clerk to the Board or the Real Estate Manager, together with a 5 percent bid deposit by certified check, money order, or cash;
5. When the bid has been successfully raised (upset), the new bid becomes the current offer;
6. The highest bid received during the 10-day period is the upset bid rather than the first bid which meets the minimum upset bid requirements;
7. When the bid has been successfully raised (upset), the procedure is repeated;
8. Once the final qualifying offer has been received, it shall be reported to the Board of County Commissioners which must then decide whether to accept or reject it within 30 days of the date which the final qualifying offer so qualifies; and
9. Should the Board of County Commissioners accept the final qualifying offer, a nonwarranty deed will be prepared for the Chairman of the Board's signature and a time for closing will be scheduled:

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Durham County that a Notice of Sale be published and that the upset bid procedure for this sale take place as set forth in this resolution and as authorized by G.S. 160A-269.

Upon motion properly made and seconded, adopted by the Board at its meeting on November 27, 2000.

/s/ Garry E. Umstead
Clerk, Board of Commissioners

Public Hearing and Final Approval of Durham County Work First Plan

NC Law (NCGS 108A-27) requires each county's Board of County Commissioners to appoint a committee of local leaders to assist in the development of its Work First Block Grant Plan. On September 25, 2000, the Work First Planning Committee recommended

and the Board of County Commissioners voted to seek Electing status to implement its Work First Block Grant.

On November 13, 2000, the committee presented the draft of the Work First Block Grant Plan to the Board for its review and comment. The Board also gave the committee permission to make this draft available to the community for public comment from November 14, 2000 to November 20, 2000 and scheduled a public hearing on the plan at the Board's November 27, 2000 meeting.

The committee requests that the Board of County Commissioners conduct the public hearing and then approve the plan, subject to any revisions desired by the Board. The plan must be submitted to the North Carolina Department of Health and Human Services by December 1, 2000.

Resource Person(s): Dan Hudgins, DSS Director, was available as the resource person for this request.

County Manager's Recommendation: The Manager recommends that the Board conduct the public hearing and if appropriate, approve the Work First Block Grant Plan, subject to any revisions desired by the Board.

Mr. Hudgins gave the Commissioners an overview of the Work First Block Grant Plan.

Mr. Hudgins noted the changes that were made since the Commissioners last reviewed the plan.

Jim Polk, Work First Planning Committee member, made remarks about the process and issues relating to the plan.

Chairman Black opened the public hearing that was properly advertised.

The following citizens spoke about the Work First Plan.

Marie Hill-Faison, 45A Lawson Street, representing Southerners for Economic Justice, said that more support groups are needed for Work First recipients. Benefits should last longer. The transition period should be easier.

Devie Smith, 5H Wabash, representing Southerners for Economic Justice, spoke about education. There should be more extensive job training programs for a period of no longer than three weeks. Benefits should not end after two years.

Cynthia Brown, 1920 Ward Street, representing Southerners for Economic Justice, said she is an advocate on the local and state levels for welfare recipients impacted by the welfare policy. She supports the ongoing existence of the Work First Advisory Committee and especially the Education Subcommittee. Focus groups are very

important. The interaction of Social Services staff and recipients is very important. The transitional benefits of the Work First Plan should be maximized. The earning capacity should be monitored the first year.

The Commissioners asked the speakers questions about some of their comments.

As no one else asked to speak at the public hearing, Chairman Black closed the hearing and referred the item to the Commissioners for consideration.

Chairman Black asked Mr. Hudgins to address the speakers' questions.

Mr. Hudgins responded to the Chairman's request.

The Commissioners asked questions to which Mr. Hudgins responded. Arnold Dennis, Social Services staff member, also responded to the questions.

Commissioner Bell moved, seconded by Vice-Chairman Reckhow, for approval of Durham County's Work First Plan.

The motion carried with the following vote:

Ayes: Bell, Black, Heron, and Reckhow

Noes: None

Absent: None

(Commissioner Bowser was out of the room when the vote was taken.)

