

AGENDA
BEDFORD COUNTY BOARD OF SUPERVISORS
JOINT MEETING WITH BEDFORD COUNTY SCHOOL BOARD
BEDFORD CAMPUS OF THE CENTRAL VIRGINIA COMMUNITY COLLEGE
JUNE 6, 2005

- 7:30 P.M. **WELCOME**
- (1) CALL TO ORDER**
 - (2) PLEDGE OF ALLEGIANCE**
 - (3) APPROVAL OF AGENDA**
 - (4) DISCUSSION ON CAPITAL IMPROVEMENT PLAN FOR FY 2005/06 – 2009/2010**
 - (5) ADJOURNMENT**

Board of Supervisors

Roger W. Cheek, Chairman – Dist. 3, Gary M. Lowry, Vice Chairman – Dist. 7, Charles Neudorfer – Dist. 2, Robert L. Bashore – Dist. 4, Steve Arrington – Dist. 5 and Bobby G. Pollard – Dist. 6

Absent

Dale C. Wheeler – Dist. 1

Staff present: Kathleen Guzi, Carl Boggess, Susan Crawford, Tommy Mason, Bill Hoy and Brigitte Petersen

School Board Members

Mr. D. S. Black, Chairman – Dist. 3, Mrs. A. M. VanDerwerker, Vice-Chairman – City, Ms. J. W. Wright – Dist. 1, Mr., Keith Jones – Dist. 5, Mrs. S. B. McCabe – Dist. 6, Mrs. D. S. Hoback – Dist. 7

Absent:

Mr. T. S. Huff and Mr. J. M. Fields

Staff Present: Dr. J. G. Blevins, Mr. R. L. Edwards, Mr. H. D. Jones, Dr. B. F. Johnson, Mr. D. W. Overstreet, Mr. W. C. Peterson, Mrs. K. S. Foutz and Mr. F. A. Wright, Attorney

(1) Chairman Black called the School Board to Order.
 Chairman Cheek called the Board of Supervisors to order.

(2) Chairman Cheek led the Pledge of Allegiance.

Note: Due to a power outage shutting off the tape recorder, the next few minutes of this meeting were not recorded.

(3) Mrs. VanDerwerker made a motion to approve the agenda with Dr. Jones seconding. The motion carried unanimously.

A motion was made by Supervisor Lowry to approve the agenda as amended.

**Voting yes: Mr. Wheeler, Mr. Neudorfer, Dr. Bashore, Mr. Cheek, Mr. Lowry,
Mr. Arrington, and Mr. Pollard**

Voting no: None

Adopted Unanimously.

Mrs. Kathleen D. Guzi, County Administrator, clarified that the \$65 million budget the Board approved was not specified for the Board of Supervisors to be either for renovating or building a new school; rather, the Board is looking for more information to assist in making this decision. Mrs. Guzi briefly touched on projected growth, the number and type of schools needed, etc.

Chairman Black reviewed the development history of this issue, giving examples of the benefits and detractions of renovating versus building. (A detailed description is included in the attached handout from the School Board.) A short discussion followed between the Boards regarding how the School Board arrived at the numbers they were using for the road improvements, etc.

Supervisor Arrington asked why the building costs had increased, with some categories having jumped by as much as 54% in the past three months. Chairman Black stated that part of the increase was from the expanded roof area, which was not included in the original plan; the price of steel has dramatically increased as well due to inflation.

Mrs. Hoback pointed out that the 2003 design was a concept design, and when approval was given to get a schematic design the costs naturally increased because it was much more detailed. Changing the flat roofs to peaked roofs to prevent leaking also costs more. She also pointed out that the School Board did not create the \$38 million dollar figure to build a school – Hayes, Seay, Mattern, & Mattern did, and the School Board was just as appalled by the increase as the Board of Supervisors.

Supervisor Bashore pointed out that the Board of Supervisors also requested peaked roofs, and that the original \$24 million to build the school was an artificial estimate pulled out of thin air because between 2003 and 2004, there were three individual studies done that came in between \$27 and \$28 million.

