

VIRGINIA:

At a recessed meeting of the Board of Supervisors of the County of Northampton, Virginia, held in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia, on the 24th day of January, 2011, at 5:00 p.m.

Present:

Willie C. Randall, Chairman	H. Spencer Murray
Oliver H. Bennett	Richard Tankard

Absent:

Samuel J. Long, Jr.	Laurence J. Trala
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The meeting was called to order by the Chairman.

The purpose of the meeting was to conduct a joint work session with the Northampton County School Board who was present and in session.

The Board heard comments from Capital Plan Committee Chairman Mickey Merritt on the draft Northampton County Public School's Capital Improvement Plan 2011-2018 detailing the Plan school-by-school.

A lengthy discussion was held with particular emphasis on the need for a new middle school/high school complex. School Board member Patrick Hand indicated that a new facility can be constructed for \$15-\$18 million although architectural estimates place the construction cost in the \$32 million range.

Mr. Tankard distributed the following comments:

“Some thoughts and concerns, School's Capital Improvement Plan: Richard Tankard, Member Board of Supervisors

- I am glad to have an up-to-date CIP from the schools. This is an important working document that can complement County government's efforts to place the County on sound financial footing.
- I encourage the Schools to place this document on your web site so that the community can view it easily.
- This document should inform and instruct the Capital Budget. As of this date the School Board has no working Capital budget. This needs to change as soon as possible.
- Maintenance should reside in the maintenance area of the School's budget (e.g. painting, parking sealing). It should be removed from this document. Both our Boards need to agree what is capital, and what is maintenance. We have discussed this issue before.
- My biggest concerns revolve around a *New High School/Middle School Complex*:
  1. Where are the financial justifications for this? I note the document says," the School Board feels"...(Should we operate on feelings or facts?)
  2. According to this document, a new building is needed, "Due to the age of the building, the extent of repairs required, and the desire to consolidate". As any good teacher would say, show me your work.
  3. The projected costs are \$32 million. This amount has to be borrowed. At what cost? For 20 year loan at 5% interest, it would be \$2.57 million per year. \$18 million would be just interest payments. Total \$50 million!
  4. Present debt service for 2 elementary schools is \$630,000. Next year is our last year of debt service for those schools. New debt service would quadruple.
  5. We would need to increase residential taxes 10 cents from .49 to .59 (roughly 20% increase).
- Are there ways to avert such a financial bombshell? I think we should at look at many avenues, such as:
  1. Fix what we have, it will be much cheaper. Just the cost of financing a new school will cover the costs of fixing what we have. Both figures around \$15 million.
  2. If we fix what we have over time, instead of taking on a huge debt over time, we can utilize non-borrowed funds. We can avoid the \$15 million in debt service.

3. In other words, budget sufficient funds to fix and upgrade our schools according to a logical schedule. All repairs do not have to be completed at once. Take advantage of the fact that many *parts* of the High School are physically fine.
4. A new school does nothing to leverage the many adequate facilities we already have. A wrecking ball takes all that away. A clean slate is nice, and *feels* good, but the financial burden is instant and heavy.
5. Give the public a chance to save money. If given the choice, I would bet the public is much more willing to spend dramatically less over the next 20 years and achieve the same thing—fully functioning and safe academic environment. I advocate giving the public a choice.
6. If Grade 6 & 7 students need to be removed from the Elementary Schools, then reopen the Middle School? We have plenty of classrooms. Still a lot cheaper than spending \$32 million. Cost of opening Middle School: approx. 3 million.
7. We are experiencing declining school population numbers. New schools are usually the result of increasing school populations. Further declines will mean greater tax burden on local taxpayers. Once a new building is built, no adjustments can be made to its capacity. On the other hand, by carefully repairing/upgrading on an incremental basis, adjustments can be made for changes in school populations.
8. Instead of spending money on more administrative offices, move the administration to a renovated 1914 jail?
9. Could we dedicate, say, 3 cents to a CIP built around renovation instead of 10 cents to new construction-based CIP?

A CIP can be a great financial planning tool. If our 2 boards can agree to a financially feasible plan, then the Schools can enjoy a modern, safe and productive school environment. If we do not have agreement, we just have a wish list that sits on the shelf and is underutilized. I would love to see this CIP move from wish list to working document. Unfortunately, as it is presently written, it cannot earn my support. And, I think if placed before the public, it would fail to gather needed community endorsement.”

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Mr. Murray distributed several documents including a listing of capital/repair & rehabilitation investment – schools - since 2000, a record of school enrollment from 1994 through 2011, and a summary of annual contributions to the school system, including operating, capital and other local contributions, from Fiscal Year 2000 through Fiscal Year 2011.

Chairman Randall stressed that there was a need to quantify the school's plans; i.e., prepare cost analyses for both renovation and new facility options. He outlined the "end products" of this evening's joint meeting as follows:

1. Need to obtain "real" estimates for the middle school/high school complex;
2. Need to obtain "real" repair costs
3. Need to agree on removing maintenance items from the capital improvements plan
4. Need to determine the "carrying cost" for the capital improvements plan.

Members from both governing bodies indicated a desire for additional joint meetings, possibly on a quarterly basis.

#### Closed Session

Motion was made by Mr. Bennett, seconded by Mr. Murray, that the Board enter Closed Session in accordance with Section 2.2-3711 of the Code of Virginia of 1950, as amended:

(A) Paragraph 1: Discussion or consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees or employees of any public body.

#### *County Administrator's Evaluation*

All members were present with the exceptions of Mr. Trala and Mr. Long and voted "yes." The motion was unanimously passed.

After Closed Session, the Chairman reconvened the meeting and said that the Board had entered the closed session for that purpose as set out in paragraph 1 of Section 2.1-3711 of the Code of Virginia of 1950, as amended. Upon being polled individually, each Board member confirmed that this was the only matter of discussion during the closed session.

#### Adjourn:

Motion was made by Mr. Bennett, seconded by Mr. Murray, that the meeting be

adjourned. All members were present with the exceptions of Mr. Long and Mr. Trala and voted “yes.” The motion was unanimously passed.

The meeting was adjourned.

\_\_\_\_\_CHAIRMAN

\_\_\_\_\_ COUNTY ADMINISTRATOR