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The Carroll County Board of Supervisors held a joint meeting with the Carroll County School Board on, February 2, 2012 in the Board Meeting Room of the Carroll County Governmental Center.

Present were: David V. Hutchins
W.S. "Sam" Dickson
Dr. Tom Littrell
Joshua A. Hendrick
Phil D. McCraw
Ralph J. "Bob" Martin
Gary Larrowe, County Administrator
Nikki Shank, Assistant Administrator
Ronald L. Newman, Assistant Administrator

Mr. Dickson called the meeting to order at 7:02 p.m.

Mr. Spencer called the School Board to order at 7:03 p.m.

BOS CHAIRMAN'S COMMENTS

Mr. Dickson welcomed everyone to the meeting and thanked the School Board for accepting the invitation to meet on Phase III. He told that some people think that \$15 million is a small amount, but he thinks it is a large amount of money. He told that it is important to work together and get the best for our dollar. He told that we are excited for the schools. He told that the project has changed directions several times and we need something that we can afford to finish. He told that what we have is not our ideal plan but it was what we had to work with. He thanked everyone for taking the time to be here and also thanked Mr. Cole for putting together the presentation.

PROJECT UPDATE – DENNIS COLE

Mr. Dickson introduced Mr. Dennis Cole, Clerk of the Works for the Phase III Project.

Mr. Cole told that for the first meeting he would like to go back and start at the beginning. He told that they would go through the slides and look at each design. He told that he also had boards that anyone is welcome to look at. Mr. Cole reviewed each slide and showed what has been complete to date. He told that the field house is under construction and they are to the point where they have brought all the stem walls up and they are moving along and they are moving quick. He told they are currently putting in the underground utilities and are back filling and compacting. He told that on the front of the highschool and they are a little further behind with it than the field house. He told they are digging footings there and hope to have concrete poured tomorrow. Mr. Cole that on the Intermediate School they have ran into some unsuitable soil. He told that they have hauled them off and brought new soil in and they are currently at grade with the building pad. He told that the next thing that will happen is digging footings.

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Mr. Martin ask what he means by unsuitable soil.

Mr. Cole told that soil has a classification that determines how much bearing capacity the soil can have. He told that the building size determines they type of soil. He told that some soils don't have much weight bearing capacity such as clay. He told that they have a testing company come in and evaluate the soil and do a moisture reading on it and they make a recommendation on how far down you have to go.

Mr. Martin told that the numbers that were presented come up to \$12.9 million and ask where the remaining money will be spent.

Mr. Cole told that his numbers are associated with building costs and what is in the contract itself. He told that there are other soft costs and fees that are associated.

Dr. Smith told that they have a list to round out the other money.

SCHOOL BOARD DISCUSSION

Mr. Spencer told that they are trying to figure out the best way to save money for the County and fix the renovations at the high school so it is suitable for teaching without it being so compact. He told there are a couple different ideas on how to best work with the funds that have not been allocated.

Ms. Quesenberry distributes information.

Mr. Spencer told that some of the issues as we look at the original bids, that the high school had \$17,267,700 worth of alternative cuts and the intermediate had \$5,209,750 worth of alternative cuts. He told that in discussion with members there are some concerns. He told that there is \$1.1 million that is not allocated and they will try to stop the gap on some of that on alternatives that have been cut. He told that is a \$23 million cut from the originals. He told that there have been some discussions with the School Board to maybe not expand the cafeteria and that would mean that they would not have to cut into the automotive area. He told that the capacity is 325 for the cafeteria and that would alleviate the \$1.1 million for the automotive building. He told that the HVAC for the Intermediate School is not going to be fixed and it is around \$400,000 and he would hate to put that much money into a middle school and some of the classrooms still be freezing cold and in the summer sweltering hot. He told that when you are spending that much money shouldn't we go ahead and try to fix that and it would complete the renovation. He told that the HVAC at the High School is 40 years old and he doesn't understand how it is working now because most industrial units don't work past 20 years. He told that he just had to replace one that was only 12 years old. He told that there have been a lot of discussions about the water lines and the bathroom over the last couple of months. He told that the thought is they need a gym. He told that it is a requirement for 9th grade and if we don't add capacity we are going to be telling students who take gym as an elective for 11th and 12th graders that we don't have room for them. He told that they could use the \$1.1 million to make the gym, which is around \$1.8 million or they could

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fix the water and heat and wait for another day for the HVAC system and they gym and try to hope they don't have combustion at the cafeteria by not renovating it.