Mrs. Guzi asked if, when the School Board received the \$38 million estimate, was that at the completion of the schematic design, or was the design still being work on?

Dr. Blevins replied the design was complete when the estimate was received.

Mr. Arrington said he was not sure what the estimate covered. Chairman Black responded that he had details on what the estimate covered and would be glad to go over that with Mr. Arrington.

Chairman Cheek said he had noticed there was not a guaranteed maximum price on the new building estimate. Chairman Black replied that the PPEA process would allow the School Board to negotiate a guaranteed maximum price.

The disadvantages of renovating the school, specifically phasing, were briefly discussed. Mr. Arrington stated the new science building would have to be removed from the renovation estimate to have a true renovation cost, which he believes skews the assumption that the cost of renovating is around 60% the cost of building, making building a new school the better option.

Chairman Black pointed out that, if renovation includes construction of a new science building, then that cost needs to be included in the renovation estimate.

Supervisor Pollard commented that until this project is put out to bid for renovation, there is no way of knowing exactly how much this would cost – all the current estimates have come from engineers, not bids.

Chairman Black stated that his Board has studied this for five years and have considered the health concerns with the new building, the phasing issue, etc., and they feel the first priority is to get the children out of this building.

Dr. Jones said the Board of Supervisors need to consider that a renovation will not guarantee how long the school will last, versus a new building that the County can get at least thirty years out of.

Mrs. Wright stated her Board's mission was to provide safe and adequate schools in which the children can learn – at this point Jefferson Forrest is neither safe nor adequate. When the school had guests from Bosnia, the guests quickly noticed the mold problem. She urged the Board of Supervisors to make a decision so everyone could move on to other projects.

Dr. Bashore related a story of an executive who was being recruited by a local company - he turned the position down after hearing about the school issues in Bedford County. Dr. Bashore said our hope of attracting industry will not be realized if our schools are not competitive.

Mrs. McCabe said she resented anyone saying the education in Bedford County is substandard – we are at the top of the Standards of Learning and of 'No Child Left Behind'.

Dr. Bashore replied that while our output is high, our effort is low, and it's not going to take long for both to meet.

Mr. Neudorfer said he wants be sure we can build a school that will not immediately be at or over capacity, leaving us with a need for another school in five years.

There followed a discussion regarding population estimates and how the schools would be built to accommodate future growth.

Chairman Cheek asked what the cost of the land would be. Chairman Black said his Board had been given a proposal that stated, as an option, for the cost of the new property they can switch selling the current property (and the owners would not use the building, just the land) and use that to buy the new property. Chairman Cheek said he did not like the idea of bulldozing the building.

Mrs. Guzi explained the process of accessing the best use of a property, which could be utilized in this instance to help decide whether to go the route of the PPEA process.

Mr. Neudorfer asked, regarding the PPEA process, if the price is set before all decisions made, which would mean that if there are changes during construction and the price can't go up, then there will have to be sacrifices made in the building design/features. Chairman Black replied that before a comprehensive agreement is signed, there would be specifications room-by-room for a guaranteed

maximum price.

Chairman Black and Mrs. Hoback explained that, with regard to the PPEA process, we would be able to pull out at any point, paying only for the design work, etc., that had already been done, with no further obligation and no penalty.

The '13 steps' with regard to PPEA were then discussed. While these steps have not been used in the PPEA process before, they were used for both the Courthouse and Liberty High School. Mrs. Guzi said that at this time the County's financial advisors did not see an advantage to have the funding component of the PPEA included at this time.

Ms. Hoback stated the School Board is willing to work with the Board of Supervisors, and is open to suggestions, ideas, etc., just so this can move forward.

Supervisor Arrington asked what the School Board could chart out for population for 2011. Chairman Black said they would get this information for Supervisor Arrington.

Mrs. Guzi then handed out school growth projections based on 1%, and up to 2.5%, per year.

Supervisor Pollard commented that the \$65 million is for the whole County and was not intended to be used in one location.

Chairman Black reemphasized that his Board wants to work with the Board of Supervisors and does not want to pit one side of the County against the other. New schools help all parts of the County, and the schools must be built where the population is growing.

