

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS AND
TRANSYLVANIA COUNTY BOARD OF EDUCATION
January 31, 2022 - JOINT MEETING

The Board of Commissioners and Board of Education of Transylvania County met in a joint session on Monday, January 31, 2022, at 6:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Larry Chapman, Chairman Jason Chappell, Vice-Chairman Jake Dalton, David Guice, and Teresa McCall. County Manager Jaime Laughter, Finance Director Jonathan Griffin, Deputy Clerk to the Board Kate Hayes, County Attorney Bill Bulfer, and County Attorney John Kubis were also present.

School Board members present were Courtney Domokur, Marty Griffin, Kimsey Jackson, and Vice-Chairman Ron Kiviniemi. Chairwoman Tawny McCoy participated remotely. Superintendent of Schools Jeff McDaris, Assistant Superintendent Brian Weaver, Finance Officer Gabi Frost, Board Secretary Jenny Hunter, and Board Attorneys Chris Campbell and Chris Caudle were also present. Chad Roberson attended representing Clark Nexsen Architects and Brian Walker attended representing Vannoy Construction.

Media: Dan Dewitt – *Brevard Newsbeat*
Alex Perri – *The Transylvania Times*

There were approximately 30 members of the public present in the audience.

CALL TO ORDER

Chairman Jason Chappell called the meeting to order at 6:00 p.m. Board of Education Vice-Chairman Ron Kiviniemi called the meeting to order at 6:01 p.m.

WELCOME

Chairman Chappell welcomed everyone to the meeting and introduced the Commissioners and staff in attendance. He let the audience know that the purpose of the meeting was to gather information and there would not be a decision made during the meeting. Board of Education Vice-Chairman Ron Kiviniemi also welcomed everyone to the meeting and introduced Education Board members and staff in attendance. He stated the schools were getting ready for extensive renovations and he was looking forward to proceeding with the projects.

PUBLIC COMMENT

Speakers were limited to three minutes. The Deputy Clerk to the Board did not attempt to modify any individual speakers' opinions or points of view stated during the public comment period.

Chris Wiener: Mr. Wiener shared that had five students that attend Brevard Middle and Brevard High School, and they are involved in a wide array of school activities from CTE to Drama and Fine Arts. Mr. Wiener was particularly concerned about the impact of the changes to Brevard High School for the Fine Arts program and believed it would be detrimental to the continued operations. He was also concerned about the revisions to the designs for Option 1 for Rosman because the school is in the most need. He recommended fully funding the work scheduled at Rosman. Mr. Wiener was previously a military police

officer in the Army and believed that the proposed fencing around the schools would be detrimental to the students' mental health especially after the impact masks have already had. The wire-bound fencing should be removed from the project, so kids are not put behind fences that fully encapsulate the schools.

Meredith Licht: Ms. Licht thanked the boards for having a joint meeting to talk about school plans and noted she fully supported teamwork. Ms. Licht has spent 20 years teaching at Brevard High School. During that time, she has seen a lot of support coming from the County Commissioners for the school system and has also seen the school's capital needs compound over time. There has been a significant amount of planning that has gone into the presentation and although they are not perfect, it is impossible to please everyone all of the time. Ms. Licht stated that the plans represent the work of the Board of Education, the bond committee, as well as the architects to diligently fulfill the vision voted on by our community and constituents even if the plans only represent a fraction of the total needs of the school system. The needs they represent are long overdue. Ms. Licht urged both sides to come together in the spirit of cooperation to lend support and approval to the plans presented because they are sorely needed across the two campuses at Brevard High and Rosman.

