

Wake County Board of Commissioners
Work Session
February 12, 2018
2:00 P.M.
Wake County Justice Center Room 2800

Commissioners Present:

Jessica Holmes, Chair
Sig Hutchinson, Vice-Chair
John Burns
Matt Calabria
Greg Ford
Erv Portman
James West

Wake County Staff Present:

David Ellis, Interim County Manager; Johnna Rogers, Deputy County Manager; Denise Hogan, Clerk to the Board; Michelle Cerett, Executive Assistant to the Board; Nicole Kreiser, Assistant County Manager; Denise Foreman, Assistant County Manager; Ben Canada, Assistant to the County Manager; Kerri McComber, Communications Manager; Alice Avery, Communications Specialist; Mike Wasilick, Library Director; Ann Burlingame, Assistant Library Director; Allison Cooper, Senior Assistant County Attorney; Dara Demi, Director, Communications; Jason Horton, Community Services Manager; Michelle Venditto, Director, Budget and Management Services; Alex Terry, Budget and Management Analyst; Bill Greeves, Chief Innovation Officer; Frank Cope, Director, Community Services; Mark Forestieri, Director, Facilities, Design & Construction.

Others Present: Hunter Blohm, Intern, County Attorney's Office.

Chair Holmes called the meeting to order at 2:00 p.m. and welcomed everyone to the meeting.

Mr. Frank Cope, Director, Community Services, shared the agenda for today's meeting.

- Library System Performance
- Review 2007 Bond Plan
- North Hills Situation
- Cost Escalations ~ Budget Challenges
- Renovations not Currently in the CIP
- Staff Recommendations

He shared the purpose of today's meeting.

- Decide if the county should continue working towards a library at North Hills
- Decide how to address project cost escalations
- Decide how the County should spend the balance of Library Bond Funds

He shared information about statistics for county Libraries through December 2017.

• Circulation	5,605,584	↑	4.9%
• Door Count	1,733,240	↑	5.0%
• Program Attendance	434,123	↑	10.4%
• Active Cardholders	235,395	↑	.5%
• PC Hours Used	221,415	↓	9.4%
• <u>Wifi</u> Hours Used	516,852	---	----

He shared information on circulation comparisons with surrounding counties. He said Wake County has a larger circulation than several large counties.

- Wake circulated 9,210,800 to their combined total of 7,813,634.
- Eva Perry Regional Library circulated more than 84% of all library systems in North Carolina in FY16.
- Eva Perry was WCPL's 3rd circulating location that year.
- North Regional Library has higher door count than 70% of all North Carolina library systems.
- WCPL is ranked 22nd in the country for annual circulation, coming in above San Francisco Public Library, Montgomery County Public Libraries, and Chicago Public Library.

He shared the per circulation costs for Wake County compared to the statewide average. He said this cost includes utilities and staff expenses.

- | | |
|---------------------|--------|
| • Statewide average | \$5.31 |
| • Wake County | \$1.84 |

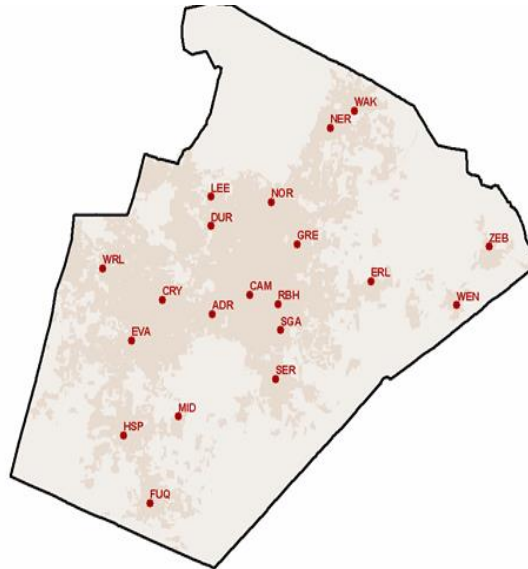
He shared a summary of the 2007 library bond referenda outcomes.

