

**MINUTES OF THE SCHOOL CAPITAL FUND
COMMISSION FOR BUNCOMBE COUNTY
MEETING HELD ON MONDAY, OCTOBER 15, 2018 AT 3:00PM**

BE IT REMEMBERED: That the School Capital Fund Commission met for a regular meeting on October 15, 2018, in the County Administration Building, 200 College Street, First Floor Conference Room, in downtown Asheville, North Carolina at 3:00 p.m. where and when the following business was transacted:

The Commission meeting was called to order with the following Members present:

Charlotte Sullivan, Commission Member
Gene Bell, Commission Member
Brownie Newman, Commission Member
Max Queen, Commission Member
Joe Belcher, Commission Member

County Staff Present: George Wood, Interim County Manager, Eric Hardy, Interim Finance Director; Brandon Freeman, Senior Attorney; Blair Chamberlain, Accountant; Dustin Clark, Business Officer.

Approval of Agenda as Presented

Commission Member Sullivan moved that the Commission follow the agenda as presented. The motion passed unanimously.

Approval of June 9, 2018, Meeting Minutes

Commission Member Bell moved that the minutes be approved as presented. The motion passed unanimously.

Public Comment

Brandon Freeman¹ opened the floor for public comment at 3:05 p.m. No public comment was made.

Officer Appointments

- Chair
 - Commission Member Newman nominated Max Queen as Chair of the School Capital Fund Commission, Commission Member Belcher seconded, the motion passed unanimously.
- Vice Chair
 - Commission Member Newman nominated Charlotte Sullivan as Vice Chair of the School Capital Fund Commission, the motion passed unanimously.
- Secretary
 - Commission Member Newman nominated Gene Bell as Secretary of the School Capital Fund Commission, the motion passed unanimously.

SCFC Financial Update

Dustin Clark presented the board with a financial recap of the School Capital Commission Fund. He noted that revenues for FY2018 came in under about \$0.26M below projection which will have an impact on the award capacity for the fund. Award capacity for the 2020 school year is \$8.0M.

Capital Needs Presentations

Asheville City Schools

¹ The Commission unanimously requested that attorney Freeman act as the presiding officer for this meeting because the Chair and Vice-Chair positions were still vacant.

Terrance McAllister, Asheville City Schools Assistant Superintendent, introduced Scott Donald of PFA Architects to present their school system's needs to the SCFC Board.

Scott described the process PFA used to come up with goals for extending the lives of school campuses that minimized operational disturbance while maximizing the budget. PFA assessed all Asheville City School campuses except the newly built Asheville Middle School and Isaac Dickson Elementary, upon review made a three year plan for improvements. Results showed major improvements needed to Hall Fletcher Elementary in school year 2020, ongoing renovations at Asheville High in school year 2021, and renovations to Asheville Primary, Vance Elementary, Jones Elementary, Claxton Elementary, Montford North Star Academy, and the Central Office in 2022.

Asheville City Schools requested funding for Hall Fletcher's critical needs totaling \$5,109,725 for school year 2020.

Asheville City Schools and Buncombe County Schools Joint Presentation

Terrance McAlister, Assistant Superintendent of Asheville City Schools, and Joseph Hough, Assistant Superintendent of Buncombe County Schools presented the commission the need for a security assessment for both school systems. They expressed a team of experts would be needed rather than an internal assessment. The experts will provide engineering and cost assessments, safety device and product assessment, and an expertise in software integrations. Results of the assessment should lead to improvements in campus safety, security, and accessibility. The joint request totaled \$400,000.

Buncombe County Schools

Tim Fierle, Clark Wyatt, and Alesha Reardon presented for Buncombe County Schools. Alesha gave an update on the progress of the LED Project noting that the project is about 50% complete and has already reduced energy usage by 4%. Clark Wyatt gave an overview of the life cycle of infrastructure for the County Schools noting that it costs about \$8.1 million a year to just maintain safe space.

Tim Fierle discussed some of Buncombe County School's high priority requests – the Erwin High School Kitchen and renovations needed to Haw Creek Elementary and Fairview Elementary due to K3 class size reduction mandated by the State. In addition to these two requests, the County schools requested several other high priority and second priority needs. Their request for school year 2020 totaled \$38,990,000.

Buncombe County Government

George Wood, Interim County Manager, presented to the Commission about the needs of bi-directional antennas (BDAs) and distributed antenna systems (DASS) to boost public safety radio signals from inside all Buncombe County and Asheville City schools. The total cost of the project would be \$2,010,400 consisting of a study to determine the needs of each school which costs \$75,400.

Commission Member Bell moved to approve the first steps of the project up to \$80,000. The motion passed unanimously.

Discussion and Consideration of New Funding Requests Received for School Year 2020

With the exception of a joint request from both school systems for the funding of \$400,000 for a security assessment of the schools within both schools systems, the Commission decided to review the requests made by the school systems over the next two weeks and to continue the meeting to October 29 to announce award approvals.

Commission Member Sullivan moved to fund the joint request from both school systems for the security assessment of \$400,000. The motion passed unanimously.

Commission Member Belcher moved to continue the meeting to October 29, 2018 at 3:00 p.m. The motion passed unanimously.

Resumption of Meeting on October 29, 2018

Commission Chair Queen called meeting back to Order at 3:04 on October 29, 2018, with the following Members present:

Charlotte Sullivan, Commission Member
Brownie Newman, Commission Member
Max Queen, Commission Member
Joe Belcher, Commission Member

County Staff Present: George Wood, Interim County Manager, Eric Hardy, Interim Finance Director; Brandon Freeman, Senior Attorney; Blair Chamberlain, Accountant; Dustin Clark, Business Officer.