PRESENTATION BY BOARD OF EDUCATION/TRANSYLVANIA COUNTY SCHOOLS

Board of Education Vice-Chairman Ron Kiviniemi invited Dr. Jeff McDaris to the podium to make a presentation about the history of the school bond and hopes for moving forward. Dr. McDaris presented an informal timeline of how we got to this point as we continue to work toward better and safer schools. His presented is highlighted below:

Infrastructure Conditions

- We have an aging infrastructure. For many years, the availability of capital funding resources has been unable to keep up with the rate of infrastructure deterioration
- The school system operates and maintains one of the largest building infrastructures in the county
- Thousands of students, as well as staff, parents, and community members use our facilities each day
- Our schools are centers for our communities and a critical driver in educational and economic success and stability

Bond Considerations

- Transylvania County at one time had some level of a school bond on average of at least once every decade
- Citizens have strongly supported school construction bonds. The first school bond was passed in 1906 for T.C. Henderson
- Additional more recent school bond action/referendums occurred in 1946, 1956, 1970, 1972, 1986, 1997, and 2018
- The only bond vote that did not pass was in 1970 which sought to consolidate the high schools

Bond Planning

- 2015 – Facilities study for all Transylvania County schools identified approximately \$93 million in needs of capital upgrades and improvements
- 2017 – In preparation for a potential school construction bond for Transylvania County Schools, the Board of Education authorized an updated facilities study as part of the system's Master Facilities Plan to identify the greatest needs
- Brevard High School (1959), Rosman High School (1973), and Rosman Middle School (1949) were identified as having the greatest need

- Spring 2016 – School Board began discussions on growing capital needs and funding concerns needed to address infrastructure
- February 2017 – Board began planning and implementation to inform the community on growing capital concerns and to gather community support
- March 2017 – Board conducted community input sessions on capital needs followed by regular meeting discussions
- April 2017 – Board of Education met in joint session with Board of Commissioners to discuss the master facilities plans, concepts, and funding
- April 2017 – Board discussed different bond options for capital funding
- June 2017 – Board discussed dates for a potential school bond in the future primary or election cycle
- July 2017 – Board discussed capital funding options including a general obligation school bond
- August 2017 – Board discussed the next steps for a bond referendum
- September – October 2017 – Board authorized the release of RFQs to architectural firms for conceptual drawings for capital improvement and discussed issues related to bonds including debt service
- November 2017 – Board heard presentations from five architectural firms regarding qualifications for design services for the school system’s Master Facilities Plan
- December 2017 – Board selected Clark Nexsen to conduct advanced planning work on the school system's Master Facilities Plan and three schools were identified as having the greatest need (Brevard High School, Rosman High School, and Rosman Middle School)
- January 2018 – School Board passed a resolution requesting the County Commissioners seek a \$68 million bond to address needs at Brevard High School, Rosman High School, and Rosman Middle School
- County commissioners authorized placement on the November 2018 ballot for a public vote

Bond Planning and Campaign

- From January 2018 to November 2018 the Board discussed the bond and provided input opportunities in more than 25 public meetings, including monthly Board meetings, community input meetings at both schools, a Rosman Town Council meeting, and several Chamber of Commerce meetings
- The Board established a dedicated bond website for public information, construction information, and next steps if the bond passes and provided weekly and monthly updates via radio broadcasts and podcasts in cooperation with *WSQL Radio* and they published numerous articles regarding the bond in *The Transylvania Times*

Bond Campaign

- The Board only presented the public with conceptual drawings and very general details. Detailed drawings could not be considered or completed until the bond was passed
- The Board conducted tours following public information sessions at all three school campuses
- November 2018 – The Bond campaign resulted in a majority of voters (approximately 60%) approving the \$68 million Bond

Bond Construction

- December 2018 – Board reviewed a draft memorandum of understanding (MOU) between the School Board and the County Commissioners
- January 2019 – Joint meeting between the School Board and the County Commissioners to discuss MOU and received presentation by the School of Government confirming aspects of the process

- February 2019 – Board approved MOU and established the Bond Committee
- February 2019 – Board authorized the release of RFQs for architectural firms interested in providing design services for \$68 million of improvements to the campuses of Brevard High School, Rosman High School, and Rosman Middle School
- Released RFQs for CMAR (Construction Manager at Risk)
- April 2019 – Bond Committee held discussions and received presentations by architectural firms and CMAR candidates
- Selected Clark Nexsen as the bond construction architects
- Selected Vannoy Construction as the CMAR

Dr. McDaris then turned the presentation over to Chad Roberson with Clark Nexsen. Mr. Roberson stated they went through a design process with schematic designs and construction documents. At each stage, they created cost estimates with the CMAR. At the end of the design and development phase, the project was projected to be within budget. When the project was bid after the regulatory period six months later, the project was estimated to be 17% over budget.

