

DURHAM CITY COUNCIL WORK SESSION
Thursday, August 20, 2015 @ 1:00 p.m.
2nd Floor Committee Room – 101 City Hall Plaza

Present: Mayor Pro Tempore Cora Cole-McFadden and Council Members Diane Catotti, Eddie Davis, Don Moffitt and Steve Schewel. Excused Absence: Mayor William V. “Bill” Bell and Council Member Eugene Brown.

Also present: City Manager Thomas J. Bonfield, City Attorney Patrick Baker and City Clerk D. Ann Gray.

Mayor Pro Tempore Cole-McFadden called the meeting to order and welcomed all in attendance.

The Mayor Pro Tempore asked if there were any announcements by the Council.

Council Member Schewel requested Council consider adding an agenda item for the September 8th Council Meeting pertaining to an application for a 9 percent tax credit for land near Durham Station; and stated if the administration had any guidance on how to approach it that would be appreciated as well. He stated if they were going to receive the possible 9 percent tax credit there were a couple of possible applications pending; one being for the Durham Housing Authority and referenced Self-Help Credit Union being interested in developing affordable housing with the 9 percent tax credit at the Durham Station; and referenced private developers. Mr. Schewel asked the administration to have a process whereby proposals considered have a strong affordable housing component and they would to be expedited so the Council would make the early January deadline for the tax credit.

Council Member Catotti inquired if it was feasible to open and complete a RFP process in the specified timeframe; suggested other options be considered such as surveying land around the transit area; perhaps surveying other public lots in the downtown area; and suggested looking at steps necessary to subdivide the lot.

Mayor Pro Tempore Cole-McFadden stated the item proposed by Council Member Schewel would be discussed at the end of the agenda.

Mayor Pro Tempore Cole-McFadden asked for priority items from the City Manager, City Attorney and City Clerk.

City Manager Bonfield referenced the following items:

- Agenda Item #6 – 2015 Resident Survey (presentation would be provided)
- Agenda item #13 – 2015 Street Repairs and Repaving Project, ST-272 Contract Award (need to suspend the rules and vote on today)
- Agenda Item#17 - City Council Support for Discretionary Funding through State Legislative Delegation to Complete the Construction of a Roundabout at the intersection

August 20, 2015

of Herndon and Barbee Roads (noted that the Mayor requested the item be added; and to suspend the rules and vote today)

A motion was properly made, seconded and approved to accept the City Manager's priority items.

City Attorney Baker and the City Clerk Gray had no priority items.

Mayor Pro Tempore Cole-McFadden stated three ballots were before Council for consideration.

Reference was made that Alice Cheek, the individual requesting reappointment to the Citizen Advisory Committee had an eighteen percent attendance rate.

Mayor Pro Tempore Cole-McFadden recognized two recently retired GoDurham bus operators with forty and thirty-eight years of service, respectively, Ronald Brown and Gallia Evans; read and presented plaques to each of them for their outstanding service.

The City Council thanked and congratulated Mr. Brown and Ms. Evans for their service to the City of Durham.

Mayor Pro Tempore Cole-McFadden read each item on the printed agenda and the following items were pulled for comments; council action and/or discussion:

SUBJECT: JOHN NOEL

To receive comments from John Noel regarding two unpaved roads, Turner Street and Leonard Drive in the Rustica Oaks Development.

Mayor Pro Tempore Cole-McFadden called upon Mr. Noel for remarks; however, he was not present at the meeting.

**SUBJECT: BOARDS, COMMITTEES AND COMMISSIONS ATTENDANCE
REPORTS FOR THE PERIOD JULY 1, 2014 – JUNE 30, 2015**

To receive attendance reports for Boards, Committees and Commissions for the period July 1, 2014 through June 30, 2015.

Council Member Moffitt raised concern with the absenteeism for several of the board appointees and asked the City Clerk to develop an attendance policy for council to consider.