Chairman Black asked Mr. Hudgins to place the Work First Plan on the March 2001 Regular Session agenda. In addition, a worksession may be scheduled to review the plan.

Durham Public Schools—Special Funding Request for Critical Capital Needs

On September 28, 2000, the Board of Education adopted a special funding request to address critical capital needs in the Durham Public Schools. The \$3,098,800 request comprised roofing and driveway repairs, safety and security improvements, technology infrastructure upgrades, purchase and relocation of mobile classrooms, purchase of operational equipment, and support for the preparation of implementing the Long-Range Facilities Plan.

On October 10, 2000, the Board of County Commissioners considered the Board of Education's request and voted to allocate \$500,000 towards the request. The \$500,000 served as a local match to leverage an additional \$1.5 million dollars in capital funds from the State of North Carolina. The total \$2 million was targeted to fund 11 projects in nine schools consisting of roofing repairs, driveway repairs, and painting.

In addition to allocating the \$500,000, the Board directed the County Manager to work with the Superintendent to devise a viable funding plan for the remaining \$2,598,800 in critical capital needs. The plan, which has been agreed to by the County Manager and the Superintendent, proposes County funding over three fiscal years.

The Manager recommends that \$515,000 be appropriated for the purchase and installation of 15 mobile classrooms and mobile classroom relocations. Due to the length of time involved in procuring and installing the mobile units, funds need to be available in the near future for the units to be ready by July 2001. It is recommended that the \$515,000 appropriation be supported through a General Fund budget transfer of \$340,000 from the Human Services function and a transfer of \$175,000 from unappropriated PAYG capital project funds.

Resource Person(s): Carolyn P. Titus, Interim County Manager; Kathryn Meyers, Chair, Board of Education; and Ann Denlinger, Superintendent, Durham Public Schools

County Manager's Recommendation: The Manager recommends that the Board:

- 1) Adopt the funding proposal to meet the critical capital needs of Durham Public Schools;
- 2) Approve a budget transfer in the amount of \$340,000 from the Human Services function and a transfer of \$175,000 from unappropriated PAYG capital project funds to allocate a total of \$515,000 to Durham Public Schools; and
- 3) Direct the County Manager to continue seeking additional funds to meet the school's critical capital needs as outlined in the funding plan presented.

Interim County Manager Titus gave the Commissioners an overview of the Durham Public Schools special funding request; she recommended approval.

The Commissioners directed the Interim County Manager to continue seeking additional funds to meet the schools critical needs as outlined in the funding plan. The remaining part of the funding plan would be folded over to the PAYG in which the schools are not included at the present time. The Commissioners must consider including the schools in the PAYG in the future to have a mechanism to fund school projects.

Ms. Meyers said the capital projects have not been prioritized by the school board. It is reasonable to expect, given the information that has been shared, that the school board would agree to purchase the mobile classrooms.

Vice-Chairman Reckhow commented she favors including the schools capital projects in the PAYG fund in the County budget.

Ms. Meyers told Commissioner Heron that the proposal would be presented to the school board at its December 7, 2000 meeting.

Dr. Denlinger said she is confident that the school board will approve the \$515, 000 for the mobile classrooms.

Commissioner Bell said the identified items are critical. There is probably no disagreement on that. The timing is important, as indicated. The Commissioners could appropriate the money as the Interim County Manager has recommended. If the school board chooses to do something differently, then the Board of Commissioners should be advised. If the recommendation is not agreed on, then the Board of Commissioners can do what is necessary.

Chairman Black said she agrees with the purchase of the mobile classrooms.

Vice-Chairman Reckhow moved, seconded by Commissioner Bowser, to appropriate \$515,000 from the pay capital project funds (\$175,000) and Human Services function (\$340,000) for the purchase and installation of mobile classroom units.

The motion carried unanimously.

Chairman Black directed Ms. Titus to send a letter to Dr. Denlinger asking for a written response as to how the school board decides to use the funding. This item will then come back before the Board. We want to document it.

