

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS**  
**& TRANSYLVANIA COUNTY BOARD OF EDUCATION**  
**MARCH 4, 2024 – JOINT MEETING**

The Board of Commissioners of Transylvania County met in a joint meeting with the Transylvania County Board of Education on Monday, March 4, 2024, at 4:00 p.m. in the Multipurpose Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Emmett Casciato, Larry Chapman, Chairman Jason Chappell, Vice-Chairman Jake Dalton, and Teresa McCall. Also present were County Manager Jaime Laughter, County Attorney Bill Bulfer, and Clerk to the Board Trisha Hogan.

Board of Education members present were Vice-Chairwoman Tanya Dalton, Chairman Kimsey Jackson, Tawny McCoy, and Chris Weiner. Member Bryan O'Neill was unable to attend. Also present were Superintendent Dr. Lisa Fletcher, Board Attorney Chris Campbell, Director of Career-Technical Education and Facilities Kerry Putnam, Chief Financial Officer Gaby Juba, and Administrative Assistant Jenny Hunter.

Members of Education Capital Workgroup in attendance were Axias Vice-President Jonathan Bailey, retired Henderson County Superintendent Bo Caldwell, Transylvania County Schools Superintendent Dr. Lisa Fletcher, Transylvania County Manager Jaime Laughter, and retired Henderson County Manager Steve Wyatt.

Media: Jon Rich – *The Transylvania Times*

There were approximately 75 people in the audience.

**CALL TO ORDER**

Board of Commissioners Chairman Jason Chappell presiding declared a quorum was present and called the meeting to order at 4:03 p.m.

Board of Education Chairman Kimsey Jackson presiding declared a quorum was present and called the meeting to order at 4:04 p.m.

**WELCOME**

Chairman Chappell welcomed everyone to the meeting and introduced the Commissioners and staff in attendance.

Chairman Jackson welcomed everyone to the meeting and introduced the Board of Education members in attendance.

**EDUCATION CAPITAL WORKGROUP**

Superintendent Fletcher began by stating that the Board of Commissioners and Board of Education agreed to collaborate on identifying the capital needs of Transylvania County Schools and providing options for how to move forward together on improving school facilities. This effort came about as a result of the Board of Education not being able to act on the original school bond projects due to rising costs and inflation.

The Education Capital Workgroup was comprised of Axias Vice-President Jonathan Bailey, retired Henderson County Superintendent Bo Caldwell, Superintendent Dr. Lisa Fletcher, County Manager Jaime Laughner, and retired Henderson County Manager Steve Wyatt. The Board of Commissioners hired the consulting firm Axias to assess the school buildings. Axias, along with the other Workgroup members, then embarked upon a process to identify the most critical needs of the existing buildings.

Superintendent Fletcher provided a brief biography of the consultants.

Steve Wyatt: Mr. Wyatt retired from Henderson County after serving 15 years as the County Manager. During his time there, he served with four different superintendents of K-12 education and three different presidents at Blue Ridge Community College. He oversaw a wide range of capital renovations and buildings over his 38 years, including the courthouse, education facilities, infrastructure, and improvements.

Bo Caldwell: Mr. Caldwell retired from Henderson County Schools after a 36-year career, including five as Superintendent. He held many roles in the school system, including eight years as the Senior Director of Facility Management, four years as Senior Director of Human Resources, and two years as Assistant Superintendent. He collaborated closely with County Manager Wyatt on many renovations and capital projects, and successfully improved school facilities.

Jonathan Bailey: Mr. Bailey is the Vice-President of Axias. Axias has been providing building assessment reports and cost management strategies for 10 years. Mr. Bailey has been assessing buildings for 20 years and delivered facility condition assessment programs for public and private K-12 schools across the country, most recently in Warren County, North Carolina. He has also worked with private academic schools in Washington, D.C., Chicago, and Atlanta. He was also in charge of reviewing the Federal Capital building in Washington D.C.

## **WORKGROUP ASSUMPTIONS**

Superintendent Fletcher reiterated that rising costs and inflation would not allow the Board of Education to proceed with the original bond plans. She stated that the Workgroup did not consider consolidation as an option. They focused on the existing building conditions to identify projects needing investment throughout the system. The 2018 School Bond Referendum for \$68 million remains a financing tool to invest in the schools.

