

**MINUTES OF BOARD OF COUNTY COMMISSIONERS
OF GUILFORD COUNTY
WORK SESSION**

Greensboro, North Carolina
October 17, 2019

The Board of County Commissioners met in a duly noticed Work Session at 2:30PM in the McAdoo Room located on the 3rd floor of the BB&T Building located at 201 W. Market St., Greensboro, NC.

PRESENT: Chairman Alan Branson, presiding; Vice Chairman Jeff Phillips; Commissioners Kay Cashion, Melvin “Skip” Alston, Hank Henning and J. Carlvena Foster (in at 3:07PM).

ABSENT: Commissioners Carolyn Q. Coleman and Alan Perdue.

ALSO PRESENT: County Manager Marty Lawing; County Attorney Mark Payne; Deputy County Manager Clarence Grier; Clerk to Board Robin Keller; Ariane Webb, Deputy Clerk to Board; Heather Skeens, DHHS-DSS Division Director; Carol Campbell, Human Resources Manager; Dan Durham, Property Management/Parks/Facilities Director; Cynthia Barnes-Phipps, MWBE Program Director; Michael Halford, Budget Director; Jim Albright, Emergency Services Director; members of staff, community, and media.

I. WELCOME AND CALL TO ORDER

Chairman Branson welcomed those present and called the meeting to order at 2:49PM.

II. NEW BUSINESS

**A. SOUTHEASTERN WORKFORCE STRATEGIES: PHASE II PROPOSAL
– GUILFORD COUNTY FOSTER CARE PROGRAM**

**1. DHHS – DSS Partnership with Southeastern Workforce Strategies,
LLC**

Heather Skeens reviewed the concept of A Model Approach for Change in Child Welfare (AMAC-CW) and introduced the Southeastern Workforce representatives present, Sarah Vidrine and Alan Foster. She discussed Phase 1 findings the concept of permanency through reunification. Skeens shared Guilford County’s family reunification rate ranges between 10-20% but has one of the highest adoption rates in the state. She reviewed the mandates guiding the reunification process and noted these are driven by stability and successful adherence to case plans. Skeens emphasized the need to create and maintain connections between displaced children and their families as a potential strategy to improve reunification.

Shelia Stokes, DHHS-DSS Children's Services Division Director, shared administrative data for the prior five (5) years for children in care and noted while state policy changes in 2016 resulted in an increased number of children entering foster care, this statistic decreased in 2018, possibly from AMAC-CW findings. Stokes discussed the county's extended foster care program for 18-21-year olds and compared the number of children in foster care versus those on track for adoption. She confirmed Guilford County is still actively recruiting foster parents and shared they are managing 109-110 foster families since January 2019.

Skeens boarding rates paid to unlicensed foster families who serve as kinship or relative placement options. She stated Guilford County's reunification rates consistently fall below state average but felt the work with Southeastern Workforce had improved these rates.

Sarah Vidrine with Southeastern Workforce Strategies, LLC discussed Phase 1 processes and goals. She reviewed the research methodology and key findings. Vidrine spoke to the increasing number of females and the disproportionate rates of African-Americans entering foster care, and discussed the factors impacting reunification.

Commissioner Foster arrived to the meeting at 3:07PM.

Skeens shared the recommendations from Phase I of the study and discussed the division's goal to reunify at least twenty (20) children with their families in FY 2019-20. She requested the Board approve the contract with Southeastern Workforce to assist them with implementation of the second phase of AMAC-CW to assist in achieving this goal.

Vice Chairman Phillips questioned the adoption rate for cases involving Guardian ad litem (GAL) participation and if children who were not assigned representatives had a higher rate of reunification with their families.

Skeens explained the GAL program and types of cases assigned to these representatives. She noted children represented by GAL staff have a higher likelihood of adoption.

Vice Chairman Phillips spoke to the need for further evaluation of these cases.

Skeens confirmed that there had been a focus on open communication, transparency and reunification during the past eighteen (18) months. She noted the internal culture is beginning to shift towards following state mandates and away from adoption as a best practice.

Vice Chairman Phillips stated key stakeholders should identify ways to work together for the benefit children in foster care.

Commissioner Foster shared her support for moving forward with Phase II of AMAC-CW and questioned if the FY 2019-20 goal would be based on current figures or from analysis of data gained during this second half of the study.

Skeens stated the goal amount will be based upon a compilation of both figures and discussed examples where expediting adjudication, case plans and supportive services will be of benefit to the process.

Commissioner Cashion left the meeting at 3:21PM.

Motion was made by Vice Chairman Jeff Phillips, and seconded by Commissioner Justin Conrad, to approve contract, in substantial form, with Southeastern Workforce Strategies by and through the Health and Human Services Department (Division of Social Services) in the amount of \$220,000 for a one (1) year term effective November 1, 2019 towards the second phase of A Model Approach for Change in Child Welfare (AMAC-CW).

