



REQUEST FOR BOARD ACTION

ITEM NO. 13.

DATE OF MEETING: November 2, 2009

REQUESTED BY: Rick Benton, County Manager

SHORT TITLE: Resolution Approving Pender County Board of Education Request to Move Forward with Construction of Auditorium and Gymnasium Project at Heide Trask High School

BACKGROUND: In August the Board of Commissioners approved a resolution authorizing an application for up to \$2.5 million in QSCB bonds to be used with \$2.2 million in existing school construction bonds to finance the construction of a new auditorium and gymnasium at Heide Trask High School. ADM/Lottery capital funds and bond interest income were to be pledged to make annual debt payments on the bonds. Since that time, no financial institutions have come forward to finance the bonds.

Because the current economic climate is providing opportunity to take advantage of lower construction costs, the Board of Education is requesting the Board of Commissioners approve moving forward with the project using capital funds on hand. The project budget presented by the architect LS3P is \$4,399,960. Revenue sources available include remaining school bond monies earmarked for this project: ADM/Lottery capital funds; sales tax reimbursement proceeds; and school bond interest earnings. If approved, the Board of Education plans to bid the project in December. A letter from Superintendent Sholar outlining the request of the Board of Education is attached.

Should the Board approve a resolution to move forward with this project, the next agenda item sets forth a resolution appropriating the additional funds required to meet the projected cost.

SPECIFIC ACTION REQUESTED: To consider resolution approving the Board of Education request to initiate construction of the Heide Trask Auditorium and Gymnasium Project.



PENDER COUNTY
S C H O O L S

Board of Education
Tom Roper, Chairman
Katherine Herring, Vice-Chairman
Karen Gonzales
Kenneth I. Lanier, Jr.
Karen Rouse

Allison Sholar
Superintendent

October 14, 2009

Chairman Jimmy Tate and the
Pender County Commissioners
P.O. Box 5
Burgaw, N.C. 28425

Dear Chairman Tate and Pender County Commissioners:

In August, your Board of Commissioners passed a resolution allowing the Pender County Board of Education to apply for Qualified School Construction Bonds totaling 2.5 million dollars. These no interest bonds would have allowed us to complete the Heide Trask auditorium and gymnasium project. Our application was accepted and we were notified that we were eligible to receive this amount. Unfortunately, in the current economic climate, no banks have come forward to finance the bonds; therefore they cannot be issued to the schools. David Smith, Betsy Chestnutt and I discussed this in a meeting with Rick Benton and David McCole on October 2, 2009.

Also because of the current economic climate, construction costs are down at this time and we would like to move forward with the Heide Trask project to take advantage of lower costs. The total cost of this project is 4.3 million dollars. We currently have 2.2 million dollars available in bond money. We are respectfully requesting 1.5 million in ADM/lottery money and \$600,000 in bond interest to complete the 4.3 million dollar project.

Our board has authorized us to move ahead with the design of the project after receiving public input during a public hearing and at board meetings. We will implement as many recommendations and ideas from this input as economically feasible.

925 Penderlea Highway • Burgaw, North Carolina 28425
Telephone (910) 259-2187 • Fax (910) 259-0133
www.pendercountyschools.net

Pender County Schools . . . the future in progress

During our board meeting on October 12, 2009, the Pender County Board of Education approved moving forward with this request to you. If we receive your approval for funding of this project, we will be ready to bid the project out on or around December 1, 2009.

We greatly appreciate your consideration of this matter. We value your ongoing support of Pender County Schools.

Sincerely,

A handwritten signature in cursive script, appearing to read "Allison Sholar".

Allison Sholar,
Superintendent,
Pender County Schools

cc: Tom Roper, Chairman, Pender County Board of Education
Katherine Herring, Vice Chairman, Pender County Board of Education
Karen Gonzales, Board Member, Pender County Board of Education
Kenneth I. Lanier, Jr., Board Member, Pender County Board of Education
Karen Rouse, Board Member, Pender County Board of Education
Rick Benton, County Manager



B. BUDGET

The budget approved by the County Commissioners on 17 August includes the following:

	AREA	COST BASIS	COST
MULTI-PURPOSE BUILDING	9,186	139.49	1,281,355
Piling Foundation (to save time in lieu of pre-loading)			140,000
Bleachers			18,000
300-SEAT AUDITORIUM	8,632	206.71	1,784,320
Dressing Rms & Storage	2,000	206.71	413,420
Fixtures & equipment allowance			27,000
Soils allowance			75,000
Total construction costs			3,739,096
Design Fee at 10%		10%	373,910
Contingency at 5%		5%	186,955
Special Inspections allowance			50,000
Soil & Material testing allowance			50,000
TOTAL PROJECT COST			4,399,960

The attached chart indicates our projection of cash flow for the work.

C. SCHEDULE

I understand that funding for a portion of the work is conditional upon starting construction by 31 December, and we are prepared to work aggressively to meet that date. Meetings with faculty and parents will be held to refine and finalize the plans by mid-September to meet that goal.

Our schedule includes the following:

Schematic Design:	15 September 2009
Design Development/Construction Documents/Approvals	15 November 2009
Bid	15 December 2009
Notice to Proceed	31 December 2009

I have combined Design Development and Construction Documents phases in order to meet the project's schedule.

D. PROJECT EXCLUSIONS

The following items will be considered additional services and/or are outside of our scope of work:

- Permitting fees required by local and state agencies
- Reimbursable expenses in excess of those noted below
- Survey: Pender County Schools will provide a survey of the project area for our use (if previous survey requires amendments)