Vice-Chairman Reckhow amended her motion to address the fact that the Board is approving a budget transfer from the Human Services function and the PAYG function to provide the \$515,000 for the schools. In addition, the third aspect of the recommendation is to direct the Interim County Manager to continue working with the schools to meet their critical capital needs.

The budget ordinance amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2000-01 Budget Ordinance
Amendment No. 01BCC000028

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2000-01 Budget Ordinance is hereby amended to reflect budget adjustments for Durham Public Schools.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Expenditures</u>				
Education	\$ 72,007,661	\$515,000		\$ 72,522,661
Human Services	\$235,506,312		\$340,000	\$235,166,312
<u>Revenues</u>				
Other Financing Sources	\$ 13,026,919	\$175,000		\$ 13,201,919

PAYG FUND

<u>Expenditures</u>				
Nondepartmental	\$ -0-	\$175,000		\$ 175,000
<u>Revenues</u>				
Other Financing Sources	\$ -0-	\$175,000		\$ 175,000

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

This the 27th day of November, 2000.

(Budget Ordinance Amendment recorded in Ordinance Book _____, page _____.)

Memorandum of Understanding—Durham Public Schools Board of Education

During the FY 2000–2001 budget preparation process, the Board of County Commissioners expressed the desire and intent to once again enter into a Memorandum of Understanding with the Durham Public Schools Board of Education. Chairman MaryAnn E. Black, School Liaison Bill Bell, and Interim County Manager Carolyn Titus have been meeting with School Board Chairman Kathryn Meyers and Superintendent Dr. Ann Denlinger to develop the Memorandum of Understanding for the Board’s review and approval.

Interim County Manager Titus highlighted parts two, three, four, five, six, and nine of the Memorandum of Understanding. The 2000-2001 Schedule of Informational Reports was attached to the Memorandum of Understanding.

Vice-Chairman Reckhow commented that there should be an understanding associated with number 8, which refers to meeting to review compliance prior to commencing with the budget discussion. That part of the process could also be beginning negotiation for

the upcoming Memorandum of Understanding so we won't be playing catch up in dealing with it four or five months into a new year.

Chairman Black suggested that the Board outline the dates from January 2001 through December 2001 to meet with the Durham Public Schools Board of Education to discuss the budget, capital projects, evaluations, and special classes. Staff will contact the Commissioners about finalizing the dates.

Commissioner Heron moved, seconded by Vice-Chairman Reckhow, to approve the agenda item.

The motion carried unanimously.

The Memorandum of Understanding follows:

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered this the 27th day of November, 2000 by and between the DURHAM COUNTY BOARD OF COMMISSIONERS and the DURHAM PUBLIC SCHOOLS BOARD OF EDUCATION.

Whereas, the Durham Public Schools has presented and the Durham County Commissioners have approved its proposed Fiscal Year 2000-2001 Budget; and

Whereas, the Board of County Commissioners and the Board of Education mutually desire to improve the educational achievements of Durham school children; and

Whereas, members of the Board of County Commissioners and the Board of Education understand the importance of regular communications during the budget process and throughout the school year:

IT IS NOW THEREFORE AGREED THAT:

1. The Durham Public Schools shall follow the budget process and format developed for the 2000-2001 budget for Fiscal Year 2001-2002. In addition and where appropriate, an effort will be made to incorporate key accomplishments and measurable objectives.
2. The Durham Public Schools shall provide the Board of County Commissioners with reports according to the established 2000-2001 Schedule for Information Reports (attached) as prepared by the Durham Public Schools Office of Public Affairs. The reports will include disaggregated information.
3. A list of reports provided to the Office of Civil Rights on related topics will be provided to the County Commissioners on a quarterly basis. Specifically agreed upon reports/topics will be addressed during semi-annual joint meetings (e.g. Exceptional Children's Program).