The School Board selected Option 1 for both Brevard and Rosman. The scope of work at Brevard entailed approximately 60,000 ft² of new construction and 3,500 ft² of renovation. The amount of renovation was significantly reduced at Brevard when compared to the original documents. The scope of work at Rosman kept the amount of new construction intact with the new high school construction of 68,000 ft² associated with the facility, but a reduction in renovated space to around 9,800 ft².

Below is a summary of the questions the Board of Commissioners asked during the presentation, with responses from School representatives:

Q: Commissioner McCall asked to clarify if the 17% over budget referenced in the presentation was the number from the bids received in the Spring of 2021.

A: Yes.

Q: Commissioner Guice asked to clarify the amount of square footage in the renovations that were taken off the table from the original plans and what we could face long-term from the scope of work.

A: The level of renovation varied in different buildings and in some instances, the renovations could be adding sprinklers and in other instances, it could mean a significant renovation of a variety of tiers. There was not a clear-cut answer because of the varied scope of work. Brevard was broken up into three different buildings. Building 1 had the most significant renovation, including the mechanical and electrical systems; building 2 had minor renovations which included a new sprinkler, fire alarms, and walls; and building 3 had a fire alarm and sprinkler system included in the renovations. The Rosman scope of work originally included renovation to fire protection along with the sprinkler system and turning the CTE building into a middle school space. Mr. Roberson stated he would give the Board the exact square footage following this meeting.

Q: Commissioner McCall stated that before Mr. Barger retired, she was told that when the project was put to bid last Spring, Brevard netted an additional 6,306 ft² and 8,531 ft² additional at Rosman. Not considering demolishing and rebuilding square footage, Commissioner McCall asked how much additional net square footage was included in the current proposal versus when the project was originally bid.

A: Mr. Roberson stated that the new square footage was the same as the original documents, but the Brevard CTE wing would not be constructed. Dr. McDaris stated that this may be a difference of opinion, but the old gym being demolished and rebuilt could be considered as new square footage because it is in much better shape for the long term. Mr. Roberson will follow up on the net square footage that is being increased at both campuses.

Q: Chairman Chappell asked to clarify with the revised totals that the project is still not set to exceed the \$68 million, which was the maximum for the construction bond project.

A: Dr. McDaris stated that they have always used that as the ceiling cap of the project.

Board of Education Vice-Chairman Ron Kiviniemi stated that the Board of Education has spent many months dealing with the issues and has chosen what they perceive as the best option going forward, which would be Option 1 at both campuses which include the newest construction and are the closest to what was discussed with the community while staying within the \$68 million cap. He shared a letter from Board of Education Chair Tawny McCoy to Board of Commissioners Chairman Jason Chappell that read, "Simply put we feel that Option 1 is the best course of action for our school district and valuable time is slipping away. We respectfully ask for a vote from the County with regards to Option 1 as soon as possible." Mr. Kiviniemi stated this would include approval of the new architect contract and updated CMAR to move forward expeditiously.

Q: Chairman Chappell asked how much money has been spent so far and if any outstanding invoices have not been sent to the County.

A: Dr. McDaris stated that as of December 20, 2021, the Board of Education had spent \$3,525,988.64. Of that, \$3,100,988.64 was for architectural services and \$425,000 was paid to Vannoy Construction. Dr. McDaris was not aware of any outstanding invoices.

Q: Commissioner Larry Chapman asked for an estimate on the additional architect fees that would be involved going forward with Option 1.

A: Dr. McDaris stated that the architects are operating on fees based on previous work from last year and are not charging the fees that they have in place now. Board of Education member Kimsey Jackson stated that the revised figures for Clark Nexsen in the amended architect contract approved by the Board of Education was \$1,341,178. Board of Education member Courtney Domokur stated that the numbers were broken down further to include doing the whole process again. \$490,143 was allocated for Rosman and \$848,685 was allocated for Brevard and included all modifications to plans and specifications, not just to Clark Nexsen for design. It included submission to DOI and DPI as well as the bidding process and coordinating with Vannoy, according to Mr. Jackson.

Q: Chairman Chappell asked for an idea of the timeframe from the start of a project, and how long would construction take for each school.

