

Board of Education Special Meeting
September 27, 2017 5:30 PM
Professional Development Center
631 North Green Street
Henderson, KY 42420

Attendance Taken at 5:30 PM:

Present Board Members:

Mrs. Lisa Baird
Mr. Wesley Smith
Dr. Sally Sugg
Mr. Michael Waller
Mrs. Tracey Williams

I. Call to Order

Discussion:

Mrs. Lisa Baird called the meeting to order.

II. Approve Minutes from Prior Meeting

Order #68 - Motion Passed: A motion to approve the minutes from the September 18, 2017 Regular Meeting passed with a motion by Mrs. Tracey Williams and a second by Mrs. Lisa Baird.

5 Yeas - 0 Nays.

Mrs. Lisa Baird	Yes
Mr. Wesley Smith	Yes
Dr. Sally Sugg	Yes
Mr. Michael Waller	Yes
Mrs. Tracey Williams	Yes

III. Financing for Guaranteed Energy Savings Contract

Discussion:

Mr. Joe Nance, Fiscal Agent, presented two cash flow scenarios for the Guaranteed Energy Savings Contract. Scenario A is the standard option where you would bond the entire project financing the amount of \$3,945,000. Scenario B would use the excess building fund cash that is available for building projects for a cash down payment of \$2,700,000. The financing for Scenario B would be \$1,175,000. Mr. Nance stated that Scenario B would be the preferred scenario. Mr. Mike Waller stated that Scenario B would be the way to go unless there is something in Section 2 of the District Facilities Plan that would be considered urgent. Mrs. Marganna Stanley stated that they talked about that and the thought is that we are in September right now and will continue to work with Trane to get this project going through the end of this year and beginning of next year. Mrs. Stanley stated that when they start to put the BG's together in the Spring for the big renovation projects (Bend Gate, East Heights and South Heights), selling the bond will be

in the next fiscal year, which will give us \$3,100,000 for those projects. Mr. Nance stated that every year, there will be \$3,100,000 cash available.

IV. Approve BG-1 - Henderson County Schools Guaranteed Energy Savings Contract

Discussion:

The Board reviewed the two BG-1 scenarios as presented by Mr. Joe Nance.

Order #69 - Motion Passed: A motion to approve Scenario B - BG-1 Project Application Form (Initial) (Ref# 15674) for the Henderson County Schools Guaranteed Energy Savings Contract in the amount of \$3,875,000, of that amount \$2,700,000 will use Building Fund Cash and \$1,175,000 will be Guaranteed Energy Savings Contract Bonds passed with a motion by Mrs. Tracey Williams and a second by Mr. Wesley Smith.

5 Yeas - 0 Nays.

Mrs. Lisa Baird	Yes
Mr. Wesley Smith	Yes
Dr. Sally Sugg	Yes
Mr. Michael Waller	Yes
Mrs. Tracey Williams	Yes

V. Approve Capital Funds Request

Discussion:

Mr. Joe Nance presented the Capital Funds Request, which is the final piece that allows the Board to use the \$2,700,000 on this project.

Order #70 - Motion Passed: A motion to approve the Capital Funds Request in the amount of \$2,700,000 as presented passed with a motion by Mr. Michael Waller and a second by Mrs. Lisa Baird.

5 Yeas - 0 Nays.

Mrs. Lisa Baird	Yes
Mr. Wesley Smith	Yes
Dr. Sally Sugg	Yes
Mr. Michael Waller	Yes
Mrs. Tracey Williams	Yes

VI. Spottsville Update

Discussion:

Via Skype, Mr. John Hagan Codell updated the Board on the masonry work by Danco on the Spottsville Elementary School Project. Mr. Hagan said that starting tomorrow, there will be up to 11-12 laborers and beginning Monday, there should be an additional six (6) masons with a total of 14 masons. Mrs. Marganna Stanley asked Mr. Codell if Danco provided the service today with the increased number of workers, how would that impact the timeline. If everything falls into place and with the additional workers, Mr. Codell stated that the south side of the project, which is everything behind the two story

classroom wing, should be under roof by Halloween. Mr. Codell stated that this would gain a month on the south side of the building. Mr. Codell stated that Danco has committed to working Saturdays. Mrs. Stanley asked Mr. Codell at what point do we acknowledge that the plan that they have given, starting today, will work and at what point do we give them that third letter of separation. Mr. Codell stated if they do provide the manpower, 14 masons and 10 or so laborers, and accelerating their schedule in an attempt to make up time, then that would be acceptable. Mr. Codell said that he will put together a 45-60 day schedule and, if Danco cannot make the dates, then it will be time to take those steps to either remove them from the project or declare them in default. Mr. Codell stated that they gave him the date of November 8th for the low bearing masonry to be completed and, if they make that date, there should be no reason that the entire schedule cannot be made back up. Dr. Sally Sugg asked Mr. Codell what date was it when they first knew that there was an issue. Mr. Codell said that it was about six (6) weeks prior to his first letter of June 28th. Dr. Sugg asked if Mr. Codell could give the Board some kind of guarantee that there will not be a problem with the other sub-contractors and that he is keeping on track of all sub-contractors and not just the masonry work. Mr. Codell confirmed that all of the other trades thus far have supplied plenty of manpower with no scheduling or coordination issues. Mrs. Lisa Baird asked Mr. Codell if there was some kind of legal reason why we had to wait from June to the end of September to send the second letter. Mr. Codell said that there was no legal reason and that after the first letter, that did seem to help, however, when the electrician walked off of the job on July 28th, that threw a wrench into the job. Mrs. Stanley asked Mr. Codell to send her a weekly update on what is going on as he has done in the past on another issue. Mr. Codell said that he will start that immediately.

VII. Adjourn

Order #71 - Motion Passed: A motion to adjourn the meeting at 6:21 p.m. passed with a motion by Mr. Michael Waller and a second by Mrs. Lisa Baird.

5 Yeas - 0 Nays.

Mrs. Lisa Baird	Yes
Mr. Wesley Smith	Yes
Dr. Sally Sugg	Yes
Mr. Michael Waller	Yes
Mrs. Tracey Williams	Yes

Lisa Baird, Chairperson

Marganna Stanley, Superintendent