4. The Durham Public Schools shall provide the Board of County Commissioners with copies of the 2000-2001 program evaluations. These include the following:
 - Lakeview School Project
 - DPS Third Grade Reading Goal
 - Programs that Academically Challenge DPS Students
 - Laboratory Schools
 - Magnet Schools
5. The Durham Public Schools Board of Education has adopted measurable goals and outcomes to reduce the dropout rate for the 2000-2001 school year to the State average or below as part of individual school improvement plans.
6. The Durham Public Schools shall continue to work with Durham County to develop alternative education programs for all suspended students.
7. The Durham Public Schools and the Durham County Board of Commissioners shall provide one another appropriate information regarding school funding as such information is released to the public.
8. The Board of County Commissioners and the Durham Public Schools Board of Education shall meet jointly to review compliance with this Memorandum of Understanding prior to the commencement of budget discussion for the 2001-2002 fiscal year.
9. It is the intent of the Board of County Commissioners to provide the voters of Durham County with an opportunity during the 2001 calendar year to approve a bond referendum to provide funds for the Durham Public Schools Board of Education's Long Range Facilities Plan.

COUNTY OF DURHAM

/s/ MaryAnn E. Black

Chairman

Board of County Commissioners

DURHAM PUBLIC SCHOOLS

BOARD OF EDUCATION

/s/ Kathryn Meyers

Chairman

Durham Public Schools Board of Education

Attest: /s/ Garry Umstead

Clerk to the Board of County Commissioners

DURHAM PUBLIC SCHOOLS

Office of Public Affairs

2000-2001 Schedule for Informational Reports

July	Week 4	Annual Suspension Report Department: Student Services, Information Technology, Program Evaluation Contacts: Donna Smith, Nancy Hester, and Dr. Joe Haenn
		Quarterly & Annual Preliminary Unadjusted Dropout Report Department: Student Services, Information Technology, Program Evaluation Contacts: Donna Smith, Nancy Hester, and Dr. Joe Haenn

disparity study for the County of Durham. In this objective, the County is seeking to determine whether race and gender discrimination continue to affect prime contractor and subcontractor participation in public contracting activities of the County. It was the position of staff that a second generation disparity study was essential to ensure a legally defensible position for the County in whatever type of program the County establishes, ensuring an equitable field for the County procurement dollars.

On November 13, 2000, Dr. Eleanor Ramsey, President of Mason Tillman Associates, Ltd., presented the findings of the disparity study along with a draft copy of the study to the Board of County Commissioners. Members of the Board made inquiries about the study, sought clarifying information, and provided feedback on the report. A final draft of the disparity study had been prepared and was presented for the Board's review and approval. Also included was a document containing the information and clarifications requested by the Board during the November 13 meeting.

Resource Person(s): Chuck Kitchen, County Attorney; Wendell Davis, Deputy County Manager; Anthony Allen, Interim Purchasing Director; and Jan Bryant-Berry, Business Development Manager, Purchasing Department

County Manager's Recommendation: The Manager recommends that the Board approve the final draft of the disparity study and direct staff to proceed with the recommended steps for the development of an MWBe ordinance and the development of a MWBe program.

County Attorney Kitchen reviewed the document containing the information and clarifications requested by the Board during its November 13, 2000 meeting. He also reviewed the final draft of the disparity study.

The Commissioners asked questions and made remarks about the disparity study to which Attorney Kitchen responded.

Ms. Bryant-Berry reviewed the answers to two disparity study questions asked by the Board.

Jack Steer, 2416 Dawn Trail, representing the Friends of Durham, made comments about the MWBe ordinance that was being discussed. Mr. Steer agreed with the concept of the disparity study but was against preparing an MWBe ordinance. It would be better to educate people in becoming eligible and dealing with the County purchasing function. I think you will get into more trouble with the ordinance that will lead to lawsuits.

Chairman Black called on the County Attorney to respond to Mr. Steer's remarks.

Commissioner Bell moved, seconded by Commissioner Bowser and Vice-Chairman Reckhow, to approve the final draft of the disparity study and direct staff to proceed with

the recommended steps for the development of an MWBe ordinance and the development of a MWBe program.

The motion carried unanimously.