A: Mr. Roberson stated that the current schedule that had been submitted had the design starting on the January 17 but is now behind schedule. Rosman was to go through the design and resubmit to the Department of Public Instruction and Department of Insurance between April and May with the notice to proceed in mid-July and with mobilization in the middle of September. Brevard bidding was set to occur in mid-July with the notice to proceed in mid-October and mobilization on the site would happen in early 2023.

Q: Commissioner McCall asked if there would be an additional design cost.

A: Mr. Roberson stated that the costs were already included in the updated timeframe.

Q: Commissioner Chapman asked how confident the architect was that the new bids would come in within budget or if we would have to take another look at the project. He also stated that it was the worst time to start a major construction project.

A: Mr. Roberson took the information from the original project and added escalation costs based on the market which have held to this point. He acknowledged that it is a crazy market and so they have included additional contingencies.

Q: Chairman Chappell asked if we are still seeing supply chain issues for commercial projects.

A: Yes

Q: Commissioner McCall asked if there is a way to prevent additional design fees assuming the new Option 1 goes out to bid and responses should come in over budget and what the new project budgets are to compare the projects to when they were identified in 2018 before the bond referendum.

A: There is an updated cost estimate built in with Vannoy and there is a price check built in one to two months before Rosman and Brevard respectively go out for bid. If any modifications need to be made, they would be made at that time. The new project budget for Brevard would be \$30 million which includes \$3 million in escalation costs and Rosman would be at \$31,658,000 which includes a \$3.1 million escalation cost. The biggest difference in the projects compared to 2018 are the amount of renovations as well as the Brevard CTE wing. Mr. Roberson was not able to provide an idea of the percentage change in the plans but stated he would get that to the board at a later date.

Commissioner Guice agreed that if the projects were included originally then they still needed to be included or would have to be looked at later.

Q: Commissioner McCall asked what additional funds beyond the \$68 million would be needed to complete the original scope of work put before the public at the time of the bond and what has changed from the conceptual stage to the current Option 1.

A: Dr. McDaris emphasized that it is important to note that only conceptual drawings were presented to the public. Mr. Kiviniemi stated that if the projects came in \$17 million over budget, one could reasonably say that it would take an additional \$17 million to do the work that needs to be done.

Q: Commissioner Chapman posed a question to the legal team asking if there were any legal concerns based on what was presented to the public and what they assumed they were getting compared to getting less than what they voted 'yes' on and if this could lead to litigation. Commissioner Chapman also asked the County Manager to get an opinion on the question.

A: The attorney would have to refer that question to the counsel that was retained for the bond, but County Attorney Bill Bulfer said that would not be an issue.

Q: Commissioner Dalton asked to confirm that architect fees spent and estimated totals \$4.8 million which is 7% of the bond, leaving \$62.3 million left less contingencies.

A: Yes

Q: Commissioner McCall asked if there was 10% budgeted for contingencies in both projects.

A: Yes

Q: Commissioner Guice stated that one of the fact sheets on construction materials has shown a 30% escalation already and asked if there was any indication if this rise would continue or if that has leveled any for building materials, understanding that the rise would necessitate moving quickly.

A: Brian Walker with Vannoy Construction stated that prices continue to grow, and he is not seeing anything lessening any time soon.

Q: Commissioner McCall asked for a visual explanation of what each project would look like if completed under Option 1 and what changes we would see.

A: Mr. Kiviniemi stated that Option 1 preserved the most new construction on both campuses which was the deciding factor for the majority of the Board of Education. He continued to state that Rosman High School would get a new school, the middle school would move into the old high school and then the middle school would be demolished. Brevard High would receive a new cafeteria and gym to correct existing structural issues as the two main areas of new construction. There would also be a new administrative wing, library, and common space. Mr. Roberson continued to explain that Option 1 for Brevard includes new administrative construction, a new media center, kitchen and cafeteria, and auxiliary gym as well as a new field house and weight room. The existing auxiliary gym and cafeteria would be demolished. Mr. Jackson clarified that there would be no need for temporary buildings.

Q: Mr. Jackson asked what the current value of a penny to the tax rate was.

A: County Finance Officer Jonathan Griffin replied that one cent equates to about \$680,000 after collection rates and tax-exempt properties are factored in.