Commission Chair Queen allowed Commission Member Newman to notify Commission that the Buncombe County Board of County Commissioners Approved joint request from both school systems for the security assessment of \$400,000.

Discussion and Consideration of New Funding Requests Received for School Year 2020 (Continued from October 15, 2018)

The Commission then turned its attention to Discussion and Consideration of New Funding Requests Received for School Year 2020.

Commission Member Newman noted that these projects are smaller in scope than last year and recommended simply following the schools priority list in order in a proportional manner.

Commission Chair Queen agreed.

Commission Chair Queen asked if the Hall Fletcher project could be broken into component parts and suggested that perhaps design should be funded first. Commission Member Sullivan said that she believed that to be possible and said that there was an alternate plan from ACS.

Commission Chair Queen, in regards to the County School System's request, noted that the state of the Erwin High School's kitchen seemed dire and agreed that it is appeared to be the highest BCS priority. He also agreed with second priority on BCS's list.

Commission Secretary Hardy informed the Commission that its capacity to fund this year was 8 Million Dollars, so long as debt issued, otherwise only fifteen percent of that 8 Million Dollars, approximately, would be available.

Commission Member Newman asked what the current Average Daily Membership (ADM) numbers for the school systems are and suggested that ADM may be the most equitable way to distribute these funds in this cycle, while noting that it was not a feasible option in previous cycles (i.e. when the Commission funded such a large amount for the Asheville High renovations). Commission Member Belcher and Commission Chair Queen agreed that the idea warranted consideration.

Commission Chair Queen commented further that he believed every item on the lists were legitimate but that the funds available limited the ability to fund all needs and noted that deferred maintenance made up most of the list.

Commission Member Newman asked what next year's fund balance projection was. Mr. Clark shared the Buncombe County Finance Department's funding capacity estimate, which was approximately 8 million for FY 2020, the same for FY 2021, and 10 Million for FY 2022. Mr. Clark said that it would be useful to know if any of the schools anticipated any big expenditures in the next five years such as constructing a building.

Commission Member Newman asked if the Fairview and Haw Creek projects could be phased. Mr. Tim Ferely of BCS said that they would have to be and that the Commission could think about those projects as three year projects.

Commission Member Belcher noted that phasing the projects could open up more funding.

Commission Member Newman said that 85/15 ADM would allow the Commission to recommend funding projects 1-6 of BCS's priority list and leave approx. 838K for ACS.

Commission Member Sullivan stated that using ADM would put ACS at a disadvantage.

Commission Member Newman noted that the County has much more real estate to maintain.

Commission Attorney Freeman read the statutory mandate of the Commission regarding funding, S.L. 2016-19 Sec. 10. ("The Commission shall consider the capital needs of both the Buncombe County School System and the Asheville City School System, prioritize those needs, and recommend projects to be funded from the Public School Capital Needs Fund to the board of county commissioners based on the priority of needs determined."), and advised that the commission make its recommendation using the formula contained in S.L. 2016-19 Sec. 10. rather than ADM.

Commission Member Sullivan said that she could not support an ADM model.

Commission Member Belcher moved that the Commission make the following funding recommendations to the Buncombe County Board of Commissioners:

- For both School Systems: \$1,934,000 to purchase and installation of bi-directional antennas (BDAs) and distributed antenna systems (DASs) to boost public safety radio signals.
- For Asheville City Schools: \$855,679 for Hall Fletcher to replace roof on 1996 addition, cafeteria, and west stairs, renovate student and staff restrooms (this amount includes design fees).
- For Buncombe County Schools:
 - \$1,950,000 for total renovations/replacement of Erwin High School Kitchen to meet Health Department regulations
 - \$675,000 for Renovations to Haw Creek & Fairview Elementary School for building code, security & K3 Class size reduction: design to 90% CDs, investigations and prep only.
 - \$200,000 to continuing re-paving Sand Hill Venable campus with new queueing road
 - \$875,000 for Leicester Elementary HVAC & Energy Management Controls Replacement
 - \$985,000 for Enka High School Track & Field Replacement

Commission Chair Queen noted that this recommendation relies on critical needs rather than ADM.

The Motion passed 3-1, Commission Members Queen, Belcher, and Newman for, Commission Member Sullivan against.

Commission Member Newman reiterated that the amounts recommended by the Commission are "not to exceed amounts" and that the funds must revert back to the fund if a project is completed under budget.

Schedule of Future Meetings

Commission Chair Queen suggested altering the Commission's bylaws concerning its regular meetings to more accurately reflect the times the Commission needs to meet.

Mr. Clark shared an analysis of when the Commission would typically make important decisions and presented a proposal for future meetings based on that analysis.

Based on Mr. Clark's analysis, Commission Member Newman moved to amend the Commission's bylaws concerning its regular meetings to read that the Commission "shall hold a regular meeting at 3:00 p.m. on the second Monday of July, August, September, February, and March. The meeting shall be held at the County Administration Building, 200 College St., Asheville, NC 28801."

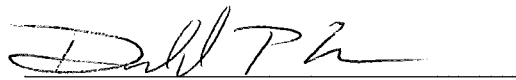
Adjournment

Commission Member Queen moved to adjourn the meeting 5:24 pm, the motion passed unanimously.

SCHOOL CAPITAL FUND COMMISSION FOR BUNCOMBE COUNTY

By 
Max Queen, Commission Chair

ATTEST


Donald P. Warn, Commission Secretary;
County Finance Officer