- \$45 Million
- 13 Projects
- 73% Voter Approval

He shared a map of the existing and proposed new county libraries. He said three new libraries were to be done under the 2007 bond referenda.

New Libraries

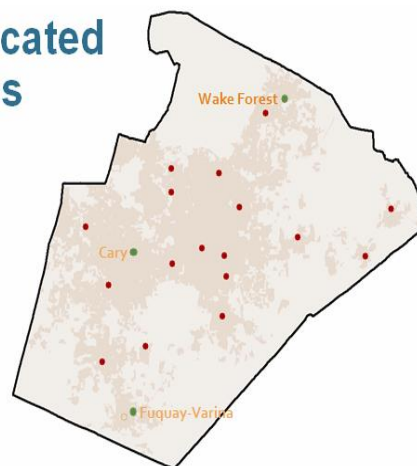
- Middle Creek *(opened 2017)*
- Morrisville *(planned)*
- North Hills *(planned)*



He shared a map of planned library renovations and expansions that were proposed under the 2007 bond referenda.

Expanded / Relocated Existing Libraries

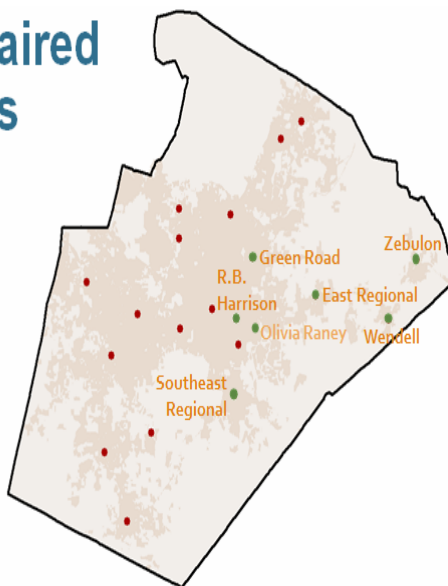
- Cary *(planned)*
- Fuquay-Varina *(planned)*
- Wake Forest *(under construction)*



He shared a map of existing libraries recently renovated or repaired under the 2007 bond referenda..

Renovated / Repaired Existing Libraries

- East Regional (under construction)
- Southeast Regional (2016)
- Green Road (2012)
- Olivia Raney (planned)
- R.B. Harrison (2011)
- Wendell (2012)
- Zebulon (2014)



He shared information on the budgeted and actual costs of the renovations done under the 2007 library bond program. He said due to the recession in 2008, all new projects were put on hold but renovations moved forward.

	Original Planned Opening	Original Planned Budget	Actual Opening	Actual Budget Or Final Cost Jan 2, 2018
Wake Forest	Fall 2009	\$3,324,000	Fall 2018 (under const.)	\$4,283,000
Middle Creek	Fall 2010	\$4,583,000	Completed Spring 2017	\$4,565,000
Fuquay-Varina	Winter 2011	\$4,905,000	Planned Summer 2019	\$6,145,000
Morrisville	Summer 2012	\$4,879,000	Planned Fall 2019	\$5,628,000
North Hills	Winter 2012	\$9,133,000	?	\$6,281,000
Cary	Winter 2013	\$13,021,000	Planned Summer 2019	\$13,165,000
Renovations	Winter 2013	\$4,400,000	Planned Summer 2019	\$5,249,000
Reserve/Unallocated	-----	\$755,000	-----	\$383,000
Total		\$45,000,000		\$45,699,000*

* Total includes 2009 bond project savings

He shared information on the proposed North Hills Community Library, which is the final project to be completed under the 2007 library bond program. He said due to the delay in plans, there is not sufficient land available for a new library in the North Hills area as originally planned.

- Final project in the 2007 Library Bond Program
- Originally conceived as a freestanding branch – understood land would be scarce and expensive
- Land is no longer available and/or affordable in this area

He shared a map of a possible leased location for a North Hills Community Library.



He shared leasing information for existing libraries.

