

**NORTH PUTNAM COMMUNITY SCHOOL CORPORATION
DECEMBER 4, 2018 MINUTES**

The members of the Board of School Trustees of the North Putnam Community School Corporation held a special session meeting on Tuesday, December 4, 2018, 7:00 P.M. at the North Putnam Community School Corporation, Administration Office, 300 North Washington Street, Bainbridge, Indiana.

Board members present: Mark Hoke
Ron Spencer
Travis Lambermont
Dustin Osborn
Darrell Wiatt
Amber Greene
John Hays

Board members absent: None

Superintendent present: Nicole Singer

Attorney present: Dan Taylor and Darren Chadd

I. PUBLIC MEETING

A. Call to Order, Roll Call, and Pledge of Allegiance:

Ron Spencer called the meeting to order at 7:00 P.M. Everyone stood for the Pledge of Allegiance. Board members present were Mark Hoke, Ron Spencer, Travis Lambermont, Dustin Osborn, Darrell Wiatt, Amber Greene, and John Hays.

B. Approval of Agenda:

There were no changes to the agenda.

C. Public Comments:

There were no comments.

II. CONSENT AGENDA (All Board Approvals for Personnel are Pending an Expanded Criminal History Check and completion of appropriate new hire paperwork)

A. Personnel Report

Dr. Singer noted we have some personnel items that have arisen and she would like to approve at this special meeting before the activities begin.

Mark Hoke motioned to approve the above consent agenda item. Darrell Wiatt seconded the motion and it carried with a 6 – 1 vote (John Hays nay).

III. ACTION ITEMS

A. Discussion of District Mission/Vision/Goals:

These statements were discussed at the last meeting with some recommendations from the Board. On Option 2 of the Mission Statement, Dr. Singer added physical needs of students and moved academic needs to the front. Amber Greene mentioned that physical needs should be listed in both options. She really likes the first option. She received a thoughtful message from a teacher about this and liked how the other three words (social, emotional, and academic) are listed after physical needs. Dustin Osborn likes the flow of Option 1. Mark Hoke would still like to include “at all levels” to these options. It’s not just for students. It includes all staff. Dr. Singer noted this could be added to Option 1. Darrell Wiatt felt either would be fine, but he agrees with Travis when he mentioned at the last meeting that academic needs should be listed first. We send children to school to read and write. Travis Lambermont commented that very seldom does the state recognize all the other descriptions. We are graded on academics and feels that it should be listed first. Dr. Singer will add physical needs to both and academic first on Option 1.

Under the Core Values, Dr. Singer moved the August 1, 2021 date to December 1, 2021. This will be brought back to the Board for approval at the December 20, 2018 Board meeting.

B. Second Preliminary Determination Hearing:

A school corporation must hold two public hearings and adopt a resolution to preliminarily determine to issue bonds or enter a lease for a project which has a total project cost in excess of a non-controlled project. These public hearings and the adoption of resolutions are the very beginning of the legal process. These resolutions establish the maximum financial terms for the proposed project. The first Preliminary Determination Hearing was held on November 15, 2018 and was advertised on October 31, 2018. The hearings are open to the public for comment.

We have George Bigham from BTY Group, Belvia Gray from Umbaugh, and Kristin McClellan from Ice Miller in attendance. Dr. Singer noted we are approaching the two year mark for this process. We made improvements at Bainbridge Elementary, Roachdale Elementary, and the middle school. Now it is time for the high school. They had work sessions and shared information. She has met with the administrative team and met with our consultants. We are at the point where we need to make a decision. We do have some emergent needs in the buildings.

George Bigham thanked them for the opportunity to discuss this with them. The first thing he did was a preliminary site visit. He met with key personnel and then met with the Board. Once the legal aspects are done, we will be ready to get a Request for Quotation (RFQ) out. The Board previously decided this would be a Design-Build Project. They will have pricing and priorities in the list. There is a maximum amount of money available, but they are going to try not to reach that maximum. Ron Spencer asked if the list they received is in any tier or priority. Dr. Singer commented that it is in order. It shows safety and emergency items in order and then aesthetics. Travis Lambermont wanted to make sure we are starting at the high school, since the other buildings are included in the list. George Bigham commented that the high school definitely has the largest scope. The list does include some safety and upkeep at the other buildings. He went through the present needs at Bainbridge Elementary, Roachdale Elementary, and the middle school. These are the needs from the administrators and staff. Dr. Singer noted that the lockers at the middle school are original. The plan would be to get all of the lockers on a replacement schedule. She noted that many of the items for the high school came from the study the two former groups had done. Many of these items were on those lists.