MOTION by Council Member Moffitt, seconded by Council Member Schewel, to direct the City Clerk to prepare an agenda item to look at how the Council can change their policy in order to get people onto boards, commissions and committees who can and will attend was approved at 1:22 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council

August 20, 2015

Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

Council Member Catotti indicated that several of the boards were governed by inter-local agreements and would require an additional level of scrutiny.

Council Member Schewel requested the City Clerk to provide a racial and gender breakdown on boards, commissions and committees members to determine the focus of recruitment efforts.

SUBJECT: 2015 RESIDENT SURVEY

To receive an update report on the 2015 Resident Satisfaction Survey and to provide the administration feedback.

Josh Edwards, of the Budget Department, commented on the process over the last two months regarding survey; noted the team had met with department directors, the Executive Team, and County staff to develop the 2015 Resident Survey.

Mr. Edwards stated in May, they were approached by Durham County regarding the possibility of conducting a joint survey; noted in June, the Resident Survey Team discussed key criteria to use to prioritize questions; in July, the Resident Satisfaction team presented the information and received feedback from the Deputy City Manager portfolio teams as well as to individual department directors on previous questions; and noted the additions in blue were city additions and the ones highlighted in yellow were county additions. In August, a final draft was shared with the Executive Team and Department Directors to allow for final review and feedback.

Council Member Moffitt inquired about the upside and downside of having a combined survey with the County.

Josh Edwards stated when they initially started the conversation they realized there were pros and cons; commented on the survey being 7 pages in length and stated in 2013 the City's survey was 7 pages; stated the largest con was "are we going to be able to get the questions most important on a 7 page survey." He referenced another concern, would there be confusion on what was a city service versus a county service; and stated they would be able to sort and get two reports from the vendor; one by city address and another one would be by all respondents.

Mr. Edwards shared the positives of the joint survey referencing by engaging the community together they felt it would tell the story a little bit better; an example he provided; instead of just asking about police services; there would be an opportunity to inquire about the local courts; interaction with the sheriffs; and spoke to future collaboration on solutions.

Council Member Moffitt restated Mr. Edwards' comments that staff had looked at the pros and cons; and that it was in the best interest of the City to do a combined survey.

Mr. Edwards replied yes.

August 20, 2015

Council Member Schewel stated he was initially doubtful about having a combined city/county survey due to confusion in service provisions by residents of the city and the county; and stated he now was thinking somewhat differently.

Council Member Davis stated there would be confusion if the respondent does not make a differentiation between the city and county; but as long as the consultant can pull out information; apply the ratings, and based on Mr. Edwards' presentation, he was supportive of a joint project which could provide some benefits for the city and county.

Mayor Pro Tempore Cole-McFadden reiterated pulling out of the survey everything that was city related.

Mr. Edwards stated there would be separate sections pertaining to customer service between the city and county.

SUBJECT: FY2016 AGREEMENT BETWEEN THE CITY OF DURHAM AND NORTH CAROLINA STATE UNIVERSITY FOR SUPPORT OF THE TRIANGLE REGIONAL DEVELOPMENT, ENHANCEMENT AND MAINTENANCE

The administration recommended that the City Council authorize the City Manager to execute an agreement with North Carolina State University to provide support for the Triangle Regional Travel Demand Model in an amount not to exceed \$218,591.00.

Council Member Moffitt requested additional information on if the City was paying \$43,000 or if the separate MPO members were paying a portion; and requested how many dollars were being paid by the City.

Transportation Director Mark Ahrendsen stated the \$43,000 was the City's proportionate share of the MPO support.

SUBJECT: NETWORK HUT LICENSE AGREEMENT BETWEEN THE CITY OF DURHAM AND GOOGLE FIBER NORTH CAROLINA, LLC

The administration recommended that the City Manager be authorized to execute Network Hut License Agreements with Google Fiber North Carolina, LLC for construction and housing of network equipment huts to be located on real property owned by the City of Durham; and to authorize the Mayor to execute any easements necessary to allow access for utility service providers to the improvements within the license areas.