Cameron Village – Leased since 1974

- 20-year lease (2023)

Duraleigh – Leased since 1985

- 3 or 4-year extension proposed (2021 or 2022)

Southgate – Leased since 1991

- 4-year lease (2021)

He shared information on a lease option for a new North Hills Community Library. He said bond money cannot be used for lease expenses, therefore; the lease payments would be a county expense.

- Lease would be an operational expense
- There would be some capital cost
- Costs are unknown - staff would need to negotiate and work out details before bringing a recommendation to the Board

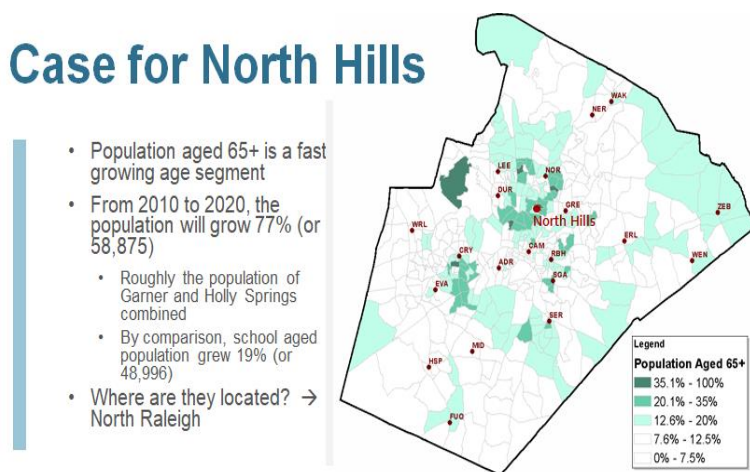


Image of Proposed Location in new North Hills Development

Chair Holmes said the Southgate Library is being housed in a strip mall. She asked what the travel time is for residents in that area to access a county library. Mr. Cope said actual distance is reasonable, however; traffic makes drive time more lengthy.

Commissioner West asked about the pros and cons of owned versus leased property. Mr. Cope said as a general rule, the county prefers to own property but that is not always possible.

Mr. Cope shared projected growth information for the North Hills area. He said there are a number of senior citizens in the North Hills area who would benefit from a public library.



Mr. Cope shared the benefits of the proposed leased North Hills Community Library location.

- Uniquely positioned to serve the fastest growing age group in Wake County (seniors)
- Would become a destination for active seniors
- Establishes a library footprint in a dense, high growth area of the County → Midtown Raleigh

Mr. Mark Forestieri, Director, Facilities, Design and Construction, shared the current status of the 2007 library bond referenda program.

- \$45 Million
- 13 Projects
- Budgets were established 11 years ago
- Project Costs were stable through 2016

He shared the reasons for the construction cost escalation. He said 35 percent of the skilled work force was lost during the 2008 recession.

- Very Steep Cost Escalations – Past 12 Months
- Several Other Public Sector Projects Affected
- Reasons:
 - Skilled Labor Shortage – esp. Masonry, Plumbing, Mech, Electrical

- Material Cost Escalations – wood, concrete, steel, glass
- Numerous Site Infrastructure Projects
- Excessive Work Flooding Market – schools, universities, municipal +
- New Private Development
- Natural Disasters Across the Country in 2017

He shared information on the status of the Cary Regional Library. He said the contract for this project will be considered next week.

- Cary Library was bid in November 2017
- \$2.5 Million over budget
- Extensive value engineering exercise reduced shortfall by approximately \$600,000
- Shortfall still remains at \$1.9 Million
- Plan to award construction contract on Feb 19

He shared information on the status of the Fuquay-Varina Library. He said the contract for this project will be awarded in March, 2018.

- Enlargement of existing community branch
- Relocation to new site east of downtown
 - adjacent to SRC & future residential development
- Larger site; space for future expansion to Regional
- Bid last week; also victim of extreme escalation
- Shortfall of \$950,000
- Plan to Award Construction Contract on Mar 19

Commissioner Portman asked for clarification on the qualifications of a company in order for them to be permitted to submit a bid. Mr. Cope said all companies go through a pre-qualification process prior to submitting a bid.

