

**MINUTES
DAVIE COUNTY BOARD OF EDUCATION
WORK SESSION/BUSINESS MEETING
TUESDAY, SEPTEMBER 11, 2012**

The Davie County Board of Education met at 4:00 PM, Tuesday, September 11, 2012, in the Board Room of Central Davie Education Center, 220 Campbell Road, Mocksville, NC.

Board Members Present:

Barbara Owens, Chairwoman
Chad Fuller, Vice-Chair
Paul Drechsler
Wendy Horne
Clint Junker
Carol Livengood
Steve Ridenhour

Staff Present:

Dr. Darrin Hartness, Superintendent
Jeff Wallace, Assistant Superintendent
Deborah Smink, Chief Financial Officer
Noël Grady-Smith, Executive Director of Curriculum
Arthur Bolick, Board Attorney
Jean Brickey, Board Clerk

Others Present:

Tom Balke, Little Diversified Architectural Consulting

Chairwoman Owens called the meeting to order at 4:05 pm and observed a moment of silence in honor of all effected by the events of September 11, 2001.

Jeff Wallace led the Pledge of Allegiance.

Mr. Ridenhour made the motion, seconded by Mr. Junker to adopt the agenda as presented. The motion carried 7-0.

Superintendent Hartness presented a PowerPoint presentation regarding the history of the current Davie High School and how the Davie County Board of Education has come to this point in regard to the future of the High School.

Dr. Hartness opened the floor for questions from the Board to Mr. Balke about the facilities assessment and/or the renovation and construction project. Little and Associates designed a project within the parameters given by the Board and approvals have been received from all required agencies.

The renovation/construction project scheduled was questioned and Mr. Balke stated the project was on schedule with receiving bids mid-October and securing a contract by the end of October. Construction on the new building is scheduled to take place November, 2012 through July, 2013.

Mr. Balke used a PowerPoint presentation containing the presentation he shared with the public in April, the current planning of the new classroom building addition at Davie High School and the repurposing proposal. Five examples of repurposing of the Davie High

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School building were reviewed. Mr. Balke reviewed the plans for what the high school would look like with the addition of the classroom building. Classrooms, science labs, gymnasiums, square footages, programs and the budget for the project were questioned and discussed.

The cost for the removal of the mobile units was questioned and confirmed that it was not included in the \$5.8M estimate.

Clint Junker asked about the direction of the questioning. He stated the discussion was in regard to the \$6M classroom building but also the repurposing of the campus. He asked Mr. Balke for his professional opinion, in light of the current issues, as to what he recommends to the Board. Mr. Balke stated that when he began the facilities plan he was determined to find a successful option for the high school to go forward. However, the deeper he got into the study, he recognized things were going to be too difficult to overcome. He concluded that there needs to be a new high school. He reviewed the limitations of the high school including the site size, traffic problems, safety, growth limitations, and disruptions to student performance with years of renovating, replacing and renewing, the undersized and inadequate space for programs including the arts, 21st Century Learning and the capacity of the gymnasium.

Mr. Balke was questioned about renovations at other high schools with similar needs in other counties. He spoke to the projects in which he has been involved.

Mr. Balke was asked for his professional opinion and experience in comparing the cost of new construction vs. the cost of renovating a square foot and the associated overages and change orders. Mr. Balke presented different scenarios to explain differences in cost between new construction and renovated construction. He stated there are typically more overages on renovations because of the potential for the unknown.

Steve Ridenhour stated concern that if you spend money to build new, where are you going to get the money to do the programs. Mr. Ridenhour does not believe we can afford this and continue to operate the system at the level that we expect.

Wendy Horne stated that she believes it is the Board's job to provide the best education that can be provided and that we are not providing students with what they need. She stated it is the Board's job to recommend what our students need and the commissioners are charged with determining how to fund. She believes there are other options besides property tax such as sales tax and private donations. She believes it is time to get past saying "we can't" and start talking about how we can do this.

Steve Ridenhour stated the Board has a fiduciary responsibility to the tax payers of this county. He believes at some point a new high school will be needed, but not now in these economic times. He quoted figures from an amortization table. He wants the renovations done at the high school ASAP.

Barbara Owens believes having the facilities assessment and long range plan allows the Board to move forward and asked if it makes sense to spend money at the current High School or should the Board step back and work together to fund a new school.

Chad Fuller stated he the Board cannot afford to not talk about it. He spoke to the amortization figures and believes there are other types of amortization that can be considered. He referred to a letter from the Commissioners to Dr. Hartness which stated the BOC were not interested in financing any amount over \$10M by way of COPS. Mr. Fuller questioned where the \$10M figure originated and stated Commissioner Jones responded: "The \$10M figure was based on an amount we can reasonably finance without an increase in property taxes. We [BOC] based this on discussions with Mr. Stockert and our finance department." Mr. Fuller therefore believes that \$10M of any project should not be considered in the financing and the increase of property taxes.

Discussion was held on the \$3.1M in QSCB bonds that are available. Dr. Hartness clarified that the \$3.1M was QSCB bonds that were applied for and can be used for this project only.

