

STATE OF NORTH CAROLINA)
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COUNTY OF STOKES)
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OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
DECEMBER 19, 2008

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a joint meeting with the Stokes County Board of Education in the Stokes County Schools-Board Room located at 100 Courthouse Circle, Danbury, North Carolina on Friday, December 19, 2008 at 1:30 pm with the following members present:

Chairman J. Leon Inman
Vice-Chairman Jimmy Walker
Commissioner Ron Carroll
Commissioner Ernest Lankford
Commissioner Stanley Smith

County Personnel in Attendance:
County Manager K. Bryan Steen
Clerk to the Board Darlene Bullins

Stokes County Board of Education and School Personnel
Chairperson William F Hart
Vice Chairperson Sonya M Cox
Member Steve D. Shelton
Member Rebecca P. Boles
Member Colon Moore
Dr. Stewart Hobbs, Jr., Superintendent
Assistant Superintendent Donna Boyles
Executive Finance Director Lanette Moore
Administrative Assistant Ann Robertson

WELCOME

Dr. Hobbs welcomed those in attendance to the joint meeting.

Chairman J. Leon Inman called the joint meeting for the Board of Commissioners to order.

Vice Chairman Walker expressed concerns with Agenda Item VI – Funding Update. Vice Chairman Walker stated that he had additional work to do as a Commissioner before

addressing this issue in a joint meeting.

Chairperson Hart expressed the need to discuss the funding issue.

Commissioner Carroll noted the purpose of the joint meeting is to obtain additional information with no definite decision being made today about funding.

Commissioner Lankford agreed no decision would be made today about funding.

Commissioner Smith stated that he is not prepared to decide on a definite amount today.

Dr. Hobbs noted that the Board of Education does not expect a definite amount to be decided today and the item was placed on the Agenda for discussion only.

Member Rebecca Boles delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY/BOARD OF EDUCATION- PLEDGE OF ALLEGIANCE

Superintendent Dr. Stewart Hobbs opened the meeting by inviting the citizens in attendance to join both Boards with the Pledge of Allegiance.

Status of Top Three Priorities

Dr. Hobbs discussed the Board of Education's top three priorities:

1. **Nancy Reynolds Reconstruction** – first choice is renovation to the existing facility as long as funding is made available for the project
 - sFL+a estimated cost = \$10,285,200
 - Two other architectural firms will be providing cost estimates to the Board of Education by the end of January 09
 - Board of Education has listened to the public and is committed to renovation if possible to the exiting facility
 - Safety is the main issue
 - Liability insurance carrier has notified the Board that students will be allowed to stay in the existing facility until the end of this school year
 - PODS will have to be in place by the start of the 09 school year
 - The sooner funding is allocated, the sooner the Board of Education can move forward with the Nancy Reynolds Project
2. **New Elementary School (Yadkin Township)**
 - 500-700 student elementary school
 - Need land in the area
 - Need funding amount to start planning

- Estimated cost = \$15,435,700 (includes land purchase)
- 3. Additions and Renovations to Southeastern Middle School**
- Estimated cost = \$9,292,600
 - Not as much work done on this project due to concentration given to the Nancy Reynolds Project
 - Work can be done in phases – flexibility with the project
- Total projected cost for top three priorities = \$35,013,500
 - **Timeline (Nancy Reynolds)** – Need to start Nancy Reynolds Project as soon as possible so that students will not have to be in PODS any longer than necessary. If funding is made available immediately, project could start as soon as school is dismissed in June 09 with students back in the renovated facility for the start of the 2010 school year.
 - **Timeline (New Elementary School)** – If funding is made available immediately, there is a possibility that construction could be completed for the 2010 school year

Dr. Hobbs concluded the Board of Education is ready to proceed and requests funding in the amount of \$35 million in order to complete the top three priorities.