VOTE: Motion carried 6-0

AYES: Alan Branson, Jeff Phillips, Melvin “Skip” Alston, J. Carlvena Foster, Justin Conrad, Hank Henning

NOES: None

ABSENT: Carolyn Q. Coleman, Alan Perdue, Kay Cashion

Chairman Branson announced the Board would take a five-minute recess at 3:22PM.

The Board, including Commissioner Kay Cashion, reconvened at 3:29PM.

B. EARLY SITE WORK BIDS: GUILFORD COUNTY BEHAVIORAL HEALTH CENTER

1. Adult Behavioral Health Crisis Center Site Work

County Manager Marty Lawing announced the change in the order of agenda items, as representatives from Samet Construction were present at the meeting.

Dan Durham, Property Management/Parks/Facilities Director introduced the item and Samet Construction representatives. He discussed the decision to split the bid process into two packages to expedite the construction schedule and shared the competitive bid process for the site work. Durham reviewed the site plan for the adult and adolescent behavioral health facilities, explained the scope of the site work and shared the low bidders for trade site work.

Durham shared the guaranteed maximum price for this project was \$3.495 million and discussed the significant amount of underground debris at the site, which resulted in a higher amount attributed to the unforeseen conditions allowance. He noted that the costs attributed to this line is based upon unit pricing and dependent upon the types of materials found at the site. Durham confirmed any unused portion of this allowance would be returned to the county and noted any savings generated from the other types of site work would serve as a savings incentive for Samet and distributed between the County and Samet Construction, at a rate of 75% for the County’s share.

Commissioner Alston questioned if ECS Carolinas, the group performing the debris removal, would provide final confirmation on the quality of the debris and the best procedure for removal. Durham confirmed they would provide this service.

Chairman Branson stated there would be discussion regarding their ability to recycle certain materials found at the site.

Commissioner Alston questioned the cost of the contract with ECS Carolinas.

Durham shared the contract is approximately \$35,000. He noted site work Minority/Women-Owned Business Enterprise (MWBE) participation had increase to 10.71%, with African-American participation increasing to 4.05%.

Commissioner Alston requested the MWBE Director share her involvement in the bid process.

Cynthia Barnes-Phipps, MWBE Director, discussed her collaboration with Samet Corporation and recruitment events held in July 2019 for contractors. She confirmed web and email notifications were sent to approximately 200 contractors.

Commissioner Alston requested the number of African-American contractors who attended the recruitment event and the number of these contractors who were contacted directly. He expressed concerns with the percentage of African-American contractors participating in the site work project.

Barnes-Phipps noted that the MWBE participation percentages presented only represent those involved with site work and confirmed additional outreach events will be held for each stage of construction.

A representative with Samet Construction shared their expectation that overall MWBE participation would increase with each phase of construction.

Commissioner Alston and Barnes-Phipps discussed additional outreach efforts that could be implemented to improve MWBE participation.

Durham explained the request to amend the contract with Samet Construction and the accompanying capital project ordinance.

Motion was made by Vice Chairman Jeff Phillips, and seconded by Commissioner Kay Cashion, to approve amendment to the existing Construction Manager At Risk contract with Samet Construction by replacing Exhibit A, Guaranteed Maximum Price Amendment in the original contract with a new Exhibit A, Guaranteed Maximum Price Amendment, in substantial form, for the site work in the amount of \$3,495,955 and amend the Mental Health Facility Replacement capital project ordinance to increase project funding by \$3,500,000 from bond proceeds (2019 issuance) bring the ordinance total to \$6,400,000.

Commissioner Alston shared he could not support the motion on the floor, stating Samet Construction had not made a good faith effort to recruit African-American contractors to participate in the site work project.

Chairman Branson reiterated the site work MWBE participation rate of 10.71% and noted Samet Construction's shared expectation of approximately 25% MWBE participation for the total project.

Commissioner Foster questioned the total number of African-American contractors contacted during the bid process.

Ronald Rogers with Samet Construction discussed the project-specific HUB plan, along with advertising and outreach efforts. A Samet Construction representative introduced Mentor Protégé Gilgeours Construction and United Maintenance Group as MWBE contractors who have worked on prior projects with Samet.

Commissioner Alston reiterated his concerns with African-American participation on the project.

Samet representatives discussed the bid process and efforts to recruit MWBE participation.

The Board discussed guidelines related to MWBE participation and outreach efforts.

Motion was made by Vice Chairman Jeff Phillips, and seconded by Commissioner Kay Cashion, to approve amendment to the existing Construction Manager At Risk contract with Samet Construction by replacing Exhibit A, Guaranteed Maximum Price Amendment in the original contract with a new Exhibit A, Guaranteed Maximum Price Amendment, in substantial form, for the site work in the amount of \$3,495,955 and amend the Mental Health Facility Replacement capital project ordinance to increase project funding by \$3,500,000 from bond proceeds (2019 issuance) bring the ordinance total to \$6,400,000.