## **STEP 1 – INVESTMENT**

Mr. Caldwell and Mr. Wyatt briefly commented on their perspective of this exercise and they both applauded Transylvania County for going through this process.

The Workgroup participated in thoughtful discussions about possibilities with no preconceived ideas. They relied on the professional expertise of Axias to determine the best way to move forward with investing in the school facilities based on the realities of today.

They shared that Henderson County experienced similar issues with their school facilities as well. It required the Henderson County Board of Commissioners and Board of Education to work together to determine how to meet the needs of the school facilities to provide a safe and secure learning environment for the students. Transylvania County has millions of dollars invested in plant and equipment which require an investment to maintain. The School System has many issues with its facilities that are considered high-priority and/or critical. The Workgroup recommended the Boards focus on safety and

security, building envelope, mechanical and electrical systems, and site improvements. Unfortunately, the cost of construction and materials continues to rise. They recommended the Boards accept the reality of today and make the best decisions that lead to an investment in the school facilities. They recommended the Boards review the comprehensive list of projects and plan to move forward now.

Both gentlemen were appreciative of the opportunity and offered their services to the County again if needed. They stressed that now is the time and opportunity for Transylvania County to fix the school facilities in the right way.

**BUILDING ASSESSMENT – AXIAS**

Mr. Bailey stated that Axias was tasked with conducting a thorough condition assessment. The process began with a site meeting where they met with a group of people and asked questions to gain an understanding of the status of each of the schools. Following the site visit, they formed a group of two teams with two to three people each to visit each school facility. They began with reviewing the roofs and worked their way down to the HVAC, air handling units, chillers, etc. They also conducted a document review, such as floor plans, previous records of renovations, as well as any upcoming potential projects. Later, Axias identified additional studies that should be conducted, all of which fed into the final recommendation. Axias provided an independent report for each school building.

Their findings in whole over the next 10 years include \$94 million in direct trade costs. This figure excludes the cost of architecture and engineering fees, contingency, permits, etc. Mr. Bailey pointed out that identifying projects that can be bundled together will achieve potential cost savings. The report identified each project’s urgency level, deficiency type, and risk category. The report includes over 350 individual line items that make up the \$94 million figure, all of which were based on local pricing. The \$94 million is meant to preserve and protect the existing structures and does not include improvements to facilities.

Below is a breakdown per school of how the \$94 million is recommended to be spent.

□ **Total Expenditures by School**

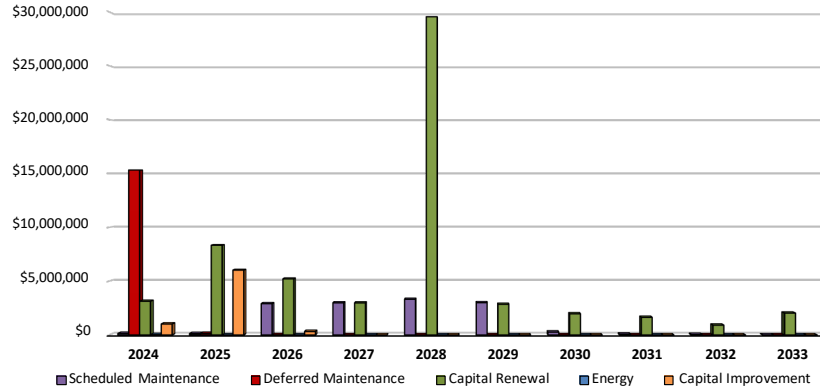
School Facility	Ten Year Expenditures
Brevard Elementary	\$11,487,210
Brevard Middle School	\$11,466,210
Brevard High School	\$29,896,843
Davidson River School	\$2,173,724
Pisgah Forest Elementary	\$7,623,303
Rosman Elementary	\$6,907,940
Rosman Middle & High	\$19,041,791
TC Henderson Elementary	\$4,349,205
Plant Operations	\$543,906
Morris Education Center	\$848,750
<b>TOTAL</b>	<b>\$94,338,781</b>

- All costs are provided in 2024 dollars and exclude design fees, insurance, permits, CM fees, etc., which can range from an additional 30-40%.

