

Joint Board of County Commissioners and Board of Education Committee Meeting
August 1, 2019
9:00am
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC 27932

Minutes

A Joint committee consisting of three Chowan County Board of Commissioners and three members of the Edenton Chowan Board of Education met on Thursday, August 1, 2019 at 9:00 am at the Chowan County Public Safety Center 305 West Freemason St. Edenton, NC 27932

Attendees:

County Commissioners/Staff

Chair Patti Kersey
Commissioner Ron Cummings
Commissioner Don Faircloth (Came in late)
Mr. Kevin Howard, County Manager
Susanne Stallings, Board Clerk

Board of Education/Staff

Chairman Gene Jordan
Mr. Ricky Browder
Mr. Paul Clifton (Absent)
Dr. Rob Jackson, Supt.
Sarah Hare, Board Clerk (Absent)

Chairman Gene Jordan of the Board of Education and Chair Patti Kersey of the County Commissioners called the meeting to order and welcomed all in attendance.

Ms. Kersey noted the committee last met in February 2019 and established a timeline. She stated that the purpose of this meeting is to review the timeline and to understand the capital project process. She stated it is important for the Commissioners and Board of Education to work together on this project.

Mr. Jordan stated that he agreed and stated he is optimistic to continue working to keep moving on the timeline.

Mr. Faircloth joined the meeting.

Dr. Jackson and Mr. Howard decided to have Mr. Howard review the Bond process information first and then the timeline will be discussed.

Mr. Howard provided a PowerPoint presentation on General Obligation Bonds. A copy of the PowerPoint is attached to these minutes. Highlights from the presentation:

- Voter approval is required to utilize General Obligation Bonds
- Interest rates and issuance costs are lower for General Obligation Bonds
- Maximum terms is 20 years
- Bond Counsel must be hired early in the process

- Bond must be issued within 7 years of the effective date of the bond order
- Requires Commissioner Approval
- Requires LGC approval
- Referendum must be adopted within one year of adoption of bond order.

Mr. Howard also provided a slide that detailed the County's Debt Service pay off schedule. This slide is attached to the minutes. Mr. Howard noted:

- 2020/21 The payment will be reduced \$693,366
- Each year following up to FY 2023/24 before all of the debt is paid off. The larger debt is paid off 2022/23 and 2023/24.

Mr. Howard noted that the County will need to obtain Bond Counsel as well as a financial advisor for a project like a school renovation or new construction. He stated the bond counsel will assist with designing the schedule. He noted he spoke with Caswell County who recently went through this process. He stated the referendum has to show the project so that the voters can be informed. He noted the County is not able to spend monies to promote the referendum under general statutes. He noted that the costs for Caswell County were:

Financial Advisor -	\$10,000
Bond Counsel-	\$13,000
Lenders Counsel-	\$3,500
Title/Deed	\$2,000
LGC Fee	\$1,250

Dr. Jackson reviewed the timeline that was put together by the committee in February.

Timeline

June 18, 2019	Demographic Study
Date	Dissemination of information at the local level through a coordinated public information program
Date	Educational visioning sessions with stakeholders
Date	Determination of included elements (i.e. Community Pool, Performing Arts Center)
Date	Approve Funding Plan
Date	Hire a Construction Management Firm
Date	Selection of school site
Date	Selection of architect

The Board discussed the timeline and made additions as well as changes to the February Timeline:

The committee discussed the need for site selection earlier in the process. The committee noted that public input on the location is critical. Construction Management was discussed.

Mr. Howard noted that the Board should also consider the requirement of having the 8-10% architect fee up front.

The committee noted the Board of Education will decide in November which site will be selected.

Dr. Jackson stated the public meetings will be recorded and this will be shared with the architects and others brought in on the project later. It was determined the public hearings would be joint meetings of the Commissioners and the Board of Education.

Timeline Update at August 1, 2019 Joint Committee Meeting

June 18, 2019 Demographic Study

October 1, 2019 Public Input for Site Selection (2 meetings)

October 29, 2019 Joint Committee Meeting/ Site Selection Recommendation

October 31, 2019 Bond Counsel Selection/ Financial Advisor Hire a Construction Management Firm

November 8, 2019 Selection of school site

Dissemination of information at the local level through a coordinated public information program

Educational visioning sessions with stakeholders

Determination of included elements (i.e. Community Pool, Performing Arts Center)

Approve Funding Plan

Selection of architect

Being no further business, Chair Kersey declared the Commissioners committee members adjourned. Mr. Jordan declared the Board of Education committee members adjourned.

Patti F. Kersey, Chair

Susanne Stallings, Clerk

General Obligation Bonds

Traditional Financing

General Obligation (GO) Bonds

- Security is **full faith and credit** (taxing power)
- **Voter approval** is required; can only be held during a primary or general election
- Interest rates and issuance costs are lower. Level principal payments
- Max term 20 years

Traditional Financing General Obligation (GO) Bonds

- Must hire bond counsel early in process
- Bond amount for referendum will be a “not to exceed” amount
- Bonds must be issued within 7 years of the effective date of the bond order. Can get an extension to 10 years for extenuating circumstances.

Traditional Financing General Obligation (GO) Bonds

- Bond Order adopted by Board of Commissioners
- Bond Order approved by LGC
- Referendum must be within 1 year of adoption of bond order

County Debt Service Pay Off Schedule

*Designated funds for schools

	2019/20	2020/21	2021/22	2022/23	2023/24
PSC	\$ 1,009,454	\$ 932,500	\$ 1,009,800	\$ 1,008,988	\$ 1,009,736
Library	\$ 91,988	\$ 88,293	\$ 84,627		
library	\$ 137,120	\$ 110,568	\$ 183,544	\$ 393,870	\$ 208,488
EOC	\$ 120,821	\$ 120,586	\$ 120,313		
NCCC	\$ 193,973	\$ 190,317			
DF Walker*	\$ 582,274				
High School*	\$ 103,573	\$ 103,573	\$ 446,405		
Total	\$ 2,239,203	\$ 1,545,837	\$ 1,844,689	\$ 1,402,858	\$ 1,218,224
Payment Reduction		\$ 693,366	\$ (298,852)	\$ 442,104	\$ 184,634
Amount Available		\$ 693,366	\$ 394,514	\$ 836,345	\$ 1,020,979

A photograph of John A. Holmes High School, a large brick building with a central entrance and a tall chimney. The school's name is visible on the facade. A paved walkway leads from the foreground towards the building, flanked by green lawns and trees.

JOHN A HOLMES HIGH SCHOOL

Facility Replacement

FINDING A WAY FORWARD

Timeline

Collaborative Timeline

Post-it SUPERSTICKY EASELPAD
TABLEAU A FEUILLES MOBILES SUPERCOLLANTES
SUPERADHESIVAS BLOCC DE HOJAS REPOSICIONABLES

30 25 IN/PO x 30 IN/PO
63,5 cm x 76,2 cm
5,2 SQ FT/PP (0,48 m²) 3M

- Demographic/Facility Study
- Public information/input (include Town)
- Educational ^{Visioning} Input Session
- Funding Plan
- Construction Management Firm
(help w/ site selection)
- Site Selection
- Architect Selection
-

Public Input/Information throughout

Timeline

June 18, 2019

Demographic Study

Date

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Approve Funding Plan

Date

Hire a Construction Management Firm

Date

Selection of school site

Date

Selection of architect

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