



**Jessamine
County
Schools**

871 Wilmore Road
Nicholasville, Kentucky 40356
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Superintendent

Matt Moore

**Deputy
Superintendent**

Michelle Gadberry

**Chief Academic
Officer**

Dr. Michele Reynolds

**Chief Financial
Officer**

Jason U'Wren

Jessamine County Board of Education
871 Wilmore Road
Nicholasville, KY 40356

Board Meeting held at: Jessamine County Board of Education
871 Wilmore Road
Nicholasville, KY 40356
September 03, 2021

On motion made by Denise Adams, second by Steven Scrivner, that the Board of Education of Jessamine County, Kentucky approved the request approval by the Kentucky State Board for Elementary and Secondary Education authorizing the acquisition and site preparation costs exceeding ten (10) percent of the maximum budget for the middle school project of sixty five (65) acres of the TA White Farm, LLC property at 3093 Ashgrove Road, Nicholasville, Kentucky 40356 pursuant to 702 KAR 4:050.

Carried 3.0 Aye—Adams, Hood, and Scrivner

1.0 Nay—Day

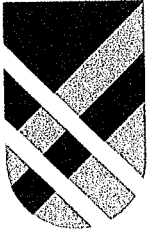
BO # 34 09/03/2021



Matt Moore
Superintendent

Jessamine County Board of Education

Agenda Item



**Jessamine
County
Schools**

APPROVED

SEP 03 2021

BO# 34

- ☐ Consent Agenda
- ☒ Action Item
- ☐ Report
- ☐ Information

Meeting Date: September 3, 2021

Staff Contact Person: Jason U'Wren, Chief Financial Officer/Treasurer

Subject: Request Kentucky Board of Education approval to acquire property

Background: Background: On June 3, 2021, the Jessamine County Board of Education approved an Option to Purchase Contract to acquire 65 acres of the White Farm Property at 3093 Ashgrove Road for a new middle school. The middle school is Priority 2a.1 on the current District Facilities Plan (DFP) which was developed by the Local Planning Committee and has been approved by the Board and the Kentucky Board of Education. The site acquisition cost also includes property for a future elementary school in DFP Priority 5. Site acquisition is administered by KDE under 702 KAR 4:050 Building Sites, Inspection & Approval. Providing the documents required by this regulation included securing funding from the legislature for the Transportation Cabinet to construct improvements to the intersection and the school entrance and having the Interlocal Agreement between the South Elkhorn Water District and LFUCG modified in order to provide sanitary sewer service for the school. KDE's evaluation of these documents determined that pursuant to Section 5 of the regulation for final approval the Jessamine County Board of Education must request approval by the Kentucky Board of Education to acquire this property for which the acquisition and site preparation costs exceed ten (10) percent of the maximum budget for the middle school project.

Budget Implications: General & Building Funds will be utilized for this purchase.

Superintendent's Recommendation: Approve request for approval by the Kentucky Board of Education to acquire 65 acres of the White Farm Property at 3093 Ashgrove Road for which the acquisition and site preparation costs exceed ten (10) percent of the maximum budget for the project.

Andy Beshear
Governor



Lt. Gov. Jacqueline Coleman
Secretary
Education and Workforce
Development Cabinet

Jason E. Glass, Ed.D.
Commissioner and Chief Learner

KENTUCKY DEPARTMENT OF EDUCATION
300 Sower Boulevard • Frankfort, Kentucky 40601
Phone: (502) 564-3141 • www.education.ky.gov

~~May 17, 2021~~ Updated August 25, 2021

Mr. Matt Moore, Superintendent
Jessamine County Public Schools
871 Wilmore Rd.
Nicholasville, Kentucky 40356

**RE: JESSAMINE COUNTY: Property Acquisition for
New Middle School - DFP Priority 2a.1 (19 acres min.)
and
Future Schools - DFP Priority 5.2
Lot 2 White Farm (63.83 acres +/-)
3093 Ashgrove Road (KY 1980)
Nicholasville, KY**

Dear Superintendent Moore:

Please note the following **comments in bold font** regarding the documents submitted by the district for final approval related to the requirements enumerated in our tentative approval letter dated January 13, 2021:

1. Letter from attorney indicating fee simple title may be obtained. The title opinion shall be for a period of sixty (60) years. Should the mineral rights not be acquired, a forbearance agreement to ensure surface support shall be required.

Received: Letter dated April 12, 2021 from Howard Downing, Attorney at Law, stating that the current owner has fee simple ownership of the larger tract from which the referenced site will be severed.

~~The title opinion did not state the period for which the examination was conducted. Please have Mr. Downing address this matter.~~

Letter dated July 22, 2021 from Ellen L. Miller, Attorney at Law, as an agent for Old Republic Title Insurance Company issued a Commitment for Title Insurance (referenced below) for a period beginning September 7, 1955 which exceeds the sixty (60) year period required by KDE.

2. Commitment for title insurance.

Received: Email providing the Title Insurance Estimated Expense.