David Fleisher, of the General Services Department, addressed the hut at the commercial site near the Miami Avenue Water Tank; spoke to landscaping in the area to include fencing; stated huts would include landscaping and that maintenance would be maintained by the City; and spoke to Piney Wood Park's hut site along the power lines.

August 20, 2015

At the request of the Council, the staff will provide additional information regarding the screening and vegetative planting plan for the various hut sites currently being considered for approval.

SUBJECT: 2015 STREET REPAIRS AND REPAVING PROJECT, ST-274 CONTRACT AWARD – BARNHILL CONTRACTING COMPANY

The administration recommended that the City Council authorize the City Manager to execute a contract for ST-274, 2015 Street Repairs and Repaving project with Barnhill Contracting Company in the amount of \$879,819.10; establish a contingency fund in the amount of \$150,569.25 (17%); and authorize the City Manager to execute change orders to the contract such that the total project cost does not exceed \$1,030,388.35.

Council Member Schewel inquired about pavement marking plans in place for the segments; referenced an interest in bike lanes on 15th Street corridor to include the bridge over Interstate 147; referenced Roxboro Road and bike lane striping; near Chestnut, as a traffic calming device.

Assistant Public Works Director Tasha Johnson responded they have worked with the Transportation Department to develop striping plans for 15th Street to include bike lanes; stated she did not think they would extend across the freeway; but they would look into that; regarding Roxboro Street, stated they had not identified it as a potential road diet candidate.

Director of Transportation Mark Ahrendsen stated he did not know if they had identified a road diet potential in the area of Roxboro Street; and stated he would ask the staff to review it.

Earlier in the meeting, the City Manager asked the Council to suspend the rules and take action on the item at the work session.

MOTION by Council Member Schewel, seconded by Council Member Moffitt, to suspend the rules of the Council and take action on the 2015 Street Repairs and Repaving Project ST-274 Contract Award was approved at 1:42 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

MOTION by Council Member Schewel, seconded by Council Member Moffitt, to authorize the City Manager to execute a contract for ST-274, 2015 Street Repairs and Repaving Project with Barnhill Contracting Company in the amount of \$879,819.10; to establish a contingency fund in the amount of \$150,569.25(17%); and

To authorize the City Manager to execute change orders to the contract such that the total project cost does not exceed \$1,030,388.35 was approved at 1:42 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

August 20, 2015

SUBJECT: CITY COUNCIL SUPPORT FOR DISCRETIONARY FUNDING THROUGH STATE LEGISLATIVE DELEGATION TO COMPLETE THE CONSTRUCTION OF A ROUNDABOUT AT THE INTERSECTION OF HERNDON AND BARBEE ROADS

The staff report indicated that the City's Transportation Department had been working with the North Carolina Department of Transportation for several years on traffic control improvements at the intersection of Herndon and Barbee Roads (two State Roads). The proposed improvement is a roundabout; and NCDOT has budgeted \$750,000.00 in State funding for the roundabout and taken bids on the project twice. Both times the low bids on the project have exceeded the available funding by approximately \$400,000.00. NCDOT advised that they do have the necessary funds to complete the roundabout and that without additional funding the project would not be able to move forward as a roundabout.

It was suggested that discretionary funds from the State Senate and the State House be sought to complete the roundabout. Such a request would be made by the City through their local legislative delegation. Also, it was noted that Mayor Bell requested that this item be added to the agenda for consideration by the Council.

MOTION by Council Member Catotti, seconded by Council Member Moffitt, to suspend the rules and take action on requesting discretionary funding through the City's local legislative delegation was approved at 1:45 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

MOTION by Council Member Davis, seconded by Council Member Catotti, to authorize the Mayor to request discretionary funding through the local legislative delegation for construction of a roundabout at the intersection of Herndon and Barbee Roads in the amount of \$250,000.00 from the Senate and \$250,000.00 from the House was approved at 1:45 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

SUBJECT: POLICE HEADQUARTERS COMPLEX PRELIMINARY SITE LAYOUT CONCEPTS UPDATE

To receive an updated Site Layout Concepts presentation for the Police Headquarters Complex.

