

**DURHAM, NORTH CAROLINA
THURSDAY, MARCH 3, 2022
9:00 A.M.
DRAFT MINUTES**

The Durham City Council met for a City Council Budget Retreat virtually via Zoom with the following members present: Mayor Elaine O’Neal, Mayor Pro Tempore Mark-Anthony Middleton and Council Members Javiera Caballero, DeDreana Freeman, Jillian Johnson, Charlie Reece and Leonardo Williams. Absent: None.

Also Present: City Manager Wanda Page, City Attorney Kim Rehberg, Budget and Management Services Director John Allore, Budget and Management Services Assistant Director Christina Riordan and City Clerk Diana Schreiber.

Mayor Elaine O’Neal called the meeting to order and welcomed everyone in attendance.

Budget and Management Director John Allore provided introductory remarks, outlined the flow of the meeting, and noted that all agenda materials were to be translated to Spanish.

[OPENING REMARKS]

City Manager Page offered opening remarks and welcomed Mayor O’Neal, Mayor Pro Tempore Middleton, Council Members and staff to their third budget retreat. She emphasized the team aspect of the budget development process, looked to Council for guidance and thanked staff for the efforts.

City Manager Page introduced the new Finance Director Tim Flora.

SUBJECT: PAY DISCUSSION

Presenter: Interim Human Resources Director John ‘JJ’ Scott; presented a PowerPoint titled, *Employee Compensation Council Retreat, March 2022*.

The presentation included the following:

Multiyear projections, compensation options, pay plan demographics and workforce data. It was stated that 70% of employee are in General Fund; 30% employees are in Water/Sewer, Disposal Services, Storm Water Fund and Other Funds. Four pay plans were discussed: Step (General Employees), Open (Exempt Employees), Police and Fire.

Pay for Performance (P4P or Merit Pay); FY20 full implementation of Pay for Performance Plan; no salary movement in FY21 and FY22. Durham Livable Wage was increasing as of July 1, 2022 from \$16.92 to \$17.60. DMLW annual rate of \$36,608. Turnover was being driven by resignations. Retirements granted were the highest ever in January 2022, being led by Fire.

Council Members Freeman and Johnson arrived at the meeting at 9:30 a.m.

Mayor O'Neal referenced the vacancies in the step categories and ask if the City was experiencing trouble filling certain jobs.

Council Member Johnson asked if the technical positions were harder to fill and if the CDL issue was impacting maintenance and construction positions.

Council Member Reece requested vacancies be listed by Department.

Council Member Johnson estimated there would be an increase in hiring in 2022 and noted that this reflected the national labor market which was improving across the board.

Interim Director Scott remarked that every turnover represented a new vacancy and explained how the factors of hiring, vacancy rates and turnovers were intertwined; and added that employees with lower tenure were less connected to the organization and more likely to resign.

Mayor Pro Tempore Middleton thanked Human Resources for their team work; and requested a comparison between pre-COVID and post-COVID flexible work policies.

Interim Director Scott admitted that flexible work had been very much impacted by COVID-19 and working remotely was beneficial to employees' well-being; however, flexible work needed to be done correctly. Flexible Work Agreements were required to be submitted by department directors to Human Resources and continual monitoring by supervisors was taking place. It was the intent of Human Resources to evaluate the telecommuting program over time.

Mayor Pro Tempore Middleton recognized that business owners wanted traffic back in retail/restaurants and this included city employees being on site. He asked if more people working at home lowered overhead.

City Manager Page explained there were approximately 2600 employees, of those, 350 had flexible work plans. When considering efficiencies and what was being saved, it was not that measurable. Employees still needed equipment and could be saving a degree of electricity; however, it would be minimal.

Interim Director Scott explained that it was necessary that flexible work schedules not impact customer service levels; and currently staff was providing exemplary customer service, as noted in the Resident Survey.

Mayor Pro Tempore Middleton asked about Pay for Performance rates and their approximate costs to the General Fund.