~~This does not meet the requirement of the regulation. Please have Mr. Downing address this matter.~~
ALTA Commitment for Title Insurance issued by Old Republic National Title Insurance Company with a proposed policy amount of \$2,275,000.00 received July 21, 2021.

Mr. Matt Moore, Superintendent

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3. Plat by a registered surveyor indicating property boundaries, acreage, road access, easements, and certification that property is above the 100 year flood plain.

Received: Boundary Survey dated April 20, 2021 performed by Endris Engineering, Kevin M. Phillips, Licensed Professional Land Surveyor, KY #3350. This document provided the boundaries and total acreage of the T. A. White Farm including Lot 2, the proposed site; road access, easements, and information regarding the 100 year flood plain. Also provided was the survey with the same information superimposed on a satellite photograph of the adjacent areas. Compliant with the regulation.

4. Letter from professional engineer and/or municipal government agency providing assurance of adequate site utilities to include water, power, natural gas, and sewage treatment.

Received:

Water: Letter dated April 14, 2021 from Robert A. Amato, Director of Utilities and Finance, The City of Nicholasville regarding water and sewer service. The letter stated that providing water service to the site will require offsite improvements estimated to be between \$350,000 and \$400,000 to be borne by the "developer of the property."

~~Clarify if the estimated cost is for water service sized to serve only the school or if it represents the estimated cost associated with water service sized to accommodate other anticipated development. If the latter, confirm that it is the estimated cost of the district's proportionate share of the water service and identify the cost in the site cost analysis required by Item 8 below.~~

August 16, 2021 email from Robert A. Amato, Director of Public Utilities and Finance for the City of Nicholasville, stating the estimate for the off-site water line construction was based on the line size needed to serve the school and no additional cost for upsizing was included.

Sewage treatment:

The above letter also stated that sanitary sewer service would be served by the Jessamine-South Elkhorn Water District. Letter dated April 26, 2021 from David K. West, Jessamine County Judge/Executive to Linda Gorton, Mayor Lexington-Fayette County Urban County Government, requests that the existing Interlocal Agreement between the two agencies be modified to include the proposed school site. The letter states that representative of both agencies have agreed in concept, however, approval requires formal actions to occur.

~~The documentation provided does not assure the availability of sanitary sewer service to the site. Provide assurance regarding the availability of adequate sewage treatment to the site.~~

July 9, 2021 Amended Agreement between Jessamine-South Elkhorn Water District and the Lexington Fayette Urban County Government to include the proposed school site in the service area served by the West Hickman Wastewater Treatment Plant.

July 16, 2021 Letter from Jessamine-South Elkhorn Water District stating that "Subject to the District's rules and policies and those of the Kentucky Public Service Commission and the Lexington Fayette Urban County Government, the Jessamine South Elkhorn Water District has sufficient capacity and availability to serve the proposed school to be located on Ashgrove Road."

Power: Undated letter from Tanya Reed, Staking Technician for Blue Grass Energy, stating that 3 phase power is available.

Natural gas: Letter dated April 13, 2021 from Jeffrey C. Steele, Manager Development and Administration for Delta Natural Gas Company, Inc. In summary, the site is one mile from an existing gas main. Taking into consideration anticipated residential development and the construction of two schools (only one of which is in Priorities 1 through 4 on the current DFP), the district would be required to prepay Delta Gas

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\$22,000 which would be subject to reductions dependent on other customers being served over a ten year period.

~~Clarify that natural gas will be used by the school, and if so:~~

~~Confirm that the \$22,000 estimated cost is appropriate for the one school on the current DFP (in Priorities 1 through 4) and identify the cost in the site cost analysis required by Item 8 below.~~

July 21, 2021 email from Mr. Jason UWren, JCPS Director of Finance and Business, stating that "We plan to utilize gas for the Middle School. The estimated costs are appropriate for the Middle School and included in the site cost analysis."

5. Letter from KYTC confirming roadway adequacy and funding commitment for any improvements constructed on the right of way of Ashgrove Road (KY 1980).

Received: Letter dated March 22, 2021 from Tracy Nowaczyk, P.E., Director, KYTC Division of Maintenance, confirming roadway adequacy and funding commitment for proposed improvements constructed in the right of way of Ashgrove Road.

~~Confirm that the district is aware of the following conditions:~~

- ~~• "Construction on right of way shall not commence prior to completion of the necessary widening of KY 1980 associated with the KYTC 2020 Six Year Plan, Item #7-103.00" and that the district's need to construct access to the site from KY 1980 will not occur prior to completion of the widening of KY 1980.~~

- ~~• The potential requirement to "transfer property as deemed necessary by KYTC for the construction and maintenance of the roadway to KYTC after the construction..." will be subject to 702 KAR 4:090.~~

July 21, 2021 email from Mr. Jason UWren, JCPS Director of Finance and Business, stating that "We are fully aware and confirm that we will "transfer property as deemed necessary by KYTC for the construction and maintenance of the roadway to KYTC" and that we will not commence construction until widening of KY 1980 has occurred."

