

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

Monday, December 4, 2006

9:30 A.M. Worksession

MINUTES

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

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

Absent: None

Presider: Chairman Reckhow

Election of Chairman and Vice-Chairman of the Board of County Commissioners

Chairman Reckhow recognized County Attorney Chuck Kitchen to preside over the election of the Board's chairman.

Attorney Kitchen recognized Commissioner Cousin.

Commissioner Cousin stated that he wished to nominate Commissioner Ellen W. Reckhow to serve as chairman of the Board of County Commissioners for another year.

County Attorney Kitchen called for further nominations. As no additional nominations were made, he closed the nominations and requested a vote.

The motion carried with the following vote:

Ayes: Cousin, Heron, and Page

Noes: None

Absent: Cheek was not present at the time the vote was taken

Attorney Chuck Kitchen congratulated Chairman Reckhow on her reappointment.

Chairman Reckhow proceeded with the election of vice chairman.

Commissioner Cousin stated that he wished to nominate Commissioner Becky M. Heron as vice chairman of the Board.

No further nominations were made; therefore, Chairman Reckhow closed the nominations and called for a vote.

The motion carried with the following vote:

Ayes: Cousin, Page, and Reckhow

Noes: None

Absent: Cheek was not present at the time the vote was taken

Chairman Reckhow thanked the Commissioners for their continued confidence and support. She stated that significant progress was made in 2006; she looked forward to working with the Commissioners in 2007.

Vice-Chairman Heron thanked the Commissioners for giving her the opportunity to serve the Board, as well as the Durham community, for another year.

Approval of Public Official Bonds

County Attorney Chuck Kitchen stated that the Board of Commissioners is required to approve the bonds of public officials on the first Monday of December of each year. Following approval, the bonds will be recorded in the Register of Deeds Office and then sent to the Clerk of Superior Court for safekeeping.

Vice-Chairman Heron moved, seconded by Commissioner Cousin, to suspend the rules in order to vote.

The motion carried unanimously.

Commissioner Cheek moved, seconded by Vice-Chairman Heron, to approve the bonds of public officials.

The motion carried unanimously.

The Public Official Bond Certificate follows:

NORTH CAROLINA
DURHAM COUNTY

CERTIFICATE

As Chairman of the Board of County Commissioners of Durham County, North Carolina, this is to certify that on Monday, December 4, 2006, the following Public Official Bonds were approved by the Board of County Commissioners of Durham County; the Public Official, the amount of bond, and the bond number with the name of the surety were set forth:

<u>POSITION</u>	<u>PUBLIC OFFICIAL</u>	<u>AMOUNT OF BOND</u>	<u>SURETY</u>	<u>BOND #</u>
Financial Officer	George Quick	\$250,000	Hartford	20BSBAY8705

Tax Collector	Kenneth L. Joyner Jr.	\$250,000	Hartford	20BSBBT7693
Sheriff	Worth Hill	\$ 25,000	Hartford	20BSBBY9698
Register of Deeds	Willie L. Covington	\$ 50,000	Hartford	20BSBBT7709
Employees Blanket Bond	Employee Dishonesty Forgery or Alteration Theft, Disappearance and Destruction	\$250,000 \$250,000 \$250,000	Capitol Indemnity	FID2703165

Each bond is executed under seal in the name of the surety by an agent or attorney in fact. The clerk of the Durham County Board of Commissioners has been instructed to record each of the bonds enumerated herein with the power of attorney attached thereto in the office of the Register of Deeds of Durham County, together with a copy of this Certificate attached to each bond. After said bonds have been duly recorded in the Office of the Register of Deeds, the original of bond together with the power of attorney and a copy of the Certificate shall be deposited with the Clerk of Superior Court of Durham County.