Ms. Johnna Rogers, Deputy County Manager, said money is allotted in the CIP for inflation but this project was delayed much longer than anticipated. Mr. Cope agreed, stating that the estimates were obtained 12 years ago.

Mr. Forestieri shared information on the status of the Morrisville Library. He said his project is on track and bids will be accepted this summer.

- Project similar to Fuquay-Varina Branch
- Town provided property
- Smaller sitework scope – which helps
- Still anticipate budget shortfall
- Bids will be taken this summer

He shared the reallocation recommendations being requested for the major projects.

Reallocate/reappropriate funds from the North Hills project for Major Projects:

- Cary Regional - \$ 1,900,000
- Fuquay-Varina Community - \$ 950,000
- Morrisville Community - \$ 550,000

He shared the renovation priorities. He said due to the amount of public use, libraries require more maintenance than other county buildings.

- Lifecycle Replacements for Finishes (Typ. 10-15 years)
- Furniture & Shelving Replacements
- Facility Condition Replacements
 - Code Accessibility Compliance Upgrades
 - Building envelope issues – Exterior walls, doors, windows, sealants,
 - Building system lifecycle replacements – HVAC, Plumbing
 - Lighting modernization – (replacement with LED fixtures)
 - Minor space modernization to accommodate updated library programs

Mr. Forestieri shared the pending library renovations and their number of annual visits.

- Eva Perry Regional Library (1996) (refresh in 2008)
 - 7,317,391 visits
- North Regional Library (2007)
 - 4,632,697 visits
- West Regional Library (2006)
 - 3,944,499 visits
- Holly Springs Community Library (2006)
 - 1,905,473 visits

He shared the renovation recommendations. He said the Town of Apex may assist with the renovations to Eva Perry Library.

- Eva Perry Regional Library \$2,000,000
- North Regional Library \$1,000,000

Commissioner Ford asked what factors are considered when determining renovation needs.

Mr. Mike Wasilick, Wake County Library Director, said renovations are based on need and usage. Mr. Wasilick said the electronic opener on the door at Eva Perry is in need of repairs. He said this makes it difficult for handicapped individuals to enter the building. Mr. David Ellis, Interim County Manager, asked that the accessibility issue be made a priority and repaired as soon as possible. Mr. Cope said it is not an easy fix and will be costly but staff will certainly consider it. Mr. Forestieri said the facility is ADA compliant but the parking is not easily accessible to the entrance.

Mr. Forestieri shared a summary of the staff recommendations for reallocations.

- Reallocate North Hills & Reserve Funds as follows:

○ Cary Regional Library Construction	\$ 1,900,000
○ Fuquay-Varina Community Library Construction	\$ 950,000
○ Morrisville Community Library Construction	\$ 550,000
○ Eva Perry Regional Library Renovation	\$ 2,000,000
○ North Regional Library Renovation	\$ 1,000,000
○ <u>Contingency Reserve</u>	<u>\$ 113,000</u>
Combined North Hills & Reserve Funds	\$ 6,513,000
- Staff will negotiate with Kane Realty Corporation on possibly locating a branch library at North Hills and bring back a proposal to the Board at a future date

Commissioner West said that there have been rumors about the closing of the Southgate Library because of the lease situation. Mr. Wasilick said that a permanent, county owned building is preferable for a library. Commissioner West said the discussion of a permanent site for the Southgate Library will continue to be discussed.

Commissioner Calabria asked if it make sense to reallocate all the funds as recommended. Mr. Cope feels it makes sense to do the renovations now before the costs rise again.

Ms. Rogers said there are timing restrictions on the use of the bond funds. Therefore, she supports the reallocation request.

Commissioner Hutchinson expressed concern about not following through after the public was promised a library.

Commissioner Portman asked for clarification on the use of bond funds. He asked if General Obligation Bonds (GOB's) are the most cost-efficient way of funding projects. Ms. Rogers said it is the most cost efficient, but there are restrictions on the use of GOB funds.

Mr. Cope asked for board direction on the proposed North Hills branch.

