

HORRY COUNTY BOARD OF EDUCATION

MINUTES BOARD MEETING District Office June 29, 2015

The following persons were present:

Board of Education

Joe DeFeo, Chairman	Neil James	Pam Timms
David Cox, Vice-Chair	Janice Morreale	Sherrie Todd
Janet Graham	John Poston	Ray Winters
Holly Heniford		

Horry County Schools Staff

Velna Allen	Roger Gray	Valerie McNeill
Cindy Ambrose	Ben Hardee	Cissy Moorhead
Edward Boyd	Teal Harding	Boone Myrick
Joe Burch	Leann Hill	Beverly Pilkey
Dena Chatfield	Charles Hucks, Jr.	Lucas Richardson
Edi Cox	Mollie Laut	Angela Rush
Laura Farmer	H.T. Lee	Rhonda Snowden
John Gardner	Rick Maxey	Kristin Wilson
Kenneth Generette	Dennis McCrary	Mark Wolfe
Buddy George		

As required by SC Law 30-4-80, local news media were informed of the date, time, place, and agenda of this meeting. Copies of the agenda were posted at the District Office and distributed to schools for posting.

1. OPENING JUNE 29, 2015, AT 6:00 P.M. – CALL TO ORDER

A. Invocation and Pledge of Allegiance

Chairman DeFeo called the meeting to order at 6:00 p.m. Ms. Timms gave the invocation and led the Pledge of Allegiance.

B. Approval of Agenda

A motion was made by Mr. Cox to approve the agenda. The motion was seconded by Mrs. Graham and carried unanimously. The Board Chair did not cast a vote on this item.

2. APPROVAL OF MINUTES

A motion was made by Mr. Cox and seconded by Mrs. Graham to approve the Minutes of the June 15, 2015, Board meeting as presented. The motion carried unanimously and the Minutes were approved. The Board Chair did not cast a vote on this item.

3. PUBLIC COMMENTS

No one signed up to speak or came forward to address the Board during Public Comments.

4. DISCUSSION

A. Superintendent's Report

1. Summer School Graduation – A graduation ceremony for summer school will be held at Conway High School on July 16, 2015, in the auditorium, at 11:00 a.m.

2. Christensen Institute and Evergreen Education Group *Proof Points* – Horry County Schools was recently recognized in a national publication called *Proof Points*. We have been recognized for the work we have been doing with Blended Learning and the use of digital devices in the classrooms. A copy was included in Board materials.

3. National History Day Winners Outstanding Entries

Conway Middle School students, Caroline Todd and Erin Todd, are winners at the national level for Most Outstanding Project on Civil Rights – Septima Poinsette Clark – Equality Beyond the Blackboard. Their teacher is Ms. Amy Porter.

Conway Middle School students, Atley Livingston and Glenn Courtney, are winners at the national level for Outstanding Junior Group Project for their Website: Mary McLeod Bethune: Forever Fighting Educational Discrimination. Their teacher is Ms. Amy Porter.

4. Dr. Maxey recognized Mollie Laut, who has worked with Horry County Schools for many years, adding that she has been and is a great asset to Horry County Schools, and that it has been a privilege to work with her. Tomorrow is Mollie's last day with the District and we thank her for all that she has done for the children of Horry County Schools.

B. Facilities Committee – NMBHS Modifications

Mr. James provided information as follows: At our last Board meeting, the results from the last Facilities Committee were shared. One of those results was that at a future meeting, which is this meeting, there would be a proposal to look at some renovations for North Myrtle Beach High School. In the handouts today, there is a Capital Facility Plan, as well as an FCI summary that was the assessments that were performed in 2012. In addition to that, Dr. Maxey sent three e-mails this afternoon that deal with the North Myrtle Beach proposed budget estimates, which gives you a breakdown of the individual costs. Summarizing, there are eleven particular sections, but the total project cost is \$21,086,340. We wanted to be sure that we had the finances to incur this additional cost, because if you look at the Capital Facility Plan, we had originally budgeted \$10 million for North Myrtle Beach renovations. This proposal is coming in at \$21 million, so there is a difference of \$11 million.

A handout was provided at the Board meeting to Board members. Mr. Gardner was asked to come forward to explain the information in the document entitled Capital Facility Plan, which lists the information Mr. Gardner was asked to review with the Board. In an e-mail earlier this afternoon, the project costs were shared, and that is \$21 million. Dr. Maxey shared that he had sent that to Facilities Committee members only, but was forwarding to all Board members during this discussion.

