

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

Monday, December 8, 2003

MINUTES

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

Present: Chairman Ellen W. Reckhow, Vice-Chairman Joe W. Bowser (arrived
late—5:15 p.m.), and Commissioners Philip R. Cousin Jr., Becky M.
Heron, and Mary D. Jacobs

Absent: None

Presider: Chairman Reckhow

5:00 – 6:15 P.M.

Closed Session

Commissioner Heron moved, seconded by Commissioner
Cousin, to adjourn to closed session to consider the
performance of a public officer or employee, to consult
with an attorney regarding a claim, to preserve the attorney-
client privilege, and to discuss the location of industry in
Durham County pursuant to G.S. § 143-318.11(a)(3), (4),
& (6).

The motion carried with the following vote:

Ayes: Cousin, Heron, Jacobs, and Reckhow

Noes: None

Absent: Bowser (not in attendance when the motion was
made)

7:00 P.M.

Regular Session

Opening of Regular Session

Chairman Reckhow opened the meeting with the Pledge of Allegiance.

Agenda Adjustments

- The “Justice Building Programming and Facility Master Plan Revisions” item was postponed due to questions that were raised.
- A Closed Session was added to the agenda to conclude the previous Closed Session.
- Clerk to the Board Garry E. Umstead introduced a new employee in the Clerk to the Board’s office—Yvonne Gordon, Staff Specialist.
- Chairman Reckhow introduced Senator John Edwards’ letter in response to the County’s need for additional federal support for childcare subsidies, which implied less funding for the County. She suggested holding a relevant discussion during the December 11, 2003 meeting with the legislators.
- Chairman Reckhow announced that a list of Durham County’s major accomplishments for 2003 will be mailed to citizens, along with their tax listing forms.

Minutes

Commissioner Jacobs moved, seconded by Commissioner Cousin, to approve the Minutes of the November 24, 2003 Regular Session as submitted with a one-line correction.

The motion carried unanimously.

Resolution Supporting HB Bill 151—25-Year Retirement for Law Enforcement

Triangle Chapter Police Benevolent Association representative Rickey Padgett contacted County Manager Mike Ruffin about the County supporting the 25-Year Retirement also known as House Bill 151. Numerous cities and counties have approved resolutions across the state to support this important legislation. All approved resolutions will be submitted to the North Carolina State Legislators prior to the Bill being heard.

Resource Person(s): Triangle PBA Chapter President Andy Miller
1-800-233-3506 ext. 333; 309-1408

Chairman Reckhow acknowledged and welcomed law enforcement officials in attendance.

The resolution follows:

RESOLUTION SUPPORTING HOUSE BILL 151 – LAW OFFICERS’ 25-YEAR RETIREMENT

WHEREAS, the current retirement system for Law Enforcement Officers and Firefighters mandates thirty years of service before retirement is possible; and

WHEREAS, studies show that the life expectancy of Law Enforcement Officers after retirement is much less than the general public, due to occupational hazards; and

WHEREAS, studies show that our brave Law Enforcement Officers have a much higher incidence of heart disease than the general public, due to occupational hazards; and

WHEREAS, Representative H. M. "Mickey" Michaux, Jr. of Durham County has introduced House Bill 151 – Law Officers' 25-Year Retirement, which seeks to allow Law Enforcement Officers and Firefighters to retire with full credit after twenty-five years instead of the current thirty years; and

WHEREAS, the County of Durham has a vested interest in the continued health and well-being of our own brave Law Enforcement Officers:

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the County of Durham:

1. The Commissioners affirm its support for the passage of House Bill 151 or similar legislation to give Law Enforcement Officers and Firefighters a full retirement at twenty-five years.
2. This resolution is effective upon adoption.

This the 8th day of December, 2003.

/s/ Five Commissioners
Durham County Commissioners

Vice-Chairman Bowser moved, seconded by Commissioner Heron, to approve the resolution in support of HB Bill 151.

The motion carried unanimously.

Chairman Reckhow suggested that a copy of the resolution be sent to the Association of County Commissioners and to the local delegation.

Commissioner Heron emphasized her support for this resolution and suggested that 911 operators be considered in House Bill 151, due to their stressful responsibilities of directing officers and firefighters to appropriate locations.

Mr. Miller thanked the Board and the County Manager for their support of the bill. In response to Commissioner Heron's suggestion, Mr. Miller announced that the Triangle Chapter Police Benevolent Association is currently in negotiations with Mr. Michaux about including emergency workers.

Chairman Reckhow presented the resolution to Mr. Miller.

Resolution Honoring Durham Literacy Center

A resolution was prepared to recognize the work of the Durham Literacy Center. The organization recently received a "Program Innovation Award" by ProLiteracy America. Specifically, the group developed a program called the "Career Passport, an e-toolkit" created to help welfare-to-work transitioners identity and pursue career goals.

Lucy Haagen, Executive Director, was present to receive the resolution.

County Manager's Recommendation: The County Manager recommended that the Board approve the resolution and present to Executive Director Lucy Haagen, along with the appreciation of the Board.

Chairman Reckhow read the following resolution into the record:

RESOLUTION

WHEREAS, Durham Literacy Center provides a variety of services to help individuals improve their lives and career options; and

WHEREAS, staff and volunteers work extensively to provide a variety of services such as basic reading, writing, math, GED examination preparation, family literacy and workplace literacy; and

WHEREAS, for several years, the organization has built a successful program worthy of several awards and recognitions including:

- 2002 Recognition by NC Department of Community Colleges as "One the Best Literacy Programs in the State"
- 2001 US Department of Education Community Technology Award
- 1999 Governor's Work First Award
- 1998 Laubach Literacy Action designation as National Model and Mentor; and

WHEREAS, in November 2003, Executive Director Lucy Haagen received the ProLiteracy "Program Innovation Award" for developing "Career Passport", an e-toolkit which was created to help welfare-to-work participants identify and pursue satisfying career goals; and

WHEREAS, using this award winning program, participants who lack formal education credentials use computers and the Internet to develop a presentation portfolio that showcases their skills and accomplishments and can be used by prospective employers or for admission to continuing education; and

WHEREAS, the Literacy Center will use its \$2,000 award to adopt the program for use by teen participants in its GED academy:

NOW, THEREFORE, BE IT RESOLVED that we, the members of the Durham County Board of Commissioners, do hereby salute

MS. LUCY HAAGEN

and the staff and volunteers of the Literacy Center for their use of technology as a national model for helping adults become more proficient in general literacy skills. Congratulations for receiving this national acclaim from ProLiteracy, the largest adult literacy organization in the United States.

This the 8th day of December, 2003.

/s/ Five Commissioners
Durham County Commissioners

Commissioner Cousin moved, seconded by Commissioner Heron, to approve the resolution as written.

The motion carried unanimously.

Ms. Haagen, 1516 Blount St., Durham NC 27707-1526, thanked the Board for the resolution recognizing the work of the Durham Literacy Center. She stated that its success is due to Durham Literacy Center's collaboration with the Chamber of Commerce, Department of Education, and citizens. Ms. Haagen announced that anyone wishing to obtain further information should contact Lizzie Ellis Furlong.