The staff report indicated that on June 4, 2015, the General Service staff and the City's architectural consultant, O'Brien Atkins Associates delivered a presentation to City Council introducing four preliminary site layout concepts for the Police Headquarters Complex. The presentation included a summary of input received by the community in April and May 2015. Activities to prepare for this presentation update included Focus Group meetings with Downtown Durham Inc., Durham Area Designers, and Preservation Durham which were held on

August 20, 2015

June 18th and June 22nd, consultant investigations including building assessment of the existing historic Carpenter Building, evaluation of high-rise structure for the project, analysis of parking deck alternatives, future development analysis, surface parking confirmation and parking alternatives to reduce on-site parking; and cost model analysis.

Assistant Director of General Services Jina Propst introduced the project team members; stated staff would provide an update on the site layout concepts for the Police Headquarters Complex, stated their focus would be to discuss and provide the concept layouts; receive Council's feedback, discuss the project program, budget and updated cost estimates, review the City's overall CIP forecast, and to discuss potential program modifications for consideration and next steps.

Kevin Montgomery, of O'Brien Atkins, addressed the Council stating in June the Council asked them to go back and bring back some new options; and to re-examine some of the premises they were working with; he stated they met with community groups; DAD, DDI; and Preservation Durham; stated they returned to the user groups and met with the steering committee.

Mr. Montgomery referenced the proposed site location on East Main Street; commented on the east west connector; frontage along Main Street; referenced the land use in the area which he stated was going to change; spoke on characteristics of the site; the project program; the building height; the building footprint; the parking components; reduction in surface parking from 85 down to 72; incorporating parking on the street which would mean changing the setback line; increasing the structured parking; reviewed how to minimize the footprint of the parking deck; reviewed the Carpenter Building; stated to keep Carpenter Building would cost approximately \$3.9 million due to the required efforts; commented on the building opportunities four components; building foot print; parking deck foot print; surface parking and the service yard.

Mr. Montgomery stated in addition to the site; budget and program; the items they heard for consideration were: 1) activate Main Street; 2) activate Ramseur Street; 3) connectivity between East Durham and West Durham; 4) open space/streetscape; 5) provide opportunities for future growth and development; 6) incorporate public art; 7) pedestrian friendly; 8) retail; 9) save existing buildings; 10) minimize surface parking; and 11) safety and security. He provided schemes which he stated could not address every single item, but all of the items were addressed over the course of all the schemes.

Deputy City Manager Bo Ferguson spoke to feedback received on design that included minimizing the impact of surface parking; move surface parking so that it was not adjacent to county lot; wrapping garage or minimize façade of parking garage on its visibility from Main Street; interest in raising height of building to reduce the building's footprint; maximizing reuse potential of Ramseur versus Main Street; preserve development ability along Main Street over Ramseur; design considerations on aesthetics, do not do bunker; do not go overboard on security at expense of other design considerations; and stated *Preservation Durham* supported preserving the Carpenter Building; also Durham Area Designers expressed an interest in the Carpenter Building.

August 20, 2015

Jeffery Bottomly, of O'Brien Atkins, continued the presentation which included visual illustrations on the five schemes; two including the Carpenter Chevrolet building; and three without Carpenters; noting the pros and cons. He stated that Scheme 5 had 17 pros; it addressed Main Street; addressed security concerns; and addressed the parking deck off of the street. The two cons for Scheme 5 were it would not retain the Carpenter Building and does not allow for future development on Main Street.

Deputy City Manager Bo Ferguson clarified that the steering committee and the staff team were comfortable that all five concepts would work; and it was Council's decision to determine which factors to be most important.