Mr. Haynes told that they have looked at the enrollment numbers starting with kindergarten and they indicate that for several years to come that it would still be adequate and through creative redesign and using counter space to make more seating. He told that they have talked about a coffee house feel instead of it being so sterile and also save from going into the automotive space.

Mr. Spencer told that the problem is there are around 300 students per lunch and it is not the size it is the combustion and having that many people in a small area. He told that they would like it to be more relaxed and not so much tension. He told that it is painted yellow and that color brings out aggression. He told that he understands the constraints of the County budget and they appreciate everything the Board has done to support the schools in the past and they are trying to be good stewards. He told that he plays the lotto once a week hoping to win so he could donate. He told that they are looking to find a happy median to serve our children and grandchildren and they are looking at long term.

Mr. McCraw ask how many children use the cafeteria.

Mr. Spencer told that there are currently 254 seats.

Mr. McCraw ask if they all go to lunch at the same time.

Mr. Spencer told that there are 1200 students with the 9th graders and they can't have more than four periods of lunch because of the schedule so there are 300 per lunch on average.

Mr. Haynes told part of why they are doing this is there is a great desire among our constituents to make room to sure up some of our existing infrastructure in the schools and this would be one of those cost saving measures that might allow us to do some of the things that Mr. Spencer outlined and stay relatively within some constraints.

Mr. Gardner told that we have the cafeteria under contract and to make the change would mean a change order. He told that if the contractor would do it dollar for dollar he would not have any objection and ask Mr. Baker if that was an option.

Mr. Baker replied that the question has been ask and there would be a \$180,000 credit for the cafeteria which is not alot of money.

Mr. Gardner ask what the cost is for that particular renovation in the cafeteria if that was dollar for dollar or would the contractor be pocketing the difference.

Mr. Baker told that automotive is \$1.2.

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Mr. McCraw ask if this would mean more architectural work would need to be done as well since the design will be changing.

Mr. Spencer replied no he doesn't think so.

Mr. McCraw told that normally when someone draws up plans they want to be paid for it and ask if that has been taken into consideration.

Mr. Haynes told that it has and the real question is if they make a change to the contract they would need to find out what the penalty would be. He told that there are consequences to change orders and it will need to be determined before a decision is made. He told that we need to find out the cost benefit and if we are saving enough and still meeting the need. He told that it is obvious that there is cost involved and it will need to be decided if the change will be prudent to accomplish other matters.

Mr. Dickson ask if we don't expand the cafeteria we would be saving \$180,000.

Mr. Spencer replied yes.

Mr. Dickson told that so you would save roughly \$180,000 but in comparison if you do change you have to move automotives to another place and he knows that you have been looking at sites to move into instead of building another one.

Dr. Smith told that they have looked at several different options.

Mr. Dickson ask if they have decided that they will have to build.

Dr. Smith replied yes that they will have to build.

Mr. Hendrick told that the \$180,000 deduct will replace the \$2.1 million for the automotive building.

Dr. Smith told that the automotive building that was designed previously also had the agricultural laboratory with that and we would have to redesign that but we have a very good plan for it. He told that it will be about half the size of the previous design but he doesn't know if that will mean it is half the cost. He told that he and Mr. Baker have talked and they feel like it would come in under \$1 million.

Mr. Hendrick told that you are still looking at about \$1 million to build the automotive section and save \$180,000 or spend \$180,000 plus the million for the automotive wing. He told that we are looking at a detached gym estimate of just over \$1 million.

Dr. Smith told that he thinks it is \$1.7 million.

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Mr. Hendrick told that the attached gym is \$2.1 and detached is \$1.7.

Dr. Smith told that they have estimated that per the square footage.

Mr. Spencer told that if you expand the cafeteria as it is right now that means you either don't offer automotive or you are going to have to spend all the money we have on automotive which means you don't fix the HVAC or water. He told that you have to wonder what needs to be done to be good stewards. He told that it is not only about money but we are telling citizens that we are taking care of the buildings we have and that is not happening. He told that most county citizens go into a school after we have spent millions and their son or daughter is sick because there is no heat or air, they are going to wonder what the heck we were thinking.