Fred Foster, Durham Voter Coalition Chairman, 5718 Whippoorwill Street, Durham NC 27704-1259, gave thanks to the Board for the resolution, emphasizing the importance of "Career Passport".

Chairman Reckhow presented the resolution to Ms. Haagen. Congratulations were extended across the Board.

2003 Durham County Government United Way (UW) Campaign Report

Pamela Meyer, Budget and Management Services Director and Chairman of the 2003 Durham County United Way Campaign, reported on the results of the successful 2003 campaign. The campaign slogan for the 2003 UW Campaign continues to be "Together, We Can Do the Most Good".

Durham County's UW Campaign was a success again this year due to our employees who made pledges that exceeded our goal of \$73,000, with a total amount pledged of \$78,530 (an additional \$5,530 or 7.5 percent). In addition, the number of Leadership Donors in the organization increased by two, totaling nine Leadership Donors. One other

point of note on this year's campaign—although 49 percent of employee participation was less than last year, the average employee pledge increased 9.5+ percent.

To all employees who pledged this year, volunteered their time as departmental representatives, and served on the UW Steering Committee, Durham County and the United Way say "Thank You!"

Resource Person(s): Pamela Meyer, Chairman of the 2003 Durham County United Way Campaign.

County Manager's Recommendation: The County Manager recommended that the Board receive the 2003 Durham County Government United Way report, along with the sincere congratulations to the entire organization for a successful campaign.

Chairman Reckhow recognized Ms. Meyer to report on this item.

Ms. Meyer gave a brief summary on employee participation and thanked employees who contributed to the successful campaign. Ms. Meyer also extended her appreciation to volunteers and to the following members of the steering committee: Heidi Duer, Philip Cherry, Gayle Harris, Sharon Hirsch, Gudrun Parmer, Rickey Padgett, and Cathy Whisenhunt.

Chairman Reckhow thanked Ms. Meyer for the hard work.

Consent Agenda

Commissioner Cousin moved, seconded by Commissioner Jacobs, to approve the following consent agenda items:

- * (b) Budget Ordinance Amendment No. 04BCC000029— Fire Marshal—Recognition of Grant Revenue—Community Emergency Response Team (CERT) Program (approve the budget ordinance amendment to recognize \$10,000 in grant revenue received from the NCEM to be applied to Durham County Emergency Management);
- * (c) Budget Ordinance Amendment No. 04BCC000030— Additional Revenue for Social Services (\$154,069 [WIA Youth Grant--\$60,000; Work First Block Grant--\$24,484; Home and Community Care Block Grant--\$63,889; Domestic Violence Services--\$5,696] [approve the budget ordinance amendment]);
- * (d) Budget Ordinance Amendment No. 04BCC000032— Public Health (approve the budget ordinance amendment to recognize \$2,000 from the U.S. Food and Drug Administration for food safety education);

- * (e) Budget Ordinance Amendment No. 04BCC000033—Public Health (approve the budget ordinance amendment to recognize \$15,000 from the Department of Health and Human Services for the Syphilis Elimination Project);
- * (g) Budget Ordinance Amendment No. 04BCC000035—Public Health (approve the budget ordinance amendment to recognize a one-time bonus in the amount of \$23,210 from the Department of Health and Human Services for the Family Planning Clinic);
- * (j) Budget Ordinance Amendment No. 04BCC000038—Correction to Appropriation for Special Park Tax District Fund (approve the budget ordinance amendment to adjust the budgeted appropriations for the Special Park District Fund from \$148,551 to \$320,848);
- (k) Agreement with City on Stormwater Controls at Animal Shelter (approve the agreement with the City to be able to complete the project and receive the certificate of occupancy);
- * (m) Sheriff's Office—Contract Amendment for Federal Financial Participation Assistance (approve the Service Contract Amendment for Federal Financial Participation Assistance and authorize the Manager to execute the contract with Justice Benefits International);
- (o) Register of Deeds Salary (reset the Register of Deeds salary to \$52,046 effective December 6, 2004);
- * (p) Policy on Payment of Impact Fees for Affordable Housing (approve the policy for the payment of the school impact fees for nonprofit organizations who provide affordable housing);

The motion carried unanimously.

*Documents related to these items follow:

Consent Agenda 7(b): Budget Ordinance Amendment No. 04BCC000029—Fire Marshal—Recognition of Grant Revenue—Community Emergency Response Team (CERT) Program (approve the budget ordinance amendment to recognize \$10,000 in grant revenue received from the NCEM to be applied to Durham County Emergency Management).

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
 FY 2003-04 Budget Ordinance
 Amendment No. 04BCC000029

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for the Community Emergency Response Team Program.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,086,832	\$10,000		\$298,096,832
<u>Expenditures</u>				
Public Safety	\$36,570,339	\$10,000		\$36,580,339

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

This the 8th day of December, 2003.

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

Consent Agenda 7(c): Budget Ordinance Amendment No. 04BCC000030—Additional Revenue for Social Services (\$154,069 [WIA Youth Grant--\$60,000; Work First Block Grant--\$24,484; Home and Community Care Block Grant--\$63,889; Domestic Violence Services--\$5,696] [approve the budget ordinance amendment]).

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
 FY 2003-04 Budget Ordinance
 Amendment No. 04BCC000030

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Social Services.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,096,832	\$154,069		\$298,250,901
<u>Expenditures</u>				
Human Services	\$357,447,093	\$154,069		\$357,601,162

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

This the 8th day of December, 2003.

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

Consent Agenda 7(d): Budget Ordinance Amendment No. 04BCC000032—Public Health (approve the budget ordinance amendment to recognize \$2,000 from the U.S. Food and Drug Administration for food safety education).

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000032

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Public Health.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,278,861	\$2,000		\$298,280,861
<u>Expenditures</u>				
Human Services	\$357,601,362	\$2,000		\$357,603,362

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

This the 8th day of December, 2003.

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

Consent Agenda 7(e): Budget Ordinance Amendment No. 04BCC000033—Public Health (approve the budget ordinance amendment to recognize \$15,000 from the Department of Health and Human Services for the Syphilis Elimination Project).

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000033

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Public Health.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,280,861	\$15,000		\$298,295,861
<u>Expenditures</u>				
Human Services	\$357,603,362	\$15,000		\$357,618,362

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

This the 8th day of December, 2003.

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

Consent Agenda 7(g): Budget Ordinance Amendment No. 04BCC000035—Public Health (approve the budget ordinance amendment to recognize a one-time bonus in the amount of \$23,210 from the Department of Health and Human Services for the Family Planning Clinic).

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000035

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Public Health.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,296,861	\$23,210		\$298,320,071
<u>Expenditures</u>				
Human Services	\$357,619,362	\$23,210		\$357,642,572

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

This the 8th day of December, 2003.

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

Consent Agenda 7(j): Budget Ordinance Amendment No. 04BCC000038—Correction to Appropriation for Special Park Tax District Fund (approve the budget ordinance amendment to adjust the budgeted appropriations for the Special Park District Fund from \$148,551 to \$320,848).

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000038

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for the Special Park District Fund.