Mr. Gardner stated that what was given to the Board tonight is a report given back in October 2014 and it listed the projects that the Board approved. The total of those projects was \$451.6 million. Mr. Gardner noted that the projected completion dates have changed, but the budgets have not. The funding sources for these projects is sales tax and the issuance of bonds. We project we will have over \$331.6 million in sales tax that is available for use after debt service. We will need to issue two bonds. One will be for approximately \$74 million, and the other for approximately \$82.9 million, for a total funding of \$488.5 million. At a recent Board meeting, we did change the scope on the original \$451.6 million budget when we changed the size of St. James Middle School. Those changes are highlighted in red. Mr. Gardner stated that the bottom line is that after making that change, we are going to have an estimate of about \$31.2 million left on June 30, 2024. That is how much money is left after you take in all the money we project to receive and what the current cost of the building program is. In order to bond that money out, we project we can only get somewhere in the neighborhood of \$23.8 million. If we bond the money out, to get it, you have to pay interest on it.

Mr. James confirmed with Mr. Gardner that if the additional is approved for North Myrtle Beach, it will come from the \$23.8 million.

Mark Wolfe was asked to come forward to answer any questions about how we arrived at the \$21 million.

Mr. DeFeo asked if it is correct that some minor changes had been made to the projects. Mr. Wolfe responded that an original budget had been given to the Facilities Committee previously. Since that time, we have met with the school principal, the Advisory Council, and Ms. Heniford. We have heard back from them and some of the things they found most concerning have been covered, while others have not. The biggest things that have been added since the original one was additional student parking. About 70 parking space is what the principal has said they would like to have. There were issues with the student drop-off area in the front that they would like to have addressed. Another item is to enhance the front entry landscaping around the sign and main entrance to give it better curb appeal. That total was around \$.5 million. Other things added include environmental remediation, adding to the entire school that was not figured into the renovation piece initially, which total around \$600,000. Another big ticket item is to replace ductwork in the building for the HVAC system. The cost already included replacing the mechanical units, but not the ductwork, which will be metal so that it can be cleaned and is much more durable. The additional ductwork is at a cost of approximately \$1.2 million. There is an increase in some of the fees due to the increased cost of the project. We are also carrying a contingency of 5%.

Mr. DeFeo asked how much of this work is absolutely mandatory within the fire alarm system. What is the recourse? Does the state say you can't do this anymore? Mr. Wolfe responded that the fire alarm itself is a little over \$1 million, and in addition to that, there is a fire sprinkler system that the school does not currently have that would also have to be added. That is a little over \$1 million. Those two items are a little over \$2 million. Because of the age of the school and when it was built, which complied with Code at that time, many areas of that school have wood construction. Because this is no longer allowed, when you renovate, the fire sprinkler system helps us get the renovation done without having to do other extraordinary measures of fire walls or removing the wood. The other thing is that the fire alarm system has to be replaced because there is currently two systems in the building which are not functioning well. They have reached the end of their useful life. The two systems do not talk to each other, so there are issues with that. The new Code that went into place in late 2013 requires that all new

fire alarms be talking systems. We cannot reuse any portions of the existing fire alarm systems. The current systems have a strobe and a horn that is very easily heard. The talking systems must be audible so that a voice can actually prompt people. Therefore, there has to be many more speakers around the building so that they can be heard. The existing conduits cannot be reused. The new wires are bigger so we have to completely gut the old system, and that is not an option.

Mr. DeFeo asked when all of this with the fire alarms has to be done. Mr. Wolfe stated that if we do the renovation, then the fire alarm system has to be done.

Mr. James again confirmed that the total cost of \$21,086,000 includes the items noted by Mr. Wolfe.

Mr. James asked when other schools that do not have audible fire alarm systems will be brought up to Code. Mr. Wolfe shared that those schools are included in future building modification and sustainment projects that are on the list for the next 7 – 8 years. The next phase of work will be coming up before the Facilities Committee.

Mr. DeFeo stated that he understands that at least one of the exit doors will not open due to the concrete buckling and asked if that is part of the repair. Ms. Heniford said that is correct and it is in front of the building.

Mr. DeFeo asked if we have auditoriums in other schools that would flood if they didn't have a sump pump. Mr. Wolfe stated that we have a number of our auditoriums with sump pumps just because we live in the Low Country.

Mr. DeFeo stated that his feeling on this is that we will need a lot of money for a lot of other schools, but he does not see why we would stop what we are doing here. We are going to have to get extremely clever. If we straighten out operations and move the extra children into the classroom as we were supposed to do, which may straighten out our operations side, then we drop our percentage down to 12%. If we had operations straightened out and we were not using any of the undesignated reserves, we could have as much as 30 – 35 million dollars if we dropped the percentage from 15 down to 12. Mr. DeFeo said that he is not saying this is the option he wants to use, but clarified with Mr. Gardner that this is an option that could be used. That is an option or we have to raise money on capital. We have these problems at this school and this has been going on for three years. This work will extend the life for 20 – 25 years at that school. Mr. DeFeo doesn't feel this should be delayed. We have to take care of our schools. One at a time we have to do what we have to do.