Below is a breakdown of expenditures by category. The Scheduled Maintenance category involves items, such as replacing seals around windows. Projects that should have been done before they failed fall into the Deferred Maintenance category. Capital Renewal includes several roof replacements and replacing

HVAC units on a timely schedule. Only a few items were included in the Energy Performance category. Capital Improvements are associated with the outcome of the security assessment, such as constructing vestibules and isolations to improve the physical security of the school facilities.

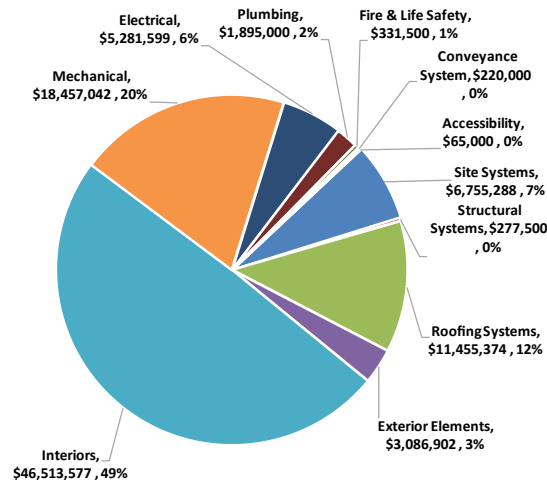
Expenditures by Category



- Capital Renewal expenditures in 2025 includes most of the the interior renewal expenditures, which the timing of these expenditures is not as critical as renewal of building systems or components and could potentially allow for flexibility for alternatives .

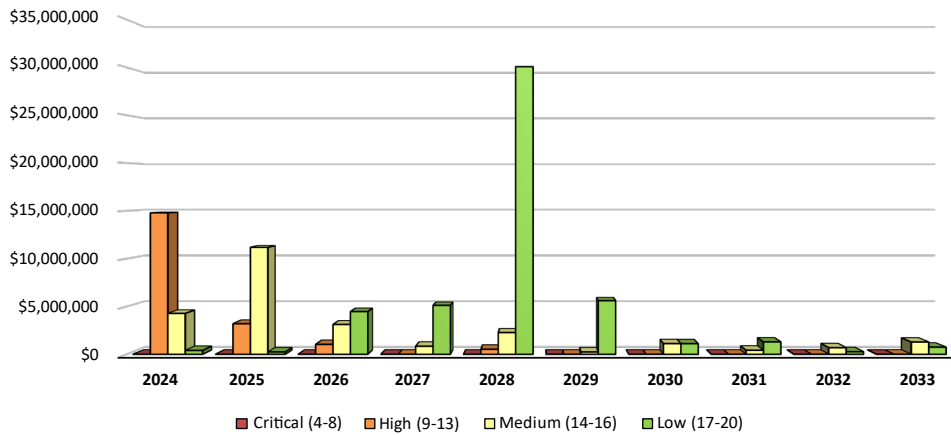
Below is a breakdown of the expenditures by system which incorporates all the school facilities. The Interiors category makes up the bulk of the expenditures and includes replacing floor tiles, ceiling tiles, and anything that is considered interior finishes. Interior finishes are not as critical as mechanical roofing systems and the building envelope but will likely always make up the bulk of the capital expenditures when renovating schools. Mr. Bailey pointed out that the interior finishes for most of the schools looked good. Axis included the interior allowance to refresh the school finishes.

Expenditures by System



Axis categorized the projects by risk: critical, high, medium, and low. The higher expenditures for 2024 include roofs and mechanical systems. The low and medium projects, however, will compound and move into the high to critical categories if not addressed.

Expenditures by Risk



As part of the assessment, Axias also calculated the facility condition and facility needs index. For the condition index, they took the year one expenditure of the study period and overlaid it with the renewal, which is the cost to replace the school. The average condition for all the school facilities was considered fair. The 10-year facility needs index indicated all the facilities would be in poor condition if none of the recommended projects were completed.