Mr. Haynes told that it is also relevant to look at the stress that you are going to be putting on the existing infrastructure. He told that we are bringing in 300 new students plus the incidental use by the parents, we are going to be putting a greater use on the infrastructure.

Mr. Joshua Hendrick ask what the priorities are. He told that they have listed four main issues that you would like to see addressed and ask if those have a ranking. He told that it sounds like infrastructure is top of the list.

Mr. Spencer told that they worry about being good stewards and maintaining what they have. He told that it would be a crime to put this much money in the Intermediate School and not fixing the heating and air and at the same time you are adding 300 new students to a building that doesn't have water in some areas and the bathroom facilities are atrocious. He told that they don't have \$1.8 million so that is out unless the County will help us build a gym. He told that if we don't want to do the automotive and that is why they bring this up, they want to be good stewards and make the best of the situation. He told that if they do what is on the contract and expand the cafeteria then we don't have money to fix heat and air or water and we may have enough to finish automotive unless we don't offer it anymore and he thinks that would be terrible. He ask what the Board's priorities are.

Mr. Hutchins told that it is strange that early on we ask about some of these things and they could not be done which makes him wonder about the planning. He told that thinking creatively is a good idea and you are not going to trade dollar for dollar. He suggested that the School Board put together a trade off analysis that says this is the best way to go and let everyone look at it. He told that we would need a time line because he is sure the contractor already has a schedule. He told that we would need to sit down and look at what are the best tradeoffs are and what are the best options to get the best return on our investment to be a good steward.

Mr. Dickson told that the School Board is in a better position to identify what needs to be done or what is more important. He told that if you are asking what we are able to do,

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to be honest we don't know yet and it just depends on what comes up and we will just have to look and see.

Mr. Haynes told that they are much in a situation like an article that he was reading about the City and County of Waynesboro. He told that they are trying to be in partnership because they have to rely on each other and that is what we are doing.

Mr. Dickson told that we are very interested in us helping to make decisions we would be more than willing to do that. He told that in the Roanoke Times today had an article where the County told the School Board to expect \$1.1 to \$2.6 million less funding for this year and that was on top of all the stuff that the State stacked up.

Mr. Hayes told that we do not want you to tell us that.

Mr. Dickson told that other localities are having the same problems.

Mr. Martin told that today at school he had a 4 year old ask him if he knew what her daddy's name was. He told that he knew her dad and his name is Steven so he told her yes he did know his name that it was Steven and she said no, my daddy's name is daddy. He told that he thought how obvious that is and has gotta say that he is one of the few people sitting here who went to a one room school in this county with outside toilets. He told that you can cut everything and go to outside johns and he doesn't think you can come up with enough money to do the mechanical system at the high school and the Intermediate school and it is just as obvious to him as it is to what the little girl said about her dad. He told that you can cut all the money you want to but what he sees is the Board of Supervisors are going to have to open it up and go with potential grant money and get serious about this. He told that we are looking at a galvanized pipe system at the high school that was put in around 1968 and he doesn't know how old the system is at the Intermediate school. He told that there is no way you can do with \$15 million what you want to do. He told that the problem he sees is at the high school you can have 50 porta johns out there tomorrow because the whole system went down and the place is flooded and there are no bathrooms or no water. He told that maybe that is where we are going, no gym, no indoor plumbing.

Mr. Haynes told that along the lines of responding to you, he thinks they have tried to prioritize these things and they have talked long and hard about it. He told that we don't know about the penalty but that is something that we would have to determine. He told that it is obvious that those things sooner or later have to be a priority. He told that he keeps talking to folks about this and he couldn't run his house like this. He told that if he was going to build on one of the first things that he would do is to make sure his water and heating and air were going to be okay. He told that is a priority but at the same time we are faced with going forward with brining in 300 students to the high school. He told that the building needs to be structurally sound as well. He told that we know we have to go forward with certain basic renovations as well. He told that the things they are talking about are all things on a wish list but just as Mr. Hutchins pointed out and he knows from looking at previous Board of Supervisors minutes that those things were discussed last

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fall and we came into office with this and are trying to go back and reprioritize based on what we have identified and what our constituents have made known to us. He told that the people in his district are concerned with basic infrastructure and they want their children to be in a facility that is adequate. He told that the issues with the gym, we don't have the money to do it all but the priorities have got to be to make the facilities reliable and structurally sound.