VOTE: Motion carried 5-2

AYES: Alan Branson, Jeff Phillips, Kay Cashion, Justin Conrad, Hank Henning

NOES: Melvin “Skip” Alston

ABSTAIN: J. Carlvena Foster

ABSENT: Carolyn Q. Coleman, Alan Perdue, Kay Cashion

C. REVIEW PROPOSED CHANGES TO 2020 GROUP HEALTH PLAN

Carol Campbell, Human Resources (HR) Benefits Manager, introduced the item and discussed trends in healthcare claims for FY 2018-19. She noted four (4) claims have already exceeded the county’s stop loss deductible of \$425,000 and two (2) of these are now approaching seven-figures.

Commissioner Henning questioned if these claims are tracked year-over-year.

Campbell confirmed the claims were tracked year-over-year and expected claim costs to rise. She shared approximately \$4.3 million in health insurance internal service fund balance was used for FY 2018-19.

Campbell reviewed actual and projected plan revenues and expenditures for 2013 through 2024. She noted revenues have remained constant while expenditures have continued to increase and compared the year-over-year claims paid by employees versus retirees. Campbell noted across-the-board increases in claims for all plan types.

Campbell reviewed the average claims cost per person based upon employment status and noted these expenses are significantly higher for retirees versus active employees. She discussed the out-of-pocket cost analysis and noted many employees will not be impacted by increased deductibles, as the median out-of-pocket expense per member is \$223.

Campbell stated the county pays 93.5% of total claims costs and compared Guilford County's healthcare plan to those entities surveyed. She discussed the premium changes needed to increase revenues if no additional plan changes were adopted. She noted the county has subsidized dependent coverage for many years and expressed concern with the potential to exceed available fund balance within the next 1 ½ years.

Campbell reviewed the three (3) group health plan options under consideration for 2020. She shared Option 1 would provide over \$4 million in estimated savings with the least change in premium amounts. She discussed changes to health plan benefits under this option.

Campbell shared their ability to negotiate better terms within the United Healthcare contract for prescription discounts and rebates that would result in savings for all options. She discussed biweekly employee premium increases under each option.

Commissioner Henning questioned if Option 1 would provide more substantial, long-term savings. He spoke to the need to balance county savings with the impact of these changes on employees and requested a recommendation from staff.

Campbell shared the results of a recent employee survey and noted while most employees expressed higher levels of dissatisfaction with monetary compensation, a majority of those surveyed were satisfied with health care benefits.

Commissioner Alston questioned the cost if no changes were adopted.

Campbell stated the County would use approximately \$5 million from fund balance to cover healthcare costs in 2020, if no plan changes were adopted.

County Manager Marty Lawing shared that the County is at a crossroads with regards to the health care plan.

Commissioner Alston questioned if the county could charge sliding scale premiums based upon salary.

Staff stated they would research and provide this information at a later date.

Chairman Branson questioned how the changes would impact retirees.

Campbell shared approximately 399 retired employees remain on the current healthcare plan.

Commissioner Conrad spoke to the trend of rising healthcare costs and shared the county has a very well-established plan with a cost share of 90% County, 10% employee. He spoke to the challenges involved with the current decision on the floor and noted the need to seriously consider these changes to ensure the sustainability of the plan.

Commissioner Foster expressed concern with the potential impact increased out-of-pocket expenses could have on lower paid staff and stated staff should look elsewhere for additional funding.

Vice Chairman Phillips shared previous conversations regarding income-based plan tiering and noted the County has continued to offer merit-based increases since he was elected. He opined on the significant compensation adjustments that were adopted based upon recommendations from the recent class & compensation study and noted plan Option 1 would have the least impact upon employee compensation. Phillips questioned when a final decision was needed.

Lawing shared the need to reach a decision soon.

Chairman Branson recommended tabling the decision until the next meeting.

By general consensus, the Board tabled the decision regarding the 2020 group healthcare plan until the next scheduled meeting.

Commissioner Alston questioned if the County Attorney would provide a recommendation regarding the option to offer differential premiums based on pay by the next meeting.

Commissioner Henning questioned if the County's contract with the current flex spending vendor was still active or eligible for bid. He discussed complaints received regarding inefficiencies and potential misuse of county funds for the current vendor. Henning requested staff provide the number of employees who have had cards canceled and the amount of flex spending dollars that have been returned to the vendor.

III. OTHER BUSINESS

There was no other business to discuss.

IV. ADJOURN

There being no further business, the Board adjourned the meeting by unanimous consent at 5:03PM.

J. Alan Branson, Chairman

Clerk