SPECIAL PARK DISTRICT FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease Budget</u>	<u>Revised</u>
<u>Revenues</u>				
Taxes	\$148,851	\$171,997		\$320,848
<u>Expenditures</u>				
Economic & Physical Dev	\$148,851	\$171,997		\$320,848

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

This the 8th day of December, 2003.

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

Consent Agenda 7(m): Sheriff's Office—Contract Amendment for Federal Financial Participation Assistance (approve the Service Contract Amendment for Federal Financial Participation Assistance and authorize the Manager to execute the contract with Justice Benefits International).

North Carolina

FIRST AMENDMENT

Durham County

This Contract Amendment is made and entered into this 8th day of December 2003, between Durham County, hereinafter referred to as County and Justice Benefits International (formerly Justice Benefits, Inc.) a subsidiary of Unificare, Ltd., hereinafter referred to as "Contractor".

WITNESSETH:

WHEREAS, the Parties have previously entered into an agreement dated the 14th day of January, 2002, to assist the County in obtaining eligible reimbursements through Federal Financial Participation including but not limited to Alien Assistance Programs (hereinafter the "Agreement"); and

WHEREAS, the term of the Agreement was for 2 years, expiring on January 14, 2004; and

WHEREAS, the County and Contractor now desire to amend the Agreement to extend the term of the agreement for an additional 2 years, provide for a not to exceed amount to be paid to Contractor for the additional term and require professional liability insurance of the Contractor while keeping in effect all terms and conditions of the Agreement as amended:

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements made herein, the parties agree as follows:

1. Section 2, Term of Contract shall be amended to provide for an additional term of 2 years, beginning on the date of this Amendment.
2. Section 3, is hereby amended in part to read:
"The intent of this Agreement is to compensate Contractor only for new revenues received by the County that are a direct result of Contractor's efforts. Contractor shall receive from County an amount equal to twenty-two percent (22%) of new or additional revenues actually received by the County that are a direct result of Contractor's efforts pursuant to this Agreement but in no event shall said compensation exceed Two Hundred Thousand Dollars (\$200,000) annually, as full compensation for the provision of services."
3. Section 5 shall be amended to include that Contractor shall, in addition to Workers Compensation, carry Errors and Omissions in the minimum amounts of \$250,000 per occurrence, %500,000 aggregate.
4. The following provision shall be added to the Contract:
"All Work and any documents prepared by the Contractor for or on account of this Contract, shall be the owned by the County, and the County shall have all common law, statutory and other reserved rights, including copyright."

5. Except for the changes made herein, the Agreement, as amended, shall remain in full force and effect to the extent not inconsistent with this Amendment. In the event that there is a conflict between the Agreement and this Amendment, this Amendment shall control.

The parties have expressed their agreement to these terms by causing this Amendment to be executed by their duly authorized officer or agent. This Amendment shall be effective as of the date first written above.

Justice Benefits International
A Business Unit of Unificare, Ltd.
Federal Identification Number 75-2795617
By: Unificare 1, Inc.
Its General Partner

DURHAM COUNTY

Consent Agenda 5(p): Policy on Payment of Impact Fees for Affordable Housing (approve the policy for the payment of the school impact fees for nonprofit organizations who provide affordable housing).

The resolution follows:

**RESOLUTION ESTABLISHING A PAYMENT POLICY
FOR SCHOOL IMPACT FEES ON AFFORDABLE HOUSING**

WHEREAS, the Board of Commissioners has previously adopted a school impact fee ordinance; and

WHEREAS, the Board of Commissioners has found that the support and encouragement of affordable renter and owner-occupied housing in the County of Durham is both necessary and expedient; and

WHEREAS, the expenditure of public funds for the support and encouragement of affordable housing is a proper public purpose; and

WHEREAS, this policy provides a uniform procedure for the determination of eligibility and payment of impact fees for nonprofit organizations providing affordable housing for renters and first-time homebuyers.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS FOR THE COUNTY OF DURHAM DO TH RESOLVE:

1. Payment of school impact fees by the County may be provided, subject to availability of funds, for organizations which meet the following eligibility criteria:
 - A. A 501(c)(3) nonprofit organization which develops Affordable Renter-Occupied Housing or Affordable Owner-Occupied

Housing.

- B. Affordable Owner-Occupied Housing is defined as housing developed with assistance from a government program for first-time homebuyers with family incomes at or below 80% of the HUD published area median income for the Durham, North Carolina MSA, which housing is offered for sale and sold for no more than \$130,000.
- C. Affordable Renter-Occupied Housing is defined as housing developed with assistance from a government program requiring it to be affordable to households at or below 60% of the HUD area median income for the Durham, North Carolina MSA.
- D. An organization requesting the County to pay school impact fees must certify in writing that the Affordable Owner-Occupied Housing or the Affordable Renter-Occupied Housing will remain affordable to the anticipated beneficiary or beneficiaries for a period of five (5) years.

2. The following procedure shall be used for requesting payment of impact fees by the County:

- A. An organization requesting impact fee payment by the County must anticipate needs for a given fiscal year and submit a request for payment at the time for submission of the County's annual budget, non-departmental funding request. Further, at no time should an organization presume impact fees will be paid by the County. Therefore, the cost of impact fees should be considered when developing housing development projects and should be included in all grant and loan applications. For FY '04, all requests must be submitted by January 31, 2004.
- B. A public hearing, in accordance with G.S. § 158-7.1, shall be held by the Board of Commissioners on all requests for payment.
- C. A written request for payment of the school impact fees shall be submitted to the Administrator of the School Impact Fee Program prior to the obtaining of the building permit. The request shall include all information necessary for a determination of eligibility, including a description of the anticipated beneficiary (the homeowner or renter), the estimated completion date, and the house selling price or rent to be charged, and the notice of award of the grant from the government program providing a subsidy to the developer or some other evidence satisfactory to the Administrator that the developer is using a government program which requires

the housing to be affordable.

- D. All funding is subject to availability of appropriated funds in the County's budget. If insufficient funds are available to pay a request which has been properly submitted and approved as provided above, the Administrator shall promptly notify the applicant of the unavailability of funding. Applications for funding shall not carry over from one fiscal year to the next.
- E. Upon the receipt of a request for payment of school impact fees by the Administrator as provided in paragraph "C", the Administrator, upon determining that the applicant is eligible for the payment of the impact fees, shall issue a voucher to the applicant indicating the payment of the fees. The Tax Collector, upon presentation of the voucher by the nonprofit organization, shall credit the fees to the applicant.
- F. The payment of school impact fees by the County shall be credited without the actual transfer of monies into the school impact fee fund; provided, that sufficient funds are being paid by the County to the Schools or for the benefit of the Schools through other funding sources for additional school capacity which is in an amount equal to or greater than the total amount of school impact fees paid by the County for affordable housing under this policy for the current fiscal year. These other funding sources shall include any funds for additional school capacity in the current County budget for schools and funds for the payment of bonds issued after the adoption of the Impact Fee Ordinance for additional school capacity.
- G. The nonprofit organization shall be and remain responsible for ensuring that the school impact fees are paid or that a voucher is delivered to the Tax Collector for the school impact fees.

- 3. This policy shall be effective on and after January 1, 2004.

This the 8th day of December, 2003.