Ms. Morreale clarified that several of our schools need their fire alarm systems replaced. Mr. Wolfe shared that the system at Carolina Forest High had to be replaced because it failed. As long as they are continuing to work, they are allowed. Any time we go in and do major renovations, it will trigger this kind of need. Ms. Morreale asked if we have the money in the budget for when things like this come up. Mr. Wolfe responded that we do not. That is part of the issue now. When this original budget was done, it did not include the fire alarm system and the other items that are being asked for now. The State Fire Marshall is very vigilant about making up come up to Code. Most of our older schools will be a definite that we will have to replace the fire alarm systems when those schools come up for major renovations.

Mr. Poston noted that there are 17 projects on the list. The variance on this project is \$11 million, which is about 2.5% of the total budget. The project for North Myrtle Beach High has a little more than

doubled. Mr. Poston asked if we will be having these same discussions relative to the other 16 items, or if this a one-time anomaly. Mr. Wolfe said there will be some increase. It depends on the school and the construction of the school, and age of the school. Multi-story buildings and square footage will have an impact, as well as how long things have been deferred. The type of systems the schools have in place will impact costs. For example, Aynor High School has four different type HVAC systems. Mr. Wolfe cannot say for certain, but believes there may be more costs involved that what had previously been thought.

Mr. James asked what delivery plan would be utilized for this construction. Mr. Wolfe responded that it will be design – bid – build. Mr. James asked if there is an opportunity for some savings off of the \$21 million. Mr. Wolfe responded affirmatively. Mr. Wolfe feels the \$21 million is a good estimate. We are also carrying a 5% contingency. We never know what we are going to run into, but we feel like we have vetted this fairly well, so Mr. Wolfe is fairly confident this will take care of it, and that we will live within this budget.

5. EXECUTIVE SESSION

A motion was made by Ms. Timms and seconded by Ms. Heniford for the Board to move into executive session. The motion carried and the Board moved into executive session at 6:30 p.m. to discuss: A. Contractual Matter Related to the Purchase of Property; and B. Discussion of Personnel Matter(s). The Board Chair did not cast a vote on this item.

Return from Executive Session

A motion was made by Mr. Cox and seconded by Mrs. Graham for the Board to return to open session. The motion carried and the Board returned to open session at 7:40 p.m. The Board Chair did not cast a vote on this item.

6. BUSINESS

A. Consideration of Purchase of Property

A motion was made by Mr. Poston and seconded by Mr. James to approve the recommendation of the staff to rescind the purchase agreement for the property off of Hwy. 707 and Big Block Road. The motion carried unanimously. The Board Chair did not cast a vote on this item.

B. Personnel Recommendation(s)

Dr. Maxey shared that the District recently completed the interview process for the principalship of Socastee Elementary School and brings forth a recommendation to name Krista Finklea as principal of Socastee Elementary School. A motion was made by Ms. Timms and seconded by Ms. Heniford to approve the recommendation as presented. The motion carried unanimously. The Board Chair did not cast a vote on this item.

C. North Myrtle Beach High School Modifications

Mr. DeFeo stated that this is a recommendation from the Facilities Committee, and therefore, a motion is not required. Mr. James stated that the Facilities Committee brings this recommendation to the full Board for a vote because it involves additional funds. There being no further discussion, a vote was taken. The recommendation to approve the additional funding needed for the project at NMBHS,

originally budgeted at \$10,000,000, and now totaling \$21,086,340, carried by unanimous vote. The Board chair did not cast a vote on this item.

D. Advisory Board Membership

This item was delayed until the August meeting.

7. CONSENT AGENDA

Mr. James made a motion to approve the Consent Agenda items, which include: A. Monitoring Report: R-5 Other Academic Disciplines; B. Monitoring Report: OE-11 Discipline; C. Monitoring Report: OE-12 Learning Environment/Treatment of Students; D. Personnel Recommendations as Required by Law; and E. Act 155 Diplomas. The motion was seconded by Ms. Timms and carried unanimously. The Board Chair did not cast a vote on this item.

8. ADJOURNMENT

A motion was made by Mr. Poston and seconded by Mr. James to adjourn the meeting. The motion carried. The Board Chair did not cast a vote on this item.

Respectfully submitted,

A handwritten signature in black ink that reads "Rhonda Snowden". The script is cursive and fluid.

Rhonda Snowden
Executive Assistant to the Superintendent and
Horry County Schools' Board of Education

Approved: August 10, 2015