Council Member Davis asked for clarification pertaining to the price tag of \$3.9 million for preserving the Carpenter Building.

It was confirmed the \$3.9 million would be an additional cost to the project beyond the budget allocation.

John Atkins, CEO of O'Brien Atkins, stated he had no point of view on saving the Carpenter Building; stated his firm was contracted by the City and that it was his charge to provide a project that would fall within a specific budget; and stated it would be irresponsible to do otherwise.

Per the consultant, O'Brien Atkins, out of the 19 pros and cons, Scheme 5 ranked the best. The ranking of the Schemes in terms of pros and cons were 5; 4; 3; 2 and 1. It was noted that Scheme 2 had 9 pros.

After the presentation; discussion was held on the consultant's definition of activating Main Street; creating a place whereby there was movement; the additional cost of \$3.9 million for retaining the Carpenter Building; entrance area for police and staff; entrance area with Scheme 5; nature of various security concerns; two of the proposals leaving triangular area on Main and Hood; and the value of the triangular space in terms of resale.

For the proposed project, a slide presentation was presented by the consultant on the cost comparison; cost model; cost differences; referenced the increased program area 11,000 square feet; increased size of structured parking by 86 vehicles; and deep foundations in lieu of shallow foundations.

Assistant General Services Director Jina Propst commented on the budget line items comparison; addressing the original current budget in the amount of \$62,434,057; the new revised proposed budget of \$80,945,540; which resulted in an increase totaling \$18,511,483.

Ms. Propst stated given the updated project cost estimate, a meeting was held with Police/911 to explore potential program modifications for consideration; 1) Lease of Holloway Street Building; 2) Lease of Eagle Common Shopping Center; and 3) Some 911 program reductions; and stated the estimated savings to project would be approximately \$9.6 million. In addition, she commented on the non-preferred program reductions 1) Use of Rigsbee Street property; and 2)

August 20, 2015

Alternate leased location for special operations; the estimated savings to project would be approximately \$8 million.

Discussion was held on the Traffic Services Division located at Rigsbee Street; what they provide; and parking spaces at police headquarters.

Finance Director David Boyd spoke on the CIP Funding Models – Fund Balance by Fiscal Year. Also, he stated they did not consider the sale of any police properties due to the highly speculative nature of how much they would be getting and not knowing when it would happen. He stated the capital plan did not include any allowance for the County's participation in the project; stated the County had agreed in principle to pay some of the 911 costs; and noted the inter-local agreement had not been signed yet.

Deputy City Manager Bo Ferguson referenced the schedule for delivering the project which was contingent on the site layout; seeking some guidance from Council on the designs, choosing one; which the staff could move forward with.

To assist the administration with how to proceed, City Manager Bonfield asked the Council if they needed more information/feedback or time to provide the staff with direction. As indicated earlier, he referenced Scheme 5 being the best option; and noted if Council felt differently; he inquired which option would be preferred for staff to pursue.

Council Member Catotti stated she would like to hear from Downtown Durham, Inc. and Durham Area Designers on the five schemes presented.

City Manager Bonfield stated they could place the item on the General Business Agenda for Tuesday, September 8th and allow the staff to circulate the five options to the organizations and/or others.

Council Member Catotti stated she was not sold at this point on saving the Carpenter Building.

Mayor Pro Tempore Cole-McFadden stated she was not in support of spending additional funds to save the Carpenter Building; and referenced the reasons why. She also asked if the Council wanted to take action at the work session on whether to save the building or not to save.

Council Member Davis stated he was leaning toward not retaining the Carpenter Building; and stated he felt a decision should not be made today on the building due to the absence of two members of Council; and expressed a desire to hear from the public on the question of saving or not saving the building.

City Manager Bonfield stated the administration would communicate with the partners and participants over the next week; and stated the item would be placed on the General Business Agenda at the September 8th Council Meeting.