Lively discussion was held regarding cost estimates, financing, revenue, tax increases and debt roll off.

Chad Fuller reiterated his position that the Board needs to consider a long term plan and cannot afford to not talk about the options. He believes the new Board members must have an opportunity to weigh in on the discussion on how this \$6M investment fits into a long range facilities plan.

Steve Ridenhour stated he believes it is foolish to spend only \$6M at the high school. He feels principals will be worried about how they will operate their schools and keep their staffs if we spend this much money on a new school.

Carol Livengood agrees \$6M is not going to get what we need at Davie High and that leads to the need for more discussion.

Clint Junker stated the decision has not even been made if we are going to remain at the current Davie High. He fears spending "X" amount of dollars at the current high school and still not achieving what is needed. He wants to know how the \$6M fits into a master plan and doesn't feel we have that plan right now.

Barbara Owens stated that it is time to pull all the pieces of information together and create a long range plan.

Wendy Horne asked Deborah Smink, Chief Financial Officer, to explain the difference in the funding sources for building a facility and then operating it. Deborah Smink explained the differences in the operating budget and capital outlay budget which is used for facilities.

Paul Drechsler asked questions regarding the use of fund balance in the current and future budgets and Dr. Hartness answered his questions.

Chad Fuller recommended that the staff continue to work through the facilities assessment with Tom Balke and prioritize the items, so the Board will know what the numbers are and develop a long range facilities plan. He believes the answer will not be the \$6M at the High School, but will be much more.

Tom Balke reported the process that he and Davie County Schools' staff have been following to prioritize the needs and the goal to meet again in mid-October.

Chad Fuller expressed his desire for staff and Mr. Balke to finish prioritizing the facility needs, preferably sooner than the mid-October date, thus providing the Board the facilities plans.

Steve Ridenhour expressed his desire for the Board to begin the construction/renovation at the high school to accomplish removing the mobile units and study other needs which could be done in phases.

Paul Drechsler stated concern about the time it will take to complete the long range facility plan and feels it to be prudent to take what we already have and do the very best we can, which means getting started on the construction/renovation at the high school with the promise to put this plan [long range] on paper and stick to it. This would be a step in the right direction.

Clint Junker feels it is a \$6M "step" but doesn't agree that it is in the right direction since that has not been determined. He could not support the start of the renovation/construction without more information.

Chairwoman Owens asked Tom Balke and staff if their time table could be moved up to have the long range priorities report earlier. Mr. Balke said the next step must be the results of the redistricting study because it affects the outlay of the capital plan. He stated that the recommendation from the Facilities Assessment and Long Range Plan was for a new high school and therefore he doesn't know how to access that piece and what direction to follow.

Discussion continued about the facilities study and the direction the Board should take. Mr. Balke suggested that if the Board is debating and considering the renovation of the current high school, outside of the recommendations of the report, that it goes beyond the \$6M addition and the Board should evaluate a master plan specifically for that site.

Steve Ridenhour made the motion to ask Little Diversified to take the addition to Davie High School to bid. Paul Drechsler seconded the motion.

Carol Livengood stated before she votes to spend \$6M of the taxpayers' money, she wants to know exactly what that will get us, but what other costs it creates. Mrs. Livengood is also concerned about the timeline for the high school.

The cost to remove the mobiles and their value was discussed.

Superintendent Hartness stated that Mr. Little and staff are working to prioritize the need of all the schools but in regard to prioritizing the needs at the High School, the Board should

revisit the facilities assessment report, specifically Avenue A, which addressed renovating on the Davie High School campus. Their estimate was over \$40M and still did not address all the problems on the campus. Therefore, if the Board is looking for an answer from the architect on what it will cost to build out on that campus, they already have the architect's recommendation. The question for the Board is: Do you stay on the site on 601 continuing to build out, against the recommendations of your architect and the State School Planning architect, and still not meet all the needs or do you take a different path?

Chairwoman Owens stated there was a motion on the floor and were there any other questions.

Paul Drechsler stated he does not believe doing this \$6M project locks us into staying on the current campus forever. He asked if the two story building is built on that site, is that site more or less "repurposeable"?


More discussion followed on the need for the Board to decide which direction they will take on the high school issue.

Chairwoman Owens called for the vote on the motion on the floor. The motion failed 2-5.
For: Ridenhour and Drechsler; Against: Fuller, Horne, Junker, Livengood and Owens.

Chairwoman Owens asked if the Board would like to have a work session prior to the October 2 Board Meeting to start the process of looking at the future for Davie High School. It was determined that the architect was not available until mid-October. Mr. Balke was asked to send dates he was available and a date will be confirmed with the Board. Board members were asked to review the facilities study on the high school and direct any questions to Dr. Hartness.

Mr. Junker asked for clarification regarding the status of the \$6M project. Chairwoman Owens stated the bid process was stopped, but the project could still be part of the discussion.

Mr. Junker made the motion, seconded by Mr. Ridenhour to adjourn. The motion carried 7-0 and the meeting adjourned at 6:50 pm.


Barbara Owens, Chairman


Darrin L. Hartness, Ed.D., Secretary

BO:DLH:jmb

Approved: 10-23-12