Vehicle Operations Policy

During the past 18 months, the County has been experiencing an increasing number of automobile accidents. In order to ensure that the drivers of County vehicles are held accountable for their actions and to ensure that unsafe drivers are not allowed to operate County vehicles, a new policy designed to apply to all vehicles owned by the County is proposed. The new policy provides for a check on a person's driving history at the time of hire, and yearly thereafter. A point scale is included which would bar the hiring of persons with poor driving histories who would drive County vehicles, or personal vehicles while transporting clients of the County agencies. Current employees who exceed the allowable point totals would be required to take a Defensive Driving Course at the employee's own expense. If the employee continues to exceed the maximum allowable point total, the employee would not be allowed to operate a County vehicle or transport clients of a County agency until the point total falls below the limit. The points are based on a rolling three-year time frame and are not counted after this three-year period.

The policy also provides safety standards to be followed by drivers of County vehicles and further provides for the verification of insurance on personal vehicles used to transport clients.

Resource Person(s): Cathy Whisenhunt, Risk Manager; Chuck Kitchen, County Attorney

County Manager's Recommendation: The Manager recommends the Board approve the Vehicle Operations Policy to help provide for the safety of the public as well as the safety of the employees, and to help limit the liability of the County from accidents.

Ms. Whisenhunt asked the Commissioners to approve the newly written Vehicle Operations Policy. She gave the Commissioners an overview of the policy.

The Commissioners asked questions and made remarks about the proposed policy to which the resource persons responded.

Commissioner Bowser said that, because of the Work First issue, he has a problem requiring that employees have at least three years of driving experience. He asked if the section could be rewritten so the County can employ Work First participants who recently got a driver's license. He does not want to bar older people from being employed in County government.

Ms. Whisenhunt said the issue could be reconsidered.

Commissioner Bowser wished to include in the proposed policy that all new employees would be tested for drugs.

County Attorney Kitchen said there is a legal concern about drug testing for all new employees.

Commissioner Heron moved, seconded by Vice-Chairman Reckhow, to approve the Vehicle Operations Policy.

The motion carried with the following vote:

Ayes: Bell, Black, Heron, and Reckhow
Noes: Bowser
Absent: None

Chairman Black asked Interim County Manager Titus to check with Durham Public Schools, City of Durham, and County government to determine how many Work First participants are employed by these governmental agencies.

Commissioner Bowser requested that HR Director Jackye Knight supply him with statistics regarding the number of Work First participants hired by Durham County Government and the departments where they are employed.

Resolution Authorizing Issuance and Sale of Bonds for Alston Village

The financing for Alston Village Apartments was back before the Board for a formal approval of the bond documents and to provide for the issuance of the bonds. This project has been before the Board on three separate occasions, including two public hearings. The project is proposed to be financed using Section 142 tax-exempt financing which has previously been approved. As a technical matter, the approval of the form of the bonds and their issuance is required. The documents were prepared by bond counsel and reviewed by the County Attorney, the Local Government Commission, Fannie Mae, and counsel for Bank of America.

Resource Person(s): Chuck Kitchen, County Attorney

County Manager's Recommendation: Approve the resolution to complete the actions required by the Board so that the financing can be finalized. No County dollars will be used to pay these bonds; the County is only being used as a conduit to provide affordable housing.

Vice-Chairman Reckhow moved, seconded by Commissioner Heron, to approve the resolution to complete

the actions required by the Board so that the financing can be finalized.

The motion carried unanimously.