6. Letter from architect or engineer regarding any potential environmental or safety hazards in the vicinity of the proposed site.

Received: Phase I Environmental Site Assessment (ESA) dated April 22, 2021 prepared by Environmental Assessments, LLC, which stated "We have identified no recognized environmental conditions associated with the subject property that warrant further investigation."

7. Schematic site plan identifying the location of the proposed buildings, site improvements (required outdoor play areas and other anticipated site amenities), site parking and circulation including all ingress/egress locations and demonstrating that traffic will not back up on public rights of way.

Received: Diagrammatic Site plan prepared by Carman for Middle School – Elementary School Combined Campus (64.9 acres ±) with building locations, circulation, parking and recreation areas.

8. Site survey of site development costs by architects or engineers and projected acquisition cost. Survey shall include but not be limited to: mass site excavation, cost of bringing utilities to site and infrastructures, on-site roadway access (less paving), geotechnical survey (drilling a minimum of four (4) holes for subsurface conditions) with associated above normal footing requirements, any costs for hazardous condition cleanup, and acquisition cost. The site survey shall provide alternative locations or elevations of building as requested by the Kentucky Department of Education on the proposed site.

Mr. Matt Moore, Superintendent

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Received:

Email dated February 4, 2021 from Chris Howard, PLA, Principal, Carman Landscape Architecture/Urban Design/Civil Engineering. The email provided lump sum estimated costs for a Middle School-High School campus (105 acres) and a Middle School-Elementary School campus (65 acres).

~~For the purposes of KDE's evaluation, only the estimated costs associated with the middle school (DFP Priority 2a.1) are applicable. Provide the costs associated with the middle school in a detailed manner as described above and as noted in Item 4 (above) regarding utilities.~~

Site cost evaluation received July 21, 2021.

Preliminary Geotechnical Exploration dated April 22, 2021 was prepared by CSI - Consulting Services, Incorporated. The site is in an area with intense Karst potential and has one mapped sink hole. Ten borings were performed – four were within the proposed location of the middle school on the above plan. The primary geotechnical concerns were varying depth to bedrock, grade selection and Karst.

Recommendations related to these concerns were provided.

9. An appraisal by a certified general property appraiser.

Received: Appraisal Report of Portion of White Farm LLC dated April 16, 2021 prepared by Kentucky Appraisal Team Services, Inc., William L. Moore III, KY General Certified Real Property Appraiser #1994. Report stated the "as-is" market value is \$2,275,000 based on a site size of 65.00 acres.

Property Information from the Jessamine County PVA Office indicating a Fair Cash Value Assessment of \$1,425,000 for 127.8 acres. Data was last uploaded 9/18/2019.

10. Proposed sale/purchase agreement.

~~Received: Revised Option to Purchase Contract (approx. 65 acres) at \$36,759/acre.~~

~~63.83 acres (+/-) x \$36,759/acre = \$2,346,327 which is than 5% above the appraisal and considered to be de minimis.~~

Signed Option Contract dated June 3, 2021 received August 17, 2021 which stated a revised price of \$35,000/acre for 65 acres resulting in a purchase price of \$2,275,000.

11. Certification that all reasonable sites within the approvable area have been reviewed and a decision has been made by the local board not to pursue acquisition of those sites. This certification shall list the sites reviewed and include reasons site was not acceptable. This shall be submitted to the Department prior to approval of the final chosen site.

Received: A listing of the addresses of properties investigated with acreage, price and reason for not pursuing approval.

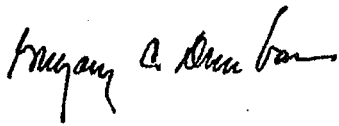
~~The documentation submitted by the district is incomplete as of this date. Please respond to our comments related to Items 1, 2, 4, 5 and 8 in order for KDE to further evaluate if the site is approvable and/or if action is required by the Kentucky Board of Education regarding the site cost analysis survey and acquisition cost exceeding ten (10) percent of the maximum budget for the project pursuant to 702 KAR 4:050. Recent receipt of the documents identified in bold italic font completes the submittal requirements for KDE approval, however, as you are aware, our evaluation has determined that the site acquisition cost and site development costs do exceed the ten (10) percent threshold of the total project cost established by the regulation, therefore, final approval by the Kentucky Board of Education (KBE) is required. We have drafted and revised a staff note for the October KBE meeting. A formal request by the Jessamine County Board of Education (a board order) to the KBE requesting approval is to accompany the staff note. The June board order provided by Mr. UWren does not address this request. We have scheduled a virtual meeting with him tomorrow to discuss this matter to prevent delay,~~

Mr. Matt Moore, Superintendent

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If you have any questions about any of the above, please call us at (502) 564-4326.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory C. Dunbar". The signature is fluid and cursive, with the first name "Gregory" being the most prominent.

Gregory C. Dunbar, AIA, Manager
Division of District Support
District Facilities Branch

cc: Jason UWren & John Clemons, JCPS
Ricky Sizemore, KYTC
Chay Ritter, James Bauman, KDE
KDE Property File