Consent Agenda Items Removed for Discussion

Consent Agenda 7(a): Property Tax Releases and Refunds for Fiscal Year 2003-04 (accept the November property tax release and refund report as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report).

Before Tax Administrator Kenneth Joyner, began his report, he retracted the incorrect statement he made at the previous meeting that the "release and refund report does not

account for bills that are rebilled in the system". To clarify, Mr. Joyner stated that the report given to the Board of County Commissioners *does* reflect the net reduction in the levy for each month. Several months have significantly higher totals, October being one of those months. Consequently, the October report was over \$600,000 and November only \$42,000. The netting of the bills is done prior to the report.

Chairman Reckhow asked for further clarification on what is being netted.

Mr. Joyner explained that if a motor vehicle bill must be prorated (for example—the owner sold the vehicle six months after renewing the registration), the first bill is released and a second is generated. The difference in the two bills is the amount reported to the Board.

Vice-Chairman Bowser questioned what happens if an individual surrenders his license plate during the current year but keeps his vehicle.

Mr. Joyner responded that the person is required to pay property taxes in that current year, provided there is no bill of sale. However, with a bill of sale, a bill is not released. If property is unlicensed on January 1, the citizen is still required to list the property on the listing form. If a tag is placed on a vehicle later in the year, the January 1 bill will be the effective bill, and a second bill will be released.

Commissioner Heron asked Mr. Joyner how Tax Administration knows if a citizen owns an unlicensed vehicle.

Mr. Joyner replied that in most cases, Tax Administration depends on the honesty of the taxpayers. Audits are conducted for business personal property but not for household personal property.

Chairman Reckhow asked Mr. Joyner to explain the tax listing forms.

Mr. Joyner explained that during the month of January, North Carolina taxpayers are required to list personal taxable property, including unlicensed motor vehicles, boats, mobile homes, airplanes, jet skis, and all-terrain vehicles. Taxpayers are also required to list real estate improvements. The tax listing form has instructions for senior citizens and the disabled with incomes less than \$18,800; however, all persons in this category are eligible for a property tax reduction. Businesses are required to list tangible property during January or to request an extension until March 15. The listing form includes contact numbers for further information.

Mr. Joyner announced that for the second year, Tax Administration is offering online listing for businesses. As an additional service, Tax Administration is offering training to encourage utilization. Training will comprise three to four sessions (two or three during the day and one at night) to be held in the Commissioners' Chambers.

Chairman Reckhow encouraged Mr. Joyner to collaborate with Deborah Craig-Ray, Public Information/Governmental Affairs Director, to prepare a press release on the mailing of tax listing forms and training sessions for online listing.

Vice-Chairman Bowser moved, seconded by Commissioner Jacobs, to approve consent agenda item No. 7(a) (accept the property tax release and refund report as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report).

The motion carried unanimously.

The report follows:

Due to property valuation adjustments for over assessments, listing discrepancies, duplicate listings, and clerical errors, etc., the report details releases and refunds for the month of November 2003.

Releases & Refunds for 2003 Taxes:

Real	\$	10,212.10
Personal	\$	7,761.09
Registered Vehicles	\$	23,849.64
Vehicle Fees	\$	295.00
Solid Waste Fees	\$	<u>195.00</u>
Total for 2003 Taxes and Fees	\$	42,312.83

Prior years (1993-2002) releases and refunds for November 2003 are in the amount of \$7,401.76.

Total current year and prior year releases and refunds amount to \$49,714.59.

(Recorded in Appendix A in the Permanent Supplement of the December 8, 2003 Regular Session Minutes of the Board.)

Consent Agenda 7(f): Budget Ordinance Amendment No. 04BCC000034—Public Health (approve the budget ordinance amendment to recognize \$1,000 from the American Lung Association for the Smoking Cessation Project).

Commissioner Heron and Vice-Chairman Bower inquired about the target population in Durham Public Schools for the Smoking Cessation Project.

Gayle Harris, Assistant Local Health Director, was the speaker for this item. She responded that the project's main focus is on middle and high school students already engaged in smoking. A separate grant focuses on smoking prevention for the entire school system. Ms. Harris volunteered to speak with the program manager about which schools will be targets for this project.

Commissioner Heron expressed concerns about the actual impact of this project on students.

Ms. Harris shared Commissioner Heron's concerns, however, explained that a \$1,000 grant limits the depth of the evaluation.

Vice-Chairman Bowser commended the project for its wide focus throughout the schools.

Commissioner Jacobs moved, seconded by Commissioner Heron, to approve consent agenda item No. 7(f) (recognize \$1,000 from the American Lung Association for the Smoking Cessation Project).

The motion carried unanimously.

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000034

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Public Health.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,295,861	\$1,000		\$298,296,861
<u>Expenditures</u>				
Human Services	\$357,618,362	\$1,000		\$357,619,362

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

This the 8th day of December, 2003.

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

Consent Agenda 7(h): Budget Ordinance Amendment No. 04BCC000036—Public Health (approve the budget ordinance amendment to recognize \$110,360 from the Department of Health and Human Services for the Pharmacist I position and for operational support for the PHRST IV; continuation of the Pharmacist I position is contingent upon continued grant funding).

Funds will be expended as follows:

- Establish Pharmacist I position enabling expansion of the PHRST IV providing assistance in the improvement and refinement of the state and local Strategic National Stockpile plan development and enhance regional pharmacy capacity. (\$75,886 Pharmacist I salary, \$9,000 training and operational travel over ten-county region)
- Miscellaneous Supplies of \$15,474 will be utilized to create a limited medication resource for the ten-county region. Plans are under development to house the medications at specific hospitals in order for stock to be rotated allowing public health access to necessary medications in the event of a bioterrorism event or public health disaster.

The additional amount of \$10,000 will be added to the Contract Services line. This amount will be used to supplement necessary spending for training and travel of contract staff of the PHRST IV. Contract staff consists of UNC Physician Epidemiologist and Disease Intervention Specialist.

Commissioner Heron removed this item due to concerns of how bioterrorism money is being used to protect Durham citizens. She suggested to the County Manager that a report on related budget amendments be brought back to the Board to explain utilization and results.

Vice-Chairman Bowser questioned whether Durham County citizens are protected under this ordinance given that it has a regional focus. He also inquired about the location of supplies.

Pam Weaver, Local Health Administrator, explained that the \$110,360 budget amendment is directed to the surveillance regional team to cover the full-time pharmacist to work with the state pharmacist in a bioterrorism event where supplies must be disseminated over four North Carolina sites. The \$165,084 budget amendment in consent agenda item No. 7(i) is new monies from the state and homeland security directed to local public health preparedness.

Commissioner Jacobs moved, seconded by Commissioner Heron, to approve consent agenda item No. 7(h) (recognize \$110,360 from the Department of Health and Human Services for the Pharmacist I position and for operational support for the PHRST IV).

The motion carried unanimously.

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000036

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Public Health.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,320,071	\$110,360		\$298,430,431
<u>Expenditures</u>				
Human Services	\$357,642,572	\$110,360		\$357,752,932

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

This the 8th day of December, 2003.

