

Horry County Board of Education



**Joint Finance and Facilities Committee Minutes
Monday, November 23, 2015**

District Office, 335 Four Mile Road, Conway, SC

Board Members Present:

Neil James, Facilities Committee Chairman
Jeffrey Garland, Finance Committee Chairman
Janet Graham, Finance Committee Member
Holly Heniford, Facilities Committee Member
John Poston, Finance Committee Member
Sherrie Todd, Facilities Committee Member
Joe DeFeo, Board Chairman
Ray Winters, Board Member

Staff Members Present:

Dr. Rick Maxey, Superintendent	
Mary Anderson	Kenny Generette
Bobbi Antonucci	Leann Hill
Sandy Barfield	Kathy Johnson
Daryl Brown	Mark Koll
Joe Burch	Dennis McCrary
Jeff Carland	Boone Myrick
Carolyn Chestnut	Kathy Stockholm
Laura Farmer	Mark Wolfe
John Gardner	

Other Attendees:

Claire Byun, Sun News
Liz Cooper, Ch. 15
August Dittbenner, Waccamaw Publishers
Robbie Ferris, First Floor Energy Positive, LLC
Frannie Heizer, McNair Law Firm
AJ Janevel, Ch. 13
Brian Nurick, Compass Municipal Advisors
Keith Powell, Childs & Halligan

Welcome

Mr. James called the meeting to order at 4:00 p.m. He asked that everyone introduce themselves for the record.

Acknowledge Compliance with FOIA

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.

Review and Approval of Agenda

Mr. James requested the addition of Aynor High School's Blue Jacket Road under Discussion as #8. Moved by Ms. Heniford, seconded by Ms. Todd, the Committee unanimously approved the revised agenda.

Review and Approval of Minutes

Ms. Graham moved to approve the minutes of the September 16, 2015 Finance Committee as presented. Mr. Garland seconded the motion, all voted in favor.

Ms. Todd moved to approve the minutes of November 2, 2015 Facilities Committee. Mr. James seconded the motion, all voted in favor.

Alternative Payment Options – First Floor Energy Positive LLC

Mr. Robbie Ferris reviewed the payment options available to the District for the upcoming construction projects. Option 1 is a Deferred Payment option where the District has the ability to pay Firstfloor over a period of time not to exceed the sunset date of 2025 for the sales tax revenue. The term of this contract will be determined based on sales tax revenues available for the program as provided by the District and its financial advisor. This is essentially an extended pay construction contract. The sales tax revenues each year will be deposited into a lock-box until the total payments for that year are met. Thereafter, sales tax revenues can be used for other purposes. This option would not tie up the 8% borrowing capacity of the District.

Option 2 is a long term lease where Firstfloor would lease the buildings to HCS for a term up to 30 years. Firstfloor does not recommend pursuing this option at this time due to statutory concerns raised since the submission of the RFP that would likely cause this approach to result in a test case, which would delay the funding and construction for a period of possibly 2 years.

After brief discussion, Mr. James asked that further information be reviewed at the December 9th meeting of the Finance Committee.

Project Management for New Construction Projects

Mr. Wolfe gave an overview of his proposal to hire an outside firm to manage the upcoming construction projects. He explained that there is not enough staff to successfully manage the projects.

The Committee asked what the cost would be to hire an outside firm. Mr. DeFeo suggested that hiring temporary employees may be more cost effective. Mr. Wolfe stated that the pool of available, qualified employees to staff-up is limited. He will come back to the Committee with a list of what tasks should be handled by a management firm and what should be handled by Facilities staff, along with cost estimates.

MBFLC: Direction on Current Tenants

Mark Wolfe gave the Committee an evaluation of the placement of current tenants of the Myrtle Beach Family Learning Center. He noted that the solely-HCS entity is Adult Education and District Office staff associated with the Federal Programs department. These staff members could be accommodated by relocating the staff to the District Office. The Adult Education services could be most effectively housed by providing portable / modular classrooms. Mr. Wolfe estimated the cost of portables, purchased or leased, to be about \$750,000 plus miscellaneous expenses including alarms, furniture, and other necessities. After brief discussion regarding cost and the possibility of having other tenants (that provide after school programs) meet at a school, the Committee requested that the item be included on the next Board meeting agenda.

Conway Area Schools' Facility Needs

Janet Graham gave a presentation to the Committee regarding the need for maintenance and repairs in the Conway area schools. Mr. Brown told the Committee that a plan to address these needs, and the assessment of bus needs, will be on the next agenda. Dr. Maxey reminded the Committee that the sustainment plan, as approved at a previous meeting, is being followed. Mr. Wolfe added that requests are prioritized based on needs and he has prepared a list of proposed projects for the Committee, as provided in the Building Modification and Sustainment / Upkeep attachment. Mr. James asked that a summary be prepared indicating the facility name and their Facility Condition Index (FCI) ranking.

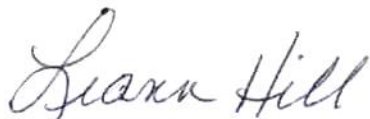
Budget Review: Equipment and Furniture

Mr. Wolfe explained to the Committee that there is a desperate need for furniture for students due to enrollment, past budget decisions, and normal breakage. The current need is for \$208,000. Mr. James moved that the item be added to that night's Board agenda as a discussion item. Ms. Heniford seconded the motion, all voted in favor.

Adjournment

Moved by Ms. Heniford, seconded by Ms. Todd, Mr. James adjourned the meeting at 5:14 p.m.

Respectfully submitted,



Leann Hill
Administrative Asst. – Support Services

Approved: December 14, 2015