- Confirm New Direction for Proposed North Hills Branch
- Confirm Reallocation of North Hills Funds
- Confirm Staff Project Reallocation Recommendations
- Authorize Staff to Negotiate with Kane Realty for future North Hills Branch Library

He shared the language from the 2007 bond.

“Shall the order authorizing up to \$45,000,000 of General Obligation Library Facilities Bonds of Wake County for financing, in whole or in part, the acquisition, construction, installation, furnishing and equipping of modifications, renovations, additions, improvements and extensions to existing library facilities and/or one or more new buildings or other library facilities including, without limitation, the acquisition of land, easements and rights-of-way therefore, and that taxes be levied in an amount sufficient to pay the principal and interest of the bonds, be approved?”

Mr. Cope asked for the consensus of the board on the direction of a North Hills Library. The consensus of the Board was to move forward with the reallocation of the 2007 Library Bond funds but they would like staff to continue to look for possible locations for a North Hills Library.

Chair Holmes expressed concern about the cost of a leased property. She would like staff to present all options to the Board so they can make an informed decision.

Board goals and initiatives

Ms. Rogers shared the items that will be discussed today.

- Recap January work on goals
- Affirm major changes to initiatives
- Affirm Board priorities for 2018
- Next steps

She shared the background of the goals process.

- BOC and staff use goals to prioritize resources, attention and effort
- BOC created goal areas early 2015
- Last approved these initiatives January 2017

She shared a recap of the January 27th retreat

Started the day with...

- 8 Goal Areas
- 32 Objectives
- 83 Initiatives

Breakout groups tasked to:

Validate

Delete

Clarify

Prioritize

January 27 Retreat

- 23 initiatives removed from Board Goals
- Merged and combined (8)
- Defined as complete or routine business (15)
- Many text changes to initiatives
- Status changes



She shared several slides detailing the changes that were made to the board initiatives.

Merge ES1.1 and ES2.1

ES1.1: Improve employment opportunities in vulnerable communities by utilizing RTI research and collaborating with workforce development partners to develop programming and outreach efforts that create inclusive prosperity across Wake County.

ES2.1: Develop a database and communication strategy for programs and organizations in Wake County that support small business creation and entrepreneurship, highlighting those that target economically challenged and/or minority participants.

New Text

ES2.1: Collaborate with workforce development and regional research partners to support small business creation and entrepreneurship programming that targets economically challenged and/or minority participants throughout Wake County.

Merge GS2.3 and GS2.4

GS2.3: Update comprehensive solid waste plan to extend the life of the landfill through recycling, technology and other related initiatives.

GS2.4: Develop and improve strategies to promote litter reduction and improve recycling.

New Text

GS2.3: Update comprehensive solid waste plan to extend the life of the landfill through recycling and technology, and improve strategies to reduce litter.

Merge GS Objective 3 Initiatives

GS3.1: Direct the Water Partnership to review and revise water resource policies to reflect the most up-to-date scientific data and understanding, including groundwater use and potential septic impacts.

GS3.2: Maintain protection of watershed and stream buffers.

GS3.3: Actively participate in protection of Falls and Jordan Lake through the rewrite of the Rules.

GS3.4: Promote conservation measures on farms and forest lands in current and potential water supply watersheds in Wake County.

New Text

GS3.1: Collaborate with the Water Partnership on One Water initiatives, including 1) revise water resource policies to reflect current scientific data and understanding, 2) protect watershed and stream buffers, 3) participate actively in protection of Falls and Jordan Lakes, and 4) promote conservation measures on lands in current and potential watersheds.

Merge GS5.5 and GS5.6

GS5.5: Promote opportunities to maintain affordability for transit services and address needs for rural access.

GS5.6: Evaluate opportunities for communities in need.

New Text

GS5.5: Promote opportunities to maintain affordability for transit services and address needs in vulnerable communities and rural areas.

Merge SEV1.1 and SEV1.2

SEV1.1: Work collaboratively within government with nonprofit, education and business partners to reduce or eliminate homelessness and improve the health and wellbeing of our most vulnerable citizens.

SEV1.2: Work with Wake County Affordable Housing Steering Committee and community partners to develop strategies to preserve and increase affordable housing options in Wake County.