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

Consent Agenda 7(i): Budget Ordinance Amendment No. 04BCC000037—Public Health (approve the budget ordinance amendment to recognize \$165,084 from the Department of Health and Human Services for the Public Health Nurse Supervisor I position and the Office Assistant IV position to support the Local Public Health Preparedness Team; continuation of the positions is contingent upon continued grant funding).

Vice-Chairman Bowser expressed concerns about substantial funding allocated to supplies for two temporary positions.

Ms. Weaver clarified that the monies will purchase supplies for four positions: lead nurse, management support, 60-percent pharmacist, and a vacant nursing position in environmental health. All four positions are covered under this grant with the exception of the vacant nurse position.

Vice-Chairman Bowser inquired about specifics of the medications to be distributed in emergencies caused by bioterrorism, infectious disease outbreaks, and various public health threats.

Ms. Weaver gave examples of immunization medications.

Commissioner Jacobs, liaison for the Public Health Board, suggested that health department staff and the Commissioners hold a meeting to discuss details of Local Public Health Preparedness.

Chairman Reckhow agreed and offered to work with Commissioner Jacobs to set up the meeting.

Commissioner Heron expressed gratitude for Commissioner Jacobs' suggestion.

Commissioner Jacobs moved, seconded by Commissioner Heron, to approve consent agenda item No. 7(i) (recognize \$165,084 from the Department of Health and Human Services for the Public Health Nurse Supervisor I position and the Office Assistant IV position to support the Local Public Health Preparedness Team).

The motion carried unanimously.

The Budget Ordinance Amendment follows:

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000037

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments for Public Health.

GENERAL FUND

	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
<u>Revenues</u>				
Intergovernmental	\$298,430,431	\$165,084		\$298,595,515
<u>Expenditures</u>				
Human Services	\$357,752,932	\$165,084		\$357,918,016

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

This the 8th day of December, 2003.

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

Consent Agenda 7(1): ATM Lease (approve the lease with the State Employees Credit Union to place an ATM at the entrance to the Courthouse on Main Street and authorize the County Manager to execute the required documents).

Vice-Chairman Bowser inquired about the recipient of the funds for the lease (\$600 annually).

George K. Quick, Finance Director, informed the Board that this item pertains to the relocation of an existing ATM. The County will continue to receive the funds (deposited into the general fund).

Vice-Chairman Bowser moved, seconded by Commissioner Cousin, to approve consent agenda item No. 7(l) (approve the lease and authorize the County Manager to execute the required documents).

The motion carried unanimously.

Consent Agenda 7(n): Reimbursement Resolution for Public Schools (approve the resolution in order for the Durham Public Schools to begin the design and other preliminary matters for its projects prior to the issuance of the school bonds).

Vice-Chairman Bowser asked County Attorney Chuck Kitchen whether bond money could be expended before the bond is sold.

Mr. Kitchen responded affirmatively to Vice-Chairman Bowser's question.

Vice-Chairman Bowser moved, seconded by Commissioner Heron, to approve consent agenda item No. 7(n) (approve the resolution in order for the Durham Public Schools to begin the design and other preliminary matters for their projects prior to the issuance of the school bonds).

The motion carried unanimously.

The resolution follows:

**RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE COUNTY
OF DURHAM, NORTH CAROLINA, DECLARING ITS INTENTION TO
REIMBURSE SAID COUNTY FROM THE PROCEEDS OF ONE OR MORE
TAX-EXEMPT FINANCINGS FOR CERTAIN EXPENDITURES IN
CONNECTION WITH CERTAIN SCHOOL FACILITIES**

WHEREAS, the County of Durham, North Carolina (the "County"), is a political subdivision organized and existing under the laws of the State of North Carolina; and

WHEREAS, the County or The Durham Public Schools Board of Education (the "Board of Education") has paid, beginning no earlier than October 12, 2003, and will pay, on and after the date hereof, certain expenditures in connection with erecting

additional school buildings and other school plant facilities, remodeling, enlarging and reconstructing existing school buildings and other school plant facilities and acquiring any necessary land, furnishings and equipment therefore, in order to provide additional school facilities in said County to maintain the school term as required by Section 2 of Article IX of the Constitution (collectively the "Project"); and

WHEREAS, the Board of Commissioners for the County (the "Board") has determined that certain moneys of the County previously advanced no earlier than October 12, 2003 and to be advanced on and after the date hereof by the County or the Board of Education to pay such expenditures (the "Expenditures") are available only for a temporary period and it is and will be necessary to reimburse the County for the Expenditures from the proceeds of one or more tax-exempt financings in the form of one or more issues of general obligation School Bonds of the County that were approved at the referendum thereon on November 4, 2003 (collectively the "Tax-exempt Financings");

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Board hereby declares the County's intent to reimburse the County with the proceeds of the Tax-exempt Financings for the Expenditures made on and after October 12, 2003, which date is no more than 60 days prior to the date hereof. The County reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Tax-exempt Financings.

Section 2. Each Expenditure was or will be (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Tax-exempt

Financings, (c) a nonrecurring item that is not customarily payable from current revenues or (d) a grant to a party that is not related to or an agent of the County or the Board of Education so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the County or the Board of Education.

Section 3. The maximum principal amount of the Tax-exempt Financings expected to be entered into with respect to the Project is \$105,315,000.

Section 4. The County will make a reimbursement allocation, which is a written allocation by the County that evidences the County's use of proceeds of the Tax-exempt Financings to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The County recognizes that exceptions are available for certain preliminary expenditures, costs of issuance, certain de minimis amounts, expenditures by small issuers (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least five years.

Section 5. This resolution shall take effect immediately upon its passage.

Consent Agenda 7(q): Living Wage Policy (approve the Living Wage Policy).

Chairman Reckhow recognized the following six speakers and set the time limit at two minutes each:

Reverend Mary Grigolia, 4912 Pine Cone Drive, Durham 27707

Angelina Achiavone, 4800 University Drive, Apt 16B, Durham 27707

Amassa Fauntleroy, 107 Graduate Court, Durham 27713

Laura Grattan, 818 Clarendon Street, Apt C, Durham 27705

Nykia Elvy, 3107 Adell Way, Durham 27703

Thomas Sheppard, 1419 Sedgefield Street, Durham 27705

Each person spoke in support of the living wage policy.

Chairman Reckhow thanked and commended DurhamCAN for its work on the living wage policy and childcare subsidy issues. In relation to childcare subsidy, she announced that the Board will be meeting with the local delegation on December 11, 2003 at 8:30 a.m. in the Commissioners' Chambers.

Vice-Chairman Bowser moved, seconded by Commissioner Jacobs, to approve consent agenda item No. 7(q) (approve the Living Wage policy).

The motion carried unanimously.

Chairman Reckhow announced a public hearing to be held during the January 12, 2004 Board of County Commissioners' Regular Session to allow for-profit vendors to speak on the potential impact of a living wage on their business.