/s/ Ellen W. Reckhow
Chairman, Board of County Commissioners

Salary for the Sheriff

Sheriff Worth Hill was duly elected to a fourth term of office. The election filing fee was based on a minimum starting salary of \$77,000, which was set by the Board of County Commissioners prior to the filing period. Sheriff Hill's current salary of \$110,000 is based on incremental increases granted during his previous terms. As there is no intent to decrease the incumbent's salary, and as the salary for the incumbent was reviewed in June 2006 and will continue to be reviewed on a regular basis, the Board was requested to reset the salary for the Sheriff at \$110,000.

Commissioner Cousin moved, seconded by Vice-Chairman Heron, to approve the Sheriff's salary at \$110,000.

The motion carried unanimously.

The Board held a brief discussion to clarify the need to reset the Sheriff's salary.

Presentation of 'AAA' Credit Considerations for Durham County, NC

County Manager Mike Ruffin introduced this item, stating that County staff is in the process of updating the County's 10-Year Capital Improvement Plan (CIP) for FY 2008-2017, and has begun working with the County's financial advisors from Davenport & Company LLC to review all of the new requests for funding over the next ten years. Such a financial and debt review has not been done for several years. With the magnitude of new funding requests beginning in FY 2008, a new financial and debt review was warranted before a final Recommended CIP is presented to the Board in February 2007.

Joseph D. Mason, VP of Davenport & Co. LLC, made a presentation: 'AAA' Credit Considerations for Durham County, NC, which provided information and comparisons

with 'AAA' Counties in North Carolina, as well as with a regional peer group. He discussed the following ten characteristics of 'AAA' counties:

- Resilient Economy
- Diverse Tax Base
- Affluent Population
- Strong Reserves
- Financial Flexibility
- Affordable Debt Burden
- Balanced Capital Plan
- Established Financial Policies
- Long-Range Planning
- Effective Management Practices

James M. Traudt, Senior VP of Davenport & Co. LLC, continued the presentation by providing key observations on how Durham County is doing with its current Capital Improvement Plan and the associated debt, as well as recommendations concerning the requested Capital Improvement Plan (which includes the new full 10-year request received from Durham Public Schools).

Mr. Traudt concluded by explaining the recommended level of debt service of less than 13 percent.

In response to Commissioner Cousin's question regarding the outcome of Wake County's credit rating due to the most recent bond, Mr. Traudt stated that Wake County used new techniques to help maintain their credit rating. He informed the Board that Wake County has implemented a portion of their debt burden from a fixed-rate mode to a floating-rate mode.

Mr. Traudt stated that if the tax-base valuation increases, rating agencies may express concern about the recession being sustained to avoid eliminating critical services.

Commissioner Cheek commended the County Manager and staff on a superior job with the 'AAA' Credit Rating.

Chairman Reckhow concurred with Commissioner Cheek's comments.

Directives

1. Submit the poverty rate report to the RBA Committee; continue to think about strategies to reduce the poverty rate.
2. Consider sending the report as background information to the local Delegation.

Update on Wellness Initiative

Marqueta Welton, Human Resources Director, informed the Board that the Wellness Center Review Committee met with the two finalists who are being considered to operate the Durham County Employees Wellness Clinic. The Durham County Wellness

Initiative's goals are to reduce health claims risk for our employee population based on the following:

- Identifying risk potentials;
- Providing a clinical service professional to treat/manage/advise those persons at greatest risk; and
- Proactively working with individuals by monitoring and evaluating compliance based on their uniquely designed health risk intervention plan.

Ms. Welton stated that based upon these goals and the experience, abilities, and references of the vendors considered, the Committee recommended that the BOCC authorize staff to negotiate with HealthSTAT to operate the Wellness Clinic.

Susan C. Kinzler, Executive Vice President of Sales & Marketing, provided a brief overview about HealthSTAT and responded to questions from the Board.

Ms. Welton informed the Board that the County will not be involved with operating the HealthSTAT clinic. She stated that this will ensure the privacy of County employees.

Directives

1. Promote HealthSTAT on the County's Website.
2. Consider including incentives for employees after enrollment.
3. Place on December 11 consent agenda.