Chairman Cheek commented that the \$65 million has not been given to anyone yet, it's just been set aside in the C.I.P. Renovation versus new construction is the only unresolved issue with the C.I.P. funds.

Mrs. Hoback voiced a concern that both Boards be sure to seek the most cost-effective avenue for funding these projects to help keep local taxes down.

Supervisor Pollard commented that all the taxes from real estate, mobile homes, machinery and tools, and the merchant tax, plus a portion of the personal property tax go towards financing the schools.

Mrs. Hoback said the County needed to seek additional resources to bring in the money the schools need. Supervisor Pollard stated some localities use an 'impact tax' to offset the cost of people moving into the community, but it's not a very popular idea.

Supervisor Arrington asked why the school teachers are not getting raises, and wanted to know how the School Board will address this. Dr. Jones responded that the School Board had requested a budget this year that would have allowed them to provide a relatively adequate salary, and the Board of Supervisors said the School Board could not have those funds.

Supervisor Arrington said that when the budget was presented to the Board of Supervisors the numbers did not add up; Supervisor Pollard added there had been errors for three years. Chairman Black replied that he takes objection to that statement – there was an error in this year's budget due to miscommunication between the two Boards.

Supervisor Lowry said if the Boards are going to get into pointing fingers, the meeting needs to shut down. It's time to bring an end to this issue and move on.

Supervisor Bashore said he noticed in one of tonight's handouts a possible litigation issue with

regard to air quality in the school – he asked if there was a guarantee with the renovation that would cover the mold problem reoccurring at Jefferson Forest; are we culpable if this happens?

Attorney Boggess, Counsel for Bedford County, stated the Boards have several issues to be concerned about. The first one to be concerned with are the issues concerning phasing. The air quality issues, any sort of asbestos issues, any issues dealing with quality inside that building if you've got to go through phasing. Attorney Boggess said that before that decision can be made we had better know the ramifications of renovation from a legal standpoint of liability and litigation. That's probably more important even than the mold issue. Mr. Boggess stated he assumed we would get some sort of warranty on that before we make that part of our contract, but we'd have both of those and he thinks the phasing would be the bigger issue than what we'd have at the end.

Supervisor Bashore said he had heard of some people going to UVA because of respiration problems and other people having problems with asthma, and stated it isn't going to take more than one or two trips of both Boards' attorneys to court to defend the County to make \$40 million seem like peanuts at that point.

Attorney Boggess said that simply from the standpoint of being the lawyer for the County he would have a tremendous concern making sure that issue is properly addressed if we decide to renovate, because he does not think we can make that decision unless we make sure we know all the liabilities of phasing should we not have another building for the children and the staff.

Chairman Cheek said that once the Courthouse was renovated the mold problem there disappeared.

The School Board asked how they were to proceed from here; Chairman Cheek replied that since all members of the Board of Supervisors were not in attendance they could not take a vote tonight. Mrs. Guzi asked if there was any additional information the Board of Supervisors needed from staff or the School Board to make this decision. It was confirmed that Supervisor Arrington had requested a breakdown of population studies from 2011 forward, and a detailed explanation of the cost of the renovation from \$34 million to \$38 million was requested for Supervisor Neudorfer. Supervisor Neudorfer also asked if now the copies of the PPEA bids are available to the Board of Supervisors without having to sign a non-disclosure agreement. Dr. Blevins said this would be up to those who had placed the bids.

Mr. Bob Mills, Architect, addressed the Boards regarding renovation versus new construction, and advised them to remember all the numbers before them currently are just guesses. He said they should wait until they have a solid bid before deciding – there are a lot of factors that weigh into the final amount.

(4) Motion was made by Mrs. VanDerwerker, seconded by Mrs. Hoback and unanimously carried to adjourn the meeting at 9:23 p.m. to the call of Chairman Black.

Supervisor Bashore moved to adjourn the meeting at 9:23 p.m.

Voting yes: Mr. Neudorfer, Dr. Bashore, Mr. Cheek, Mr. Lowry, Mr. Arrington, and Mr. Pollard

Voting no: None

Absent: Mr. Wheeler

Adopted Unanimously.

Chairman