Q: Commissioner Guice asked if there was a fencing concern related to previous public comment during the meeting related to security issues versus mental health concerns.

A: Dr. McDaris stated that while the public comment was valid, we are in a time where we have to balance the security and safety of our children. People cannot wander onto school grounds during school hours, so plans have to include making the area secure for our children. Board of Education member Marty Griffin added that the new construction involves having only one entrance to the school. Overall, the new construction will allow for safe facilities to protect the kids.

Q: Commissioner Jake Dalton asked if there would be a new field house.

A: It will be under the new gym because it is two-story construction.

Q: Commissioner Chapman clarified if the new gym would become the primary gym and the existing one would become the auxiliary gym.

A: No, it will still be an auxiliary gym.

Q: Commissioner Guice asked if there were aspects from the original plans not included in the new Option 1 plans such as roofs or heating and cooling systems.

A: Mr. Roberson said the new work proposed at Rosman is very similar to the original documents. The biggest challenge was getting students off the street with a drop-off zone for cars and buses. The new high school would involve all classrooms and CTE spaces with minor renovations where the connection takes

place. Board of Education member Ron Kiviniemi added that the safety concern of the drop-off and pickup zone was addressed by the plans to remove that danger zone.

Q: Commissioner McCall asked if all the renovations and new construction would be ADA compliant.

A: Yes

Q: Commissioner Dalton asked if the new plans removed the need for closing and fencing off the fieldhouse and weight room at Rosman and mentioned the 11% in fees to the architect and builder.

A: The architects have not gotten to that yet; they will have to determine that based on utilities. Mr. Kiviniemi stated the Board of Education has a contingency plan in place if the weight room has to be closed off. Commissioners approved the purchase of the building across the street in that event.

Q: Commissioner McCall asked, in relation to the location of the proposed demolition and utilities, how the architects are planning for any change orders that may arise when demolishing those areas and if something unforeseen comes up that has not been planned. She also asked if there have been structural engineer inspections concerns that could cause any issues when demolishing.

A: There are allowances in the contract for unsuitable soils which will be bid as part of the construction packages. The design includes the structural engineering reports. Board of Education member Courtney Domokur added that part of the additional consultant fees includes having to go back through construction documents as well as mechanical, electrical, and plumbing.

Q: Commissioner Guice asked if there were any revenue streams at the state or federal level to assist or help with the project shortfall considering that many projects of this scope are facing the same kind of issues. He also mentioned that there are other capital projects at the other schools and wants to think about what is best for our community to map a path forward on all projects.

A: Dr. McDaris stated that there is some talk of a statewide bond that the NC House supports, but the Senate is reluctant. There is also the potential for the Tier 3 county label to loosen.

Mr. Kiviniemi added that if the General Assembly lived up to its constitutional responsibility of funding the current expense, it would free up funding for capital needs. He would like to see the two boards work together to formulate a plan to address those other issues as well. The Board of Education is strongly committed to Option 1 at both schools and asked for a vote to update the contracts as quickly as possible to move forward.

Commissioner Chapman added that interest rates are going up and we are seeing 7% inflation; there has been no worst time to start a major construction project. It has taken three years before the Board of Education was ready to come to the Board of Commissioners to issue the bond. Until Covid subsidies, Mr. Chapman does not see anything changing. He has a concern about jumping into this level of expenditure and asked if the boards are prepared to go back to the citizens for more money to look at the future. He does not believe the Commissioners have delayed the project and reiterated that it is the worst time to start a construction project and has serious concerns about moving forward.

NEXT STEPS

Chairman Chappell said the immediate next steps would be getting answers to the questions raised during the meeting before proceeding further. He is very interested in the project and thinks that the boards need

to create smaller committees to talk frankly about the questions and answers. Members present stated their comments before the final public comment period.

BOARD COMMENTS

Commissioner Dalton state that he recalled two years ago receiving a list of needed expenditures for the other schools equating to \$9.8 million including HVAC and roof repair among other things. Mr. Kiviniemi stated that some of those needs can be addressed through the school's yearly capital outlay plan and the Board continues to address those needs going forward.

