

**WEDNESDAY, OCTOBER 12, 2016 – 4:00 p.m.**

The Pender County Board of Commissioners met in a Special Meeting on Wednesday, October 12, 2016 at the Commissioner's Public Assembly Room, 805 S. Walker St., Burgaw, NC 28425.

**MEMBERS PRESENT:** Chairman George Brown, presiding; Vice-Chairman Fred McCoy; Commissioners Demetrice Keith, David Piepmeyer, and David Williams.

**OTHERS PRESENT:** Randell Woodruff, County Manager; Trey Thurman, County Attorney; Melissa Long, Clerk to the Board; Kathy Brafford, Finance Director; other staff and members of the Press and public.

**CALL TO ORDER**

Chairman Brown called the meeting to order at 4:03 p.m. and thanked and welcomed all to the meeting.

**INVOCATION**

Commissioner Williams offered the Invocation.

**PLEDGE**

Commissioner Piepmeyer led the Pledge of Allegiance.

Mr. Woodruff began by suggesting the schedule of the meeting with having the Board of Education give their presentation and then offering that the Board of Commissioners discuss the sale of the bonds and options for proceeding.

Mr. Allen Vann approached the podium and explained that each of the Construction Managers were present to answer any questions that the Board might have. Mr. Vann referred to the Handouts that were distributed. Mr. Thurman noted that he has not received an email with these new numbers and asked that it be sent over with the information that is needed for the call with the LGC.

Mr. Vann began by reviewing the numbers for Penderlea School. The base bid with minor cafeteria and gym renovations would cost \$20,957,596 leaving a surplus of \$542,404 with a project budget of \$21,500,000. The Board Education's recommendation for Penderlea School if the sales tax reimbursement is made available includes a new gym and minor cafeteria renovations. The project would cost \$23,157,596. With the sales tax reimbursement projection of \$977,529 there would be a deficit of \$680,067 which would include the \$500,000 for the Water Tank. Mr. Vann noted that there are some possible savings that are to be determined to include Value Engineering, bid savings on gym estimate, Water Tank and Pump house, Scope reviews and negotiations, and a turning lane which is pending a DOT decision. Mr. Vann noted that without the sales tax reimbursement, the recommended project would actually hold a deficit of \$1,657,596. Mr. Brown asked if this plan includes the ballfields. Mr. Vann explained that the project includes a football size playfield which is leveled out and graded. Mr. Vann then explained the project cost including a new gym and cafeteria. The project cost would be \$24,604,225 leaving a deficit on the project of \$3,104,225 unless sales tax is made available to bring the deficit down to \$2,126,696. Ms. Keith asked if this project would include a ballfield. Mr. Vann explained that a football size playfield is included for football and soccer and a rough graded area is designated for future use for baseball. Mr. McCoy asked about what would be included in remodeling the cafeteria. Mr. Vann explained that the renovations would be basic and include the addition of bathrooms. The Board asked the Construction Manager to get a price on what it would cost to add the ballfields back in. The Construction

Manager estimated that it would cost \$227,000 to construct the ballfields. Mr. Piepmeyer asked what else had been cut from the project. The architect explained that some of the resurfacing and landscaping had been cut. Mr. Piepmeyer asked about furniture. It was explained that the furniture budget had not been touched. Mr. Woodruff asked for confirmation that the demolition cost had been included. Mr. Vann stated that demolition was included. The cost of the turning lane was also discussed.

Mr. Vann then presented the figures for the Surf City School. Mr. Vann explained that the Board of Education has recommended a 1,213 student school for Surf City. Mr. Vann explained that the project budget is \$35,000,000 and with savings and sales tax reimbursement, the net project cost comes to \$34,999,124 netting an \$876 surplus. Mr. Vann also explained the project cost for a 1,568 student school would be \$40,193,931 leaving a deficit of \$5,193,931. Mr. Piepmeyer asked where the savings is coming from. Construction Manager Justin Whitley explained that the contingency money of \$1.7 Million from the four smaller projects will be transferred over to the Surf City project. Another savings is Furniture, Fixture, and Equipment savings of \$2,031,708. Mr. Vann explained that the Board of Education is being frugal with what they are purchasing and stated that they are not purchasing less quantity, be less quality. It was noted that there is also some discussion with the Town of Surf City regarding ballfields. Otherwise, the plan for the fields at Surf City is the same as Penderlea. Mr. Piepmeyer asked if either of these plans had been communicated to the Penderlea or Surf City communities. Mr. Vann stated that there had not been community meetings. Mr. Piepmeyer expressed his disappointment with not communicating the information to the communities. Capacity was discussed at length. Board of Education Member Brad George approached the podium and stated that the Surf City school was sold to the public as a 1,213 student school and that the Penderlea School was sold as a renovation project with an addition. Mr. George commented on the WWTP project. Mr. Piepmeyer added that the Penderlea School was then sold to the public as a new school. Mr. Williams explained that the issues with the WWTP were because of an ineffective contractor. Mr. Thurman added that the project will still come in under budget. Mr. Thurman asked Mr. Vann about the \$420,000 for Renovations and Additions Value Management. Mr. Vann explained that this is from other projects and potential value management options. Mr. Thurman then asked about the Potential Value Management Options. Mr. Vann explained that it is there to utilize if needed. Mr. Piepmeyer asked what the confidence is in the numbers provided today. Mr. Vann stated that the Board of Education and staff are very confident in these numbers provided today. Mr. Williams then made comments regarding rules of the LGC. He explained that the Board of Commissioners can only sell up to \$75,000,000 in Bonds and the Board of Commissioners have to show that they are going to be able to finish these projects. Mr. Williams and the Board agree that they are not going to raise taxes next year so these projects have to be able to be completed within the \$75,000,000 budget. Discussion ensued regarding the budget of these projects and the confidence in completing the project on schedule and on budget as well as which project options the Board should proceed with.

Mr. Brown asked how the schools fared through Hurricane Matthew. Mr. Vann stated that there was a little bit of roof damage at Topsail Middle School but other than that there was just some trees down at the schools, underpinning blown out from some mobile units, and some ceiling tiles that needed to be replaced. The Board thanked Mr. Vann and the Board of Education for opening up the schools for shelters. Mr. Vann commented on the excellent work of the EOC.

#### **CLOSED SESSION**

At 4:50 p.m., Mr. Williams made a motion to enter into closed session, pursuant to NCGS 143-318.11: 3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to

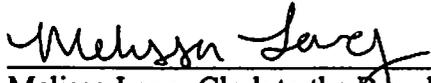
permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded; and 4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session Ms. Keith seconded the motion and it was unanimously approved. The Board exited the Closed Session at approximately 5:08 p.m. There was no announcement made after exiting closed session.

After exiting closed session, discussion ensued regarding capacity options at Surf City K-8 School, specific school project options, ballfields at the schools, LGC, and the bond sale options. After lengthy discussion, the Board of Commissioners recommend building a 1,568 student school at Surf City and building Penderlea with a new gym and cafeteria depending on how the bids and premium come in for the Bond sale. The Board also stated that they were also okay with the Board of Education recommendations and sales tax.

Brief discussion also took place regarding the Courthouse Security Updates.

There being no further discussion, the meeting adjourned at 5:57 p.m.

Respectfully Submitted,

  
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Melissa Long, Clerk to the Board

Reviewed By:

  
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Ann Jones, Administrative Assistant II