The resolution follows:

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
MULTIFAMILY HOUSING REVENUE BONDS (ALSTON VILLAGE
APARTMENTS), SERIES 2000 A AND MULTIFAMILY HOUSING
REVENUE BONDS (ALSTON VILLAGE APARTMENTS),
SERIES 2000 B (TAXABLE)

WHEREAS, the Board of Commissioners (the "Board") of the County of Durham (the "County") met in the Board of Commissioners' Meeting Room at 200 East Main Street, Durham, North Carolina at 7:00 p.m. on the 27th day of November, 2000;

WHEREAS, NRP Alston Village, LLC, a North Carolina limited liability company (the "Borrower"), has requested that the County assist in financing a portion of the cost of the acquisition, construction and equipping of a multifamily residential rental project to be known as Alston Village Apartments or Stoney Creek at the Park Apartments, consisting of approximately 312 units and located at 5400 South Alston Avenue, Durham, North Carolina (the "Development"), and the County has agreed to do so;

WHEREAS, the County proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Bonds (Alston Village Apartments), Series 2000A (the "Series A Bonds"), in an aggregate amount not to exceed \$22,000,000 and Taxable Multifamily Housing Revenue Bonds (Alston Village Apartments), Series 2000B (the "Series B Bonds"), in an aggregate amount not to exceed \$1,000,000 (collectively, the "Bonds");

WHEREAS, the proceeds of the Bonds will be loaned to the Borrower pursuant to a loan agreement for the purpose of paying the cost of acquisition and construction of the Development, funding a debt service reserve fund and paying certain issuance expenses in connection with the issuance of the Bonds;

WHEREAS, the Borrower's obligations under the loan agreement will be secured by a deed of trust with respect to the Development from the Borrower to a deed of trust trustee named therein for the benefit of the Trustee (as defined below);

WHEREAS, it is anticipated that the Bonds will be secured by mortgage insurance issued by the Federal National Mortgage Association ("Fannie Mae") and therefore will be issued with a AAA rating; and

WHEREAS, there have been presented to this meeting the forms of the following instruments which the County proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the County:

(a) Trust Indenture (the "Indenture") between the County and First Union National Bank, as trustee (the "Trustee"), authorizing the issuance of the Bonds and providing for the terms and details thereof and the security therefor;

(b) Financing Agreement (the "Financing Agreement") among the County, the Trustee and the Borrower, providing for the terms and conditions pursuant to which the loan of the proceeds of the Bonds will be made by the County to the Borrower including a Mortgage Note of the Borrower (the "Mortgage Note") to be assigned by the County to the Trustee;

(c) Regulatory Agreement and Declaration of Restrictive Covenants pursuant to which the Borrower will be required to operate the Project in accordance with Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Restrictive Covenants");

(d) Preliminary Official Statement of the County (the "Preliminary Official Statement") relating to the offering and sale of the Bonds;

(e) Bond Purchase Agreement (the "Bond Purchase Agreement") between the Borrower, the County and Dain Rauscher Incorporated and J. Lee Peeler, Division of Morgan Keegan & Company, Inc. (collectively, the "Underwriters"), providing for the issuance and sale by the County and the purchase by the Underwriters of the Bonds; and

(f) Assignment and Intercreditor Agreement, dated as of December 1, 2000, among the County, the Trustee and Fannie Mae, and acknowledged, accepted and agreed to by the Borrower (the "Intercreditor Agreement").

BE IT RESOLVED BY THE COUNTY OF DURHAM, NORTH CAROLINA:

1. The County hereby determines to provide financing to the Borrower for the acquisition, construction and equipping of the Development through the issuance of the Bonds pursuant to N.C.G.S. § 153A-376, under which the County has the power to exercise directly those powers granted by law to county housing authorities created under Chapter 157 of the North Carolina General Statutes, and the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the deposit of the proceeds thereof with the Trustee and the advance of such proceeds to the Borrower in accordance with the Financing Agreement.

2. The County hereby authorizes the issuance and sale of the Bonds pursuant to the Indenture and in accordance with the terms set forth in the Bond Purchase

Agreement and the Indenture. The Bonds will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Indenture; provided, however, that the aggregate principal amount of the Series A Bonds shall not exceed \$22,000,000 and the aggregate principal amount of the Series B Bonds shall not exceed \$1,000,000. The County hereby authorizes the Borrower to obtain mortgage insurance to support the Bonds in such amount as may be deemed necessary or advisable by the Borrower and the Underwriters.