Mr. Dickson ask if anyone has cut into those lines to see how bad of shape they are in. He ask Mr. Cole if they did any kind of testing on this when they did the plans or are they assuming that if you hook to it everything will work.

Mr. Baker told that there have been actual leaks.

Mr. Dickson told that he knows there have been leaks, but have they actually cut into it.

Mr. Baker replied yes and a plumber tried to attach back and he would not attach it back.

Mr. Joshua Hendrick told that all you have to do is talk to your maintenance guys. He told that one of them patched the line and couldn't weld it so he took a shoe box and put it around the line and filled it up with grout and took straps to hold it up and that is what is in the high school. He told that he agrees with Mr. Martin in that we are going to have to get serious and figure out what we are going to do. He told that the \$4.5 for the HVAC and water at the high school is not if, it is when. He told that it might be this year or it might be 10 years from now but the feeling he is getting from the School Board is that your priorities are going to be water and HVAC at the high school and the HVAC at the Intermediate.

Mr. Haynes replied that actually it is the water at the high school and HVAC at the Intermediate.

Mr. Joshua Hendrick told that if you did all of it, it would be \$4.5 million additional.

Mr. Haynes told that was correct.

Mr. Joshua Hendrick told that you have \$1.1 that will be left over from the original allocation. He told that with that money what are the contingencies that remain in the contract from that \$1.1.

Dr. Smith told that there is a limited contingency on both sides.

Ms. Quesenberry reviewed the hand out that was distributed earlier. She told that there would be 5% contingency at the Intermediate school and 8% at the high school. She told that it is tight numbers. She told that the money came as 2 pots that were school specific.

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Mr. Joshua Hendrick told that with the 5% and 8% contingency that is where you get the \$1.1 million from.

Ms. Quesenberry told that they included the alternates at the low bid prices.

Mr. Spencer told that the cafeteria is scheduled to start being under construction on February 28th which means we would have to displace automotive by then. He told that we don't have a lot of time.

Dr. Smith told that logistics to move the current automotive will have to be settled very soon if we do that.

Mr. Joshua Hendrick ask if action has to be taken tonight if any Board wishes to do a change order for not expanding the cafeteria.

Dr. Smith told that it needs to be done very soon.

Mr. Gallimore told that Mr. Martin had mentioned earlier about the things that we wanted to do, he told that when most of the members on the School Board are new and if they would have had an opportunity to work on this before it was rushed through and put on them they might have had a whole different ball game. He told that they didn't have that luxury and we have to work with what we have and are hoping that we can get you to work with us on it.

Mr. Spencer told that if you call any HVAC person and say, do you expect a unit to last for 40 years they are going to say no. He told that it is done, that it might be running right now, but it is dead. He ask if we want to go \$15 million in debt and then on the first day of school and it doesn't work and you are looking at the community saying we need to have a meeting about this, we didn't know it was going to happen. He told that we all know it is going to happen.

Mr. Gardner told that he was on the previous board and will accept any blame that goes along with that but they were asked to do a \$27 million project for \$15 million and it can't be done. He told that the maximum capacity is 325 and he doesn't want to be on lunch duty during that. He told that he has not seen the figures of what the penalty is going to cost us, we might get \$180,000 back but he has got to see what it is going to cost us before he can make a decision. He told the bottom line is we are \$10 million short. He told that you can toss that around any way you want to but it is still going to come up short.

Mr. Dickson told that he would tell how the Board of Supervisors stand. He told that we applied for Rural Development money to do the total project which was a good project. He told that we were told that we had the funds so we proceeded on and all of the sudden this stimulus money stopped so that stopped the project. He told that then the QSAB money comes along and the most you can get is \$15 million. He told that we let it be known to the School Board that we had no more money to fund and that was it

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because we could borrow \$20 million at the same rate per year as we could do the \$15 million because it was a longer term. He told that it is the same payment but is less money to work with and they knew that going in. He told that he doesn't know if they got bad advice or what.

Mr. Gardner responded no Mr. Dickson.

Mr. Dickson ask Mr. Gardner to wait a minute. He told that they brought a project that they said would work with the \$15 million.

Mr. Gardner told that we can go back and look at the minutes but he thinks the Board clearly stated at that time that \$15 was not adequate funds to do what needed to be done and include the HVAC. He told that we knew it couldn't be done but it is all we had.