New Text

SEV1.1: Work collaboratively with all partners to preserve and increase the County's affordable housing inventory, reduce homelessness, and improve the wellbeing of our most vulnerable citizens.

Merge SEV2.2 and SEV2.3

SEV2.2: Continue to build and strengthen public-private partnerships, community collaborations, and policy changes that will improve the social and economic indicators affecting the quality of life of the residents in vulnerable communities in Wake County.

SEV2.3: Implement the Vulnerable Communities in South East and Eastern Wake County Human Services Zones through a collaborative, neighborhood-centered approach to include human capital development; health in all policies; economic development; and social well-being strategies.

New Text

SEV2.2: Support a higher quality of life for citizens in vulnerable Southeast and Eastern Wake County communities through community partnerships, policy changes, and County programming.

WAKE COUNTY

She shared the top 22 priorities that were decided on at the retreat. She said the list was narrowed down using a dot exercise.

- Breakout groups prioritized 22 initiatives
- Commissioners prioritized these with dot exercise
- Top 22 fall into 3 tiers
 - Tier 1 – From 11-8 dots
 - Tier 2 – From 7-3 dots
 - Tier 3 – 2 dots or less



- Some progress will be made on all 60 initiatives, but staff will focus resources on prioritized 22, following tiers
 - Priorities for FY2019 operating budget and CIP
 - Priorities for staff capacity and energy



She shared a chart of the priorities by tier and their explanation.

<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
• E1.1	• GS4.2	• CH2.1
• E2.1	• CH1.5	• GG5.2
• SEV1.1	• PS4.3	• GS5.3
• SEV2.2	• CH1.4	• GS5.4
• ES2.1	• GG7.3	• PS6.1
• GS1.2	• GG7.2	• PS7.2
• GS3.1	• PS6.2	• PS1.1
		• SEV3.4

		TIER 1	Dot Count
1	E1.1	Expand capacity and access to Pre-K programs through public private partnerships.	11
1	E2.1	In partnership with WCPSS, develop a long-term plan for local funding for the WCPSS annual operating budget that establishes annual goals and targets, which are predictable, sustainable and aligned with programmatic goals identified in the WCPSS strategic plan.	11
1	SEV1.1	Work collaboratively with all partners to preserve and increase the County's affordable housing inventory, reduce homelessness, and improve the wellbeing of our most vulnerable citizens.	11
1	SEV2.2	Support a higher quality of life for citizens in vulnerable Southeast and Eastern Wake County communities through community partnerships, policy changes, and County programming.	11
1	ES2.1	Collaborate with workforce development and regional research partners to support small business creation and entrepreneurship programming that targets economically challenged and/or minority participants throughout Wake County.	9
1	GS1.2	Prepare for a new parks, open space, and greenway bond referendum that will provide for more recreational opportunities and environmental education, assist in the development of a countywide interconnected greenway system, and provide additional watershed protection.	8
1	GS3.1	Collaborate with the Water Partnership on One Water initiatives, including 1) revise water resource policies to reflect current scientific data and understanding, 2) protect watershed and stream buffers, 3) participate actively in protection of Falls and Jordan Lakes, and 4) promote conservation measures on lands in current and potential watersheds.	8

		TIER 2	Dot Count
2	GS4.2	Update and integrate Wake County's growth plans as it relates to land use and transportation systems.	7
2	CH1.5	Expand opportunities to provide stable housing choices to frequent users of community services through permanent supportive housing and other available tools (i.e. housing first).	6
2	PS4.3	Identify public health, addiction prevention and recovery strategies to address substance abuse in the community.	6
2	CH1.4	Leverage partnerships to enhance data sharing related to behavioral health services.	4
2	GG7.3	Establish a countywide performance management program, including guidance for departments to use for development of qualitative and useful performance metrics.	4
2	GG7.2	Establish a public-facing performance dashboard to capture, document and display key performance measures for the organization.	3
2	PS6.2	Work with stakeholders to identify strategies to provide interventions for at-risk school-aged youth to disrupt the school-to-prison pipeline.	3