Update from The Durham Center on the Implementation of its Substance Abuse Action Plan

Ellen Holliman, Area Director, The Durham Center, expressed gratification for the support received for The Durham Center's Substance Abuse Action Plan. Work was done to strengthen and nurture the substance abuse treatment infrastructure by creating a recovery culture in Durham, adapting a System of Care framework to substance abuse services, expanding and training the substance abuse workforce, ensuring quality improvement among providers, and providing a more effective continuum of services to the citizens of Durham County.

Ms. Holliman and Rob Robinson, Deputy Director, provided a brief update about the progress in implementing the County-funded activities contained in the plan.

Directives

1. Increase the work with the homeless shelter.
2. In terms of funding, direct some of the resources from the ABC Board towards substance abuse.

Impact Fee Interest

County Manager Mike Ruffin stated that the impact fee fund has earned \$320,000 plus and continues to earn interest income. He recommended that the Board suspend the

rules, authorize the closure of this fund, and direct that the balance be appropriated to Durham Public Schools (DPS) Capital Outlay Fund.

Commissioner Page requested that a future discussion be held with regards to receiving the funds.

Directives

1. Look at discussing the Impact Fee Interest at the Retreat or a future Worksession.
2. Have DPS send a report to the Board about how much of the funds were spent.

Proposed Jordan Lake Rules

County Attorney Chuck Kitchen reported on the status of the draft of the proposed Jordan Lake rules. He stated that the Rules would require the County to adopt an ordinance, which would be subject to DENR approval, to implement the rules which DENR is proposing. The County would then have to fund the implementation of the ordinance. This would result in an unfunded multi-million dollar mandate from the State.

County Attorney briefed the Board about the proposed Jordan Lake rules.

In response to Chairman Reckhow's concerns regarding the City's requirements, Mr. Pearce, Stormwater and Erosion Control Division Manager, stated that the City will have the same standards for new developments.

County Attorney requested that the Board oppose the regulations to avoid negative feedback.

County Attorney responded to Commissioner Cousin's concerns regarding failure to comply, stating that by the State enforcing the program, the State would have to purchase the properties from the individuals instead of the County.

The Board held a discussion regarding the overall requirements of the proposed Jordan Lake rules.

Directives

1. Alert the Legislative Delegation of the issues; prepare a memo in terms of the concerns.
2. Send the review and analysis to the NCACC; attach the cost.
3. Attend the next NCACC Board of Directors' meeting.

Motion

Commissioner Cousin moved, seconded by Vice-Chairman Heron to suspend the rules to allow Victoria Peterson to make comments.

The motion carried unanimously.

Discussion of Issues for 2007 State Legislative Agenda

Victoria Peterson, P. O. Box 101, Durham, NC 27701, requested that the Board consider including the initiative of returning funds generated by inmate labor to rehabilitating former inmates.

Chairman Reckhow informed Ms. Peterson that the proposal to increase court fees has been brought forward by other counties.

Deborah Craig-Ray, Assistant County Manager, stated that the North Carolina General Assembly will convene the 2007 General Assembly Session at noon on January 24 in Raleigh. She stated that several items were received as possible legislative proposals to be considered for inclusion in the final 2007 Durham County Legislative Agenda. The goal is to prepare a tight package of legislative items that can be aggressively supported by members of the Durham Delegation.

A discussion was held regarding the issues for the 2007 State Legislative Agenda.

Directives

1. Make the recommended changes to the 2007 proposed legislation items.
2. Approve moving the work with the key stakeholders on the exact percentage in ways that the revenues would be allocated to try to acquire as much community support and broad stake holder's involvement.
3. Include receiving funds from the court system on the support list.
4. Promote the act to increase the compulsory school attendance age with the Legislators; prepare a one-sentence rationale.
5. Place on the December 11 Regular Session.

Adjournment

There being no further business, Chairman Reckhow adjourned the meeting at 3:04 p.m.

Respectfully Submitted,

Angela M. McIver
Staff Specialist
Clerk to the Board's Office