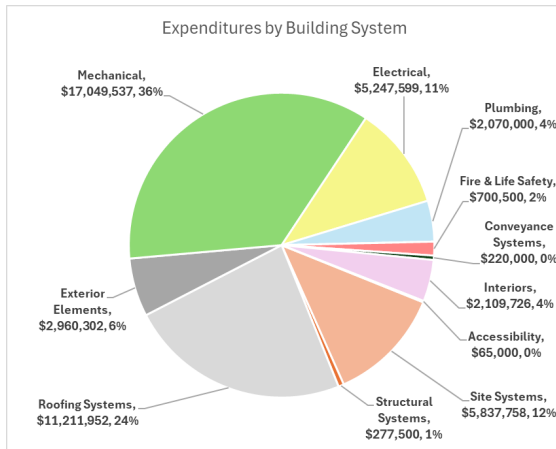
Facility Condition and Facility Needs Index

Facility	Current FCI	10-Year FCNI	Current FCI	10-Year FCNI
Brevard Elementary	0.10	0.47	Fair	Poor
Brevard Middle School	0.10	0.42	Below Average	Poor
Brevard High School	0.16	0.64	Below Average	Renew
Davidson River School	0.01	0.33	Excellent	Poor
Pisgah Forest Elementary	0.01	0.38	Excellent	Poor
Rosman Elementary	0.06	0.45	Fair	Poor
Rosman Middle & High	0.10	0.42	Below Average	Poor
TC Henderson Elementary	0.09	0.54	Fair	Renew
Plant Operations	0.04	0.27	Good	Poor
Morris Education Center	0.02	0.21	Good	Poor

STEP 1 INVESTMENT WORKGROUP PLAN

Below is a breakdown of the Step 1 construction costs. The Workgroup identified \$47 million in critical needs, including roofs, mechanical, interiors, HVAC, and pavement resurfacing. It excludes the markup for design costs and fees. The report provides different options for addressing these issues. A logical next step would be to group like projects together to achieve cost savings. Axias did not find any immediate need for fire and life safety. Axias felt the overall security of the schools was good.

□ Breakdown of Step 1 phase construction only cost



Facility	Expenditures
Brevard Elementary	\$4,687,788
Brevard Middle School	\$4,339,430
Brevard High School	\$17,823,962
Davidson River School	\$717,084
Pisgah Forest Elementary	\$3,025,833
Rosman Elementary	\$4,452,310
Rosman Middle & High	\$10,336,991
TC Henderson Elementary	\$1,861,080
Plant Operations	\$401,156
Morris Education Center	\$178,240
<b>TOTAL</b>	<b>\$47,823,874*</b>

\*Costs exclude design fees, insurance, permits, CM fees, etc.

**SUMMARY STEP 1 – INVESTMENT**

The Manager recapped the Step 1 Investment recommendation. The Education Capital Workgroup recommends that the Board of Education and Board of Commissioners invest in a list of projects that totals approximately \$62 million. These cover high-priority critical needs and deferred maintenance and focus on safety, building envelope (roofs and structure), major systems (mechanical, electrical), and site improvements. The focus is on updates to existing facilities except for cases where a critical need is not in place like vestibules recommended from the safety assessment. The bonds approved by the voters in 2018 can be sold until 2028 to be used as a financing method. The recommendation is to move forward with a first tranche of financing to cover the first phase.

**STEP 1 INVESTMENT NEXT STEPS**

To move forward on the next steps, the Manager stressed that both Boards will need to review and agree to the project list for Step 1 and authorize a scoping session with Axias, school facility staff, and county staff. This will bring expertise to the table from both groups to fully vet the scope of the work. She pointed out there are some items that could be removed from this assessment if they are included in the FY 2024 budget or the upcoming FY 2025 budget request. The scoping session would also involve grouping similar projects.

County staff would then begin to schedule the general bond sale which should take about 90 days. If the projects and scopes of work are not submitted to the Local Government Commission (LGC) it would be the spring of 2025 before the County could leverage the financing. Without funding, the projects cannot move forward. The Manager stated the timeline is good currently, both Boards must remain focused on getting Step 1 moving forward.