Mr. Dickson told that is should have been dropped.

Mr. Gardner told that we would have nothing.

Mr. Dickson told that we could have done it later.

Mr. Gardner ask how much later.

Mr. Dickson told that it would have depended on when Rural Development could have come up with that much money or apply for something else different. He told that if you know you are planning something that is going to fail maybe you should quit planning.

Mr. Gallimore told that we probably should have started on the HVAC and water and that is his opinion.

Mr. Dickson told that he is all for doing what we can at the schools, but we all know the fact of your tax rate and that is why we told them what money we had to work with. He told that most of you campaigned on that you were going to stop this project.

Mr. Haynes told that there was no stopping it because it was already under contract.

Mr. Dickson told that people told him that Mr. Spencer and Mr. Haynes and Mr. Gallimore were saying that.

Mr. Spencer told that he was totally against this project because lack of funding and he wanted to stop it. He told that after he got elected he ask the School Board to not sign the contract and not to proceed on and it was signed. He told that has nothing to do with the other because you can't tell a child, sorry we didn't want to do this so we are going to have a tantrum because the last board did it and therefore you are not going to have heat and water or commodes. He told that is basically what we are going to tell our kids and it sickens him seeing this kind of investment being made without the infrastructure. He

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told that it is a respect factor for not only our children but the tax payers and they don't want us building an automotive building for \$1.2 million when we don't have heat and water. He told that they are going to say don't build that gym, fix the heat and air and that is what they are looking at.

Mr. Haynes told that primarily that the reason they came here tonight was not because they were trying to bash the plan in place. He told that they are trying to figure out based on where they are the best solution.

Mr. Dickson told that he agrees but you can't lay the blame on the Board of Supervisors. He told that this is what they ask for and we found a way to make it work.

Mr. Haynes told that he regrets if it has come across that way because that is not what it was intended to do.

Mr. Dickson told that it was never said that we this \$15 million is not going to work unless you come up with this and this. He told that they played the cards they had and that is what you are going to have to do. He told that it is laid in front of us and we have to figure out how to make this work and he agrees that we do not want to hook a new part onto an old part. He told that we have a HVAC System that is going to fall and may fall before we get the other part completed.

Mr. Hutchins told that he understands the timeline and asks since we meet on the 13th for them to put down what your plan is in writing and clearly articulate what it is and then look at what the costs are going to be. He told that he is not opposed if there is something that does a better job. He told that we are where we are and how we got here probably doesn't matter today. He told that he cannot sit here and vote for something that he doesn't know what he is voting for. He told that he is not opposed necessarily but would ask that the ideas be reduced to some type of spreadsheet and that would give us ample time to do what we need to do to meet the February 28th deadline.

Mr. Spencer told that he agrees with what Mr. Hutchins just said, he doesn't think it matters how we got here and he told Mr. Dickson that he didn't mean to sound like he was blaming the Board because he is not. He told that he was trying to say as a parent just like he is a grandparent that he is concerned about where we are at. He told that what he would like to see done is if we could get two Board members so the two boards could get together to come up with.

Mr. Hutchins told that he thinks this needs to be a School Board decision not a Board of Supervisors decision and he is just being honest.

Mr. Spencer told that he thinks it is both of us because we are looking at infrastructure. He told that it is real easy for him to go out and say let's do this, but if I am not addressing some of the things infrastructure wise what is going to happen when it stops. He told that it is going to be on the County Board unfortunately to say we have this water issue so it is going to affect both boards as far as the tax rate. He told that he

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thinks we need to have a group discussion like this but maybe smaller to roll up our sleeves. He told that the \$4.9 that was mentioned, that is what it would take to make everything working and address everything but the gym.

Mr. Dickson told that looking at the deadlines wouldn't you be better off if the School Board came up with a plan of what you like and an approximate cost and then bring it to us.

Mr. Joshua Hendrick told that it what we have.

Mr. Dickson told that they haven't decided completely on what is needed and what is not. He told that he knows we have a list of alternatives and you ask for a priority for which is number one.

Mr. Gallimore told that he agrees with Mr. Dickson and Mr. Hutchins and if we had a spreadsheet with everything on it that we would like to keep and also delete on the construction and if we want the infrastructure replaced we will include that on the spreadsheet. He told that if we need money we will present it to them and let them know how much we need because they can't make a decision until they know. He told to include the infrastructure and if it cost \$4 or \$5 million then it does, either they can help us or they can't.