Board of Education - Comments

Member Boles noted:

- Ready to get started
- Request funding for the top three priorities - \$35 million

Member Moore noted:

- New Atlantic Contracting, Inc. has been selected as the Construction Manager for the new elementary school in the Yadkin Township

Member Shelton noted:

- The Board of Education has done their due diligence on each of the top three priorities
- Found the best site for the best price for the new elementary school in the Yadkin Township
- Parcel of land will provide the for current and future school needs in that area
- Right time to start construction
- Requesting the full amount of \$35 million for the top three projects
- All projects are investing in the future of Stokes County

Vice Chairperson Cox noted:

- Agreed with comments provided by Member Shelton
- Reiterated this is the best time to start construction – can save the County money by taking advantage of the fact that construction is slow at the present time
- Ready to get started
- Board of Education has done their homework
- Request the support of the Board of Commissioners to continue to work together to support education in Stokes County

Chairperson Hart noted:

- Board of Education has taken the projects as far as we can until funding is decided and made available for the projects
- Ready for the Board of Commissioners to take the next step by allocating funding for the projects

Board of Commissioners - Comments

Vice Chairman Walker noted:

- Ready to start with the top priorities
- Trying to figure out the best way to make those priorities happen
- Need to determine if all three top priorities can be funded
- Must also consider the need for a stand alone community college in the County
- With construction slow at the current time, could bids come in at a lower cost
- Committed to the top three priorities along with the other needs in the County
- Need to have financial advisor look at several funding scenarios

Dr. Hobbs referenced the letter (dated November 20, 2008) which formally identifies the top three priorities as Nancy Reynolds Elementary School, New Elementary School (Yadkin Township) and Southeastern Middle School (renovations/new construction) and formally requests that the Board of Commissioners authorize funding for the school construction projects, preferably at the November 24th Board of Commissioners' meeting.

Commissioner Carroll noted:

- Have been talking about these issues for the last 8 years
- Need to have as accurate projected costs for top three priorities as possible
- Board has to take into consideration all the needs of the county when determining funding for any project
- County must look at other variables such as country is in a recession, sales tax revenue is declining, depending on the State for revenue (Hold Harmless funding, lottery funding, sales tax revenue, ADM funding, and Medicaid Relief funding) all of which can disappear as soon as the Legislature convenes
- These variables can have an effect on Stokes County
- 2009 is a Revaluation Year for Stokes County – Board does not know what impact revaluation will have on Stokes County
- May have to phase in the top three projects
- Ready to go with the top priority – Nancy Reynolds Elementary School
- Do not want the Board of Commissioners to arbitrarily give the Board of Education a number and have them fit the projects into that number, want to give you an allocation so that you can do the project and do it right

Dr. Hobbs stated that there are several things that the School Board needs to get started regarding the top three priorities, but cannot proceed until a funding amount is allocated by the Board of Commissioners.

Commissioner Lankford noted:

- Number one priority is doable, but would like to have firmer cost estimates
- Not willing to commit to anything except number one priority at this time
- Seems projected costs could be lower due to construction being slow at the current time
- Board must consider the variables mentioned by Commissioner Carroll
- Board has the responsibility to keep the entire county going
- Need to see the other architects' projected cost before making a final commitment on the top priority – Nancy Reynolds

Commissioner Smith noted:

- Time is now for the best price on construction
- Appreciate the work done by the Board of Education
- May have to phase in the top three priorities
- Can support the first two priorities as long as a definite amount is allocated
- Need to make sure to do the projects as cost effectively as possible
- Need to focus on the safety of the children in Stokes County

Chairman Inman noted:

- County's Fund Balance is 19.5% and county is in a good financial position at the current time
- Substantial debt will be retiring in 2010
- Familiar with and agree with the top three priorities
- Would like to see the other cost proposals from the other architects before deciding any funding allocation
- Must be responsible and look at all the needs of the County

Board of Education members expressed their appreciation to the Board of

Commissioners for their continued support and willingness to continue working together for the students in Stokes County.

Chairperson Hart, on behalf of the Board of Education, respectfully requested that the Board of Commissioners fund the \$35 million request in order to complete the top three priorities. Chairperson Hart reiterated the need to know how much funding is available from the County in order to proceed with the top priorities.

Dr. Hobbs noted the need to request approval from the Board of Commissioners to use lottery funding for architectural fees.

Dr. Hobbs expressed his appreciation to both Boards for their commitment to the children of Stokes County.

Chairman Inman expressed the Board of Commissioners' appreciation for the joint meeting.

Adjournment

There being no further business to come before the Board, Chairman Inman entertained a motion to adjourn the meeting.

Vice Chairman Walker moved to adjourn the meeting. Commissioner Smith seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman