

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTGOMERY, VIRGINIA HELD ON THE 9TH DAY OF NOVEMBER, 2010 AT 6:00 P.M. IN THE MULTI-PURPOSE ROOM, FIRST FLOOR, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT: Annette S. Perkins (arrived 6:30 p.m.) -Chair
James D. Politis -Vice Chair
Mary W. Biggs -Supervisors
William H. Brown
Gary D. Creed
Doug Marrs
F. Craig Meadows -County Administrator
L. Carol Edmonds -Assistant County Administrator
Martin M. McMahon -County Attorney
Brian Hamilton -Economic Development Director
Ruth L. Richey -Public Information Officer
Vickie L. Swinney -Secretary, Board of Supervisors

B. Wendell Jones -School Board Chair
Phyllis T. Albritton -School Board Members
Jamie M. Bond
Penny J. Franklin
Drema B. Foster
Wat H. Hopkins
Joseph T. Ivers, Jr.
Brenda Blackburn -School Superintendent
Walter Shannon -Assistant School Superintendent
Lisa Radford -Deputy Clerk, School Board

ABSENT: John A. Muffo -Board of Supervisor

CALL TO ORDER

The Vice-Chair called the meeting to order for the purpose of holding a joint meeting with the Montgomery County School Board.

Mr. Politis recognized Boy Scout Troops # 152 and 704, who are in attendance tonight.

Both Boards had dinner from 6:00 – 6:30 p.m.

INTO WORK SESSION

On a motion by Mary W. Biggs, seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Work Session for the purpose of discussing the following:

1. Update on Cost Information Related to Repair/Renovation of Blacksburg High School
2. Possible Financing Options for School Construction Projects
3. School Board Resolution to the Board of Supervisors
4. Update on Old Blacksburg Middle School Property

The vote on the foregoing motion was as follows

<u>AYE</u>	<u>NAY</u>	<u>ABSENT DURING VOTE</u>	<u>ABSENT DURING VOTE</u>
Gary D. Creed	None	Annette S. Perkins	John A. Muffo
William H. Brown			
James D. Politis			
Mary W. Biggs			
Doug Marrs			

Supervisor Perkins arrived at 6:35 p.m.

Craig Meadows, County Administrator, asked if the order of topics to be discussed could be changed as follows:

1. Update on Cost Information Related to Repair/Renovation of Blacksburg High School
2. Update on Old Blacksburg Middle School Property
3. Possible Financing Options for School Construction Projects
4. School Board Resolution to the Board of Supervisors

By consensus the Board agreed to amend the order of the work session items.

School Board Chair Wendell Jones provided opening comments. Mr. Jones stated that the purpose of discussion was to provide a solution for the Blacksburg High School issue. Everyone needs to focus on reaching a consensus on two items: 1) decide if repairing the BHS is feasible; and 2) reach a consensus on funding.

He stated that both boards need to do what is in the best interest of the students and the community.

Update on Cost Information Related to Repair/Renovation of Blacksburg High School

Brenda Blackburn, School Superintendent, reported that on September 13, 2010 the Board of Supervisors approved a resolution to repair the BHS. On September 27, 2010 the Board of Supervisors approved a resolution to reconsider their vote to repair the BHS. Ms. Blackburn stated that the School Board staff has been working diligently to get an estimate on repair costs to the BHS.

Ms. Blackburn reported she was given the following two tasks by the School Board:

1. Determine what code would apply to the repairs to the BHS.
2. Provide a cost estimate on the twelve (12) items listed for repair provided by the Town of Blacksburg Code Office.

Ms. Blackburn stated that the presentation tonight will provide the best information that can be determined at the present time. To date, a total of 0.5 million has been spent on the Blacksburg High School.

Walt Shannon, Assistant Superintendent, made a presentation on the cost information related to the repair/renovation of Blacksburg High School as follows:

Background/History

- Gym collapsed Feb. 13, 2010
- Initial effort was to return students to school, find the cause for the collapse, and remove collapsed gym roof.
- To reoccupy the building the cause of collapse had to be identified and the building evaluated that it could be reoccupied.
- OWPR, who assisted with the response to collapse, was contracted to evaluate building.

- Initially it appeared that main building was not damaged by the collapse and once gym was removed and some building repairs made, students could return to the building.
- As building plans and specifications were reviewed it was determined that some structural items did not match specifications.
- During the past several months numerous questions, concerns, myths, cost estimates, and scenarios have been discussed and presented.
- All rumors, questions, and concerns cannot be answered without further evaluation and testing to determine the facts.
- From the code review, fire inspection, and discussions, it appears that the building will not be approved without additional changes and upgrades.

The following will review, summarize, add, and update options for BHS:

- Option A - Repair Estimate
- Option B - Full Renovation
- Option C - New Construction

Note: All costs listed are estimates and not based on bids

PLAN A

Description	Construction Estimate	Design/CM	Contingency	Total Budget
Testing of Concrete Beams	\$95,000	\$20,000	\$9,500	\$124,500
Demolition/Repair Walls for Testing	\$325,000	\$14,000	\$32,500	\$371,500
Tear off/Patch Roof for Testing	\$259,000	\$9,000	\$25,900	\$293,900
OWPR's Category 1 Items	\$141,000	\$3,000	\$14,100	\$158,100
Wall Settlement Repairs	\$66,000	\$3,000	\$6,600	\$75,600
Auditorium Roof Structural Repairs	\$170,000	\$8,000	\$17,000	\$195,000
Deficient Concrete Beams Repair	\$3,400,000	\$148,000	\$340,000	\$3,888,000
Replace Roof after Repairs	\$715,000	\$45,000	\$71,500	\$831,500
Design Contingency		\$25,000		\$25,000
Sub-Total Testing & Repairs	\$5,171,000	\$275,000	\$517,100	\$5,963,100
Gym Replacement	\$6,492,761	\$1,207,530	\$770,029	\$8,470,320
Total Gym Replacement, Testing & Repairs	\$11,663,761	\$1,482,530	\$1,287,129	\$14,433,420

Replace Heating, Ventilation & Air Conditioning	\$2,641,800	\$220,332	\$437,868	\$3,300,000
Replace Fire Alarm	\$265,000	\$17,000	\$26,500	\$308,500
Restroom ADA Requirement Upgrade	\$200,000	\$15,800	\$20,000	\$235,800
Add Sprinkler System	\$838,000	\$40,700	\$83,800	\$962,500
OWPR' Category 2 items	\$24,000		\$2,400	\$26,400
Exterior-33 items				
Borings-four (4) as suggested in ATS' report	\$6,630		\$660	\$7,290
ATS Math Classroom M-6 Resistivity Imaging /GPR	\$3,500		\$350	\$3,850
Total	\$3,978,930	\$293,832	\$571,578	\$4,844,340
Total Repair, Testing, Gym	\$15,642,691	1,776,362	1,858,707	\$19,277,760

ADDITIONAL ITEMS PLAN A
(Not Included in School Board Approval List)

Description	Construction Estimate	Design/CM	Contingency	Total Budget
Replace Vinyl Asbestos Floor Tile	\$256,000	\$25,600	\$25,600	\$307,200
Replace Carpet	\$91,000	\$9,100	\$9,100	\$109,200
Paint Interior Walls	\$418,000	\$41,800	\$41,800	\$501,600
Replace Ceiling Grid and Tiles	\$418,000	\$41,800	\$41,800	\$501,600
Replace Auditorium Seating	\$210,000	\$21,000	\$21,000	\$252,000
Replace Furniture and Upgrade Technology	\$1,500,000	\$150,000	\$150,000	\$1,800,000
Subtotal of Additional Interior Improvements	\$2,893,000.00	\$289,300.00	\$289,300	\$3,471,600
Grand Total	\$18,535,691	\$2,065,662	\$2,148,007	\$22,749,360

Summary Plan A

- Total Plan A \$22,749,360
- Building Official \$ 3,539,540
 - Less items in Plan A:
 - HVACCost- (\$3,300,000)
 - Resistivity Testing (\$3,850)
 - Soil Borings (\$7,290)
- Subtotal \$3,311,140
- Sum of Prior Estimates \$22,977,760
- Plus cost of items not estimated yet?

PLAN B

- Full Renovation of BHS to Recapitalize Building
 - Resolve some code issues since work will include current code
 - Address safety concerns
 - Change design where feasible to address educational program needs
- Cost for 1216 students- \$42,750,000 to \$47,000,000
- Add classrooms to increase capacity up to 1600 students
 - 20 classrooms at 1200 sq ft = 24,000 sq. ft
 - 24,000 sq. ft x \$180 plus 33% = \$5,745,600
 - Total for 1600 capacity = \$48,495,600 to \$52,745,600

PLAN C

- Build new HS on land at Price's Fork
 - Estimated Cost 1200 students 240,000 sq. ft. = \$57,456,000
 - Estimated Cost 1600 students 270,000 sq. ft. = \$64,638,000

Formula = Total Sq. Ft. x \$180/ sq. ft. x 1.33% additional costs

Old Blacksburg Middle School – Update

Craig Meadows, County Administrator, introduced Brian Hamilton, Economic Development Director for Montgomery County, who provided an update on the Old Blacksburg Middle School property.

Mr. Hamilton reported the Old Blacksburg Middle School site consists of approximately 20 acres adjoining Main Street in Blacksburg with two main buildings. The property is currently zoned R4 by the Town of Blacksburg which allows residential development by right with a density up to four (4) single family houses per acre.

An appraisal of the property was conducted with information reported as follows:

1. Sell site as zoned R-4 with building removed value is \$2,789,360
2. Rezone Site to mixed use, remove building and sell value is \$8,100,000

Demolishing the building and rezoning property for "Mixed Use" development provides greatest return to County Taxpayers/Schools.

The Economic Development Department has completed the following:

- Phase 1 Environmental Site Assessment
- Alta Survey of Property
- Asbestos Report Update
- Design and Bid for Asbestos Removal

The Board of Supervisors has approved authorization to proceed with asbestos removal and authorization to proceed with plans for building demolition. A total of 8 bids have been received for the asbestos removal. The lowest bid was \$135,617 and the highest \$549,450. The asbestos removal should be completed in November or December 2010.

The next steps are as follows:

November 2010	Bid Building Demolition
December 2010	Appropriate funds for demolition
January 31, 2011	Complete building demolition
February 2011	Property Rezoning - Submit rezoning application to Town of Blacksburg (90 to 120 Day Process)
May 2011	Property Rezoned
June 2011	Issue RFP for Developers

The project is proceeding according to plans. Mr. Hamilton offered to answer any questions.

Penny Franklin asked if there were any interested buyers for the site. Mr. Hamilton stated that they have received inquiries about both commercial and residential development.

Wat Hopkins asked if the site could be rezoned without a planned project. Mr. Hamilton explained that the Town of Blacksburg would probably not consider a rezoning without some type of site plan.

Financing Options

The County Administrator presented an update on financing options for capital projects.

In 2006, the Board of Supervisors agreed to a \$130 million plan for capital projects which included:

- \$98.9 million for school facility projects
- \$31.1 million for county facility projects

Borrowing was to be based on maintaining Board approved debt ratios. Initial plan was to borrow as follows:

FY 2007	\$ 45,000,000
FY 2009	\$ 45,000,000
FY 2011	<u>\$ 40,000,000</u>
Total	\$130,000,000

County and School Capital Project borrowing to date:

- \$77 million Lease Revenue Bonds (\$7 million reserve) issued in August 2008
- \$15 million Qualified School Construction Bonds issued in November 2009 and July 2010
- \$5.5 million Energy Bonds issued in July 2010
- Total borrowed since FY 07 = \$97.5 million for County and Schools.

The County Administrator reported that the County has several financial approaches as follows:

- Cash: Fund through local revenues
- Bonds: Borrow funds in the debt market or through the Economic Development Authority, Literary Loan, Virginia Public School Authority (VPSA), Taxable Build America Bonds (BABS), or Rural Development
- Bank Loans: Borrow directly from a bank

The County Administrator stated Qualified School Construction Bonds (QSCB), a program authorized by the American Recovery and Reinvestment Act, were utilized for the Eastern Montgomery and Prices Fork Elementary Schools at 0% interest. The State of Virginia has \$300 million left in QSCB to be allocated state-wide. Applications are due November 19, 2010. There is a \$15 million cap with criteria. Only one project per application can be submitted.

The County Administrator explained that the State will look at applications from localities that have not received QSCB funding in the past as top priority. He suggested that the County and Schools lobby the state officials to help obtain additional funding for the critical school capital needs in Montgomery County.

School Board Resolution to the Board of Supervisors

Wendell Jones, School Board Chair, reported that the School Board's resolution adopted on September 7, 2010 defines the following four issues:

1. The School Board declares the replacement of Auburn High School, Auburn Middle School, and Blacksburg High School as critical projects;
2. The School Board declares the need to replace these school buildings as urgent;
3. The School Board requests the replacement of the identified schools at an estimated cost of \$124,556,000; and
4. The School Board will coordinate with the Board of Supervisors to assist in the development of a plan to fund the replacement of these schools.

Mr. Jones stated both Boards need to make a consensus agreement on school issues in the County. He stated there are a total of 2,000 misplaced students from Blacksburg High and Middle Schools. There are estimated 1,000 students being bused to another community to attend school and all of this comes at a higher cost. He stated that the Auburn schools are also at a critical and urgent level.

Mr. Jones stated that the School Board needs direction from the Board of Supervisors on what the Board of Supervisors wants and is willing to do.

Chair Perkins stated that the Board of Supervisors has heard what the School Board and Board of Supervisors have to say regarding the Blacksburg High School and Auburn High/Middle Schools. She stated the Board of Supervisors needs to take action on the School Board's resolution requesting \$124 million to fund all three projects. She believes that whatever is decided, repair, renovate or build a new BHS, will cost money either way and the tax rate will have to be increased. The increase in taxes will not have to be implemented at one time but can be phased in over time. She suggested that an addendum be added to the Board of Supervisors November 10, 2010 meeting to discuss the School Board's request.

OUT OF WORK SESSION

On a motion by William H. Brown, seconded by James D. Politis and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	John A. Muffo
James D. Politis		
Mary W. Biggs		
Doug Marrs		
Gary D. Creed		
Annette S. Perkins		

ADJOURNMENT

The Chair declared the meeting adjourned to Wednesday, November 10, 2010 at 7:15 p.m.

The meeting adjourned at 9:55 p.m.

APPROVED: _____ ATTEST: _____
Annette S. Perkins F. Craig Meadows
Chair, Board of Supervisors County Administrator