**STEP 2 – REFRESH**

Once Step 1 Investment is completed, Step 2 is Refresh. These items are not the critical items included in Step 1. They could include projects like a new cafeteria for Brevard High School which has been identified previously, or alternative energy like the geothermal project for Rosman Elementary, or upgrades to athletic facilities. The assessment did not review school functionality so Step 2 could include

enhancements to the interior renovations in the learning environment. The Manager stressed that Step 1 Investment involves the more critical projects and should be the priority.

### **STEP 3 – ONGOING COLLABORATION**

Step 3 is an ongoing collaboration. The Manager stated that the County was fortunate to have Mr. Caldwell and Mr. Wyatt on this Workgroup because they have been successful in Henderson County in bringing together the county government and the Board of Education to ensure the successful completion of capital projects for the schools. She envisioned several elements to support Step 3, including communication about the financial components coupled with developing a financial plan. There will be an opportunity for a second tranche of bond funds before 2028. It will also be important to conduct multiyear planning together, to include a joint assessment of the buildings as a best practice every five to seven years. This process will inform the priorities and ensure the buildings remain in good shape.

The Manager stated that moving forward it will be important to retain documentation on all projects. One of the biggest costs of a renovation project occurs when uncovering the unknown, so preserving documentation on projects can help both Boards budget more accurately for renovation projects in the future.

The Manager distributed detailed agenda packets to both Boards which included summaries of Steps 1, 2, and 3, a copy of the overall assessment from Axias, and information on funding. The packet contains a report from Axias specifically on the Step 1 projects because they are the most critical.

### **BEST PRACTICES FROM RETIRED PROFESSIONALS**

Next Mr. Caldwell and Mr. Wyatt, as retired professionals, talked about best practices moving forward. They acknowledged there is a lot of work ahead for both Boards and urged them to move forward promptly to achieve better outcomes, especially financially.

They shared that Henderson County had a history of not building consensus, but the community and leadership pushed them to move forward so they had to learn to give and take. The key to their success was coordination and communication with each other on the part of the board members and the staff.

In Henderson County, the contracts and financing components were processed through the county government office which removed redundancy of the work. Also, the Henderson County Board of Commissioners included as a monthly agenda item a comprehensive status report on all of the capital projects.

They also formed a joint facilities committee comprised of a couple of county commissioners selected by the county and a couple of school board members who met four or five times a year to discuss capital planning for the schools. The members were responsible for sharing the information with their respective boards. The committee served as a useful tool because it kept the lines of communication open. The committee also helped the public see progress and ensure both boards were accountable to the taxpayers.

Mr. Caldwell and Mr. Wyatt reiterated that this is an opportunity for the County Commissioners and the School Board to work together and use bond funds to provide facilities in which the children can learn for the next several years.

### **FINAL COMMENTS**

The Manager reiterated that the Workgroup is requesting approval of the project list in Step 1. Following approval, the scoping meetings would be scheduled so that the County can meet the timeline for selling the bonds this year. She thanked the Boards for allowing the formation of the Workgroup because it helped to foresee what it would take for both Boards and staff to ensure the capital projects moved forward.

Chairman Chappell pointed out for the public's information that both Boards saw this report for the first time today. When the work started, both Boards agreed that they wanted to get the information at the same time. He thanked the Workgroup for the process and for coming together to help develop a path forward. He challenged both Boards to be ready to take action within a month to remain on the timeline for moving forward in 2024.

Chairman Jackson echoed Chairman Chappell's comments and stated that he looked forward to the two Boards working together. He pledged his full cooperation.

### ADJOURNMENT

**Chairman Chappell moved to adjourn the meeting at 5:00 p.m., seconded by Commissioner Dalton and unanimously carried.**

**The Board of Education meeting adjourned at 5:00 p.m.** (The Clerk to the Board was unable to hear who motioned and seconded.)

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Jason R. Chappell, Chairman  
Transylvania County Board of Commissioners

ATTEST:

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Trisha M. Hogan, Clerk to the Board