



Date: November 18, 2013

To: Thomas J. Bonfield, City Manager

Through: W. Bowman “Bo” Ferguson, Deputy City Manager

From: Rhonda B. Parker, Director, Parks and Recreation

Subject: Amendment #3 to the Interlocal Agreement between the City of Durham and the Durham Public School Board of Education for the Joint Renovation and Use of the Holton School.

Executive Summary

Since July 2006, staff from the City Manager’s Office, Department of Parks and Recreation (DPR), the City Attorney’s Office, and the General Services Department (GSD) worked with staff from Durham Public Schools (DPS) to develop an Interlocal Agreement (Agreement) between the City and DPS. This Agreement addresses the renovation of the former Holton School as well as the subsequent use, operation, maintenance, and management of the facility. The Agreement also defines the rights and responsibilities of both parties for construction costs, repair costs, indemnification, and liability. The Agreement was executed in August 2007 and has been amended twice in June 2009. This amendment clarifies the role of the Board serving as the “Management Contractor” as well as clarifying the sharing of costs associated with security, custodial, repair and maintenance of the facility.

Recommendation

Staff recommends that the City Council authorize the City Manager to amend the Interlocal Agreement between the City of Durham and the Durham Public School Board of Education for the Joint Renovation and Use of the Holton School to formalize efficient operations, repair and maintenance of the Holton School.

Background

Since November 2004, staff from the City of Durham and Durham Public Schools worked collectively to establish the renovation costs and usage of the Holton School. That process culminated on March 5, 2007 when the City Council approved the “Interlocal Agreement between the City of Durham and Durham Public Schools Board of Education for the Renovation and Use of the Holton School.” The City Council authorized execution of the Agreement and also authorized the City Manager to make changes to the Agreement such that the amount of money provided by the City is not increased. Durham Public Schools is the owner of the former Holton School, and upon completion of the renovations, will occupy the first and third floor of the facility to provide vocational training to students enrolled in the Durham Public School System. By way of the Agreement, the City has agreed to a 40-year lease term at Holton School and will implement Parks and Recreation programming on the second floor of the facility. Duke University Health Center will occupy a 2,600 square foot space on the first floor to operate a Wellness Center. Duke will be a sub lessee of the City.

Issues/Analysis

While the agreed upon changes do not increase costs for the City, staff would like to document these changes with the elected bodies. The Holton Career and Resource Center committee has endeavored to hire a 3rd party “Management Contractor” for the facility on several occasions. For the past five years the Board has served in the capacity of the “Management Contractor” as defined in the original agreement. This role includes coordinating the parties’ moves into or out of the Holton School, arranging custodial duties, front desk coverage, repairs, management of utilities, maintenance of both the interior and exterior, landscaping, general management, and for keeping the Master Calendar for use of the building areas.

In addition, this amendment codifies the role currently played by the Board in scheduling security.

Alternatives

The City Council could choose not to authorize the Manager to execute this amendment #3 to the Interlocal Agreement with DPS and direct the staff to instead pursue a different means for coordinating the operations of the Holton School.

Financial Impact

This amendment does not change the financial impact of the Interlocal Agreement for the Joint Renovation and Use of the Holton School.

SDBE Summary

The Equal Business Opportunity Ordinance is not applicable to this agreement.

Attachments:

Amendment #3 to the Interlocal Agreement for the Joint Renovation and Use of the Holton School