George Bigham stated the main issue at the high school is the HVAC. Dustin Osborn asked if once they get through the process then they will begin seeing numbers on each item. George Bigham noted the emergency ones will be in the have to do list. Dr. Singer noted they have all the information on the spreadsheet and the administrators have done a great job prioritizing their needs. Ron Spencer commented that the design-builders can tie together what makes sense. Dr. Singer stated this is correct. Ron Spencer commented the price point is \$18,000,000, but this could keep lowering based on whether we do some of the items or not. Dr. Singer noted it depends on the bonds. If we did everything on the list, it would take care of everything for a long time. There may be things on the list such as painting that we can take care of ourselves. John Hays asked how long she expects it to take to determine the price. Dr. Singer deferred this question to George Bigham. He stated if this is official in January, it would be about a month after that and they would be able to get some pricing narrowed down. Some items will take longer to get prices on than others. As the design-build process progresses, they could start construction. Dr. Singer noted they have the prioritized list and the next step would be in January to name how they want to move forward. Then within a few weeks, they would get out the RFQ and RFP. The most advanced pace we could name a design-builder is around Spring Break. George Bigham commented that we do not need to have the completed design on design-build to get pricing. He figures within a month of getting the design-builder they will be ready to begin, which would be around late March or early April. Dustin Osborn asked how long it takes for the state approvals after the pricing comes out. Kristin McClellan noted the Technical Review Committee for the state will get plans submitted from the design-builder. Once decided in March or April, major work will begin in three to five months.

Belvia Gray shared the five year tax rates for Putnam County. This is the same information she distributed to the Board at the last meeting. The proposed borrowing the corporation is looking at is \$18,000,000. One approach would be to get all pricing ahead of time. The second option is affordability, which is how much we would want to borrow. The Board wanted to keep the tax rate right at or under that one dollar amount. We would be looking at a repayment of just under 20 years. They used interest rates about one percent higher than the current rate. The tax rate information also included the surrounding districts.

C. Project Hearing:

Dr. Singer opened the public Project Hearing. Anyone wishing to speak may sign the sign in sheet after the meeting with April Lambermont. She asked that comments are kept to three minutes. She asked if there were any comments from patrons and there were none. They can discuss among the Board now any questions they may have.

John Hays commented that Belvia Gray mentioned there are typically two ways these are approached. He asked for an explanation on why it makes more sense to do Option 2. Dr. Singer noted this was determined by hearing from the Board on what they wanted and that they did not want to affect the taxpayer by a large rate. That first option is not the project they indicated they wanted to do. The timeline is far longer if they were to do cost first and then seek financing. This would lengthen the process. George Bigham noted the design would be at a minimum around March or April. Option 2 would add four to five months.

John Hays asked if it was possible to do the design-build without having money upfront. George commented that we would need to have funds available in advance for the design-build. There is a cost savings with design-build. The cost and time is a lot lower with design-build. John Hays asked how long the process takes once the resolution passes. Kristin McClellan noted it would be three to four months. Ron Spencer commented that with Option 2 and non-design build there are a lot of price tags for add-ons. Kristin McClellan noted it also helps because having the money will bring in more competitive prices. John Hays commented that it sounds like design-build is the way to go. He asked if we could still do design-build in the realm of Option 1 in some fashion. For example, could we get a little further down the project process before we go out and seek financing.

Belvia Gray noted they will put together an official statement that will secure the financing. In terms of the borrowing amount, they will not need a final amount until about a week or so closer to the sale of the bonds. This process is establishing maximums. Between now and then, they will be getting the pricing as it goes along. There are several points in time where they can lower the borrowing amount. Travis Lambermont looks at it as getting pre-approved for a loan. Ron Spencer commented that we can stay under the \$18,000,000 with things that can be pulled from the prioritized list. John Hays asked if we can still do design-build and push out getting the \$18,000,000. Kristin McClellan noted the school cannot enter into contracts for equipment without the funds.

Dan Taylor, Corporation Attorney, commented that if we do not take the first step in December, we could miss the whole thing. If they want to do construction in May, he does not feel they can wait on the financing. All they are doing at this stage is setting the maximum parameters and not deciding the amount of the bonds issued or if they are going to even be issued. It is the Board's decision through the whole process on how much is spent. All they are doing tonight is committing to this and the maximum is up to \$18,000,000. They still have a long way to go, but that is what these resolutions are for in this process. Dr. Singer commented that the design-builder, at this point, is assuming all of the risk.

D. Adopt Project Resolution (Exhibit A):

Travis Lambermont motioned to adopt the Project Resolution (Exhibit A). Mark Hoke seconded the motion and it carried with a 7 – 0 vote.

E. Adopt Preliminary Determination Resolution (Exhibit B):

Travis Lambermont commented that on the resolution the current debt service levy is \$1,331,413 and the debt service rate will increase by a maximum of \$0.2554. John Hays commented that this is the maximum that will be added to the tax. Dr. Singer noted this will drop as the debt falls off.

Darrell Wiatt motioned to adopt the Preliminary Determination Resolution (Exhibit B). Mark Hoke seconded the motion and it carried with a 7 – 0 vote.

Travis Lambermont motioned to adjourn the meeting. Ron Spencer stated they still have Board comments to discuss. He asked if there was a second to this motion and there was not. The motion died.

IV. BOARD COMMENTS:

Darrell Wiatt commented that he is excited about what we are doing with the project.

V. ADJOURNMENT

There being no further business to come before the Board, John Hays moved for adjournment of the meeting. Dustin Osborn seconded the motion and it carried by a 6 – 1 vote (Travis Lambermont nay).

Ron Spencer, President

Travis Lambermont, Member

John Hays, Vice-President

Mark Hoke, Member

Darrell Wiatt, Secretary

Dustin Osborn, Member

Amber Greene, Member