Mr. Martin told that how we have it set up right now the Board of Supervisors are approving everything including taking a look at change orders. He told that he questions it and you can't have it both ways. He told that if you are going to keep a thumb on all the money and you guys are expected to give us the numbers. He told that in his head he is not smart enough to figure it all out. He told that he knows we will never have anymore cold weather and part of his job is that he can tell you absolutely with his hand on the bible that if the temperature runs in the low teens and we are in winter like we ought to be and you go in the high school because he checks the temperature, that is part of his job, the temperature in the hallway and in the auditorium and part of the time in the classroom it will run 58 to 62 degrees and that ain't no bull because I tested it. He told that if we ever have cold weather again it will do it again. He told that he can remember a few years ago he can remember that the temperature in the old part at Intermediate School on the floor was 120 degrees because all of the steam lines under the building were all to pieces and we were finally able to patch them. He told that the only way the building ever gets cool up there is to jack the rooms all through the building to zero so the cold will get over in the old part. He told that we could have painted the buildings white on the outside and been better off with mechanical. He told that he is not trying to blame anybody but in this County they remember stuff for 100 years. He told that your names and my name will be on the buildings with a plaque and they won't remember who they will just see building was approved and building was dedicated by these boards and for the next 25 years your names and mine will be mentioned with who in the cock eyed sam come up with this mechanical mess and so forth and they will look on the wall and there is the names. He told that he don't care how we got there, it burns him up on some of it. He told that he is just saying that we have a mess and it is the mechanical and we can't

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back up so we must go forward. He told that everybody is right but everybody is wrong too. He told that we need to think out of the box and go after grant money and see what is available.

Dr. Smith told that the Board in the previous conversations that we have had the target that the Board has is to replace the existing water lines and the toilets at the cost of \$675,000. He told that is the change order that we would have on the high school site and at the Intermediate it would be the HVAC addition at \$407,000 which would place us at just under \$1.1 million and that would be paid for. He told that is what he feels the Board will come forward with so the issue is how do we handle the rest of the students coming into the building and how do we schedule PE. He told that currently we will not have sufficient space, well we will have for the 650 9th and 10th grade to take the PE schedule that they need. He told that we will have approximately 625 students that we will have to say no to because we have a large group of juniors and seniors taking various PE oriented courses and that is when we will all hear.

Mr. Dickson told that he is not against another gym but these are our two priorities.

Dr. Smith replied yes.

Mr. Dickson ask if next was the gym.

Dr. Smith replied yes.

Mr. Dickson ask what the third one is.

Dr. Smith told that we don't have any more.

Mr. Gallimore told that it depends on the auto mechanics and what we do there.

Mr. Spencer told that if we did this we would not be expanding the cafeteria because we don't have the money to build a new automotive. He told in order to get this done we can't expand the cafeteria because we would be looking at another \$1.1 million for the automotive building. He told that is asking a lot when you still have the gym that we really need and it is a headache.

Mr. Hutchins told that it is convoluted but he thinks what Dr. Smith said is those are the two things that you want to do. He told that he would presume that your board has looked at and discussed the options and the tradeoffs. He told that you know what those are and we don't because that is not something we do. He told that when you present to us that you have taken into consideration and said this is the best use of the \$1.1 million.

Mr. Dickson told that we would really love to get in there and help but doesn't think that we would be a big asset to deciding. He told that if some of you can come up with a plan and expedite it and if you need to stop the construction you can do that but come back and say we have cut everything that we can and this is the bare minimum that we

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have got to have to feel secure that when we get this finished that when the kids go in there and things are going to work.

Mr. Spencer told that they can have that ready for you next week.

Mr. Joshua Hendrick told that what it sounds like to him is what he said earlier in that you guys know what you want to do and you want to know if the Board or the County is going to be able to pay for a gym.

Dr. Smith told that is essentially it.

Mr. Joshua Hendrick told that you want to know if the County will have money or is willing to seek money to be used to pay for a gym or whatever.

Mr. Hutchins told that is not what he heard them saying. He told that he heard they want to reallocate some of these funds based on priorities.

Mr. Joshua Hendrick told that is what they said. He told that what you are saying is you will pay for the Intermediate school and the high school and therefore whatever is next whether it be a gym or HVAC at the high school, they want to know if money is going to be available for that.