The policy follows:

**RESOLUTION ADOPTING A POLICY
ON PAYING A LIVING WAGE**

WHEREAS, it is in the interest of the health and welfare of all citizens of the County of Durham that workers be paid a wage which enables them to live above the poverty level; and

WHEREAS, the County enters into many contracts with companies for provision of services to the county government; and

WHEREAS, the County has the authority to enter into contracts pursuant to G.S. §§ 153A-11 and 153A-13; and

WHEREAS, the Board of Commissioners has the authority to direct the provisions contained in the County's contracts pursuant to G.S. § 153A-12; and

WHEREAS, the County desires to ensure that its employees continue to live above the poverty level; and

WHEREAS, pursuant to G.S. § 153A-92, the Board of Commissioners has the obligation and authority to adopt general policies regarding the compensation to be paid to County employees.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS FOR THE COUNTY OF DURHAM DO TH RESOLVE:

1. Living Wage Policy.

It is the policy of the County of Durham that persons working full-time for the County be paid a living wage, including medical insurance.

2. Payment of Minimum Compensation to Employees.

- a. A minimum wage shall be paid to all full-time employees of the County at a rate of not less than seven and one-half percent (7.5%) above the poverty level, as defined by the Bureau of Census, for a family of four. This rate shall be determined by annualizing the hourly rate paid to full-time employees if such employees were working a forty-hour work week.
- b. The County Manager shall calculate or cause to be calculated the minimum wage rate for employees on a yearly basis and shall make such adjustments in the County's pay plan to ensure the minimum wage rate as stated herein is paid to all full-time employees.
- c. This minimum wage rate to be paid by the County of Durham shall not apply to full-time or part-time volunteers, or others who are not paid a wage by the County.
- d. This minimum wage rate shall be applied to all contracts with temporary agencies for personnel.
- e. This minimum wage rate to be paid by the County of Durham shall not apply to full-time or part-time students who are working for the County in positions designed to further the students' education.

3. Service Contracts.

- a. The County Manager shall cause to be included in all service contracts to which this policy applies a provision requiring that the contractor furnish a copy of the contractor's payroll on at least a quarterly basis showing the wages paid to the contractor's employees who perform work under the contract for the County's benefit.
- b. The following service contracts shall be exempted from the operation of this resolution:
 - i. Contracts subject to Federal or State Laws or Grants which provide for a payment to the lowest bidder, provide for a particular rate of payment for services, or provide for payment by the unit of service.
 - ii. Contracts between the County and another unit of government.

iii. Any contract exempted by action of the County Manager when requested to do so by the Department Head of the department administering the contract when it is determined that compliance with this policy will result in the loss of an essential service to the County due to the refusal of the contractor to agree to pay the living wage or otherwise comply with the terms of this policy.

4. Effective Date.

This policy shall be effective on and after July 1, 2004.

This the 8th day of December 2004.

Consent Agenda 7(r): Modify Board's Motion to Move Forward With the Acquisition of the YMCA for the Head Start Population (modify the original motion on July 28, 2003 from "obtaining the property in fee" to acquiring the property and operating the playground on the corner of Seminary Street and Rigsbee Avenue with a License Agreement from the City of Durham. If the County desires to obtain the property in fee, the County will petition the City for a fee position after the acquisition of the YMCA property is completed).

Commissioner Heron expressed her concern about ownership of the property.

Deputy County Manager Wendell M. Davis referenced the following portion of the agenda action form in response to Commissioner Heron's concern:

After discussing the matter with the City, staff discovered that obtaining the property in fee from the City would require a partial street closing which is a 90-day process. In order to move forward with the acquisition, staff is recommending that the Board change its motion from acquiring the playground property in fee to acquiring the property and operating under a license agreement synonymous to the license agreement between the YMCA and the City of Durham. The City Manager and the City's Public Works Director has agreed that if the County remains interested in fee ownership for the playground, we could petition for a partial street closing once the acquisition is completed.

Mr. Davis added that the City agreed to give the County up to six months after acquiring the property to file a petition if the County is interested in obtaining the property in fee.

Commissioner Heron requested a signed letter from the City stating the six months extension.

Mr. Davis suggested that the County move forward to acquire the property and operate under the license agreement. Once the acquisition is secure, then the County can obtain the property in fee.

County Attorney Chuck Kitchen echoed Mr. Davis' suggestion.

Commissioner Heron voiced her opinion that the County is procrastinating on this item.

Mr. Davis explained that the property is still undergoing the subdivision process.

Commissioner Jacobs moved, seconded by Commissioner Cousin, to approve consent agenda item No. 7(r) and move forward with the acquisition of the YMCA for the Head Start population.

The motion carried unanimously.

Chairman Reckhow announced that the position of the Board is a projected opening date of August 2004. She informed the Board that she had spoken with County Manager Ruffin, suggesting monthly progress updates concerning each capital improvement project.

Public Hearing—Amendments to the 2000-2005 Durham Consolidated Plan and FY 2001-2002, 2002–2003, and 2003–2004 Consolidated Action Plans

The City Department of Housing and Community Development requested that the Board of County Commissioners hold a public hearing to receive comments regarding an amendment to the 2003-2004 Consolidated Action Plan. The purpose of the public hearing was to receive citizen comments on how City-County HOME Consortium funds can be used to address housing needs in Durham.

The Director of Housing and Community Development reviewed this request and recommended that the Board of County Commissioners hold the amendments public hearing for the 2000-2005 Durham Consolidated Plan and FY 2001-2002, 2002–2003, and 2003–2004 Consolidated Action Plans.

Resource Person(s): Charlene Montford, Director, Department of Housing & Community Development, City of Durham

County Manager's Recommendation: The County Manager recommended that the Board hear amendments to the 2000-2005 Durham Consolidated Plan and hold the FY 2001-2002, 2002-2003, and 2003-2004 Consolidated Action Plans public hearings to receive citizen comments.

Shannon Pittman was the spokesperson for this item. Before presenting the amendments, she read Ms. Montford's memo to the County Manager as follows:

The Citizen Participation Plan contained in the adopted Durham 2000-2005 Consolidated Plan requires that a public hearing be conducted for all formal amendments that add, delete or substantially change the

Consolidated Plan according to the Federal Register (91.505). In addition the Citizen Participation Plan requires that a minimum of 30 days be given to the public for review of the changes (as shown in Attachment A and B) and an opportunity to make comments. Following the public hearing and City Council approval, the Amendments to the Durham Consolidated Plan and Annual Action Plans will be forwarded to the U. S. Department of Housing and Urban Development (HUD) and will be incorporated into the currently adopted Plans.

The Durham 2000-2005 Consolidated Plan was prepared by Freeman Consulting, Inc. and approved by HUD in July 2000. The purpose of the five-year Consolidated Plan is to establish a unified vision for community development efforts in Durham during the specified time period. The Consolidated Plan also serves as Durham's official application to HUD for CDBG and HOME Consortium funding. Freeman Consulting, Inc. utilized a number of Durham related studies, plans and reports along with citizen participation to prepare the Durham 2000-2005 Consolidated Plan.

In recent months, HUD notified the Department of Housing and Community Development that upon review of the Consolidated Plan, several of the projected housing activities contained in the Plan 1) do not have five year goals; or 2) do not have goals that can be realistically achieved by the end of the five-year period (June 30, 2005). Therefore, HUD strongly recommends, that Housing staff amend the Durham 2000-2005 Consolidated Plan to correct the deficiencies of the Plan stated above. In addition, each year the City of Durham submits a detailed Annual Action Plan to HUD to show the proposed expenditure of CDBG and HOME funds for the upcoming program year. During FY 2001-2002, 2002-2003, and 2003-2004, this time, several CDBG and HOME activities and projects (as shown in Attachment B) have changed and therefore amendments to the approved Annual Action Plans are needed to formalize these changes.

In addition, each year the City of Durham submits a detailed Annual Action Plan to HUD to show the proposed expenditure of CDBG and HOME funds for the upcoming program year. During FY 2001-2002, 2002-2003, and 2003-2004, this time, several CDBG and HOME activities and projects (as shown in Attachment B) have changed and therefore amendments to the approved Annual Action Plans are needed to formalize these changes.

Once HUD approves a Consolidated Plan/Consolidated Action Plan for a participating jurisdiction, the jurisdiction is then held responsible for carrying out the activities contained in the Plan in a timely manner. In order to change an activity or time schedule, the participating jurisdiction

must amend its Consolidated Plan/Action Plan according to its adopted Citizen Participation Plan in order to meet HUD compliance requirements.

The adopted Citizen Participation Plan requires that a minimum of 30 days be given to the public for review of the changes to the Consolidated Plan and Annual Action Plans (as shown in Attachments A and B) and an opportunity to make comments. In order to inform citizens of the public hearing, notices containing the proposed Amendments to the Consolidated Plan and Annual Action Plans will be published in the Herald-Sun, News and Observer, Carolina Times and the Carolina Tribune.

The amended activities contained in the Consolidated Plan and Annual Action Plans will be funded with Community Development Block Grant (CDBG) and HOME funds as shown in Attachments A and B.

The Department of Housing and Community Development recommends that the County Commissioners set the date for the public hearing on the proposed Amendments to the 2000-2005 Durham Consolidated Plan and the FY 2001-2002, 2002-2003 and 2003-2004 Consolidated Action Plans to be held on December 8, 2003.

Each Commissioner asked questions and expressed concerns about the reprogramming of activities.

Chairman Reckhow opened and closed the public hearing since no one signed up to speak.

Vice-Chairman Bowser requested that the Department of Housing provide a written explanation about denial of his request for financial assistance for the Head Start project at the YMCA.

Chairman Reckhow advised Ms. Pittman to work with Deputy County Manager Wendell Davis to determine if the County is eligible to receive funding for the YMCA renovation project and report the findings at the January 12, 2004 Regular Session.

The second public hearing will be held in January 2004.

A Report on the City and County of Durham New Housing Purchase Program Guidelines

The City of Durham Department of Housing and Community Development (DHCD) requested that the Board of County Commissioners approve the New City and County Housing Purchase Program Guidelines.

On October 20, 2003, Durham City Council members approved five new Housing Purchase Programs for FY 2003-2004 for sworn officers of the Durham Police Department, Durham County Sheriff's Department, Durham City and County Employees, Durham Public Schools Teachers and Teacher Aides, and Durham Firefighters. The Durham Police and Durham County Sheriff program objectives are to solicit city and county residency of sworn police officers and deputy sheriffs to deter crime, increase community safety, and promote residency in the city, and to increase the recruitment of teachers, firefighters, and employees to the City and County of Durham.

Meetings and conversations with Durham Police Department, Sheriff's Department, Durham Public Schools, Fire Department, and City and County Official representatives revealed a need to offer purchase incentive programs to new and existing police officers, deputy sheriffs, firefighters, teachers and teacher assistants, and City and County employees for recruitment purposes and to promote residency in the Durham Community. HOME and Bond funds are allocated for these programs and are ready for expenditure.

The County's Legal Department reviewed the program guidelines before the December 8, 2003 Regular Session.

Resource Person(s): Charlene Montford, Juanita Massenburg

County Manager's Recommendation: The County Manager recommended that the Board receive the presentation and approve the new City and County Housing Purchase Program Guidelines.

Chairman Reckhow expressed delight that this item was on the agenda.

Juanita Massenburg, Program Manager, presented the mortgage loan guidelines to the Board.

The Commissioners asked questions about the housing program guidelines.

Chairman Reckhow reiterated her appreciation for this program, suggesting that Ms. Massenburg collaborate with Deborah Craig-Ray to post announcements on the County website and send via email.

Commissioner Jacobs moved, seconded by Commissioner Cousin, to approve the new City and County Housing Purchase Program Guidelines.

The motion carried unanimously.

Future DACCA Location at the Child Care Resource Center

Durham's Alliance for Child Care Access (DACCA) is collaboration between the Department of Social Services, Child Care Services Association (CCSA), Durham's Partnership for Children (DPfC), and Operation Breakthrough, currently located in leased office space at the Mechanics & Farmers' Corporate Center on Chapel Hill Boulevard. CCSA is seeking to support further this alliance by permanently housing DACCA under one roof and creating a one-stop center for parents in need of early childhood services in Durham. CCSA's ownership of a new facility will lower the operating costs for all three agencies, provide more efficient, useable space, and allow additional funds to be distributed to needy community residents.

Last December, CCSA purchased property in east Durham adjacent to the Employment Security Commission and near Durham Technical Community College, two facilities used by the majority of our clients. This 4.57-acre site will be the home of the new "Child Care Resource Center" (CCRC) to enable all three agencies to deliver more comprehensive assistance and better service delivery for Durham County. In January 2004, CCSA, as part of its 30th anniversary celebration, plans to launch a \$2.4 million capital campaign to build a facility to house CCSA, DACCA, and DPfC. To facilitate the start of the design and construction process, CCSA is requesting that both DPfC and DSS execute lease agreements before December 31, 2003. The Board of Directors for both organizations recently approved the relocation to CCRC.

Very favorable leasing terms at CCRC will permit DACCA to lower its annual operating costs as compared to the relocation to the planned Human Services Complex. The proposed inclusion of DACCA in this space would be via fixed 20-year lease of \$12.50 per square foot. This lease rate will be for the duration of the building mortgage only, and will be reduced to annual operating expense levels once the mortgage is closed. The more money raised during the CCSA capital campaign, the earlier the mortgage can be retired. The annual cost for this fixed-year lease is estimated at \$125,000. The current lease (with annual increases) averages \$174,342 per year. DACCA's estimate of the cost for comparable space in the planned Human Services Complex would be \$163,000 per year; therefore, the County will save nearly \$1 million over 20 years to relocate to space at the CCRC compared to the current lease. DSS should also receive a higher reimbursement for rent that is at or below market value than for the amount received for depreciating a new building.

The County Finance Department has analyzed the cost of constructing the square footage needed for DACCA as a part of the Human Service Complex.

Resource Person(s): Dan Hudgins, DSS Director; Sue Russell, President, Child Care Services Association; and Joe Bloomer, Vice President, Operations, Child Care Services Association

County Manager's Recommendation: The County Manager recommended that the Board accept the report and authorize approval to move forward to contract with CCSA for a 20-year lease agreement in the new Child Care Resource Center.

Deputy County Manager Wendell Davis gave an introduction and recognized Dan Hudgins, Sue Russell, and Joe Bloomer to speak on this item.

Mr. Hudgins addressed questions from the Commissioners concerning the decision to continue childcare functions in a location other than the planned Human Services Complex.