Commissioner McCall mentioned that she has also served on the Board of Education and understands working through a bond and being transparent and accountable to the public. She has always operated as a good steward of taxpayer dollars and is willing to answer questions and be transparent. She does not want there to be a misunderstanding of how we provide and value our students and what she requires of every county department. She has never handed over a blank check nor asked for a blank check; her intent and desire are for everyone to move forward to find the best solution for the students in this county and to get to that point by both sides asking questions in a transparent way.

Board of Education member Kimsey Jackson stated that he brings corporate thinking to the discussion. He stated that he shares some of the same concerns as Commissioner Chapman that it is not a good time to start a construction project, but the schools need attention and need to be updated. The current project has been put off for three years which is a long time without putting a shovel in the ground. He asked if not, when? He stated that it will not get any cheaper and we should not expect prices to return to normal. These factors have not kept other projects around the county from breaking ground. While he has reservations and concerns, he asked the Commissioners to sign the contract extensions and prepare to sell the bonds and bidding on the projects.

Commissioner Guice thanked the Board of Education for sharing at the meeting. He stated that the needs in the schools are real, and he has always been concerned about how we spend taxpayer money. He stated that questions being asked do not mean the Commissioners are not supportive, noting that no one created the situation that the boards find themselves in and it takes time for the projects to come together. He said we come together for the needs of our community, especially as 60% of voters said they support education by approving the bond. He said we need to find a way to move forward.

Commissioner Chapman stated that he is not opposed to the bond as an issue, but he is concerned about where the economy is right now. He agreed that we need to do something for our schools, but his issue is doing that today.

Board of Education Vice-Chair Ron Kiviniemi knows that the Board of Education is committed to Option 1 as well as approving the contracts for the CMAR and architect. If the Commissioners are not willing to do that and choose to have additional meetings, he would need a specific proposal of that process to ensure it is being done lawfully.

Board of Education Chair Tawny McCoy stated that she appreciated all the questions. She emphasized the voters voted on conceptual drawings on both campuses and Option 1 achieves 70% of those designs at Brevard and even more than that at Rosman. It would achieve a large percentage of what was originally presented.

Board of Education member Marty Griffin said he was proud of being an educator in this county and can count at least six graduates across the room that he has taught including the superintendent. These people

are where they are now because of their education, and he would like to keep Transylvania County in high educational regard.

Chairman Chappell mentioned that although the general public does not hear much from the attorneys, he ensured that both boards have attorneys working diligently to make sure what we do is legal.

PUBLIC COMMENT

Emmett Casciato: Mr. Casciato asked the Superintendent if he was seeing an increase or decrease in the student population in Transylvania County. Dr. McDaris responded that when economic conditions stay the way they are, it makes it more difficult for young families to live here. However, with changes like water and sewer access, he believes that the numbers would go up. As Buncombe County grows, people will be looking for a place like Transylvania County to locate. Mr. Casciato continued with his comments by referencing the discussion of safety for our students and new construction making the schools safer. He wanted to know what we are doing now to make students safer. He also stated that we cannot keep asking citizens to pay more in taxes on their homes because it impacts a lot of people. The Commissioners also have to look at the courthouse which will hit citizens once again. He does not want to tax the people any more than we have to.

Chris Wiener: Mr. Wiener advised that the board should request variation and contingency marks on plans/drawings as is customary in construction planning. He asked if we could revoke the bond and reissue based on the original conceptual drawings in addition to the other needs of the schools. He asked what academic changes will occur after the bond because the projects do not seem to be utilized for the benefit of educational space. His concern is that students and teachers have educational space that is conducive to learning because the future of Transylvania County depends on the quality of students we keep here. We need to educate our kids on local jobs, but the failure to fund CTE is lacking. He would rather get another pass at funding the bond and reevaluating the full needs to address. Although this might not be the best time, he wants the bond to achieve educational fulfillment for the students.

ADJOURNMENT

There being no further comments, Commissioner McCall made a motion to adjourn the meeting at 7:48 p.m., seconded by Commissioner Dalton and unanimously carried.

Mr. Griffin made a motion to adjourn the Board of Education meeting at 7:49 p.m. seconded by Mr. Jackson and unanimously carried.

Jason Chappell, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board