Mr. Hutchins told that is not the question and he thinks the question is.

Mr. Haynes told that is the question.

Mr. Joshua Hendrick told that he hasn't been here long but we cannot tell you the answer to that question tonight, but he can tell you that he doesn't think it will take board action to do a change order on the high school.

Dr. Smith told that they have the authority to have the change orders submitted to the two options that he listed which is the HVAC at the Intermediate school and the water and toilets at the high school. He told that the Board has the authority to do that. He told that the question certainly bears that if we do those things is the Board going to be receptive to receiving a recommendation regarding the auxiliary gym at approximately \$1.7 million.

Mr. Haynes told that the one thing that he always goes back to is that we are a non revenue generating bunch. He told that we have to show up with hat in a hand and that is why we came tonight not unorganized to discuss this in an effort to try to take what we had and come up with an idea about where we were and what we hope to do. He told that he would like to know the difference is with the penalty but the issue with the change order is not just a question of saving \$180,000. He told that if there is a penalty with that the question is how much further can we utilize those funds that will save on the automotive and how much can we accomplish with that even if there is a penalty but the penalty needs to be determined.

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Mr. Spencer told that basically if we are looking at that gym we have to go ahead and look at the HVAC.

Mr. Joshua Hendrick told that he would go ahead and give his opinion and that he wouldn't vote for a gym over the HVAC at the high school. He told that it is still going to be there when you get done with the gym and you have two classes in the gym at the Intermediate school and there will be two at the high school. He told that he knows that there are students who take it as an elective and it is just that an elective. He told that he would like for them to have it to. He told that if someone said there was a grant available then we could get the gym and apply for the grant.

Mr. Martin told that the figures that Mr. Cole gave us were \$12 million for the construction and he thinks that it has been mentioned to replace the mechanical at the high school was \$4.5 million and he doesn't think you can do the Intermediate for \$500,000 but let's say you could. He told that is \$5 million to do the mechanical and if we are looking at \$12 million he doesn't think that you and St. Peter together can cut out \$5 million cause you will spend \$12 million additional on lawsuits trying to get out of this contract. He told that we cannot upgrade the two mechanical systems for \$5 million and out of the two it can't be done.

Mr. Haynes told that is why when they came in tonight as much as we wish we could accomplish that before the \$4 plus million at the high school. He told that as because of the path that we are on to move the 9th graders to high school we know that we have to be able to accomplish certain renovations. He told that without more money, and we have no way to print our own money, there are decisions that have to be made.

Mr. Dickson told that a lot of rules come along with this money and he is not sure if we can transfer money from on school to another without contacting bond council.

Ms. Quesenberry told that we are not transferring money.

Mr. Haynes told that we have not transplanted money.

Ms. Quesenberry explained the spreadsheet that she distributed and told that it would mean they would adjust their A&E fees.

Mr. Dickson ask if that can be changed now.

Ms. Quesenberry told that the A&E fees could be.

Mr. Martin told that the high school system is a two pipe system and there is a reason he didn't go into engineering at Va. Tech. He told the two pipe system, in the winter they pump hot water through there to heat the building. He told that it starts getting warm in the spring so when you think it is not going to be cold anymore you shut down the system and turn the furnace off and walk on the roof and turn the chillers on and you pump cold

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water through the pipes to cool the building down. He told that hopefully you won't have a two week blizzard that hits. He told that he is just saying that if you are going to put 300 more kids there it is going to put more pressure on the system.

Mr. Dickson ask if we have a workable plan and will you be able to come up with that number on whatever suggestions.

Mr. Haynes replied a workable plan for what you are referring to as a list of priorities.

Mr. Joshua Hendrick ask if the board has looked at any funding options for the long range on the \$3.8 million.

Dr. Smith told that they have. He told that they have been having several conversations with state agencies and actually having a conversation tomorrow pertaining to a performance contract proposal that may help us get it part of the way there and a fuel savings plan. He told that we are looking at different options to present to the School Board to be considered. He told that they really haven't stopped doing those things and have been trying any way they can to cut the costs and generate savings. He told that he may be making a presentation to the school board on the proposals and would feel that they would bring them to this board also.

Mr. Haynes told that we seem to be in a situation where time is an issue.

Mr. Hendrick ask if they have not already looked at some alternate funding methods.