		TIER 3	Dot Count
3	CH2.1	Improve health of populations through the development of infrastructure and education that encourages an active lifestyle.	2
3	GG5.2	Identify and pursue programs, practices, technologies and other opportunities that enhance the innovation and creativity within the organization.	2
3	GS5.3	Collaborate with municipal, community and private partners to encourage best development practices in corridors and areas identified for transit investment, including serving communities in need and creating affordable housing.	2
3	GS5.4	Seek opportunities to increase collaboration between transit providers and the Wake County School System.	2
3	PS6.1	Evaluate and implement tools available to assist public safety personnel working in crisis management, de-escalation and mental health first aid.	2
3	PS7.2	Continue pursuing opportunities for education and job-training for detainees through community partnerships	1
3	PS1.1	Coordinate public safety data collection and interagency coordination to inform and assist public policy decisions and identify areas for strengthening.	0
3	SEV3.4	Identify and implement opportunities to reduce logistical barriers that prevent vulnerable populations from accessing services provided by government and nonprofits, including increasing co-location and contracting of services.	0

She shared the next steps necessary to continue moving forward.

- February 19 -Formally approve priorities at next regular meeting
- March 17 –At next retreat, consider priorities in context of FY2019 operating budget and 7-year CIP
- Ongoing –Staff will include Goal Area updates at monthly worksessions
 - Action and implementation steps to advance priority initiatives
 - How staff defines success at year end
 - Critical decision points

Commissioner West commended staff for their work on the goal imitative process. He said it has been very successful in increasing communication among the board.

Ms. Rogers said now that goals are identified, staff will identify the necessary resources needed to move forward.

Mr. Ellis said there will be more frequent updates provided to the board regarding the goals.

Commissioner Portman suggested completing the goals in small steps but work towards the milestones.

Commissioner Portman asked for clarification on goal E2 and asked if the intention was for it to be completed as part of a multi-year plan.

Objective E2: Develop a long-term plan for WCPSS and Wake Tech operating and capital needs that are bound by strong financial policies designed to maintain the county's outstanding financial position demonstrated by achievement of the highest credit ratings.

Initiative	Status	Actions Needed for or Obstacles Preventing Movement to Blue / Green	Notes
E2.1: In partnership with WCPSS, develop a long-term plan for local funding for the WCPSS annual operating budget that establishes annual goals and targets, which are predictable, sustainable and aligned with programmatic goals identified in the WCPSS strategic plan.	○	The Board of County Commissioners will continue to discuss policy options and potential funding goals and guiding principles. On January 16, 2018, staff shared with the Board relevant metrics and data to inform this discussion. For this to be accomplished, the Wake County Board of Education will need to participate in a discussion.	
E2.2: Ensure jointly developed budget plan maintains a level of funding to WCPSS for local teacher supplement that allows for recruitment and retention of quality educators and staff support.	●	WCPSS needs to provide data with respect to teacher recruitment and retention. Joint discussion between the two boards is required.	
E2.3: In partnership with WCPSS and Wake Tech, continue implementation on financing strategies to address needs identified in 7-year CIP.	●	The County, WCPSS and Wake Tech have developed a seven-year plan and established structures and processes to revise, update and execute implementation. The next challenge is to implement this plan. Continue to assist Wake Tech with technology and staffing master planning efforts, including in-depth review of proposed technology acquisitions and capital improvement plan updates.	

Commissioner Burns indicated that this would be the best approach.

Commissioner West commented on Commissioner Portman's ideas for goal E2 and said that was his understanding as well. He also said that completing the goals in small steps is the best approach.

Commissioner Portman suggested a revision to goal E2 to provide clarification. His revision was as follows:

"Develop a long-term plan for local funding for the WCPSS annual operating budget that establishes annual goals and targets, which are predictable, sustainable and aligned with the needs of WCPSS."

Ms. Rogers said staff will make the revision accordingly.

Adjourn

Chair Holmes adjourned the meeting at 3:50 p.m.

Respectfully submitted,

Michelle L. Cerett
Executive Assistant to the Board