3. The Chairman or Vice Chairman of the Board of Commissioners for the County or her designee is hereby authorized and directed to execute and deliver the Indenture, the Financing Agreement, the Restrictive Covenants, the Intercreditor Agreement and the Bond Purchase Agreement to the other parties thereto.

4. The distribution of the Preliminary Official Statement by the Underwriters to prospective purchasers of the Bonds is hereby approved. The County hereby deems the Preliminary Official Statement to be "final" within the meaning of Rule 15c2-12 of Rules and Regulations promulgated under the Securities Exchange Act of 1934, as amended. The Chairman or Vice Chairman of the Board of Commissioners for the County or her designee is hereby authorized and directed to execute and deliver the final Official Statement (in substantially the form of the Preliminary Official Statement, but incorporating the final terms and details of the Bonds) to the Underwriters and the Underwriters are hereby authorized and directed to distribute the Official Statement to the purchasers of the Bonds.

5. The Chairman or Vice Chairman of the Board of Commissioners for the County is hereby authorized and directed to execute and deliver the Bonds in the manner and subject to the conditions provided in the Indenture to the Trustee for authentication

and to cause the Bonds so executed and authenticated to be delivered to or for the account of the Underwriters upon payment of the purchase price therefor as provided in the Bond Purchase Agreement.

6. The Indenture, the Financing Agreement, the Bond Purchase Agreement, the Restrictive Covenants, the Intercreditor Agreement, the Preliminary Official Statement and the Bonds shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary to reflect the final terms of the Bonds, including any changes that may be required by any rating agency that is rating the Bonds or the issuer of the mortgage insurance supporting the Bonds, and as otherwise approved by the officers of the County executing them after consultation with the County Attorney, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

7. Any authorization made hereby to the officers of the County to execute a document shall include authorization to the Chairman or Vice Chairman of the Board of Commissioners for the County or her designee to execute the document, authorization to the Clerk to the Board of Commissioners to affix the seal of the County to such document and attest such seal and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Indenture.

8. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the County as may be necessary or desirable to the issuance of the Bonds. All other acts of the officers of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Bonds are hereby ratified, confirmed and approved.

9. This resolution shall take effect immediately.

Vice-Chairman Reckhow moved the passage of the foregoing resolution and Commissioner Heron seconded the motion and the resolution was passed by the following vote:

Ayes: Commissioners Bell, Black, Bowser, Heron, and Reckhow

Nays: None

Not voting: None

* * * * *

I, Garry E. Umstead, Clerk to the Board of Commissioners for the County of Durham, North Carolina DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Board of Commissioners for said County at a regular meeting duly called and held November 27, 2000, as it relates in any way to the resolution hereinabove set forth, and that said proceedings are recorded in Minute Book _____ of the minutes of said Board. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of this Board is on file in my office.

WITNESS my hand and the common seal of said County, this 28th day of November, 2000.

/s/ Garry E. Umstead
Clerk to the Board of Commissioners

(SEAL)

Interim County Manager's Final Report

Interim County Manager Carolyn P. Titus provided the Board of County Commissioners with a brief report on Durham County Government's progress during the interim period and a summary of current issues and projects.

Ms. Titus reviewed the accomplishments and milestones of County Government from March through November 2000 while she was Interim County Manager. She also listed the ongoing and future initiatives as of November 27, 2000 that would be forthcoming.

Lakeview School Tour

Commissioner Heron gave a report to the Commissioners about the tour of Lakeview School by the Juvenile Justice Delinquency and Prevention State Council. Governor Hunt, Chief Justice Frye, Dr. Denlinger, Commissioner Heron, and school staff members went on the tour.

Commissioner Heron made comments and remarks about the school project that cost \$1.7 million. This opportunity gave Commissioner Heron a chance to talk about vocational education training in the schools.

The tour group was very impressed with the school and the program.

Middle School After School Project

Vice-Chairman Reckhow talked about the Middle School After School Project. A grant application has been submitted for special moneys through the TANF Fund to hire additional teachers. Social Services would know within a month if we get the grant.

Adjournment

Chairman Black adjourned the meeting at 10:43 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board