Dr. Smith replied yes. He told that the one he thinks is the most promising right now is a performance proposal and we have had conversations with two firms to generate funding per year that could be allocated to the payment structure for the high school.

Mr. Haynes ask if there is a time table as to how long a process like that would take.

Dr. Smith told that is well beyond this month. He told that it will take some time but should help us make a decision later on and should help us see some energy savings.

SCHOOL BOARD PAY REQUEST APPROVAL

Upon motion by Mr. Hendrick, seconded by Mr. Gallimore, the School Board approved the pay request that was presented.

Upon motion by Mr. Hendrick, seconded by Mr. Haynes, the School Board approved the Change Orders that were presented.

The School Board set a special meeting that will be held on Thursday, February 9th beginning at 6:00 p.m. to go over the Board's request and will have that to you on Friday so you will have a few days to go over it before your meeting.

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Mr. Larrowe ask if it would come with any kinds of options.

Mr. Hendrick told that was what we were talking about tonight is options.

Mr. Larrowe ask if there were going to be priorities within that.

Mr. Spencer told that they will work on the recommends for the \$1.1 million.

Mr. Haynes ask if they are asking them to put a packet together that comes home with the kids that say option a.

Mr. Hutchins told that anything would help.

Mr. Hutchins ask if there was not a request for the High School payment.

Dr. Smith told that they did not submit their information by the 25th.

BOARD OF SUPERVISORS PAY REQUEST APPROVAL

Mr. Hutchins made a motion to approve the pay request and the change orders.

Mr. Haynes told that the Board does not have to approve the change orders. He told that he just wanted to make sure that they are in agreement that the Board does not have to approve the change orders. He told that it isn't an expenditure.

Mr. Hutchins ask if it mattered.

Mr. Haynes told that it doesn't but for future reference he just wanted to make sure that we knew that the Board does not have to approve the change orders.

Mr. Dickson told that the Board did not want to overstep.

Mr. Hendrick ask if the Board plans to continue these double meetings to approve the contractor invoices.

Mr. Dickson told that he thinks we will continue it as long as it is needed.

Mr. Hendrick told that will be about two years.

Mr. Gardner suggested that we rotate it and if we are going to have it at your meeting one month it will be at the School Board meeting the next month.

Mr. Martin said so another words we would eliminate the special meeting.

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Mr. Hutchins told that the reason we are doing this is because Mr. Spencer and Dr. Smith told us that it was going to be a hardship on the small business people to get their pay requests in and get them paid.

Mr. Gardner told that it is not necessary to have a joint meeting to approve those because the Superintendent and the Clerk of Works can approve those.

Mr. Haynes told that the Clerk of the Works is essentially the Board's employee with regard to that.

Mr. Dickson ask if we can do it at our regular meeting.

Dr. Smith replied yes.

Mr. Dickson told that he thought we had to do it earlier but if it works that is great.

Ms. Quesenberry told that our Board has said that the Superintendent and Chair can approve.

Mr. Hutchins amended his motion to just approve the pay request that was presented. The motion was seconded by Dr. Littrell and passed.

VOTES

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| Mr. Hendrick | Yes |
| Mr. McCraw | Yes |
| Mr. Hutchins | Yes |
| Mr. Dickson | Yes |
| Dr. Littrell | Yes |
| Mr. Martin | Yes |

(Order)

APPROPRIATION OF FUNDS

Upon motion by Dr. Littrell, seconded by Mr. Hutchins and passing, the Board approved to appropriate \$123,106.37 for the Phase III Project for the pay request submitted.

VOTES

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| Mr. Hendrick | Yes |
| Mr. McCraw | Yes |
| Mr. Hutchins | Yes |
| Mr. Dickson | Yes |
| Dr. Littrell | Yes |
| Mr. Martin | Yes |

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(Order)

SCHOOL BOARD ADJOURNMENT

Upon motion by Mr. Gardner and seconded by Mr. Haynes, the School Board adjourned.

ADJOURNMENT

Upon motion by Mr. Hutchins and passing, the Board adjourned.

VOTES

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|--------------|-----|
| Mr. Hendrick | Yes |
| Mr. McCraw | Yes |
| Mr. Hutchins | Yes |
| Mr. Dickson | Yes |
| Dr. Littrell | Yes |
| Mr. Martin | Yes |

(Order)

Chairman

Clerk