In closing, Deputy City Manager Bo Ferguson stated there was a very strong sentiment that the County should be approached collaborating with them on the redevelopment of the Human

August 20, 2015

Services building parking lot in an effort to remove the need for surface parking on the City's lot and move that into a future garage on the County's lot. He stated they did follow-up with the County Manager and indicated that as an offer expressing the City's willingness to explore any concept of that to work. Mr. Ferguson stated the County Manager did express an openness to the idea and also made it clear that the County was not in a position at the present to predict the future of the lot; they were not clear on the level of interest of the development community; the commissioners had not yet weighed in on their interests; and potentially had diversion interest right now expressed about the development of the lot. He stated the City was opened to some future discussion with some potential of reconfiguring the property should the County lot redevelop; but at this point they did not have enough certainty from the County to place that into one of the alternatives.

The Mayor Pro Tempore and the Council thanked the administration for all of the work they had done; including the O'Brien Atkins team.

SUBJECT: APPLICATION FOR TAX CREDIT FOR PROPERTY NEAR DURHAM STATION AREA

Council Member Schewel asked the administration place an item on the September 8th City Council Meeting agenda regarding a process for the Durham Station property that would allow the City to meet a 9% tax credit deadline in January if the Council later decided they wanted to pursue that for the property.

A motion was made by Council Member Davis, seconded by Council Member Schewel, to place an item on the September 8th City Council agenda regarding application for tax credit for property near Durham Station area.

Council Member Moffitt asked for clarification on what exactly was being requested of the staff to submit to the Council.

City Manager Bonfield stated his understanding was that an item would be added directing staff to design a RFP process that would allow a decision to be made for a successful proposal to be in position to apply for 9% tax credits in January.

Council Member Schewel replied correct; and stated that the RFP would include affordable housing as an important component for the use of the land.

City Manager Bonfield stated the administration's plan was to bring the RFP to the Council at its September 24th work session.

Council Member Catotti asked if it was possible to have the discussion at the September 10th work session rather than on September 8th.

City Manager Bonfield stated he did not feel they would be fully prepared to have a recommendation on the RFP process by September 10th.

August 20, 2015

Council Member Schewel stated he was totally open to the guidance of the administration; and noted his interest was a path to get there by the end of the year.

At the September 10th work session, City Manager Bonfield will present options for the disposition of the property and steps the City would need to take if the desire was to move forward with the proposal.

SETTLING THE AGENDA – SEPTEMBER 8, 2015 CITY COUNCIL MEETING

City Manager Bonfield announced the following items for the September 8th City Council Meeting agenda: Consent Items 1-12; GBA Item 14; Public Hearing Item 15. He noted the Council disposed of Items 13 thru 16 and 17.

MOTION by Council Member Catotti, seconded by Council Member Schewel, to settle the agenda for the September 8, 2015 City Council Meeting as stated by the City Manager was approved at 3:59 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Absent: Excused
Absence: Mayor Bell and Council Member Brown.

City Clerk Gray announced the ballot results for the following committees: Citizens Advisory Committee; Bicycle & Pedestrian Commission; and the Historic Preservation Commission.

CLOSED SESSION

MOTION by Council Member Schewel, seconded by Council Member Catotti, to go into closed session to discuss matters relating to the location or expansion of industries or other businesses in the City of Durham, pursuant to GS 143-318.11(a)(4) was approved at 4:01 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

MOTION by Council Member Catotti, seconded by Council Member Davis, to return to open session was approved at 4:11 p.m. by the following vote: Ayes: Mayor Pro Tempore Cole-McFadden and Council Members Catotti, Davis, Moffitt and Schewel. Noes: None. Excused Absence: Mayor Bell and Council Member Brown.

No action was taken in open session.

There being no further business to come before the Council, the meeting was adjourned at 4:11 p.m.

D. Ann Gray, MMC, NCCMC
City Clerk