City Manager Page spoke to the ranges of increases that would be included in the Budget Guidelines and would be discussed with Council on Friday/Budget Retreat #4. Market studies had not been made for Step and Open pay ranges. Since the structure increased 2% last year, there was a notable need for increases, this was known without a study being generated. She explained the regular pay plan had 200 job types in Open and General Ranges, adding the last study was undertaken in 2019. She stated that it was important to stay in balance with Raleigh and other peer cities and noted the Council Guidelines were intended to address the current gap.

Council appreciated the Budget and Management and Human Resources staff for their partnership in contributing to the presentation and overall budget process.

SUBJECT: LANGUAGE ACCESS UPDATE

Presenter: Language Access Coordinator Mishel Gomez Cespedes and presented a PowerPoint Presentation titled, *Language Access, City Council Presentation March 2022*.

Communications Director Beverly Thompson introduced the city's first Language Access Coordinator Mishel Gomez Cespedes.

Ms. Cespedes summarized her accomplishments and explained how language access would be implemented in the City.

Topics included: What is language access? Who are Limited English Proficient Speakers? Common Question: What is the language threshold? Two legal bases that support Language Access: Compliance with Title VI of the Civil Rights Act of 1964 & the 2000 Executive Order #13166. Locally, language access promotes Durham's Strategic Plan (Goal 3). Commitment and Language Access Plan Background (PA-7-1) in forms of interpretation services, written translation services, notices/signage in city facilities, staff training, documentation/records and compliance and monitoring.

Since the adoption of the LAP, the LAP Steering Committee has been formed, Language Services Information appears on City's webpage, Language Access WebPage, Language Access Videos, Social Media, Language Access Webinars.

Moving forward: LAP Implementation Action Plan:

Phase 1 Target Immediate and tangible needs of the organization.

Phase 2 Target the long-term efforts of the organization.

Phase 3 Oversee maintenance and assessment of LAP within the organization.

Mayor and Council expressed appreciation for the presentation and Language Access work on the City staff.

Council Member Johnson appreciated the accomplished work and looked forward to future programming.

Council Member Freeman echoed Council Member Johnson's remarks; and noted that language access for Spanish should not be the only language, and advocated for other individuals speaking a variety of languages.

Ms. Cespedes explained the Department of Justice website identified *in need* populations; explained it was necessary to assess the languages being spoken at home and that the Durham County Health Department and Durham Public Schools identified the common languages aside from English and Spanish, noting there was a recent increase in Arabic.

Council Member Freeman emphasized the need for supporting persons who spoke Portuguese, French and Arabic, in addition to Spanish.

Council appreciated the tutelage of Council Member Caballero in the Language Access Plan development process.

Mayor Pro Tempore Middleton spoke to the Civil Rights Movement and was appreciative of the Language Access Plan; supported increasing the Language Incentive Plan stipend from \$1000 to \$1500; and asked if there would be a method to assess the successes of the Language Access Plan.

Ms. Cespedes spoke to developing a process/system for acquiring data from the public related to accomplishments/needs in language access.

Council Member Williams spoke to his wife's ability to speak multiple languages; and appreciated the work being accomplished for non-native speakers.

Council Member Freeman urged following ADA compliance model and asked if there were conversations about ADA partnering with LAP Initiatives.

SUBJECT: COUNCIL BUDGET REQUESTS

Presenter: Budget and Management Director John Allore and gave a Presentation titled, *City Council Budget Requests, March 3, 2022*. The presentation provided analysis of the submitted items, provided scoring, ranking and discussion points.

Council Member Caballero arrived at the meeting at 10:35 a.m.

The presentation contained the following:

Background, FY23 Budget Requests, Current Process, Scorecard Rating, Staff Scorecard Rating, Overall Ranking (Staff Scoring) and discussion points and next steps.

Mayor O'Neal asked for Council's comments.

Mayor Pro Tempore Middleton emphasized that he had requested a \$1 million placeholder for ShotSpotter.

Council Member Johnson appreciated the analysis and provided context for the OEWD request, had spoken with the Director of OEWD regarding contracting with an outside provider for services and encouraged conversation about interns.

Council Member Caballero shared the items that were asks of DOST and indicated the requests were long standing. She explained that she and Council Member Freeman were liaisons and helped route the items; and addressed a project featuring open space and the need for a staff member dedicated to the process. The project had scored highly on equity and the city was positioned to do the work.

Director Allore facilitated the discussion of each item, one by one.

City Language Incentive Pay Increase

Council Member Caballero noted that last year, the language access coordinator was hired; with the position being processed through Public Affairs/Communications albeit originating with Council.

Director Allore spoke to the dual process and noted that since the Communications Department was handling the incentive pay, he asked if it would be possible to leave this one off the Council's request list.

Mayor Pro Tempore Middleton requested to see the specific budget requests from each Department.

City Manager Page responded that some employees were receiving a language incentive of \$1000 and that the Council request was to change the base number from

\$1000 to \$1500. The Department of Communication was working to refine a proposal with tiered stipends based on how the employees were using second languages on the job and that the request crossed over from a Council initiative to a staff driven one.

Director Thompson explained that the pay would be based on services provided and would conduct more analysis prior to proceeding with implementing the two perspectives.

Council Member Reece summarized that he supported staff to bring forth their proposal and then allow Council to review the proposed City Manager budget that included the incentive.

Grants and Intern Funding

It was the consensus of a majority of Council to proceed with the funding of boards, committee, commission and taskforce funding for expanding grant opportunities and Council interns.

Open Space & Trails Acquisition Fund and FTE Position

There was discussion in support of the FTE but some uncertainty about the earmarking of \$1.5 million within the budget.

It was the consensus of Council to move ahead with the Full Time Equivalent position and to continue to analyze the process for land acquisition.

OEWD Pilot

After discussion about the pilot, it was the consensus of Council to place the item on an upcoming Work Session in order to allow Director Andre Pettigrew the opportunity to explain the pilot prior to reviewing the Budget Guidelines. The pilot was expected to focus on how employee ownership of businesses contributed to wealth building and equity.

ShotSpotter

Mayor Pro Tempore Middleton spoke to gun violence, desensitization of youth and the refusal of residents to call Police for assistance. Based on this response, it was advantageous for ShotSpotter to sense gunfire and automatically alert the authorities.

It was the consensus of the majority of Council to proceed with the ShotSpotter pilot.

Due to the late hour, it was the consensus of the Council to continue discussing the transportation item that featured parking. Those Council Members who needed to depart, would do so.

A break was conducted from 12:41 p.m. to 12:51 p.m.

SUBJECT: PARKING FUND OVERVIEW & DISCUSSION

Presenter: Director of Transportation Sean Egan and made a PowerPoint presentation titled, *Transportation Parking Fund Update, dated 1/21/22.*

The presentation consisted of the following:

Revenue losses due to COVID-19 per facility; Key Budget Reductions to date. Peer Survey; FY21 + Forecast; Capital Needs; History of Parking Rate Increases; Parking Rate Scenarios; Parking Cash Flow Models A, B.

Staff summarized that the parking deck financial recovery was expected, with some parking lots recovering quicker than others.

Council Member Reece departed the meeting at 1:09 p.m.

Council expressed concerns related to on-street parking, spoke to encouraging small business owners to call their staff back to their places of employment; and discussed how ARPA funding could assist the low revenues compared with the option of using General Funds instead. Discussion about Options A and B took place. Additional conversation addressed increasing rates at decks as well as extending operating hours and billable time into the evening hours.

Additional presentation would be provided on the options for the Parking Fund at a future meeting.

[CLOSING REMARKS]

City Manager Page appreciated Council's feedback, that the budget guidelines would be presented shortly and then decisions would need to be made.

Staff summarized that they would incorporate Council's feedback and then refine the budget proposal.

[ADJOURNMENT- 1:37 PM]

Diana Schreiber, CMC
City Clerk