Vice-Chairman Bowser expressed concerns about costs of the current and proposed leases.

Chairman Reckhow clarified the County Manager's recommendation.

Commissioner Cousin moved, seconded by Commissioner Jacobs, to authorize approval to move forward to contract with CCSA for a 20-year lease agreement in the new Child Care Resource Center.

Commissioner Heron recommended further discussion before voting on the item. She inquired about the cost of the land and building and voiced her concerns about the proposed lease.

Mr. Hudgins responded to Commissioner Heron's inquiries and concerns.

Commissioner Heron further expressed concerns about the location of the Child Care Resource Center. She questioned the logic of building the center near Durham Technical Community College as opposed to a Main Street location near other child care facilities. She suggested that the County renovate the eligibility building located downtown for CCSA to rent for their services.

Mr. Hudgins explained that the location of the center is targeted towards a distinct population. A majority of families receiving child care subsidies are employed and have access to private or public transportation. Currently, two bus routes service the Durham Tech area; only one serves the downtown area. Customer satisfaction has increased since relocating from Duke Street to Chapel Hill Blvd. Additionally, the location of DACCA near the Employment Security Commission will be convenient for providers, who often use both services. Mr. Hudgins stated that the east Durham location near Durham Tech and Employment Security Commission is in the best interest of CCSA.

Chairman Reckhow asked Mr. Hudgins to respond to Commissioner Heron's suggestion in regards to the eligibility building.

Mr. Hudgins responded that the building has only 14,000 square feet, which 25,000 square feet is needed to support all programs.

Vice-Chairman Bowser inquired about the reduction of the Human Services Complex by 10,000 square feet.

Wendell M. Davis, Deputy County Manager, responded that in the subsequent proposal, the Human Services Complex will reflect the 10,000-square-foot reduction, for a monetary reduction of \$3,260,000 (\$163,000 per year for 20 years).

Chairman Reckhow and Vice-Chairman Bowser reviewed the letter from Senator John Edwards pertaining to childcare subsidies.

Chairman Reckhow reiterated the purpose of the Child Care Resource Center.

Glen Whisler, County Engineer, mentioned the County's building cost of \$165 per square foot to build the Center downtown, which was the cost in the CIP estimates for the Human Services Complex. The cost does not include parking; whereas, the cost to build the Center on Briggs Avenue near Durham Tech is \$110 per square foot with available parking at no additional cost.

Commissioner Jacobs inquired about the County's savings with a 10-year lease in lieu of a 20-year lease.

Sue Russell, President, CCSA, responded that their goal is to provide a cost-efficient building with adequate space. CCSA has no intention of generating profit.

Commissioner Jacobs inquired about the clientele and voiced her support for this item.

Commissioner Cousin stated, for the record, that his premature motion did not preclude further discussion.

Commissioner Bowser expressed concern about the County's building cost versus CCSA's building cost.

Chairman Reckhow explained that the CCSA building is proposed to be one-story due to the spacious site. The proposed County building is planned to be multi-story due to limited space downtown, requiring elevators and other expensive electronics for operation.

Commissioner Heron gave additional reasons why she would not support this item.

Commissioner Cousin moved to amend the motion, seconded by Commissioner Jacobs, to approve in concept a ten-year lease agreement, with the understanding that the contract be resubmitted to the Board.

The motion carried with the following vote:

Ayes: Cousin, Jacobs, and Reckhow

Noes: Bowser, Heron

Pay-for-Performance Enhancement

The Pay-for-Performance program has been established to provide a systematic way to reward employees based on job performance and to provide recognition for high quality performance. The program is also designed to provide an incentive for improving performance and productivity and to maintain a high level of employee performance and morale.

In 2002, the Pay-for-Performance program, which proved to be very unpopular with most employees, granted a \$1000, one-time lump sum bonus to employees who received a performance rating of Exceeds Expectations in all high-priority workplan objectives. Three hundred of the seventeen hundred employees evaluated, qualified for the bonus. That program officially ended on December 31, 2002.

The current Pay-for-Performance program that began in January 2003 grants all employees a five percent pay adjustment for "Meets Expectations" performance. This program officially ends on December 31, 2003. In response to a request to design a new plan which awards an increase for both Meets Expectations and Exceeds Expectations performance, input from employees, other jurisdictions, and the latest trends was garnered, the results of which were reviewed and discussed during the December 1 Worksession. Board feedback from the December 1 Worksession was helpful in developing the department's final recommendation.

Working within the available funds, Human Resources recommends that the County provide a 3.25-percent pay increase for Meets Expectation performance and a 4.25-percent increase for Exceeds Expectation performance.

Resource Person(s): Elaine Hyman, Human Resources Manager; Tony Noel, Acting Human Resources Director

County Manager's Recommendation: The County Manager recommended that the BOCC approve the pay-for-performance enhancement that provides a 3.25-percent pay increase for "meets expectation" performance and an additional 1-percent increase for "exceeds expectation" performance.

County Manager Mike Ruffin recognized an error in the "Pay-for-Performance Enhancement" handout and supplied the Board with a replacement.

Tony Noel discussed the Pay-for-Performance program.

Commissioners Heron and Jacobs requested clarification pertaining to the handout.

Chairman Reckhow inquired about the number of employees covered in the annualized cost. She requested that detailed information be submitted to the Board in the future.

Vice-Chairman Bowser asked whether any County employees are excluded from the program.

Mr. Noel responded that Commissioners, elected officials, and individuals appointed by the Commissioners will not qualify for the program.

Commissioner Jacobs commented on the cost.

Elaine Hyman presented the appeal procedure.

Chairman Reckhow suggested that the Board vote on the Pay-for-Performance Enhancement and postpone appeal procedure discussion until the January 5, 2004 Worksession.

Commissioner Jacobs raised a question about the review panel representatives. She commended Human Resources for producing the draft within a short time frame.

Vice-Chairman suggested that two individuals without supervisory responsibilities be appointed to the review panel to ensure fairness.

Commissioner Heron asked questions about the procedure.

Vice-Chairman Bowser reviewed a list of department head salary increases for FY 2003-2004. He expressed disappointment in the inequity of raises between department heads and "common" workers.

Mr. Ruffin explained that many department heads received an increase greater than 5 percent due to a market adjustment.

Commissioner Heron inquired about the counties included in the benchmark studies.

Commissioner Jacobs moved, seconded by Commissioner Cousin, to approve the County Manager's recommendation and bring back the pay-for-performance administrative procedure to the January 5, 2004 Worksession.

The motion carried unanimously.

Commissioner Heron moved, seconded by Commissioner Cousin, to extend the meeting to 11:30 p.m.

The motion carried unanimously

Closed Session

Commissioner Jacobs moved, seconded by Commissioner Heron, to adjourn to closed session to discuss the location of industry in Durham County pursuant to G.S. § 143-318.11(a)(4).

The motion carried unanimously.

The Commissioners adjourned to Closed Session at 10:45 p.m.

Reconvene to Open Session

The Board of County Commissioners returned to Open Session. Chairman Reckhow declared that no action was taken by the Board in the Closed Session.

Adjournment

There being no further business, the meeting was adjourned at 11:28 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board